

City of
Aurora

2013

Comprehensive Annual Financial Report



Prepared by the Controller's Office • Aurora, Colorado
For the year ended December 31, 2013



Aurora, Colorado

The city of Aurora is located on the eastern slope of the Rocky Mountains and lies in the six county Denver/Aurora metropolitan area (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 2013 of 340,269, approximately 13% of the metro area's population.



Front Cover

Aurora Reservoir

Photo courtesy of the City of Aurora

AURORA MUNICIPAL

**City of Aurora, Colorado for the Year Ended
December 31, 2013**



Comprehensive Annual Financial Report

Prepared by the Controller's Office



Jason Batchelor, Finance Director
Terri Velasquez, Deputy Finance Director
Jo Ann Giddings, Controller
Nancy Wishmeyer, Accounting Administrator
Dan Cunningham, Senior Accountant II
Dave Mullen, Senior Accountant II
Carisa Redlick, Senior Accountant II
Carol Toth, Senior Accountant I
Laila Schmidt, Accountant III
Mary Cooper, Accountant II

If you have questions regarding this report, call or fax us at:
Phone: 303-739-7800 • Fax: 303-739-7779

Our mailing address:

City of Aurora
Controller's Office
15151 E. Alameda Parkway, Suite 5700
Aurora, Colorado 80012-1555
Email us at: controller@auroragov.org

Finance Department

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Introductory Section Divider



June 3, 2014

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, 2013.

This report consists of management's representations concerning the finances of the city. 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 auditors selected by the City Council. The goal of the independent audit is to provide reasonable assurance that the financial statements of the city for the fiscal year ended December 31, 2013, are free of material misstatement. The independent auditors, 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, 2013 are fairly presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Independent Auditors' Report on the city's financial statements is included in the Financial Section of this CAFR.

The independent auditor 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 auditors.

GOVERNMENTAL STRUCTURE

Aurora is located on the eastern slope of the Rocky Mountains and lies in the six county Denver/Aurora metropolitan area. The metropolitan area is the economic center of the State of Colorado. Aurora is the third largest city in Colorado with an estimated population in 2013 of 340,269. This is approximately 13 percent of the metropolitan 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 in 1954. In 1961, Aurora 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 and the Council-Manager form of government were 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. 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 through economic cycles and is recognized as financially strong by independent bond rating agencies. Aurora maintains adequate fund balances for emergencies, 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 been supportive of the city's efforts. 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 and budget controls to ensure adequate oversight of city assets, accounting information and expenditures.

As expected by local economists, 2013 proved to be a year of economic growth, translating into moderate revenue growth for the city. For 2013, General Fund revenue, net of transfers, increased 4.9% on a budgetary basis (4.9% per GAAP basis), above the growth experienced in 2012 as the state continued to recover from the recession. The combination of sales and use tax is the most significant source of revenue, generating 64.8% of the total General Fund revenue, net of transfers, but is also the most susceptible to the economic changes. Property tax represents an important secondary general revenue source that is typically less impacted than sales and use tax by changing economic conditions. Property tax collections were 9.4% of the total General Fund budgetary and 9.7% of GAAP revenues, net of transfers in 2013. The 2013 biennial reassessment of property values incorporates an anticipated increase in commercial and industrial valuations, as well as a lingering decrease in residential valuations, leading to a modest increase in property tax collections for 2013. Moderate revenue growth is expected in 2014 with property tax collections maintaining positive levels of growth, combined with positive increases in sales and use tax.

The city expects to maintain most of its General Fund reserves, 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 reserve for unanticipated major emergencies, but does not anticipate using these funds for the 2014 budget year.

The city expects to face 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. 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 modest General Fund operating revenue growth (not including building materials use tax, which typically is used for capital purposes). While development activity is not expected to return to pre-recession levels, it has begun to increase in recent years. The lower levels of development of the city impact not only the growth of operating revenues, but revenues used for capital purposes including tap fees for new water and sewer connections. While 2013 was a healthy rebound for operating revenues, in the long term the city is planning for the continued modest growth rates. 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. Aurora's retail is well positioned to capture retail sales as Aurora 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 support and enhance the retail environment.

