

2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF AURORA, COLORADO



FOR THE YEAR ENDED DECEMBER 31, 2009





Comprehensive Annual Financial Report

Prepared by the Controller's Office
Finance Department

Year Ended December, 31 2009

2009

*Prepared by the Controller's Office
Finance Department*

John Gross, Director
Jo Ann Giddings, Controller
Nancy Wishmeyer, Accounting Administrator
Jennifer Keller, Accounting Supervisor
Maggie Wilson, Accounting Supervisor
Dan Cunningham, Senior Accountant II
Carisa Redlick, Senior Accountant II
Tony Tharp, Senior Accountant I
Ralph Cannon, Accountant II
Dave Mullen, Control Management Administrator

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Finance Department
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June 15, 2010

To the Honorable Mayor, City Council, and Citizens of the city of Aurora, Colorado:

We submit, for your information and review, the Comprehensive Annual Financial Report (CAFR) of the city of Aurora, Colorado (the city), for the year ended December 31, 2009.

This report consists of management's representations concerning the finances of the city of Aurora. Consequently, management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the city. The city has included all disclosures necessary to enable the reader to gain an understanding of the city's financial activities.

The City Charter requires an annual audit by independent certified public accountants selected by the City Council. The goal of the independent audit was to provide reasonable assurance that the financial statements of the city for the fiscal year ended December 31, 2009, are free of material misstatement. The independent accountant, BKD, LLP, concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the city's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Independent Accountants' Report on the city's financial statements is included in the Financial Section of this CAFR.

The independent audit of the financial statements of the city is required to complete the federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The results of this single audit are available in the city's separately issued Single Audit Report.

U.S. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The city's MD&A can be found immediately following the report of the independent accountant.

GOVERNMENTAL STRUCTURE

The city of Aurora is located on the eastern slope of the Rocky Mountains and lies in the six county Denver/Aurora metropolitan areas (the metro area). The metro area is the economic center of the State of Colorado (the State). Aurora is the third largest city in the State with an estimated population in 2009 of 314,326. This is approximately 13 percent of the metro area population. The city provides general government services including police, fire and emergency medical services, public works, water and wastewater, parks and recreation facilities, libraries and golf courses.

The city utilizes the Council-Manager form of government, adopted by the city in 1954. In 1961, the city became a Home Rule city by adopting its own charter. In 1993, the City Charter was amended to provide for a full-time Mayor, beginning January 1, 1996. The duties of the Mayor were not changed and the Council-Manager form of government was not changed. The eleven members of the City Council (including the Mayor, who is elected specifically to that position) are chosen biennially for staggered four-year terms in non-partisan elections. Council members elected prior to November 1, 2005 are limited to two consecutive terms of office. Council members elected after November 1, 2005 are limited to three consecutive terms of office. The City Manager is responsible for the administration of city operations and

for carrying out policy as set by the City Council. The City Manager serves at the pleasure of the council. Also serving at the pleasure of the Council are three other appointees: the City Attorney, the Presiding Judge, and the Court Administrator. Each of these appointees is responsible for the administration of his or her respective operation, although the City Manager has overall responsibility for general management functions such as financial operations and personnel rules and regulations.

FINANCIAL CONDITION

The city has historically managed well through economic cycles and is strong financially. It is recognized as such by independent bond rating agencies. Aurora maintains adequate fund balances for emergencies, generally budgets to have revenues equal, if not exceed, expenditures, and manages the budget during the year as necessary to achieve bottom-line budgeted results. Aurora's citizens have also been supportive. They have approved a number of bond issues for infrastructure and have approved two ballot questions that have changed the City's Charter to exempt city fees and its main revenue source, sales and use tax, from state constitutional "Taxpayer Bill of Rights" (TABOR) revenue limits. The city also maintains internal controls and budgetary controls to ensure adequate oversight of city assets, accounting information and expenditures.

The city (and nation's) economy experienced a slowdown beginning in the last quarter of 2007. Changes in the economy have had a direct impact on city revenues. Sales and use tax revenues made up 63% of total General Fund budgetary and GAAP revenues, net of transfers, in 2009. High unemployment, decreased consumer confidence and lower consumer spending caused a 5.2% reduction in sales and use tax collections per budgetary basis (6.4% reduction per GAAP basis). Property tax represents an important secondary general revenue source that is less impacted than sales and use tax by changing economic conditions. Property tax was 12% of total General Fund budgetary and GAAP revenues, net of transfers in 2009. In 2009 property tax revenue increased by 4% (budgetary and GAAP basis). However, a significant decrease is expected to occur in 2010 based on the recent biennial reassessment. A further decrease is expected in 2012 with the 2011 biennial reassessment. The city will continue to make substantive reductions in budgeted expenditures to offset the revenue losses due to the poor economy.

As of the writing of this letter, the national and local economies are beginning to recover; however, the recovery is expected to be slow. General Fund revenues in 2010 are not expected to achieve the budgeted level. Steps are being taken to reduce expenditures and to achieve a General Fund bottom-line as originally budgeted. The 2010 budget status will continue to be monitored to determine if additional budget balancing actions are needed.

The city expects to maintain most of its General Fund reserves, even during the weak economy, through the financial discipline of matching expenditures to revenues, continued management of the growth of city expenditures and through evaluation of options for enhancing revenues. The city maintains a Policy Reserve Fund for unanticipated major emergencies, but does not anticipate using these funds for the 2010 budget year.

The city expects to face significant budget challenges in the future as expenses (at current service levels) are projected to grow faster than revenues. In light of these challenges, the city continues to examine options that increase revenues and those that decrease expenditures. At present, most of the options selected decrease expenditures. The city expects to continue to adjust revenues and/or expenditures to maintain a balanced budget.

GROWTH AND DEVELOPMENT

The city is currently anticipating several years of slow General Fund operating revenue growth (not including building materials use tax, which typically is used for capital purposes), after an anticipated net decline in 2010. The slow growth is expected to impact not only operating revenues, but revenues used for capital purposes, revenues from tap fees (new construction connection to water lines), construction and growth. The city is planning for several years of slow revenue growth and much lower levels of construction and development activity. The long-term outlook remains very good because of the medical and military centers that Aurora has, along with many square miles of undeveloped land.

The city has a number of practices intended to help ensure that development does not put undue burdens on the city. Before any annexation or development is considered, landowners must agree to build or arrange construction of the required infrastructure. These up-front commitments routinely include the construction of water and sewer lines, roads, bridges, and drainage improvements. In many new developments, infrastructure is funded and constructed by special districts, which are local taxing entities formed by the landowners with the approval of the city. Landowners also must dedicate to the city groundwater rights they own, donate parcels for fire stations and schools, and preserve land for parks and open space.

As with almost all other Colorado cities, sales tax is the city's main revenue source. The city's retail is well positioned to capture retail sales as it has a number of regional retail centers, including some on the city's borders. While Aurora does not expect any major new regional retail centers to be built in the near future, the city continues to maintain a development related retail specialist position to help the city support and enhance the city's retail environment.

The city is continuing a major capital investment in its water system to increase the city's water supplies for both growth and the inevitable periodic drought conditions. The Prairie Waters Project (PWP) continues to be the cornerstone of the city's capital improvement plan. The PWP, originally budgeted at \$754 million, is expected to be almost \$100 million under budget and completed on schedule. The PWP will recycle water extracted from the South Platte River north of the metro area, treat it and transport it to customers in Aurora. It will deliver as much as 3.3 billion gallons of water to the city annually, 20 percent more than is available today. The Prairie Waters Project and other capital improvement projects are being financed primarily through the issuance of revenue bonds that will be repaid in future years from revenues generated by payments from current and future customers.

Aurora has a number of key factors that position it well for future economic growth:

Denver International Airport (DIA) – This airport on Aurora's northern border is the fifth busiest airport in the United States and generates substantial development activity in the immediate area.

The E-470 Highway – The E-470 toll highway comprises the entire eastern half of the metro area's beltway, affording easy access between Aurora and DIA, as well as all other regional employment centers. The E-470 toll highway is having a positive impact on development in the city and is expected to influence the patterns and level of growth in the area for the foreseeable future.

Fitzsimons - The 578-acre former Fitzsimons Army Medical Center, which closed in 1999, is now the site of the largest medical-related redevelopment project in the nation. This \$5 billion project has become the hub for the biotechnology industry in the Rocky Mountain Region. The site includes the Colorado Science and Technology Park at Fitzsimons, the Anschutz Medical Campus of the University of Colorado, the Children's Hospital, the Veterans Administration Hospital, and 21 Fitzsimons. The total redevelopment program for Fitzsimons calls for over 18 million square feet of new construction phased over 25-30 years. Approximately six million square feet are built-out to date. Current employment at the site is approximately 16,000 and is anticipated to reach over 45,000 at build-out, with jobs in teaching, patient care, basic-science research and biotechnology research and development. While Fitzsimons is not expected to directly provide significant new revenue to the city budget due to its tax exempt and incentivized development, it is a major economic engine for Aurora and the surrounding area.

Buckley Air Force Base - Buckley Air Force Base (Buckley) is one of the key components of the United States Air Force Space Command and home to 77 different military missions. These missions are comprised of every service component and service. Due to the increasing importance of Buckley's mission, the base came under Air Force control in 2000. Buckley is expected to be an important military base into the foreseeable future. The Department of Defense employs nearly 14,000 full-time military, part-time guard and reservists, civilian and contractual personnel at Buckley. Buckley's satellite technology focus has led a number of Fortune 500 companies to increase their presence in the area. Currently, Lockheed Martin, Raytheon and Northrop Grumman each employ more than 500 workers in nearby office parks.

Light Rail - The metro area Regional Transportation District has plans to build a light rail transit line and accompanying stations that will afford direct service to the Aurora City Center, the Fitzsimons Medical

Campus, the I-225 Corridor, as well as connections to the Southeast I-25 Business Corridor and the East Corridor. The East Corridor commuter rail service to DIA and Denver Union Station will be offered from the Peoria-Smith station. While this project has been approved, funding is inadequate to construct all of the planned light rail expansion, including the I-225 Corridor. The Regional Transportation District may hold an election in the fall of 2012 to determine if voters will approve additional funding. The East Corridor is proposed to be built through a public-private partnership, which is not dependent on the results of the 2012 vote.

Urban Renewal - The city currently has eight urban renewal areas. The city and Aurora Urban Renewal Authority (AURA) actively work with developers, where appropriate, to encourage development of blighted areas. Urban renewal and associated tax increment financing districts have been major factors in a number of important developments. The AURA Board has the same membership as the City Council.

Aurora Campus for Renewable Energy (ACRE) - ACRE is a 1,762 acre city-owned parcel in the northeast plains portion of Aurora and south of Denver International Airport. The land is set aside for renewable energy research and development. The city hopes that this site will become a premier research site for renewable energy research. The initial development of the ACRE will be by the Solar Technology Acceleration Center (SolarTAC). SolarTAC includes six public and private sector entities, all invested in advancing and accelerating the commercialization of solar technology.

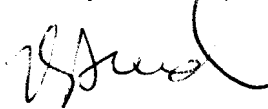
OTHER INFORMATION

Awards – The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the city for its comprehensive annual financial report for the year ended December 31, 2008. The Certificate of Achievement is a prestigious national award, which recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year. The city has received the certificate for twenty-three consecutive years. We believe that our current comprehensive annual financial report continues to meet the requirements of the Certificate of Achievement program and we are submitting it to the GFOA.

Acknowledgments – The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the staff of the Finance Department and of other city departmental staff who contributed information in the report. Finally, we wish to thank the Mayor, and City Council for their continued support.

Respectfully submitted,



Nancy Freed
Interim City Manager



John Gross
Finance Director



Ron Miller, City Manager



**City Manager and
Council Members
2009**



Mayor Ed Tauer



Bob Broom
Mayor Pro-Tem, Ward VI



Deborah Wallace
Ward I (outgoing)



Melissa Miller
Ward I (incoming)



Renie Peterson
Ward II



Larry Beer
Ward III (outgoing)



Marsha Berzins
Ward III (incoming)



Molly Markert
Ward IV



Sue Sandstrom
Ward V



Steve Hogan
At-Large (outgoing)



Barbara Cleland
At-Large (incoming)



Bob FitzGerald
At-Large



Ryan Frazier
At-Large



Brad Pierce
At-Large



City Council-2009

City of Aurora, Colorado

Terms of Service

Member	Position	Elected	Term Length	Total Service
Ed Tauer,	At-Large	1997 - 2001	4 years	14 years
		2001 - 2003	2 years	
	Mayor	2003 - 2007	4 years	
		2007 - 2011*	4 years	
Deborah Wallace,	Ward I (outgoing)	2005 - 2009	4 years	4 years
Melissa Miller,	Ward I (incoming)	2009 - 2013	4 years	4 years
Renie Peterson,	Ward II	2005 - 2009	4 years	4 years
Larry Beer,	Ward III (outgoing)	2005 - 2009	4 years	4 years
Marsha Berzins,	Ward III (incoming)	2009 - 2013	4 years	4 years
Molly Markert,	Ward IV	2003 - 2007	4 years	8 years
		2007 - 2011*	4 years	
Sue Sandstrom,	Ward V	2003 - 2007	4 years	8 years
		2007 - 2011*	4 years	
Bob Broom,	Ward VI	2003 - 2007	4 years	8 years
		2007 - 2011*	4 years	
Barbara Cleland,	At-Large (incoming)	1983 - 1987	4 years	24 years
		1987 - 1991	4 years	
		1991 - 1995	4 years	
		1995 - 1999	4 years	
		1999 - 2003	4 years	
		2009 - 2013	4 years	
Bob FitzGerald,	At-Large	2003 - 2005**	2 years	6 years
		2005 - 2009	4 years	
Ryan Frazier,	At-Large	2003 - 2007	4 years	8 years
		2007 - 2011*	4 years	
Steve Hogan,	At-Large (outgoing)	1979 - 1983	4 years	24 years
		1985 - 1989	4 years	
		1989 - 1993	4 years	
		1993 - 1997	4 years	
		2001 - 2005	4 years	
		2005 - 2009*	4 years	
Brad Pierce,	At-Large	2003 - 2007	4 years	8 years
		2007 - 2011*	4 years	

Council elections are held every two years (Wards I, II, III and two At-Large in 2009, then Wards IV, V and VI, the other two At-Large and the Mayor in 2011).

Council Members are currently term limited to three consecutive terms of four years each (consecutive unless they are at least four years apart), excluding members holding office prior to November 1, 2005, who are limited to two consecutive terms.

* Last consecutive term under term limits currently in force.

** Appointed for remainder of Ed Tauer's At-Large term upon Tauer's election as Mayor.



Management Officials

City of Aurora, Colorado
As of December 31, 2009

City Manager's Office

Ron Miller, City Manager	Since 1997
Nancy Freed, Deputy City Manager - Operations	Since 1995
Michelle Wolfe, Deputy City Manager - Administrative Services	Since 2008
Tom Nicholas, Deputy City Manager - Community Services	Since 2008
Janice Napper, Assistant City Manager	Since 1998

Council Appointees

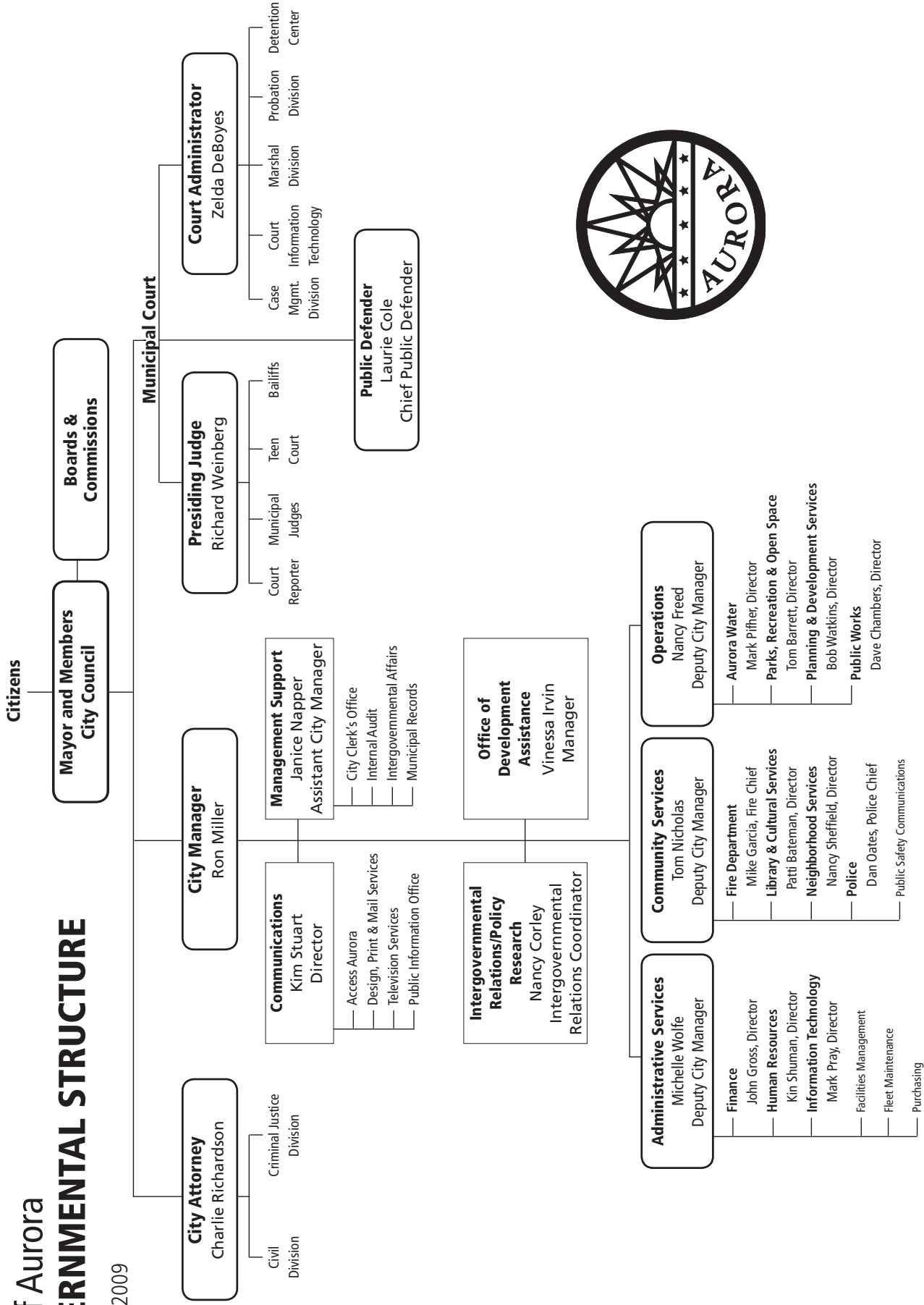
Zelda DeBoyes, Court Administrator	Since 1992
Charlie Richardson, City Attorney	Since 1986
Richard Weinberg, Presiding Judge	Since 2004
Laurie Cole, Chief Public Defender (appointed by Public Defender Commission)	Since 1996

Department Directors

Mark Pifner, Aurora Water	Since 2008
Dave Chambers, Public Works	Since 2006
Tom Barrett, Parks, Recreation & Open Space	Since 2008
Mike Garcia, Fire	Since 2007
John Gross, Finance	Since 1990
Patti Bateman, Library & Cultural Services	Since 2009
Dan Oates, Police	Since 2005
Mark Pray, Information Technology	Since 1998
Nancy Sheffield, Neighborhood Services	Since 1996
Kin Shuman, Human Resources	Since 2001
Kim Stuart, Communications	Since 2000
Bob Watkins, Planning & Development Services	Since 2004

GOVERNMENTAL STRUCTURE

December 2009



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Aurora
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

ABOUT THE CERTIFICATE

For over a century, the Government Finance Officers Association of the United States and Canada (GFOA) has been dedicated to enhancing the professional management of governments for the public benefit. The GFOA's Certificate of Achievement for Excellence in Financial Reporting Program has been promoting the preparation of high quality financial reports since 1945. More than 3,500 governments of all levels (state and local), types (general-purpose and special-purpose), and sizes participate in the program. Among cities with a population of over 100,000 people, 78% participate in the program. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year.

The City of Aurora has received the Certificate for twenty-three consecutive years, including this most recent year, 2008, and for thirty-two years in total, currently the highest number of certificates for any governmental entity in the State of Colorado. We believe that this, our 2009 comprehensive annual financial report continues to meet the requirements of the Certificate of Achievement Program and are submitting it to the GFOA for its consideration.

Independent Accountants' Report on Financial Statements and Supplementary Information

Honorable Mayor and Members of City Council
City of Aurora, Colorado
Aurora, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Aurora, Colorado (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the General Employees' Retirement Plan (GERP), which represent 56% and 35%, respectively, of the assets and revenues of the aggregate remaining fund information. Those financial statements were audited by other accountants whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for GERP, is based solely on the report of the other accountants. We also did not audit the financial statements of Fitzsimons Redevelopment Authority (FRA), the financial statements of Aurora Housing Authority (AHA) or the financial statements of Havana Business Improvement District (BID), which together represent 100% of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other accountants whose reports thereon have been furnished to us and our opinion, insofar as it relates to the amounts included for FRA, AHA and BID, is based solely on the reports of other accountants.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other accountants provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other accountants, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Aurora, Colorado as of December 31, 2009, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Honorable Mayor and Members of City Council
City of Aurora, Colorado

The accompanying management's discussion and analysis and budgetary and pension information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other accountants have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying introductory, statistical, and other schedules sections supplementary information and the combining and individual fund statements and schedules supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied by us and the other accountants in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory, statistical and other schedules sections have not been subjected to the auditing procedures applied by us and the other accountants in the audit of the basic financial statements and accordingly, we express no opinion on them.

BKD, LLP

June 15, 2010

Management of the city of Aurora, Colorado (the city) offers readers of the city's financial statements this overview and analysis of the basic financial statements of the city as of and for the year ended December 31, 2009. Readers should consider the information presented in this discussion and analysis in conjunction with additional information furnished in our letter of transmittal, which can be found on pages *i-iv* of this report, and the city's financial statements, which begin on page 1.

Financial Highlights

- The city's assets exceeded liabilities at the end of 2009 by \$4.3 billion (*net assets*). Of this amount, \$362.4 million, or 8.4% was unrestricted and may be used to meet the city's ongoing obligations.
- Citywide net assets increased \$89.4 million in 2009.
- At December 31, 2009, the city's governmental funds reported combined ending fund balances of \$158.1 million, an increase of \$9.1 million from the prior year. Approximately 70.6% of the fund balance (unreserved) is available for spending at the government's discretion or is subject to spending based on the purpose of the fund.
- The city's General Fund total revenues were under budget (\$19.3) million offset by total expenditures which were under budget (\$18.4) million during 2009.
- Capital improvement activity increased \$282.1 million during 2009.
- The city's total debt decreased (\$17.0) million during the year.

Overview of the Basic Financial Statements

The basic financial statements consist of a) citywide financial statements, b) fund financial statements and c) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Citywide Financial Statements - The citywide financial statements are designed to provide readers with a broad longer-term overview of the city's finances. While these statements assist in evaluating finances of the city in its entirety, city council and debt underwriters refer to the fund financial statements to make spending and borrowing decisions as the availability of resources is controlled at the fund level. The citywide statements use the accrual basis of accounting, which is similar to the accounting used by most private-sector businesses. Certain interfund activities including interfund balances, transfers, and internal billings are eliminated in the aggregation of data for the citywide statements. The citywide statements include not only the city itself, but also legally separate component units, entities for which the city is financially accountable. Accordingly, the citywide statements are divided into two groups, the "primary government" and "component units" (discretely presented). The primary government includes all activities of the city (including blended component units) except fiduciary funds. Fiduciary funds are not included in these statements because resources of these funds are not available to support city programs.

Activities of the primary government are aggregated into two activity types: governmental and business-type.

Governmental Activities reflect the basic services of the city including: judicial, police, fire, public safety communications, public works (streets), culture and recreation (parks, libraries, recreation services), economic development, community services and general government (administration and other activities). Governmental activities are primarily supported by taxes. Activities of the internal service funds are included in the governmental activities as services provided by these funds predominantly benefit governmental activities.

Business-type Activities include functions that are intended to recover all or a significant portion of their costs through user fees and charges. Business-type activities of the city include water, wastewater and golf course operations.

The citywide financial statements consist of a statement of net assets and a statement of activities. These statements can be found on pages 1-3 of this report.

The *Statement of Net Assets* presents information about the city's assets and liabilities, with the difference between the two being reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

The *Statement of Activities* provides information showing how the city's net assets changed during the year. The statement of activities is in a format that presents expenses, revenues and net revenues by "function", a broad grouping of services provided to citizens. The format of this statement shows the extent to which a function is self-

financing through user fees and other function-related revenues or if it is supported through taxes and other general revenues of the city.

Fund Financial Statements - A fund is a grouping of related accounts that is used to maintain control over resources that are segregated by external and internally adopted laws and agreements for specific activities or objectives. The city uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the city can be divided into three categories: governmental, proprietary and fiduciary.

Governmental funds account for essentially the same functions reported as governmental activities in the citywide financial statements. Unlike the citywide statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as balances of resources available at year-end. The governmental fund financial statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the city's programs. Because the fund financial statements do not encompass the long-term focus of the citywide statements, additional information is provided that reconciles the governmental financial statements to the citywide statements and explains the differences between them. The governmental fund financial statements can be found on pages 5-8 of this report.

The city maintains two types of *proprietary funds*: enterprise and internal service. Enterprise funds report the same functions as presented in the business-type activities on the citywide statements. The city has two major proprietary funds: the Water Fund and the Wastewater Fund. The Golf Fund is not a major fund but is presented in a separate column because it is the only non-major proprietary fund. Internal service funds are an accounting mechanism used to accumulate and allocate costs internally among the city's various functions. The city uses internal service funds to account for fleet maintenance, printing services, and risk management. Because these services predominantly benefit government rather than business-type functions, they have been included within governmental activities in the citywide financial statements. The proprietary fund financial statements can be found on pages 10-15 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the city. Fiduciary funds are not reflected in the citywide financial statements because the resources of these funds are not available to support city programs. The fiduciary fund financial statements can be found on pages 17-18 of this report.

The *notes to the basic financial statements* provide additional information that is essential to a full understanding of the data provided in the citywide and the fund financial statements. The notes to the basic financial statements begin on page 21 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the city's progress in funding its obligation to provide postemployment benefits to its employees and a comparison of the General Fund's original and final budget to actual budgetary revenue and expenditures. Required supplementary information can be found on pages 55-60 of this report.

Citywide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the city, assets exceeded liabilities by \$4.3 billion at the close of the fiscal year.

The largest portion of the city's net assets, (\$3.9 billion) reflects its investment in capital assets less the outstanding portion of the debt that was issued to acquire or construct those assets. The city uses these capital assets to provide services to citizens; consequently, these amounts are not available for future spending. Although the city's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total restricted net assets at the end of 2009 were \$77.2 million. This amount represents net resources where use is constrained by external requirements dictating how the funds may be used. Restrictions result from debt covenants, legislation, agreements, or requirements of the specific revenue source. The remaining net assets of \$362.4 million were unrestricted. While there were no outside restrictions on these funds, city policies and budget plans limit the use of these amounts. Policy and budget plan limitations include: payment of long-term liabilities,

subsequent year budgets, project-length appropriations and operating designations.

As shown in Chart 1, net assets increased \$89.4 million in 2009, of which \$6.4 million (7.2%) was attributable to governmental activities and \$83.0 million (92.8%) was attributable to business-type activities. The increase in net assets attributable to governmental activities resulted from developer contributed capital assets and normal government operations including charges for services, tax receipts and operating expenditures. The increase in net assets attributed to business-type activities resulted from increases in tap and development fees and non-cash contributions of water and wastewater lines constructed by developers along with decreases in operating and interest expense.

Citywide Net Assets December 31, 2009 (in thousands)

	Governmental Activities				Business-type Activities				Citywide Totals			
	2009	2008	Change	%	2009	2008	Change	%	2009	2008	Change	%
Current and other assets	\$ 240,057	\$ 235,774	\$ 4,283	1.8	\$ 441,953	\$ 637,883	\$(195,930)	(30.7)	\$ 682,010	\$ 873,657	\$(191,647)	(21.9)
Capital assets, net	2,913,201	2,912,771	430	0.0	1,789,146	1,507,521	281,625	18.7	4,702,347	4,420,292	282,055	6.4
Total Assets	3,153,258	3,148,545	4,713	0.1	2,231,099	2,145,404	85,695	4.0	5,384,357	5,293,949	90,408	1.7
Current and other liabilities	63,313	62,069	1,244	2.0	48,798	63,963	(15,165)	(23.7)	112,111	126,032	(13,921)	(11.0)
Noncurrent liabilities	182,575	185,477	(2,902)	(1.6)	782,786	764,972	17,814	2.3	965,361	950,449	14,912	1.6
Total Liabilities	245,888	247,546	(1,658)	(0.7)	831,584	828,935	2,649	0.3	1,077,472	1,076,481	991	0.1
Net Assets:												
Invested in capital assets, net of related debt	2,782,072	2,773,574	8,498	0.3	1,085,208	1,031,664	53,544	5.2	3,867,280	3,805,238	62,042	1.6
Restricted	66,087	54,767	11,320	20.7	11,127	24,650	(13,523)	(54.9)	77,214	79,417	(2,203)	(2.8)
Unrestricted	59,211	72,658	(13,447)	(18.5)	303,180	260,155	43,025	16.5	362,391	332,813	29,578	8.9
Total net assets	\$ 2,907,370	\$ 2,900,999	\$ 6,371	0.2	\$ 1,399,515	\$ 1,316,469	\$ 83,046	6.3	\$ 4,306,885	\$ 4,217,468	\$ 89,417	2.1

Chart 1

Governmental activities

As shown on Chart 2, total revenues decreased (\$21.8) million (7.1%). The combined operating and capital grants and contributions decreased (\$7.2) million primarily due to decreases in developer contributions and county road and bridge tax. Total tax revenues decreased (\$11.0) million mainly due to the impact of the economy. Total operating expenditures decreased (\$9.5) million (3.3%). The major decreases in operating expenditures were related to community services expenditures for overtime at the Democratic National Convention during 2008 and a decrease in grant project expenditures related to Community Development Block Grant and Home Investment Partnerships Program. Other operating expenditure decreases relate to cost reductions and budget cuts that have been imposed. These decreases were offset by an increase in police expenditures \$2.3 million due to increases in personal services.

Citywide Changes in Net Assets Year Ended December 31, 2009 (in thousands)

	Governmental Activities				Business-type Activities				Citywide Totals			
	2009	2008	Change	%	2009	2008	Change	%	2009	2008	Change	%
REVENUES:												
Program Revenues:												
Charges for services	\$ 28,505	\$ 30,885	\$ (2,380)	(7.7)	\$ 140,085	\$ 139,668	\$ 417	0.3	\$ 168,590	\$ 170,553	\$ (1,963)	(1.2)
Operating grants and contributions	30,061	25,711	4,350	16.9	11,352	23,559	(12,207)	(51.8)	41,413	49,270	(7,857)	(15.9)
Capital grants and contributions	21,621	33,198	(11,577)	(34.9)	27,630	41,224	(13,594)	(33.0)	49,251	74,422	(25,171)	(33.8)
General Revenues:												
Taxes												
Sales and use	141,026	151,024	(9,998)	(6.6)	-	-	-	-	141,026	151,024	(9,998)	(6.6)
Property	33,176	32,519	657	2.0	-	-	-	-	33,176	32,519	657	2.0
Other	25,402	27,025	(1,623)	(6.0)	-	-	-	-	25,402	27,025	(1,623)	(6.0)
Grants and contributions not restricted to specific programs	1,008	849	159	18.7	-	-	-	-	1,008	849	159	18.7
Unrestricted investment earnings	4,108	5,500	(1,392)	(25.3)	4,245	7,350	(3,105)	(42.2)	8,353	12,850	(4,497)	(35.0)
Total revenues	284,907	306,711	(21,804)	(7.1)	183,312	211,801	(28,489)	(13.5)	468,219	518,512	(50,293)	(9.7)
EXPENSES:												
General government	35,169	36,883	(1,714)	(4.6)	-	-	-	-	35,169	36,883	(1,714)	(4.6)
Judicial	8,011	8,067	(56)	(0.7)	-	-	-	-	8,011	8,067	(56)	(0.7)
Police	81,608	79,279	2,329	2.9	-	-	-	-	81,608	79,279	2,329	2.9
Fire	34,953	34,485	468	1.4	-	-	-	-	34,953	34,485	468	1.4
Other public safety	12,739	12,957	(218)	(1.7)	-	-	-	-	12,739	12,957	(218)	(1.7)
Public works	34,986	37,022	(2,036)	(5.5)	-	-	-	-	34,986	37,022	(2,036)	(5.5)
Economic development	14,613	16,364	(1,751)	(10.7)	-	-	-	-	14,613	16,364	(1,751)	(10.7)
Community services	9,597	12,627	(3,030)	(24.0)	-	-	-	-	9,597	12,627	(3,030)	(24.0)
Culture and recreation	36,616	38,720	(2,104)	(5.4)	-	-	-	-	36,616	38,720	(2,104)	(5.4)
Unallocated depreciation	3,309	3,326	(17)	(0.5)	-	-	-	-	3,309	3,326	(17)	(0.5)
Interest on debt	6,935	8,269	(1,334)	(16.1)	-	-	-	-	6,935	8,269	(1,334)	(16.1)
Water	-	-	-	-	50,259	78,139	(27,880)	(35.7)	50,259	78,139	(27,880)	(35.7)
Wastewater	-	-	-	-	40,854	40,627	227	0.6	40,854	40,627	227	0.6
Golf	-	-	-	-	9,153	9,661	(508)	(5.3)	9,153	9,661	(508)	(5.3)
Total expenses	278,536	287,999	(9,463)	(3.3)	100,266	128,427	(28,161)	(21.9)	378,802	416,426	(37,624)	(9.0)
Increase in net assets before transfers	6,371	18,712	(12,341)	(66.0)	83,046	83,374	(328)	(0.4)	89,417	102,086	(12,669)	(12.4)
Transfers	-	82	(82)	(100.0)	-	(82)	82	(100.0)	-	-	-	-
Increase in net assets	6,371	18,794	(12,423)	(66.1)	83,046	83,292	(246)	(0.3)	89,417	102,086	(12,669)	(12.4)
Net assets January 1	2,900,999	2,882,205	18,794	0.7	1,316,469	1,233,177	83,292	6.8	4,217,468	4,115,382	102,086	2.5
Net assets December 31	\$ 2,907,370	\$ 2,900,999	\$ 6,371	0.2	\$ 1,399,515	\$ 1,316,469	\$ 83,046	6.3	\$ 4,306,885	\$ 4,217,468	\$ 89,417	2.1

Chart 2

Expenses Financed through Program Revenues – Governmental Activities

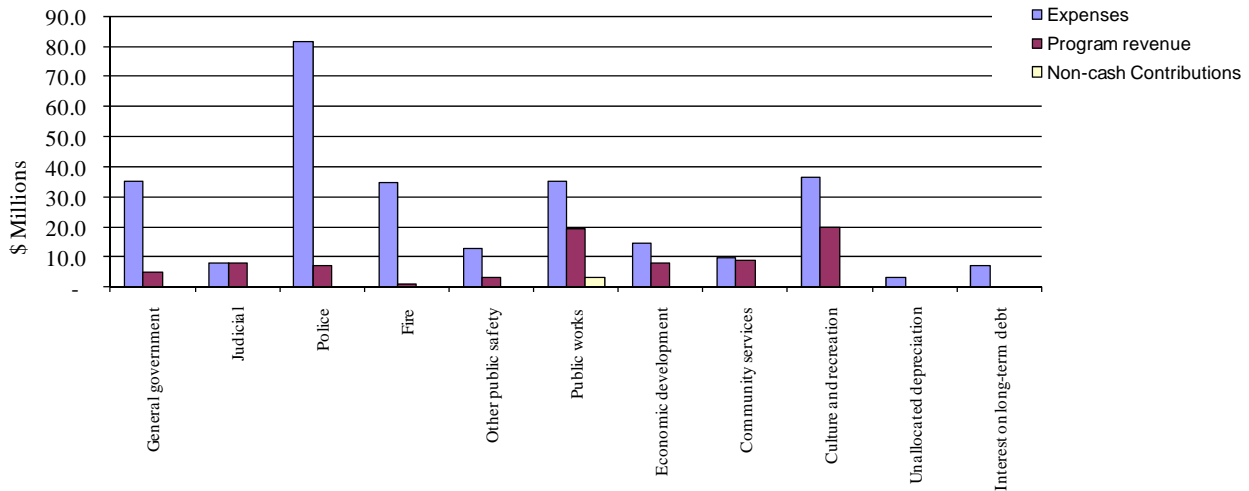


Chart 3

Revenues by Source – Governmental Activities

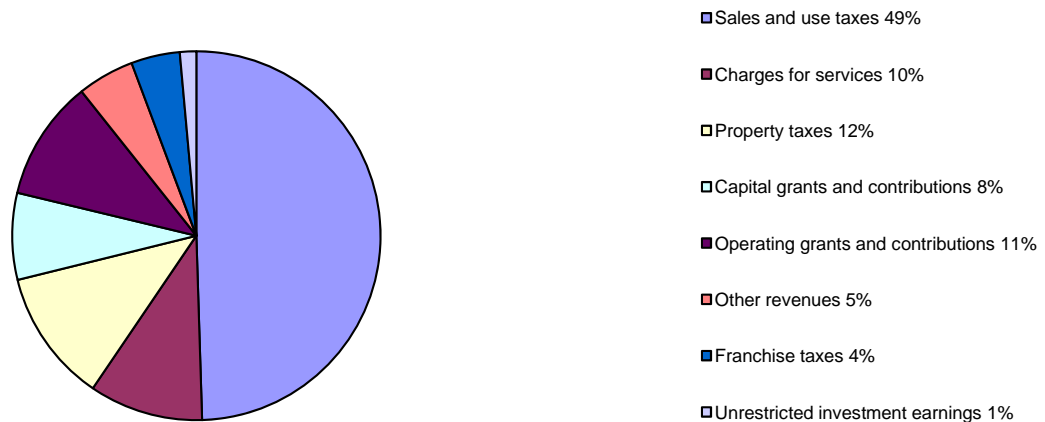


Chart 4

Business-type activities

Total revenues for business-type activities decreased (\$28.5) million (13.5%) primarily resulting from:

- Decrease in combined operating and capital grants and contributions of (\$25.8) million resulting primarily from the following; a decrease in water and wastewater tap fees of (\$15.1) million, restricted investment income decreased (\$13.0) million offset by a decrease in fees reimbursed to others.
- Investment earnings continued to decrease in 2009 (\$3.1) million representing the decline in interest rates.

Total expenses for business-type activities decreased (\$28.2) million primarily as a result of a decrease in water fund expenses (\$27.9) million resulting from a decrease in water usage and storage due to conservation, wet weather and cooler temperatures, reduction of expenses due to budget cutbacks and an increase in capitalized interest.

Expenses and Charges for Services – Business-type Activities

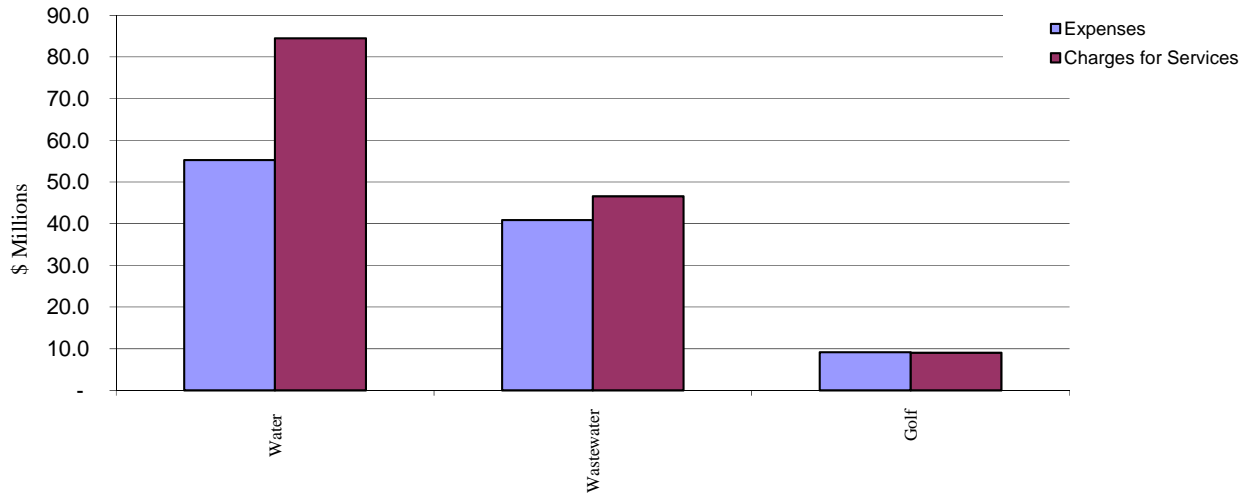


Chart 5

Revenues by Source – Business-type Activities

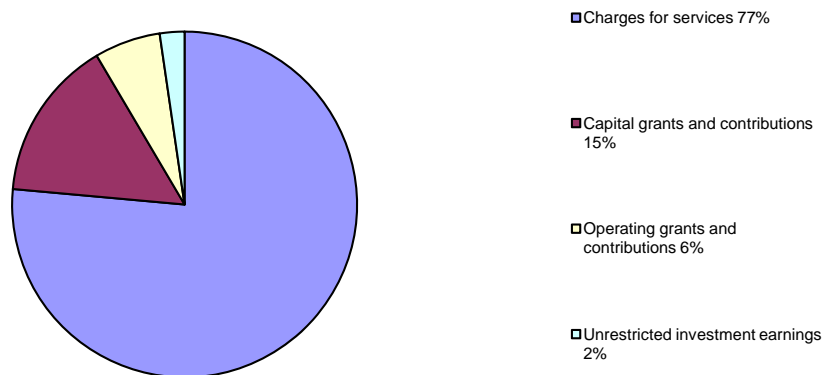


Chart 6

Financial Analysis of the Government’s Funds

General Fund

The General Fund is the main operating fund of the city. At the end of 2009, total fund balance for the General Fund was \$22.1 million. This amount includes \$21.1 million unreserved fund balance of which: \$15.9 million is designated for payment of long-term liabilities; \$0.3 million for one time expenditures; and a \$4.9 million operating reserve. The remaining includes \$1.0 million reserved for purchase orders where the goods or services have not yet been received.

During 2009, fund balance changed in total (\$0.6) million primarily due to a decrease of (\$1.1) million in the year end accruals for sales, use and lodgers tax. This was offset by an increase of \$0.4 million in operating expenses.

The city designates all of its unreserved and not otherwise designated General Fund fund balance as an “Operating Reserve”. This Operating Reserve has a minimum target policy of 1% to 3% of annual budgetary revenues and is intended to be spendable in limited circumstances. The Operating Reserve may be spent for one-time uses that can include: unexpected revenue shortfalls; unexpected expenses; emergencies; and balancing the budget when

deemed appropriate and necessary by city council. City policy provides for restoring the Operating Reserve to minimum levels as quickly as feasible. The General Fund fund balance designated as an operating reserve was \$4.9 million at December 31, 2009 and \$5.0 million at December 31, 2008. The Operating Reserve is 2.2% of 2009 annual budgetary revenues or \$2.7 million above the 1% minimum target specified by Council. Total fund balance was 9.7% of total General Fund revenues in 2009, compared to 9.8% in 2008.

It is the city's policy to hold a minimum 10% of the General Fund's adjusted budgetary operating expenditures for the year in the Policy Reserve Special Revenue Fund. General Fund adjusted budgetary operating expenditures, for purposes of calculating the policy reserve, exclude capital and development related expenditures and expenditures related to funding two police officers per 1,000 citizens, which are funded with voter approved sales and use taxes. At the end of 2009, the Policy Reserve Fund funds available meets the minimum 10% policy. The total of the General Fund's unreserved and undesignated funds available, the Policy Reserve Fund's funds available and the TABOR Reserve Fund's funds available was 14.9% of the General Fund's 2009 adjusted budgetary operating expenditures.

TABOR Reserve Fund

The TABOR Reserve Fund accounts for the emergency reserve required by TABOR, a State constitutional amendment (footnote 16). TABOR specifies that local governments are permitted to use reserve funds for emergencies with the requirement that the reserve funds be restored to 3% of fiscal year spending in the following fiscal year. The city management believes it is in compliance with the provisions of TABOR at December 31, 2009.

General Fund Budgetary Highlights

General Fund revenues for 2009 were less than budget by (\$19.3) million due to the following: softening sale and use tax receipts, decreased construction activity resulting in lower than expected license and permit revenue, lower lodgers tax due to a national decline in travel, a decline in franchise fees associated with lower than expected electricity and natural gas rates coupled with decreased usage; and lower than expected fines and forfeiture revenue. General Fund expenditures were (\$18.4) million under budget resulting primarily from a decreased Capital Projects Fund transfer, the effect of the hiring freeze, significant reorganization and utility savings. As a result, December 31 ending funds available were lower than budgeted by (\$0.9) million. The city expects to maintain its financial condition through continued control over the growth of city expenditures and through evaluation of options for enhancing revenues.

Capital Assets and Bonded Debt Administration

Capital Assets

The city's capital assets for its governmental and business-type activities as of December 31, 2009, were \$4.7 billion (net of accumulated depreciation) and include: land and water rights, buildings and improvements, infrastructure, machinery and equipment and construction in progress. The city uses these assets to provide services to its citizens. Additional information on the city's capital assets can be found in the notes to the basic financial statements, footnote 6.

Comparative Schedule of Capital Assets - net of accumulated depreciation December 31, 2009 (in thousands)

	Governmental Activities			Business-type Activities			Citywide Totals		
	2009	2008	Change	2009	2008	Change	2009	2008	Change
Land and water rights	\$ 242,756	\$ 240,673	\$ 2,083	\$ 334,360	\$ 311,328	\$ 23,032	\$ 577,116	\$ 552,001	\$ 25,115
Buildings and improvements	150,841	155,543	(4,702)	106,836	102,202	4,634	257,677	257,745	(68)
Infrastructure	2,486,027	2,470,269	15,758	738,666	697,379	41,287	3,224,693	3,167,648	57,045
Machinery and equipment	29,643	33,386	(3,743)	13,154	15,165	(2,011)	42,797	48,551	(5,754)
Construction in progress	3,934	12,900	(8,966)	596,130	381,447	214,683	600,064	394,347	205,717
Totals	\$ 2,913,201	\$ 2,912,771	\$ 430	\$ 1,789,146	\$ 1,507,521	\$ 281,625	\$4,702,347	\$4,420,292	\$ 282,055

Chart 7

Major capital asset activity, not including depreciation expense for the year ended December 31, 2009 included the following:

Governmental Activities Capital Assets

- Developers donated streets to the city valued at \$3.3 million, while the city constructed \$10.6 million in street overlays and improvements and \$1.9 million in traffic signals.
- Developer-donated streets included land valued at \$0.2 million, while the city acquired land for the Colfax and I-225 interchange project cost of \$0.7 million, and the Ponderosa Preserve land acquisition costs of \$1.0 million.

Business-type Activities Capital Assets

- The Water Fund purchased land and water rights valued at \$22.6 million for the Prairie Waters Project and for future expansion of the water system.
- Infrastructure increases mainly included: additions to Prairie Waters Project \$22.9 million, developer constructed and contributed water lines, valued at \$4.9 million, and wastewater lines, valued at \$7.4 million and the Rampart Delivery Project \$5.7 million.
- Prairie Waters Project construction in progress increased \$214.9 million.

Bonded Debt Administration

At the end of 2009, the city had total bonded debt of \$738.1 million and \$112.0 million in certificates of participation (COPs). COPs represent rights to receive revenues through a capital lease and are similar to a bondholder's right to receive debt service on bonds. Aurora Capital Leasing Corporation (ACLC), a blended component unit that provides financing for city capital assets, issues the COPs. Outstanding debt by activity at December 31, 2009, and 2008 was as follows:

Comparative Schedule of Non-current Liabilities December 31, 2009 (in thousands)

	Primary Government								
	Governmental Activities			Business-type Activities			Citywide Totals		
	2009	2008	Change	2009	2008	Change	2009	2008	Change
General obligation bonds	\$ 28,030	\$ 32,045	\$ (4,015)	\$ 24,530	\$ 30,435	\$ (5,905)	\$ 52,560	\$ 62,480	\$ (9,920)
Revenue bonds	7,850	9,105	(1,255)	677,643	684,567	(6,924)	685,493	693,672	(8,179)
Total bonded debt	35,880	41,150	(5,270)	702,173	715,002	(12,829)	738,053	756,152	(18,099)
Certificates of participation	111,965	110,900	1,065	-	-	-	111,965	110,900	1,065
Totals	\$ 147,845	\$ 152,050	\$ (4,205)	\$ 702,173	\$ 715,002	\$ (12,829)	\$ 850,018	\$ 867,052	\$ (17,034)

Chart 8

Citywide net bonded and COP debt decreased (\$17.0) million during 2009 primarily due to \$32.1 million in debt payments. In addition, during 2009 the city refunded two bond issues which offset the debt payments. The 1999 Sports Park Revenue Bonds outstanding balance of \$9.1 million was refunded in 2009 with an issue of \$7.9 million. The 2008 COPs issue of \$68.5 million was refunded by the 2009 ACLC COPs with an issue of \$84.2 million. There was a new General Obligation debt issue during 2009 of \$0.7 million for the Cherry Creek Fence General Improvement District.

The city's underlying general obligation debt rating is A2 by Moody's Investors Service and AA by Standard & Poor's.

The City Charter imposes a limit upon general obligation debt (other than debt issued for water purposes) of 3% of the assessed value of property subject to city general property tax. Additional information on the city's legal debt margin can be found on Exhibit A-16 and additional information on the city's debt can be found in the notes to the basic financial statements, footnote 7.

Economic Factors and Rate Increases

- The unemployment rate for the city is currently 8.4%. The city's rate is unfavorable to the state's average unemployment rate of 7.7% and favorable to the national rate of 9.7%.
- Housing starts for the metro area are currently up 38%, which is equivalent to the state increase over last year and favorable to the national increase of 12%.
- Water, wastewater, and storm drain user rates will increase 7.5%, 6% and 6%, respectively in 2010 to fund operating, debt service and system improvement needs.

Requests for Information

This financial report is designed to provide a general overview of the city's finances. Questions concerning the information provided in this report or other financial information should be addressed to the Controller's Office, city of Aurora, Colorado, 15151 East Alameda Parkway, Suite 5700, Aurora, Colorado 80012-1555 or telephone 303-739-7800.