The city has completed a major capital investment in its water system that helps protect Aurora against drought and meet future water needs. The system uses an innovative natural process to perform initial treatment of a sustainable water supply already owned by Aurora from the South Platte River. After the natural process, water is piped thirty-four miles south to the Binney Water Purification Facility, treated using a multi-step purification process, and delivered to Aurora customers. The Prairie Waters system can supply up to 20% of Aurora's current demand. It delivers as much as nine million gallons of water to the city daily and is expandable to 50 million gallons with additional infrastructure. The project is the cornerstone of a water supply plan that will help meet Aurora's needs for decades.

Aurora and the Colorado Department of Transportation (CDOT) constructed major improvements to the I-225/Colfax interchange that provide better access to the Fitzsimons Campus by reducing traffic congestion and providing additional vehicular capacity. The interchange includes widened southbound on/off ramps as well as new embankments, grading, concrete pavement, signals, bridges, drainage systems, storm water quality facilities, utility relocations, and other associated components. The interchange is being built with funds from the Federal Highway Administration, the Denver Regional Council of Governments, the City of Aurora, CDOT, the Fitzsimons Redevelopment Authority, the University of Colorado, University Hospital and Children's Hospital with an anticipated project cost from all funding sources of approximately \$40 million. The city and CDOT hosted a grand opening of the I-225/Colfax to 17th Place interchange on February 11, 2013. Constructions of all components were completed in 2013.

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 Medical Campus of the University of Colorado, the Children's Hospital, and 21 Fitzsimons, a high-density residential development, with ground floor retail. 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 major 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.

A new Veteran's Administration (VA) Medical Center is beginning to take shape within Fitzsimons' Medical Campus. This premier 300-bed hospital within the VA system will serve the veterans and their families from Colorado and the surrounding region. The \$800 million VA Medical Center has a planned opening in mid-2015. In addition, the city and Corporex Colorado, LLC are partnering to construct a 245 room Hyatt hotel and 30,000 square foot conference center. Construction is expected to begin in late 2014 and open in 2016.

Light Rail – As part of a Regional Transportation District (RTD) joint contract with CDOT, construction of major components of the light rail segment from Nine Mile Station to Iliff Avenue began in the spring of 2012 and is expected to be complete in 2015. Another project, made possible through a public private partnership between

RTD, Kiewit Construction and the city, is the I-225 Light Rail Transit (LRT) Line from the Nine Mile Station to the Peoria-Smith Station (ending at DIA). This project is expected to be complete by November 2015 and scheduled to open in mid-2016. The 10.5 mile rail line project along the I-225 corridor will include eight stations and a parking garage with 600 spaces at the Iliff Station. This will provide connectivity throughout Aurora, the southern metro area, Denver and DIA.

The East Rail line is a 22.8-mile commuter rail transit corridor that will operate between Denver Union Station and DIA. Featuring two stops in Aurora, the rail line will connect these two important areas while serving adjacent employment centers, neighborhoods and development areas in Aurora and Denver and is expected to begin operating in 2016. The Peoria Grade Separation will construct an overpass (bridge) on Peoria Street between East 39th Avenue and Baranmor Parkway. The bridge will cross over the Union Pacific Railroad, RTD East Rail Line, East 37th Avenue, and Smith Road, which will improve safety and travel reliability. The overpass is expected to be completed in the spring of 2015.

In conjunction with the Light Rail Project, CDOT will complete the widening of I-225 from Parker Road to Mississippi Boulevard. This will complete the widening of I-225 between I-25 and I-70 in 2014, eliminating the bottleneck that now exists at Mississippi Avenue.

The city will begin construction on a 2,580-square-foot addition to the Aurora History Museum in the spring of 2014. The new addition will house the recovered trolley trailer that ran along the dirt roads of Aurora in 1913. In addition, hundreds of pictures, maps and artifacts devoted to the 123-year evolution of Aurora will be permanently displayed.

Urban Renewal - The city currently has ten 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.

The Aurora Urban Renewal Authority (AURA) executed a purchase and sale agreement for the property at 333 N. Havana Street, also known as the Fan Fare site, in November 2012 for \$4 million, and elected to purchase the property as a “clean site”, meaning that all asbestos related environmental contamination would be abated by the Seller. The Fan Fare site cleaning, final purchase and sale transaction were completed in March 2014. The AURA and City of Aurora previously completed an extensive public visioning process that is the basis for the Havana North Urban Renewal plan, which includes the Fan Fare site as the catalyst redevelopment project. The redevelopment vision for the Plan calls for a dense mixed-use development. AURA will issue a request for qualifications by the third quarter of 2014 and anticipates redevelopment to begin by late 2016.

As a recipient of the Environmental Protection Agency’s (EPA) Brownfield Area-Wide Planning Pilot Grant Program, the City of Aurora initiated a community visioning process in Westerly Creek Village. The grant program’s purpose is to approach revitalization of Brownfield impacted areas through community involvement in an area-wide planning process, developing plans, strategies and actions.

The City of Aurora created an Urban Renewal Area within Westerly Creek Village to serve as the primary redevelopment plan and implementation tool for the revitalization of the area. The Plan was approved in January 2013. Since that time, staff has been working with stakeholders and interested parties to initiate the redevelopment of the catalytic properties along Westerly Creek.

A new Gaylord hotel and convention center will be built in Aurora at a cost of \$800 million. The project will cover 1.9 million square feet. The hotel and convention center will have 1,500 hotel rooms and 400,000 square feet of conference space. The project will bring 12,000 construction jobs to Aurora and 2,500 permanent jobs once the hotel and convention center is open. The build out is expected to be complete in 2017.

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 seven 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, 2012. 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.

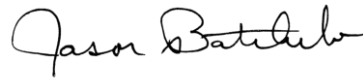
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year. The city has received the certificate for twenty-seven 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,



George K. Noe
City Manager



Jason Batchelor
Finance Director



Aurora City Council



Mayor Steve Hogan



Marsha Berzins
Mayor Pro-Tem (Ward III)



Sally Mounier
Ward I



Renie Peterson
Ward II



Molly Markert
Ward IV



Bob Roth
Ward V



Bob Broom
Ward VI



Barbara Cleland
At-Large



Debi Hunter Holen
At-Large



Bob LeGare
At-Large



Brad Pierce
At-Large



Management Officials

City of Aurora, Colorado as of December 31, 2013

City Manager's Office

George K. Noe, City Manager (appointed by City Council)	Since 2010
Nancy Freed, Deputy City Manager - Operations	Since 1995
Michelle Wolfe, Deputy City Manager - Administrative Services	Since 2008
Janice Napper, Assistant City Manager	Since 1998
Roberto Venegas, Assistant City Manager	Since 2013

Council Appointees

Zelda DeBoyes, Municipal Court Administrator	Since 1992
Charles Richardson, City Attorney	Since 1986
Richard Weinberg, Presiding Judge	Since 2004

Commission Appointees

Laurie Cole, Chief Public Defender	Since 1996
Matt Cain, Civil Service Administrator	Since 2009

Department Directors

Marshall Brown, Aurora Water	Since 2012
Kim Stuart, Communications	Since 2000
Jason Batchelor, Finance	Since 2011
Mike Garcia, Fire	Since 2007
Mark Pray, Information Technology	Since 1998
Dan Quillen, Internal Services	Since 2012
Patti Bateman, Library & Cultural Services	Since 2009
Nancy Sheffield, Neighborhood Services	Since 1996
Tom Barrett, Parks, Recreation & Open Space	Since 2008
Robert Watkins, Planning & Development Services	Since 2004
Daniel Oates, Police	Since 2005
Dave Chambers, Public Works	Since 2006