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Basic Financial Statements

CITY OF AURORA, COLORADO

CITYWIDE
STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 13,446,520	\$ 61,159,885	\$ 74,606,405	\$ 19,668,379
Investments	65,969,720	230,375,757	296,345,477	4,590,501
Receivables (net of allowance)				
Taxes receivable	44,451,552	—	44,451,552	365,533
Accounts receivable	1,281,782	12,992,803	14,274,585	—
Interest receivable	1,330,160	2,500,782	3,830,942	1,306,567
Due from other governments	1,307,226	—	1,307,226	—
Other receivables	2,464,031	166,681	2,630,712	6,927,637
Internal balances	356,605	(356,605)	—	—
Inventories	594,174	227,803	821,977	—
Deferred charges	1,369,682	5,277,902	6,647,584	75,304
Restricted assets				
Cash and cash equivalents	31,832,085	94,531,960	126,364,045	—
Investments	42,143,128	24,938,936	67,082,064	—
Taxes receivable	5,910,976	—	5,910,976	—
Accounts receivable	2,302,984	—	2,302,984	—
Interest receivable	82,646	959,149	1,041,795	—
Due from other governments	4,965,683	—	4,965,683	—
Other receivables	129,891	6,623,252	6,753,143	—
Inventories	2,669,399	—	2,669,399	—
Notes receivable	17,448,217	114,281	17,562,498	35,723,898
Equity in joint venture	—	2,440,749	2,440,749	4,870,749
<i>Capital assets (net of accumulated depreciation)</i>				
Land and water rights	242,756,162	334,359,943	577,116,105	12,242,896
Buildings and improvements	150,841,115	106,836,040	257,677,155	57,702,740
Infrastructure	2,486,027,166	738,665,912	3,224,693,078	—
Machinery and equipment	29,642,761	13,154,220	42,796,981	656,080
Construction in progress	3,934,226	596,129,961	600,064,187	183,925
Total assets	<u>3,153,257,891</u>	<u>2,231,099,411</u>	<u>5,384,357,302</u>	<u>144,314,209</u>
LIABILITIES				
Accounts payable	10,864,419	34,364,414	45,228,833	1,716,123
Accrued interest	722,938	13,874,715	14,597,653	621,454
Other payables	2,824,399	87,865	2,912,264	532,266
Unearned revenues	48,892,704	471,504	49,364,208	1,349,941
<i>Noncurrent liabilities</i>				
Due within one year	16,662,312	13,761,702	30,424,014	1,282,516
Due beyond one year	165,921,309	769,024,183	934,945,492	62,200,827
Total liabilities	<u>245,888,081</u>	<u>831,584,383</u>	<u>1,077,472,464</u>	<u>67,703,127</u>
NET ASSETS				
Invested in capital assets, net of related debt	2,782,071,351	1,085,207,461	3,867,278,812	30,552,374
<i>Restricted for</i>				
Construction	5,654,539	8,627,252	14,281,791	—
Police	1,553,771	—	1,553,771	—
E-911 equipment and services	5,414,600	—	5,414,600	—
Parks and recreation	21,620,276	—	21,620,276	—
Emergencies	8,778,851	—	8,778,851	6,227
Gifts and grants	14,899,217	—	14,899,217	10,852,209
Debt related	—	2,500,000	2,500,000	—
Agreements	8,094,334	—	8,094,334	—
Urban renewal	71,673	—	71,673	—
Unrestricted	59,211,198	303,180,315	362,391,513	35,200,272
Total net assets	<u>\$ 2,907,369,810</u>	<u>\$ 1,399,515,028</u>	<u>\$ 4,306,884,838</u>	<u>\$ 76,611,082</u>

See notes to the basic financial statements.

CITY OF AURORA, COLORADO
CITYWIDE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government								
<i>Governmental activities</i>								
General government	\$ 35,169,252	\$ 2,410,691	\$ 1,621,656	\$ 907,662	\$ (30,229,243)	\$ —	\$ (30,229,243)	
Judicial	8,010,923	7,818,742	5,849	—	(186,332)	—	(186,332)	
Police	81,608,250	2,301,632	4,763,710	—	(74,542,908)	—	(74,542,908)	
Fire	34,952,691	643,016	525,755	—	(33,783,920)	—	(33,783,920)	
Other public safety	12,739,566	103,758	3,064,837	272	(9,570,699)	—	(9,570,699)	
Public works	34,985,680	310,941	4,261,896	14,835,880	(15,576,963)	—	(15,576,963)	
Economic development	14,613,005	7,078,290	897,611	9,868	(6,627,236)	—	(6,627,236)	
Community services	9,596,719	1,768,560	7,059,629	—	(768,530)	—	(768,530)	
Culture and recreation	36,615,952	6,069,602	7,860,511	5,867,275	(16,818,564)	—	(16,818,564)	
Unallocated depreciation, excluding direct program depreciation	3,309,006	—	—	—	(3,309,006)	—	(3,309,006)	
Interest on long-term debt	6,934,727	—	—	—	(6,934,727)	—	(6,934,727)	
Total governmental activities	278,535,771	28,505,232	30,061,454	21,620,957	(198,348,128)	—	(198,348,128)	
<i>Business-type activities</i>								
Water	50,259,476	84,494,044	8,972,942	16,853,459	—	60,060,969	60,060,969	
Sewer	40,853,702	46,563,398	2,358,440	10,774,088	—	18,842,224	18,842,224	
Golf	9,153,001	9,027,617	20,166	3,000	—	(102,218)	(102,218)	
Total business-type activities	100,266,179	140,085,059	11,351,548	27,630,547	—	78,800,975	78,800,975	
Total primary government	\$ 378,801,950	\$ 168,590,291	\$ 41,413,002	\$ 49,251,504	(198,348,128)	78,800,975	(119,547,153)	
Component units	\$ 32,520,061	\$ 27,195,231	\$ 4,005,238	\$ 470,707				\$ (848,885)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
General Revenues				
<i>Taxes</i>				
Sales and use	141,025,543	—	141,025,543	—
Property taxes	33,175,518	—	33,175,518	295,888
Franchise taxes	12,187,933	—	12,187,933	—
Lodgers taxes	3,886,697	—	3,886,697	—
Occupational privilege taxes	4,145,282	—	4,145,282	—
Other taxes	5,181,550	—	5,181,550	23,006
Grants and contributions not restricted to specific programs	1,007,868	—	1,007,868	—
Unrestricted investment earnings	4,108,340	4,245,023	8,353,363	70,905
Total general revenues and transfers	204,718,731	4,245,023	208,963,754	389,799
INCREASE (DECREASE) IN NET ASSETS	6,370,603	83,045,998	89,416,601	(459,086)
NET ASSETS - January 1	2,900,999,207	1,316,469,030	4,217,468,237	77,070,168
NET ASSETS - December 31	\$ 2,907,369,810	\$ 1,399,515,028	\$ 4,306,884,838	\$ 76,611,082



GOVERNMENTAL FUNDS

Major governmental funds include the General Fund and any other governmental fund whose assets, liabilities, revenues or expenditures are at least 10% of corresponding totals for all governmental funds. They must also be at least 5% of the governmental and enterprise fund totals for the same item. Currently only the General Fund is considered a major fund as none of the other governmental funds meet the criteria specified above. The General Fund accounts for taxes and other resources traditionally associated with government and the operations of the city that are financed from these resources.

Nonmajor governmental funds are comprised of all nonmajor special revenue, debt service and capital projects funds.

CITY OF AURORA, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2009

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 2,551,894	\$ 16,531,445	\$ 19,083,339
Investments	6,316,835	77,807,852	84,124,687
Receivables (net of allowance)			
Taxes receivable	44,451,552	—	44,451,552
Accounts receivable	221,152	1,624,784	1,845,936
Interest receivable	898,582	357,618	1,256,200
Due from other governments	1,307,226	3,115,084	4,422,310
Other receivables	108,345	2,185,343	2,293,688
Due from other funds	364,431	—	364,431
Restricted assets			
Cash and cash equivalents	—	23,231,405	23,231,405
Investments	—	11,875,918	11,875,918
Taxes receivable	—	5,910,976	5,910,976
Accounts receivable	—	1,738,829	1,738,829
Interest receivable	—	13,402	13,402
Due from other governments	—	1,850,599	1,850,599
Other receivables	—	9,428	9,428
Inventories	—	2,669,399	2,669,399
Notes receivable	90,000	17,358,217	17,448,217
Total assets	<u>\$ 56,310,017</u>	<u>\$ 166,280,299</u>	<u>\$ 222,590,316</u>
LIABILITIES AND FUND BALANCES			
<i>Liabilities</i>			
Accounts payable	\$ 7,457,477	\$ 3,740,401	\$ 11,197,878
Other payables	242,081	183,790	425,871
Due to other funds	—	364,431	364,431
Deferred revenues	26,466,704	25,995,379	52,462,083
Total liabilities	<u>34,166,262</u>	<u>30,284,001</u>	<u>64,450,263</u>
<i>Fund balances</i>			
<i>Reserved for</i>			
Encumbrances	974,268	3,585,719	4,559,987
Construction	—	5,654,539	5,654,539
Police	—	1,553,771	1,553,771
Gifts and grants	—	7,462,248	7,462,248
Debt related	—	19,085,052	19,085,052
Arbitrage	—	33,569	33,569
Agreements	—	8,094,334	8,094,334
<i>Unreserved</i>			
Designated, reported in			
General Fund	21,169,487	—	21,169,487
Special revenue funds	—	23,900,234	23,900,234
Debt service funds	—	514,069	514,069
Capital project funds	—	16,433,599	16,433,599
Undesignated, reported in			
Special revenue funds	—	47,903,907	47,903,907
Debt service funds	—	1,698,814	1,698,814
Capital project funds	—	76,443	76,443
Total fund balances	<u>22,143,755</u>	<u>135,996,298</u>	<u>158,140,053</u>
Total liabilities and fund balances	<u>\$ 56,310,017</u>	<u>\$ 166,280,299</u>	<u>\$ 222,590,316</u>

CITY OF AURORA, COLORADO

GOVERNMENTAL FUNDS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE CITYWIDE STATEMENT OF
NET ASSETS
DECEMBER 31, 2009**

Amounts reported for governmental activities in the statement of net assets (see page 1) are different because:

Total fund balance - governmental funds (see page 5)	\$ 158,140,053
Deferred charges represent unamortized bond issue costs. These costs are expenditures in governmental funds but are deferred and amortized at citywide.	1,369,682
Due to / due from amounts are eliminated for citywide reporting.	
Due to other funds	364,431
Due from other funds	(364,431)
The net pension asset is not available to pay current period expenditures and, therefore, is not recorded in the funds.	290,781
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	2,912,672,772
Accounts payable and other current liabilities are adjusted for interest payable on bonds and the net pension obligation which will not be paid in the current period and, therefore, is not recorded in the funds.	
Interest payable on bonds	(722,938)
Net pension obligation	(2,398,529)
Deferred revenue / unearned revenue from special assessments, tax audits and notes receivable have been recognized as revenue at citywide.	3,569,380
The arbitrage liability will not be paid in the current period and, therefore, is not recorded in the funds.	(33,569)
Noncurrent liabilities including, bonds, certificates of participation and accrued compensated absences, are not due and payable in the current period and, therefore, are not recorded in the funds.	
Due within one year (includes \$1,338,901 for accrued compensated absences)	(12,493,082)
Due beyond one year	(161,493,345)
Internal Service Funds are used by the city to accumulate and allocate fleet management, printing, and risk management costs to individual funds. The assets and liabilities of the internal service funds are included in governmental and business type activities in the citywide statement of net assets as they predominately benefit governmental activities.	
Governmental - type	8,112,000
Business - type	356,605
Net assets of governmental activities (see page 1)	<u><u>\$ 2,907,369,810</u></u>

CITY OF AURORA, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
<i>Taxes</i>			
Sales and use	\$ 139,726,643	\$ 944,051	\$ 140,670,694
Property	27,051,885	6,123,633	33,175,518
Franchise	12,187,933	—	12,187,933
Lodgers	3,886,697	—	3,886,697
Occupational privilege	3,824,661	320,622	4,145,283
Other	5,181,550	—	5,181,550
Charges for services	7,495,590	8,664,564	16,160,154
Licenses and permits	2,197,837	5,654,279	7,852,116
Fines and forfeitures	6,049,482	1,833,045	7,882,527
Special assessments	—	394,158	394,158
Intergovernmental	11,738,686	27,236,544	38,975,230
Surcharges	—	3,177,105	3,177,105
Miscellaneous	1,994,879	4,004,881	5,999,760
Investment earnings	801,037	3,798,162	4,599,199
Total revenues	<u>222,136,880</u>	<u>62,151,044</u>	<u>284,287,924</u>
EXPENDITURES			
<i>Current</i>			
General government	27,068,901	5,265,159	32,334,060
Judicial	7,786,061	103,160	7,889,221
Police	75,156,259	4,552,635	79,708,894
Fire	33,453,116	526,698	33,979,814
Other public safety	10,260,286	2,243,048	12,503,334
Public works	18,634,508	2,804,662	21,439,170
Economic development	3,575,405	11,497,778	15,073,183
Community services	3,703,618	5,733,779	9,437,397
Culture and recreation	17,391,932	16,346,298	33,738,230
<i>Debt service</i>			
Principal	1,326,664	13,660,000	14,986,664
Interest	149,021	12,062,576	12,211,597
<i>Capital outlay</i>	418,932	21,649,537	22,068,469
Total expenditures	<u>198,924,703</u>	<u>96,445,330</u>	<u>295,370,033</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,212,177</u>	<u>(34,294,286)</u>	<u>(11,082,109)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,039,393	40,415,143	46,454,536
Transfers out	(30,030,588)	(12,569,411)	(42,599,999)
General obligation bonds issued	—	700,000	700,000
Refunded revenue bonds issued	—	7,850,000	7,850,000
Refunded COP's issued	—	84,160,000	84,160,000
Market premium on refunded revenue bonds	—	278,821	278,821
Market premium on COP's	—	6,984,961	6,984,961
Payment to refunded revenue bond escrow agent	—	(7,965,160)	(7,965,160)
Payment to refunded COP's escrow agent	—	(76,220,103)	(76,220,103)
Notes payable	—	415,000	415,000
Sale of capital assets	130,455	1,550	132,005
Total other financing sources (uses)	<u>(23,860,740)</u>	<u>44,050,801</u>	<u>20,190,061</u>
NET CHANGE IN FUND BALANCES	(648,563)	9,756,515	9,107,952
FUND BALANCES - January 1	<u>22,792,318</u>	<u>126,239,783</u>	<u>149,032,101</u>
FUND BALANCES - December 31	<u>\$ 22,143,755</u>	<u>\$ 135,996,298</u>	<u>\$ 158,140,053</u>

See notes to the basic financial statements.

CITY OF AURORA, COLORADO

GOVERNMENTAL FUNDS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE CITYWIDE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2009

Amounts reported for governmental activities in the statement of activities (see page 2 and 3) are different because:

Net change in fund balances - total governmental funds (see page 7)	\$ 9,107,952
Sales and use tax audit revenue is recorded at citywide since the receivable amount is known, however it does not provide current financial resources and, therefore, is not reported as revenue in the funds until collected.	
	354,844
Charges for services generated internally are eliminated at citywide. The change in special assessment revenue, abatement and aid to agencies, deferred in the funds, is recognized at citywide.	
Charges for services - revenue	(3,392,023)
Charges for services - expenditures	3,392,023
Change in deferred revenue	(536,847)
Miscellaneous revenues from street infrastructure donated by developers is recorded as revenue at citywide, however, it is not a current financial source and, therefore, is not recorded in the funds.	
	3,264,726
Certain expenses in the citywide statement of activities do not require the use of current financial resources and, therefore, are not recorded in the funds.	
Change in arbitrage liability	80,240
Change in net pension asset / obligation	(4,079,123)
Change in accrued compensated absences	(627,434)
A loan between the gifts and grants fund and AURA is treated as expense and proceeds from borrowing, respectively, in the funds but is eliminated at citywide.	
Current expenditures	415,000
Proceeds from borrowing	(415,000)
Debt service payments consume current financial resources and are included as expenditures in the funds. At citywide the payments are recorded as a reduction to long-term liabilities. The accrual adjustment for debt service interest and the amortization of debt issue costs, discounts, premiums and the loss on the 2006 and 2009 COP's and 2009 Sports Park refunding are made at citywide only.	
Repayment of principal	14,986,664
Accrued interest	68,080
Amortization	5,208,790
GID	1,114,066
Capital outlay is reported in the funds as expenditures but are capitalized at citywide. Depreciation does not require the use of current financial resources and, therefore, is not reported in the funds.	
Capital outlay	22,068,469
Depreciation	(24,848,612)
Refunding of certificates of participation and debt proceeds, the payment to refunded debt escrow agent and the premium for debt issuance are recorded in the funds but have no effect on net assets.	
Payment to refunded debt escrow agent	84,185,263
Refunding of debt	(92,710,000)
Premium for debt issuance	(7,263,782)
Disposal of capital assets proceeds are recorded in the funds while the loss from the disposal is recorded at citywide and includes the write-off of the carrying value of the related capital asset.	
	(82,894)
Internal Service Funds are used by the city to accumulate and allocate fleet management, printing, and risk management costs to individual funds. The increase in net assets of the internal service funds are included in governmental and business-type activities in the citywide statement of net assets as they predominately benefit governmental activities.	
Governmental - type	(4,103,881)
Business - type	184,082
Increase in net assets of governmental activities (see page 3)	<u>\$ 6,370,603</u>

PROPRIETARY FUNDS

Enterprise funds account for operations that are financed and operated in a manner similar to private business where costs are predominantly supported by user charges or where management has decided periodic determination of revenues, expenses, and/or change in net assets is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Major proprietary funds are enterprise funds whose assets, liabilities, revenues or expenditures are at least 10% of corresponding totals for all proprietary funds. They must also be at least 5% of the governmental and enterprise fund totals for the same item. The Water Fund and the Wastewater Fund are major funds.

Water Fund - The Water Fund accounts for the acquisition of water and water rights and for the operation and maintenance of the water plants and distribution systems.

Wastewater Fund - The Wastewater Fund accounts for the systems and operations used in treating and disposing of wastewater from sanitary wastewater and storm drain activities.

Nonmajor proprietary funds include the Golf Fund which accounts for the operation and maintenance of city owned or operated golf courses.



CITY OF AURORA, COLORADO

PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor	Total	Activities
	Water	Wastewater	Fund	Enterprise	Internal
			Funds	Service Funds	
ASSETS					
<i>Current Assets</i>					
Cash and cash equivalents	\$ 43,787,642	\$ 16,933,715	\$ 438,528	\$ 61,159,885	\$ 2,963,862
Investments	163,632,102	65,505,770	1,237,885	230,375,757	12,112,241
Receivables (net of allowance)					
Accounts receivable	7,914,851	5,077,952	—	12,992,803	—
Interest receivable	1,947,484	552,931	367	2,500,782	143,203
Other receivable	—	166,681	—	166,681	28
Restricted assets					
Investments	14,053,462	2,446,247	—	16,499,709	—
Current portion of notes receivable	—	—	25,919	25,919	—
Current portion of interfund loan	—	56,000	—	56,000	—
Inventories	—	—	227,803	227,803	594,174
Total current assets	231,335,541	90,739,296	1,930,502	324,005,339	15,813,508
<i>Noncurrent assets</i>					
Deferred charges	4,913,462	318,762	45,678	5,277,902	—
Restricted assets					
Cash and cash equivalents	77,576,067	16,955,893	—	94,531,960	—
Investments	6,699,885	1,250,776	488,566	8,439,227	—
Interest receivable	873,914	84,124	1,111	959,149	—
Other receivables	—	6,623,252	—	6,623,252	—
Notes receivable	—	4,217	84,145	88,362	—
Interfund loan	—	4,440,000	—	4,440,000	—
Equity in joint venture	2,440,749	—	—	2,440,749	—
Capital assets (net of accumulated depreciation)					
Land and water rights	310,984,494	8,083,846	15,291,603	334,359,943	—
Buildings and improvements	69,414,654	34,897,642	2,523,744	106,836,040	—
Infrastructure	428,495,540	297,569,716	12,600,656	738,665,912	403,860
Machinery and equipment	9,379,449	2,851,175	923,596	13,154,220	124,798
Construction in progress	558,158,637	37,971,324	—	596,129,961	—
Total capital assets	1,376,432,774	381,373,703	31,339,599	1,789,146,076	528,658
Total noncurrent assets	1,468,936,851	411,050,727	31,959,099	1,911,946,677	528,658
Total assets	1,700,272,392	501,790,023	33,889,601	2,235,952,016	16,342,166
LIABILITIES					
<i>Current liabilities</i>					
Accounts payable	31,579,029	2,734,372	192,013	34,505,414	465,952
Accrued interest	12,558,954	1,278,197	37,564	13,874,715	—
Other payables	60,980	19,967	6,918	87,865	—
Unearned revenues	—	—	471,504	471,504	—
Current portion - interfund loan	—	—	56,000	56,000	—
Current portion - long-term liabilities	10,172,467	2,838,844	609,391	13,620,702	3,369,819
Total current liabilities	54,371,430	6,871,380	1,373,390	62,616,200	3,835,771
<i>Noncurrent liabilities</i>					
Interfund loan	—	—	4,440,000	4,440,000	—
Due beyond one year	701,818,920	64,056,308	3,148,955	769,024,183	4,394,395
Total noncurrent liabilities	701,818,920	64,056,308	7,588,955	773,464,183	4,394,395
Total liabilities	756,190,350	70,927,688	8,962,345	836,080,383	8,230,166
NET ASSETS					
Invested in capital assets, net of related debt	729,623,726	331,237,602	24,346,133	1,085,207,461	524,794
<i>Restricted</i>					
Construction	2,004,000	6,623,252	—	8,627,252	—
Debt related	1,250,000	1,250,000	—	2,500,000	—
Unrestricted	211,204,316	91,751,481	581,123	303,536,920	7,587,206
Total net assets	\$ 944,082,042	\$ 430,862,335	\$ 24,927,256	\$ 1,399,871,633	\$ 8,112,000

CITY OF AURORA, COLORADO

PROPRIETARY FUNDS

RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET ASSETS TO THE CITYWIDE STATEMENT OF NET ASSETS

DECEMBER 31, 2009

Amounts reported for business-type activities in the statement of net assets (see page 1) are different because:

Total net assets - proprietary funds (see page 10) \$ 1,399,871,633

The current and long-term portions of the interfund loan between the Wastewater Fund and the Golf Fund are eliminated.

Wastewater Fund - asset (4,496,000)

Golf Fund - liability 4,496,000

The internal balances due to the governmental activities from the business-type activities result from the allocation of the cumulative Internal Service Fund loss.

(356,605)

Net assets of business-type activities (see page 1)

\$ 1,399,515,028

CITY OF AURORA, COLORADO
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds			Total Enterprise Funds	Governmental
	Major Funds		Nonmajor Fund		Activities
	Water	Wastewater	Golf		Internal Service Funds
OPERATING REVENUES					
<i>Charges for services</i>					
Customers	\$ 84,493,197	\$ 46,562,963	\$ 9,027,618	\$ 140,083,778	\$ 13,041,138
OPERATING EXPENSES					
Cost of sales and services	28,707,693	32,314,994	6,991,138	68,013,825	9,823,711
Claims losses	—	—	—	—	4,231,834
Administrative expenses	4,544,897	1,511,342	903,164	6,959,403	93,846
Depreciation	10,390,860	6,877,719	1,036,321	18,304,900	60,939
Total operating expenses	43,643,450	40,704,055	8,930,623	93,278,128	14,210,330
Operating income (loss)	40,849,747	5,858,908	96,995	46,805,650	(1,169,192)
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	11,254,698	4,047,641	74,547	15,376,886	600,763
Intergovernmental revenue	183,494	88,000	—	271,494	—
Miscellaneous revenues/expenses	104,757	319,680	20,166	444,603	319,085
Interest expense	(6,527,282)	(107,199)	(394,392)	(7,028,873)	—
Amortization of premiums and (discounts), net	559,950	24,312	(13,414)	570,848	—
Loss on disposal of capital assets	(508,116)	(8,480)	(6,300)	(522,896)	—
Equity in joint venture	(31,680)	—	—	(31,680)	—
Net nonoperating revenues (expenses)	5,035,821	4,363,954	(319,393)	9,080,382	919,848
Income (loss) before capital contributions and transfers	45,885,568	10,222,862	(222,398)	55,886,032	(249,344)
Capital contributions	16,669,965	10,671,083	3,000	27,344,048	—
Transfers out	—	—	—	—	(3,854,537)
CHANGE IN NET ASSETS	62,555,533	20,893,945	(219,398)	83,230,080	(4,103,881)
NET ASSETS - January 1	881,526,509	409,968,390	25,146,654	1,316,641,553	12,215,881
NET ASSETS - December 31	<u>\$ 944,082,042</u>	<u>\$ 430,862,335</u>	<u>\$ 24,927,256</u>	<u>\$ 1,399,871,633</u>	<u>\$ 8,112,000</u>

CITY OF AURORA, COLORADO

PROPRIETARY FUNDS

**RECONCILIATION OF THE PROPRIETARY FUNDS ON THE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS TO THE CITYWIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009**

Amounts reported for business-type activities in the statement of activities (see page 2 and 3) are different because:

Net change in net assets - total enterprise funds (see page 12)	\$ 83,230,080
The current year Internal Service Fund operating profit is eliminated for citywide reporting.	(184,082)
Increase in net assets of business-type activities (see page 3)	<u>\$ 83,045,998</u>

CITY OF AURORA, COLORADO

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds			Total Enterprise Funds	Governmental
	Major Funds		Nonmajor Fund		Activities
	Water	Wastewater	Golf		Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
<i>Cash received from:</i>					
Customers and others	\$ 91,160,800	\$ 43,008,177	\$ 9,073,617	\$ 143,242,594	\$ 337,870
Interfund services provided	—	—	—	—	13,024,124
<i>Cash payments to:</i>					
Employees	(17,213,930)	(10,465,572)	(4,651,071)	(32,330,573)	(3,298,659)
Suppliers for goods and services	(53,594,731)	(29,912,066)	(3,144,191)	(86,650,988)	(10,108,938)
Net cash provided by (used in) operating activities	20,352,139	2,630,539	1,278,355	24,261,033	(45,603)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payment on interfund loan	—	56,000	—	56,000	(3,854,536)
Net cash provided by (used in) noncapital financing activities	—	56,000	—	56,000	(3,854,536)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
<i>Proceeds from:</i>					
Capital debt	34,064,530	—	—	34,064,530	—
Capital contributions	11,764,030	3,303,981	3,000	15,071,011	—
Sale of capital assets	70,366	16,194	590	87,150	—
<i>Payments for:</i>					
Capital assets	(218,199,252)	(13,093,400)	(196,416)	(231,489,068)	(86,399)
Principal on capital debt (golf amount includes interfund loan payment of \$56,000)	(10,506,365)	(2,708,193)	(768,218)	(13,982,776)	—
Interest on capital debt	(32,879,599)	(3,204,712)	(386,834)	(36,471,145)	—
Net cash used in capital and related financing activities	(215,686,290)	(15,686,130)	(1,347,878)	(232,720,298)	(86,399)
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) decrease in equity in pooled investments	53,408,777	(89,827)	(77,093)	53,241,857	1,952,882
Decrease in investments	235,434,378	32,852,382	56	268,286,816	—
Payments received on notes receivable	—	—	24,922	24,922	—
Interest received	11,093,578	3,945,200	79,159	15,117,937	516,826
Net cash provided by investing activities	299,936,733	36,707,755	27,044	336,671,532	2,469,708

	Business-type Activities - Enterprise Funds			Governmental	
	Major Funds		Nonmajor	Activities	
	Water	Wastewater	Fund	Enterprise	
		Golf	Funds	Internal	
				Service Funds	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	104,602,582	23,708,164	(42,479)	128,268,267	(1,516,830)
TOTAL CASH AND CASH EQUIVALENTS, January 1 (including \$24,000 for the Water Fund reported as restricted cash)	16,761,127	10,181,444	481,007	27,423,578	4,480,692
TOTAL CASH AND CASH EQUIVALENTS, December 31 (including \$77,576,067 for the Water Fund and \$16,955,893 for the Wastewater Fund reported as restricted cash)	<u>\$ 121,363,709</u>	<u>\$ 33,889,608</u>	<u>\$ 438,528</u>	<u>\$ 155,691,845</u>	<u>\$ 2,963,862</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	\$ 40,849,747	\$ 5,858,908	\$ 96,995	\$ 46,805,650	\$ (1,169,193)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Depreciation	10,390,860	6,877,719	1,036,321	18,304,900	60,939
Miscellaneous nonoperating revenues	288,250	407,681	20,165	716,096	319,085
<i>Changes in operating assets and liabilities</i>					
Receivables	6,379,353	(3,962,467)	—	2,416,886	1,772
Inventories	—	—	3,010	3,010	21,529
Accounts payable and other current liabilities	(37,556,071)	(6,551,302)	96,030	(44,011,343)	720,265
Unearned revenues	—	—	25,834	25,834	—
Total adjustments	(20,497,608)	(3,228,369)	1,181,360	(22,544,617)	1,123,590
Net cash provided by (used in) operating activities	<u>\$ 20,352,139</u>	<u>\$ 2,630,539</u>	<u>\$ 1,278,355</u>	<u>\$ 24,261,033</u>	<u>\$ (45,603)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Contribution of capital assets	\$ 4,905,935	\$ 7,367,102	\$ —	\$ 12,273,037	\$ —
Increase (decrease) in fair value of investments	787,297	562,022	(4,511)	1,344,808	85,143
Amortization of issuance, discount and premium	559,950	24,312	(13,414)	570,848	—
Capital assets acquired through payables	(28,335,157)	(1,413,393)	—	(29,748,550)	(3,864)



FIDUCIARY FUNDS

Fiduciary funds are used to report assets held for others in a trustee or agency capacity. Fiduciary funds are not available to support city programs and are therefore not included in the citywide financial statements.

Pension Trust Funds - Pension trust funds account for the activities and accumulation of resources to pay retirement benefits for employees, elected officials and council appointees. The pension trust funds are comprised of the General Employees' Retirement Plan Fund (GERP) and the Elected Officials' and Executive Personnel Defined Benefit Plan Fund (EOEP).

Agency Fund - The city reports one agency fund that provides for the consolidation of all payroll liabilities after the recording of related payroll expenditures into the appropriate funds.

CITY OF AURORA, COLORADO
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2009

	Pension Trust Funds	Agency Fund
	<u> </u>	<u> </u>
ASSETS		
<i>Current assets</i>		
Cash and equivalents	\$ 5,021,241	\$ 311,546
Investments		
Equity securities and funds	150,019,884	—
U.S. government and U.S. government agency obligations	25,871,023	—
Corporate bonds and funds	66,795,026	—
Real estate funds	17,733,847	—
Alternative investments	18,083,433	—
Receivables (net of allowance)		
Interest receivable	842,970	—
Due from other governments	355,641	—
Other receivables	5,415	—
	<u> </u>	<u> </u>
Total assets	<u>284,728,480</u>	<u>\$ 311,546</u>
 LIABILITIES		
<i>Current liabilities</i>		
Accounts payable and other current liabilities	831,455	\$ 311,546
	<u> </u>	<u> </u>
Total liabilities	<u>831,455</u>	<u>\$ 311,546</u>
 NET ASSETS		
Held in trust for pension benefits	<u>283,897,025</u>	
	<u> </u>	
Total net assets	<u>\$ 283,897,025</u>	

CITY OF AURORA, COLORADO
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Pension Trust Funds
	<hr/>
ADDITIONS	
<i>Contributions</i>	
City	\$ 5,142,704
Plan members	4,795,873
	<hr/>
Total contributions	9,938,577
	<hr/>
<i>Investment activity</i>	
Investment earnings	37,191,101
Investment expense	(580,806)
	<hr/>
Net investment earnings	36,610,295
	<hr/>
Other income	70,756
	<hr/>
Total additions, net	46,619,628
	<hr/>
DEDUCTIONS	
Benefits	11,781,321
Administrative expenses	566,648
	<hr/>
Total deductions	12,347,969
	<hr/>
CHANGE IN NET ASSETS	34,271,659
NET ASSETS - January 1	249,625,366
	<hr/>
NET ASSETS - December 31	\$ 283,897,025
	<hr/> <hr/>

DISCRETELY PRESENTED COMPONENT UNITS

A component unit is a legally separate organization for which the city is considered financially accountable or whose exclusion would make the city's financial statements misleading or incomplete. Discrete presentation refers to presenting financial data of the component unit in a column separate from that of the primary government.

Fitzsimons Redevelopment Authority (FRA) - FRA was formed for the purpose of economic redevelopment of the former United States Army Garrison, Fitzsimons Military Facility and the surrounding Fitzsimons Redevelopment Area. It is responsible for the coordination of the redevelopment of the entire Fitzsimons site in accordance with the Fitzsimons Redevelopment Plan (the Plan). In addition, the FRA is responsible for the development and management of certain components of the Plan, including the development of a life sciences-oriented business park affiliated with the University of Colorado.

Aurora Housing Authority (AHA) – AHA's purpose is to facilitate the provision of decent, safe and affordable housing to low-income and special needs individuals and families. It is supported largely by the United States Department of Housing and Urban Development.

Havana Business Improvement District (Havana BID) - Havana BID was formed for the purpose of enhancing the economic vitality of the Havana Street corridor. It is a quasi-municipal corporation and political subdivision of the State of Colorado with all powers and responsibilities granted to business improvement districts by Title 31, Article 25, Part 12 of the Colorado Revised Statutes.

CITY OF AURORA, COLORADO

COMPONENT UNITS
STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Fitzsimons Redevelopment Authority	Aurora Housing Authority	Havana Business Improvement District	Total
ASSETS				
Cash and cash equivalents	\$ 5,150,849	\$ 14,170,581	\$ 346,949	\$ 19,668,379
Investments	4,581,219	9,282	—	4,590,501
Receivables (net of allowance)				
Taxes receivable	—	—	365,533	365,533
Interest receivable	44,170	1,262,397	—	1,306,567
Other receivables	604,979	6,317,413	5,245	6,927,637
Deferred charges	75,304	—	—	75,304
Notes receivable	10,000,000	25,723,898	—	35,723,898
Equity in joint venture	—	4,870,749	—	4,870,749
<i>Capital assets (net of accumulated depreciation)</i>				
Land and water rights	6,692,567	5,550,329	—	12,242,896
Buildings and improvements	9,331,498	48,371,242	—	57,702,740
Machinery and equipment	89,775	566,305	—	656,080
Construction in progress	—	183,925	—	183,925
Total assets	<u>36,570,361</u>	<u>107,026,121</u>	<u>717,727</u>	<u>144,314,209</u>
LIABILITIES				
Accounts payable	386,508	1,318,227	11,388	1,716,123
Accrued interest	15,454	606,000	—	621,454
Other payables	361,940	170,326	—	532,266
Unearned revenues	41,185	943,223	365,533	1,349,941
<i>Noncurrent liabilities</i>				
Due within one year	163,108	1,119,408	—	1,282,516
Due beyond one year	4,173,797	58,027,030	—	62,200,827
Total liabilities	<u>5,141,992</u>	<u>62,184,214</u>	<u>376,921</u>	<u>67,703,127</u>
NET ASSETS				
Invested in capital assets, net of related debt	13,474,855	17,077,519	—	30,552,374
<i>Restricted</i>				
Emergencies	—	—	6,227	6,227
Gifts and grants	—	10,852,209	—	10,852,209
Unrestricted	17,953,514	16,912,179	334,579	35,200,272
Total net assets	<u>\$ 31,428,369</u>	<u>\$ 44,841,907</u>	<u>\$ 340,806</u>	<u>\$ 76,611,082</u>

CITY OF AURORA, COLORADO
COMPONENT UNITS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Fitzsimons Redevelopment Authority	Aurora Housing Authority	Havana Business Improvement District	Component Units
Component unit								
Fitzsimons Redevelopment Authority	\$ 3,977,302	\$ 2,534,971	\$ 2,200,444	\$ —	\$ 758,113	\$ —	\$ —	\$ 758,113
Aurora Housing Authority	28,335,188	24,635,948	1,804,794	470,707	—	(1,423,739)	—	(1,423,739)
Havana Business Improvement District	207,571	24,312	—	—	—	—	(183,259)	(183,259)
Total Component Units	<u>\$ 32,520,061</u>	<u>\$ 27,195,231</u>	<u>\$ 4,005,238</u>	<u>\$ 470,707</u>	758,113	(1,423,739)	(183,259)	(848,885)
General Revenues								
<i>Taxes</i>								
Property taxes					—	—	295,888	295,888
Other taxes					—	—	23,006	23,006
Unrestricted investment earnings					69,254	—	1,651	70,905
Total general revenues and transfers					69,254	—	320,545	389,799
INCREASE (DECREASE) IN NET ASSETS					827,367	(1,423,739)	137,286	(459,086)
NET ASSETS - January 1					30,601,002	46,265,646	203,520	77,070,168
NET ASSETS - December 31					<u>\$ 31,428,369</u>	<u>\$ 44,841,907</u>	<u>\$ 340,806</u>	<u>\$ 76,611,082</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The city is a home-rule local government governed by an elected eleven-member council. These financial statements include the city and its component units. A component unit is a legally separate organization for which the city is considered financially accountable or whose exclusion would make the city's financial statements misleading or incomplete. Blended component units, although legally separate, are in substance, part of the city's operations. Therefore, data from these organizations are included with data of the primary government. The blended method is used when either of the following circumstances is present: 1) the governing body of the component unit is substantially the same as the governing body of the city; or 2) the component unit provides services entirely or almost entirely to the city government. If neither of these circumstances is present, the component unit is presented discretely. Discrete presentation refers to presenting financial data of the component unit in a column separate from that of the primary government.

1. Discretely Presented Component Units

Fitzsimons Redevelopment Authority (FRA) – FRA was formed on January 1, 1998 under the Colorado Revised Statutes for the purpose of economic redevelopment of the former United States Army Garrison, Fitzsimons Military Facility and the surrounding Fitzsimons Redevelopment Area. FRA acts as the developer and manager of certain components of the Fitzsimons Redevelopment Plan, including the development of a bioscience research park affiliated with the University of Colorado.

FRA is governed by a ten-member board of directors, of which seven members are appointed by the city council. FRA is a component unit of the city because the city appoints a majority of its governing. It is discretely presented because FRA's board is not substantially the same as the City Council and FRA does not provide services entirely or almost entirely to the city. Separately issued, audited financial statements for FRA are available by contacting FRA at 12635 East Montview Boulevard, Suite 100, Aurora, Colorado 80045, or telephone (720) 859-4100.

Aurora Housing Authority (AHA) – AHA is supported largely by the United States Department of Housing and Urban Development and provides decent, safe and affordable housing to the low-income and special needs population. AHA is a component unit of the city because in 2007 the city provided a moral obligation pledge to assist the AHA in securing a five million dollar line of credit. Separately issued, audited financial statements for AHA are available by contacting AHA at 10745 East Kentucky Avenue, Aurora, Colorado 80012.

Havana Business Improvement District (Havana BID) – The Havana BID was organized by the city council on July 21, 2007 under Colorado Revised Statutes, for the purpose of enhancing the economic vitality of the Havana Street corridor. It is a quasi-municipal corporation and political subdivision of the State of Colorado with all powers and responsibilities granted to business improvement districts by Title 31, Article 25, Part 12 of the Colorado Revised Statutes. The City Council appointed all the initial members of the Havana BID Board of Directors, which are not substantially the same as the city council and the BID does not primarily benefit the city government. The city is able to impose its will on the BID as its operating plan and budget are approved by city council. The Havana BID is a discretely presented component unit of the city. An election was held in November 2007, authorizing the Havana BID to levy property taxes in the years 2007 for collection in 2008, and thereafter. Separately issued, audited financial statements are available by contacting the Havana BID at 337 Oswego Street, Aurora, Colorado 80010 or telephone (303) 364-2044.

2. Blended Component Units

Aurora Capital Leasing Corporation (ACLCL) – ACLCL was organized as a not-for-profit corporation in 1993 to finance capital assets of the city. ACLCL is a component unit because the City Council appoints the governing board. ACLCL is a blended component unit because it provides services solely to the city. ACLCL financial statements consist of a debt service fund and a capital projects fund. Capital assets and long-term debt for ACLCL are included in the citywide statement of net assets. There are no separately issued financial statements for ACLCL.

Aurora Urban Renewal Authority (AURA) – AURA was formed by action of the city council in 1981, pursuant to Part 1 of Article 25, Title 31, of the Colorado Revised Statutes. AURA has various expressed powers including the power to: undertake urban renewal projects, mortgage, sell or dispose of property, borrow money and accept grants, and issue tax-increment and other forms of securities. From time to time, the City Council has determined the existence of blighted conditions in the city and designated Urban Renewal Areas. AURA is a component unit because its exclusion would make the city's financial statements misleading. AURA is a

blended component unit because AURA's governing body is substantially the same as the City Council and it provides specific financial benefits solely to the city. AURA financial statements consist of a general fund and a debt service fund. Noncurrent debt of AURA, if any, is included in the citywide statement of net assets. There are no separately issued financial statements for AURA.

Cherry Creek Fence General Improvement District (GID) – Cherry Creek Fence GID was formed by action of registered voters of the Cherry Creek Raquet Club neighborhood in 2007 to construct a masonry fence financed by the issuance of general obligation bonds (repaid with property taxes assessed on the respective neighborhood). Cherry Creek Fence GID is a blended component unit because its governing body is the same as the city council and it provides specific financial benefits solely to the city. Its financial statements consist of a special revenue fund. The noncurrent debt of Cherry Creek GID is included in the citywide statement of net assets. There are no separately issued financial statements for Cherry Creek Fence GID.

3. Fiduciary Component Units

General Employees' Retirement Plan (GERP) – GERP was created to provide retirement benefits to career service and executive personnel. It has a separate, independent board that administers the plan. Three of the seven board members are appointed by city council. GERP is a component unit because it is funded by contributions from the city and city employees, and its exclusion would make the city's financial statements misleading. GERP is a blended component unit because it provides services solely to the city. GERP is included in this report as a pension trust fund in the fiduciary fund statements. GERP is not included in the citywide statements because its assets are not available to finance city programs. Separately issued, audited financial statements are available by contacting GERP at 12200 East Iliff Avenue, Suite 108, Aurora, Colorado 80014 or telephone (303) 368-9160.

Elected Officials' and Executive Personnel Defined Benefit Plan (EOEP) –EOEP was created in 2001 to provide retirement benefits to elected officials and executive personnel. As required by city Code, a city executive serves as plan trustee and plan administrator. EOEP is a component unit because it is funded solely by contributions from the city and because its exclusion would make the city's financial statements misleading. It is a blended component unit because it provides services solely to the city, its employees and retired elected officials. EOEP is included in this report as a pension trust fund in the fiduciary fund statements. EOEP is not included in the citywide statements because its assets are not available to finance city programs. There are no separately issued financial statements for EOEP.

4. Joint Venture

Aurora-Colorado Springs Joint Water Authority (ACSJWA) – ACSJWA was formed in 1983, by contract, between the city and the city of Colorado Springs, Colorado, for the purpose of developing water resources, systems, or facilities in whole or in part for the benefit of the two cities. The Council of each city appoints three directors to the board. The ACSJWA must obtain approval from both cities before proceeding with any new project. Prior approval is not required for operating and maintenance expenses related to a previously approved project. To date, the cities have approved one project, the construction and operation of a pipeline to transport raw water. Construction was financed through revenue bonds. The city has a 1/3 participation share and Colorado Springs has a 2/3 participation share in the project.

The city's share of the ACSJWA is accounted for in the Water Fund using the equity method. The Water Fund is a major proprietary fund and business-type activity. Separately issued, audited financial statements for ACSJWA are available at Colorado Springs Utilities, P.O. Box 1103, MC930, Colorado Springs, Colorado 80947 or telephone (719) 668-8712 or (719) 668-4052.

B. Citywide and Fund Financial Statements

The financial statements of the city of Aurora, Colorado (the city) are prepared in accordance with accounting principles applicable to governments, which are generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing U.S. governmental accounting and financial reporting principles.

The citywide financial statements (i.e., the statement of net assets and the statement of changes in net assets) provide financial information about the city as a whole (the primary government and its component units). Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the government is financially accountable.

The *statement of activities* demonstrates the extent to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services, 2) program-specific operating grants and contributions, and 3) program-specific capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from citywide reporting as the assets are not available to finance city operations.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The citywide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund, internal service fund, and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue when all of the eligibility requirements, imposed by the provider, have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. The city considers revenues, other than grants, to be measurable and available if collected within two months after year-end. Grants are considered measurable and available if 1) they are collected within one year after year-end and 2) all eligibility requirements, including incurring allowable costs, have been met. Expenditures are recorded when the related liability is incurred, with the exception of principal and interest on long-term debt and compensated absences, which are recognized when matured.

Revenues susceptible to accrual under the modified accrual basis include surcharges, intergovernmental, grants, interest and the following taxes: property, sales, use, lodgers, occupational privilege, franchise, and specific ownership tax. All other revenues are considered measurable and available only when cash is received.

For governmental funds, property tax is reported as a receivable and deferred revenue in the year it is levied as an enforceable legal claim occurs at this time.

The city reports the following major governmental fund:

The *General Fund* accounts for taxes and other resources traditionally associated with government and the operations of the city that are financed from those resources.

The city reports the following major proprietary funds:

The *Water Fund* accounts for the acquisition of water and water rights and for the operation and maintenance of reservoirs, wells, water treatment plants and distribution systems.

The *Wastewater Fund* accounts for the systems and operations used in treating and disposing of wastewater from sanitary wastewater and storm drain services.

Additionally, the city reports the following nonmajor funds:

Special Revenue Funds account for revenues that are restricted or designated for a specific purpose. The city has fifteen special revenue funds: Gifts and Grants, Development Review, Abatement, Community Development, Enhanced E-911, Conservation Trust, Emergency Contingency, Parks Development, Arapahoe County Open Space, Recreation Services, Cultural Services, Designated Revenues, Policy Reserve, TABOR Reserve, Cherry Creek Fence General Improvement District and AURA General Fund.

Debt Service Funds account for the accumulation of resources and payments of principal, interest and fees related to general obligation, special assessment and revenue bonds and certificates of participation except those accounted for in proprietary funds. The city has five debt service funds: City Debt Service, SID Debt Service, Surplus and Deficiency, AURA Debt Service and ACLC Debt Service.

Capital Projects Funds account for resources allocated for the acquisition or construction of capital projects except those financed by special revenue or proprietary funds. The city has four capital project funds: the City Capital Projects Fund, the Bond Proceeds Fund, the Building Repair Fund and the ACLC Capital Projects Fund.

The *Golf Fund* accounts for the operations and maintenance of city owned or operated golf courses. The Golf Fund is a nonmajor proprietary fund.

Internal Service Funds are used to account for resources calculated on a cost recovery basis and provided by other city funds for centralized acquisition of supplies and services. The city has three internal service funds: Fleet Management, Print Shop, and Risk Management.

Pension trust funds account for the accumulation of resources and the payment of retirement benefits to qualified employees. The city has two pension trust funds: the city of Aurora General Employees' Retirement Plan and the city of Aurora Elected Officials' and Executive Personnel Defined Benefit Plan.

The city has one *agency fund*, the Payroll Clearing Fund, which is used to account for the consolidation of payroll liabilities (taxes, pensions, insurance etc.) after the related payroll expenditures are recorded into the appropriate funds.

Private-sector standards of accounting and financial reporting (Financial Accounting Standards Board (FASB) pronouncements) issued prior to December 1, 1989 are generally followed in both the citywide and the proprietary fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments have the option of following subsequent private-sector guidance for business-type activities and enterprise funds, subject to this same limitation. The city and its component units, FRA, AHA and Havana BID, have elected to not follow subsequent private sector guidance.

Program revenues are those that are derived directly from the program itself. Program revenues are divided into three groups: charges for services, program-specific operating grants and contributions, and program-specific capital grants and contributions. Charges for services are exchange or exchange-like transactions including: fees, licenses, permits, and special assessments. Program-specific grants and contributions include revenues arising from mandatory and voluntary non-exchange transactions with other governments, private organizations or individuals where monies are required by the grantor / contributor to be used for a particular program or activity. Program-specific grants and contributions that are required to be used to purchase or construct capital assets are shown in the capital grants and contributions column. All other program-specific grants and contributions are shown as operating revenues. Water and Wastewater capital grants and contributions include tap and annexation fees, which are required to be used for the construction of water and wastewater capital assets.

General Revenues include: all taxes levied by the city regardless of their purpose; unrestricted investment income; and multi-purpose or non-specific grants and contributions.

The proprietary fund statement of revenues, expenses and changes in net assets separately presents revenues and expenses that are directly related to the service provided by the fund as "operating." Operating revenues are primarily charges for services (exchange or exchange-like transactions for water, wastewater and golf services). Golf operating revenues also include sales of merchandise. Operating revenues for internal service funds are charges for services provided to other funds and departments. All other revenues in the proprietary funds are reported as nonoperating. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, claims losses, and depreciation on capital assets. All other expenses are reported as nonoperating.

D. Regulatory Accounting

The city is subject to the provisions of Statement of Financial Accounting Standards (SFAS) No. 71, *Accounting for the Effects of Certain Types of Regulation*, which requires the effects of the rate-making process to be recorded in the financial statements. Accordingly, certain expenses normally reflected in the statement of revenues, expenses and changes in net assets as incurred are recognized when they are included in the calculations for water rates set by the city. The city has recorded a corresponding liability (Footnote 7).

E. Cash and Investments

The city pools its cash and investments. All temporary cash surpluses are invested. Earnings on pooled investments are allocated among the funds based on an average daily balance of the individual fund's equity in pooled monies. The amounts shown as "cash and cash equivalents" and "investments" in the citywide and

proprietary fund statements of net assets and the governmental funds balance sheet include both unrestricted equity in the city's pool and unrestricted amounts held in non-pooled accounts. Restricted assets include cash and investments required to be used for specific purposes and may contain pooled and non-pooled amounts. Cash and cash equivalents are carried at fair value and include petty cash, demand deposits and highly liquid investments (readily convertible to known amounts of cash) with maturities of three months or less from purchase date. Investments are stated at fair value based upon quoted market prices in brokerage service reports. When both restricted and unrestricted resources are available for use, spending is determined on a case by case basis but it is generally the city's intent to use restricted resources first, then unrestricted resources as they are needed.

F. Interfund Transactions

During the course of operations, transactions occur between individual funds for goods provided or services rendered. Receivables and payables related to these transactions are reported as due from other funds and due to other funds, respectively, in the fund statements. Interfund loans or advances, which are made to provide internal financing are reported as interfund loans in the fund statements.

In the process of aggregating data for the citywide statement of net assets, amounts reported in the funds as interfund receivables and payables are eliminated. The residual amounts due between governmental and business-type activities are shown on a single line as internal balances. Interfund amounts (if any) due between the primary government and a fiduciary fund are shown on the citywide statement as receivable or payable to external parties rather than internal balances.

Interfund activities include: transfers, internal billings, and transactions with internal service funds. For fund statement presentation, transfers are shown as "transfers in" and "transfers out." Internal billings, including transactions with internal service funds, are shown as revenues and expenses / expenditures in the respective funds. As a general rule, these revenues / transfers in and expenditures / expenses / transfers out have been eliminated in the aggregation of data for the citywide statement of activities. Exceptions to this rule are charges between the city's water function and various other functions of the city. Elimination of these charges would distort the direct costs and program revenues reported in the various functions concerned.

G. Deferred Charges and Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as deferred charges for both the citywide and the fund financial statements. See item L of this footnote for treatment of bond issue costs as a deferred charge.

Inventories are stated at the lower of cost determined using the first-in, first-out basis or market. The cost of inventories in the proprietary fund statements and citywide statements are recorded as an expense when consumed rather than when purchased. Inventories included in the governmental fund statements and citywide statements represent housing purchased, rehabilitated and resold under the Neighborhood Stabilization Program.

H. Capital Assets

The criteria used for capitalizing assets include assets with an estimated useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Capital assets are stated at actual cost for purchased and constructed assets, estimated historical cost for older assets for which actual cost was not determinable, and estimated fair value at the time of receipt for donated or contributed items. Expenditures incurred during the construction phase are recorded as construction in progress. These amounts are transferred from construction in progress to the appropriate classification (water rights, buildings and improvements, or infrastructure) upon completion of the project. Land, machinery, and equipment are normally recorded upon receipt. Salvage value is not material and is therefore not computed. Accordingly, assets are completely depreciated if retained for their total estimated useful life. Straight-line depreciation is used in all cases over the following estimated useful lives.

Description	Estimated Useful Life Years
Buildings and improvements	40
Infrastructure	
Street overlay and improvements	10
Other utility improvements	20-65
Mains and conduits	65-95
Reservoirs/Park improvements	99
Machinery and equipment	13-15

Capital assets purchased by governmental funds are not included as assets in the governmental fund but as expenditures. These expenditures are reclassified on the reconciliation of governmental funds balance sheet to the citywide statement of net assets. Interest incurred during construction is not capitalized.

Estimated costs for streets constructed by developers and contributed to the city are reported as program revenue for the public works function in the citywide statement of activities and as additions to infrastructure in the citywide statement of net assets. Street infrastructure was recorded from 1973 through 2002 using discounted replacement cost.

Capital assets purchased by proprietary funds are included on the fund's statement of net assets as well as in the business-type activities column of the citywide financial statements. Developers who construct water and wastewater lines for subdivisions are required to furnish cost figures to the city for contributed lines. If cost figures are not provided, the city estimates the value of the donated asset. Such costs are recorded as capital assets and capital contribution revenues when accepted by the city. Interest cost on debt issued for the construction of capital assets is capitalized during construction of assets in accordance with FASB 34, *Capitalization of Interest Cost* and FASB 62, *Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants - an amendment of FASB Statement No. 34*.

Assets recorded under capital lease agreements are amortized over either the term of the lease or the estimated useful life of the asset, whichever period is shorter. Amortization expense for capital leases is included in the depreciation line item on the financial statements.