Government Finance Officers Association

**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, 2012

Executive Director/CEO

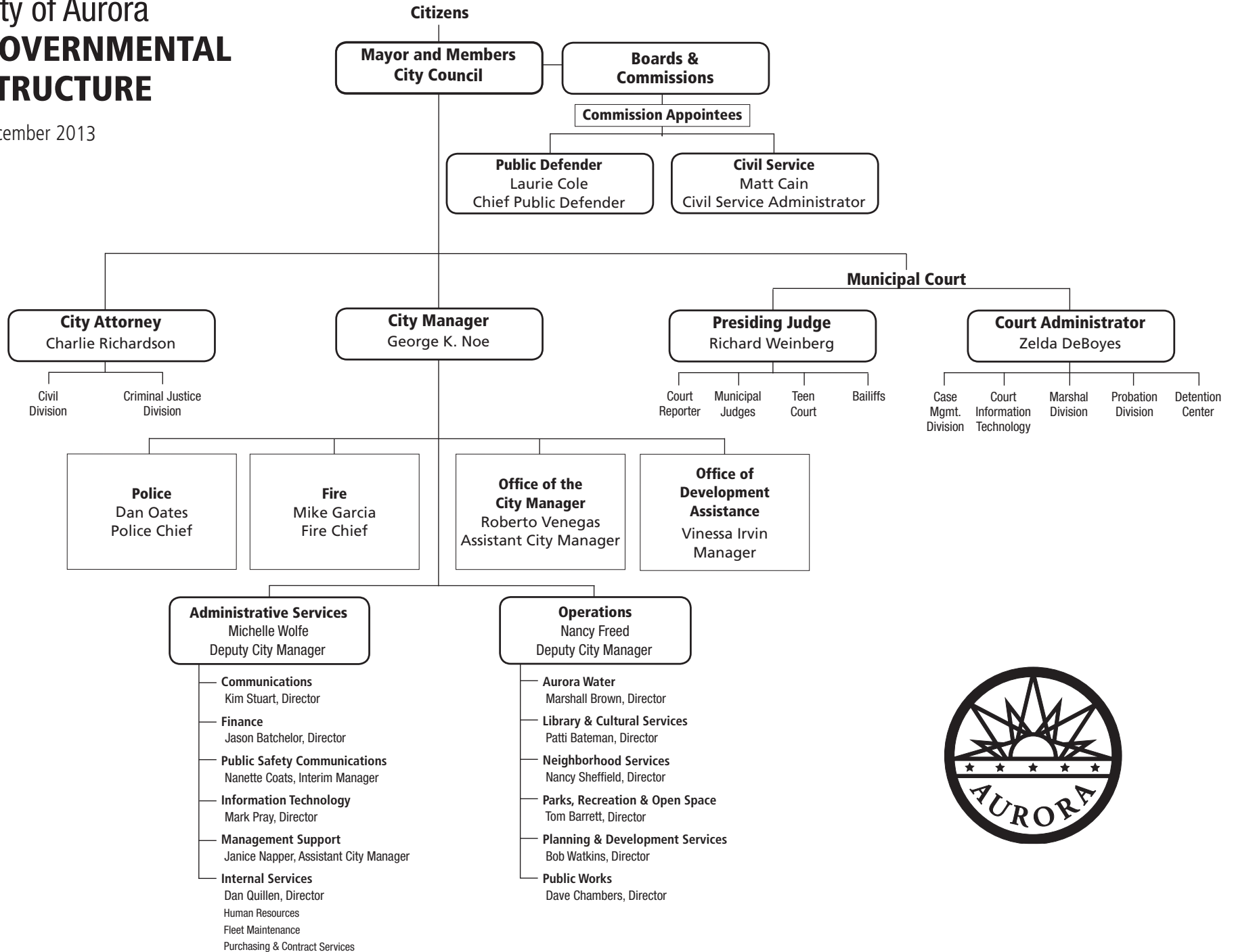
About the Certificate of Achievement for Excellence in Financial Reporting

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 3,700 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, 81% 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 the last twenty-seven consecutive years, including this most recent year, 2012 and for thirty-seven years in total, currently the highest number of certificates for any governmental entity in the State of Colorado. We believe that this, our 2013 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.

City of Aurora GOVERNMENTAL STRUCTURE

December 2013



x



Finance Section Divider

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, the discretely presented component unit, 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, 2013 and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 represents 70% and 41%, respectively, of the assets and revenues of the aggregate remaining fund information. Those statements were audited by other auditors 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 auditors. We also did not audit the financial statements of the Havana Business Improvement District (BID), which represents 100% of the assets and revenues of the discretely presented component unit. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for BID, is based solely on the reports of other auditors. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation

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

and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of December 31, 2013, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, and other postemployment benefits and pension information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and certain additional procedures,

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

including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the reports of the other auditors, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The introductory, statistical, and other schedules sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Denver, Colorado
June 3, 2014



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, 2013. 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 2013 by \$4.2 billion (*net position*). Of this amount, \$276.4 million, or 6.6%, was unrestricted and may be used to meet the city's ongoing obligations.
- Citywide net position increased \$37.3 million in 2013.
- At December 31, 2013, the city's governmental funds reported combined ending fund balances of \$172.5 million, an increase of \$19.4 million from the prior year. Approximately 60.0% of the fund balance is not restricted and is available for spending at the government's discretion. The fund balance, exclusive of restricted fund balance, is classified as follows; \$31.7 million committed, \$51.1 million assigned and \$20.5 million unassigned.
- The city's General Fund total revenues were over budget \$16.6 million and total expenditures were under budget by \$3.6 million during 2013.
- Capital improvement and capital outlay activity decreased \$9.0 million during 2013.
- The city's total bonded and certificate of participation debt decreased \$32.0 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 position and a statement of activities. These statements can be found on pages 1-3 of this report.

The *Statement of Net Position* presents information about the city's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position 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 position 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 fund 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 nonmajor 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 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 19 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 53-58 of this report.

Citywide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the city, assets exceeded liabilities by \$4.2 billion at the close of the fiscal year as shown in Chart 1 on the next page.

The largest portion of the city's net position, \$3.8 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.

Citywide Net Position December 31, 2013 (in thousands)

	Governmental Activities				Business-type Activities				Citywide Totals			
	2013	2012	Change	%	2013	2012	Change	%	2013	2012	Change	%
Current and other assets	\$ 234,333	\$ 218,104	\$16,229	7.4	\$ 287,502	\$ 292,959	\$(5,457)	(1.9)	\$ 521,835	\$ 511,063	\$10,772	2.1
Capital assets, net	2,508,819	2,524,272	(15,453)	(0.6)	1,995,205	1,988,732	6,473	0.3	4,504,024	4,513,004	(8,980)	(0.2)
Total Assets	2,743,152	2,742,376	776	0.0	2,282,707	2,281,691	1,016	0	5,025,859	5,024,067	1,792	0.0
Deferred outflows of resources	9,532	10,376	(844)	(8.1)	497	533	(36)	(6.8)	10,029	10,909	(880)	(8.1)
Current and other liabilities	10,420	9,910	510	5.1	27,158	28,227	(1,069)	(3.8)	37,578	38,137	(559)	(1.5)
Noncurrent liabilities	171,341	181,461	(10,120)	(5.6)	640,541	663,601	(23,060)	(3.5)	811,882	845,062	(33,180)	(3.9)
Total Liabilities	181,761	191,371	(9,610)	(5.0)	667,699	691,828	(24,129)	(3.5)	849,460	883,199	(33,739)	(3.8)
Deferred inflows of resources	33,608	34,013	(405)	(1.2)	-	2,277	(2,277)	(100.0)	33,608	36,290	(2,682)	(7.4)
Net Position:												
Net investment in capital assets	2,412,387	2,416,050	(3,663)	(0.2)	1,398,819	1,365,535	33,284	2.4	3,811,206	3,781,585	29,621	0.8
Restricted	57,788	54,025	3,763	7.0	7,463	7,665	(202)	(2.6)	65,251	61,690	3,561	5.8
Unrestricted	67,140	57,293	9,847	17.2	209,223	214,919	(5,696)	(2.7)	276,363	272,212	4,151	1.5
Total net position	\$2,537,315	\$2,527,368	\$ 9,947	0.4	\$1,615,505	\$1,588,119	\$27,386	1.7	\$4,152,820	\$4,115,487	\$37,333	0.9

Chart 1

As shown in Chart 1, total restricted net position at the end of 2013 was \$65.2 million. This amount represents net resources where use is constrained by external requirements dictating how the funds may be used. Restrictions result from grant requirements, legislation, agreements, or other requirements of the specific revenue source. The remaining net position of \$276.4 million was 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: council policy reserve, enhanced development review program, commitment of surcharges to fund certain public safety programs, payment of long-term liabilities, and project-length appropriations.