I. Accounts Payable

Amounts reported as accounts payable on the statement of net assets includes:

	Governmental Activities	Business-type Activities
Vendors	\$ 5,011,257	\$ 33,362,557
Salaries and Benefits	5,853,162	1,001,857
Total	<u>\$ 10,864,419</u>	<u>\$ 34,364,414</u>

J. Unearned and Deferred Revenues (Liabilities)

Unearned Revenues - Under the accrual basis of accounting, revenue is recognized when earned. Unearned revenues reflect amounts that have been received before the city has a legal claim to the funds. In subsequent periods, when revenue recognition criteria are met, or when the city has a legal claim to the resources, the unearned revenue is removed from the balance sheet and revenue is recognized.

Deferred Revenues - Under the modified accrual basis of accounting, revenues are recorded when earned and available. Deferred revenues, shown in the governmental funds, may include both amounts that are unearned and amounts unavailable to finance expenditures of the fiscal period. In subsequent periods, when the city has legal claim and the resources become available, the deferred revenues are removed and revenue is recognized in the governmental fund.

K. Noncurrent Liabilities

Noncurrent liabilities include: bonds, notes, certificates of participation, capital leases, claims payable, earned but not used compensated absences and other postemployment benefits. For governmental funds the liability is recorded when payment is due, or when resources have been accumulated in the debt service fund for payment early in the following year. Proceeds from issuance of debt are reported in the governmental funds as "other financing sources" and payments of principal on debt are shown as expenditures. For the citywide statements, governmental debt issuances are shown as noncurrent liabilities and principal payments are shown as decreases in noncurrent liabilities. Amounts due within the next twelve months are reported as "due within one year" with the remaining amount being reported as "due in more than one year." For the proprietary and pension trust funds long-term liabilities are accounted for in the fund as well as in the business-type activities column of the citywide financial statements.

L. Bond Premiums, Discounts and Issue Costs

In governmental funds, bond premiums and discounts are reported as other financing sources/used and issuance costs are recorded as expenditures in the period incurred. For the citywide and the proprietary fund statements, bond premiums, discounts and issuance costs are deferred and amortized over the term of the bonds using the

straight-line method. Bond premiums and discounts are presented as a reduction of the face amount of bonds payable whereas issuance costs are recorded as deferred charges.

M. Compensated Absences

City policy allows employees to accumulate earned but not used annual leave up to maximum hours as indicated in the table. All annual leave hours in excess of the maximum accrual permitted are forfeited on January 1 of each year. Accrued annual leave is payable to the extent earned.

<u>Employees</u>	<u>Maximum Hours</u>
Police and Career Service	260
Fire Civil Service 8-hour shift	256
Fire Civil Service 24-hour shift	360

Generally, employees may convert sick leave hours accumulated in excess of established minimums annually in January to either annual leave hours or cash payments. All employees may convert sick leave hours to annual leave hours at a rate of one hour's pay for every two hours of sick leave up to the established maximum payment hours. In lieu of, or in combination with, cash payment, Career Service employees may elect to increase their annual leave balances by up to forty hours per year in exchange for twice the amount of accrued sick leave.

<u>Employees</u>	<u>Minimum Accrual</u>	<u>Maximum Payment</u>
	<u>Hours</u>	<u>Hours</u>
Council Appointees	520	120
Police and Career Service	720	120
Fire Civil Service 8-hour shift	684	120
Fire Civil Service 24-hour shift	960	180

The city records a liability for accrued compensated absences and related payroll taxes. The "vesting method" per GASB 16, *Accounting for Compensated Absences*, is followed to estimate the sick leave liability upon termination. Only the portion of compensated absences that is due is reported as a liability in a governmental fund while the entire liability is reflected in the citywide statement of net assets as noncurrent liabilities. The portion of amounts "due within one year" are estimated to be paid (in lieu of used) in the next twelve months. The liability for compensated absences for employees whose work primarily benefits a proprietary fund is recorded in the respective fund. The portion of amounts anticipated to be paid (in lieu of used) over the next twelve months are reported as "current portion of long-term liabilities" in the proprietary fund statements and as "due within one year" in the business-type activities on the citywide statement of net assets.

N. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions. These assumptions affect the reported amounts of assets, liabilities, revenues and expenditures and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

O. Fund Balances and Net Assets

Fund balances reflect assets minus liabilities and are shown only in the governmental fund statements. Fund balance is divided into two classifications; reserved and unreserved. Fund balance reserves reflect amounts legally segregated for a specific future use. Additionally, assets that are required by outside sources to be used for a specific purpose are shown on the balance sheet as "restricted assets." No assets have been restricted in connection with the reserve for encumbrances. Unreserved fund balance includes designated and undesignated portions. Designations represent management's intended use of otherwise available current financial resources and reflect actual plans for spending approved by city senior management.

Net assets are assets minus liabilities and are shown in the citywide, proprietary and fiduciary fund financial statements and are reported in three classifications. Invested in capital assets, net of related debt reflects capital assets (net of accumulated depreciation) reduced by the outstanding amount of debt, which was issued to acquire or construct the capital assets. Restricted net assets report amounts legally segregated for a specific future use. Remaining net assets are reported as unrestricted.

Certain special revenue and debt service funds have been established for restricted purposes. These funds may report unreserved/undesignated fund balances in the fund statements. The assets of these funds are reclassified to report restricted net assets, amounts payable from restricted assets and restricted net assets for the citywide

statement of net assets.

P. Budgets

On or before September 1 of each year, a proposed budget is provided by the city Manager to the city council for review. The city council holds public hearings and may add to, subtract from, or change the proposed appropriations and associated revenues and reserves. The city council is required to adopt the budget for the upcoming year by November 30, but typically does so before every November election.

Budgets are legally adopted for all funds except the Payroll Clearing Agency Fund, which is not subject to the budgetary requirements of the Colorado Revised Statutes (C.R.S.). Budgets for the component units: ACLC, AURA, GERP, EOEP, FRA, AHA and Havana BID may be subject to the budgetary requirements of the C.R.S but are not required to be and are not legally adopted by the city, although the city may approve a component unit's budget.

The city adopts both annual operating appropriations and project-length appropriations each year. Operating costs are controlled at the fund and department level for the General Fund and at the fund level for all other funds. Expenditures may not exceed appropriations at those levels. Annual operating appropriations lapse at year-end except for amounts that are encumbered (reserves for encumbrances are commitments on purchase orders that remain open at year-end).

The city adopts all capital projects on a project-length budget. Project-length (continuing appropriations) budgets do not lapse until the project for which the appropriation was made is completed or abandoned. Project expenditures are controlled at the fund, department and project levels. Expenditures may not exceed appropriations at any of those levels.

The following funds have both project-length continuing appropriations and annual operational budgets: city Capital Projects, Water, Wastewater, Golf, Gifts and Grants, Enhanced E-911, Conservation Trust, Parks Development, Arapahoe County Open Space, Designated Revenues, Bond Proceeds and Building Repair. The Community Development Fund only adopts project-length budgets.

Since expenditures may not legally exceed budgeted appropriations, appropriation amendments are approved as necessary. Budget amendments require city council approval by ordinance. The final budget does not always include budget reductions in expenditures or changes in revenues for amounts approved subsequent to the original budget when legal compliance is already demonstrated.

Budget transfers within a department may be made with administrative approval if the transfer is within the same fund. Transfers between departments within the General Fund require city council approval by ordinance or resolution. Transfers between funds require city council approval by ordinance.

Basis of Budgeting

The city budgets on a "funds available" basis (budgetary basis). Budgetary basis revenues and other financing sources are considered increases in funds available and budgetary basis expenditures and other financing uses are considered uses of funds available. In general, funds available are defined as current assets minus current liabilities. However, certain items that are considered current for GAAP accounting are considered long-term for the city budget. Some examples of these in proprietary funds include the current portion of accrued compensated absences and the current portion of long-term debt.

The city's budget disclosure presents funds available net of reservations and designations. While the reservations and designations are available to appropriate, funds available after reservations and designations represent funds that may be used for general purposes.

The "funds available" basis differs from the U.S. GAAP Basis of Accounting as follows:

1. Governmental Funds

- a) Encumbrances are treated as expenditures in the year they are encumbered, not when the expenditure occurs.
- b) Grants are considered revenue when awarded, not when earned.
- c) Sales, use and lodgers taxes are considered revenue when received rather than when earned.
- d) Project-length (continuing appropriation) budgets adopted during the year are considered to reduce funds available in the year adopted.
- e) Overspending of project length (continuing appropriation) budgets is considered to reduce funds available.

- f) Close-out of unspent project-length (continuing appropriation) budgets is considered to increase funds available.
- g) Proceeds from capital leases and related capital expenditures are not budgeted.
- h) The value received on the trade-in of capital assets and the related capital expenditures are not budgeted.
- i) Changes in investment income due to recording investments at fair value are not budgeted.

2. Proprietary Funds

- a) Capital outlay is budgeted as an expenditure in the year purchased.
- b) Depreciation is not budgeted.
- c) Interest capitalized during construction is budgeted as interest expense.
- d) Proceeds from the issuance of debt are considered revenues instead of an increase in liabilities.
- e) Principal payments are shown as expenditures rather than reductions of the liability.
- f) Encumbrances are treated as expenditures in the year they are encumbered, not when the expense occurs.
- g) Receipts of long-term receivables are considered revenues, not reductions of the receivable.
- h) Proceeds from the sale of assets are recognized as revenue; however, the related gain or loss is not.
- i) Purchases of inventory are considered expenditures when purchased, not when sold or used.
- j) Debt issue and discount costs are considered to be expended when paid, not capitalized and amortized over the life of the bonds.
- k) Gains or losses on the early extinguishment of debt are considered to increase or decrease the funds available in the year in which they occur and are not capitalized and amortized over the life of the bonds.
- l) Accrued compensated absences are not considered expenditures until paid.
- m) Interest earned on escrowed cash and investments is not considered revenue for budget purposes.
- n) The gain or loss on the equity in the joint venture is not budgeted, however payments to the joint venture, if any, are budgeted as expenditures.
- o) Project-length (continuing appropriation) budgets are considered reductions of funds available when appropriated.
- p) Overspending of project length budgets is considered to reduce funds available.
- q) Close-out of unspent project length budgets is considered to increase funds available.
- r) Proceeds from capital leases and related capital expenditures are not budgeted.
- s) The value received on the trade-in of capital assets and the related capital expenditures are not budgeted.
- t) Changes in investment income due to recording investments at fair value are not budgeted.

Appropriation Violations

SID Debt Service fund budgetary actual expenditures exceeded final budget by \$37,266, which may be a violation of the City’s Charter. Appropriation amendments for these expenditures will be requested in the following year and are subject to City Council approval by ordinance.

2. CASH AND INVESTMENTS

Cash and investments as of December 31, 2009 are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Component Units	Total
Cash and cash equivalents	\$ 13,446,520	\$ 61,159,885	\$ 5,332,787	\$ 16,888,017	\$ 96,827,209
Investments	65,969,720	230,375,757	278,503,213	4,590,501	579,439,191
Restricted cash and cash equivalents	31,832,085	94,531,960	-	-	126,364,045
Restricted investments	42,143,128	24,938,936	-	-	67,082,064
	<u>\$ 153,391,453</u>	<u>\$ 411,006,538</u>	<u>\$ 283,836,000</u>	<u>\$ 21,478,518</u>	<u>\$ 869,712,509</u>

Component unit amounts shown above only include the primary government.

As a home rule city, the city is allowed by state statute to invest public funds as permitted by charter or ordinance of the city. The city, by ordinance, has established an investment policy that does not include the pension funds. All non-pension plan investments are governed by this policy except for bond proceeds, which are invested in accordance with state statute, terms of the bond indenture or to meet bond insurer requirements. In addition, the Public Deposit Protection Act requires that all deposits exceeding the amount insured by the FDIC be fully collateralized at 102% of the deposit. The city maintains all cash deposits in PDPA eligible financial institutions. The city will seek to maintain an investment portfolio which is diversified by maturity, type of security, corporate industry and, except for US government obligations, by issuer. The objectives of the city’s investment program, in

order of their priority, are:

- *Safety of principal* is the primary objective of city investment activities and is the single most important factor in determining investment decisions.
- *Liquidity* - The investment portfolio will retain sufficient liquidity to meet all reasonably anticipated operating cash needs.
- *Financial Management Goals* - The timing and form of investment purchases and sales will be managed in a manner consistent with the city's financial management goals.
- *Yield* - After the objectives of safety, liquidity and financial management goals are met, the investment portfolio will be managed with the objective of attaining a market rate of return throughout interest rate cycles.

The city held the following investments at December 31, 2009:

	Pooled Investments	Non-pooled Investments	Total Primary Government
Repurchase agreements:			
Money market funds*	\$ -	\$ 37,507,812	\$ 37,507,812
Money market funds*	95,404,049	64,725,396	160,129,445
Certificates of deposit	28,200,000	-	28,200,000
US agency notes	164,827,407	488,566	165,315,973
US Treasury notes	5,078,300	7,980,481	13,058,781
Corporate notes	128,339,512	-	128,339,512
Municipal bonds	28,513,274	-	28,513,274
Total	<u>\$ 450,362,542</u>	<u>\$ 110,702,255</u>	<u>\$ 561,064,797</u>

*Money market funds are considered cash equivalents for financial statement presentation.

Investments are subject to many different types of risk including, but not limited to, credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk. The city has no custodial credit or foreign currency risk except for the fiduciary fund investments, which have foreign currency risk. City policy gives guidance for investment activity to limit risks, as outlined in the following discussion.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Concentration of credit risk is the risk of loss attributable to the magnitude of the city's investment in a single issuer. Concentration risk as defined by the Governmental Accounting Standards Board is any investment that represents 5% or more of the total investments to any one issuer. The city pooled fund investments are in compliance with city policy which limits unsecured investments with any single issuer other than the federal government to no more than 5%. The city does have investments that represent more than 5% to a single issuer within specific funds within the city. These include the Golf Fund reserve requirement and the Water and Wastewater Fund repurchase agreements for bond reserve requirements and capital projects. These investments are invested pursuant to specific requirements of bond indentures.

Primary Government

Repurchase agreements – Counterparties must be rated at least A3, A- or their equivalent by Moody's, S&P or Fitch, and must be collateralized by US Treasury, agency, or instrumentality securities, the market value of which is at least 102% of the funds invested. Reverse Repurchase Agreements may be used in amounts up to \$10 million and maturities up to twenty days for cash management purposes. Reverse repurchase agreements for longer terms or greater amounts must be approved by resolution of city council. Reverse repurchase agreements approved by resolution of city council to provide interim funding of capital acquisitions may not exceed \$100 million or eighteen months maturity.

Money market funds - If registered with the SEC or rated AAA by any nationally recognized credit rating agency the city may hold 5%. If funds comply with the investment management provisions of rule 2(a)7 of the investment company act of 1940 and are rated Aaa by any nationally recognized credit rating agency the city may hold 10%.

Certificates of deposit - city policy mirrors State statute, with deposits in each bank limited to the lesser of one percent of the bank's assets or ten percent of its equity capital, with a maximum of \$5 million on each individual CD. Deposits will not be made in any bank whose capital to assets ratio is less than 4%.

US Agency notes – Investments may not exceed 50% of the total par value of the city's portfolio, with no more than 25% exposure to any single issuer. Maturities may be no more than five years.

US Treasury notes - Maturities may be no more than five years.

Commercial paper – Must be rated A-1, P-1 or their equivalent by any two nationally recognized credit rating agencies and may not exceed 50% of the portfolio's par value.

Corporate notes - Investments other than commercial paper, issued by domestic corporations may not exceed:

Rating	Maximum Percentage	Maximum Maturity (Years)
AAA or AA	40%	5
A1 or A+	15%	3

Debt downgraded to not lower than an A2/A rating by Moody's, S&P or Fitch may continue to be held with the consent of the Finance Director, provided that such debt is judged to have a favorable financial outlook, is reported to the external investment committee, and the total of such corporates do not exceed 5% of the total face value of the city's investments. Debt downgraded below A by Moody's, S&P or Fitch must be sold within four months of such downgrade.

At December 31, 2009, the city owned three corporate notes that were downgraded by the rating agencies to a level at which the city's investment policy requires them to be sold within four months of such downgrade. Council authorized a one-time waiver to the investment policy to retain ownership. A waiver of the sale requirement was passed by council on May 18, 2009.

Municipal bonds – Investments may not exceed:

Rating	Maximum Percentage	Maximum Maturity (Years)
AAA or AA	40%	5
A1 or A+	15%	3

Credit ratings on the primary governments investments are as follows:

Moody's	S&P	Repurchase Agreements	Money Market	Certificates of Deposit	US Agency Notes	US Treasury Notes	Corporate Notes	Municipal Bonds
Aaa	AAA	\$ -	\$ 91,036,051	\$ -	\$ 165,315,973	\$ 10,518,920	\$ 37,675,060	\$ -
Aa1 to Aa3	AAA	-	-	-	-	-	-	5,379,328
Aa1 to Aa3	AA+ to AA-	-	-	-	-	-	67,817,311	8,168,208
Aa1 to Aa3	A+ to A-	-	-	-	-	-	5,538,666	-
A1 to A3	AA+ to AA-	-	-	-	-	-	-	7,040,165
A1 to A3	A+ to A-	-	-	-	-	-	9,668,282	-
A1 to A3	Not rated	-	-	-	-	-	2,459,692	-
Baa1 to Baa3	A+ to A-	-	-	-	-	-	5,180,500	5,666,088
Not rated	AA+ to AA-	-	-	-	-	-	-	2,259,485
Not rated	Not rated	37,507,812	69,093,394	28,200,000	-	2,539,861	-	-
		<u>\$ 37,507,812</u>	<u>\$ 160,129,445</u>	<u>\$ 28,200,000</u>	<u>\$ 165,315,973</u>	<u>\$ 13,058,781</u>	<u>\$ 128,339,512</u>	<u>\$ 28,513,274</u>

Fiduciary Funds

GERP – GERP contracts with investment managers to manage all of the plan's investments. Each investment portfolio is managed in accordance with investment guidelines as stated in the Plan's investment policy adopted July 21, 2007. These guidelines are specific to two strategies (core and core plus) within the fixed income asset class.

The *core* portfolio will include the following:

- Debt instruments issued by the U.S. Government, its Agencies and Instrumentalities.
- Debt instruments that have been issued by domestic entities rated BBB- or Baa3 or above by Standard & Poor's rating service or Moody's Investors Service, respectively.
- Dollar denominated debt securities issued under section 144(A); and mortgage backed and asset backed securities of investment grade quality.

The *core plus* portfolio will follow the above guidelines with the following exceptions:

- While the overall portfolio credit quality will be maintained at investment grade, up to 25 percent of the portfolio at market value may be invested in securities rated below investment grade. Split rated securities will be governed by the lower designation.

- Up to 20 percent of the portfolio at market value may be invested in securities issued by foreign issuers and denominated in foreign currencies.

For the fixed income investment manager, the Plan's investment policy states that for purposes of diversification, the exposure to any single issuer, other than securities guaranteed by the U.S. Treasury, may not exceed 5% of the market value of the portfolio. For the domestic equity investment manager, the Plan's investment policy states that the market value of any single security holding should be limited to a weight of 5% of the portfolio, or 150% of the security's weight in the benchmark, whichever is higher. There is no formal policy for concentration of credit risk for the international equity and real estate investment managers. At December 31, 2009 the Plan did not have investments in any one organization representing 5% or more of the Plan's assets.

EOEP - Credit risk exposure is dictated by each manager's agreement with the Plan or in the fund's prospectus. The Plan does not have a formal policy regarding the concentration of credit risk. At December 31, 2009, the Plan did not have investments in any one organization representing 5% or more of the Plan assets.

The fiduciary funds held the following fixed income investments with respective qualitative ratings, excluding those which are not considered to have credit risk, is as follows:

S&P	Corporate Notes	Corporate Bonds and Funds
AAA	\$ 6,197,771	\$ -
AA+ to AA-	30,350,712	1,250,880
A+ to A-	15,856,645	-
BBB+ to BBB-	13,139,018	-
Not rated	-	-
	<u>\$ 65,544,146</u>	<u>\$ 1,250,880</u>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Primary Government

As a means of limiting its exposure to interest rate risk, it is the city's policy to invest in a manner that securities can normally be held to maturity, or close to maturity, and to limit the types and maturities of permitted securities. The city manages its exposure by limiting the weighted average maturities of the portfolio to less than 2.5 years, unless the investments are funded by specifically identified sources such as bond indentures. The weighted average maturity for investments in the city pool is 1.09 years for 2009. Non-pooled investments are invested in accordance with state statute, terms of the bond indenture or to meet bond insurer requirements and may have a weighted average maturity exceeding 2.5 years.

	Pooled Investments	Weighted Average Maturity (Years)	Non-pooled Investments	Weighted Average Maturity (Years)
Repurchase agreements:				
Money market funds	\$ -	-	\$ 37,507,812	-
Money market funds	95,404,049	-	64,725,396	-
Certificates of deposit	28,200,000	-	-	-
US agency notes	164,827,407	1.42	488,566	5.45
US Treasury notes	5,078,300	0.37	7,980,481	3.62
Corporate notes	128,339,512	1.14	-	-
Municipal bonds	28,513,274	1.42	-	-
Total	<u>\$450,362,542</u>	<u>1.09</u>	<u>\$110,702,255</u>	<u>4.54</u>

Fiduciary Funds

GERP - Interest rate risk exposure is dictated by each investment manager's agreement. Each portfolio is managed in accordance with investment guidelines as stated in the Plan's investment policy adopted on July 21, 2007. These guidelines are specific to two strategies (core and core plus) within the fixed income asset class.

- The *core* fixed income portfolio is to maintain duration within plus or minus 25 percent of the duration of the Barclays Capital Government Credit Index.
 - The *core plus* portfolio may normally maintain duration within a range of three to six years.
- Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of

Trustees. The Board of Trustees for the Plan has formally adopted an investment policy that allows investment maturities greater than five years.

The Plan had the following investments and maturities at December 31, 2009:

	Investment	Investment Maturities (in years)				
		Undetermined	Less than 1	1-5	6-10	>10
Money market funds	\$ 4,924,888	\$ 4,924,888	\$ -	\$ -	\$ -	\$ -
US Treasury notes and bonds	24,789,143	-	-	1,213,128	16,897,410	6,678,605
US Agency notes and bonds	1,081,880	-	-	-	1,081,880	-
Corporate bonds and funds	65,544,146	-	1,952,477	19,802,308	38,398,412	5,390,949
Equity securities	147,817,852	147,817,852	-	-	-	-
Real estate funds	17,534,432	17,534,432	-	-	-	-
Alternative investments	18,083,433	18,083,433	-	-	-	-
Total	<u>\$ 279,775,774</u>	<u>\$ 188,360,605</u>	<u>\$ 1,952,477</u>	<u>\$ 21,015,436</u>	<u>\$ 56,377,702</u>	<u>\$ 12,069,554</u>

EOEP - Colorado revised statutes limit investment maturities to five years or less unless formally approved by the trustee(s). The EOEP trustee has determined that it is appropriate for the Plan to follow the investment guidelines developed by the city of Aurora General Employees' Retirement Plan. Those guidelines allow investment maturities greater than five years.

	Investment	Average Maturity (Years)
Money market funds	\$ 20,440	0.12
Corporate bonds and funds	1,250,880	6.92
Equity securities	2,202,032	-
Real estate funds	199,415	-
Total	<u>\$ 3,672,767</u>	

Foreign Currency Risk – Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment or deposit.

Fiduciary Funds

GERP - The Plan's currency risk exposure resides entirely within investments in international equity mutual funds. The plan has no formal policy regarding foreign currency risk. The Plan's exposure to foreign currency risk in U.S. dollars as of December 31, 2009 is \$43,132,287, which is entirely composed of investments in international equity mutual funds.

3. RECEIVABLES

A. Taxes

1. Property Tax

Property tax is levied on December 15 and attaches as a lien on property the following January 1. The tax is payable in full by April 30 or in two equal installments due February 28 and June 15. Each county bills and collects property tax for all taxing entities within the county. Property tax collected by Arapahoe, Adams and Douglas counties for the city are remitted in the subsequent month. Property tax is reported as a receivable and as deferred revenue when levied in both the funds and for citywide reporting. Revenue is recognized when collected in the following year. Collection begins on January 1 of the year following the levy. Total property tax receivable at December 31, 2009 is \$25,594,224. Based upon experience, one percent of outstanding receivables is recorded in an allowance account and is deducted from the deferred revenue and the receivable for reporting purposes. The total allowance at December 31, 2009 is \$255,943.

2. Sales, Use and Lodgers Taxes

Sales, use and lodgers taxes are recognized as revenue when earned. Sales tax collected and use tax incurred are due to the city by the 20th day of the following month. Total sales, use and lodgers tax receivable at December 31, 2009 is \$15,905,989.

3. Franchise Taxes

Franchise taxes such as telephone, cable television, gas and electric, due to the city but not received at year-

end, are recorded as receivables. Total franchise tax receivable at December 31, 2009 is \$2,168,859.

4. Tax Audits

Amounts calculated as owed during sales and use tax compliance audits are recorded as receivables and deferred revenues in the General Fund. Tax audit revenue is recognized in subsequent periods when payment is received. For citywide reporting, revenue is recognized when earned. Total tax audits receivable at December 31, 2009 is \$1,038,423.

B. Accounts

1. City Services

Amounts billed for weed cutting, trash removal, demolition, tree trimming and removal, overtime inspection fees, recreation registrations and reimbursement for property damages are recorded as receivables and the revenue is recognized when services have been performed. Total accounts receivable for city services at December 31, 2009 is \$1,753,666.

2. Utility Billings

Utility charges, which include water and wastewater usage and storm drainage fees, are billed monthly and are due and payable within 25 days from the billing date. Total billed utility charges at December 31, 2009 is \$8,219,258. Earned but unbilled utility charges at December 31, 2009 is \$4,819,694. Billed and unbilled charges are recorded as revenue when earned. Estimates of uncollectible utility charges, based upon a percentage of aged outstanding receivables, are established in allowance accounts which are deducted from utility receivables for reporting purposes. Total allowance at December 31, 2009 is \$46,149.

C. Interest

Interest receivable includes interest earned but not received on investments and notes receivable.

D. Due from Other Governments

Due from other governments consists of county road and bridge tax, state highway users tax, lottery proceeds, cigarette tax and federal and state grants, which the city has earned but not yet received. These amounts are collected by the county or State and remitted to the city within the first two months of the following year.

E. Other

Other receivables include liens for uncollected weed cutting, E-911 surcharges, PEG access fees, photo red light fees, vehicle auction proceeds, special improvement district receivables, case management fines, forfeitures and fees, metro wastewater charges, the net pension asset and rent receivable for FRA.

F. Notes

Notes receivable are supported by contracts, which outline the repayment of borrowed funds.

1. Economic Development

The city has a participation interest in revolving loans made to various commercial and industrial enterprises. These loans are incentives for the relocation or expansion of these enterprises within the boundaries of the city. There are a total of 12 loans; two Brownfields loans with a 2% interest rate due to be repaid when property changes title and an interest only loan for a four year term with principal and interest due on the outstanding principal for six years with the remaining portion due in 2020. Economic development currently has 10 loans with interest rates ranging between 2% - 8.25% and maturity dates between 2012 – 2017 with real and business property as collateral. The balance outstanding as of December 31, 2009 is \$1,198,832, which is not expected to be collected within one year.

In 2000, the city created an Art District Loan Fund by ordinance, the purpose of which was to promote and establish art uses in the downtown Aurora Arts District. There are a total of 5 loans to non-profit organizations with interest rates ranging between 2% - 4.25% and maturity dates between 2013-2038. The balance outstanding as of December 31, 2009 is \$409,468, which is not expected to be collected within one year.

2. Community Services

To assist in the redevelopment of low-income areas, the city makes loans from federal funds to assist in the renovation of housing and businesses. There are a total of 1,292 loans with various maturity dates and interest rates. The balance outstanding as of December 31, 2009 is \$15,058,997, which is not expected to be collected within one year.

In 2009, the city entered into a payment plan with a customer in the amount of \$4,708 for the deferral of waste water connection fees. The balance outstanding as of December 31, 2009 is \$4,217.

In 2007, the city advanced \$90,000 to the Colfax Marathon Partnership, Inc. to assist with the costs associated with the organizing, planning, advertising and producing of the marathon. The balance outstanding at December 31, 2009 is \$90,000.

In November of 2006, the city entered into an agreement with the Mission Aurora Colorado Swimming and the Aurora Masters Swim Club for use of city pools. The note is interest free and has a maturity date of November 1, 2011. The balance outstanding as of December 31, 2009 is \$12,000, which is not expected to be collected within one year.

3. FRA

The city entered into an agreement to assist FRA with required matching funds in conjunction with two grants it received from the U.S. Department of Commerce, Economic Development Administration (EDA) for the purpose of designing and constructing a bioscience incubation facility at Fitzsimmons. The loan of \$1,371,888 is repayable in ten equal annual installments beginning June 1, 2005. The interest rate is variable and the maturity date is June 1, 2014. FRA also paid \$7,023 on the city's behalf per a separate agreement, reducing the principal balance owed. The principal balance outstanding and accrued interest as of December 31, 2009 are \$678,920 and \$15,453, respectively, which \$541,732 is not expected to be collected within one year.

In January 2004, the city entered into a note agreement for \$245,935 to assist FRA with the initial purchase of equipment and startup costs of the Fitzsimons Golf Course. This note is being paid to the city in ten equal annual installments of principal and interest beginning December 1, 2004. The note has a 4% interest rate and the final payment is due December 1, 2013. The balance outstanding as of December 31, 2009 is \$110,064, which \$84,145 is not expected to be collected within one year.

G. Component Units

1. FRA

The FRA has four receivables, one of which is related to accrued interest on investments, a State of Colorado grant, a receivable with Bioscience Park tenants and Transportation Management Association for rent and costs sharing and an escrow deposit for the UPI land sale. These amounts outstanding at December 31, 2009 totaled \$649,149.

In January 2008, the FRA closed on a loan to BWAB-Fitzsimmons, LLC (BWAB) in the amount of \$10 million pursuant to a promissory note and other loan documents from BWAB to the FRA. The loan provides partial funding for the construction of a conference center hotel adjacent to Fitzsimmons in the Fitzsimmons Village project. The note bears interest at 5% per annum and matures at the earlier of a sale or refinancing of the hotel or 61 months after the opening of the hotel to the public. The loan document contains personal guarantees that hotel construction will commence January 2010. Loan repayment is subject to offset for certain hotel operating losses over the first 60 months of operation following occupancy less BWAB proceeds of developing the Fitzsimmons Village site after BWAB recoups net proceeds of \$30 million plus a 15% return. The balance outstanding as of December 31, 2009 is \$10,000,000. In February 2010, FRA and BWAB entered into a memorandum of understanding to modify the loan documents to extend the required construction commence date for the hotel for one year, to include extending the term of personal guarantees until payment in full, to provide a second deed of trust on the entire Fitzsimmons Village site, to provide a pledge of BWAB's future interest in any development ventures on the Village site, and to pay a 1% extension fee.

2. AHA

Amounts disclosed below only include that of the primary government. The AHA has four types of receivables. The first type is receivable for HUD vouchers and landlord over-payments. The second type of receivable is for various related entities for the start up of operations. The third type of receivables is administrative fees earned on related parties. The last type of receivable is tenant receivables for residents that live at various Authority sites. The total of these four types of receivable at December 31, 2009 is \$2,004,515.

The AHA has various other receivables related to development fees and construction management fees. The total of other receivables at December 31, 2009 is \$4,312,898.

The AHA has twenty outstanding notes receivable relating to real property. The total at December 31, 2009 is \$25,723,898, which is not expected to be collected within one year. Interest accrued on these notes at December 31, 2009 is \$1,262,397.

3. Havana BID

Property owners within the boundaries of the Havana Business Improvement District have been assessed \$365,533 in property taxes for 2009 to be collected in 2010.

4. RESTRICTED, RESERVED AND DESIGNATED

A. Restricted and Reserved

Restricted net assets are restricted assets less the liabilities related to those assets. Restricted net assets are those legally segregated for a specific future use. All restricted net assets of the city are expendable.

Amounts reserved by the nature of the fund on the fund financial statements (i.e. no reservation is presented) are restricted net assets for citywide reporting. These amounts include: funds contained within the Gifts and Grants, the Community Development and the Cultural Services Funds that are restricted for gifts and grants as specified by the grantor; revenues collected by the Enhanced E-911 Fund that are restricted for construction, acquisition and operation of emergency communication equipment; lottery funds collected by the Conservation Trust Fund, revenues collected by the Parks Development Fund and by the Arapahoe County Open Space Fund that are restricted for parks and recreation programs; amounts in the TABOR Reserve Fund that report emergency reserves as required by the TABOR amendment; funds in the AURA General Fund that are restricted for urban renewal; and funds in the Bond Proceeds Fund are restricted bond proceeds for capital projects.

Restricted amounts due to and due from other funds are eliminated through the governmental activities adjustments. Additionally, the liability for arbitrage and outstanding bonded debt are added to the governmental activities adjustment as they are reported only on the citywide financial statements.

1. Restricted for Construction and Gifts and Grants

City Capital Projects Fund - Adams County Road and Bridge tax is a 0.5% sales tax collected by Adams County and allocated back to the city for the purpose of constructing roads and bridges located within both jurisdictions has \$1,662,149 in total restricted net assets for capital improvements. Net assets relating to Transportation Improvement Program (TIP) grants and the city's matching portion required by the various grant agreements are shown as restricted as gifts and grants of \$4,792,849 in the City Capital Projects Fund.

Community Development Fund - During 2009, net assets related to the purchase of home inventory for the Neighborhood Support Program (NSP) that are restored and resold are shown as restricted gifts and grants \$2,669,399.

Arapahoe County Open Space Fund - In late 2004, the citizens in Arapahoe County voted and passed a use tax increase of .25%, the proceeds of which are remitted to the city to be used for parks and open space construction and maintenance in Arapahoe County. A portion of the remitted funds have been sent to the Urban Drainage and Flood Control District to fund construction of storm drain infrastructure in the parks. City funds not needed to complete the project will be returned to the city for use on other city parks projects within Arapahoe County. Total restricted net assets for the purpose of Urban Drainage are \$9,428.

Designated Revenues Fund - Amounts remitted to the city as settlement of a judgment against another jurisdiction for noise violations at Denver International Airport are to be used to acquire land and make improvements in the airport vicinity in an effort to mitigate noise in the surrounding communities; a portion of the Adams County Open Space Sales Tax is used for parks and open space projects within the county; and developer fees are collected and used to construct infrastructure in the development area. Total restricted net assets for the purpose of capital improvements are \$3,982,962.

Water Fund - The Prairie Waters project has an Owner Controlled Insurance Program which includes an escrow account for \$1,980,000 and insurance for \$24,000.

Wastewater Fund - Urban Drainage projects restrictions represent city funds held in trust by the Urban Drainage and Flood Control District in the amount of \$6,623,252 to fund construction of storm drain infrastructure in the city. City funds not needed to complete the project will be returned to the city or transferred to other Urban Drainage projects as directed by the city.

2. Restricted for Arbitrage

Federal tax law provides that, with the exception of certain “temporary periods”, governments may not invest the proceeds of tax-exempt debt in a higher yielding taxable security. Arbitrage occurs if a government earns more than the yield allowed by law. Excess arbitrage earnings must be rebated to the Federal government. All outstanding bonds and COPs are reviewed annually for potential arbitrage rebate liability and corresponding reserves are established as necessary.

Arbitrage amounts anticipated to be paid with funds held in the City Debt Service Fund \$33,569.

3. Restricted for Debt Service

Restricted amounts held in funds for Debt Service payments and required reserves include City Debt Service \$1,595,285, SID Debt Service Fund \$36,800, ACLC Debt Service Fund \$17,434,872 and Cherry Creek Fence GID Fund \$18,095.

Water Fund - The 1999 Water Revenue Bonds require the city to maintain \$1,250,000 in operations and maintenance reserve, which is held in the Water Fund as restricted investments.

Wastewater Fund - The 1999 Wastewater Revenue Bonds require the city to maintain \$1,250,000 in operations and maintenance reserve, which is held in the Wastewater Fund as restricted investments.

4. Other Restrictions

Gifts and Grants Fund - The city receives seizure funds from forfeiture actions in state and federal courts. State law restricts the use of seizure funds to specific activities of the city Police Department. Seizure funds consist of \$1,553,771.

Designated Revenues Fund - Amounts of \$8,094,334 represent funds that have specific purposes under various agreements with outside parties.

B. Reserved for Encumbrances

Fund balance shown as “reserved for encumbrances” represents encumbered amounts on unperformed purchase orders. These reservations are eliminated for citywide reporting.

C. Designated Fund Balances

Designations of fund balances represent the city’s intent to use assets for specific future purposes. These designations are eliminated for citywide reporting. Designations by fund and type as of December 31, 2009 are as follows:

Fund	Payment of Long-term Liabilities	Subsequent Year Budgets	Project-length Appropriations	Total
General Fund	\$ 15,905,989	\$ 5,263,498	\$ —	\$ 21,169,487
Other Governmental				
Gifts and Grants	—	—	2,244,586	2,244,586
Development Review	—	152,716	—	152,716
Abatement	—	609,989	—	609,989
Enhanced E-911	—	58,410	740,236	798,646
Conservation Trust	—	3,746,516	4,010,179	7,756,695
Parks Development	—	—	2,351,744	2,351,744
Arapahoe County Open Space	—	—	5,489,952	5,489,952
Cultural Services	—	258,522	—	258,522
Designated Revenues	—	1,728,480	2,508,904	4,237,384
SID Debt Service	—	8,319	—	8,319
Surplus & Deficiency	—	505,750	—	505,750
City Capital Projects Fund	—	71,361	15,234,535	15,305,896
Building Repair	—	—	1,127,703	1,127,703
Total designations	\$ 15,905,989	\$ 12,403,561	\$ 33,707,839	\$ 62,017,389

Payment of Long-term Liabilities - Amounts equal to the sales, use and lodger tax accruals have been designated for the payment of future liabilities.

Subsequent Year Budgets - This amount represents fund balances budgeted as funding sources (as adopted in the 2010 budget) for subsequent year appropriations.

Project-length Appropriations - Budgets for capital projects are adopted on a project length basis. At year-end, the unspent appropriation will carry forward to the subsequent year.

D. Component Units

AHA restricted net assets consisted of \$10,852,209 in gifts and grants segregated for future use.

5. JOINT VENTURE

The Aurora – Colorado Springs Joint Water Authority (ACSJWA) was formed between the city of Aurora and the city of Colorado Springs. ACSJWA is reported in the Water Fund using the equity interest method. ACSJWA charges both cities transmission service fees to pay current expenses incurred in the operation and maintenance of the project.

2009 Changes in City's Equity Interest in ACSJWA

Investment at January 1	Transmission Service Fees	City's Share of Change in Net Assets	City Contributions	Investment at December 31
\$ 2,472,429	\$ -	\$ (31,680)	\$ -	\$ 2,440,749

6. CAPITAL ASSETS

Governmental Activities - Capital asset activity for the year ended December 31, 2009, is shown below:

	January 1	Additions	Disposals	Transfers	December 31
Capital assets not depreciated:					
Land	\$ 240,673,353	\$ 2,082,809	\$ -	\$ -	\$ 242,756,162
Construction in progress	12,899,729	19,044,546	(29,700)	(27,980,349)	3,934,226
Total capital assets not depreciated	<u>253,573,082</u>	<u>21,127,355</u>	<u>(29,700)</u>	<u>(27,980,349)</u>	<u>246,690,388</u>
Capital assets being depreciated:					
Building and improvements	202,051,514	-	-	826,968	202,878,482
Infrastructure	2,560,629,135	3,317,663	(6,167)	26,529,451	2,590,470,082
Machinery and equipment	74,036,576	978,440	(1,267,381)	623,930	74,371,565
Total capital assets being depreciated	<u>2,836,717,225</u>	<u>4,296,103</u>	<u>(1,273,548)</u>	<u>27,980,349</u>	<u>2,867,720,129</u>
Less Accumulated depreciation for:					
Building and improvements	(46,508,423)	(5,528,944)	-	-	(52,037,367)
Infrastructure	(90,360,545)	(14,080,394)	771	(2,748)	(104,442,916)
Machinery and equipment	(40,650,924)	(5,300,211)	1,219,583	2,748	(44,728,804)
Total accumulated depreciation	<u>(177,519,892)</u>	<u>(24,909,549)</u>	<u>1,220,354</u>	<u>-</u>	<u>(201,209,087)</u>
Total capital assets being depreciated, net	<u>2,659,197,333</u>	<u>(20,613,446)</u>	<u>(53,194)</u>	<u>27,980,349</u>	<u>2,666,511,042</u>
Governmental activities capital assets, net	<u>\$ 2,912,770,415</u>	<u>\$ 513,909</u>	<u>\$ (82,894)</u>	<u>\$ -</u>	<u>\$ 2,913,201,430</u>

Depreciation expense that was charged to governmental activities' functions is shown below. Unallocated depreciation represents depreciation on multi-use city office buildings such as the Aurora Municipal Center. Depreciation of all other facilities is included in the function that uses the facility.

General government	\$	1,890,133
Judicial		55,870
Police		1,386,367
Fire		888,823
Other public safety		231,341
Public works		13,978,734
Economic development		80,401
Community services		147,140
Culture and recreation		2,930,932
Unallocated		<u>3,309,006</u>
Depreciation expense governmental activities		24,898,747
Depreciation of internal service fund capital assets attributable to business-type activities		<u>10,802</u>
Total depreciation expense governmental activities	\$	<u>24,909,549</u>

Business-type Activities - Capital asset activity for the year ended December 31, 2009, is shown below and includes capitalized interest of \$23,985,934 in the Water Fund and \$3,043,317 in the Wastewater Fund.

	January 1	Additions	Disposals	Transfers	December 31
Capital assets not depreciated:					
Land and water rights	\$ 311,328,269	\$ 23,031,674	\$ -	\$ -	\$ 334,359,943
Construction in progress	<u>381,446,855</u>	<u>264,934,785</u>	<u>(582,859)</u>	<u>(49,668,820)</u>	<u>596,129,961</u>
Total capital assets not depreciated	<u>692,775,124</u>	<u>287,966,459</u>	<u>(582,859)</u>	<u>(49,668,820)</u>	<u>930,489,904</u>
Capital assets being depreciated:					
Building and improvements	131,932,895	19,501	-	8,028,000	139,980,396
Infrastructure	858,756,469	11,935,793	-	41,640,820	912,333,082
Machinery and equipment	<u>40,605,468</u>	<u>618,156</u>	<u>(492,288)</u>	<u>-</u>	<u>40,731,336</u>
Total capital assets being depreciated	<u>1,031,294,832</u>	<u>12,573,450</u>	<u>(492,288)</u>	<u>49,668,820</u>	<u>1,093,044,814</u>
Less Accumulated depreciation for:					
Building and improvements	(29,730,590)	(3,413,766)	-	-	(33,144,356)
Infrastructure	(161,378,089)	(12,289,081)	-	-	(173,667,170)
Machinery and equipment	<u>(25,440,164)</u>	<u>(2,602,053)</u>	<u>465,101</u>	<u>-</u>	<u>(27,577,116)</u>
Total accumulated depreciation	<u>(216,548,843)</u>	<u>(18,304,900)</u>	<u>465,101</u>	<u>-</u>	<u>(234,388,642)</u>
Total capital assets being depreciated, net	<u>814,745,989</u>	<u>(5,731,450)</u>	<u>(27,187)</u>	<u>49,668,820</u>	<u>858,656,172</u>
Business-type activities capital assets, net	<u>\$ 1,507,521,113</u>	<u>\$ 282,235,009</u>	<u>\$ (610,046)</u>	<u>\$ -</u>	<u>\$ 1,789,146,076</u>

Depreciation expense that was charged to business-type activities' functions is shown below:

Water	\$	10,397,245
Wastewater		6,881,857
Golf		<u>1,036,600</u>
Depreciation business-type activities		18,315,702
Depreciation of internal service fund capital assets attributable to business-type activities		<u>(10,802)</u>
Total depreciation business-type activities	\$	<u>18,304,900</u>

Component Units - Capital asset activity for the year ended December 31, 2009, is shown below:

	January 1	Additions	Disposals	Transfers	December 31
Capital assets not depreciated:					
Land	\$ 8,809,696	\$ 278,471	\$ (14,115)	\$ -	\$ 9,074,052
Construction in progress	-	183,925	-	-	183,925
Total capital assets not depreciated	<u>8,809,696</u>	<u>462,396</u>	<u>(14,115)</u>	<u>-</u>	<u>9,257,977</u>
Capital assets being depreciated:					
Building and improvements	21,290,855	58,682	-	-	21,349,537
Machinery and equipment	758,527	-	(24,991)	-	733,536
Total capital assets being depreciated	<u>22,049,382</u>	<u>58,682</u>	<u>(24,991)</u>	<u>-</u>	<u>22,083,073</u>
Less Accumulated depreciation for:					
Building and improvements	(6,260,065)	(807,278)	-	-	(7,067,343)
Machinery and equipment	(554,476)	(42,764)	14,996	-	(582,244)
Total accumulated depreciation	<u>(6,814,541)</u>	<u>(850,042)</u>	<u>14,996</u>	<u>-</u>	<u>(7,649,587)</u>
Total capital assets being depreciated, net	<u>15,234,841</u>	<u>(791,360)</u>	<u>(9,995)</u>	<u>-</u>	<u>14,433,486</u>
Component Unit capital assets, net	<u>\$ 24,044,537</u>	<u>\$ (328,964)</u>	<u>\$ (24,110)</u>	<u>\$ -</u>	<u>\$ 23,691,463</u>

Amounts above only include the primary government of the component units.

7. NONCURRENT LIABILITIES

A. General Obligation Bonds

The city has issued governmental and business-type activities general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds pledge the full faith and credit of the city for the repayment of the debt.

Governmental Activities - The city has four outstanding issuances of general obligation bonds. Amounts originally issued and amounts outstanding at December 31, 2009, respectively were: 1998 Alameda and I-225 Interchange \$10,000,000 and \$2,755,000; 2000 Facility Master Plan \$50,100,000 and \$24,575,000; 2009 Sports Park \$7,850,000 and \$7,850,000 and 2009 Cherry Creek Fence \$700,000 and \$700,000.

The city issued the General Fund Bonds, Series 2009 in fixed rate coupon bonds to advance refund \$7,770,000 General Fund Revenue Bonds, Series 1999. Total remaining debt service at the time of refunding was projected at \$8,795,852 and total debt service on the refunding bonds is projected at \$7,965,161. The economic gain on the refunding was \$435,571.

Business-type Activities - The city has one outstanding issuance of general obligation water bonds. Amounts originally issued and amounts outstanding at December 31, 2009, respectively were: 2003 Refunding \$62,775,000 and \$24,530,000.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 4,500,000	\$ 1,342,335	\$ 5,842,335	\$ 6,120,000	\$ 965,900	\$ 7,085,900
2011	4,725,000	1,137,553	5,862,553	6,365,000	736,400	7,101,400
2012	4,965,000	917,260	5,882,260	6,640,000	481,800	7,121,800
2013	4,210,000	680,818	4,890,818	2,640,000	216,200	2,856,200
2014	4,425,000	478,625	4,903,625	2,765,000	110,600	2,875,600
2015-2019	4,770,000	369,862	5,139,862	-	-	-
2020-2024	190,000	95,022	285,022	-	-	-
2025-2029	245,000	39,900	284,900	-	-	-
Total	<u>\$ 28,030,000</u>	<u>\$ 5,061,375</u>	<u>\$ 33,091,375</u>	<u>\$ 24,530,000</u>	<u>\$ 2,510,900</u>	<u>\$ 27,040,900</u>

B. Revenue Bonds

Business-type Activities – Aurora Water has five outstanding issuances of revenue bonds. Amounts originally issued and amounts outstanding at December 31, 2009, respectively were: 1999 Colorado Water Resources and Power Development Authority (CWR&PDA) \$14,999,889 and \$5,774,558; 2003A First Lien Water Improvement \$55,860,000 and \$42,660,000; 2005D CWR&PDA \$100,000,000 and \$100,000,000; 2007A First Lien Water Improvement \$421,495,000 and \$421,495,000; and 2008A First Lien Water Improvement Refunding \$39,995,000 and \$39,995,000.

Wastewater has two outstanding issuances of revenue bonds. Amounts originally issued and amounts outstanding at December 31, 2009, respectively were: 1999 Colorado Water Resources and Power Development Authority (CWR&PDA) \$24,124,366 and \$9,198,693; and 2006 First Lien Wastewater Improvement \$57,790,000 and \$55,740,000.

Golf has one outstanding issuance of revenue bonds. Amounts originally issued and amounts outstanding at December 31, 2009, respectively were: 2005 Golf Course Enterprise System Refunding \$4,625,000 and \$2,780,000.

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending December 31	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	3.00-4.00%			2.00-5.38%		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,500,000	\$ 257,066	\$ 1,757,066	\$ 7,178,873	\$ 33,004,958	\$ 40,183,831
2011	1,585,000	174,650	1,759,650	9,740,648	32,713,715	42,454,363
2012	1,540,000	119,850	1,659,850	10,106,657	32,352,183	42,458,840
2013	1,590,000	72,900	1,662,900	10,540,249	31,915,364	42,455,613
2014	1,635,000	24,525	1,659,525	11,091,825	31,365,454	42,457,278
2015-2019	-	-	-	42,574,999	150,072,143	192,647,142
2020-2024	-	-	-	112,375,000	132,982,558	245,357,558
2025-2029	-	-	-	140,760,000	102,870,002	243,630,002
2030-2034	-	-	-	173,685,000	65,458,466	239,143,466
2035-2039	-	-	-	159,590,000	23,419,024	183,009,024
Total	<u>\$ 7,850,000</u>	<u>\$ 648,991</u>	<u>\$ 8,498,991</u>	<u>\$ 677,643,251</u>	<u>\$ 636,153,867</u>	<u>\$ 1,313,797,118</u>

C. Certificates of Participation

Certificates of Participation (COPs) are issued by ACLC and represent participation in a capital lease financing. The COPs are payable from the city's lease payments to ACLC, which are assigned to the trustee for the COPS debt service. There are four outstanding COPs issues. Amounts originally issued and amounts outstanding at December 31, 2009, respectively were: 2002 Public Safety \$15,380,000 and \$6,280,000; 2005 Public Improvements and Open Space \$8,405,000 and \$6,115,000; 2006A-1 Refunding of the 2000 \$20,290,000 and \$15,410,000; and 2009A \$84,160,000 and \$84,160,000.

ACLC issued the Series 2009A certificates for \$84,160,000 in fixed rate bonds to currently refund \$68,540,000 Refunding Certificates of Participation, Series 2008A, which were variable rate bonds and to partially advance refund \$7,215,000 Certificates of Participation, Series 2005. Total remaining debt service at the time of refunding was projected at \$110,471,859 for the Series 2008A and \$8,014,638 for the Series 2005, totaling \$118,486,498. Total debt service on the refunding bonds is projected at \$148,760,812. The economic gain on the refunding was \$1,311,261.

Annual debt service requirements to maturity for COPs are as follows:

Year Ending December 31	Governmental Activities		
	3.00-5.00%		
	Principal	Interest	Total
2010	\$ 4,810,000	\$ 5,225,019	\$ 10,035,019
2011	4,995,000	5,039,428	10,034,428
2012	5,190,000	4,843,280	10,033,280
2013	5,400,000	4,634,600	10,034,600
2014	4,545,000	4,395,622	8,940,622
2015-2019	18,355,000	19,626,099	37,981,099
2020-2024	23,705,000	14,912,500	38,617,500
2025-2029	30,255,000	8,363,250	38,618,250
2030-2034	14,710,000	735,500	15,445,500
Total	<u>\$ 111,965,000</u>	<u>\$ 67,775,298</u>	<u>\$ 179,740,298</u>

D. Notes Payable

Governmental Activities – The city has two Special Improvement District Revenue Notes for expenditures made by the city to construct certain masonry fences in the district (payable from special assessments levied on the neighborhoods). Amounts originally issued and amounts outstanding at December 31, 2009, respectively were: Dam West Neighborhood \$1,140,000 and \$595,000; and Ptarmigan Park Neighborhood \$1,075,000 and \$880,000

Business-type Activities – Aurora Water has one outstanding note payable. Amounts originally issued and amounts outstanding at December 31, 2009, respectively were; 2004 \$8,280,091 and \$3,234,391. In addition, the city issued \$75,750,000 Colorado Water Conservation Board note for the purpose of financing the Prairie Waters Project and will be repaid by revenue of the Water Fund. The city, through its utility enterprise, will draw on this note until the project is substantially complete or December 31, 2011. Repayment of the loan will begin one year from project completion or December 31, 2012, whichever is earlier, at an interest rate of 3.75% per annum over a term of 30 years. At December 31, 2009, the outstanding balance was \$52,317,751.