Net position increased \$37.3 million in 2013, of which \$9.9 million (27%) was attributable to governmental activities and \$27.4 million (73%) was attributable to business-type activities.

Governmental activities net position increased \$9.9 million. This increase in total net position included a decrease in net investment in capital assets of \$3.7 million that corresponds to the decrease in capital assets and the decrease in noncurrent liabilities. Contributing to the increase in total net position is the increase in restricted net position that is primarily a result of increases in tax revenues restricted for development projects in urban renewal areas. Unrestricted net position increased as a result of increased sales and use tax receipts that will be used for one time funding of capital projects including the Iliff Station Light Rail Transit parking garage and related infrastructure, 6th Avenue improvements, and providing seed money for a possible upgrade to the Moorhead Recreation Center. Current and other assets, primarily cash, increased with the increase in sales and use tax revenues and the increase in development related taxes, and will be spent on the previously mentioned projects.

Business-type activities net position increased \$27.4 million. Noncurrent liabilities decreased \$23.1 million primarily as a result of the partial defeasance of the First Lien Sewer Series 2006 revenue bonds for \$18.8 million. Capital assets increased \$6.5 million resulting from water rights purchases and increased construction in progress from various water and sewer improvement projects. These increases were partially offset by accumulated depreciation. The net investment in capital assets increase corresponds to the increase in capital assets and the decrease in noncurrent liabilities. Deferred inflows of resources decreased as the Strontia Springs project is now finished and the city no longer has a regulatory liability obligation. Unrestricted net position decreased \$5.7 million as available cash was used to pay down debt.

Citywide Changes in Net Position Year Ended December 31, 2013 (in thousands)

	Governmental Activities				Business-type Activities				Citywide Totals			
	2013	2012	Change	%	2013	2012	Change	%	2013	2012	Change	%
REVENUES:												
Program Revenues:												
Charges for services	\$ 39,190	\$ 38,264	\$ 926	2.4	\$ 158,405	\$ 172,707	\$(14,302)	(8.3)	\$ 197,595	\$ 210,971	\$(13,376)	(6.3)
Operating grants and contributions	25,065	27,925	(2,860)	(10.2)	5,116	4,404	712	16.2	30,181	32,329	(2,148)	(6.6)
Capital grants and contributions	33,663	25,479	8,184	32.1	27,750	31,395	(3,645)	(11.6)	61,413	56,874	4,539	8.0
General Revenues:												
Taxes												
Sales and use	175,629	165,356	10,273	6.2	-	-	-	-	175,629	165,356	10,273	6.2
Property	33,386	33,382	4	0.0	-	-	-	-	33,386	33,382	4	0.0
Other	28,428	28,167	261	0.9	-	-	-	-	28,428	28,167	261	0.9
Grants and contributions not restricted to specific programs	836	885	(49)	(5.5)	-	-	-	-	836	885	(49)	(5.5)
Unrestricted investment earnings	364	1,234	(870)	(70.5)	281	1,145	(864)	(75.5)	645	2,379	(1,734)	(72.9)
Total revenues	336,561	320,692	15,869	4.9	191,552	209,651	(18,099)	(8.6)	528,113	530,343	(2,230)	(0.4)
EXPENSES:												
General government	24,696	24,883	(187)	(0.8)	-	-	-	-	24,696	24,883	(187)	(0.8)
Judicial	8,553	8,276	277	3.3	-	-	-	-	8,553	8,276	277	3.3
Police	93,929	90,276	3,653	4.0	-	-	-	-	93,929	90,276	3,653	4.0
Fire	40,882	40,041	841	2.1	-	-	-	-	40,882	40,041	841	2.1
Other public safety	13,210	13,179	31	0.2	-	-	-	-	13,210	13,179	31	0.2
Public works	68,714	68,779	(65)	(0.1)	-	-	-	-	68,714	68,779	(65)	(0.1)
Economic development	17,711	15,653	2,058	13.1	-	-	-	-	17,711	15,653	2,058	13.1
Community services	11,095	12,356	(1,261)	(10.2)	-	-	-	-	11,095	12,356	(1,261)	(10.2)
Culture and recreation	38,522	35,839	2,683	7.5	-	-	-	-	38,522	35,839	2,683	7.5
Unallocated depreciation	3,784	3,459	325	9.4	-	-	-	-	3,784	3,459	325	9.4
Interest on debt	5,368	5,806	(438)	(7.5)	-	-	-	-	5,368	5,806	(438)	(7.5)
Water	-	-	-	-	102,908	107,244	(4,336)	(4.0)	102,908	107,244	(4,336)	(4.0)
Wastewater	-	-	-	-	53,493	48,157	5,336	11.1	53,493	48,157	5,336	11.1
Golf	-	-	-	-	7,915	8,577	(662)	(7.7)	7,915	8,577	(662)	(7.7)
Total expenses	326,464	318,547	7,917	2.5	164,316	163,978	338	0.2	490,780	482,525	8,255	1.7
Increase in net position before transfers	10,097	2,145	7,952	370.7	27,236	45,673	(18,437)	(40.4)	37,333	47,818	(10,485)	(21.9)
Transfers	(150)	(361)	211	(58.4)	150	361	(211)	(58.4)	-	-	-	-
Increase (decrease) in net position	9,947	1,784	8,163	457.6	27,386	46,034	(18,648)	(40.5)	37,333	47,818	(10,485)	(21.9)
Net position January 1	2,527,368	2,525,584	1,784	0.1	1,588,119	1,542,085	46,034	3.0	4,115,487	4,067,669	47,818	1.2
Net position December 31	<u>\$2,537,315</u>	<u>\$2,527,368</u>	<u>\$9,947</u>	0.4	<u>\$1,615,505</u>	<u>\$1,588,119</u>	<u>\$ 27,386</u>	1.7	<u>\$4,152,820</u>	<u>\$4,115,487</u>	<u>\$ 37,333</u>	0.9