Annual debt service requirements to maturity for notes payable are as follows:

Year Ending December 31	Governmental Activities			Business-type Activities**		
	4.89-5.00%			5.00%		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 20,000	\$ 72,849	\$ 92,849	\$ -	\$ -	\$ -
2011	20,000	71,859	91,859	587,494	161,720	749,214
2012	20,000	70,871	90,871	587,494	132,345	719,839
2013	20,000	69,881	89,881	587,494	102,970	690,464
2014	20,000	68,893	88,893	587,494	73,595	661,089
2015-2019	1,375,000	149,153	1,524,153	884,415	132,661	1,017,076
2020-2024	-	-	-	-	-	-
2025-2029	-	-	-	-	-	-
Total	<u>\$ 1,475,000</u>	<u>\$ 503,506</u>	<u>\$ 1,978,506</u>	<u>\$ 3,234,391</u>	<u>\$ 603,291</u>	<u>\$ 3,837,682</u>

*A principal and interest payment of \$587,494 and \$191,094, respectively, was made on the 2004 note payable on December 31, 2009 due January 1, 2010.

** Excludes the Colorado Water Conservation Board note.

E. Regulatory Liability

As allowed under SFAS No. 71 (described in footnote 1D), a liability has been recorded for the city's estimated share of future operation and maintenance costs related to the cleanup of excess sediment in the Strontia Springs Reservoir that resulted from rain events that followed two major forest fires earlier this century. The estimated future costs of \$3,869,575 were accrued as a noncurrent liability as of December 31, 2009.

F. Component Units

The FRA entered into an agreement with the United States Army for the conveyance of 332 acres of land along with associated improvements and equipment at Fitzsimons. The purchase price for the conveyance is \$1,850,000. The note is payable in ten equal annual installments of \$555,956 beginning December 31, 2012 through December 31, 2021. Since payments of principal and interest are not required until 2012, accumulated unpaid interest at December 31, 2009 is \$1,697,920. The principal amount outstanding as of December 31, 2009 is \$1,850,000.

The FRA entered into a loan agreement with the city whereby the FRA could draw up to \$1,150,000. The FRA was permitted to draw the funds to provide partial matching for two grants the FRA received from the U.S. Department of Commerce Economic Development Administration, for the purpose of designing and constructing a bioscience incubator facility at Fitzsimons. The loan is payable in ten equal installments of \$137,189 beginning June 1, 2005 through June 1, 2014. Interest accrued from the time of draw through June 1, 2005 is rolled into the balance of the loan. At December 31, 2009 the balance of the loan is \$678,920.

The FRA entered into a note obligation with the city to enable the FRA to operate the eighteen-hole Fitzsimons Golf Course and to purchase necessary equipment and make improvements to the clubhouse. The note is payable in ten equal installments of principal and interest of \$30,322 beginning December 1, 2004 and ending December 1, 2013. Any net income from the operation of the Golf Course in excess of \$150,000 shall also be applied to the outstanding balance of the note until paid in full. The current balance of the note at December 31, 2009 is \$110,065.

The AHA has three mortgages payable with \$2,224,136 outstanding at December 31, 2009 with interest rates varying from 3.75% to 4.95% with one maturing in 2010, one maturing in 2019 and the last one maturing in 2024. All mortgages are secured by building and land.

The AHA has a \$5,000,000 revolving line of credit payable with a balance of \$1,444,356 at December 31, 2009. The rate for the line of credit is 3.0%. The note is for the development of affordable housing. The city has a moral obligation pledge on this line of credit.

The AHA has two HOME Funds payable to the State of Colorado for the acquisition of Townhomes at Tollgate Creek and Trolley Park. Total outstanding at December 31, 2009 is \$428,000. If AHA stays in compliance with the terms of the loan agreement (30 years for Tollgate and 15 years for Trolley Park), the loans will be forgiven. If the loan agreement terms are violated, the loan is due immediately upon the default of non-compliance.

The AHA has four bond issues outstanding at December 31, 2009 for a total of \$19,648,741. All issues are Multifamily Housing Revenue Bonds with varying maturity dates.

Annual debt service requirements to maturity for revenue bonds and notes payable are as follows:

Year Ending December 31	Various		Total
	Principal	Interest	
2010	\$ 752,460	\$ 1,302,250	\$ 2,054,710
2011	514,458	1,270,173	1,784,631
2012	540,099	1,798,715	2,338,814
2013	564,555	1,770,866	2,335,421
2014	1,997,884	1,730,809	3,728,693
2015-2019	7,571,605	7,047,388	14,618,993
2020-2024	14,243,157	2,195,739	16,438,896
2025-2029	-	-	-
2030-2034	-	-	-
2035-2039	200,000	-	200,000
Total	<u>\$ 26,384,218</u>	<u>\$ 17,115,940</u>	<u>\$ 43,500,158</u>

Amounts disclosed above only include the primary government of the component units.

G. Capitalized Leases

Governmental Activities - The city has entered into leases for ten dump trucks, seven fire trucks, two street sweepers, police equipment and twenty five heart rate monitors which are funded from the General Fund. The leases have been capitalized for financial statement purposes. Upon final payment, the equipment leased will transfer to the city's ownership. The gross amount of the machinery and equipment acquired under each lease is \$1,359,024, \$3,442,046, \$486,924, \$207,280 and \$426,901, respectively. Accumulated amortization on these leases is \$1,429,261 as of December 31, 2009.

Business-type Activities - The city has entered into golf cart leases that have been capitalized for financial statement purposes. Upon final payment, the equipment leased will transfer to the city's ownership. The gross amount of the machinery and equipment acquired under the leases is \$694,197. Accumulated amortization on these leases is \$428,890 as of December 31, 2009.

Annual debt service requirements to maturity for capital leases are as follows:

Year Ending December 31	Governmental Activities 3.49-4.16%			Business-type Activities 4.55-5.25%		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 1,114,833	\$ 100,288	\$ 1,215,121	\$ 167,739	\$ 16,668	\$ 184,407
2011	851,313	57,518	908,831	118,828	8,620	127,448
2012	436,285	29,689	465,974	72,057	2,896	74,953
2013	407,079	12,056	419,135	-	-	-
Total	<u>\$ 2,809,510</u>	<u>\$ 199,551</u>	<u>\$ 3,009,061</u>	<u>\$ 358,624</u>	<u>\$ 28,184</u>	<u>\$ 386,808</u>

H. Pledged Revenue

Governmental Activities - The city has pledged any legally available funds or revenues from the General Fund to repay the revenue bonds issued in 2009 which refunded the 1999 bonds. Proceeds from the bonds provided for the creation of a youth sports complex. The bonds are payable solely from legally available General Fund funds and revenues and are payable through 2014. Annual principal and interest payments on the bonds are expected to require approximately 7.0% of legally available funds or revenues from the General Fund. The total principal and interest remaining to be paid on the bonds is \$8,498,991. Principal and interest paid for the current year and total legally available funds or revenues were \$1,760,649 and \$25,106,794, respectively.

The city has pledged any special assessments levied and collected on the respective neighborhoods to repay \$1,475,000 in a Special Improvement District Revenue Notes issued in 2005 and 2007. Proceeds from the notes provided for the construction of two masonry fences. The notes are payable solely from special assessments levied and collected on the respective neighborhoods and are payable through 2015 and 2017.

- *Dam West Neighborhood* - Annual principal and interest payments on the note are expected to require approximately 100.0% of net revenues as the city is expected to pay out all of the special assessments collected. The total principal and interest remaining to be paid on the note is \$761,506. Principal and interest paid for the current year and total special assessments levied and collected on the neighborhood was \$174,230 and \$168,764, respectively.
- *Ptarmigan Park Neighborhood* - Annual principal and interest payments on the note are expected to require approximately 100.0% of net revenues. The total principal and interest remaining to be paid on the note is \$1,217,000. Principal and interest paid for the current year and total special assessments levied and collected on the neighborhood was \$179,125 and \$170,796, respectively.

Business-type Activities - The city has pledged future water system revenues, net of specified operating expenses, to repay \$609,924,558 in water system revenue bonds issued in 1999, 2003, 2005, 2007 and 2008 and \$55,552,142 in utility enterprise water resources revenue notes issued in 1999, 2004 and 2007. Proceeds from the bonds provided financing for the acquisition of water rights, the acquisition and construction of water facilities and additions and improvements to the water system. The bonds are payable solely from water system net revenues and are payable through 2014, 2021, 2035, 2039, and 2033. Proceeds from the notes provided for the acquisition of certain water rights and for construction on the Prairie Waters Project. The notes are payable solely from water system revenues and are payable through 2009, 2019 and 2041. Annual principal and interest payments on the bonds and notes are expected to require approximately 49.1% of net revenues. The total principal and interest remaining to be paid on the bonds and notes is \$1,254,965,417. Principal and interest paid for the current year and total water system net revenues were \$36,323,151 and \$74,030,715, respectively.

The city has pledged future wastewater system revenues, net of specified operating expenses, to repay \$64,938,691 in wastewater system revenue bonds issued in 1999 and 2006. Proceeds from the bonds provided financing for the refurbishment of the Griswold Water Plant and the acquisition and construction of additions and improvements to the wastewater utility system. The bonds are payable solely from wastewater system net revenues and are payable through 2014 and 2036. Annual principal and interest payments on the bonds are expected to require approximately 32.0% of net revenues. The total principal and interest remaining to be paid on the bonds is \$111,785,399. Principal and interest paid for the current year and total system net revenues were \$5,912,905 and \$18,501,565, respectively.

The city has pledged future golf system revenues, net of specified operating expenses, to repay the golf course enterprise system refunding revenue bonds issued in 2005 and the golf course enterprise system revenue note issued in 2004. Proceeds from the bonds provided for the refinancing of obligations originally incurred in 1995 to finance the construction of the Saddle Rock Golf Course. The bonds are payable solely from golf system net revenues and are payable through 2015. Proceeds from the note provided for the financing of irrigation system

improvements to the golf course system. The note is payable solely from golf system net revenues and was paid off in 2009. Annual principal and interest payments on the bonds and note are expected to require approximately 53.8% of net revenues. The total principal and interest remaining to be paid on the bonds is \$3,201,750. Principal and interest paid for the current year and total golf system net revenues were \$663,143 and \$1,233,147, respectively.

I. Accrued Compensated Absences

Accrued compensated absences recorded in governmental activities are generally paid from the General Fund. Amounts outstanding at December 31, 2009 are \$25,191,108 for governmental activities and \$4,129,906 for business-type activities.

J. Legal Debt Limit

The city's legal debt limit is 3% of the assessed valuation of taxable property. After certain deductions allowed by law, the legal debt margin as of December 31, 2009 is \$89,091,270. In 1992, Colorado voters approved an amendment to the state constitution (TABOR), which requires multiple-fiscal year debt and certain other financial obligations to be authorized by voters, regardless of whether or not the city is at its legal debt margin. Voter approval of additional debt typically includes a provision exempting the new debt from the debt margin. Consequently, the computation of the city's legal debt margin has little real significance.

K. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 32,045,000	\$ 700,000	\$ (4,715,000)	\$ 28,030,000	\$ 4,500,000
Revenue bonds	9,105,000	7,850,000	(9,105,000)	7,850,000	1,500,000
Certificates of participation	110,900,000	84,160,000	(83,095,000)	111,965,000	4,810,000
Less deferred amounts:					
Unamortized discounts	(258,201)	103,589	37,751	(116,861)	-
Unamortized premium	749,937	7,263,783	(159,350)	7,854,370	-
Unamortized amounts from refundings	<u>(5,804,538)</u>	<u>(7,026,030)</u>	<u>348,546</u>	<u>(12,482,022)</u>	<u>-</u>
Total bonds and COPs	146,737,198	93,051,342	(96,688,053)	143,100,487	10,810,000
SID Notes payable	1,745,000	-	(270,000)	1,475,000	20,000
Capitalized leases	4,136,172	-	(1,326,664)	2,809,510	1,114,833
Accrued compensated absences	24,457,361	744,288	(10,541)	25,191,108	1,416,842
Accrued claims payable	6,460,756	4,231,834	(3,300,636)	7,391,954	3,300,636
Arbitrage liability	113,808	-	(80,239)	33,569	-
Net OPEB obligation	<u>1,826,355</u>	<u>755,638</u>	<u>-</u>	<u>2,581,993</u>	<u>-</u>
Total Governmental Activities	<u>\$ 185,476,650</u>	<u>\$ 98,783,102</u>	<u>\$ (101,676,131)</u>	<u>\$ 182,583,621</u>	<u>\$ 16,662,312</u>

continued

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type Activities:					
Bonds payable:					
General obligation bonds	\$ 30,435,000	\$ -	\$ (5,905,000)	\$ 24,530,000	\$ 6,120,000
Revenue bonds	684,566,848	-	(6,923,597)	677,643,251	7,178,873
Less deferred amounts:					
Unamortized discounts	(523,475)	-	57,003	(466,472)	-
Unamortized premium	18,233,084	-	(914,824)	17,318,260	-
Unamortized amounts from refundings	(654,526)	-	34,034	(620,492)	-
Total bonds	732,056,931	-	(13,652,384)	718,404,547	13,298,873
Notes payable	22,402,773	34,064,530	(915,160)	55,552,142	-
Regulatory liability	3,869,575	-	-	3,869,575	-
Capitalized leases	541,643	-	(183,019)	358,624	167,739
Accrued compensated absences	3,507,247	622,659	-	4,129,906	295,090
Arbitrage liability	2,270,926	-	(2,270,926)	-	-
Net OPEB obligation	322,298	148,793	-	471,091	-
Total Business-type Activities	<u>\$ 764,971,393</u>	<u>\$ 34,835,980</u>	<u>\$ (17,021,489)</u>	<u>\$ 782,785,885</u>	<u>\$ 13,761,702</u>
Component Units*:					
Bonds payable	\$ 19,905,109	\$ -	\$ (256,368)	\$ 19,648,741	\$ 275,928
Notes payable	7,112,173	1,500,000	(1,876,696)	6,735,477	476,532
Interest payable	1,484,573	213,347	-	1,697,920	-
Total Component Units	<u>\$ 28,501,855</u>	<u>\$ 1,713,347</u>	<u>\$ (2,133,064)</u>	<u>\$ 28,082,138</u>	<u>\$ 752,460</u>

* Does not include compensated absences.

Amounts disclosed above only include the primary government of the component units.

concluded

8. INTERFUND TRANSACTIONS

The balances between the General Fund and the Nonmajor Funds result from the timing difference between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. In addition, some balances result from the overdraft of cash balances in the payable funds. The balances between the Wastewater Fund and the Nonmajor Proprietary Funds result from the interfund loan between Wastewater and Golf for the construction of Murphy Creek Golf Course.

Interfund Receivables and Payables

<u>Receivable Fund</u>	<u>Payable Fund</u>	
	<u>Nonmajor Funds</u>	<u>Totals</u>
General Fund	\$ 364,431	\$ 364,431
Wastewater Fund	4,496,000	4,496,000
Total	<u>\$ 4,860,431</u>	<u>\$ 4,860,431</u>

Transfers are used to move revenues from the fund in which the city budget requires collection to the fund required to expend the monies, and to move unrestricted revenues collected in the General Fund to finance various activities accounted for in other funds.

**Interfund Transfers
Transfers Out**

<u>Transfers In</u>	<u>Nonmajor</u>		
	<u>General Fund</u>	<u>Governmental Funds</u>	<u>Internal Service Funds</u>
General Fund	\$ -	\$ 4,684,857	\$ 1,354,536
Nonmajor Governmental Funds	30,030,588	7,884,555	2,500,000
Total	<u>\$ 30,030,588</u>	<u>\$ 12,569,412</u>	<u>\$ 3,854,536</u>

9. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

A. Continuing Appropriations

The city stipulates that appropriations for capital projects do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned. Additionally, any project is deemed abandoned if three years have elapsed without expenditure or encumbrance to the project. As of December 31, 2009, the city had various commitments for the acquisition and construction of projects which totaled \$324,262,831.

B. Tax Incentive Agreements

The city enters into tax incentive agreements to encourage retail development, commercial expansion and public infrastructure within its borders. At December 31, 2009, the city had development incentive agreements with the developers of Heritage at Eagle Bend, Town Center at Aurora, Gander Mountain, Buckingham – Havana Gardens and Hampden Town Center. In addition, the city had industrial enterprise expansion incentive agreements with Raytheon Company, Merrick and Company, Corporate Express, Furniture Row, Whirlpool Corporation and Kwal Paint. The commercial expansion incentive agreements rebate city levied taxes to the enterprise.

C. Tax Increment Financing

At December 31, 2009, the Aurora Urban Renewal Authority had retail and science and technology agreements with Cornerstar, The Shops at Fitzsimons, Fitzsimons Village, Fitzsimons Promenade, the Fitzsimons Colorado Science and Technology Park and Gardens on Havana and The Avenues.

D. Fitzsimons Golf Course Operations

FRA has retained the city under contract to manage the operation, maintenance and repair of the Fitzsimons Golf Course. The agreement is for the period from January 1, 2004 through December 31, 2013. FRA compensates the city for such services with a management fee payable solely from revenues of the golf course. In return, the city pays FRA a minimum of \$150,000 per year as FRA's share of the proceeds from the operations of the golf course. Any additional net income above the management fee will be applied to the note balance between FRA and Fitzsimons Golf Course until such time the note is paid in full. Once the note is paid in full any additional net income will be split equally between FRA and the city. The maximum remaining commitment to FRA is \$600,000 as of December 31, 2009.

10. DEFERRED COMPENSATION PLANS

The city offers its employees the opportunity to participate in one of four deferred compensation plans. All of the plans are created in accordance with Internal Revenue Code Section 457. The plans allow employees to defer a portion of their salary until future years. The deferred amounts are not available to the employees until termination, retirement, death or unforeseeable emergency. The plans available to employees are administered by: Nationwide Retirement Solutions, International City Management Association Retirement Corporation (ICMA-RC), Lincoln National Life Insurance Company, and the Fire and Police Pension Association (FPPA). The amounts under the deferred compensation plan are held in trust for the benefit of the city's employees. The city is not the trustee for the deferred compensation plans.

11. PENSION PLANS AND OTHER POSTEMPLOYMENT BENEFITS

The city of Aurora provides the following plans:

- General Employees' Retirement Plan (GERP)
- Elected Officials' and Executive Personnel Defined Benefit Plan (EOEP)
- Fire Pension Plan (Old Hire-Fire)
- Police Pension Plan (Old Hire-Police)
- Other Postemployment Benefits (OPEB)
- Fire Department Money Purchase Pension Plan (New Hire-Fire)
- Police Department Money Purchase Pension Plan (New Hire-Police)
- Executive Retirement Plan – Money Purchase Pension Plan (ERP)

A. Defined Benefit Plans

1. General Employees' Retirement Plan

Plan Description. The city of Aurora General Employees' Retirement Plan (GERP) is a contributory single employer defined benefit pension plan covering all full-time and part-time city employees except police officers,

firefighters, elected officials, temporary employees and executives who have elected to participate in the Executive Retirement Plan. The plan’s administrator is selected by the Plan Board of Trustees and provides retirement, death and disability, and supplement benefits. The city currently has 574 retirees and others receiving benefits with 1,621 active plan members. There are 206 former employees that are deferred vested and entitled to receive benefits in the future. Chapter 102, Article V of the city Code assigns the authority to establish and amend benefit provisions to city council. Separately issued audited financial statements are available by contacting GERP at 12200 E. Iliff Avenue, Suite 108, Aurora, Colorado 80014 or telephone (303) 368-9160.

Accounting Policy. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Funding Policy. City Code establishes contribution requirements for the employees and the employer. Contribution requirements may only be changed by a majority vote of participating employees. Actuarial studies are considered in establishing funding policies. However, contributions are not actuarially determined. Employee contributions are required as a condition of employment at 5.5% and are matched dollar for dollar by the city. Plan administrative costs are financed using contributions and earnings of the plan.

2. Elected Officials’ and Executive Personnel Defined Benefit Plan

Plan Description. The city has a non-contributory single employer defined benefit pension plan that became effective January 1, 2001. The plan is administered by a city executive and provides base and supplemental retirement benefits to members of the city council and a standard retirement benefit to executive personnel who are also members of the Executive Retirement Plan (ERP). The city currently has 30 retirees and others receiving benefits with 38 active plan members. There are nine former employees that are deferred vested and entitled to receive benefits in the future. Chapter 102, Article VIII of the City Code assigns the authority to establish and amend benefit provisions to city council. No stand-alone financial report is issued for EOEP.

Accounting Policy. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments and/or statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Funding Policy. The contribution requirements of the city are established and may be amended by city council. The city is required to contribute at an actuarially determined rate. Plan administrative costs are financed by the city.

EOEP	EOEP
Statement of Fiduciary Net Assets	Statement of Changes in Fiduciary Net Assets
December 31, 2009	For the Year Ended December 31, 2009
ASSETS	ADDITIONS
<i>Current Assets</i>	<i>Contributions</i>
Investments	City \$ 351,991
Cash equivalents and short term investments \$ 20,440	Total contributions <u>351,991</u>
Equity securities and funds 2,202,032	<i>Investment activity</i>
Corporate bond funds 1,250,880	Investment gain 598,844
Real estate funds 199,415	Investment expense <u>(8,905)</u>
Interest receivable 2	Net investment loss <u>589,939</u>
Other receivables <u>5,415</u>	Total additions <u>941,930</u>
Total assets <u>3,678,184</u>	DEDUCTIONS
LIABILITIES	Benefits 180,378
<i>Current Liabilities</i>	Administrative expenses 26,105
Accounts payable and other current liabilities 2,209	Total deductions <u>206,483</u>
Total liabilities <u>2,209</u>	CHANGE IN NET ASSETS 735,447
NET ASSETS	NET ASSETS - January 1 2,940,528
Held in trust for pension benefits 3,675,975	NET ASSETS - December 31 <u>\$ 3,675,975</u>
Total net assets <u>\$ 3,675,975</u>	

3. Fire and Police Pension Plans – Old Hire

Plan Description. The Old Hire Plans are closed, non-contributory agent multiple-employer defined benefit plans covering all full-time police officers or fire fighters hired before April 8, 1978. The Old Hire Plans provide normal, early, vested or deferred retirement benefits to plan participants. The Old Hire Plans are a part of the statewide multiple employer public employee retirement system and are administered by the Fire and Police Pension Association of Colorado (FPPA). The FPPA follows the Colorado Revised Statutes for plan contribution requirements and benefits. Both plans are included in the FPPA’s annual report. This report can be obtained at Fire & Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

Funding Policy. The city is required to contribute at an actuarially determined rate. Modification of the Old Hire Plans is regulated by state law and by FPPA Rules and Regulations as authorized by state law. Changes to contribution requirements require an affirmative vote of 65% of active members and city council ordinance.

4. Postretirement Benefits Other than Pensions

Plan Description. In addition to pension benefits, the city acts in a single-employer capacity in providing medical benefits to eligible retirees and their qualifying dependents through the city’s group health insurance plan. Based on city practice, eligible retirees are allowed to participate in the health benefit program up to Medicare age. Police and Fire employees are eligible at any age following 20 years of service. All other employees are eligible at a minimum age of 50 with 10 or more years of service. Currently, there are 2,394 active employees covered under the city’s health insurance plan. Of these, 655 are fully eligible for the plan. In addition, there are 348 retired employees who are receiving medical coverage under this program. No stand-alone financial report is issued for the OPEB plan and it is not included in the report of GERP.

Funding Policy. Retirees pay 100% of the blended premium cost of their participation for health insurance coverage. Since current and retired employees participate in the same group plan, the city in effect is providing an “implicit subsidy” for the retirees in the plan. The required contribution will be annual premiums based on projected pay-as-you-go financing requirements. This expense is the net expected cost of providing retiree benefits including all expected claims and related expenses offset by retiree contributions. The expected pay-as-you-go expense for the year ended December 31, 2009 is \$957,000. Below is a summary of the Net OPEB obligation at the end of 2009 by Business-type and Governmental activities:

<u>Fund</u>	<u>Amount</u>
Water Fund	\$ 253,101
Wastewater Fund	161,508
Golf Fund	56,482
Total Business-type Activities	<u>471,091</u>
Total Governmental Activities	<u>2,581,993</u>
Total Net OPEB Obligation December 31	<u>\$ 3,053,084</u>

Annual Pension Cost and Net Pension Obligation. The city’s annual pension cost and net pension obligations for its defined benefit plans are as follows:

	<u>GERP</u>	<u>EOEP</u>	<u>Old Hire - Fire</u>	<u>Old Hire - Police</u>	<u>OPEB</u>
Annual required contribution (ARC)	\$ 8,144,982	\$ 351,991	\$ -	\$ 1,521,680	\$ 1,836,000
Interest on net pension obligation (NPO) / NPA	(103,988)	-	(24,278)	31,008	107,433
Adjustment to ARC	76,722	-	36,975	(47,223)	(82,001)
Annual pension cost	<u>8,117,716</u>	<u>351,991</u>	<u>12,697</u>	<u>1,505,465</u>	<u>1,861,432</u>
Contributions made	<u>(4,790,713)</u>	<u>(351,991)</u>	<u>-</u>	<u>(1,521,680)</u>	<u>(957,000)</u>
Increase (decrease) in (NPO) / NPA	3,327,003	-	12,697	(16,215)	904,431
(NPO) / NPA - beginning of year	(1,299,855)	-	(303,478)	387,596	2,148,653
(NPO) / NPA - end of year	<u>\$ 2,027,148</u>	<u>\$ -</u>	<u>\$ (290,781)</u>	<u>\$ 371,381</u>	<u>\$ 3,053,084</u>

Funded Status and Funding Progress. The city's funded status for the year ended December 31, 2009 can be seen below. The schedule of progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Plan	Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAAL as a
							Percent of Covered Payroll (b - a) / (c)
GERP	1/1/09	296,021,806	319,750,886	23,729,080	92.58%	86,099,178	27.56%
EOEP	1/1/09	3,528,634	5,331,263	1,802,629	66.19%	-	0.00%
Old Hire - Fire	1/1/08	103,965,149	102,757,130	(1,208,019)	101.18%	277,349	(435.56)%
Old Hire - Police	1/1/08	111,931,255	125,162,192	13,230,937	89.43%	93,795	14106.23%
OPEB	1/1/09	-	19,884,000	19,884,000	0.00%	176,046,227	11.29%

Three Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
<i>GERP</i>			
12/31/07	5,470,966	82.97%	(2,027,762)
12/31/08	5,554,244	86.89%	(1,299,855)
12/31/09	8,117,716	59.02%	2,027,148
<i>EOEP</i>			
12/31/07	375,669	100.00%	-
12/31/08	351,991	100.00%	-
12/31/09	351,991	100.00%	-
<i>Old Hire - Fire</i>			
12/31/07	637,514	98.34%	(315,081)
12/31/08	638,532	98.18%	(303,478)
12/31/09	12,697	0.00%	(290,781)
<i>Old Hire - Police</i>			
12/31/07	1,717,076	100.79%	402,415
12/31/08	1,715,776	100.86%	387,596
12/31/09	1,505,465	101.08%	371,381
<i>OPEB</i>			
12/31/07	1,751,000	38.95%	1,069,000
12/31/08	1,855,653	41.82%	2,148,653
12/31/09	1,861,432	51.41%	3,053,084

Actuarial Methods and Assumptions. The following chart shows the actuarial methods and assumptions used. Actuarial valuations of an on-going plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

	<u>GERP</u>	<u>EOEP</u>	<u>Old Hire - Fire</u>	<u>Old Hire - Police</u>	<u>OPEB</u>
Actuarial valuation date	1/1/09	1/1/09	1/1/08	1/1/08	1/1/09
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Unit credit cost
Amortization method	Level percent - open	Level dollar - closed	Level dollar - open	Level dollar - open	Level percent - open
Remaining amortization period	30 years	30 years	14 years	14 years	30 years
Asset valuation method	3-year smoothing	3-year smoothing	3 -year smoothed fair market value	3 -year smoothed fair market value	Market
Actuarial assumptions:					
Investment rate of return *	8.0%	7.75%	8.0%	8.0%	5.0%
Payroll growth rate	3.5%	n/a	n/a	n/a	4.0%
Projected salary increases *	3.50% to 7.50%	n/a	4.75%	4.75%	n/a
Cost of living adjustment	3.50% base, 5.00% supplemental	3.50% base, 5.00% supplemental	4.00%	4.00%	n/a
Health care cost trend	n/a	n/a	n/a	n/a	11% to 6%
*Includes inflation at	n/a	n/a	3.50%	3.50%	n/a

B. Defined Contribution Plans

1. Fire and Police Pension Plans – New Hire

The New Hire Plans are defined contribution money purchase plans established by City Ordinance to provide benefits at retirement for full time fire and police hired on or after April 8, 1978. The plan is administered by a committee established by each of the agreements. For plan provisions and contribution requirements to be amended an affirmative vote of 65% of the members as well as a city council resolution would be required. At December 31, 2009, there were 929 plan members. Plan members are required to contribute 10.5%. The city is required to contribute 10.5%. Contributions for 2009 were:

	<u>Employee</u>	<u>Employer</u>
New Hire Fire	\$2,201,722	\$2,201,722
New Hire Police	\$4,764,967	\$4,764,967

2. Executive Retirement Plan (ERP)

ERP is a defined contribution money purchase plan established by City Ordinance to provide retirement and death benefits for city executive personnel that is administered by ICMA-RC. Plan provisions and contribution requirements are established and may be amended by city council. At December 31, 2009, there were 27 plan members. Plan members are required to contribute 10.0%, \$354,598 for 2009. The city is required to contribute 10.0%, \$354,598 for 2009.

12. OPERATING LEASES

The city has entered into various leases for buildings, office and storage space, and equipment. All leases are cancelable and must be reappropriated annually. Total costs for such leases were \$1,701,854 for the year ended December 31, 2009. The future minimum lease payments for these leases are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2010	\$ 1,187,940
2011	824,557
2012	507,484
2013	249,378
2014	111,796
2015-2019	-
Total	<u>\$ 2,881,155</u>

13. RISK MANAGEMENT

The city is exposed to various risks and losses related to torts, theft, damage or destruction of assets, errors and omissions, natural disasters, property damage, worker's compensation, auto liability, and unemployment. In addition, the city is party to various pending or potential lawsuits, under which it may be required to pay certain amounts upon final disposition of these matters.

The city retains risk up to the levels where it has been determined that commercial insurance is more cost beneficial. The insurance companies promise payments of claims in excess of stated deductibles, with variable limits depending upon the specific line of coverage. For payment to be made by the insurance company the claim must fall under the insuring agreements and coverage, the insured must meet the insurer's conditions, and certain claims are excluded under certain conditions. The Colorado Governmental Immunity Act establishes limits for claims made against governmental entities for injuries which lie in tort or could lie in tort. These limits are \$150,000 per person up to a maximum of \$600,000 per occurrence. These stated limitations do not apply to federal claims. There were no significant reductions in insurance coverage from the prior year. There have been no claim settlements in excess of insurance coverage in the last three years.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Amounts estimated to be paid on known cases are reported as case reserves. Case reserves are estimated through in-house methods and do include incremental claims adjustment expenses. Total self-insurance reserves are actuarially determined and include estimated costs for incurred but not reported claims (IBNR). The total liability has been recorded using the discounted method with an expected 2.25% interest return over the life of the liabilities. The city reports the current and noncurrent portions of the accrued claims liability and related claim settlements and judgments within the Risk Management Fund.

**Summary of the Accrued Claims Liability
December 31, 2009**

Self-Insured Program	Case Reserves	IBNR	Total	Discounted
Worker's compensation	\$ 1,412,675	\$ 3,414,729	\$ 4,827,404	\$ 4,442,097
Multi-line liability	<u>1,797,516</u>	<u>1,338,949</u>	<u>3,136,465</u>	<u>2,949,857</u>
Totals	<u>\$ 3,210,191</u>	<u>\$ 4,753,678</u>	<u>\$ 7,963,869</u>	<u>\$ 7,391,954</u>

**Reconciliation of Claims Payable
December 31, 2009**

Year	Balance January 1	Current Year Accrued Claims	Claim Payments	Recoveries	Balance December 31
2008	\$ 7,167,691	\$ 2,666,478	\$ (3,728,873)	\$ 355,460	\$ 6,460,756
2009	6,460,756	3,922,329	(3,300,636)	309,505	7,391,954

14. CONTINGENT LIABILITIES

The city is a party to various lawsuits, which may require expenditures of funds upon decision of the courts or in connection with out-of-court settlements. The City Attorney's Office reports several possible contingent liabilities based on damages alleged in various cases. However, it is the opinion of the city attorney that the city's liability in these cases will be far less than the amounts demanded and/or will be covered by insurance. Accordingly, management of the city considers the amount of liabilities established in the Risk Management Fund to be sufficient to cover any liabilities that may result from the eventual outcome of these matters.

Proceeds of refunded debt were placed in irrevocable refunding escrow accounts. The funds deposited in these accounts are invested in U.S. Treasury obligations that, together with interest earned thereon, are expected to provide amounts sufficient to pay all principal and interest on the following debt issues as they become due. Should these funds be insufficient to pay the maturing bonds and interest, the city would be liable for the deficiency. The likelihood of the earnings and principal maturities of the U.S. Treasury obligations not being sufficient to pay the refunded bond issues is remote. Accordingly, the escrow accounts and the refunded bonds are not included in the city's financial statements.

Issue Description	Date of Issue	Series	Balance	
			December 31, 2009	
General Fund Refunding Bonds	7/29/99	1999	\$	7,770,000
Aurora Capital Leasing Corporation (ACLC) Certificates of Participation	8/8/00	2000		72,195,000
Aurora Capital Leasing Corporation (ACLC) Certificates of Participation	3/16/05	2005		7,215,000
Total			\$	<u>87,180,000</u>

15. CONDUIT DEBT OBLIGATIONS

From time to time, the city has issued revenue bonds to provide financial assistance to private sector and non-profit entities for the acquisition and construction of industrial, commercial and residential properties deemed to be in the public interest. The bonds are payable solely from payments received on the underlying funding source. The city is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2009, there were ten series of revenue bonds outstanding, which included five Hospital Revenue Bonds payable from operating revenues, one Educational Development Bond payable from lease payments, two Multi-Family Mortgage Bonds, payable from rental and mortgage payments, and two Single Family Mortgage Bonds payable from mortgage payments. The total aggregate principal amount payable was \$329,200,000.

16. TAXPAYER BILL OF RIGHTS (TABOR)

In November 1992, Colorado voters approved a State constitutional amendment, TABOR, the general purpose of which is to restrain government growth (as measured by revenues and expenditures) without a vote of the local citizens. The key mechanisms for restraining growth without a vote are: 1) the prohibition of revenue and expenditure growth other than for inflation and a component for new construction growth, 2) the prohibition of new taxes or higher tax rates, 3) the prohibition of new debt, and 4) the refunding of any revenues collected in excess of the revenue limitations. In 2009, property tax revenue and general revenue collections were below the limits imposed by the TABOR Amendment.

TABOR further requires emergency reserves of at least 3% of fiscal year revenue as defined by TABOR (excluding bonded debt service). The city maintains the required reserves in the TABOR Reserve Fund, a Special Revenue fund. TABOR specifies that local governments are permitted to use reserve funds for "emergencies" with the requirement that the reserve funds be restored to 3% of fiscal year spending in the following fiscal year. The amount recorded in the TABOR Reserve Fund at December 31, 2009, was \$8,778,851 or 3% of fiscal year spending. The city's management believes the city is in compliance with the provisions of TABOR at December 31, 2009.

17. CURRENT ECONOMIC CONDITIONS

The recession and current weak economy has resulted in the city experiencing significantly lower than expected revenues at the time the 2009 budget was developed. The city reduced expenditures and made a variety of adjustments to end the year with the budgetary funds available for the General Fund almost as originally budgeted. For 2010 and future years, the city currently anticipates adjusting its expenditures to match revenues without drawing down its major reserves below policy levels.

During 2009, the city was able to refund its last variable rate debt and to terminate the associated SWAP derivatives. Variable rate debt is no longer an issue for the city.

Also as a result of the worldwide credit crisis, some highly rated corporate securities that the city held as investments were downgraded below the level the city normally holds. Some of these downgraded investments have been sold and some have matured without incident. The city does not anticipate that any of the remaining downgraded investments present a significant risk.

18. SUBSEQUENT EVENTS

On June 3, 2010 the city issued the Series 2010 General Obligation Refunding Bonds for \$21,035,000 to currently refund \$2,755,000 in Series 1998 General Obligation Bonds and \$24,575,000 in Series 2000 General Obligation Bonds.

CITY OF AURORA, COLORADO
DEFINED BENEFIT PENSION PLANS
AND OTHER POST EMPLOYMENT BENEFITS (OPEB)
SCHEDULE OF FUNDING PROGRESS
DECEMBER 31, 2009

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll (b - a) / (c)
GERP						
1/1/04	\$ 223,140,793	\$ 223,126,549	\$ (14,244)	100.01%	\$ 71,415,709	(0.02)%
1/1/05	241,818,542	243,234,592	1,416,050	99.42%	72,821,091	1.94%
1/1/06	268,566,265	255,005,107	(13,561,158)	105.32%	75,385,673	(17.99)%
1/1/07	292,889,736	277,052,492	(15,837,244)	105.72%	82,531,926	(19.19)%
1/1/08	316,567,579	294,142,225	(22,425,354)	107.62%	87,742,224	(25.56)%
1/1/09	296,021,806	319,750,886	23,729,080	92.58%	86,099,178	27.56%
EOEP						
1/1/03	2,342,205	3,772,442	1,430,237	62.09%	n/a	n/a
1/1/05	2,182,694	3,793,673	1,610,979	57.54%	n/a	n/a
1/1/07	3,241,175	4,462,141	1,220,966	72.64%	n/a	n/a
1/1/09	3,528,634	5,331,263	1,802,629	66.19%	n/a	n/a
Old Hire - Fire						
1/1/04	85,014,289	99,587,091	14,572,802	85.37%	1,330,722	1095.10%
1/1/06	92,918,056	99,466,498	6,548,442	93.42%	647,157	1011.88%
1/1/08	103,965,149	102,757,130	(1,208,019)	101.18%	277,349	(435.56)%
Old Hire - Police						
1/1/04	89,956,249	121,678,839	31,722,590	73.93%	859,811	3689.48%
1/1/06	98,845,438	116,106,755	17,261,317	85.13%	241,569	7145.50%
1/1/08	111,931,255	125,162,192	13,230,937	89.43%	93,795	14106.23%
OPEB*						
1/1/07	-	20,441,000	20,441,000	0.00%	168,468,721	12.13%
1/1/09	-	19,884,000	19,884,000	0.00%	176,046,227	11.29%

* The decrease in the OPEB actuarial accrued liability from 2007 to 2009 is the result of a change in the application of the Projected Unit Credit actuarial cost method (not a change in the cost method used) that GASB clarified after the 2007 valuation was released.

CITY OF AURORA, COLORADO
DEFINED BENEFIT PLANS
AND OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2009

Year		Annual Required Contribution (ARC)	Percentage Contributed
GERP			
2004	\$	5,115,536	77%
2005		7,245,072	55%
2006		5,253,328	79%
2007		5,532,018	82%
2008		5,596,076	86%
2009		8,144,982	59%
EOEP			
2004	\$	419,304	100%
2005		422,000	101%
2006		375,669	100%
2007		375,669	100%
2008		351,991	100%
2009		351,991	100%
OPEB			
2007	\$	1,751,000	39%
2008		1,843,000	42%
2009		1,836,000	52%

Actuarial studies were performed for this plan beginning in 2007.



CITY OF AURORA, COLORADO

GENERAL FUND
 SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgets		Budgetary Actual	Variance with Final
	Original	Final		
SOURCES				
Taxes				
Property	\$ 26,326,688	\$ 26,326,688	\$ 27,051,885	\$ 725,197
Sales	128,722,064	128,722,064	120,219,440	(8,502,624)
Use	26,540,532	26,540,532	20,616,198	(5,924,334)
Lodgers	5,047,000	5,047,000	3,917,127	(1,129,873)
Franchise	13,284,050	13,284,050	12,187,933	(1,096,117)
Other	10,706,730	10,706,730	9,006,211	(1,700,519)
Total taxes	210,627,064	210,627,064	192,998,794	(17,628,270)
Intergovernmental	10,754,074	10,754,074	11,738,686	984,612
Licenses and permits	3,051,103	3,051,103	2,197,837	(853,266)
Charges for services	7,792,531	7,792,531	7,495,590	(296,941)
Fines and forfeitures	6,972,101	6,972,101	6,049,482	(922,619)
Investment income	828,289	828,289	737,456	(90,833)
Other revenues	1,506,200	1,506,200	1,994,879	488,679
Proceeds from sales of assets	—	—	130,455	130,455
Transfers in	4,773,778	7,200,477	6,039,393	(1,161,084)
TOTAL SOURCES	246,305,140	248,731,839	229,382,572	(19,349,267)
USES				
<i>Municipal Court</i>				
Judicial	2,089,758	2,117,213	1,949,575	167,638
Court Administration	7,138,712	7,228,937	7,021,663	207,274
Public Defender	631,262	653,059	642,068	10,991
Total municipal court	9,859,732	9,999,209	9,613,306	385,903
<i>City Attorney</i>	4,966,332	5,011,576	4,861,669	149,907
<i>General Management Group</i>				
City Council	1,003,176	1,021,029	933,714	87,315
Civil Service	589,597	594,609	552,609	42,000
General Management	1,400,553	1,417,436	1,618,323	(200,887)
Communications	1,086,599	1,097,762	933,632	164,130
Management Support	1,128,361	1,145,380	1,195,113	(49,733)
Development Services	1,370,400	1,377,081	987,096	389,985
Total general management group	6,578,686	6,653,297	6,220,487	432,810

	Budgets		Budgetary Actual	Variance with Final
	Original	Final		
<i>Administrative Services Group</i>				
Management Support	\$ 444,282	\$ 446,976	\$ 436,133	\$ 10,843
Human Resources	1,339,585	1,357,623	1,249,082	108,541
Finance	5,190,604	5,282,939	5,031,895	251,044
Information Technology	6,620,896	6,681,297	6,130,563	550,734
Internal Services	8,240,204	8,289,920	7,515,408	774,512
Total administrative services group	21,835,571	22,058,755	20,363,081	1,695,674
<i>Operations Group</i>				
Public Works	20,784,712	20,961,589	17,908,750	3,052,839
Parks and Open Space	13,420,357	13,430,600	11,457,392	1,973,208
Planning	1,179,196	1,195,125	1,096,106	99,019
Total operations group	35,384,265	35,587,314	30,462,248	5,125,066
<i>Community Services Group</i>				
Library, Recreation and Cultural Services	13,149,671	13,255,895	12,126,263	1,129,632
Police	77,949,494	78,087,004	75,339,928	2,747,076
Public Safety Communications	5,698,447	5,775,205	5,598,010	177,195
Fire	33,900,311	33,930,565	33,558,111	372,454
Neighborhood Services	3,466,388	3,554,795	3,239,050	315,745
Total community services group	134,164,311	134,603,464	129,861,362	4,742,102
<i>Non-departmental</i>	33,611,703	33,834,725	27,988,058	5,846,667
TOTAL USES	246,400,600	247,748,340	229,370,211	18,378,129
CHANGE IN FUNDS AVAILABLE	(95,460)	983,499	12,361	(971,138)
FUNDS AVAILABLE - January 1	5,620,646	5,153,039	5,153,039	—
FUNDS AVAILABLE - December 31	\$ 5,525,186	\$ 6,136,538	5,165,400	\$ (971,138)
Less: Designations			(5,165,400)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			\$ —	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 5,165,400	
Ac Sales, use and lodgers tax accrual			15,905,989	
Current year encumbrances			974,268	
Adjustment of investments to fair value			98,098	
FUND BALANCE (U.S. GAAP BASIS) - DECEMBER 31			\$ 22,143,755	

1. PENSION PLANS AND OTHER POSTEMPLOYMENT BENEFITS

The schedules of funding progress and employer contributions is intended to help users assess the funding status on a going-concern basis and to assess progress made in accumulating assets to pay benefits when due. For defined benefit pension plans included as trust funds in the financial statements, GERP and EOEP, information is provided for six years. For defined benefit pension plans not included as trust funds in the financial statements, Old Hire Fire and Police and OPEB, information is provided for three years. The information presenting in these schedules was determined based upon the actuarial valuations at the dates indicated. Additional information as of the latest actuarial evaluation follows:

	GERP	EOEP	Old Hire - Fire	Old Hire - Police	OPEB
Actuarial valuation date	1/1/09	1/1/09	1/1/08	1/1/08	1/1/09
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Unit credit cost
Amortization method	Level percent - open	Level dollar - closed	Level dollar - open	Level dollar - open	Level percent - open
Remaining amortization period	30 years	30 years	14 years	14 years	30 years
Asset valuation method	3-year smoothing	3-year smoothing	3 -year smoothed fair market value	3 -year smoothed fair market value	Market
Actuarial assumptions:					
Investment rate of return *	8.0%	7.75%	8.0%	8.0%	5.0%
Payroll growth rate	3.5%	n/a	n/a	n/a	4.0%
Projected salary increases *	3.50% to 7.50%	n/a	4.75%	4.75%	n/a
Cost of living adjustment	3.50% base, 5.00% supplemental	3.50% base, 5.00% supplemental	4.00%	4.00%	n/a
Health care cost trend	n/a	n/a	n/a	n/a	11% to 6%
*Includes inflation at	n/a	n/a	3.50%	3.50%	n/a

There were no changes to actuarial assumptions or methods in the valuation reports referenced above.

2. GENERAL FUND BUDGETARY INFORMATION

The city adopts annual operating appropriations each year. Operating costs are controlled at the fund and department level for the General Fund. Expenditures may not exceed appropriations at those levels. Annual operating appropriations lapse at year-end except for amounts that are encumbered (reserves for encumbrances are commitments on purchase orders that remain open at year-end). Since expenditures may not legally exceed budgeted appropriations, appropriation amendments require City Council approval by ordinance. Budget transfers within a department may be made with administrative approval. Transfers between departments require City Council approval by resolution or ordinance.

The city budgets on a "funds available" basis. Budgetary basis revenues and other financing sources are considered increases in funds available and budgetary basis expenditures and other financing uses are considered uses of funds available. In general, funds available are defined as current assets minus current liabilities. The city's budget disclosure presents funds available, net of reservations and designations, which are available for general purposes. Budgets for the General Fund are reported on the same basis as described above, except as follows:

- a) Encumbrances are treated as expenditures in the year they are encumbered, not when the expenditure occurs.
- b) Grants are considered revenue when awarded, not when earned.
- c) Sales, use and lodgers taxes are considered revenue when received rather than when earned.
- d) Proceeds from capital leases and related capital expenditures are not budgeted.
- e) The value received on the trade-in of fixed assets and the related capital expenditures are not budgeted.
- f) Changes in investment income due to recording investments at fair value are not budgeted.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds account for revenues from specific sources that are required legally or by management decision to be used for particular activities.

Gifts and Grants Fund - The Gifts and Grants Fund accounts for various gifts and grants where the size or length of time of the funding source does not warrant establishing a separate fund.

Development Review Fund - The Development Review Fund accounts for revenues from development related fees for various plan reviews, permits/inspections and similar services. Expenditures are made to cover the costs of the development review process and to fund organizations that promote economic growth and development within the city.

Abatement Fund - The Abatement Fund accounts for costs related to weed cutting, trash removal, building demolition, tree trimming, and tree removal on properties that have not been maintained in accordance with City Ordinances. Revenues are from fees collected from property owners and county collected liens on the properties.

Community Development Fund - The Community Development Fund accounts for revenues and expenditures from grants and other monies received from the United States Department of Housing and Urban Development.

Enhanced E-911 Fund - The Enhanced E-911 Fund accounts for revenues derived from special telephone surcharges. Monies are used to purchase and maintain enhanced E-911 equipment and related activities.

Conservation Trust Fund - The Conservation Trust Fund accounts for lottery proceeds that are received from the State of Colorado. These monies are used for the development and renovation of qualifying parks and recreation facilities and infrastructure.

Emergency Contingency Fund - The Emergency Contingency Fund provides funding for expenditures that could not have been readily foreseen at the time of budget preparation. All expenditures require approval of the City Council. Revenues are primarily from interest earnings.

Parks Development Fund - The Parks Development Fund accounts for annexation fees and payments from developers that are required to be used for the creation of city parks.

Arapahoe County Open Space Fund - The Arapahoe County Open Space Fund accounts for dedicated use tax revenues received from Arapahoe County that are required to be used for parks construction and maintenance and the acquisition of open space within that portion of the city of Aurora located in Arapahoe County.

Recreation Services Fund - The Recreation Services Fund accounts for recreational services provided to citizens. Funding for these services are from user fees and General Fund transfers.

Cultural Services Fund - The Cultural Services Fund accounts for revenues from fees, donations, grant funds from the Scientific and Cultural Facilities District (SCFD) and other grantors, proceeds from the Art in Public Places (AIPP) ordinance and General Fund transfers. Expenditures are made to provide cultural-related services to citizens.

Designated Revenues Fund - The Designated Revenues Fund accounts for revenues other than gifts or grants that are required by law, contract or city policy to be spent for a specific purpose where the size or length of time of the funding source does not warrant establishing a separate fund.

Policy Reserve Fund - The Policy Reserve Fund accounts for funds available maintained by city policy in an amount currently equal to 10% or greater of the General Fund's adjusted budgetary operating expenditures for the year.

TABOR Reserve Fund - The TABOR Reserve Fund accounts for emergency reserves of at least 3% of fiscal year spending (excluding bonded debt service) as required under the taxpayer bill of rights (TABOR), a State constitutional amendment approved in 1992.

Cherry Creek Fence General Improvement District (GID) – The Cherry Creek Fence GID accounts for debt service and repairs and maintenance related to the masonry fence constructed in this neighborhood. Funding is from property tax assessed on the related properties.

Aurora Urban Renewal Authority (AURA) General Fund - The AURA General Fund accounts for activities related to Fletcher Plaza Urban Renewal Area, which is not associated with tax incremental financing. Funding was from transfers from other city funds.

DEBT SERVICE FUNDS

Debt service funds account for the accumulation of resources to pay principal, interest and agency fees on governmental long-term debt.

City Debt Service Fund - The City Debt Service Fund accounts for the payment of principal and interest on general obligation bonds and General Fund revenue bonds. Revenues are from General Fund transfers and property taxes assessed for the repayment of debt.

Special Improvement District (SID) Debt Service Fund - The Special Improvement District Debt Service Fund accounts for debt service related to special improvements. Funding is from special assessments on the related properties.

Surplus and Deficiency Fund - The Surplus and Deficiency Fund accounts for special assessments from property owners where the associated bonded debt has been defeased. These monies are used to repay other special assessment bonds if sufficient

funds from special assessments are not available in the City Debt Service Fund to make regularly scheduled debt service payments and to pay city administrative costs associated with special improvement districts. After all special assessment debt secured by this fund is paid, the city may also transfer monies to the City Capital Projects Fund or other improvement districts to finance, acquire, or construct other public improvements.

Aurora Urban Renewal Authority (AURA) Debt Service Fund - The city created AURA to redevelop and support areas within the city that are considered blighted. This fund accounts for the payment of principal, interest, and agency fees for the AURA tax increment revenue bonds. Monies in excess of those needed for the repayment of the revenue bonds may be used to pay other obligations of AURA.

Aurora Capital Leasing Corporation (ACLC) Debt Service Fund - ACLC is a non-profit corporation established to finance city capital projects, primarily buildings. This fund accounts for the principal and interest payments on certificates of participation issued by ACLC. Revenues are from lease payments (transfers) from the General Fund.

CAPITAL PROJECTS FUNDS

City Capital Projects Fund - The City Capital Projects Fund accounts for the financial resources used for the construction and acquisition of major capital projects such as streets, parks, information systems and city facilities. Funding sources include: General Fund transfers and participation revenue from outside sources. In 2005 the Bond Proceeds Fund was created to account for new projects financed from bond proceeds. Ongoing bond projects from previous years will continue to be recorded in the City Capital Projects Fund until completed.

Bond Proceeds Fund - The Bond Proceeds Fund accounts for proceeds from the issuance of bonds and the accumulated earnings on those proceeds. These monies will be used to finance improvements as outlined in the related bond documents and are restricted for those purposes. Ongoing bond projects from previous years will continue to be accounted for in the City Capital Projects Fund until completed.

Building Repair Fund - The Building Repair Fund accounts for monies of the city used for major repairs and maintenance, renovations, remodeling and expansion of city operated buildings and other similar facilities, whether owned or leased. Revenues are from operating transfers from the City Capital Projects Fund.

Aurora Capital Leasing Corporation (ACLC) Capital Projects Fund - The ACLC Capital Projects Fund accounts for financial resources used by ACLC for the construction of City facilities and certain public safety vehicles and communication systems. Funding for these projects is provided by proceeds of certificates of participation issued by ACLC.

CITY OF AURORA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2009

	Special Revenue				
	Gifts and Grants	Development Review	Abatement	Community Development	Enhanced E-911
ASSETS					
Cash and cash equivalents	\$ 2,383,045	\$ 451,262	\$ 633,443	\$ —	\$ 1,090,906
Investments	—	1,844,147	—	—	4,458,143
Receivables (net of allowance)					
Accounts receivable	564,154	—	625,551	—	—
Interest receivable	—	—	—	—	—
Due from other governments	1,289,893	—	—	1,070,369	—
Other receivables	—	—	—	—	119,127
Restricted assets					
Cash and cash equivalents	1,563,582	—	—	141,417	—
Investments	—	—	—	—	—
Taxes receivable	—	—	—	—	—
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	—	—
Other receivables	—	—	—	—	—
Inventories	—	—	—	2,669,399	—
Notes receivable	1,198,832	—	—	15,058,997	—
Total assets	\$ 6,999,506	\$ 2,295,409	\$ 1,258,994	\$ 18,940,182	\$ 5,668,176
LIABILITIES AND FUND BALANCES					
<i>Liabilities</i>					
Accounts payable	\$ 127,363	\$ 212,690	\$ 14,809	\$ 772,355	\$ 253,576
Other Payables	700	—	—	—	—
Due to other funds	—	—	—	364,431	—
Deferred revenues	1,885,534	—	—	15,133,997	—
Total liabilities	2,013,597	212,690	14,809	16,270,783	253,576
<i>Fund balances</i>					
<i>Reserved for</i>					
Encumbrances	246,583	—	44,137	33,692	306,228
Construction	—	—	—	—	—
Police	1,553,771	—	—	—	—
Gift and grants	—	—	—	2,669,399	—
Debt related	—	—	—	—	—
Arbitrage	—	—	—	—	—
Agreements	—	—	—	—	—
<i>Unreserved</i>					
Designated	2,244,586	152,716	609,989	—	798,646
Undesignated	940,969	1,930,003	590,059	(33,692)	4,309,726
Total fund balances	4,985,909	2,082,719	1,244,185	2,669,399	5,414,600
Total liabilities and fund balances	\$ 6,999,506	\$ 2,295,409	\$ 1,258,994	\$ 18,940,182	\$ 5,668,176

(continued)

CITY OF AURORA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2009

	Special Revenue			
	Conservation Trust	Emergency Contingency	Parks Development	Arapahoe County Open Space
ASSETS				
Cash and cash equivalents	\$ 1,577,448	\$ 47,413	\$ 832,168	\$ 1,752,474
Investments	6,479,373	193,759	3,400,770	7,161,734
Receivables (net of allowance)				
Accounts receivable	—	—	—	—
Interest receivable	—	—	—	—
Due from other governments	648,251	—	—	—
Other receivables	—	—	—	—
Restricted assets				
Cash and cash equivalents	—	—	—	—
Investments	—	—	—	—
Taxes receivable	—	—	—	—
Accounts receivable	—	—	—	—
Interest receivable	—	—	—	—
Due from other governments	—	—	—	—
Other receivables	—	—	—	9,428
Inventories	—	—	—	—
Notes receivable	—	—	—	—
Total assets	<u>\$ 8,705,072</u>	<u>\$ 241,172</u>	<u>\$ 4,232,938</u>	<u>\$ 8,923,636</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities</i>				
Accounts payable	\$ 119,540	\$ —	\$ 29,989	\$ 82,413
Other Payables	—	—	—	—
Due to other funds	—	—	—	—
Deferred revenues	—	—	—	—
Total liabilities	<u>119,540</u>	<u>—</u>	<u>29,989</u>	<u>82,413</u>
<i>Fund balances</i>				
<i>Reserved for</i>				
Encumbrances	93,921	—	132,473	455,463
Construction	—	—	—	9,428
Police	—	—	—	—
Gift and grants	—	—	—	—
Debt related	—	—	—	—
Arbitrage	—	—	—	—
Agreements	—	—	—	—
<i>Unreserved</i>				
Designated	7,756,695	—	2,351,744	5,489,952
Undesignated	734,916	241,172	1,718,732	2,886,380
Total fund balances	<u>8,585,532</u>	<u>241,172</u>	<u>4,202,949</u>	<u>8,841,223</u>
Total liabilities and fund balances	<u>\$ 8,705,072</u>	<u>\$ 241,172</u>	<u>\$ 4,232,938</u>	<u>\$ 8,923,636</u>

Special Revenue						
Recreation Services	Cultural Services	Designated Revenues	Policy Reserve	TABOR Reserve	Cherry Creek Fence GID	AURA General
\$ 607,340	\$ 942,321	\$ 1,585,480	\$ —	\$ —	\$ —	\$ 14,091
—	—	6,472,906	21,151,265	8,709,607	—	57,582
50,726	—	39,023	—	—	—	—
—	—	—	181,053	69,244	—	—
—	106,571	—	—	—	—	—
—	1,336	139,843	—	—	—	—
—	—	5,395,626	—	—	18,095	—
—	—	6,777,475	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
12,000	—	409,468	—	—	—	—
<u>\$ 670,066</u>	<u>\$ 1,050,228</u>	<u>\$ 20,819,821</u>	<u>\$ 21,332,318</u>	<u>\$ 8,778,851</u>	<u>\$ 18,095</u>	<u>\$ 71,673</u>
\$ 280,416	\$ 67,430	\$ 247,270	\$ —	\$ —	\$ —	\$ —
3,627	—	179,463	—	—	—	—
—	—	—	—	—	—	—
214,649	11,798	409,468	—	—	—	—
498,692	79,228	836,201	—	—	—	—
13,950	47,049	88,993	—	—	—	—
—	—	3,982,962	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	18,095	—
—	—	—	—	—	—	—
—	—	8,094,334	—	—	—	—
—	258,522	4,237,384	—	—	—	—
157,424	665,429	3,579,947	21,332,318	8,778,851	—	71,673
171,374	971,000	19,983,620	21,332,318	8,778,851	18,095	71,673
<u>\$ 670,066</u>	<u>\$ 1,050,228</u>	<u>\$ 20,819,821</u>	<u>\$ 21,332,318</u>	<u>\$ 8,778,851</u>	<u>\$ 18,095</u>	<u>\$ 71,673</u>

(continued)

CITY OF AURORA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2009

	Debt Service				
	City Debt Service	SID Debt Service	Surplus and Deficiency	AURA Debt Service	ACLIC Debt Service
ASSETS					
Cash and cash equivalents	\$ —	\$ 77,431	\$ 117,336	\$ 285,512	\$ —
Investments	—	279,634	478,745	1,159,321	—
Receivables (net of allowance)					
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	—	—
Other receivable	—	1,690,181	59,856	—	—
Restricted assets					
Cash and cash equivalents	318,803	—	—	—	14,950,217
Investments	1,301,801	36,800	—	—	2,537,820
Tax receivable	5,910,976	—	—	—	—
Accounts receivable	9,750	—	—	—	15,523
Interest receivable	—	—	—	—	13,402
Due from other governments	—	—	—	—	—
Other receivable	—	—	—	—	—
Inventories	—	—	—	—	—
Notes receivable	—	—	—	—	—
Total assets	\$ 7,541,330	\$ 2,084,046	\$ 655,937	\$ 1,444,833	\$ 17,516,962
LIABILITIES AND FUND BALANCES					
<i>Liabilities</i>					
Accounts payable	\$ 1,500	\$ 97,494	\$ —	\$ 87,602	\$ 82,090
Other payables	—	—	—	—	—
Due to other funds	—	—	—	—	—
Deferred revenues	5,910,976	1,690,181	59,856	—	—
Total liabilities	5,912,476	1,787,675	59,856	87,602	82,090
<i>Fund balances</i>					
<i>Reserved</i>					
Encumbrances	—	—	—	—	—
Construction	—	—	—	—	—
Police	—	—	—	—	—
Gifts and grants	—	—	—	—	—
Debt related	1,595,285	36,800	—	—	17,434,872
Arbitrage	33,569	—	—	—	—
Agreements	—	—	—	—	—
<i>Unreserved</i>					
Designated	—	8,319	505,750	—	—
Undesignated	—	251,252	90,331	1,357,231	—
Total fund balances	1,628,854	296,371	596,081	1,357,231	17,434,872
Total liabilities and fund balances	\$ 7,541,330	\$ 2,084,046	\$ 655,937	\$ 1,444,833	\$ 17,516,962

Capital Projects				Total
City Capital Projects	Bond Proceeds	Building Repair	ACLC Capital Projects	Nonmajor Governmental
\$ 3,808,273	\$ 8,228	\$ 317,274	\$ —	\$ 16,531,445
14,664,280	—	1,296,586	—	77,807,852
345,330	—	—	—	1,624,784
107,321	—	—	—	357,618
—	—	—	—	3,115,084
175,000	—	—	—	2,185,343
843,665	—	—	—	23,231,405
1,222,022	—	—	—	11,875,918
—	—	—	—	5,910,976
1,713,556	—	—	—	1,738,829
—	—	—	—	13,402
1,850,599	—	—	—	1,850,599
—	—	—	—	9,428
—	—	—	—	2,669,399
678,920	—	—	—	17,358,217
<u>\$ 25,408,966</u>	<u>\$ 8,228</u>	<u>\$ 1,613,860</u>	<u>\$ —</u>	<u>\$ 166,280,299</u>
\$ 1,204,376	\$ 8,228	\$ 51,260	\$ —	\$ 3,740,401
—	—	—	—	183,790
—	—	—	—	364,431
678,920	—	—	—	25,995,379
<u>1,883,296</u>	<u>8,228</u>	<u>51,260</u>	<u>—</u>	<u>30,284,001</u>
1,764,776	—	358,454	—	3,585,719
1,662,149	—	—	—	5,654,539
—	—	—	—	1,553,771
4,792,849	—	—	—	7,462,248
—	—	—	—	19,085,052
—	—	—	—	33,569
—	—	—	—	8,094,334
15,305,896	—	1,127,703	—	40,847,902
—	—	76,443	—	49,679,164
<u>23,525,670</u>	<u>—</u>	<u>1,562,600</u>	<u>—</u>	<u>135,996,298</u>
<u>\$ 25,408,966</u>	<u>\$ 8,228</u>	<u>\$ 1,613,860</u>	<u>\$ —</u>	<u>\$ 166,280,299</u>

(concluded)

CITY OF AURORA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009

	Special Revenue			
	Gifts and Grants	Development Review	Abatement	Community Development
REVENUES				
<i>Taxes</i>				
Sales and use	\$ —	\$ —	\$ —	\$ —
Property	—	—	—	—
Occupational privilege	—	—	—	—
Charges for services	194,032	942,272	912,739	700,002
Licenses and permits	—	5,615,404	—	—
Fines and forfeitures	—	786	—	—
Special assessments	—	—	—	—
Intergovernmental	7,145,291	9,868	—	6,516,959
Surcharges	—	—	—	—
Miscellaneous	1,725,652	116,019	—	—
Investment earnings	84,560	64,379	19,818	—
Total revenues	9,149,535	6,748,728	932,557	7,216,961
EXPENDITURES				
<i>Current</i>				
General government	22,251	—	—	—
Judicial	5,592	—	—	—
Police	3,230,256	—	—	—
Fire	408,026	—	—	—
Other public safety	—	—	—	—
Public works	294,903	—	—	—
Economic development	430,509	7,221,688	—	704,657
Community services	461,528	—	766,485	4,142,057
Culture and recreation	1,107,236	—	—	—
<i>Debt service</i>				
Principal	—	—	—	—
Interest	—	—	—	—
<i>Capital outlay</i>				
	1,079,025	—	—	—
Total expenditures	7,039,326	7,221,688	766,485	4,846,714
Excess (deficiency) of revenues over (under) expenditures	2,110,209	(472,960)	166,072	2,370,247
OTHER FINANCING SOURCES (USES)				
Transfers in	—	1,400,000	—	299,152
Transfers out	—	(1,209,284)	—	—
General obligation bonds issued	—	—	—	—
Refunded revenue bonds issued	—	—	—	—
Refunded COP's issued	—	—	—	—
Market premium on refunded revenue bonds	—	—	—	—
Market premium on COP's	—	—	—	—
Payment to refunded revenue bond escrow agent	—	—	—	—
Payment to refunded COP's escrow agent	—	—	—	—
Notes payable	—	—	—	—
Sale of capital assets	1,550	—	—	—
Total other financing sources (uses)	1,550	190,716	—	299,152
NET CHANGE IN FUND BALANCES	2,111,759	(282,244)	166,072	2,669,399
FUND BALANCES - January 1	2,874,150	2,364,963	1,078,113	—
FUND BALANCES - December 31	\$ 4,985,909	\$ 2,082,719	\$ 1,244,185	\$ 2,669,399

Special Revenue						
Enhanced E-911	Conservation Trust	Emergency Contingency	Parks Development	Arapahoe County Open Space	Recreation Services	Cultural Services
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	4,070,314	548,307
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	2,856,829	—	—	5,382,396	—	281,197
2,817,312	—	—	—	—	—	—
41,495	—	—	99,723	—	87,061	130,242
199,588	284,429	22,429	154,500	325,078	—	22,304
3,058,395	3,141,258	22,429	254,223	5,707,474	4,157,375	982,050
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
2,140,864	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	1,024,889	—	16,678	2,441,987	7,993,831	2,245,680
—	—	—	—	—	—	—
—	—	—	—	—	—	—
375,833	1,255,131	—	675,056	1,637,738	—	—
2,516,697	2,280,020	—	691,734	4,079,725	7,993,831	2,245,680
541,698	861,238	22,429	(437,511)	1,627,749	(3,836,456)	(1,263,630)
23,000	—	—	—	—	5,037,647	1,344,796
(1,568,366)	—	(590,185)	—	(216,243)	(1,155,015)	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
(1,545,366)	—	(590,185)	—	(216,243)	3,882,632	1,344,796
(1,003,668)	861,238	(567,756)	(437,511)	1,411,506	46,176	81,166
6,418,268	7,724,294	808,928	4,640,460	7,429,717	125,198	889,834
\$ 5,414,600	\$ 8,585,532	\$ 241,172	\$ 4,202,949	\$ 8,841,223	\$ 171,374	\$ 971,000

(continued)

CITY OF AURORA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009

	Special Revenue				
	Designated Revenues	Policy Reserve	TABOR Reserve	Cherry Creek Fence GID	AURA General
REVENUES					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ —	\$ —	\$ —
Property	—	—	—	—	—
Occupational privilege	—	—	—	—	—
Charges for services	1,218,898	—	—	—	33,000
Licenses and permits	38,875	—	—	—	—
Fines and forfeitures	1,831,616	—	—	—	—
Special assessments	—	—	—	—	—
Intergovernmental	555,659	—	—	—	—
Surcharges	359,793	—	—	—	—
Miscellaneous	759,389	—	—	—	30,000
Investment earnings	573,639	793,693	313,928	—	1,616
Total revenues	5,337,869	793,693	313,928	—	64,616
EXPENDITURES					
<i>Current</i>					
General government	960,640	—	—	681,905	—
Judicial	97,568	—	—	—	—
Police	1,322,379	—	—	—	—
Fire	54,799	—	—	—	—
Other public safety	102,184	—	—	—	—
Public works	61,359	—	—	—	—
Economic development	1,664,801	—	—	—	4,725
Community services	363,709	—	—	—	—
Culture and recreation	1,351,124	—	—	—	—
<i>Debt service</i>					
Principal	—	—	—	—	—
Interest	—	—	—	—	—
<i>Capital outlay</i>					
	189,534	—	—	—	—
Total expenditures	6,168,097	—	—	681,905	4,725
Excess (deficiency) of revenues over (under) expenditures	(830,228)	793,693	313,928	(681,905)	59,891
OTHER FINANCING SOURCES (USES)					
Transfers in	3,953,209	—	276,185	—	—
Transfers out	(2,679,595)	(887,603)	—	—	—
General obligation bonds issued	—	—	—	700,000	—
Refunded revenue bonds issued	—	—	—	—	—
Refunded COP's issued	—	—	—	—	—
Market premium on refunded revenue bonds	—	—	—	—	—
Market premium on COP's	—	—	—	—	—
Payment to refunded revenue bond escrow agent	—	—	—	—	—
Payment to refunded COP's escrow agent	—	—	—	—	—
Notes payable	—	—	—	—	—
Sale of capital assets	—	—	—	—	—
Total other financing sources (uses)	1,273,614	(887,603)	276,185	700,000	—
NET CHANGE IN FUND BALANCES					
	443,386	(93,910)	590,113	18,095	59,891
FUND BALANCES - January 1	19,540,234	21,426,228	8,188,738	—	11,782
FUND BALANCES - December 31	\$ 19,983,620	\$ 21,332,318	\$ 8,778,851	\$ 18,095	\$ 71,673

Debt Service				
City Debt Service	SID Debt Service	Surplus and Deficiency	AURA Debt Service	ACLC Debt Service
\$ —	\$ —	\$ —	\$ 944,051	\$ —
5,971,503	—	—	152,130	—
—	—	—	320,622	—
—	—	—	—	—
—	—	—	—	—
—	379,194	14,964	—	—
—	—	—	—	—
—	—	—	—	—
1,500	—	—	—	—
122,276	116,522	30,845	52,258	(38,879)
6,095,279	495,716	45,809	1,469,061	(38,879)
219,874	102,332	—	—	1,553,362
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
—	—	—	1,431,007	—
—	—	—	—	—
—	—	—	—	—
6,050,000	270,000	—	—	7,340,000
1,942,431	83,355	—	—	10,036,790
—	—	—	—	—
8,212,305	455,687	—	1,431,007	18,930,152
(2,117,026)	40,029	45,809	38,054	(18,969,031)
1,771,256	—	—	—	11,149,118
(124,000)	—	(260,750)	—	—
—	—	—	—	—
7,850,000	—	—	—	—
—	—	—	—	84,160,000
278,821	—	—	—	—
—	—	—	—	6,984,961
(7,965,160)	—	—	—	—
—	—	—	—	(76,220,103)
—	—	—	415,000	—
—	—	—	—	—
1,810,917	—	(260,750)	415,000	26,073,976
(306,109)	40,029	(214,941)	453,054	7,104,945
1,934,963	256,342	811,022	904,177	10,329,927
<u>\$ 1,628,854</u>	<u>\$ 296,371</u>	<u>\$ 596,081</u>	<u>\$ 1,357,231</u>	<u>\$ 17,434,872</u>

(continued)

CITY OF AURORA, COLORADO

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Capital Projects				Total Nonmajor Governmental
	City Capital Projects	Bond Proceeds	Building Repair	ACLC Capital Projects	
REVENUES					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ —	\$ —	\$ 944,051
Property	—	—	—	—	6,123,633
Occupational privilege	—	—	—	—	320,622
Charges for services	—	—	45,000	—	8,664,564
Licenses and permits	—	—	—	—	5,654,279
Fines and forfeitures	643	—	—	—	1,833,045
Special assessments	—	—	—	—	394,158
Intergovernmental	4,488,345	—	—	—	27,236,544
Surcharges	—	—	—	—	3,177,105
Miscellaneous	1,013,800	—	—	—	4,004,881
Investment earnings	623,125	4,693	26,785	576	3,798,162
Total revenues	6,125,913	4,693	71,785	576	62,151,044
EXPENDITURES					
<i>Current</i>					
General government	827,133	—	897,662	—	5,265,159
Judicial	—	—	—	—	103,160
Police	—	—	—	—	4,552,635
Fire	19,862	44,011	—	—	526,698
Other public safety	—	—	—	—	2,243,048
Public works	2,448,400	—	—	—	2,804,662
Economic development	40,391	—	—	—	11,497,778
Community services	—	—	—	—	5,733,779
Culture and recreation	164,873	—	—	—	16,346,298
<i>Debt service</i>					
Principal	—	—	—	—	13,660,000
Interest	—	—	—	—	12,062,576
<i>Capital outlay</i>	16,027,909	206,168	203,143	—	21,649,537
Total expenditures	19,528,568	250,179	1,100,805	—	96,445,330
Excess (deficiency) of revenues over (under) expenditures	(13,402,655)	(245,486)	(1,029,020)	576	(34,294,286)
OTHER FINANCING SOURCES (USES)					
Transfers in	13,410,238	51,742	1,698,800	—	40,415,143
Transfers out	(1,895,482)	(38,770)	(18,209)	(1,925,909)	(12,569,411)
General obligation bonds issued	—	—	—	—	700,000
Refunded revenue bonds issued	—	—	—	—	7,850,000
Refunded COP's issued	—	—	—	—	84,160,000
Market premium on refunded revenue bonds	—	—	—	—	278,821
Market premium on COP's	—	—	—	—	6,984,961
Payment to refunded revenue bond escrow agent	—	—	—	—	(7,965,160)
Payment to refunded COP's escrow agent	—	—	—	—	(76,220,103)
Notes payable	—	—	—	—	415,000
Sale of capital assets	—	—	—	—	1,550
Total other financing sources (uses)	11,514,756	12,972	1,680,591	(1,925,909)	44,050,801
NET CHANGE IN FUND BALANCES	(1,887,899)	(232,514)	651,571	(1,925,333)	9,756,515
FUND BALANCES - January 1	25,413,569	232,514	911,029	1,925,333	126,239,783
FUND BALANCES - December 31	\$ 23,525,670	\$ —	\$ 1,562,600	\$ —	\$ 135,996,298

(concluded)

INTERNAL SERVICE FUNDS

Internal Service Funds account for centralized acquisition of supplies and services. Revenues are from user charges to funds and departments, which are calculated on a cost-reimbursement basis.

Fleet Management Fund - The Fleet Management Fund accounts for centralized maintenance of city owned vehicles. Operations are funded by charges to user departments.

Print Shop Fund - The Print Shop Fund accounts for centralized printing and copying for departments of the city.

Risk Management Fund - The Risk Management Fund accounts for centralized costs of risk retention, risk administration and excess insurance coverage for claims and judgments made against the city. Revenues are from charges to departments.

CITY OF AURORA, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Fleet Management	Print Shop	Risk Management	Total Internal Service
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 180,081	\$ 54,204	\$ 2,729,577	\$ 2,963,862
Investments	735,925	221,514	11,154,802	12,112,241
Receivables (net of allowance)				
Interest receivable	—	—	143,203	143,203
Other receivables	—	28	—	28
Inventories	584,057	10,117	—	594,174
Total current assets	<u>1,500,063</u>	<u>285,863</u>	<u>14,027,582</u>	<u>15,813,508</u>
<i>Capital assets, net</i>				
Infrastructure	403,860	—	—	403,860
Machinery and equipment	76,135	48,663	—	124,798
Total capital assets	<u>479,995</u>	<u>48,663</u>	<u>—</u>	<u>528,658</u>
Total assets	<u>1,980,058</u>	<u>334,526</u>	<u>14,027,582</u>	<u>16,342,166</u>
LIABILITIES				
<i>Current liabilities</i>				
Accounts payable	244,293	94,629	127,030	465,952
Current portion long-term liabilities	51,607	—	3,318,212	3,369,819
Total current liabilities	<u>295,900</u>	<u>94,629</u>	<u>3,445,242</u>	<u>3,835,771</u>
<i>Noncurrent liabilities</i>				
Due beyond one year	261,639	11,605	4,121,151	4,394,395
Total liabilities	<u>557,539</u>	<u>106,234</u>	<u>7,566,393</u>	<u>8,230,166</u>
NET ASSETS				
Invested in capital assets, net of related debt	476,131	48,663	—	524,794
Unrestricted	946,388	179,629	6,461,189	7,587,206
Total net assets	<u>\$ 1,422,519</u>	<u>\$ 228,292</u>	<u>\$ 6,461,189</u>	<u>\$ 8,112,000</u>

CITY OF AURORA, COLORADO

INTERNAL SERVICE FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Fleet Management	Print Shop	Risk Management	Total Internal Service
OPERATING REVENUES				
Charges for services	\$ 6,978,054	\$ 526,889	\$ 5,536,195	\$ 13,041,138
OPERATING EXPENSES				
Cost of sales and service	6,819,586	653,817	2,350,308	9,823,711
Claims losses	—	—	4,231,834	4,231,834
Administrative expenses	50,329	16,445	27,072	93,846
Depreciation	52,963	7,976	—	60,939
Total operating expenses	6,922,878	678,238	6,609,214	14,210,330
Operating income (loss)	55,176	(151,349)	(1,073,019)	(1,169,192)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	27,479	9,488	563,796	600,763
Miscellaneous revenues	2,641	20	316,424	319,085
Net nonoperating revenues	30,120	9,508	880,220	919,848
Income (loss) before transfers	85,296	(141,841)	(192,799)	(249,344)
Transfers out	(129,537)	—	(3,725,000)	(3,854,537)
CHANGE IN NET ASSETS	(44,241)	(141,841)	(3,917,799)	(4,103,881)
NET ASSETS - January 1	1,466,760	370,133	10,378,988	12,215,881
NET ASSETS - December 31	<u>\$ 1,422,519</u>	<u>\$ 228,292</u>	<u>\$ 6,461,189</u>	<u>\$ 8,112,000</u>

CITY OF AURORA, COLORADO

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENED DECEMBER 31, 2009

	Fleet Management	Print Shop	Risk Management	Total Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
<i>Cash received from:</i>				
Customers and others	\$ 19,607	\$ 1,839	\$ 316,424	\$ 337,870
Interfund services provided and used	6,961,088	526,841	5,536,195	13,024,124
<i>Cash payments to:</i>				
Employees	(2,445,434)	(180,871)	(672,354)	(3,298,659)
Suppliers of goods and services	(4,661,829)	(472,175)	(4,974,934)	(10,108,938)
Net cash provided by (used in) operating activities	(126,568)	(124,366)	205,331	(45,603)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash transfers out	(129,536)	—	(3,725,000)	(3,854,536)
Net cash used in financing activities	(129,536)	—	(3,725,000)	(3,854,536)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
<i>Payments for:</i>				
Capital Assets	(86,399)	—	—	(86,399)
Net cash (used) by capital and related financing activities	(86,399)	—	—	(86,399)
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in equity in pooled investments	200,912	75,557	1,676,413	1,952,882
Interest received	22,882	8,209	485,735	516,826
Net cash provided by investing activities	223,794	83,766	2,162,148	2,469,708
NET DECREASE IN CASH AND CASH EQUIVALENTS	(118,709)	(40,600)	(1,357,521)	(1,516,830)
TOTAL CASH AND CASH EQUIVALENTS, January 1	298,790	94,804	4,087,098	4,480,692
TOTAL CASH AND CASH EQUIVALENTS, December 31	\$ 180,081	\$ 54,204	\$ 2,729,577	\$ 2,963,862
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 55,175	\$ (151,349)	\$ (1,073,019)	\$ (1,169,193)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	52,963	7,976	—	60,939
Miscellaneous nonoperating revenues	2,641	20	316,424	319,085
<i>Changes in operating assets and liabilities</i>				
Receivables	—	1,772	—	1,772
Inventories	8,506	13,023	—	21,529
Accounts payable other current liabilities	(245,853)	4,192	961,926	720,265
Total adjustments	(181,743)	26,983	1,278,350	1,123,590
Net cash provided by (used in) operating activities	\$ (126,568)	\$ (124,366)	\$ 205,331	\$ (45,603)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Increase in fair value of investments	\$ 4,597	\$ 1,278	\$ 79,268	\$ 85,143
Capital assets acquired through payables	(3,864)	—	—	(3,864)



PENSION TRUST FUNDS

Pension trust funds account for the activities and accumulation of resources to pay retirement benefits for elected officials, council appointees and employees.

General Employees' Retirement Plan Fund (GERP) - The GERP Fund (component unit) accounts for the accumulation of resources and the payment of retirement benefits to qualified city employees.

Elected Officials' and Executive Personnel Defined Benefit Plan Fund (EOEP) - The EOEP Fund (component unit) accounts for the accumulation of resources and the payment of retirement benefits to qualified elected officials and executive personnel of the city.

CITY OF AURORA, COLORADO
PENSION TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2009

	<u>GERP</u>	<u>EOEP</u>	<u>Total Pension Trust</u>
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	\$ 5,000,801	\$ 20,440	\$ 5,021,241
Investments			
Equity securities and funds	147,817,852	2,202,032	150,019,884
U.S. government and U.S. government agency obligations	25,871,023	—	25,871,023
Corporate bonds and funds	65,544,146	1,250,880	66,795,026
Real estate funds	17,534,432	199,415	17,733,847
Alternative investments	18,083,433	—	18,083,433
Receivables (net of allowance)			
Interest receivable	842,968	2	842,970
Due from other governments	355,641	—	355,641
Other receivables	—	5,415	5,415
	<u>281,050,296</u>	<u>3,678,184</u>	<u>284,728,480</u>
LIABILITIES			
<i>Current Liabilities</i>			
Accounts payable	<u>829,246</u>	<u>2,209</u>	<u>831,455</u>
	<u>829,246</u>	<u>2,209</u>	<u>831,455</u>
NET ASSETS			
Held in trust for pension benefits	<u>280,221,050</u>	<u>3,675,975</u>	<u>283,897,025</u>
	<u>\$ 280,221,050</u>	<u>\$ 3,675,975</u>	<u>\$ 283,897,025</u>

CITY OF AURORA, COLORADO

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

	GERP	EOEP	Total Pension Trust
ADDITIONS			
<i>Contributions</i>			
City	\$ 4,790,713	\$ 351,991	\$ 5,142,704
Plan members	4,795,873	—	4,795,873
Total contributions	9,586,586	351,991	9,938,577
<i>Investment activity</i>			
Investment loss	36,592,257	598,844	37,191,101
Investment expense	(571,901)	(8,905)	(580,806)
Net investment loss	36,020,356	589,939	36,610,295
Other income	70,756	—	70,756
Total additions, net	45,677,698	941,930	46,619,628
DEDUCTIONS			
Benefits	11,600,943	180,378	11,781,321
Administrative expenses	540,543	26,105	566,648
Total deductions	12,141,486	206,483	12,347,969
CHANGE IN NET ASSETS	33,536,212	735,447	34,271,659
NET ASSETS - January 1	246,684,838	2,940,528	249,625,366
NET ASSETS - December 31	\$ 280,221,050	\$ 3,675,975	\$ 283,897,025

AGENCY FUND

Payroll Clearing Fund - The city has one agency fund, the Payroll Clearing Fund, which provides for the consolidation of all payroll liabilities after the recording of related payroll expenditures/expenses into the appropriate funds.

CITY OF AURORA, COLORADO

AGENCY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

	Payroll Clearing Fund			
	Balance January 1	Additions	Deductions	Balance December 31
ASSETS				
Cash and cash equivalents	\$ 311,159	\$ 225,505,474	\$ (225,505,087)	\$ 311,546
Total assets	<u>\$ 311,159</u>	<u>\$ 225,505,474</u>	<u>\$ (225,505,087)</u>	<u>\$ 311,546</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ 311,159	\$ 449,781,592	\$ (449,781,205)	\$ 311,546
Total liabilities	<u>\$ 311,159</u>	<u>\$ 449,781,592</u>	<u>\$ (449,781,205)</u>	<u>\$ 311,546</u>



*Schedule of Sources, Uses
and Changes in Funds
Available – Budget and Actual
(Non-GAAP Budgetary Basis)*



CITY OF AURORA, COLORADO

GENERAL FUND

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

SOURCES	Budgets		Budgetary Actual	Variance with Final
	Original	Final		
Taxes				
Property	\$ 26,326,688	\$ 26,326,688	\$ 27,051,885	\$ 725,197
Sales	128,722,064	128,722,064	120,219,440	(8,502,624)
Use	26,540,532	26,540,532	20,616,198	(5,924,334)
Lodgers	5,047,000	5,047,000	3,917,127	(1,129,873)
Franchise	13,284,050	13,284,050	12,187,933	(1,096,117)
Other	10,706,730	10,706,730	9,006,211	(1,700,519)
Total taxes	210,627,064	210,627,064	192,998,794	(17,628,270)
Intergovernmental	10,754,074	10,754,074	11,738,686	984,612
Licenses and permits	3,051,103	3,051,103	2,197,837	(853,266)
Charges for services	7,792,531	7,792,531	7,495,590	(296,941)
Fines and forfeitures	6,972,101	6,972,101	6,049,482	(922,619)
Investment income	828,289	828,289	737,456	(90,833)
Other revenues	1,506,200	1,506,200	1,994,879	488,679
Proceeds from sales of assets	—	—	130,455	130,455
Transfers in	4,773,778	7,200,477	6,039,393	(1,161,084)
TOTAL SOURCES	246,305,140	248,731,839	229,382,572	(19,349,267)
USES				
<i>Municipal Court</i>				
Judicial	2,089,758	2,117,213	1,949,575	167,638
Court Administration	7,138,712	7,228,937	7,021,663	207,274
Public Defender	631,262	653,059	642,068	10,991
Total municipal court	9,859,732	9,999,209	9,613,306	385,903
<i>City Attorney</i>	4,966,332	5,011,576	4,861,669	149,907
<i>General Management Group</i>				
City Council	1,003,176	1,021,029	933,714	87,315
Civil Service	589,597	594,609	552,609	42,000
General Management	1,400,553	1,417,436	1,618,323	(200,887)
Communications	1,086,599	1,097,762	933,632	164,130
Management Support	1,128,361	1,145,380	1,195,113	(49,733)
Development Services	1,370,400	1,377,081	987,096	389,985
Total general management group	6,578,686	6,653,297	6,220,487	432,810

	Budgets		Budgetary Actual	Variance with Final
	Original	Final		
<i>Administrative Services Group</i>				
Management Support	\$ 444,282	\$ 446,976	\$ 436,133	\$ 10,843
Human Resources	1,339,585	1,357,623	1,249,082	108,541
Finance	5,190,604	5,282,939	5,031,895	251,044
Information Technology	6,620,896	6,681,297	6,130,563	550,734
Internal Services	8,240,204	8,289,920	7,515,408	774,512
Total administrative services group	21,835,571	22,058,755	20,363,081	1,695,674
<i>Operations Group</i>				
Public Works	20,784,712	20,961,589	17,908,750	3,052,839
Parks and Open Space	13,420,357	13,430,600	11,457,392	1,973,208
Planning	1,179,196	1,195,125	1,096,106	99,019
Total operations group	35,384,265	35,587,314	30,462,248	5,125,066
<i>Community Services Group</i>				
Library, Recreation and Cultural Services	13,149,671	13,255,895	12,126,263	1,129,632
Police	77,949,494	78,087,004	75,339,928	2,747,076
Public Safety Communications	5,698,447	5,775,205	5,598,010	177,195
Fire	33,900,311	33,930,565	33,558,111	372,454
Neighborhood Services	3,466,388	3,554,795	3,239,050	315,745
Total community services group	134,164,311	134,603,464	129,861,362	4,742,102
<i>Non-departmental</i>	33,611,703	33,834,725	27,988,058	5,846,667
TOTAL USES	246,400,600	247,748,340	229,370,211	18,378,129
CHANGE IN FUNDS AVAILABLE	(95,460)	983,499	12,361	(971,138)
FUNDS AVAILABLE - January 1	5,620,646	5,153,039	5,153,039	—
FUNDS AVAILABLE - December 31	\$ 5,525,186	\$ 6,136,538	5,165,400	\$ (971,138)
Less: Designations			(5,165,400)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			\$ —	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 5,165,400	
Add: Sales, use and lodgers tax accrual			15,905,989	
Current year encumbrances			974,268	
Adjustment of investments to fair value			98,098	
FUND BALANCE (U.S. GAAP BASIS) - DECEMBER 31			\$ 22,143,755	

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	Gifts and Grants			
	Budgets		Budgetary	Variance
	Original	Final	Actual	with Final
SOURCES				
Intergovernmental revenues	\$ 3,564,572	\$ 11,465,315	\$ 12,548,401	\$ 1,083,086
Licenses and permits	—	—	—	—
Charges for services	323,353	323,353	132,900	(190,453)
Fines and forfeitures	—	—	—	—
Investment income	2,550	2,550	54,129	51,579
Miscellaneous revenues	1,657,375	1,584,894	411,539	(1,173,355)
General obligation bonds issued	—	—	—	—
Transfers in	—	—	—	—
Funds from restricted assets	—	—	—	—
TOTAL SOURCES	5,547,850	13,376,112	13,146,969	(229,143)
USES				
<i>Operating Costs</i>				
Municipal Court	14,000	14,000	5,593	8,407
General Management Group	171,500	171,500	7,629	163,871
Administrative Services Group	—	—	—	—
Operations Group	510,000	534,100	125,812	408,288
Community Services Group	4,566,872	6,674,425	5,307,518	1,366,907
Non-Departmental	557	101,470	104,248	(2,778)
<i>Continuing Appropriations</i>				
General Management Group	—	—	—	—
Administrative Services Group	—	—	—	—
Community Services Group	—	2,604,009	2,604,009	—
Operations Group	450,000	3,978,108	3,978,108	—
Non-Departmental	—	—	—	—
TOTAL USES	5,712,929	14,077,612	12,132,917	1,944,695
CHANGE IN FUNDS AVAILABLE	(165,079)	(701,500)	1,014,052	1,715,552
FUNDS AVAILABLE - January 1	2,762,021	2,976,517	2,976,517	—
FUNDS AVAILABLE - December 31	\$ 2,596,942	\$ 2,275,017	3,990,569	\$ 1,715,552
Less: Reservations			(3,990,569)	
Designations			—	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			\$ —	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 3,990,569	
Add: Current year operating encumbrances			180,598	
Carryforward of continuing appropriations			7,353,774	
Seizure funds			1,553,771	
Assets not available for appropriations			—	
Inventories			—	
Adjust investments to fair value			—	
Less: Unspent grant awards			(8,092,803)	
FUND BALANCE (U.S. GAAP BASIS) - December 31			\$ 4,985,909	

Development Review				Abatement			
Budgets		Budgetary	Variance	Budgets		Budgetary	Variance
Original	Final	Actual	with Final	Original	Final	Actual	with Final
\$ —	\$ —	\$ 9,868	\$ 9,868	\$ —	\$ —	\$ —	\$ —
5,936,474	5,936,474	5,615,404	(321,070)	—	—	—	—
1,657,795	1,657,795	942,272	(715,523)	941,875	1,122,115	912,739	(209,376)
—	—	786	786	—	—	—	—
161,127	161,127	50,345	(110,782)	14,000	14,000	19,818	5,818
—	—	116,019	116,019	—	—	—	—
—	—	—	—	—	—	—	—
606,000	1,400,000	1,400,000	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>8,361,396</u>	<u>9,155,396</u>	<u>8,134,694</u>	<u>(1,020,702)</u>	<u>955,875</u>	<u>1,136,115</u>	<u>932,557</u>	<u>(203,558)</u>
—	—	—	—	—	—	—	—
5,086,584	5,167,593	4,871,287	296,306	—	—	—	—
—	—	—	—	—	—	—	—
2,921,140	2,970,777	2,350,402	620,375	80,000	200,000	52,996	147,004
—	—	—	—	1,123,632	1,174,594	735,496	439,098
1,440,647	1,219,097	1,209,284	9,813	6,394	2,321	—	2,321
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>9,448,371</u>	<u>9,357,467</u>	<u>8,430,973</u>	<u>926,494</u>	<u>1,210,026</u>	<u>1,376,915</u>	<u>788,492</u>	<u>588,423</u>
(1,086,975)	(202,071)	(296,279)	(94,208)	(254,151)	(240,800)	144,065	384,865
<u>2,788,071</u>	<u>2,351,238</u>	<u>2,351,238</u>	<u>—</u>	<u>721,670</u>	<u>1,055,983</u>	<u>1,055,983</u>	<u>—</u>
<u>\$ 1,701,096</u>	<u>\$ 2,149,167</u>	<u>2,054,959</u>	<u>\$ (94,208)</u>	<u>\$ 467,519</u>	<u>\$ 815,183</u>	<u>1,200,048</u>	<u>\$ 384,865</u>
		—				—	
		<u>(152,716)</u>				<u>(609,989)</u>	
		<u>\$ 1,902,243</u>				<u>\$ 590,059</u>	
		\$ 2,054,959				\$ 1,200,048	
		—				44,137	
		—				—	
		—				—	
		—				—	
		27,760				—	
		—				—	
		<u>\$ 2,082,719</u>				<u>\$ 1,244,185</u>	

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	Community Development			
	Budgets		Budgetary	Variance
	Original	Final	Actual	with Final
SOURCES				
Intergovernmental revenues	\$ 3,614,642	\$ 9,918,360	\$ 9,918,360	\$ —
Licenses and permits	—	—	—	—
Charges for services	—	—	—	—
Fines and forfeitures	—	—	—	—
Investment income	—	—	—	—
Miscellaneous revenues	425,000	597,355	597,355	—
General obligation bonds issued	—	—	—	—
Transfers in	266,273	299,152	299,152	—
Funds from restricted assets	—	—	(6,240)	(6,240)
TOTAL SOURCES	4,305,915	10,814,867	10,808,627	(6,240)
USES				
<i>Operating Costs</i>				
Municipal Court	—	—	—	—
General Management Group	—	—	—	—
Administrative Services Group	—	—	—	—
Operations Group	—	—	—	—
Community Services Group	—	—	—	—
Non-Departmental	—	—	—	—
<i>Continuing Appropriations</i>				
General Management Group	—	—	—	—
Administrative Services Group	—	—	—	—
Community Services Group	4,305,915	10,808,627	10,808,627	—
Operations Group	—	—	—	—
Non-Departmental	—	—	—	—
TOTAL USES	4,305,915	10,808,627	10,808,627	—
CHANGE IN FUNDS AVAILABLE	—	6,240	—	(6,240)
FUNDS AVAILABLE - January 1	—	—	—	—
FUNDS AVAILABLE - December 31	<u>\$ —</u>	<u>\$ 6,240</u>	—	<u>\$ (6,240)</u>
Less: Reservations			—	
Designations			—	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			<u>\$ —</u>	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ —	
Add: Current year operating encumbrances			—	
Carryforward of continuing appropriations			6,870,729	
Seizure funds			—	
Assets not available for appropriations			—	
Inventories			2,669,399	
Adjust investments to fair value			—	
Less: Unspent grant awards			<u>(6,870,729)</u>	
FUND BALANCE (U.S. GAAP BASIS) - December 31			<u>\$ 2,669,399</u>	

Enhanced E-911				Conservation Trust			
Budgets		Budgetary	Variance	Budgets		Budgetary	Variance
Original	Final	Actual	with Final	Original	Final	Actual	with Final
\$ —	\$ —	\$ —	\$ —	\$ 3,040,100	\$ 3,040,100	\$ 2,856,829	\$ (183,271)
—	—	—	—	—	—	—	—
2,751,776	2,751,776	2,817,312	65,536	—	—	—	—
—	—	—	—	—	—	—	—
136,843	136,843	165,563	28,720	180,000	180,000	224,037	44,037
—	—	41,495	41,495	—	—	—	—
—	—	—	—	—	—	—	—
1,710,000	23,000	23,000	—	—	—	—	—
—	—	—	—	—	—	—	—
4,598,619	2,911,619	3,047,370	135,751	3,220,100	3,220,100	3,080,866	(139,234)
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
2,220,489	2,227,473	1,938,882	288,591	—	—	—	—
—	—	—	—	615,645	1,194,363	1,040,222	154,141
—	—	—	—	32,438	32,438	4,100	28,338
773,385	766,401	766,401	—	7,808	994	—	994
—	—	—	—	—	—	—	—
2,816,682	1,133,000	1,133,000	—	—	—	—	—
—	—	—	—	1,032,722	1,032,722	1,032,722	—
—	—	—	—	1,733,000	944,000	944,000	—
—	—	—	—	—	—	—	—
5,810,556	4,126,874	3,838,283	288,591	3,421,613	3,204,517	3,021,044	183,473
(1,211,937)	(1,215,255)	(790,913)	424,342	(201,513)	15,583	59,822	44,239
3,870,441	5,091,940	5,091,940	—	3,039,220	4,324,077	4,324,077	—
<u>\$ 2,658,504</u>	<u>\$ 3,876,685</u>	4,301,027	<u>\$ 424,342</u>	<u>\$ 2,837,707</u>	<u>\$ 4,339,660</u>	4,383,899	<u>\$ 44,239</u>
		—				—	
		(58,410)				(3,746,516)	
		<u>\$ 4,242,617</u>				<u>\$ 637,383</u>	
		\$ 4,301,027				\$ 4,383,899	
		238,715				—	
		807,750				4,104,100	
		—				—	
		—				—	
		67,108				97,533	
		—				—	
		<u>\$ 5,414,600</u>				<u>\$ 8,585,532</u>	

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	Emergency Contingency			
	Budgets		Budgetary	Variance
	Original	Final	Actual	with Final
SOURCES				
Intergovernmental revenues	\$ —	\$ —	\$ —	\$ —
Licenses and permits	—	—	—	—
Charges for services	—	—	—	—
Fines and forfeitures	—	—	—	—
Investment income	30,283	30,283	23,771	(6,512)
Miscellaneous revenues	—	—	—	—
General obligation bonds issued	—	—	—	—
Transfers in	—	—	—	—
Funds from restricted assets	—	—	—	—
TOTAL SOURCES	30,283	30,283	23,771	(6,512)
USES				
<i>Operating Costs</i>				
Municipal Court	—	—	—	—
General Management Group	—	—	—	—
Administrative Services Group	—	—	—	—
Operations Group	—	—	—	—
Community Services Group	—	—	—	—
Non-Departmental	—	590,185	590,185	—
<i>Continuing Appropriations</i>				
General Management Group	—	—	—	—
Administrative Services Group	—	—	—	—
Community Services Group	—	—	—	—
Operations Group	—	—	—	—
Non-Departmental	—	—	—	—
TOTAL USES	—	590,185	590,185	—
CHANGE IN FUNDS AVAILABLE	30,283	(559,902)	(566,414)	(6,512)
FUNDS AVAILABLE - January 1	807,690	804,669	804,669	—
FUNDS AVAILABLE - December 31	\$ 837,973	\$ 244,767	238,255	\$ (6,512)
Less: Reservations			—	
Designations			—	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			\$ 238,255	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 238,255	
Add: Current year operating encumbrances			—	
Carryforward of continuing appropriations			—	
Seizure funds			—	
Assets not available for appropriations			—	
Inventories			—	
Adjust investments to fair value			2,917	
Less: Unspent grant awards			—	
FUND BALANCE (U.S. GAAP BASIS) - December 31			\$ 241,172	

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	Recreation Services			
	Budgets		Budgetary	Variance
	Original	Final	Actual	with Final
SOURCES				
Intergovernmental revenues	\$ —	\$ —	\$ —	\$ —
Licenses and permits	—	—	—	—
Charges for services	4,101,574	4,101,574	4,070,314	(31,260)
Fines and forfeitures	—	—	—	—
Investment income	—	—	—	—
Miscellaneous revenues	88,290	88,290	87,061	(1,229)
General obligation bonds issued	—	—	—	—
Transfers in	5,511,067	5,228,190	5,037,647	(190,543)
Funds from restricted assets	—	—	—	—
TOTAL SOURCES	9,700,931	9,418,054	9,195,022	(223,032)
USES				
<i>Operating Costs</i>				
Municipal Court	—	—	—	—
General Management Group	—	—	—	—
Administrative Services Group	—	—	—	—
Operations Group	—	—	—	—
Community Services Group	9,614,811	9,682,119	9,147,781	534,338
Non-Departmental	86,119	18,811	15,015	3,796
<i>Continuing Appropriations</i>				
General Management Group	—	—	—	—
Administrative Services Group	—	—	—	—
Community Services Group	—	—	—	—
Operations Group	—	—	—	—
Non-Departmental	—	—	—	—
TOTAL USES	9,700,930	9,700,930	9,162,796	538,134
CHANGE IN FUNDS AVAILABLE	1	(282,876)	32,226	315,102
FUNDS AVAILABLE - January 1	92,206	125,198	125,198	—
FUNDS AVAILABLE - December 31	<u>\$ 92,207</u>	<u>\$ (157,678)</u>	157,424	<u>\$ 315,102</u>
Less: Reservations			—	
Designations			—	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			<u>\$ 157,424</u>	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 157,424	
Add: Current year operating encumbrances			13,950	
Carryforward of continuing appropriations			—	
Seizure funds			—	
Assets not available for appropriations			—	
Inventories			—	
Adjust investments to fair value			—	
Less: Unspent grant awards			—	
FUND BALANCE (U.S. GAAP BASIS) - December 31			<u>\$ 171,374</u>	

Cultural Services				Designated Revenues			
Budgets		Budgetary	Variance	Budgets		Budgetary	Variance
Original	Final	Actual	with Final	Original	Final	Actual	with Final
\$ 213,900	\$ 213,900	\$ 246,287	\$ 32,387	\$ 532,100	\$ 619,202	\$ 555,659	\$ (63,543)
—	—	—	—	34,500	34,500	38,875	4,375
597,995	597,995	548,307	(49,688)	2,473,814	2,457,689	1,575,288	(882,401)
—	—	—	—	1,753,742	1,753,742	1,831,616	77,874
18,440	18,440	22,233	3,793	255,126	255,126	456,826	201,700
202,919	202,919	126,932	(75,987)	1,137,998	1,137,998	762,792	(375,206)
—	—	—	—	—	—	—	—
1,389,118	1,355,851	1,344,796	(11,055)	4,347,292	4,347,292	3,953,209	(394,083)
—	—	—	—	—	—	—	—
<u>2,422,372</u>	<u>2,389,105</u>	<u>2,288,555</u>	<u>(100,550)</u>	<u>10,534,572</u>	<u>10,605,549</u>	<u>9,174,265</u>	<u>(1,431,284)</u>
—	—	—	—	116,689	117,352	97,568	19,784
—	—	—	—	747,601	841,152	583,083	258,069
—	—	—	—	316,264	376,755	364,121	12,634
—	—	—	—	816,700	811,302	572,386	238,916
2,528,181	2,528,181	2,292,729	235,452	3,311,373	4,261,882	3,450,230	811,652
—	—	—	—	4,991,785	5,232,499	3,448,750	1,783,749
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	350,000	645,391	645,391	—
—	—	—	—	—	1,085,652	1,085,652	—
<u>2,528,181</u>	<u>2,528,181</u>	<u>2,292,729</u>	<u>235,452</u>	<u>10,650,412</u>	<u>13,371,985</u>	<u>10,247,181</u>	<u>3,124,804</u>
(105,809)	(139,076)	(4,174)	134,902	(115,840)	(2,766,436)	(1,072,916)	1,693,520
637,417	950,283	950,283	—	9,979,192	14,182,480	14,182,480	—
<u>\$ 531,608</u>	<u>\$ 811,207</u>	946,109	<u>\$ 134,902</u>	<u>\$ 9,863,352</u>	<u>\$ 11,416,044</u>	13,109,564	<u>\$ 1,693,520</u>
		—				(7,992,314)	
		<u>(258,522)</u>				<u>(1,728,480)</u>	
		<u>\$ 687,587</u>				<u>\$ 3,388,770</u>	
		\$ 946,109				\$ 13,109,564	
		47,049				25,500	
		—				6,649,100	
		—				—	
		—				—	
		—				199,456	
		<u>(22,158)</u>				<u>—</u>	
		<u>\$ 971,000</u>				<u>\$ 19,983,620</u>	

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	Policy Reserve			
	Budgets		Budgetary	Variance
	Original	Final	Actual	with Final
SOURCES				
Intergovernmental revenues	\$ —	\$ —	\$ —	\$ —
Licenses and permits	—	—	—	—
Charges for services	—	—	—	—
Fines and forfeitures	—	—	—	—
Investment income	798,740	798,740	625,878	(172,862)
Miscellaneous revenues	—	—	—	—
General obligation bonds issued	—	—	—	—
Transfers in	—	—	—	—
Funds from restricted assets	—	—	—	—
TOTAL SOURCES	798,740	798,740	625,878	(172,862)
USES				
<i>Operating Costs</i>				
Municipal Court	—	—	—	—
General Management Group	—	—	—	—
Administrative Services Group	—	—	—	—
Operations Group	—	—	—	—
Community Services Group	—	—	—	—
Non-Departmental	251,770	1,189,373	887,603	301,770
<i>Continuing Appropriations</i>				
General Management	—	—	—	—
Administrative Services Group	—	—	—	—
Community Services Group	—	—	—	—
Operations Group	—	—	—	—
Non-Departmental	—	—	—	—
TOTAL USES	251,770	1,189,373	887,603	301,770
CHANGE IN FUNDS AVAILABLE	546,970	(390,633)	(261,725)	128,908
FUNDS AVAILABLE - January 1	21,508,357	21,278,667	21,278,667	—
FUNDS AVAILABLE - December 31	<u>\$ 22,055,327</u>	<u>\$ 20,888,034</u>	21,016,942	<u>\$ 128,908</u>
Less: Reservations			—	
Designations			—	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			<u>\$ 21,016,942</u>	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 21,016,942	
Add: Current year operating encumbrances			—	
Carryforward of continuing appropriations			—	
Seizure funds			—	
Assets not available for appropriations			—	
Inventories			—	
Adjust investments to fair value			315,376	
Less: Unspent grant awards			—	
FUND BALANCE (U.S. GAAP BASIS) - December 31			<u>\$ 21,332,318</u>	

CITY OF AURORA, COLORADO

DEBT SERVICE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	City Debt Service			
	Budgets		Budgetary	Variance
	Original	Final	Actual	with Final
SOURCES				
Property taxes	\$ 6,297,783	\$ 6,297,783	\$ 5,971,503	\$ (326,280)
Special assessment taxes	—	—	—	—
Investment income	104,300	104,300	112,867	8,567
Other revenues	—	—	1,500	1,500
Proceeds from LT borrowings	—	8,122,819	8,128,821	6,002
Transfers in	1,761,100	1,801,335	1,771,256	(30,079)
Funds from restricted assets	—	—	9,245	9,245
TOTAL SOURCES	8,163,183	16,326,237	15,995,192	(331,045)
USES				
<i>Operating Costs</i>				
Administrative Services Group	—	—	—	—
Non-Departmental	8,182,432	16,305,251	16,301,466	3,785
TOTAL USES	8,182,432	16,305,251	16,301,466	3,785
CHANGE IN FUNDS AVAILABLE	(19,249)	20,986	(306,274)	(327,260)
FUNDS AVAILABLE - January 1	1,404,029	1,881,963	1,881,963	—
FUNDS AVAILABLE - December 31	<u>\$ 1,384,780</u>	<u>\$ 1,902,949</u>	1,575,689	<u>\$ (327,260)</u>
Less: Reservations			(1,575,689)	
Designations			—	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			<u>\$ —</u>	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 1,575,689	
Add: Assets not available for appropriation			33,569	
Adjust investments to fair value			<u>19,596</u>	
FUND BALANCE (U.S. GAAP BASIS) - December 31			<u>\$ 1,628,854</u>	

SID Debt Service				Surplus and Deficiency			
Budgets		Budgetary	Variance	Budgets		Budgetary	Variance
Original	Final	Actual	with Final	Original	Final	Actual	with Final
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
275,926	275,926	379,194	103,268	—	—	14,964	14,964
115,930	115,930	113,108	(2,822)	34,000	34,000	27,909	(6,091)
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>391,856</u>	<u>391,856</u>	<u>492,302</u>	<u>100,446</u>	<u>34,000</u>	<u>34,000</u>	<u>42,873</u>	<u>8,873</u>
—	—	—	—	35,750	35,750	35,750	—
<u>418,421</u>	<u>418,421</u>	<u>455,687</u>	<u>(37,266)</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>—</u>
<u>418,421</u>	<u>418,421</u>	<u>455,687</u>	<u>(37,266)</u>	<u>260,750</u>	<u>260,750</u>	<u>260,750</u>	<u>—</u>
(26,565)	(26,565)	36,615	63,180	(226,750)	(226,750)	(217,877)	8,873
<u>194,380</u>	<u>218,193</u>	<u>218,193</u>	<u>—</u>	<u>787,042</u>	<u>806,751</u>	<u>806,751</u>	<u>—</u>
<u>\$ 167,815</u>	<u>\$ 191,628</u>	254,808	<u>\$ 63,180</u>	<u>\$ 560,292</u>	<u>\$ 580,001</u>	588,874	<u>\$ 8,873</u>
		(36,800)				—	
		<u>(8,319)</u>				<u>(505,750)</u>	
		<u>\$ 209,689</u>				<u>\$ 83,124</u>	
		\$ 254,808				\$ 588,874	
		36,800				—	
		<u>4,763</u>				<u>7,207</u>	
		<u>\$ 296,371</u>				<u>\$ 596,081</u>	

CITY OF AURORA, COLORADO

CAPITAL PROJECTS FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	City Capital Projects			
	Budgets		Budgetary Actual	Variance with Final
	Original	Final		
SOURCES				
Intergovernmental revenues	\$ 2,575,975	\$ 17,449,920	\$ 21,673,406	\$ 4,223,486
Charges for services	—	—	—	—
Investment income	650,000	650,000	513,973	(136,027)
Miscellaneous revenues	438,712	7,145,227	839,444	(6,305,783)
Transfers in	17,068,974	17,382,974	13,410,238	(3,972,736)
TOTAL SOURCES	20,733,661	42,628,121	36,437,061	(6,191,060)
USES				
Operating Costs				
Administrative Services Group	2,235,398	518,398	518,398	—
Non-Departmental	2,014,006	1,873,739	1,872,482	1,257
Continuing Appropriations				
General Management	32,580	(100,000)	(100,000)	—
Administrative Services Group	569,000	(67,193)	(67,193)	—
Operations Group	19,005,766	35,040,983	35,040,983	—
Community Services Group	550,000	(190,161)	(190,161)	—
Non-Departmental	—	(32,614)	(32,614)	—
TOTAL USES	24,406,750	37,043,152	37,041,895	1,257
CHANGE IN FUNDS AVAILABLE	(3,673,089)	5,584,969	(604,834)	(6,189,803)
FUNDS AVAILABLE - January 1	11,415,428	6,647,131	6,647,131	—
FUNDS AVAILABLE - December 31	<u>\$ 7,742,339</u>	<u>\$ 12,232,100</u>	6,042,297	<u>\$ (6,189,803)</u>
Less: Reservations			(3,800,749)	
Designations			<u>(71,361)</u>	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			<u>\$ 2,170,187</u>	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 6,042,297	
Add: Carry forward of continuing appropriations			35,006,681	
Adjust investments to fair value			239,134	
Less: Unspent grant awards			<u>(17,762,442)</u>	
FUND BALANCE (U.S. GAAP BASIS) - December 31			<u>\$ 23,525,670</u>	

Bond Proceeds				Building Repair			
Budgets		Budgetary	Variance	Budgets		Budgetary	Variance
Original	Final	Actual	with Final	Original	Final	Actual	with Final
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	45,000	45,000	45,000	—
—	—	4,693	4,693	20,000	20,000	12,864	(7,136)
—	—	—	—	—	—	—	—
—	53,000	51,741	(1,259)	1,858,800	1,698,800	1,698,800	—
—	53,000	56,434	3,434	1,923,800	1,763,800	1,756,664	(7,136)
—	—	—	—	126,241	126,241	124,265	1,976
—	40,235	38,770	1,465	18,209	18,209	18,209	—
—	—	—	—	—	—	—	—
—	—	—	—	1,779,350	1,656,000	1,656,000	—
126,980	148,900	148,900	—	—	—	—	—
—	27,712	27,712	—	—	—	—	—
—	—	—	—	—	—	—	—
126,980	216,847	215,382	1,465	1,923,800	1,800,450	1,798,474	1,976
(126,980)	(163,847)	(158,948)	4,899	—	(36,650)	(41,810)	(5,160)
116,214	158,948	158,948	—	95,566	98,736	98,736	—
<u>\$ (10,766)</u>	<u>\$ (4,899)</u>	—	<u>\$ 4,899</u>	<u>\$ 95,566</u>	<u>\$ 62,086</u>	56,926	<u>\$ (5,160)</u>
		—				—	
		—				—	
		<u>\$ —</u>				<u>\$ 56,926</u>	
		\$ —				\$ 56,926	
		—				1,486,157	
		—				19,517	
		—				—	
		<u>\$ —</u>				<u>\$ 1,562,600</u>	

CITY OF AURORA, COLORADO

ENTERPRISE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	Water			
	Budgets		Budgetary	Variance
	Original	Final	Actual	with Final
SOURCES				
Charges for services	\$ 94,399,199	\$ 94,399,199	\$ 84,439,067	\$ (9,960,132)
Intergovernmental	—	—	183,494	183,494
Licenses and permits	130,355	130,355	54,326	(76,029)
Fines and forfeitures	—	—	651	651
Investment income	6,292,053	6,292,053	10,459,319	4,167,266
Miscellaneous revenues	17,165,379	17,165,379	11,867,939	(5,297,440)
Proceeds from sale of assets	57,728	57,728	70,366	12,638
Proceeds from long-term borrowings	186,097,740	186,097,740	34,064,530	(152,033,210)
Transfers in	—	—	—	—
Funds from restricted assets	(14,692,053)	(14,692,053)	—	14,692,053
Release of prior year designation	—	—	—	—
TOTAL SOURCES	289,450,401	289,450,401	141,139,692	(148,310,709)
USES				
Operating Costs				
Operations Group	99,549,928	99,636,119	80,114,423	19,521,696
Non-Departmental	336,370	78,807	—	78,807
Continuing Appropriations				
Operations Group	281,627,576	240,213,265	240,213,265	—
TOTAL USES	381,513,874	339,928,191	320,327,688	19,600,503
CHANGE IN FUNDS AVAILABLE	(92,063,473)	(50,477,790)	(179,187,996)	(128,710,206)
FUNDS AVAILABLE - January 1	110,118,039	194,840,465	194,840,465	—
FUNDS AVAILABLE - December 31	<u>\$ 18,054,566</u>	<u>\$ 144,362,675</u>	15,652,469	<u>\$ (128,710,206)</u>
Less: Reservations			(2,004,000)	
Designations			—	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			<u>\$ 13,648,469</u>	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 15,652,469	
Add: Current year operating encumbrances			1,074,445	
Carryforward of continuing appropriations			202,589,968	
Deferred charges			4,913,462	
Assets not available for appropriation			45,982,865	
Long-term interfund receivables			—	
Equity in joint venture			2,440,749	
Capital assets net of depreciation			1,376,432,774	
Inventories			—	
Adjust investments to fair value			3,116,930	
Less: Current portion of long-term liabilities			(10,172,467)	
Long-term debt			(697,949,153)	
NET ASSETS (U.S. GAAP BASIS) - December 31			<u>\$ 944,082,042</u>	

Wastewater				Golf			
Budgets		Budgetary	Variance	Budgets		Budgetary	Variance
Original	Final	Actual	with Final	Original	Final	Actual	with Final
\$ 46,266,842	\$ 46,266,842	\$ 46,563,100	\$ 296,258	\$10,024,450	\$ 10,024,450	\$ 9,027,618	\$ (996,832)
—	—	88,000	88,000	—	—	—	—
—	—	—	—	—	—	—	—
—	—	298	298	—	—	—	—
1,386,714	1,386,714	3,424,319	2,037,605	130,000	130,000	79,076	(50,924)
4,332,302	4,332,302	2,429,226	(1,903,076)	80,000	80,000	48,088	(31,912)
11,835	11,835	16,194	4,359	—	—	590	590
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	304,838	304,838	—	—	—	—
—	—	—	—	—	—	—	—
<u>51,997,693</u>	<u>51,997,693</u>	<u>52,825,975</u>	<u>828,282</u>	<u>10,234,450</u>	<u>10,234,450</u>	<u>9,155,372</u>	<u>(1,079,078)</u>
44,998,536	45,321,520	40,239,806	5,081,714	9,893,361	9,949,559	9,132,174	817,385
207,290	55,678	—	55,678	58,917	2,719	—	2,719
<u>32,098,098</u>	<u>27,589,299</u>	<u>27,589,299</u>	<u>—</u>	<u>130,000</u>	<u>80,000</u>	<u>80,000</u>	<u>—</u>
<u>77,303,924</u>	<u>72,966,497</u>	<u>67,829,105</u>	<u>5,137,392</u>	<u>10,082,278</u>	<u>10,032,278</u>	<u>9,212,174</u>	<u>820,104</u>
(25,306,231)	(20,968,804)	(15,003,130)	5,965,674	152,172	202,172	(56,802)	(258,974)
<u>19,377,497</u>	<u>64,449,538</u>	<u>64,449,538</u>	<u>—</u>	<u>496,666</u>	<u>1,023,417</u>	<u>1,023,417</u>	<u>—</u>
<u>\$ (5,928,734)</u>	<u>\$ 43,480,734</u>	<u>49,446,408</u>	<u>\$ 5,965,674</u>	<u>\$ 648,838</u>	<u>\$ 1,225,589</u>	<u>966,615</u>	<u>\$ (258,974)</u>
		—				—	
		(25,796,983)				(8,199)	
		<u>\$ 23,649,425</u>				<u>\$ 958,416</u>	
		\$ 49,446,408				\$ 966,615	
		852,829				24,504	
		48,604,824				69,092	
		318,762				45,678	
		11,623,276				456,417	
		4,496,000				—	
		—				—	
		381,373,703				31,339,599	
		—				227,803	
		1,041,685				51,894	
		(2,838,844)				(665,391)	
		(64,056,308)				(7,588,955)	
		<u>\$ 430,862,335</u>				<u>\$ 24,927,256</u>	

CITY OF AURORA, COLORADO

INTERNAL SERVICE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2009

	Fleet Management			
	Budgets		Budgetary	Variance
	Original	Final	Actual	with Final
SOURCES				
Charges for services	\$ 9,554,895	\$ 9,554,895	\$ 6,978,054	\$ (2,576,841)
Investment income	10,000	10,000	22,882	12,882
Miscellaneous revenues	10,000	10,000	2,642	(7,358)
Proceeds from sale of assets	—	—	—	—
Transfers in	—	—	—	—
TOTAL SOURCES	9,574,895	9,574,895	7,003,578	(2,571,317)
USES				
<i>Operating Costs</i>				
Administrative Services Group	9,002,332	9,039,166	7,047,284	1,991,882
Non-departmental	572,563	535,729	32,000	503,729
TOTAL USES	9,574,895	9,574,895	7,079,284	2,495,611
CHANGE IN FUNDS AVAILABLE	—	—	(75,706)	(75,706)
FUNDS AVAILABLE - January 1	623,431	731,097	731,097	—
FUNDS AVAILABLE - December 31	<u>\$ 623,431</u>	<u>\$ 731,097</u>	655,391	<u>\$ (75,706)</u>
Less: Designations			<u>—</u>	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - December 31			<u>\$ 655,391</u>	
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 655,391	
Add: Capital assets net of depreciation			479,995	
Inventories			584,057	
Current year operating encumbrances			5,245	
Adjust investments to fair value			11,077	
Less: Current portion of long-term debt			(51,607)	
Long-term debt			<u>(261,639)</u>	
NET ASSETS - (U.S. GAAP BASIS) - December 31			<u>\$ 1,422,519</u>	

Print Shop				Risk Management			
Budgets		Budgetary	Variance	Budgets		Budgetary	Variance
Original	Final	Actual	with Final	Original	Final	Actual	with Final
\$ 691,884	\$ 691,884	\$ 526,889	\$(164,995)	\$ 7,474,917	\$ 7,474,917	\$ 5,536,195	\$(1,938,722)
10,000	10,000	8,210	(1,790)	553,928	553,928	484,528	(69,400)
—	—	20	20	216,000	216,000	316,424	100,424
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
<u>701,884</u>	<u>701,884</u>	<u>535,119</u>	<u>(166,765)</u>	<u>8,244,845</u>	<u>8,244,845</u>	<u>6,337,147</u>	<u>(1,907,698)</u>
727,740	729,590	654,933	74,657	8,230,865	8,241,617	6,573,215	1,668,402
<u>3,227</u>	<u>1,377</u>	<u>3,051</u>	<u>(1,674)</u>	<u>3,510,775</u>	<u>4,050,023</u>	<u>3,725,000</u>	<u>325,023</u>
<u>730,967</u>	<u>730,967</u>	<u>657,984</u>	<u>72,983</u>	<u>11,741,640</u>	<u>12,291,640</u>	<u>10,298,215</u>	<u>1,993,425</u>
(29,083)	(29,083)	(122,865)	(93,782)	(3,496,795)	(4,046,795)	(3,961,068)	85,727
<u>522,900</u>	<u>300,648</u>	<u>300,648</u>	<u>—</u>	<u>5,793,844</u>	<u>10,286,191</u>	<u>10,286,191</u>	<u>—</u>
<u>\$ 493,817</u>	<u>\$ 271,565</u>	177,783	<u>\$ (93,782)</u>	<u>\$ 2,297,049</u>	<u>\$ 6,239,396</u>	6,325,123	<u>\$ 85,727</u>
		(174,133)				(74,415)	
		<u>\$ 3,650</u>				<u>\$ 6,250,708</u>	
		\$ 177,783				\$ 6,325,123	
		48,663				—	
		10,117				—	
		—				15,563	
		3,334				167,911	
		—				(17,575)	*
		(11,605)				(29,833)	*
		<u>\$ 228,292</u>				<u>\$ 6,461,189</u>	

* Does not include IBNR adjustment.



STATISTICAL SECTION

FINANCIAL TRENDS STATISTICS

These schedules provide financial trend information, which shows how the city's financial performance has changed over time.

- Exhibit A-1 Net Assets by Component
- Exhibit A-2 Changes in Net Assets
- Exhibit A-3 Fund Balances, Governmental Funds
- Exhibit A-4 Changes in Fund Balances, Governmental Funds
- Exhibit A-5 Total Sales and Use Tax Revenues

REVENUE CAPACITY STATISTICS

These schedules provide additional information about sales and use taxes and property taxes, the city's most significant local revenue sources.

- Exhibit A-6 Sales and Use Tax Receipts by Business Sector
- Exhibit A-7 Direct and Overlapping Sales Tax Rates
- Exhibit A-8 Top Ten Sales and Use Tax Payers by Industry Group
- Exhibit A-9 Assessed and Estimated Actual Value of Taxable Property
- Exhibit A-10 Property Tax Rates – Direct and Primary Overlapping Governments
- Exhibit A-11 Top Ten Principal Property Tax Payers
- Exhibit A-12 Property Tax Levies and Collections

DEBT CAPACITY STATISTICS

These schedules provide detailed information about the city's current levels of outstanding debt, and can help the financial statement user assess the City's ability to issue additional debt in the future.

- Exhibit A-13 Ratios of Outstanding Debt by Type
- Exhibit A-14 Ratios of Net General Obligation Bonded Debt Outstanding
- Exhibit A-15 Direct and Overlapping Governmental Activities Debt
- Exhibit A-16 Legal Debt Margin Information
- Exhibit A-17 Schedules of Revenue Bond Coverage – Water, Wastewater and Golf

DEMOGRAPHIC AND ECONOMIC STATISTICS

These schedules present demographic and economic indicators to assist the financial statement user in understanding the environment in which the city's financial activities occur.

- Exhibit A-18 Demographic and Economic Statistics
- Exhibit A-19 Principal Employers, Current Year and Nine Years Ago

OPERATING STATISTICS

These schedules contain service and infrastructure data to help the financial statement user understand how the information in the city's financial statements relates to the services the city provides.

- Exhibit A-20 Budgeted Full-time Equivalent City Government Employees by Function
- Exhibit A-21 Operating Indicators by Function
- Exhibit A-22 Capital Asset Statistics by Function

Source: Unless otherwise noted, the information in these schedules is derived from Comprehensive Annual Financial Reports for the relevant years.



Exhibit A-1

City of Aurora, Colorado

Net Assets by Component

Last Eight Years

	Fiscal Year							
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities								
Invested in capital assets, net of related debt	\$ 2,275,203,538	\$ 2,333,052,302	\$ 2,479,755,028	\$ 2,564,482,012	\$ 2,711,545,994	\$ 2,750,014,460	\$ 2,773,573,410	\$ 2,782,071,351
Restricted								
Construction (a)	1,464,086	3,310,450	-	11,624,224	15,432,018	4,687,349	4,621,770	5,654,539
Police (b)	6,901,872	1,040,402	840,769	441,853	649,829	930,688	938,179	1,553,771
E-911 equipment & services	3,996,089	3,227,306	4,181,097	4,730,191	5,289,905	6,011,852	6,365,253	5,414,600
Parks and Recreatio (c)	5,545,882	6,948,069	9,792,734	13,679,692	13,537,324	16,297,932	19,591,164	21,620,276
Emergencies	6,134,321	6,339,676	6,587,427	6,784,149	6,189,980	7,745,299	8,188,738	8,778,851
Gifts and grants (h)	4,422,877	8,655,457	7,345,087	6,754,529	4,706,420	5,184,456	5,712,156	14,899,217
Agreements (d)	4,750,398	5,325,373	5,251,278	4,442,130	9,587,071	11,038,966	9,338,401	8,094,334
Urban renewal (e)	1,750,963	2,110,891	1,170,124	721,486	127,822	11,382	11,682	71,673
Unrestricted	91,381,281	87,399,854	76,870,105	76,210,900	85,548,045	80,282,944	72,658,454	59,211,198
Total governmental activities net assets	\$ 2,401,551,307	\$ 2,457,409,780	\$ 2,591,793,649	\$ 2,689,871,166	\$ 2,852,614,408	\$ 2,882,205,328	\$ 2,900,999,207	\$ 2,907,369,810
Business-type activities								
Invested in capital assets, net of related debt	\$ 589,713,105	\$ 647,248,248	\$ 675,344,617	\$ 764,659,039	\$ 876,261,788	\$ 946,462,131	\$ 1,031,664,879	\$ 1,085,207,461
Restricted								
Construction (f)	104,185	3,994,407	4,199,838	1,984,417	13,762,820	3,627,410	5,114,062	8,627,252
Debt related (g)	3,100,000	3,100,000	3,100,000	2,500,000	2,500,000	2,500,000	19,535,272	2,500,000
Other	672,952	-	-	-	-	-	-	-
Unrestricted	121,493,852	115,611,638	161,607,602	182,168,952	201,213,673	280,587,656	260,154,817	303,180,315
Total business-type activities net assets	\$ 715,084,094	\$ 769,954,293	\$ 844,252,057	\$ 951,312,408	\$ 1,093,738,281	\$ 1,233,177,197	\$ 1,316,469,030	\$ 1,399,515,028

Primary government									
Invested in capital assets, net of related debt	\$ 2,864,916,643	\$ 2,980,300,550	\$ 3,155,099,645	\$ 3,329,141,051	\$ 3,587,807,782	\$ 3,696,476,591	\$ 3,805,238,289	\$ 3,867,278,812	
Restricted									
Construction	1,568,271	7,304,857	4,199,838	13,608,641	29,194,838	8,314,759	9,735,832	14,281,791	
Police	6,901,872	1,040,402	840,769	441,853	649,829	930,688	938,179	1,553,771	
E-911 equipment & services	3,996,089	3,227,306	4,181,097	4,730,191	5,289,905	6,011,852	6,365,253	5,414,600	
Parks and recreation	5,545,882	6,948,069	9,792,734	13,679,692	13,537,324	16,297,932	19,591,164	21,620,276	
Emergencies	6,134,321	6,339,676	6,587,427	6,784,149	6,189,980	7,745,299	8,188,738	8,778,851	
Gifts and grants	4,422,877	8,655,457	7,345,087	6,754,529	4,706,420	5,184,456	5,712,156	14,899,217	
Debt related	3,100,000	3,100,000	3,100,000	2,500,000	2,500,000	2,500,000	19,535,272	2,500,000	
Agreements	5,423,350	5,325,373	5,251,278	4,442,130	9,587,071	11,038,966	9,338,401	8,094,334	
Urban renewal	1,750,963	2,110,891	1,170,124	721,486	127,822	11,382	11,682	71,673	
Unrestricted	212,875,133	203,011,492	238,477,707	258,379,852	286,761,718	360,870,600	332,813,271	362,391,513	
Total primary government net assets	\$ 3,116,635,401	\$ 3,227,364,073	\$ 3,436,045,706	\$ 3,641,183,574	\$ 3,946,352,689	\$ 4,115,382,525	\$ 4,217,468,237	\$ 4,306,884,838	

Notes: The city is only reporting years beginning with 2002, the year GASB Statement 34 was implemented.

- (a) In 2004, no receipts restricted for county road and bridge improvements remained unspent at yearend. In 2005, noise mitigation court settlements were received and restricted for capital related purchases (mainly land acquisitions). In 2006, dedicated open space revenues
- (b) Police restricted equity represents seizure funds. Fluctuation in this account is expected.
- (c) Increase from 2003 to 2004 represents Conservation Trust and Park Development revenue growth. Increase from 2004 to 2005 represents new Arapahoe County Open Space tax receipts. Increase from 2006 to 2009 represents accumulation of Park Development revenues for future construction.
- (d) Increase from 2005 to 2006 represents amounts anticipated to be paid out on future agreements.
- (e) Activity reflects the spend down of funds dedicated to the Fletcher Plaza Enhancement Area.
- (f) 2006 increase represents unspent amounts set aside to fund storm drain projects. 2007 decrease represents spend down of storm drain project funds. 2009 increase for completion of scheduled projects
- (g) 2007-2009 fluctuations are related to activity in the Prairie Waters Project.
- (h) 2009 increase in grant funded activities and receipt of ARRA stimulus grants.

Exhibit A-2

City of Aurora, Colorado

Changes in Net Assets
Last Seven Years

		Fiscal Year						
		2003	2004	2005	2006	2007	2008	2009
Expenses								
<i>Governmental activities:</i>								
General government	(a)	\$ 32,106,373	\$ 34,865,194	\$ 53,727,660	\$ 32,428,420	\$ 35,443,241	\$ 36,882,880	\$ 35,169,252
Judicial		6,412,905	6,891,787	6,955,078	7,182,054	7,744,454	8,067,017	8,010,923
Police		64,279,691	64,975,624	67,694,840	71,983,533	76,903,178	79,278,710	81,608,250
Fire		30,113,236	29,082,202	29,227,035	30,915,945	33,196,185	34,484,884	34,952,691
Other public safety	(b)	5,847,178	9,465,582	10,351,525	10,813,970	11,977,596	12,956,565	12,739,566
Public works	(c)	25,023,998	28,175,551	39,425,303	42,713,262	36,963,018	37,022,337	34,985,680
Economic development		15,822,183	14,095,722	15,214,633	16,873,516	15,266,467	16,364,134	14,613,005
Community services		9,049,017	9,407,800	9,632,404	9,964,733	10,389,047	12,626,972	9,596,719
Culture and recreation		31,612,407	34,217,470	35,608,066	35,750,658	37,470,446	38,720,494	36,615,952
Unallocated depreciation		2,528,558	2,741,752	2,944,641	3,305,620	3,187,118	3,325,541	3,309,006
Interest on long-term debt		9,478,162	8,958,150	8,610,617	6,949,427	7,388,080	8,268,795	6,934,727
Total governmental activities expenses		232,273,708	242,876,834	279,391,802	268,881,138	275,928,830	287,998,329	278,535,771
<i>Business-type activities:</i>								
Water	(d)	40,784,896	46,903,285	58,689,242	60,675,340	72,215,638	78,139,181	50,259,475
Wastewater	(e)	24,807,909	26,173,594	30,141,125	33,453,356	37,101,476	40,627,123	40,853,702
Golf		8,545,279	8,729,124	8,696,129	8,990,266	9,320,032	9,661,133	9,153,001
Total business-type activities expenses		74,138,084	81,806,003	97,526,496	103,118,962	118,637,146	128,427,437	100,266,178
Total primary government expenses		\$ 306,411,792	\$ 324,682,837	\$ 376,918,298	\$ 372,000,100	\$ 394,565,976	\$ 416,425,766	\$ 378,801,949
Program Revenues								
<i>Governmental activities:</i>								
Charges for services								
General government	(f)	\$ 1,766,942	\$ 1,499,724	\$ 5,101,144	\$ 1,794,049	\$ 2,361,233	\$ 3,841,779	\$ 2,410,691
Judicial	(g)	5,473,368	5,419,785	7,290,726	7,254,834	8,255,912	8,112,024	7,818,742
Police		1,640,253	1,728,947	1,756,746	2,310,862	2,809,446	2,298,015	2,301,632
Fire		522,448	548,843	521,594	612,917	443,224	608,065	643,016
Other public safety		900	-	3,060	169,371	180,945	153,938	103,758
Public works		360,109	485,472	971,021	1,626,995	683,325	223,148	310,941
Economic development	(h)	10,214,741	13,247,894	16,228,709	12,976,173	10,177,375	8,486,228	7,078,290
Community services	(i)	2,554,164	2,193,055	3,531,460	1,504,620	2,813,009	1,175,549	1,768,560
Culture and recreation		5,321,819	5,331,250	5,625,750	5,734,638	5,545,510	5,986,101	6,069,602
Operating grants & contributions	(j)	31,364,667	31,554,456	49,966,351	47,522,357	24,565,452	25,710,829	30,061,454
Capital grants & contributions	(k)	44,542,305	125,614,269	86,963,191	136,709,120	28,260,368	33,198,276	21,620,957
Total governmental activities program revenues		103,761,716	187,623,695	177,959,752	218,215,936	86,095,799	89,793,952	80,187,643
<i>Business-type activities:</i>								
Charges for services								
Water	(l)	40,231,989	50,924,714	64,603,833	74,797,433	83,489,049	86,804,628	84,494,044
Wastewater	(m)	25,580,371	26,327,715	29,059,182	33,286,941	39,070,578	43,334,647	46,563,398
Golf		8,205,072	8,266,180	8,737,191	9,055,305	9,332,171	9,528,713	9,027,617
Operating grants & contributions	(n)	1,452,549	1,757,856	2,957,447	12,866,255	23,957,607	23,559,047	11,351,548
Capital grants & contributions	(o)	51,868,133	67,566,320	96,735,378	113,381,835	97,844,561	41,224,671	27,630,547
Total business-type activities program revenues		127,338,114	154,842,785	202,093,031	243,387,769	253,693,966	204,451,706	179,067,154
Total primary government program revenues		\$ 231,099,830	\$ 342,466,480	\$ 380,052,783	\$ 461,603,705	\$ 339,789,765	\$ 294,245,658	\$ 259,254,797

Net (Expense)/Revenue

Governmental activities	\$ (128,511,992)	\$ (55,253,139)	\$ (101,432,050)	\$ (50,665,202)	\$ (189,833,031)	\$ (198,204,377)	\$ (198,348,128)
Business-type activities	53,200,030	73,036,782	104,566,535	140,268,807	135,056,820	76,024,269	78,800,975
Total primary government net expense	<u>\$ (75,311,962)</u>	<u>\$ 17,783,643</u>	<u>\$ 3,134,485</u>	<u>\$ 89,603,605</u>	<u>\$ (54,776,211)</u>	<u>\$ (122,180,108)</u>	<u>\$ (119,547,153)</u>

General Revenues & Other Changes in Net Assets*Governmental activities:*

<i>Taxes</i>							
Sales & use taxes	\$ 128,687,061	\$ 135,610,392	\$ 143,592,080	\$ 149,931,394	\$ 152,895,195	\$ 151,023,488	\$ 141,025,543
Property taxes	29,799,273	28,033,332	28,644,691	29,742,954	30,813,184	32,519,051	33,175,518
Franchise taxes	10,183,683	10,606,171	11,224,526	11,566,625	11,439,537	13,037,994	12,187,933
Lodgers taxes	3,044,341	3,130,347	3,344,153	4,008,854	4,572,800	4,688,562	3,886,697
Occupational privilege taxes	3,684,159	3,755,667	3,950,531	4,058,928	4,215,950	4,295,911	4,145,282
Other taxes	4,864,920	5,361,765	5,366,799	7,292,324	7,331,575	5,001,847	5,181,550
Nonspecific grants & contributions	832,315	862,890	793,718	855,949	784,891	848,779	1,007,868
Unrestricted investment earnings	3,264,743	2,276,444	2,793,069	5,951,416	7,370,814	5,500,036	4,108,340
Transfers	9,970	-	(200,000)	-	-	82,588	-
Total governmental activities general revenues	<u>184,370,465</u>	<u>189,637,008</u>	<u>199,509,567</u>	<u>213,408,444</u>	<u>219,423,946</u>	<u>216,998,256</u>	<u>204,718,731</u>
<i>Business-type activities:</i>							
Unrestricted investment earnings	1,680,139	1,260,982	2,293,816	2,157,066	4,382,097	7,350,152	4,245,023
Transfers	(9,970)	-	200,000	-	-	(82,588)	-
Total business-type activities	<u>1,670,169</u>	<u>1,260,982</u>	<u>2,493,816</u>	<u>2,157,066</u>	<u>4,382,097</u>	<u>7,267,564</u>	<u>4,245,023</u>
Total primary government	<u>\$ 186,040,634</u>	<u>\$ 190,897,990</u>	<u>\$ 202,003,383</u>	<u>\$ 215,565,510</u>	<u>\$ 223,806,043</u>	<u>\$ 224,265,820</u>	<u>\$ 208,963,754</u>

Change in Net Assets

Governmental activities	\$ 55,858,473	\$ 134,383,869	\$ 98,077,517	\$ 162,743,242	\$ 29,590,917	\$ 18,793,879	\$ 6,370,603
Business-type activities	54,870,199	74,297,764	107,060,351	142,425,873	139,438,917	83,291,833	83,045,998
Change in net assets	<u>\$ 110,728,672</u>	<u>\$ 208,681,633</u>	<u>\$ 205,137,868</u>	<u>\$ 305,169,115</u>	<u>\$ 169,029,834</u>	<u>\$ 102,085,712</u>	<u>\$ 89,416,601</u>

Notes:

- (a) Increase in 2005 results from: the early payoff of a tax incentive; payment of exaction fees collected on behalf of another government; and a Net Pension
- (b) Increase from 2003 to 2004 represents moving police & fire communications costs from Police and Fire function. Increase from 2004 to 2005 represents new dispatch center operating costs and an increase in E-911 contract costs.
- (c) 2005 increase results from noncapitalizable landfill cleanup costs. 2006 increase includes additional landfill cleanup costs and snowstorm costs. 2007 decrease due to no landfill cleanup or snowstorm costs, but does reflect increased depreciation and operating expenses.
- (d) Increases reflect expansion of the water system 2006-2008. 2009 saw projects nearing completion.
- (e) Increases reflect an increase in sewer treatment expense and an increase in sewer personnel costs.
- (f) Increase in 2005 represents exaction fees collected to offset bridge widening costs. Decrease in 2009 represents impact of reduced development due to
- (g) Increase from 2004 to 2005 represents an increase in the court fines schedule.
- (h) Increase from 2003 to 2005 represents an increase in developer review activity and permit revenue growth. Subsequent decreases reflect reduced development activity.
- (i) Increase in 2005 represents an increase in Dam West SID receipts to fund neighborhood fence costs.
- (j) Increase from 2004 to 2005 results from federal reimbursement for a landfill cleanup and a court settlement to mitigate airport noise. 2006 activity remained strong as more funding was received for the landfill cleanup. 2007 activity decreased as the landfill cleanup was completed. Additionally, highway road and bridge intergovernmental revenue was moved from operating grants to capital grants. 2009 increase is the result of additional ARRA grant funding.
- (k) Fluctuation primarily represents fluctuation in developer contributed streets from year to year. Development decreased sharply in 2009.
- (l) Increases attributable to new water rate schedule.
- (m) Increases attributable to new rate schedule and volume increases.
- (n) Increase from 2005 to 2007 attributable to interest earnings on development revenues and bond proceeds. The 2009 reduction is primarily from a decrease in developer contributions.
- (o) Amounts represent developer tap fee revenue and developer contributed water and sewer mains. 2008 decrease reflects reduced development activity. Decrease in 2009 was primarily from a decrease in developer contributions.

Exhibit A-3

City of Aurora, Colorado
Fund Balances, Governmental Funds
Last Ten Years

	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund										
Reserved	\$ 13,522,647	\$ 10,552,694	\$ 6,956,701	\$ 1,711,075	\$ 992,384	\$ 1,318,383	\$ 1,298,394	\$ 1,687,871	\$ 559,347	\$ 974,268
Unreserved	24,492,485	21,592,048	31,631,227	27,223,539	23,433,917	26,290,788	29,910,165	25,886,915	22,232,971	21,169,487
Total General Fund	<u>38,015,132</u>	<u>32,144,742</u>	<u>38,587,928</u>	<u>28,934,614</u>	<u>24,426,301</u>	<u>27,609,171</u>	<u>31,208,559</u>	<u>27,574,786</u>	<u>22,792,318</u>	<u>22,143,755</u>
Unreserved, reported in:										
Special revenue funds										
Policy Reserve	15,470,863	16,945,902	17,748,258	18,109,610	18,275,311	18,744,164	19,239,541	20,910,375	21,426,228	21,332,318
TABOR Reserve	5,393,012	5,826,763	6,134,321	6,339,676	6,587,427	6,784,149	6,189,980	7,745,299	8,188,738	8,778,851
Total General, Policy & TABOR Reserve fund	<u>\$ 58,879,007</u>	<u>\$ 54,917,407</u>	<u>\$ 62,470,507</u>	<u>\$ 53,383,900</u>	<u>\$ 49,289,039</u>	<u>\$ 53,137,484</u>	<u>\$ 56,638,080</u>	<u>\$ 56,230,460</u>	<u>\$ 52,407,284</u>	<u>\$ 52,254,924</u>
All Other Governmental Funds										
Reserved	146,757,408	131,319,918	85,741,579	65,025,259	36,701,725	42,655,158	45,371,137	29,592,991	34,782,676	45,469,232
Unreserved, reported in:										
Special revenue funds (a)	9,917,889	15,687,402	13,963,613	17,466,800	21,441,259	31,503,230	31,623,727	39,136,449	38,994,282	41,692,972
Debt service funds	3,075,573	3,105,575	660,519	724,289	788,296	907,313	1,158,038	1,275,158	1,934,741	2,212,883
Capital projects funds	35,875,724	39,963,289	41,357,853	28,891,430	28,225,242	24,577,647	28,380,427	24,743,923	20,913,118	16,510,042
Total all other governmental funds	<u>195,626,594</u>	<u>190,076,184</u>	<u>141,723,564</u>	<u>112,107,778</u>	<u>87,156,522</u>	<u>99,643,348</u>	<u>106,533,329</u>	<u>94,748,521</u>	<u>96,624,817</u>	<u>105,885,129</u>
Total fund balances	<u>\$ 254,505,601</u>	<u>\$ 244,993,591</u>	<u>\$ 204,194,071</u>	<u>\$ 165,491,678</u>	<u>\$ 136,445,561</u>	<u>\$ 152,780,832</u>	<u>\$ 163,171,409</u>	<u>\$ 150,978,981</u>	<u>\$ 149,032,101</u>	<u>\$ 158,140,053</u>

(a) Excluding TABOR and Policy Reserve funds.

Note: The Policy and TABOR reserve are reported with the General Fund to show the emergency reserves available to the city.

City of Aurora
Changes in Fund Balance, Governmental Funds
Last Ten Years

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
REVENUES										
<i>Taxes</i>										
Sales and use	\$ 124,670,054	\$ 128,794,583	\$ 131,175,237	\$ 128,674,426	\$ 134,245,043	\$ 145,134,048	\$ 149,526,922	\$ 153,243,007	\$ 150,617,059	\$ 140,670,694
Property	19,429,113	25,138,146	26,732,855	29,799,273	28,033,332	28,644,691	29,742,954	30,813,184	32,519,051	33,175,518
Franchise	8,560,036	10,117,112	8,777,935	10,183,683	10,606,171	11,224,526	11,566,625	11,439,537	13,037,994	12,187,933
Lodgers	3,808,955	3,438,213	3,231,779	3,044,341	3,130,347	3,344,153	4,008,854	4,572,800	4,688,562	3,886,697
Occupational privilege	3,679,334	3,657,773	3,824,913	3,684,159	3,755,667	3,950,531	4,058,928	4,215,950	4,295,911	4,145,283
Other	3,804,754	4,207,334	4,430,407	4,864,920	5,361,765	5,366,799	7,292,324	7,331,575	5,001,847	5,181,550
Charges for services	10,662,570	12,670,536	14,453,021	15,298,469	18,951,376	19,902,708	15,408,472	18,620,824	15,996,882	16,160,154
Licenses and permits	6,005,710	7,140,457	9,394,758	8,902,351	10,974,896	13,710,827	13,121,874	9,523,978	8,817,173	7,852,116
Fines and forfeitures	4,099,854	4,742,280	4,858,917	5,312,628	5,195,033	7,081,565	7,547,331	8,862,389	8,209,553	7,882,527
Special assessments	433,235	318,617	192,493	264,002	47,795	1,024,193	292,474	545,373	346,447	394,158
Intergovernmental	21,110,332	22,258,953	24,455,505	22,780,958	28,557,034	36,785,824	35,509,439	32,005,970	33,731,296	38,975,230
Surcharges	1,501,376	2,716,398	2,693,191	2,604,231	2,650,587	2,694,385	2,790,662	2,862,077	3,139,083	3,177,105
Miscellaneous	3,553,612	2,978,342	5,509,569	4,283,746	5,174,348	16,033,741	15,473,953	8,052,699	7,182,586	5,999,760
Investment earnings	10,827,210	15,023,970	14,867,221	5,327,877	4,099,535	3,692,282	7,027,993	8,755,080	6,456,844	4,599,199
Total revenues	222,146,145	243,202,714	254,597,801	245,025,064	260,782,929	298,590,273	303,368,805	300,844,443	294,040,288	284,287,924
EXPENDITURES										
<i>Current</i>										
General government	22,364,376	22,361,989	25,271,995	32,974,743	34,809,025	51,361,370	34,353,933	34,207,588	34,006,200	32,334,060
Judicial	5,455,373	5,745,870	6,110,996	6,296,055	6,867,461	6,818,969	7,175,054	7,706,708	8,069,643	7,889,221
Police	54,624,074	57,845,300	59,326,105	61,411,745	62,661,168	65,764,443	70,298,998	74,496,292	78,646,612	79,708,894
Fire	25,150,075	26,767,183	27,972,743	28,758,598	27,840,562	28,195,821	29,977,336	32,308,850	33,764,814	33,979,814
Other public safety	2,082,171	1,281,460	3,927,902	5,260,630	9,038,844	10,106,404	10,506,510	11,780,534	12,742,372	12,503,334
Public works	37,714,179	30,306,245	21,598,825	19,260,674	20,605,607	30,631,449	32,304,425	24,933,938	24,357,677	21,439,170
Economic development	12,581,764	14,443,774	15,940,491	15,753,059	14,102,957	15,305,193	16,695,677	15,585,637	16,328,694	15,073,183
Community services	7,842,842	8,024,127	7,233,833	8,829,366	9,257,105	9,493,039	9,724,207	10,151,162	12,473,080	9,437,397
Culture and recreation	26,054,568	28,574,815	29,599,895	29,364,362	31,825,342	32,766,693	32,886,396	34,973,302	36,164,665	33,738,230
Debt Service										
Principal	5,625,474	6,675,508	6,679,071	7,652,362	8,921,242	10,577,968	13,036,135	13,583,952	13,187,802	14,986,664
Interest	4,643,108	9,672,964	9,506,354	9,528,666	9,046,758	8,598,608	6,874,792	7,141,260	7,971,018	12,211,597
Capital outlay	13,780,493	39,349,089	102,817,652	61,302,114	50,060,333	38,591,864	33,354,866	47,062,412	28,473,688	22,068,469
Total expenditures	217,918,497	251,048,324	315,985,862	286,392,374	285,036,404	308,211,821	297,188,329	313,931,635	306,186,265	295,370,033
Excess (deficiency) of revenues over (under) expenditures	4,227,648	(7,845,610)	(61,388,061)	(41,367,310)	(24,253,475)	(9,621,548)	6,180,476	(13,087,192)	(12,145,977)	(11,082,109)
OTHER FINANCING SOURCES (USES)										
Transfers in	49,273,414	47,975,096	43,664,588	55,204,349	57,960,594	83,160,614	57,744,381	49,352,397	44,221,197	46,454,536
Transfers out	(51,753,472)	(50,404,651)	(41,196,352)	(55,294,379)	(57,885,594)	(82,745,807)	(58,198,520)	(49,901,726)	(44,281,197)	(42,599,999)
Premium(discount) on debt issues	-	-	-	-	187,611	(179,797)	797,089	-	-	7,263,782
Proceeds from debt issues	126,475,000	-	15,421,826	2,549,559	8,750,000	24,535,000	539,309	-	68,540,000	92,710,000
Payment to refunded bond escrow agent	-	-	-	(2,490,000)	(14,975,000)	-	-	-	(60,635,390)	(84,185,263)
Notes Issued	-	-	-	-	-	-	-	1,075,000	-	415,000
Proceeds from capital leases	1,239,232	343,677	-	-	944,280	915,600	2,912,974	-	2,093,601	-
Proceeds from disposal of capital assets	340,850	419,478	2,698,480	2,695,389	225,467	271,209	414,868	369,093	260,886	132,005
Total other financing sources (uses)	125,575,024	(1,666,400)	20,588,542	2,664,918	(4,792,642)	25,956,819	4,210,101	894,764	10,199,097	20,190,061
Net change in fund balances	\$ 129,802,672	\$ (9,512,010)	\$ (40,799,519)	\$ (38,702,392)	\$ (29,046,117)	\$ 16,335,271	\$ 10,390,577	\$ (12,192,428)	\$ (1,946,880)	\$ 9,107,952
Debt service as a percentage of noncapital expenditures	(a) 5.03%	7.72%	7.59%	7.63%	7.65%	7.11%	7.55%	7.77%	7.62%	9.95%

(a) This calculation is performed as follows: Total debt service (principal plus interest) divided by total noncapital expenditures (total expenditures less capital outlay).

City of Aurora, Colorado Total Sales and Use Tax Revenues Last Ten Years

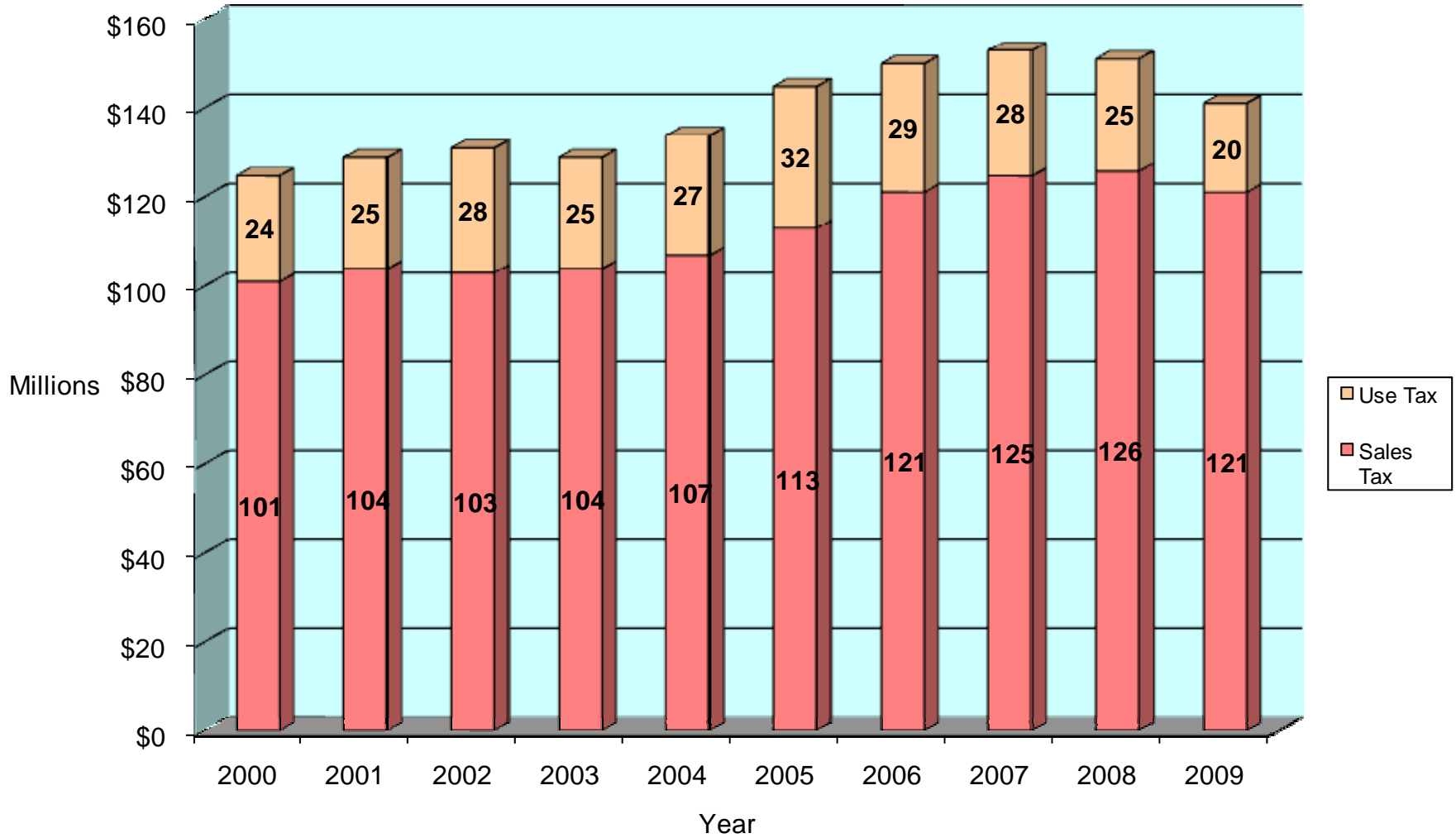


Exhibit A-6

City of Aurora, Colorado
Sales and Use Tax Receipts by Business Sector (Cash Basis)
Last Ten Years

	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Sales and Use Tax Receipts by Business Sector										
Retail trade	\$ 59,880,657	\$ 61,666,655	\$ 59,119,766	\$ 60,660,159	\$ 61,323,123	\$ 64,149,437	\$ 68,785,268	\$ 72,371,462	\$ 70,219,932	\$ 67,808,813
Accommodation & food services	11,148,645	11,643,288	11,842,340	12,060,851	12,688,329	13,521,657	14,209,309	15,722,168	16,646,987	16,385,575
Information/Media	9,610,289	10,757,972	9,089,360	7,410,538	8,410,406	9,404,063	10,084,979	10,735,395	11,206,178	11,200,370
Utilities	6,260,234	7,896,573	10,004,207	7,368,457	8,338,419	9,254,990	10,868,971	10,176,084	11,542,677	10,573,276
Real estate, rental & leasing	4,584,136	5,066,623	4,717,082	4,779,630	4,246,358	4,351,737	4,595,117	4,738,835	4,620,515	3,971,830
Manufacturing	4,224,016	3,862,112	3,593,335	3,387,378	3,505,429	3,220,917	3,560,554	2,796,082	2,635,512	2,291,448
Wholesale trade	2,187,058	2,769,157	3,855,464	4,341,125	4,166,333	4,806,379	5,428,407	5,251,516	5,740,516	5,488,481
Finance and insurance	1,706,488	1,675,830	1,655,349	1,286,834	1,036,981	908,032	985,344	1,032,270	1,033,487	944,147
Health Care and Social Assistance (a)	-	-	-	-	-	-	-	-	1,278,344	1,628,884
Arts, entertainment & recreational	908,933	978,288	967,856	912,800	958,913	916,219	880,367	825,845	843,638	935,766
Professional, scientific and technical	819,190	930,322	648,743	801,065	728,034	1,025,581	958,251	1,050,971	939,483	1,206,693
Construction	760,707	693,967	1,040,284	1,083,967	1,083,516	2,206,861	1,987,942	1,760,245	1,604,885	1,635,413
Other services	4,145,471	4,202,351	4,363,934	4,537,029	4,408,874	4,340,091	4,758,881	5,284,155	4,210,019	4,277,911
Automobile use tax	10,157,743	11,438,366	11,469,004	10,948,897	10,215,871	10,284,541	9,834,375	10,845,015	10,302,520	8,882,587
Building materials use tax	8,507,397	7,782,462	10,291,664	8,629,048	11,955,724	15,459,058	13,645,196	12,328,785	7,514,659	4,891,059
Total Sales and Use Tax Receipts	\$ 124,900,964	\$ 131,363,966	\$ 132,658,388	\$ 128,207,778	\$ 133,066,310	\$ 143,849,563	\$ 150,582,961	\$ 154,918,828	\$ 150,339,352	\$ 142,122,253
City direct sales/use tax rate	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%

SOURCE: City of Aurora's Sales Tax Division, except for automobile and building material use tax which is tracked within the Finance Department. Amounts shown on this table from the City Sales Tax Division include taxes received for both the General Fund and AURA. The amounts reflected in this table are gross amounts received and will not necessarily reflect U.S. GAAP as recorded in the financial statements; differences include refunds and accruals.

(a) For 2000 through 2007 Health Care and Social Assistance receipts had been included in the totals for other services, starting in 2008 these receipts are listed as a separate line item.

Exhibit A-7

City of Aurora, Colorado
Direct and Overlapping Sales Tax Rates

Last Ten Years

Arapahoe County

Fiscal Year	City Direct Rate	State	RTD	(a)			Total Rate Arapahoe County
				Scientific & Cultural	Football Stadium District	Open Space	
2000	3.75%	3.00%	0.60%	0.10%	0.10%	-	7.55%
2001	3.75%	2.90%	0.60%	0.10%	0.10%	-	7.45%
2002	3.75%	2.90%	0.60%	0.10%	0.10%	-	7.45%
2003	3.75%	2.90%	0.60%	0.10%	0.10%	-	7.45%
2004	3.75%	2.90%	0.60%	0.10%	0.10%	0.25%	7.70%
2005	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%
2006	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%
2007	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%
2008	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%
2009	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%

Adams County

Fiscal Year	City Direct Rate	State	RTD	(a)				Total Rate Adams County
				Scientific & Cultural	Football Stadium District	Open Space	Roads & Bridges	
2000	3.75%	3.00%	0.60%	0.10%	0.10%	0.20%	0.50%	8.25%
2001	3.75%	2.90%	0.60%	0.10%	0.10%	0.20%	0.50%	8.15%
2002	3.75%	2.90%	0.60%	0.10%	0.10%	0.20%	0.50%	8.15%
2003	3.75%	2.90%	0.60%	0.10%	0.10%	0.20%	0.50%	8.15%
2004	3.75%	2.90%	0.60%	0.10%	0.10%	0.20%	0.50%	8.15%
2005	3.75%	2.90%	1.00%	0.10%	0.10%	0.20%	0.50%	8.55%
2006	3.75%	2.90%	1.00%	0.10%	0.10%	0.20%	0.50%	8.55%
2007	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	0.50%	8.60%
2008	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	0.50%	8.60%
2009	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	0.50%	8.60%

SOURCE: City of Aurora's Tax & Licensing Division

(a) This was a "Baseball District Tax" through the year 2000.

City of Aurora, Colorado

Exhibit A-8

Top Ten Principal Sales and Use Tax Payers by Industry Group
Current Year and Nine Years Ago

	2009			2000		
	Sales & Use Tax Receipts	Rank	Percentage of Total City Sales & Use Tax Receipts	Sales & Use Tax Receipts	Rank	Percentage of Total City Sales & Use Tax Receipts
Department stores	\$ 16,894,652	1	11.89%	\$ 13,281,289	1	10.63%
Full-service restaurants	11,779,920	2	8.29%	10,347,586	2	8.28%
Electrical power generation, distribution	10,390,260	3	7.31%	6,192,016	5	4.96%
Telecommunications	7,654,509	4	5.39%	7,440,810	3	5.96%
Building materials & supplies stores	7,479,405	5	5.26%	5,733,398	6	4.59%
Clothing stores	6,001,232	6	4.22%			
Electronics and appliance stores	4,797,856	7	3.38%	3,564,209	10	2.85%
Other miscellaneous retail stores	4,253,113	8	2.99%	5,234,411	7	4.19%
Other general merchandise stores	4,068,588	9	2.86%	4,924,476	8	3.94%
Automobile dealers	3,938,694	10	2.77%	6,373,534	4	5.10%
Grocery stores				3,682,863	9	2.95%
Total	<u>\$ 77,258,229</u>		<u>54.36%</u>	<u>\$ 66,774,592</u>		<u>53.46%</u>

SOURCE: City of Aurora's Sales Tax Division

Note: Total city sales and use tax receipts were \$142,122,253 for 2009 and \$124,900,964 for the year 2000.

City of Aurora, Colorado

Exhibit A-9

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Years

Assessment/ Levy Year	Collection/ Budget Year	Real Property (a)			Total				Percent of Total Assessed Value to Estimated Actual Value	Total Direct Tax Rate
		Assessed Value Adams County	Assessed Value Arapahoe County (b)	Assessed Value Douglas County	Assessed Value	Percentage Change	Estimated Actual Value	Percentage Change		
2000	2001	316,583,610	1,673,391,071	2,480	1,989,977,161	5.5%	12,917,885,512	3.3%	15.4%	10.594
2001	2002	382,141,380	1,947,164,470	2,600	2,329,308,450	17.1%	16,840,511,419	30.4%	13.8%	12.193
2002	2003	391,969,270	2,039,310,460	32,610	2,431,312,340	4.4%	17,631,037,265	4.7%	13.8%	11.409
2003	2004	415,203,720	2,069,917,070	48,550	2,485,169,340	2.2%	20,375,486,637	15.6%	12.2%	11.161
2004	2005	447,208,260	2,127,672,860	80,810	2,574,961,930	3.6%	21,018,710,901	3.2%	12.3%	11.079
2005	2006	487,883,880	2,223,143,550	81,270	2,711,108,700	5.3%	22,166,078,150	5.5%	12.2%	10.958
2006	2007	510,091,180	2,315,537,610	1,099,640	2,826,728,430	4.3%	23,166,543,343	4.5%	12.2%	10.867
2007	2008	542,673,070	2,507,656,430	3,582,000	3,053,911,500	8.0%	24,396,193,173	5.3%	12.5%	10.701
2008	2009	569,347,020	2,546,012,900	6,743,960	3,122,103,880	2.2%	24,945,172,361	2.3%	12.5%	10.664
2009	2010	573,880,730	2,427,547,290	6,472,400	3,007,900,420	-3.7%	22,357,730,401	-10.4%	13.5%	10.494

Notes: Data obtained from Certifications of Valuation provided by Adams, Arapahoe and Douglas counties. Colorado statutes provide procedures for the valuation of property for assessment purposes. The "Assessment/Levy Year" is the calendar year in which the property value is assessed. It is also the year in which the associated tax is levied. The tax revenue for a "Collection/Budget Year" is based on the assessment and tax levy made in the prior year. Tax revenue collections occur in the budget year.

The County Assessor bases the assessed values on property values as of June 30 of the year prior to the assessment year. Thus the assessed values for the taxes associated with budget year 2010 are based on the 2009 assessment, which itself is based on property values as of June 30, 2008.

The assessed valuation percentage is established each year and was as follows: Residential: 2000 - 9.74%; 2001 and 2002 - 9.15%; and 2003 through 2009 - 7.96%.

All other classes of property were assessed at 29% of estimated actual value.

Differences in the percentage change between actual value and assessed value relate to the change in the mix of residential to other property from year to year. Additionally, exempt property is represented in actual value but not in assessed value.

(a) Includes both real and some business personal property.

(b) Does not include tax increment financing district incremental assessed valuation of: \$8,728,579 - 2000; \$8,168,440 - 2001; \$6,685,640 - 2002; \$5,813,860 - 2003; \$4,720,910 - 2004; \$5,164,460 - 2005; \$5,453,930 - 2006; \$6,202,670 - 2007; \$1,662,950 - 2008, and \$7,341,510 for 2009.

Arapahoe County had no TIF activity reported for the 2008 levy year. For the 2009 levy year, Arapahoe County reported new TIF assessments related to the Havana Gardens project.

City of Aurora, Colorado

Exhibit A-10

PROPERTY TAX RATES - DIRECT AND PRIMARY OVERLAPPING GOVERNMENTS

(Per \$1,000 of Assessed Valuation)

Last Ten Years

Assessment/ Levy Year	Collection/ Budget Year	City of Aurora	Counties		Schools		(1) Total Tax Rate - City of Aurora and:		
			Adams	Arapahoe	Aurora 28J	Cherry Creek	Adams County and Aurora Schools 28J	Arapahoe County and Aurora Schools 28J	Arapahoe County and Cherry Creek Schools
2000	2001	10.594	25.681	14.013	53.686	52.397	89.961	78.293	77.004
2001	2002	12.193	23.541	14.028	49.978	46.889	85.712	76.199	73.110
2002	2003	11.409	26.370	14.594	49.825	47.331	87.604	75.828	73.334
2003	2004	11.161	26.779	14.140	47.964	49.654	85.904	73.265	74.955
2004	2005	11.079	26.903	15.450	47.003	51.132	84.985	73.532	77.661
2005	2006	10.958	26.804	15.421	45.824	51.575	83.586	72.203	77.954
2006	2007	10.867	26.974	16.083	45.745	51.129	83.586	72.695	78.079
2007	2008	10.701	26.899	15.217	45.530	47.397	83.130	71.448	73.315
2008	2009	10.664	26.809	15.609	53.248	49.569	90.721	79.521	75.842
2009	2010	10.494	26.824	15.672	53.455	48.825	90.773	79.621	74.991

Notes: Data obtained from Certifications of Valuation provided by Adams, Arapahoe and Douglas counties. Colorado statutes provide procedures for the valuation of property for assessment purposes. The "Assessment/Levy Year" is the calendar year in which the property value is assessed. It is also the year in which the associated tax is levied. The tax revenue for a "Collection/Budget Year" is based on the assessment and tax levy made in the prior year. Tax revenue collections occur in the budget year.

The County Assessor bases the assessed values on property values as of June 30 of the year prior to the assessment year. Thus the assessed values for the taxes associated with budget year 2010 are based on the 2009 assessment, which itself is based on property values as of June 30, 2008.

(1) The Adams and Arapahoe County Assessor's Offices report that property owners within these counties' boundaries may be subject to a variety of different mill levies depending on the property's location. This schedule presents mill levies for counties and school districts only and may not represent the total tax rate for each property.

Exhibit A-11

City of Aurora, Colorado

Top Ten Principal Property Tax Payers
Current Year and Nine Years Ago

	2009			2000		
	Assessed Valuation of Property	Rank	Percentag e of Total Assessed Valuation	Assessed Valuation of Property	Rank	Percentage of Total Assessed Valuation
Xcel Energy (formerly Public Service Co of Colorado)	\$ 58,460,710	1	1.94%	\$ 30,592,480	3	1.54%
Qwest Communications (formerly U.S. West Communications)	41,472,300	2	1.38%	39,820,000	1	2.00%
Blue Spruce Energy Center LLC	27,894,000	3	0.93%			
Verizon	17,483,740	4	0.58%			
Columbia HealthOne	17,400,000	5	0.58%	13,949,000	4	0.70%
Weingarten/Miller/Aurora II	12,209,010	6	0.32%			
Retail Property Trust	9,569,990	7	0.30%	6,960,000	9	0.35%
Arapahoe Crossings	8,946,500	8	0.29%			
NRFC Denver Holding LLC	8,634,750	9	0.27%			
King Soopers Inc.	8,223,370	10	0.00%			
RMC/Pavillion Towers				30,619,500	2	1.54%
Glenborough Properties				11,828,230	5	0.59%
Aberdeen Land Company				10,438,990	6	0.52%
Pro Logis				8,396,090	7	0.42%
The Medical Center of Aurora				7,120,010	8	0.36%
Amberjack, Ltd.				6,334,190	10	0.32%
Total	\$ 210,294,370		6.99%	\$ 166,058,490		8.34%

Source: Data obtained from Certifications of Valuations provided by Adams, Arapahoe and Douglas Counties. The Total Assessed Value in assessment year 2009 is \$3,007,900,420 and 2000 was \$1,989,977,161. This total does not include the tax increment financing district assessed valuation for 2009 of \$7,341,510 or 2000 of \$8,728,579.

City of Aurora, Colorado

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

Assessment/Collection/ Levy Year	Budget Year	Total Tax Levy (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Collections/ (Refunds) (b)	Total Tax Collections	Collections as % of Current Tax Levy	TABOR (c)		Tax Increment Collections	Total Property Tax Revenues
								Excess Collections	Tax Credit		
1999	2000	22,170,875	22,041,571	99.42%	(11,747)	22,029,824	99.36%	(4,385,448)	1,154,154	630,583	19,429,113
2000	2001	21,016,790	20,528,208	97.68%	(186,875)	20,341,333	96.79%	-	4,134,476	662,337	25,138,146
2001	2002	28,340,445	28,112,473	99.20%	(195,833)	27,916,640	98.50%	(2,012,800)	218,559	610,456	26,732,855
2002	2003	27,738,843	27,468,922	99.03%	(164,695)	27,304,227	98.43%	- (d) -	2,008,487	486,559	29,799,273
2003	2004	27,736,975	27,577,434	99.42%	(51,454)	27,525,980	99.24%	-	-	507,352	28,033,332
2004	2005	28,528,003	28,331,940	99.31%	(34,316)	28,297,624	99.19%	-	-	347,067	28,644,691
2005	2006	29,708,330	29,573,589	99.55%	(128,117)	29,445,472	99.12%	-	-	297,482	29,742,954
2006	2007	30,718,057	30,501,534	99.30%	(81,225)	30,420,309	99.03%	-	-	392,875	30,813,184
2007	2008	32,739,222	32,512,589	99.31%	(117,207)	32,395,382	98.95%	-	-	123,668	32,519,050
2008	2009	33,294,387	33,079,076	99.35%	(55,688)	33,023,388	99.19%	-	-	152,130	33,175,518

Notes: Data obtained from Certifications of Valuation provided by Adams, Arapahoe and Douglas counties. Colorado statutes provide procedures for the valuation of property for assessment purposes. The "Assessment/Levy Year" is the calendar year in which the property value is assessed. It is also the year in which the associated tax is levied. The tax revenue for a "Collection/Budget Year" is based on the assessment and tax levy made in the prior year. Tax revenue collections occur in the budget year. Component units of the city are included only if they are presented discretely in the annual financial report.

The County Assessor bases the assessed values on property values as of June 30 of the year prior to the assessment year. Thus the assessed values for the taxes associated with budget year 2009 are based on the 2008 assessment, which itself is based on property values as of June 30, 2007.

- (a) Property taxes are assessed by Adams, Arapahoe and Douglas counties and remitted to the city after collection.
- (b) Delinquent tax collections are netted with refunds of appealed assessments. Positive numbers reflect more delinquent tax collections than refunds for the year. Negative numbers reflect refunds of appealed assessments in excess of delinquent collections for the year.
- (c) For collection years 2000 and 2002, property tax revenues were collected in excess of the limits imposed under the Taxpayer Bill of Rights (TABOR) Amendment. Taxpayers were given a "temporary tax credit" (net of County collection fees) for these excess collections in the form of a reduction in the following year tax levy which reduced the amount they were required to pay. Amounts collected in excess of the limit are recognized as deferred revenue in the year collected and as revenue in the following year.
- (d) In November, 2003, a majority of the city's electors authorized the city to collect, retain and spend a portion of 2003 property tax revenues which was in excess of the TABOR limits and would otherwise have to be refunded to the city's taxpayers. This amounted to \$2,039,130 for the period ended 2003.

Exhibit A-13

City of Aurora, Colorado
Ratios of Outstanding Debt by Type

Last Ten Years

Year	Governmental Activities					Business-Type Activities				Total Primary Government	Percentage of Personal Income (b)	Per Capita	Population (a)
	General Obligation Bonds	Revenue Bonds	Special Assessments Notes	Certificates of Participation	Tax Increment Bonds	General Obligation Bonds	Revenue Bonds	Water Rights Notes	Revenue Notes				
2000	63,095,000	17,300,000	235,000	97,565,000	2,480,000	95,750,000	46,193,710	452,801	-	323,071,511	-	1,169	276,393
2001	59,480,000	16,800,000	-	96,070,000	2,220,000	85,615,000	42,309,735	402,489	-	302,897,224	-	1,064	284,606
2002	56,110,000	15,855,000	-	109,875,000	1,950,000	75,185,000	38,287,762	352,178	-	297,614,940	9.4%	1,021	291,418
2003	52,610,000	14,865,000	-	107,430,000	1,665,000	68,410,000	91,520,896	301,867	-	336,802,763	10.7%	1,153	292,158
2004	48,870,000	13,825,000	-	97,745,000	1,365,000	59,155,000	128,820,266	7,640,006	1,023,519	358,443,791	10.2%	1,202	298,303
2005	44,945,000	12,730,000	1,140,000	116,165,000	1,045,000	51,635,000	223,000,126	6,698,054	813,594	458,171,774	12.3%	1,508	303,833
2006	40,840,000	11,580,000	1,055,000	115,780,000	710,000	43,910,000	275,355,094	5,756,102	594,031	495,580,227	12.8%	1,615	306,908
2007	36,545,000	10,375,000	1,955,000	109,495,000	-	37,275,000	691,290,919	5,269,168	364,386	892,569,473	18.9%	2,885	309,416
2008	32,045,000	9,105,000	1,745,000	110,900,000	-	30,435,000	684,566,848	3,872,197	18,530,576	891,199,621	19.1%	2,846	313,144
2009	28,030,000	7,850,000	1,475,000	111,965,000	-	24,530,000	677,643,251	3,234,391	52,317,751	907,045,393	20.9%	2,886	314,326

Notes:

- (a) Data was provided by the city's Planning Department. The population for 2000 was taken from the 2000 U.S. Census information. The population for 2001 and 2002 was provided by the Denver Regional Council of Governments (DRCOG). The population for 2003 through 2005 was provided by Clarion Associates. The population for 2006 was provided by the Aurora's Economic and Development Council. For 2007 through 2009 the population was provided by the city's Planning Department.
- (b) See Exhibit A-18 (Demographic and Economic) for personal income (based on labor force) totals. Personal income data not available before the year 2002.

Exhibit A-14

City of Aurora, Colorado

Ratios of Net General Obligation Bonded Debt Outstanding

Last Ten Years

Year	Population (a)	Assessed Value (b)	Debt		Total Gross General Obligation Bonded Debt (c)	Less: Debt Service Fund Balance	Net General Obligation Bonded Debt	Net General Obligation Bonded Debt to Assessed Value	Net General Obligation Bonded Debt Per Capita
			Governmental Activities	Business-Type Activities					
2000	276,393	1,989,977,161	63,095,000	95,750,000	158,845,000	564,549	158,280,451	8.0%	573
2001	284,606	2,329,308,450	59,480,000	85,615,000	145,095,000	464,815	144,630,185	6.2%	508
2002	291,418	2,431,312,340	56,110,000	75,185,000	131,295,000	1,394,136	129,900,864	5.3%	446
2003	292,158	2,485,169,340	52,610,000	68,410,000	121,020,000	1,260,224	119,759,776	4.8%	410
2004	298,303	2,574,961,930	48,870,000	59,155,000	108,025,000	1,298,621	106,726,379	4.1%	358
2005	303,833	2,711,108,700	44,945,000	51,635,000	96,580,000	1,484,328	95,095,672	3.5%	313
2006	306,908	2,826,728,430	40,840,000	43,910,000	84,750,000	1,304,397	83,445,603	3.0%	272
2007	309,416	3,053,911,500	36,545,000	37,275,000	73,820,000	1,669,563	72,150,437	2.4%	233
2008	313,144	3,122,103,880	32,045,000	30,435,000	62,480,000	1,918,640	60,561,360	1.9%	193
2009	314,326	3,007,900,420	27,330,000	24,530,000	51,860,000	1,609,258	50,250,742	1.7%	160

Notes:

- (a) Data was provided by the city's Planning Department. The population for 2000 was taken from the 2000 U.S. Census information. The population for 2001 and 2002 was provided by the Denver Regional Council of Governments (DRCOG). The population for 2003 through 2005 was provided by Clarion Associates. The population for 2006 was provided by Aurora's Economic and Development Council. The population for 2007 through 2009 was provided by the city's Planning Department.
- (b) Does not include tax increment financing district assessed valuation of: \$8,728,579 - 2000; \$8,168,440 - 2001; \$6,685,640 - 2002; \$5,813,860 for 2003; \$4,720,910 for 2004; \$5,164,460 for 2005; \$5,453,930 for 2006; \$6,202,670 for 2007; \$1,662,950 - 2008 and \$7,341,510 for 2009. Data obtained from Certifications of Valuation provided by Adams, Arapahoe and Douglas counties.
- (c) Gross general obligation bonded debt includes general obligation bonds supported by General Fund revenues and general obligation water bonds which are paid for from Water Fund revenues but are a contingent general obligation of the city. Includes General Obligation Bonds Series 2000 and Water General Obligation Series 2003 which are excluded from the debt limit calculation per sections 11-19-4 to 11-19-6 of the City Charter.

City of Aurora, Colorado			
Exhibit A-15			
Direct and Overlapping Governmental Activities Debt			
December 31, 2009			
Jurisdiction	Debt Outstanding	Estimated Percentage Applicable (d)	Estimated Share of Overlapping Debt
<i>Direct:</i>			
City of Aurora (a)			\$ 149,320,000
<i>Overlapping:</i>			
Debt repaid with property taxes			
Adams-Arapahoe Public School District			
General obligation bonds (b)	326,905,000	93.87%	306,865,724
Cherry Creek School District			
General obligation bonds (b)	478,487,768	25.74%	123,162,751
Other debt	-		-
Other overlapping entities (c)			
General obligation bonds (b)	1,891,940,165	25.56%	483,579,906
Other debt	21,870,073	100.00%	21,870,073
Debt repaid from other sources (e)			
Other overlapping entities (c)			
Revenue bonds	2,363,144,649	10.66%	251,838,293
Other debt	710,130,021	11.36%	80,667,696
			<u>1,267,984,443</u>
			<u>\$ 1,417,304,443</u>

Notes:

- (a) Includes all governmental activities debt of the city of Aurora such as, general obligation bonds, revenue bonds, certificates of participation, special assessments, and tax increment revenue bonds.
- (b) General obligation debt outstanding is the net of general obligation debt less any monies reserved for the retiring of these general obligation bonds, such as sinking funds or debt service reserve funds.
- (c) More than 160 other taxing entities overlap the city in whole or in part. Including but not limited to, Southlands Metropolitan District No. 1 & 2, Sand Creek Metropolitan District, Saddle Rock Metropolitan District, Eagle Bend Metropolitan District No. 2, Aurora Centretech Metropolitan District, and Tower Metropolitan District.
- (d) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value. This approach was also used for all debt paid from other sources.
- (e) This category includes any remaining debt held by overlapping entities which is paid from sources other than property taxes (e.g., sales tax, tolls, facility fees, etc.).

City of Aurora, Colorado

Exhibit A-16

Legal Debt Margin Information
In accordance with Aurora Charter Article XI

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed valuation, all Counties:	\$	3,007,900,420	
Debt limit - 3% of assessed valuation			90,237,013
Amount of debt outstanding:			
Total bonded debt		738,053,251	
Other debt		172,160,275	
Total			910,213,526
Less: Fund balance in debt service funds		1,609,258	
Other deductions allowed by law:			
General obligation bonds exempt from limit		24,575,000	(a)
General obligation water bonds		24,530,000	
Capitalized lease obligations		3,168,132	
Certificates of participation		111,965,000	
Revenue notes		53,792,750	
Water rights		3,234,392	
Revenue bonds		686,193,251	
Total deductions			909,067,783
Total amount of debt applicable to debt limit			1,145,743
Legal Debt Margin			89,091,270 (b)

	<u>Last Ten Fiscal Years</u>									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt limit	59,699,315	69,879,254	72,939,370	74,555,080	77,248,858	81,333,261	84,801,853	91,617,345	93,663,116	90,237,013
Total net debt applicable to limit	9,346,598	8,331,807	7,324,379	6,004,776	5,296,379	4,410,672	3,855,603	2,725,438	1,676,360	1,145,743
Legal debt margin	50,352,717	61,547,447	65,614,991	68,550,304	71,952,479	76,922,589	80,946,250	88,891,907	91,986,756	89,091,270
Total net debt applicable to the limit as a percentage of debt limit	15.7%	11.9%	10.0%	8.1%	6.9%	5.4%	4.5%	3.0%	1.8%	1.3%

(a) The 2000 facilities master plan bonds are exempt from the general obligation debt limit by voter approval and per Section 11-19-1 of the City Charter.

(b) Article X, Section 20(4)(b) of the Colorado Constitution requires the city to receive voter approval in advance for the creation of any multiple fiscal year direct or indirect debt or other financial obligation, regardless of whether or not the city is at its legal debt margin. Typically, voter approval of additional debt includes a provision exempting the new debt from the debt margin. Consequently, the computation of the city's legal debt margin has little real significance.

Enterprises, as defined in Article X, Section 20(2)(d) of the Colorado Constitution, are not required to receive voter approval. An "enterprise" is a city-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenues in grants from all Colorado state and local governments combined.

Exhibit A-17

City of Aurora, Colorado
SCHEDULE OF WATER REVENUE BOND COVERAGE

Last Ten Years

Debt Service Requirements

Year	Gross Revenue (a) Expenses (b)		Net Revenue Available For Debt Service	First Lien Revenue Obligations (c)		First & Second Lien Revenue Obligations (d)		Debt Secured by Net Pledged Revenues (e)		Debt Payable from System Revenues (f)		Coverage Ratios (g)			
				Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	(c)	(d)	(e)	(f)
				2000	51,883,165	16,707,759	35,175,406	821,104	158,388	821,104	158,388	871,415	183,543	10,731,415	4,495,288
2001	63,681,217	21,965,001	41,716,216	837,204	445,986	837,204	445,986	887,515	468,626	11,022,515	4,460,819	32.51	32.51	30.76	2.69
2002	61,869,563	21,961,421	39,908,142	858,670	519,414	858,670	519,414	908,981	539,539	11,338,981	4,198,052	28.96	28.96	27.55	2.57
2003	67,083,106	28,694,146	38,388,960	885,504	495,735	885,504	495,735	935,815	513,344	7,130,815	3,823,128	27.79	27.79	26.49	3.50
2004	87,939,198	35,214,632	52,724,566	906,970	2,449,544	906,970	3,565,100	1,848,922	2,688,553	11,103,922	4,983,223	15.71	11.79	11.62	3.28
2005	120,569,923	45,166,591	75,403,332	3,458,804	2,934,269	3,458,804	3,960,158	4,400,756	4,309,474	11,920,756	6,246,059	11.79	10.16	8.66	4.15
2006	130,689,742	42,814,760	87,874,982	3,530,638	6,598,664	3,530,638	7,942,664	4,472,590	8,322,149	12,197,590	10,074,561	8.68	7.66	6.87	3.95
2007	146,607,372	48,913,130	97,694,242	3,607,104	7,244,069	3,607,104	8,830,807	4,549,056	9,118,612	11,184,056	10,664,088	9.00	7.85	7.15	4.47
2008	136,213,224	45,667,169	90,546,055	3,708,938	30,792,006	3,708,938	30,792,006	4,650,900	31,032,713	11,490,900	32,395,726	2.62	2.62	2.54	2.06
2009	107,283,305	33,252,590	74,030,715	3,810,404	29,966,338	3,810,404	31,681,332	4,448,210	31,874,942	10,353,210	33,032,754	2.19	2.09	2.04	1.71

Note: Includes long-term debt payable from Water revenues, including General Obligation bonds, Revenue bonds, and Water Notes Payable. Debt service requirements represent annual amounts as opposed to the maximum annual amount. Therefore, coverage ratios on this schedule will not match ratios in the Debt Continuing Disclosure section.

- (a) Includes charges for services and other operating revenues, tap and development fees, and interest income. Excludes fair value adjustment and annexation fees.
- (b) Includes operating expenses such as personal services, supplies and other services and charges. Excludes depreciation expense.
- (c) Includes the city's portion of the Colorado Water Resources and Power Development Authority's Drinking Water Bonds Series 1999A and 2005D and the City's First Lien Water Improvement Revenue Bonds Series 2008, 2007 and 2003A. The legal covenant for debt service coverage for these obligations is 1.20 except for the CWRPDA Series 1999A which is 1.10.
- (d) Includes (c) above and for 2004 through 2007 Second Lien Water Improvement Revenue Bonds Series 2004A. The legal covenant through 2009 for debt service coverage is 1.05. In 2008 the 2004A issue was refunded with the 2008A 1st lien issue. In 2007, a note with the Colorado Water Conservation board was entered into and takes a second lien parity with existing obligations.
- (e) Includes (d) above and all Water Rights Notes Payable. The legal covenant for debt service coverage is 1.05.
- (f) Includes (e) above and General Obligation Water Bonds which are payable from revenues of the system but are not secured by the Net Pledged Revenues. The legal covenant for debt service coverage is 1.00.
- (g) Net Revenue Available for Debt Service divided by Total Debt Service Requirements for "c", "d", "e" and "f", respectively.

City of Aurora, Colorado

Exhibit A-17

SCHEDULE OF WASTEWATER REVENUE BOND COVERAGE

Last Ten Years

Year	Gross Revenue (a)	Expenses (b)	Net Revenue Available For Debt Service	Debt Service Requirements (c)			Coverage Ratio (d)
				Principal	Interest	Total	
2000	27,764,451	16,986,157	10,778,294	4,044,451	692,984	4,737,435	2.28
2001	31,838,320	17,620,275	14,218,045	2,766,772	942,533	3,709,305	3.83
2002	30,971,483	19,018,629	11,952,854	2,868,303	865,023	3,733,326	3.20
2003	32,061,284	20,976,324	11,084,960	1,426,362	756,247	2,182,609	5.08
2004	34,241,386	21,806,876	12,434,510	1,458,658	725,224	2,183,882	5.69
2005	38,358,057	24,623,664	13,734,393	1,496,335	683,337	2,179,672	6.30
2006	44,101,003	26,130,780	17,970,223	1,539,395	1,250,162	2,789,557	6.44
2007	50,582,848	28,794,436	21,788,412	1,577,073	3,347,387	4,924,460	4.42
2008	52,371,474	32,545,027	19,826,447	2,625,132	3,287,674	5,912,806	3.35
2009	52,327,902	33,826,337	18,501,565	2,708,193	3,204,712	5,912,905	3.13

Notes: Includes long-term debt payable from Sewer revenues, including revenue bonds.

- (a) Includes charges for services and other operating revenues, tap and development fees, and interest income. Excludes fair value adjustment and annexation fees.
- (b) Includes operating expenses such as personal services, supplies and other services and charges. Excludes depreciation expense.
- (c) The Debt Service Requirements consist of the First Lien Sewer Improvement Revenue Bonds, Series 2006, and the Colorado Water Resources and Power Development Authority's Clean Water Revenue Bonds, Series 1999A.
- (d) Net Revenue Available for Debt Service divided by Total Debt Service Requirements. The legal covenant for debt service coverage is 1.20.

City of Aurora, Colorado

Exhibit A-17

SCHEDULE OF GOLF REVENUE BOND COVERAGE

Last Ten Years

Year	Gross Revenue (b)	Operating & Maintenance Expenses (c)	Net Revenue Available For Debt Service	Senior Debt Service Requirements (a)				Subordinate Debt Service Requirements (a)			
				Principal	Interest	Total	Coverage Ratio (d)	Principal	Interest	Total	Coverage Ratio (e)
2000	8,548,231	7,345,386	1,202,845	265,000	391,773	656,773	1.83	-	369,546	369,546	1.48
2001	9,635,480	7,457,920	2,177,560	280,000	378,257	658,257	3.31	256,000	371,987	627,987	2.42
2002	9,594,529	7,477,569	2,116,960	295,000	363,558	658,558	3.21	256,000	304,248	560,248	2.60
2003	8,710,254	7,470,858	1,239,396	315,000	347,628	662,628	1.87	256,000	227,021	483,021	1.19
2004	8,715,486	7,596,567	1,118,919	436,481	357,055	793,536	1.41 (f)	256,000	174,862	430,862	0.76
2005	9,083,314	7,452,160	1,631,154	524,924	311,925	836,849	1.95	256,000	184,687	440,687	1.80
2006	9,331,298	7,966,640	1,364,658	584,563	208,773	793,336	1.72	256,000	219,261	475,261	1.20
2007	9,932,252	8,294,101	1,638,151	604,644	185,917	790,561	2.07	256,000	241,595	497,595	1.70
2008	9,769,750	8,674,373	1,095,377	625,189	160,373	785,562	1.39	56,000	200,102	256,102	1.21
2009	9,127,449	7,894,302	1,233,147	529,199	133,944	663,143	1.86	56,000	227,600	283,600	2.01

Notes: Includes long-term debt payable from Golf revenues, including Revenue bonds and long-term interfund payables. Debt service requirements represent annual amounts as opposed to the maximum annual amount. Therefore, coverages ratios on this schedule will not match ratios in the Debt Continuing Disclosure section.

- (a) The Senior Debt Service Requirement consists of the 1995 Golf Revenue Bonds and, beginning in 2004, the 2004 Golf Revenue Note. In 2005 the 1995 Golf Revenue Bonds were replaced by the 2005 Golf Revenue Refunding Bonds. The Subordinate Debt Service Requirement is the 1995 Interfund Loan Payable to the Wastewater Fund.
- (b) Includes operating revenues, investment income, miscellaneous non-operating revenues, annexation fees and golf lot premium fees. Excludes fair value adjustment.
- (c) Includes operating expenses such as personal services, supplies, other services and charges, and for 2001 and after, the principal and interest on the golf cart capital leases. Excludes depreciation expense.
- (d) Net Revenue Available for Debt Service divided by Total Senior Debt Service Requirements. For years beginning with 2005, the legal covenant for debt service coverage is 1.35. For years prior to 2005, the legal covenant for debt service coverage is 1.50.
- (e) Net Revenue Available for Debt Service less Total Senior Debt Service Requirements, divided by Total Subordinate Debt Service Requirements. The legal covenant for debt service coverage is 1.00.
- (f) Golf was in compliance with the covenants under the 1995 bond agreement which required them to bring in a consultant to analyze the rate structure in any year in which the golf system fails to meet the rate maintenance requirement. A consultant was hired during 2004 and the rate structure was adjusted in accordance with the recommendations for 2005.

Exhibit A-18

City of Aurora, Colorado

Demographic and Economic Statistics

Last Ten Years

Year	General Population (a)	Personal Income (b)	Aurora Labor Force Population (c)	Personal Income Per Capita (Labor Force)	Unemployment Rate (d)
2000	276,393	-	-	-	2.2%
2001	284,606	-	-	-	3.5%
2002	291,418	3,159,127,720	165,200	19,123	6.1%
2003	292,158	3,156,972,760	168,276	18,761	6.6%
2004	298,303	3,524,922,668	160,148	22,010	6.9%
2005	303,833	3,728,443,396	168,139	22,175	5.2%
2006	306,908	3,875,932,660	171,065	22,658	5.3%
2007	309,416	4,725,828,136	173,158	27,292	4.8%
2008	313,144	4,676,671,164	172,196	27,159	7.4%
2009	314,326	4,331,333,727	179,151	24,177	7.5%

Notes:

- (a) Data was provided by the city's Planning Department. The population for 2000 was taken from the 2000 U.S. Census information. The population for 2001 and 2002 was provided by the Denver Regional Council of Governments (DRCOG). The population for 2003 through 2005 was provided by Clarion Associates. The population for 2006 and 2007 was provided by Aurora's Economic and Development Council. The population for 2008 and 2009 was provided by the city's Planning Department.
- (b) Data was provided by the city's Planning Department. Personal income totals not available before 2002. Personal income totals provided to the city by the State of Colorado, Department of Labor and Employment, Quarterly Census of Employment and Wages. These totals are based on data provided to the State by businesses (for unemployment purposes) and do not include businesses with 3 or less employees.
- (c) Data provided by the city's Planning Department through the Colorado Department of Labor and Employment. Totals include any person working within the city of Aurora, sixteen years of age or older.
- (d) Data was provided by the city's Planning Department. Source - Colorado Department of Labor and Employment.

Exhibit A-19

City of Aurora, Colorado

Top Ten Principal Employers

Current Year and Nine Years Ago

Employer	2009			2000		
	Employees	Rank	(b) Percentage of Total City Employment	Employees	Rank	(b) Percentage of Total City Employment
Buckley Air Force Base (a)	12,100	1	7.16%	9,378	1	6.20%
Univ. of CO Anschutz Medical Campus	6,360	2	3.76%	2,531	3	1.67%
The Children's Hospital	4,100	3	2.43%			
University of Colorado Hospital	4,050	4	2.40%			
Aurora Public Schools	4,020	5	2.38%			
Cherry Creek Public Schools	3,820	6	2.26%	3,804	2	2.51%
City of Aurora	3,740	7	2.21%	2,459	4	1.63%
Raytheon	2,200	8	1.30%	1,115	9	0.74%
Kaiser Permanente	1,690	9	1.00%	1,162	8	0.77%
ADT Security Systems	1,600	10	0.95%	1,377	6	0.91%
Columbia Medical Center				1,719	5	1.14%
King Soopers				1,303	7	0.86%
Walmart				888	10	0.59%

Note: Data provided by the Aurora Economic Development Council and the City of Aurora unless otherwise noted. This schedule does not include retail sector employers.

(a) Data provided by the Department of Defense. Buckley Air Force Base Includes: Air Force, Army, Marines, Navy, Dept. of Defense (civilians), Air National Guard, Active Duty Reserves, and other civilian employees.

City of Aurora, Colorado

Exhibit A-20

Budgeted Full-time Equivalent City Government Employees by Function

Last Ten Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
City Council	13.00	13.00	13.00	14.00	14.00	13.00	13.00	14.00	14.00	14.00
Finance	54.30	54.30	54.50	57.50	60.50	60.50	60.00	63.00	65.00	62.50
General Management (b)	41.50	44.50	42.50	40.50	44.80	131.80	125.30	127.80	130.80	125.30
Human Resources (a)	-	-	29.00	28.00	27.00	26.00	24.00	24.00	24.00	24.00
Information Technology	39.00	41.00	49.00	48.00	45.00	43.00	43.00	47.00	47.00	46.00
Internal Services (b)	87.00	84.00	92.00	95.00	92.00	-	-	-	-	-
Planning	42.10	42.12	49.12	49.12	46.12	45.12	44.10	45.10	45.10	34.12
Judicial										
City Attorney	48.50	49.50	49.00	50.00	50.00	50.00	50.00	51.00	52.00	50.50
Court Administration (c)	74.50	74.50	71.50	124.00	125.00	125.00	125.00	126.00	126.00	122.50
Public Defender	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00
Police	763.00	775.00	797.00	787.00	732.00	740.00	759.00	773.00	778.00	778.00
Fire	327.00	333.00	356.00	346.00	318.00	309.00	325.00	329.00	329.00	323.00
Other Public Safety (d)	-	-	4.00	4.00	70.00	70.00	78.00	85.00	85.00	85.00
Public Works	180.00	183.00	189.00	189.00	186.00	185.00	185.00	196.00	196.00	186.00
Community Services										
Neighborhood Services	147.20	158.20	178.20	177.20	163.60	165.60	160.50	158.50	158.50	137.50
Parks & Open Space	212.90	220.40	199.80	203.30	196.30	193.50	187.50	202.80	202.80	199.75
Culture and Recreation	180.70	185.00	187.80	198.20	187.80	182.00	177.00	183.50	184.50	183.50
Water	154.80	156.75	167.25	183.16	195.37	206.00	241.00	258.15	266.70	270.30
Wastewater	87.30	91.25	98.75	101.84	108.63	123.00	134.00	144.85	148.30	155.70
Total	2,459.80	2,512.52	2,634.42	2,702.82	2,669.12	2,675.52	2,739.40	2,836.70	2,860.70	2,805.67

Data was provided by the City of Aurora Office of Budget and Financial Planning.

Notes: (a) Prior to 2002, Human Resources FTEs had been included in Internal Services.

(b) Internal Services positions included in General Management starting 2005.

(c) Positions for detention center moved from Police and included in Court Administration beginning 2003.

(d) Additional positions moved from Police and Fire for the communications center beginning in 2004.

City of Aurora, Colorado

Exhibit A-21

Operating Indicators by Function

Last Ten Years

Incorporation: May 5, 1903 under the name of Fletcher and later incorporated as the Town of Aurora on February 20, 1907
 Date First Charter Adopted: 1961
 Form of Government: Council - Manager

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
<i>Building Permits: Data provided by COA Building Code Division</i>										
Permits Issued (a)	4,972	4,189	9,701	9,034	9,920	10,121	10,037	9,538	9,931	15,574
Value of Buildings (millions)	423	481	614	530	750	897	777	992	452	349
<i>Tax & Licensing: Data provided by COA Tax & Licensing Division</i>										
New business licenses	2,277	2,509	3,280	2,897	2,661	2,099	2,183	2,333	2,081	2,078
Police Protection: Data provided by COA Police Department										
Number of Law Violations (Part I Crime) (b)	15,526	17,224	18,206	17,050	16,895	16,506	14,872	13,583	12,393	11,758
Total calls dispatched & officer initiated	143,668	157,653	254,153	168,712	276,441	288,682	300,953	317,442	309,712	402,165
Total moving violations	37,080	40,142	41,631	41,834	40,841	44,487	42,801	49,043	48,500	46,818
Total parking violations	6,543	8,914	8,697	8,054	6,713	7,898	7,433	9,164	9,027	8,665
Fire Protection: Data provided by COA Fire Department										
Number of fire inspections	(c)	(c)	7,506	7,665	8,111	7,639	7,845	8,723	9,563	9,002
Total Fire calls (Fire, EMS, other)	(c)	(c)	23,268	24,042	23,857	26,011	26,870	29,839	30,088	30,648
Haz Mat calls	(c)	(c)	47	39	42	34	20	35	39	6
Community Services: Data provided by COA Neighborhood Services Department										
Total number of Code Enforcement Inspections	68,639	72,465	80,745	84,127	90,382	86,477	84,599	89,493	65,055	67,458
Culture and Recreation: Data provided by COA Library, Recreation and Cultural Services Department										
Library items circulated	(d)	(d)	(d)	1,001,651	1,136,356	1,152,630	1,173,261	1,163,463	1,248,501	1,181,843
Library patron visits	(d)	(d)	(d)	850,525	891,831	926,497	1,036,513	1,213,191	1,367,509	1,290,115
Recreational classes offered	(d)	(d)	(d)	7,407	8,013	8,363	8,229	7,697	7,523	5,889
Recreational attendance	(d)	(d)	(d)	314,485	306,898	289,539	286,292	278,216	296,228	295,937
Cultural services in house program attendance	(d)	(d)	(d)	221,464	174,673	186,783	186,976	124,916	146,542	129,052

Notes:

- (a) Beginning in 2002, permit total also includes plumbing, heating, life safety and electrical for existing residential and non-residential structures. This expanded category was not included prior to 2002.
- (b) Part 1 crime includes both violent and property crime.
- (c) Data not available before 2002.
- (d) Data not available before 2003.

Exhibit A-22

City of Aurora, Colorado

Capital Asset Statistics by Function

Last Ten Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police Protection: Data provided by COA Police Department										
Patrol Vehicles	132	138	138	138	156	165	167	167	158	151
Detention Facilities (a)	1	1	1	1	1	1	1	1	1	1
Fire Protection: Data provided by COA Fire Department										
Number of Fire Stations	12	12	12	13	13	13	15	15	15	15
Public Works: Data provided by COA Public Works Department										
Miles of Improved Streets (center-line miles)	915	1,009	1,014	1,054	1,095	1,118	1,172	1,174	1,174	1,174
Tons of asphalt for patching & overlay	132,020	131,198	175,213	170,422	181,211	171,108	179,125	188,037	189,594	211,193
Square yards of street repair & overlay (b)	1,444,905	1,389,791	1,316,000	1,502,523	1,459,415	976,199	1,383,276	1,342,659	1,330,824	1,591,986
Culture and Recreation: Data provided by COA Parks and Open Space Department										
Number of Playgrounds	65	65	65	65	75	78	79	79	80	82
Number of Golf Courses	7	7	7	7	7	7	7	7	7	7
Number of Swimming Pools	10	10	10	10	10	10	10	10	10	7
Parks - Number of Acres (c)	7,400	7,400	7,700	7,700	7,937	8,045	8,627	8,630	10,069	10,689
Number of Libraries	6	7	7	7	7	7	7	7	7	7
Water: Data provided by COA Aurora Water Department										
Number of Water Taps (d)	63,409	64,845	65,933	67,953	70,709	70,759	76,240	76,422	76,655	76,707
Miles of water mains constructed (e)	42	35	35	35	54	63	52	25	19	7
Wastewater: Data provided by COA Aurora Water Department										
Number of Sanitary Sewer Taps (d)	68,840	70,777	72,920	74,616	76,901	79,974	82,754	84,384	85,177	85,645
Miles of Sanitary Sewer constructed (e)	23	21	27	24	25	47	38	10	8	2

- (a) As of 2003, this facility falls under courts.
- (b) These totals include the following: reconstructive patching, in-place patching, slurry seal, chip seal and reconstructive planing. All work performed through the Capital Projects Fund by contract.
- (c) Includes parks, golf courses and open space. Beginning in 2004, the Parks & Open Space Department revised the methodology used to calculate totals. In 2008 Parks used more refined and updated information from their GIS data system.
- (d) Total includes inactive and stubbed taps.
- (e) Total includes newly constructed mains during the period. Water mains and sewer lines decreased in 2009 due to decreased development activity.



OTHER SCHEDULES (unaudited)

MISCELLANEOUS SCHEDULES

<u>Exhibit B-1</u>	Schedule of Indebtedness – All Funds
<u>Exhibit B-2</u>	Schedule of Debt Service Requirements – Governmental Activities
<u>Exhibit B-3</u>	Local Highway Finance Report

DEBT CONTINUING DISCLOSURES

<u>Exhibit C-1</u>	Summary of Continuing Disclosures by Issue
<u>Exhibit C-2</u>	Combined General, TABOR Reserve and Policy Reserve Funds – Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance (GAAP Basis)
<u>Exhibit C-3</u>	Combined General, TABOR Reserve and Policy Reserve Funds – Comparative Schedule of Sources, Uses and Changes in Funds Available, Actual and Budget (Non-GAAP Budgetary Basis)
<u>Exhibit C-4</u>	Water Fund - Operating History
<u>Exhibit C-5</u>	Water Fund - System Statistics
<u>Exhibit C-6</u>	Water Fund - Maximum Annual Debt Service Coverage
<u>Exhibit C-7</u>	Wastewater Fund - Operating History
<u>Exhibit C-8</u>	Wastewater Fund - System Statistics
<u>Exhibit C-9</u>	Golf Fund - Operating History
<u>Exhibit C-10</u>	Golf Fund - Golf Course Enterprise System Statistics
<u>Exhibit C-11</u>	Golf Fund – Maximum Annual Debt Service Coverage

**EXHIBIT B-1
SCHEDULE OF INDEBTEDNESS – ALL FUNDS
DECEMBER 31, 2009**

	Interest Rates	Dates		Debt		
		Issue	Maturity			
GENERAL OBLIGATION DEBT						
Supported by dedicated property tax						
Alameda and I-225 Interchange	4.50 - 4.80%	6/1/1998	2012	\$ 10,000,000	\$ 2,755,000	\$ 875,000
Libraries, parks, public safety	4.60 - 5.00%	12/1/2000	2015	50,100,000	24,575,000	3,605,000
Total supported by dedicated property tax				60,100,000	27,330,000	4,480,000
Supported by Water Fund revenues						
General obligation refunding	2.00 - 4.00%	10/1/2003	2014	62,775,000	24,530,000	6,120,000
Unamortized premium				-	475,146	-
Unamortized discount				-	(116,173)	-
Unamortized deferred amount on refunding				-	26,283	-
Total supported by Water Fund revenues				62,775,000	24,915,256	6,120,000
Supported by Special Assessments						
General Improvement District - Cherry Creek Fence	5.25%	12/2/2009	2029	700,000	700,000	20,000
REVENUE BONDS						
Supported by General Fund revenues						
Sports Park	3.00 - 4.00%	10/14/2009	2014	7,850,000	7,850,000	1,500,000
Unamortized premium				-	269,960	-
Unamortized deferred amount on refunding				-	(188,958)	-
				7,850,000	7,931,002	1,500,000
Supported by Water Fund revenues						
Governmental agency	3.28 - 5.25%	5/1/1999	2014	14,999,899	5,774,558	1,057,238
First-Lien Water Revenue	2.00 - 5.00%	10/15/2003	2021	55,860,000	42,660,000	2,905,000
Governmental agency	3.20 - 5.00%	9/29/2005	2025	100,000,000	100,000,000	-
First-Lien Water Revenue	4.75 - 5.00%	7/11/2007	2039	421,495,000	421,495,000	-
First-Lien Water Revenue	4.63 - 5.00%	4/15/2008	2033	39,995,000	39,995,000	-
Unamortized premium				-	15,538,136	-
Unamortized discount				-	(160,802)	-
Unamortized deferred amount on refunding				-	(569,059)	-
Total supported by Water Fund revenues				632,349,899	624,732,833	3,962,238
Supported by Wastewater Fund revenues						
Governmental agency	4.00 - 5.375%	7/1/1999	2014	24,124,366	9,198,693	1,711,635
First-Lien Sewer Revenue	4.00 - 5.00%	4/25/2006	2036	57,790,000	55,740,000	1,085,000
Unamortized premium				-	1,304,978	-
Unamortized discount				-	(161,408)	-
Total supported by Wastewater Fund revenues				81,914,366	66,082,262	2,796,635
Supported by Golf Fund revenues						
Golf Course Enterprise System refunding	3.375 - 4.375%	7/26/2005	2015	4,625,000	2,780,000	420,000
Unamortized discount				-	(28,088)	-
Unamortized deferred amount on refunding				-	(77,715)	-
Total supported by Golf Fund revenues				4,625,000	2,674,197	420,000
NOTES						
Supported by Water Fund revenues						
Water Rights Rocky Ford II	5.00%	various 2004	2019	8,280,091	3,234,392	-
Colorado Water Conservation Board Note (LOC)	3.75%	various 2008	2041	75,750,000	52,317,750	-
Total supported by Water Fund revenues				84,030,091	55,552,142	-
Supported by Special Assessments						
Special Improvement District - Dam West	4.89%	10/20/2005	2015	1,140,000	595,000	10,000
Special Improvement District - Ptarmigan Fence	5.00%	11/28/2007	2017	1,075,000	880,000	10,000
Total supported by Special Assessments				2,215,000	1,475,000	20,000
INCLUDABLE ENTITIES						
ACLCL certificates of participation	3.00 - 4.375%	05/01/2002	2013	15,380,000	6,280,000	1,475,000
ACLCL certificates of participation	3.00 - 3.625%	9/24/2009	2014	8,405,000	6,115,000	1,025,000
ACLCL certificates of participation-refunding	4.00 - 5.00%	2/7/2006	2015	20,290,000	15,410,000	2,310,000
ACLCL certificates of participation-refunding	5.00%	9/24/2009	2030	84,160,000	84,160,000	-
Unamortized premium				-	7,584,410	-
Unamortized discount				-	(116,861)	-
Unamortized deferred amount on refunding				-	(12,293,065)	-
Total supported by includable entities				128,235,000	107,139,485	4,810,000
TOTAL INDEBTEDNESS				\$ 1,064,794,356	\$ 918,532,177	\$ 24,128,873

130 EXHIBIT B2
SCHEDULE OF DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2009

Year Due	Governmental Activities											
	General Obligation Bonds Supported by General Fund Revenues		General Obligation Bonds Supported by GID Revenues		Revenue Bonds Supported by General Fund Revenues		Certificates of Participation Supported by ACLC Revenues		Notes Payable Supported by SID Revenues		Capital Leases Supported by General Fund Revenues	
	4.50-5.00%		5.25%		3.00-4.00%		3.00-5.00%		4.89-5.00%		3.49-4.16%	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	4,480,000	1,307,933	20,000	34,402	1,500,000	257,066	4,810,000	5,225,019	20,000	72,949	1,114,833	100,288
2011	4,705,000	1,101,853	20,000	35,700	1,585,000	174,650	4,995,000	5,039,428	20,000	71,859	851,313	57,518
2012	4,940,000	882,610	25,000	34,650	1,540,000	119,850	5,190,000	4,843,280	20,000	70,871	436,285	29,689
2013	4,185,000	647,480	25,000	33,338	1,590,000	72,900	5,400,000	4,634,600	20,000	69,881	407,079	12,056
2014	4,400,000	446,600	25,000	32,025	1,635,000	24,525	4,545,000	4,395,622	20,000	68,893	-	-
2015-2019	4,620,000	231,000	150,000	138,862	-	-	18,355,000	19,626,099	1,375,000	149,153	-	-
2020-2024	-	-	190,000	95,022	-	-	23,705,000	14,912,500	-	-	-	-
2025-2029	-	-	245,000	39,900	-	-	30,255,000	8,363,250	-	-	-	-
2030-2034	-	-	-	-	-	-	14,710,000	735,500	-	-	-	-
Total	\$ 27,330,000	\$ 4,617,476	\$ 700,000	\$ 443,899	\$ 7,850,000	\$ 648,991	\$ 111,965,000	\$ 67,775,298	\$ 1,475,000	\$ 503,606	\$ 2,809,510	\$ 199,551

Year Due	Business-type Activities											
	General Obligation Bonds Supported by Water Revenues		Revenue Bonds Supported by Water Revenues		Notes Payable Supported by Water Revenues		Revenue Bonds Supported by Wastewater Revenues		Revenue Bonds Supported by Golf Revenues		Capital Leases Supported by Golf Revenues	
	2.00-4.00%		2.00-5.25%		5.00%		4.00-5.375%		3.375-4.375%		4.55-5.25%	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 6,120,000	\$ 965,900	\$ 3,962,238	\$ 29,815,676	\$ -	* \$ -	\$ 2,796,634	\$ 3,074,357	\$ 420,000	\$ 114,925	\$ 167,739	\$ 16,668
2011	6,365,000	736,400	6,394,806	29,648,410	587,494	161,720	2,910,842	2,967,180	435,000	98,125	118,828	8,620
2012	6,640,000	481,800	6,647,372	29,401,580	587,494	132,345	3,004,285	2,869,878	455,000	80,725	72,057	2,896
2013	2,640,000	216,200	6,957,139	29,096,472	587,494	102,970	3,113,110	2,756,367	470,000	62,525	-	-
2014	2,765,000	110,600	7,293,005	28,760,895	587,494	73,595	3,308,820	2,561,422	490,000	43,137	-	-
2015-2019	-	-	34,790,000	138,586,094	884,415	132,661	7,275,000	11,463,736	510,000	22,313	-	-
2020-2024	-	-	103,215,000	123,407,784	-	-	9,160,000	9,574,774	-	-	-	-
2025-2029	-	-	129,160,000	95,741,730	-	-	11,600,000	7,128,272	-	-	-	-
2030-2034	-	-	158,905,000	61,509,596	-	-	14,780,000	3,948,870	-	-	-	-
2035-2039	-	-	152,600,000	22,917,188	-	-	6,990,000	501,836	-	-	-	-
Total	\$ 24,530,000	\$ 2,510,900	\$ 609,924,560	\$ 588,885,425	\$ 3,234,391	\$ 603,291	\$ 64,938,691	\$ 46,846,692	\$ 2,780,000	\$ 421,750	\$ 358,624	\$ 28,184

* A principal and interest payment of \$587,494 and \$191,094, respectively, was made on the 2004 note payable on December 31, 2009 due January 1, 2010.



**EXHIBIT B3
LOCAL HIGHWAY FINANCE REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009**

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Aurora, Colorado		
		YEAR ENDING : December 2009		
This Information From The Records Of (example - City of _ or County City of Aurora, Colorado)		Prepared By: Phone:	Tony Tharp (303) 739-7792	
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway- User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES		
ITEM	AMOUNT	ITEM	AMOUNT	
A. Receipts from local sources:		A. Local highway disbursements:		
1. Local highway-user taxes		1. Capital outlay (from page 2)	6,656,865	
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	17,206,487	
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:		
c. Total (a.+b.)		a. Traffic control operations	2,040,450	
2. General fund appropriations		b. Snow and ice removal	2,225,538	
3. Other local imposts (from page 2)	29,045,322	c. Other	4,811,741	
4. Miscellaneous local receipts (from page 2)	6,214,506	d. Total (a. through c.)	9,077,729	
5. Transfers from toll facilities		4. General administration & miscellaneous	1,973,123	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	9,381,027	
a. Bonds - Original Issues		6. Total (1 through 5)	44,295,231	
b. Bonds - Refunding Issues		B. Debt service on local obligations:		
c. Notes		1. Bonds:		
d. Total (a. + b. + c.)	0	a. Interest	167,370	
7. Total (1 through 6)	35,259,828	b. Redemption	840,000	
B. Private Contributions	1,148,091	c. Total (a. + b.)	1,007,370	
C. Receipts from State government (from page 2)	8,894,682	2. Notes:		
D. Receipts from Federal Government (from page 2)	0	a. Interest		
E. Total receipts (A.7 + B + C + D)	45,302,601	b. Redemption		
		c. Total (a. + b.)	0	
		3. Total (1.c + 2.c)	1,007,370	
		C. Payments to State for highways		
		D. Payments to toll facilities		
		E. Total disbursements (A.6 + B.3 + C + D)	45,302,601	
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	3,595,000		840,000	2,755,000
1. Bonds (Refunding Portion)				
B. Notes (Total)				0
V. LOCAL ROAD AND STREET FUND BALANCE				
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance
		45,302,601	45,302,601	0
Notes and Comments:				

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2009	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	964,523	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	6,214,506
1. Sales Taxes	23,385,250	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	73,534	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	4,622,015	g. Other Misc. Receipts	
6. Total (1. through 5.)	28,080,799	h. Other	
c. Total (a. + b.)	29,045,322	i. Total (a. through h.)	6,214,506
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	8,004,392	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	890,290	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	890,290	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	8,894,682	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		22,898	22,898
b. Engineering Costs		1,148,291	1,148,291
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		1,436,703	1,436,703
(3). System Preservation		1,616,745	1,616,745
(4). System Enhancement & Operation		2,432,228	2,432,228
(5). Total Construction (1) + (2) + (3) + (4)	0	5,485,676	5,485,676
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	6,656,865	6,656,865
			(Carry forward to page 1)
Notes and Comments:			

EXHIBIT C1
SUMMARY OF CONTINUING DISCLOSURES BY ISSUE
DECEMBER 31, 2009

GENERAL OBLIGATION BONDS, SERIES 1998 GENERAL OBLIGATION BONDS, SERIES 2000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2003 GENERAL FUND REFUNDING BONDS, SERIES 2009 GENERAL OBLIGATION WATER REFUNDING BONDS, SERIES 2003	CERTIFICATES OF PARTICIPATION, SERIES 2002 REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2004 CERTIFICATES OF PARTICIPATION, SERIES 2005 REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2006A-1 REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2009A
<u>Required Disclosure</u> General Fund Operating History Primary Sources of Revenue to the General Fund Sales, Use and Lodgers Tax Receipts Assessed and Estimated Actual Value of Taxable Property Property Tax Levies and Collections Ten Principal Real Property Taxpayers Mill Levies of Direct and Primary Overlapping Governments Authorized, Issued and Outstanding Debt Long-term Debt Schedules Direct and Overlapping General Obligation Debt Historical Summary of Debt Ratios Legal Debt Margin	<u>Location</u> Exhibits C-2 and C-3 Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balances Statistical Section, Exhibit A-4 Statistical Section, Exhibit A-9 Statistical Section, Exhibit A-12 Statistical Section, Exhibit A-11 Statistical Section, Exhibit A-10 Schedule of Indebtedness, Exhibit B-1 Schedule of Debt Service Requirements, Exhibit B-2 Statistical Section, Exhibit A-15 Statistical Section, Exhibit A-13 and A-14 Statistical Section, Exhibit A-16
DRINKING WATER REVENUE BONDS, SERIES 1999 FIRST-LIEN WATER IMPROVEMENT REVENUE BONDS, SERIES 2003A WATER RESOURCES REVENUE BONDS, SERIES 2005D	FIRST LIEN WATER IMPROVEMENT REVENUE BONDS, SERIES 2007A FIRST-LIEN WATER IMPROVEMENT REVENUE BONDS, SERIES 2008A
<u>Required Disclosure</u> Water Fund Operating History Water System Statistics Maximum Annual Debt Service Coverage Historical Water Revenue Bond Coverage Debt Supported by Water Fund	<u>Location</u> Exhibit C-4 Exhibit C-5 Exhibit C-6 Statistical Section, Exhibit A-17 Schedule of Indebtedness, Exhibit B-1
CLEAN WATER REVENUE BONDS, SERIES 1999	FIRST-LIEN SEWER IMPROVEMENT REVENUE BONDS, SERIES 2006
<u>Required Disclosure</u> Wastewater Fund Operating History Sewer System Statistics Historical Sewer Revenue Bond Coverage	<u>Location</u> Exhibit C-7 Exhibit C-8 Statistical Section, Exhibit A-17
METRO WASTEWATER RECLAMATION DISTRICT, COLORADO CONVERTIBLE SEWER REFUNDING BONDS, SERIES 1996	SEWER REFUNDING BONDS, SERIES 2002A
The City of Aurora has no obligation related to payment of the Metro Wastewater Reclamation District Bonds. However, as a significant source of Metro Wastewater Reclamation District revenue, the City has agreed to the following continuing disclosures:	
<u>Required Disclosure</u> Wastewater Fund Operating History General Fund Operating History Historical Summary of Debt Ratios Assessed and Estimated Actual Value of Taxable Property	<u>Location</u> Exhibit C-7 Exhibits C-2 and C-3 Statistical Section, Exhibit A-17 Statistical Section, Exhibit A-9
GOLF COURSE ENTERPRISE SYSTEM REFUNDING REVENUE BONDS, SERIES 2005	
<u>Required Disclosure</u> Golf Fund Operating History Golf Course Enterprise System Statistics Maximum Annual Golf Revenue Bond Coverage	<u>Location</u> Exhibit C-9 Exhibit C-10 Exhibit C-11

EXHIBIT C2
**COMBINED GENERAL, TABOR RESERVE AND POLICY RESERVE FUNDS
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (US GAAP BASIS)
 FOR THE YEARS ENDED DECEMBER 31:**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
REVENUES					
Taxes	\$ 190,409,082	\$ 198,970,258	\$ 204,314,913	\$ 202,061,836	\$ 191,859,369
Charges for services	6,055,827	5,741,311	6,979,482	7,601,310	7,495,590
License and permits	4,760,292	4,758,928	2,742,650	2,508,560	2,197,837
Fines and forfeits	6,280,369	6,223,958	6,836,170	6,406,220	6,049,482
Intergovernmental	9,919,966	11,601,812	10,845,109	10,722,674	11,738,686
Miscellaneous	1,094,871	1,112,129	974,544	1,042,271	1,994,879
Investment earnings	1,696,347	2,303,935	3,285,013	2,284,390	1,908,658
Total revenues	<u>220,216,754</u>	<u>230,712,331</u>	<u>235,977,881</u>	<u>232,627,261</u>	<u>223,244,501</u>
EXPENDITURES					
<i>Current</i>					
General government	29,076,385	28,983,843	29,106,838	29,897,477	27,068,901
Judicial	6,700,195	7,083,113	7,615,855	7,988,412	7,786,061
Police	62,756,741	66,807,866	71,123,642	75,319,036	75,156,259
Fire	27,740,259	29,499,789	31,753,544	33,183,680	33,453,116
Other public safety	8,271,531	8,289,912	9,512,447	10,149,377	10,260,286
Public works	16,531,139	18,657,180	22,044,805	21,078,438	18,634,508
Economic development	3,668,660	3,576,436	3,783,893	3,552,855	3,575,405
Community services	4,313,883	3,931,381	3,935,571	3,783,371	3,703,618
Culture and recreation	18,490,189	17,898,708	19,950,167	19,884,480	17,391,932
<i>Debt service</i>					
Principal	262,968	526,135	913,952	987,802	1,326,664
Interest	43,282	85,640	141,443	114,434	149,021
Capital outlay	2,628,802	5,595,819	5,000,147	1,756,822	418,932
Total expenditures	<u>180,484,034</u>	<u>190,935,822</u>	<u>204,882,304</u>	<u>207,696,184</u>	<u>198,924,703</u>
Excess of revenues over expenditures	39,732,720	39,776,509	31,095,577	24,931,077	24,319,798
Net other financing uses (a)	<u>(35,884,275)</u>	<u>(36,275,913)</u>	<u>(31,503,197)</u>	<u>(28,754,253)</u>	<u>(24,472,158)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	3,848,445	3,500,596	(407,620)	(3,823,176)	(152,360)
FUND BALANCE - January 1	<u>49,289,039</u>	<u>53,137,484</u>	<u>56,638,080</u>	<u>56,230,460</u>	<u>52,407,284</u>
FUND BALANCE - December 31	<u>\$ 53,137,484</u>	<u>\$ 56,638,080</u>	<u>\$ 56,230,460</u>	<u>\$ 52,407,284</u>	<u>\$ 52,254,924</u>
General Fund	\$ 27,609,171	\$ 31,208,559	\$ 27,574,786	\$ 22,792,318	\$ 22,143,755
Policy Reserve	18,744,164	19,239,541	20,910,375	21,426,228	21,332,318
TABOR Reserve	6,784,149	6,189,980	7,745,299	8,188,738	8,778,851

(a) Net other financing uses consist primarily of transfers to other funds. Transfers among the General Fund, the TABOR Reserve Fund and the Policy Reserve Fund have been eliminated

**EXHIBIT C3
COMBINED GENERAL, TABOR RESERVE, AND POLICY RESERVE FUNDS
COMPARATIVE SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE, ACTUAL AND BUDGET
(NON-GAAP BUDGETARY BASIS)
FOR THE YEARS ENDED DECEMBER 31:**

	2005		2006		2007		2008		2009	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
SOURCES										
Taxes	\$ 188,648,945	\$ 185,205,938	\$ 199,269,031	\$ 193,922,793	\$ 204,693,645	\$ 204,970,169	\$ 201,296,982	\$ 211,484,788	192,998,794	210,627,064
Licenses and permits	4,760,292	3,110,961	4,758,928	3,786,572	2,742,650	4,605,374	2,508,560	3,006,765	2,197,837	3,051,103
Intergovernmental	9,919,966	10,806,128	11,601,812	10,563,233	10,800,109	10,653,412	10,722,674	10,606,925	11,738,686	10,754,074
Charges for services	6,055,827	6,136,159	5,741,311	5,472,619	6,979,481	8,440,237	7,601,310	8,003,023	7,495,590	7,792,531
Fines and forfeitures	6,280,369	5,397,854	6,223,958	6,530,773	6,836,170	7,132,819	6,406,220	6,696,024	6,049,482	6,972,101
Investment income	1,866,340	1,440,944	2,324,815	1,737,000	2,912,596	2,367,280	2,146,268	2,917,408	1,602,567	1,932,340
Other revenues	5,262,923	5,527,546	6,064,004	5,531,357	4,354,898	4,751,348	4,249,395	4,451,845	8,440,912	9,084,632
Total sources	<u>222,794,662</u>	<u>217,625,530</u>	<u>235,983,859</u>	<u>227,544,347</u>	<u>239,319,549</u>	<u>242,920,639</u>	<u>234,931,409</u>	<u>247,166,778</u>	<u>230,523,868</u>	<u>250,213,845</u>
USES										
Municipal Court	8,332,057	8,464,869	8,707,232	8,780,095	9,466,802	9,647,682	9,713,134	9,929,763	9,613,306	9,999,209
City Attorney	4,213,779	4,366,001	4,230,779	4,390,134	4,553,931	4,654,138	4,873,897	4,935,696	4,861,669	5,011,576
General Management	5,296,515	5,347,025	4,997,778	5,145,787	5,473,084	5,629,535	5,501,075	5,947,110	6,220,487	6,653,297
Administrative Services	20,467,673	21,032,846	21,724,587	22,183,978	26,267,487	26,645,401	22,437,789	24,968,601	20,363,081	22,058,755
Operations Group Management	30,793,656	31,688,380	31,018,019	31,586,510	34,343,555	34,800,854	34,783,049	35,479,114	30,462,248	35,587,314
Community Services	109,893,846	110,329,038	115,374,727	116,455,464	124,381,954	125,335,624	130,204,150	131,522,188	129,861,362	134,603,464
Non-departmental	41,518,531	41,368,630	46,135,499	46,223,198	35,668,519	36,474,517	31,015,944	37,218,767	28,875,661	35,024,098
Total uses	<u>220,516,057</u>	<u>222,596,789</u>	<u>232,188,621</u>	<u>234,765,166</u>	<u>240,155,332</u>	<u>243,187,751</u>	<u>238,529,038</u>	<u>250,001,239</u>	<u>230,257,814</u>	<u>248,937,713</u>
Excess (deficiency) of revenues over (under) expenditures	2,278,605	(4,971,259)	3,795,238	(7,220,819)	(835,784)	(267,112)	(3,597,629)	(2,834,461)	266,054	1,276,132
FUNDS AVAILABLE - January 1	<u>32,923,607</u>	<u>28,793,933</u>	<u>35,202,212</u>	<u>32,189,336</u>	<u>38,997,450</u>	<u>35,838,342</u>	<u>38,161,666</u>	<u>35,571,230</u>	<u>34,564,035</u>	<u>32,736,769</u>
FUNDS AVAILABLE - December 31	35,202,212	<u>\$ 23,822,674</u>	38,997,450	<u>\$ 24,968,517</u>	38,161,666	<u>\$ 35,571,230</u>	34,564,037	<u>\$ 32,736,769</u>	34,830,089	<u>\$ 34,012,901</u>
Reserved for police	—	—	—	—	—	—	—	—	—	—
Reserved for emergencies	(6,885,086)	—	(6,232,127)	—	(7,723,875)	—	(8,132,329)	—	(8,647,747)	—
Council designations	<u>(8,493,780)</u>	—	<u>(13,394,824)</u>	—	<u>(9,585,220)</u>	—	<u>(5,153,040)</u>	—	<u>(5,165,400)</u>	—
Funds available - after reservations and designations	<u>\$ 19,823,346</u>	—	<u>\$ 19,370,499</u>	—	<u>\$ 20,852,571</u>	—	<u>\$ 21,278,668</u>	—	<u>\$ 21,016,942</u>	—
Reconciliation to GAAP fund balance										
Funds available - December 31	35,202,212	—	38,997,450	—	38,161,666	—	34,564,037	—	34,830,089	—
Current year encumbrances	1,318,383	—	1,298,394	—	1,687,871	—	559,347	—	974,269	—
Sales, use and lodgers tax accrual	16,958,065	—	16,659,291	—	16,280,560	—	17,045,414	—	15,905,989	—
Police/fire sick leave deferral	—	—	—	—	—	—	—	—	—	—
Adjust investments to fair value	(251,176)	—	(272,055)	—	100,363	—	238,486	—	544,577	—
Deferred revenues-grant awards	<u>(90,000)</u>	—	<u>(45,000)</u>	—	—	—	—	—	—	—
FUND BALANCE - December 31	<u>\$ 53,137,484</u>	—	<u>\$ 56,638,080</u>	—	<u>\$ 56,230,460</u>	—	<u>\$ 52,407,284</u>	—	<u>\$ 52,254,924</u>	—

Some amounts on this schedule have been reclassified and restated from the presentation in the Comprehensive Annual Financial Reports for consistency.

**EXHIBIT C4
WATER FUND
OPERATING HISTORY
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31:**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
OPERATING REVENUES					
<i>Charges for services</i>					
Customers	\$ 64,192,968	\$ 74,797,433	\$ 83,489,049	\$ 86,803,419	\$ 84,493,197
Fire protection	410,865	—	—	—	—
Total operating revenues	<u>64,603,833</u>	<u>74,797,433</u>	<u>83,489,049</u>	<u>86,803,419</u>	<u>84,493,197</u>
OPERATING EXPENSES					
Cost of sales and services	42,022,670	39,238,083	44,051,174	40,632,915	28,707,693
Administrative expenses	3,143,921	3,576,677	4,861,955	5,034,253	4,544,897
Depreciation	7,401,865	8,901,048	9,774,410	10,169,576	10,390,860
Total operating expenses	<u>52,568,456</u>	<u>51,715,808</u>	<u>58,687,539</u>	<u>55,836,744</u>	<u>43,643,450</u>
Operating income	<u>12,035,377</u>	<u>23,081,625</u>	<u>24,801,510</u>	<u>30,966,675</u>	<u>40,849,747</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment income	4,231,540	10,425,346	22,391,678	26,606,820	11,254,698
Intergovernmental revenue	142,493	265,024	126,077	34,322	183,494
Miscellaneous revenue	63,488	241,851	187,358	141,183	104,757
Interest expense	(6,438,629)	(9,222,064)	(15,544,841)	(21,809,027)	(6,527,282)
Amortization expense	168,967	205,392	392,284	551,052	559,950
Gain (loss)-disposal capital assets	336,550	75,735	12,486	(242,800)	(508,116)
Gain (loss)-joint venture	(34,779)	(35,817)	(33,395)	(32,008)	(31,680)
Net non-operating revenues (expenses)	<u>(1,530,370)</u>	<u>1,955,467</u>	<u>7,531,647</u>	<u>5,249,542</u>	<u>5,035,821</u>
NET INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS					
	10,505,007	25,037,092	32,333,157	36,216,217	45,885,568
Capital contributions	68,005,757	72,727,887	61,707,007	31,628,255	16,669,965
Transfers in	200,000	—	—	—	—
Transfers out	—	—	—	—	—
INCREASE IN NET ASSETS	<u>78,710,764</u>	<u>97,764,979</u>	<u>94,040,164</u>	<u>67,844,472</u>	<u>62,555,533</u>
NET ASSETS - January 1	<u>543,166,130</u>	<u>621,876,894</u>	<u>719,641,873</u>	<u>813,682,037</u>	<u>881,526,509</u>
NET ASSETS - December 31	<u>\$ 621,876,894</u>	<u>\$ 719,641,873</u>	<u>\$ 813,682,037</u>	<u>\$ 881,526,509</u>	<u>\$ 944,082,042</u>

**EXHIBIT C4
WATER FUND
OPERATING HISTORY
SCHEDULE OF SOURCES, USES, AND CHANGES IN FUNDS AVAILABLE BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
FOR THE YEARS ENDED DECEMBER 31:**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Adopted 2010</u>
SOURCES						
Charges for services	\$ 64,542,513	\$ 74,655,303	\$ 83,373,085	\$ 86,688,316	\$ 84,439,067	\$ 97,866,849
Intergovernmental	142,493	265,023	126,077	35,906	183,494	—
Licenses and permits	61,320	142,130	116,101	115,395	54,326	—
Investment income	5,824,951	9,753,888	20,463,682	25,068,840	10,459,319	9,552,828
Development fees and other revenues	50,993,520	46,594,768	42,744,831	24,336,194	11,868,590	9,932,810
Proceeds from sale of assets	645,450	75,735	12,486	55,095	70,366	—
Proceeds from long-term borrowings	101,607,022	—	434,379,428	58,620,865	34,064,530	82,682,249
Transfers in	200,000	—	—	—	—	—
Funds from restricted assets	—	(48,372)	(35,711,726)	(3,958,773)	—	—
Release of prior year designation	—	—	8,545,569	—	—	—
Total sources	<u>224,017,269</u>	<u>131,438,475</u>	<u>554,049,533</u>	<u>190,961,838</u>	<u>141,139,692</u>	<u>200,034,736</u>
USES						
Operating Costs						
Operations group	60,149,346	63,054,274	79,075,158	128,906,693	80,114,423	100,969,532
Continuing Appropriations						
Operations group	<u>114,674,135</u>	<u>106,432,222</u>	<u>197,486,872</u>	<u>232,988,828</u>	<u>240,213,265</u>	<u>87,738,045</u>
Total uses	<u>174,823,481</u>	<u>169,486,496</u>	<u>276,562,030</u>	<u>361,895,521</u>	<u>320,327,688</u>	<u>188,707,577</u>
Change in funds available	49,193,788	(38,048,021)	277,487,503	(170,933,683)	(179,187,996)	11,327,159
Funds Available - January 1	<u>77,140,878</u>	<u>126,334,666</u>	<u>88,286,645</u>	<u>365,774,148</u>	<u>194,840,465</u>	<u>3,416,673</u>
Funds Available - December 31	<u>\$ 126,334,666</u>	<u>\$ 88,286,645</u>	<u>\$ 365,774,148</u>	<u>\$ 194,840,465</u>	<u>\$ 15,652,469</u>	<u>\$ 14,743,832</u>

**EXHIBIT C5
WATER FUND
WATER SYSTEM STATISTICS
DECEMBER 31, 2009**

Water Usage and Billed Revenues by Classification (a)

Classification	Consumption	Percent of Consumption	Billed Revenue	Percent of Revenue
Residential	6,093,241	42%	\$ 39,358,076	48%
Multi-Family	3,402,170	23%	18,529,585	22%
Commerical	2,693,938	19%	14,998,932	18%
Irrigation	1,105,873	8%	6,907,340	8%
Other (a)	1,206,158	8%	3,243,644	4%
Total	14,501,380	100%	\$ 83,037,577	100%

(a) Includes tertiary, trade, hydrant, raw water, and well water customers.

System Annual Billed Revenues and Cash Collection (b)

Classification	2005	2006	2007	2008	2009
Billed revenues	\$ 60,198,681	\$ 72,391,949	\$ 81,808,608	\$ 84,777,085	\$ 82,911,097
Cash collected during year for current and prior years' sales	\$ 60,300,044	\$ 71,588,580	\$ 80,240,575	\$ 85,534,196	\$ 82,724,654
Percentage of billed revenues collected	100.2%	98.9%	98.1%	100.9%	99.8%

(b) Revenues include metered sales, raw water irrigation, raw water resale, well water, tertiary reuse water, related services (trip charges, meter testing, wasting water fees, and insufficient funds fees) and other.

Customers by Class (c)

Classification	2005	2006	2007	2008	2009
Residential (1-4 units)	65,110	67,021	67,972	69,258	70,035
Multi-Family (5+ units)	2,256	2,281	2,496	2,339	2,374
Commercial	2,753	2,804	2,963	2,854	2,872
Irrigation	828	820	831	1,098	1,108
Total	70,947	72,926	74,262	75,549	76,389

(c) Excludes tertiary, hydrant, raw water, and well water customers. Also excludes inactive and stubbed taps.

Aurora Water Rates History and Average Annual Water Bill

Single Family Residential	2005	2006	2007	2008	2009
Base charge	\$ 3.79	\$ 4.24	\$ 8.50	\$ 10.39	\$ 11.22
Rates per 1,000 gallons	3.61	4.04	Tiered Structure	Tiered Structure	Tiered Structure
Surcharge	-	-	-	-	-
Average annual bill	415.25	485.92	514.98	561.00	564.00

**EXHIBIT C5
WATER FUND
WATER SYSTEM STATISTICS
DECEMBER 31, 2009**

The following table sets forth the ten largest customers of the water system, which, in aggregate account for 8.1% of the total billed treated water sales in 2009.

Ten Largest Treated Water Customers				
Customer	Consumption (a)	Percent of Consumption	Billed Revenues	Percent of Billed Revenues
City of Aurora	291,271	25%	\$ 1,727,577	27%
Aurora Public Schools	175,964	15%	954,159	15%
Buckley Air Force Base	157,443	13%	833,212	13%
University of Colorado HSC	134,769	12%	723,774	11%
Heather Gardens HOA	118,133	10%	612,510	10%
Cherry Creek Schools	109,649	10%	588,366	9%
Westdale Asset Management	50,852	4%	265,664	4%
Mountain View Associates, LLC	50,018	4%	260,573	4%
Tallyn's Reach Metro District	44,693	4%	261,012	4%
Medical Center of Aurora	39,646	3%	208,706	3%
	<u>1,172,438</u>	<u>100%</u>	<u>\$ 6,435,553</u>	<u>100%</u>

(a) In thousands of gallons. Includes water and irrigation customers only.

Meter Size	Monthly Service Charge (d)				
	2005	2006	2007	2008	2009
5/8" & 3/4"	\$ 3.79	\$ 4.24	\$ 8.50	\$ 10.39	\$ 11.22
1"	5.20	5.82	11.67	15.31	16.53
1 1/4"	5.20	5.82	11.67	15.31	16.53
1 1/2"	8.34	9.34	18.70	23.52	25.40
2"	12.13	13.59	27.20	33.37	36.04
3"	24.04	26.92	53.90	59.63	64.40
4"	64.83	72.61	145.38	89.17	96.30
6"	127.59	142.90	286.11	171.24	184.94
8"	158.98	178.06	356.51	401.03	433.11

(b) Monthly fee equals the monthly service charge (based on meter size) plus a charge per 1,000 gallons used.

	Average Daily and Peak Day Demand (in millions of gallons)				
	2005	2006	2007	2008	2009
Average Daily Treatment	43.7	46.4	45.1	45.6	40.4
Average Daily Consumption	41.4	43.8	42.7	43.0	37.9
Peak Hour Treatment	177.9	142.4	160.9	164.0	111.4
Peak Day Treatment	97.5	94.4	98.9	99.3	79.0
Peak Day Consumption	95.8	90.5	97.0	95.2	77.1

**EXHIBIT C5
WATER FUND
WATER SYSTEM STATISTICS
DECEMBER 31, 2009**

Type and Size of Connection	Water Service Connection Fee (e)				
	2005	2006	2007	2008	2009
Single Family Detached					
5/8" & 3/4"	\$ 14,858	\$ 16,641	\$ 18,638	\$ 20,875	\$ 22,754
1"	29,716	33,282	37,276	41,750	45,508
Single Family Attached	10,549	11,815	13,233	14,821	16,155
Multi-Family	8,766	9,818	10,996	12,316	13,424
Commercial					
5/8" & 3/4"	14,858	16,641	18,638	20,875	22,754
1"	25,734	28,822	32,281	36,156	39,410
1 1/2"	59,298	66,414	74,384	83,312	90,810
2"	105,314	117,952	132,106	147,962	161,279
3"	236,789	265,204	297,030	332,681	362,622
4"	421,256	471,807	528,426	591,850	645,117
6"	948,162	1,061,941	1,189,382	1,332,136	1,452,028
8"	1,685,879	1,888,184	2,114,781	2,368,605	2,581,779

(c) In 2008 irrigation rates were split into a separate category. Charges shown here are for residential, multifamily and commercial customers only.

Tap and Development Fee Revenues

Year	Tap Fee Revenues	Development Fee Revenue	Total Tap and Development Fees
2005	\$48,776,022	\$1,792,614	\$50,568,636
2006	45,585,338	307,272	45,892,610
2007	42,190,609	150,597	42,341,206
2008	24,661,273	116,079	24,777,352
2009	11,933,737	38,436	11,972,173

*Development fees include main extensions, front footage and drought water replacement surcharge and exclude annexation fees and fees reimbursed to others. Years 2005-2008 are restated due to change in methodology.

**EXHIBIT C5
WATER FUND
WATER SYSTEM STATISTICS
DECEMBER 31, 2009**

Usage Rates

Type of Account			Tiered Use	Tiered Use	Tiered Use
	2005	2006	Rate (f)	Rate (g)	Rate
Single Family Detached	\$ 3.61	\$ 4.04			
Tier 1-WQA			\$ 3.60		
Tier 2-next 15,000 gals			4.50		
Tier 3-next 10,000 gals			8.25		
Tier 4-over additional 25,000 gals			10.75		
Single Family Attached	3.61	4.04			
Tier 1-WQA			3.60		
Tier 2-next 4,000 gals			4.50		
Tier 3-next 3,000 gals			8.25		
Tier 4-over additional 7,000 gals			10.75		
Residential/ Multifamily (less than 5 units)					
Tier 1- (0-20,000 gals)				\$ 4.54	\$ 4.90
Tier 2- (20,001-40,000 gals)				5.17	5.58
Tier 3- (40,000 gals and above)				6.46	6.98
Multi-Family	3.61	4.04			
Tier 1-WQA			3.60		
Tier 2->100% & <150% WQA			4.50		
Tier 3->150% & <250% WQA			8.25		
Tier 4->250% WQA			10.75		
Multifamily (five or more units) (h)					
Tier 1- (up to 100% allocation)				4.82	5.21
Tier 2- (greater than 100%)				5.30	5.73
Commercial/Industrial	3.61	4.04			
Tier 1-WQA			3.60		
Tier 2->100% & <150% WQA			4.50		
Tier 3->150% & <250% WQA			8.25		
Tier 4->250% WQA			10.75		
Commercial (h)					
Tier 1- (up to 100% allocation)				4.88	5.27
Tier 2- (greater than 100%)				5.37	5.80
Irrigation	4.33	4.85			
Tier 1-100% daily allocation			5.43		
Tier 2->100% & <130% daily allocation			9.95		
Tier 3->130% daily allocation			12.96		
Irrigation (h)					
Tier 1- (up to 100% allocation)				5.58	6.03
Tier 2- (greater than 100%)				6.14	6.63
Irrigation, Intensive, Commercial and Multifamily (i)	-	-			
Tier 1-WQA			4.50		
Tier 2-100% daily allocation			5.43		
Tier 3->100% & <130% daily allocation			9.95		
Tier 4->130% daily allocation			12.96		

- (d) Tiered rate structure adopted for 2007 is based on monthly consumption during December, January and February. A conservation credit of \$3.75 per month is available to those using 3,000 gallons per month or less.
- (e) New usage rate structure adopted for 2008 became effective April 1, 2008.
- (f) The 2008 rates for multifamily, commercial and irrigation customers are based on the "Annual Block Allocation" amounts which are the individualized annual water budgets allocated to each customer for use in each calendar year.
- (g) New category beginning in 2007.

**EXHIBIT C6
WATER FUND
MAXIMUM ANNUAL DEBT SERVICE COVERAGE
FOR THE YEARS ENDED DECEMBER 31:**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Net Pledged Revenue					
Charges for Services	\$64,603,833	\$74,797,433	\$83,489,049	\$86,803,419	\$84,493,197
Development Fee (a)	50,568,636	45,892,609	42,341,206	24,777,352	11,972,174
Other Non-Operating Revenue (b)	5,902,595	9,999,700	20,651,041	24,598,131	10,564,075
(Less) Operations and Maintenance Depreciation	(52,568,456) 7,401,865	(51,715,808) 8,901,048	(58,687,539) 9,774,409	(55,836,744) 10,169,575	(43,643,450) 10,390,860
Total	\$75,908,473	\$87,874,982	\$97,568,166	\$90,511,733	\$73,776,856
Maximum Annual Debt Service					
First-Lien Revenue Obligations (c)	\$13,122,773	\$13,122,773	\$45,493,350	\$47,451,238	\$47,451,238
Combined First-Lien Revenue Obligations and Second-Lien Revenue Obligations (d)	14,622,773	14,622,773	47,122,450	47,451,238	47,451,238
All Obligations Secured by Net Pledged Revenue (e)	15,331,929	15,331,929	47,122,450	47,451,238	47,451,238
All Obligations Payable From System Revenues (f)	22,433,329	22,433,329	47,122,450	47,451,238	47,451,238
Coverage					
First-Lien Revenue Obligations	5.78	6.70	2.14	1.91	1.55
Combined First-Lien Revenue Obligations and Second-Lien Revenue Obligations	5.19	6.01	2.07	1.91	1.55
All Obligations Secured by Net Pledged Revenues	4.95	5.73	2.07	1.91	1.55
All Obligations Payable from Systems Revenues	3.38	3.92	2.07	1.91	1.55

- (a) Includes tap, main extension, front footage fees and drought water replacement surcharge. Does not include annexation fees.
- (b) Includes investment income, insurance recoveries and other non-operating revenue. Excludes fair value and intergovernmental revenues.
- (c) First lien maximum annual debt service occurs in 2020. Includes the City's portion of the Colorado Water Resources and Power Development Authority's Drinking Water Bonds Series 1999A and 2005D (CWR&PDA). It also includes the City's First Lien Water Improvement Revenue Bonds Series 2003A, 2007A and 2008A.
- (d) Includes (c) above and the Second Lien Water Improvement Revenue Bonds Series 2004A. This revenue bond was refunded in 2008 and is now a First-Lien Water Improvement Revenue Bond, Series 2008. Maximum annual debt service occurs in 2020.
- (e) Includes (d) above and water rights notes payable. Maximum annual debt service occurs in 2020.
- (f) Includes (e) above and general obligation water bonds which are payable from revenues of the system but are not secured by the Net Pledged revenues. Maximum annual debt service occurs in 2020.

**EXHIBIT C7
OPERATING HISTORY
WASTEWATER FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31:**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
OPERATING REVENUES					
Charges for services	\$ 29,059,182	\$ 33,286,941	\$ 39,070,578	\$ 43,334,347	\$ 46,562,963
Total operating revenues	<u>29,059,182</u>	<u>33,286,941</u>	<u>39,070,578</u>	<u>43,334,347</u>	<u>46,562,963</u>
OPERATING EXPENSES					
Cost of sales and services	23,834,605	25,063,774	27,467,642	31,170,143	32,314,994
Administrative expenses	789,059	1,067,007	1,326,795	1,420,857	1,511,342
Depreciation	<u>4,634,877</u>	<u>5,527,402</u>	<u>6,103,035</u>	<u>6,745,580</u>	<u>6,877,719</u>
Total operating expenses	<u>29,258,541</u>	<u>31,658,183</u>	<u>34,897,472</u>	<u>39,336,580</u>	<u>40,704,055</u>
Operating income	<u>(199,359)</u>	<u>1,628,758</u>	<u>4,173,106</u>	<u>3,997,767</u>	<u>5,858,908</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment income	984,779	3,812,115	5,843,767	4,719,791	4,047,641
Intergovernmental revenue	—	—	—	—	88,000
Miscellaneous revenue	34,224	741,219	76,850	46,325	319,680
Interest expense	(652,990)	(1,879,994)	(2,244,079)	(616,127)	(107,199)
Amortization expense	(8,206)	8,053	24,312	24,312	24,312
Gain (loss)-disposal capital assets	<u>(120,634)</u>	<u>69,100</u>	<u>(23,065)</u>	<u>(804,634)</u>	<u>(8,480)</u>
Net non-operating revenues (expenses)	<u>237,173</u>	<u>2,750,493</u>	<u>3,677,785</u>	<u>3,369,667</u>	<u>4,363,954</u>
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS					
	37,814	4,379,251	7,850,891	7,367,434	10,222,862
Capital contributions	28,391,467	40,129,367	35,458,051	9,400,956	10,671,083
Transfers out	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
INCREASE IN NET ASSETS	28,429,281	44,508,618	43,308,942	16,768,390	20,893,945
NET ASSETS - January 1	<u>276,953,159</u>	<u>305,382,440</u>	<u>349,891,058</u>	<u>393,200,000</u>	<u>409,968,390</u>
NET ASSETS - December 31	<u>\$ 305,382,440</u>	<u>\$ 349,891,058</u>	<u>\$ 393,200,000</u>	<u>\$ 409,968,390</u>	<u>\$ 430,862,335</u>

**EXHIBIT C7
OPERATING HISTORY
WASTEWATER FUND
SCHEDULE OF SOURCES, USES, AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEARS ENDED DECEMBER 31:**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>Adopted 2010</u>
SOURCES						
Intergovernmental revenues	\$ —	\$ —	\$ —	\$ —	\$ 88,000	\$ —
Charges for services	29,059,182	33,286,941	39,070,667	43,334,597	46,563,100	49,162,948
Investment income	1,262,531	3,458,615	5,124,442	4,300,273	3,424,319	2,265,844
Other revenues	10,643,707	8,191,939	7,751,110	3,096,633	2,173,524	1,888,339
Proceeds from sale of assets	8,510	7,577	19,335	16,279	16,194	—
Proceeds from long-term borrowings	—	59,943,695	56,921	—	—	—
Transfers in	256,000	256,000	256,000	256,000	256,000	256,000
Funds from restricted assets	—	(3,749,250)	—	—	304,838	—
Total sources	<u>41,229,930</u>	<u>101,395,517</u>	<u>52,278,475</u>	<u>51,003,782</u>	<u>52,825,975</u>	<u>53,573,131</u>
USES						
Operating Costs						
Operations group	27,331,261	30,016,076	34,175,355	38,827,660	40,239,806	44,039,072
Continuing Appropriations						
Operations group	<u>11,984,327</u>	<u>18,522,604</u>	<u>26,077,290</u>	<u>1,504,828</u>	<u>27,589,299</u>	<u>35,331,042</u>
Total uses	<u>39,315,588</u>	<u>48,538,680</u>	<u>60,252,645</u>	<u>40,332,488</u>	<u>67,829,105</u>	<u>79,370,114</u>
Change in funds available	1,914,342	52,856,837	(7,974,170)	10,671,294	(15,003,130)	(25,796,983)
Funds Available - January 1	<u>6,981,235</u>	<u>8,895,577</u>	<u>61,752,414</u>	<u>53,778,244</u>	<u>64,449,538</u>	<u>43,217,467</u>
Funds Available - December 31	<u>\$ 8,895,577</u>	<u>\$ 61,752,414</u>	<u>\$ 53,778,244</u>	<u>\$64,449,538</u>	<u>\$ 49,446,408</u>	<u>\$ 17,420,484</u>

**EXHIBIT C8
WASTEWATER FUND
SEWER SYSTEM STATISTICS
DECEMBER 31, 2009**

Sanitary Sewer Usage and Revenues by Classification

<u>Classification</u>	<u>Percent of Consumption</u>	<u>Percent of Revenue</u>
Business	19%	18%
Residential	81%	82%
Totals	<u>100%</u>	<u>100%</u>

Customers by Class

<u>Classification</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Residential (1-4) units	65,110	67,021	67,972	69,258	69,895
Multi-Family (5+ units)	2,256	2,281	2,496	2,339	2,373
Commercial	2,753	2,804	2,963	2,854	2,964
Total	<u>70,119</u>	<u>72,106</u>	<u>73,431</u>	<u>74,451</u>	<u>75,232</u>

Ten Largest Sanitary Sewer Customers

<u>Customer</u>	<u>Billed Revenues</u>
Buckley Air Force Base	\$253,599
Heather Gardens HOA	207,793
University of Colorado HSC	204,948
Westdale Asset Management	112,383
Mountain View Apartments	84,038
Hickory Ridge Colorado LLC	82,992
Meadowlark Apartments	82,450
Liberty Creek Apartment	
Homes	78,072
Ridge Hill Apartments	70,159
Medical Center of Aurora	68,756
	<u>\$1,245,190</u>

These ten customers accounted for 3.1% of the total billed sanitary sewer sales in 2009.

Sanitary Sewer Monthly Service Charge by Tap Size (a)

<u>Tap Size</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
5/8" and 3/4"	\$1.93	\$2.16	\$2.38	\$2.62	\$2.80
1" & 1 1/4"	4.83	5.41	5.65	6.22	6.66
1 1/2"	9.66	10.82	11.90	13.09	14.01
2"	15.45	17.30	19.03	20.93	22.40
3"	33.82	37.88	41.67	45.84	49.05
4"	96.65	108.25	119.08	130.99	140.16
6"	193.33	216.53	238.18	262.00	280.34

(a) The total monthly fee includes the monthly service charge plus a volume charge of \$2.41 per 1,000 gallons used.

**EXHIBIT C8
WASTEWATER FUND
SEWER SYSTEM STATISTICS
DECEMBER 31, 2009**

Sanitary Sewer Tap Fees by Customer

Customer	2005	2006	2007	2008	2009
Single Family Detached (per unit)	\$1,762	\$1,974	\$2,171	\$2,388	\$2,388
Single Family Attached (per unit)	1,427	1,599	1,759	1,934	1,934
Multi-family (per unit)	1,374	1,540	1,693	1,863	1,863
Commercial (per tap size):					
$\frac{3}{4}$	3,348	3,751	4,125	4,537	4,537
1" & 1 $\frac{1}{4}$ "	7,929	8,883	9,770	10,746	10,746
1 $\frac{1}{2}$ "	19,382	21,714	23,881	26,268	26,268
2	35,240	39,480	43,420	47,760	47,760
3	74,004	82,908	91,182	100,296	100,296
4	133,912	150,024	164,996	181,488	181,488
6	(b)	(b)	(b)	(b)	(b)

(b) Rates for meters six inches and larger are based on a formula utilizing flow, BOD, TSS and TKN values.

Sanitary Sewer Tap and Development Fee Revenues

	2005	2006	2007	2008	2009
Sanitary Sewer Tap Fees	\$ 8,017,317	\$ 6,471,895	\$ 6,281,758	\$ 4,289,728	\$ 1,867,919
Development Fees	54,655	66,738	31,513	27,617	21,828
Total Tap and Development Fees	<u>\$ 8,071,972</u>	<u>\$ 6,538,633</u>	<u>\$ 6,313,271</u>	<u>\$ 4,317,345</u>	<u>\$ 1,889,747</u>

*Development fees include main extensions and front footage and exclude annexation, storm drain development and fees reimbursed to others. Years 2005-2008 are restated due to change in methodology.

Storm Drain Rates and Charges

The city imposes storm drainage fees upon the owners of property served by the system's storm sewer facilities. In addition, developers are charged a \$2,818 per acre storm drainage development fee at the time building permits are issued. The storm drainage fee is \$7.70 per month for single family detached and individually metered single family attached dwellings. The storm drainage fee is \$7.70 per month plus \$6.06 per month for each additional unit for multifamily and master metered single family attached dwelling. For commercial and industrial building, the storm drainage fee is \$7.70 per month for the first 2,500 square feet of gross floor space plus \$6.06 for each additional 2,500 square feet of gross floor space or portion thereof.

**EXHIBIT C9
GOLF FUND
OPERATING HISTORY
COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31:**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
OPERATING REVENUES					
Charges for services	\$ 8,737,191	\$ 9,055,305	\$ 9,332,171	\$ 9,511,487	\$ 9,027,618
Total operating revenues	<u>8,737,191</u>	<u>9,055,305</u>	<u>9,332,171</u>	<u>9,511,487</u>	<u>9,027,618</u>
OPERATING EXPENSES					
Cost of sales and services	6,367,066	6,667,457	6,970,572	7,250,362	6,991,138
Administrative expenses	928,317	1,121,135	1,124,552	1,207,345	903,164
Depreciation	938,285	950,171	985,835	1,011,962	1,036,321
Total operating expenses	<u>8,233,668</u>	<u>8,738,763</u>	<u>9,080,959</u>	<u>9,469,669</u>	<u>8,930,623</u>
Operating income (loss)	<u>503,523</u>	<u>316,542</u>	<u>251,212</u>	<u>41,818</u>	<u>96,995</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment income	124,660	120,056	158,924	131,688	74,547
Miscellaneous revenue	29,645	55,752	72,679	122,031	20,166
Interest expense	(616,670)	(463,909)	(466,425)	(399,234)	(394,392)
Amortization expense	(6,706)	(13,412)	(13,412)	(13,412)	(13,414)
Gain (loss)-disposal capital assets	(6,394)	1,753	(18,659)	(3,936)	(6,300)
Net non-operating expenses	<u>(475,465)</u>	<u>(299,760)</u>	<u>(266,893)</u>	<u>(162,863)</u>	<u>(319,393)</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS					
Capital contributions	28,058	16,782	(15,681)	(121,045)	(222,398)
Transfers in	165,600	108,600	404,800	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>50,000</u>	<u>3,000</u>
INCREASE (DECREASE) IN NET ASSETS	193,658	125,382	389,119	(71,045)	(219,398)
TOTAL NET ASSETS - January 1	<u>24,509,540</u>	<u>24,703,198</u>	<u>24,828,580</u>	<u>25,217,699</u>	<u>25,146,654</u>
TOTAL NET ASSETS - December 31	<u>\$ 24,703,198</u>	<u>\$ 24,828,580</u>	<u>\$ 25,217,699</u>	<u>\$ 25,146,654</u>	<u>\$ 24,927,256</u>

EXHIBIT C10
GOLF FUND
GOLF COURSE ENTERPRISE SYSTEM STATISTICS
DECEMBER 31, 2008

Course	<u>Total Rounds Played</u>				
	2005	2006	2007	2008	2009
Aurora Hills	54,870	55,050	54,550	56,331	54,043
Centre Hills	31,681	27,656	27,529	26,478	24,398
Fitzsimons	36,237	41,501	41,767	43,133	40,007
Meadow Hills	54,911	54,721	51,815	52,411	48,598
Murphy Creek	36,457	34,916	34,236	31,480	31,430
Saddle Rock	37,746	38,751	36,932	37,295	33,888
Springhill	44,466	42,887	41,036	41,472	37,359

Fee Type	<u>Green Fees</u>						
	Saddle Rock	Murphy Creek	Meadow Hills	Aurora Hills	Fitzsimons (b), (c)	Spring-Hill	Centre Hills (a)
18-Hole Resident - Weekday	\$36.00	\$34.00	\$29.00	\$25.00	\$23.00	\$22.00	\$16.00
18-Hole Resident - Weekend	46.00	44.00	35.00	29.00	27.00	26.00	20.00
18-Hole Non-Resident - Weekday	38.00	36.00	31.00	27.00	25.00	24.00	16.00
18-Hole Non-Resident - Weekend	46.00	44.00	35.00	31.00	29.00	28.00	20.00
18-Hole Junior - Weekday	22.00	20.00	17.00	15.00	15.00	14.00	10.00
18-Hole Junior - Weekend	25.00	24.00	20.00	18.00	18.00	17.00	12.00
18-Hole Resident Senior - Weekday	26.00	24.00	20.00	18.00	17.00	16.00	12.00
9-Hole Resident - Weekday	18.00	17.00	14.50	12.50	11.50	11.00	8.00
9-Hole Resident - Weekend	23.00	22.00	17.50	14.50	13.50	13.00	10.00
9-Hole Non-Resident - Weekday	19.00	18.00	15.50	13.50	12.50	12.00	8.00
9-Hole Non-Resident - Weekend	23.00	22.00	17.50	15.50	14.50	14.00	10.00
9-Hole Junior - Weekday	11.00	10.00	8.50	7.50	7.50	7.00	5.00
9-Hole Junior - Weekend	12.50	12.00	10.00	9.00	9.00	8.50	6.00
9-Hole Resident Senior - Weekday	13.00	12.00	10.00	9.00	8.50	8.00	6.00

- (a) The Centre Hills Golf Course is nine holes. The 18-hole fee is the cost to play twice in the same day.
(b) Annual memberships at the Fitzsimons Golf Course are \$450 for 18 hole play and \$250 for nine hole play.
(c) Pursuant to an agreement with the Fitzsimons Redevelopment Authority (FRA), which expires on December 31, 2008, the City of Aurora operates the course as a part of the Golf Fund. The present agreement includes payments from the Golf Fund to FRA, a management fee from FRA to the Golf Fund and a division of the net income earned at the course.

EXHIBIT C11
GOLF FUND
MAXIMUM ANNUAL DEBT SERVICE COVERAGE
FOR THE YEARS ENDED DECEMBER 31:

	2006	2007	2008	2009
Net Pledged Revenue				
Charges for services	\$9,055,305	\$9,332,171	\$9,511,487	\$9,027,618
Capital contributions (a)	108,600	404,800	—	3,000
Transfers in	—	—	50,000	—
Other non-operating revenue (b)	167,393	195,281	208,264	99,242
Less: Operating expenses (c)	(8,916,811)	(9,279,936)	(9,686,334)	(9,134,439)
Depreciation	950,171	985,835	1,011,962	1,036,321
Total	<u>\$1,364,658</u>	<u>\$1,638,151</u>	<u>\$1,095,379</u>	<u>\$1,031,742</u>
Maximum Annual Debt Service (d)				
Series 2005 bonds	\$793,336	\$793,336	\$793,336	\$539,300
Coverage				
Series 2005 bonds	1.72	2.06	1.38	1.91

(a) Includes lot premium and annexation fees.

(b) Includes investment income and other non-operating revenue. Excludes fair value adjustment.

(c) Includes operating expenses such as personal services, supplies, and the principal and interest on the golf cart capital leases.

(d) Maximum annual debt service occurs in 2006.



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