Chart 2

Expenses Financed through Program Revenues – Governmental Activities

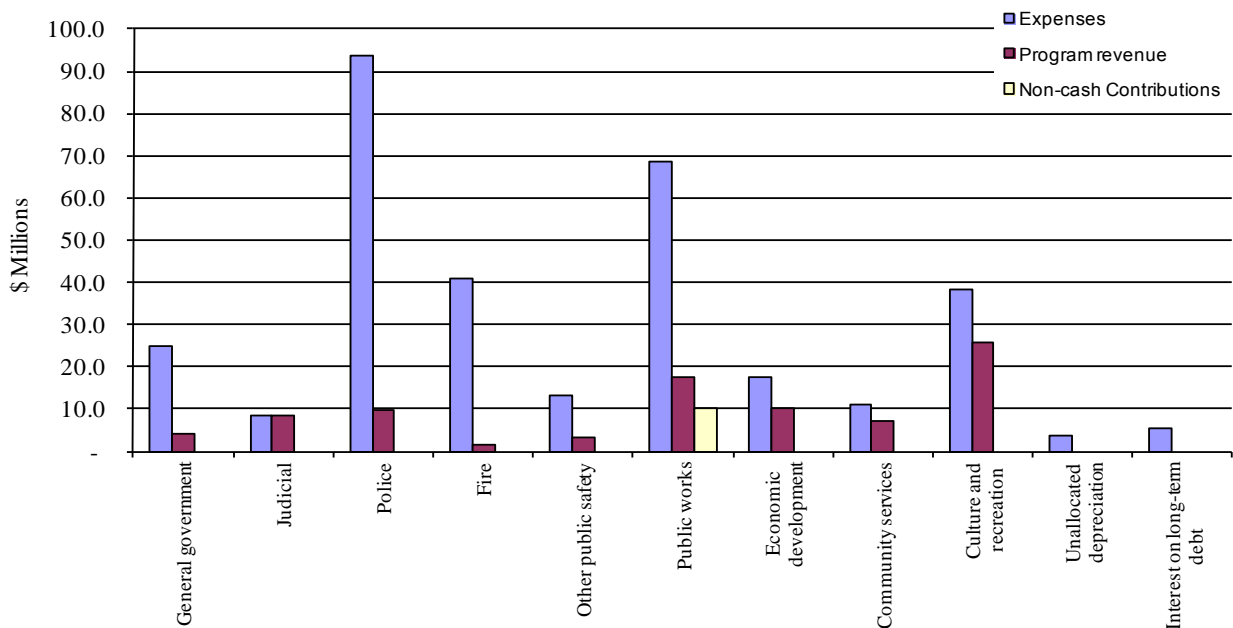


Chart 3

Revenues by Source – Governmental Activities

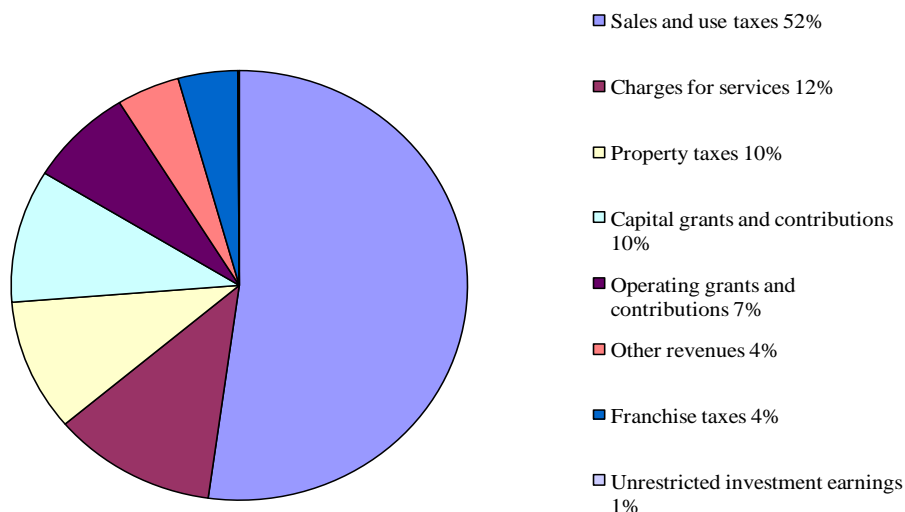


Chart 4

Refer to Chart 2 for changes in net position. Charts 3 and 4 graphically illustrate information concerning governmental activities revenues and expenses while Charts 5 and 6 graphically illustrate information concerning business-type activities revenues and expenses.

Governmental activities changes in net position

Total revenues increased \$15.9 million or 4.9%. Capital grants and contributions increased \$8.2 million primarily as a result of increase in developer contributed roads and easements of \$10.0 million. Operating grants and contributions decreased \$2.9 million due primarily to less spending in the Neighborhood Stabilization Program (NSP) home rehabilitation program as compared to last year. In 2012, activity had increased with the renovation and sale of NSP properties. In 2013, additional properties were purchased and renovated and are awaiting sale. As the properties sell, revenue and expense will be recognized.

Total governmental activities expenses increased \$7.9 million. Police expenses increased \$3.7 million to meet mandated staffing and equipment needs. Economic development expense increased \$2.1 million as development activity increased in urban renewal areas around the city. Community services expense decreased related to the slow down in NSP program spending as mentioned above. Culture and recreation expense increase corresponds to spending increases on multiple neighborhood park projects.

Business-type activities changes in net position

Total revenues for business-type activities decreased \$18.1 million or 8.6%. Charges for services decreased \$14.3 million primarily as a result of decreased water usage due to a wetter spring and fall flooding in 2013 that shortened the irrigation season. Conversely, record high consumption occurred in 2012 due to a dryer spring and hot, dry summer. Capital grants and contributions decreased \$3.6 million primarily as a result of no new loan proceeds received in 2013. In 2012, Wastewater Fund received \$5.0 million in loan proceeds, which were recognized as revenue, from the East Cherry Creek Valley Water and Sanitation District for the District's share of capital improvement costs. There was no similar loan agreement signed in 2013. This decrease is partially offset by increased water tap fees of \$1.8 million.

Water operating expenses decreased \$4.3 million primarily due to no loss on early extinguishment of debt in 2013; in 2012, the Water Fund defeased a portion of water revenue bonds and the corresponding loss on early extinguishment of debt increased expense in that year. Wastewater Fund related expenses increased \$5.3 million, or 11.1%, resulting from an increase in cost of services of \$3.8 million due to increased charges for wastewater treatment services and increased allocation of costs from other city functions. Additionally, Wastewater Fund defeased a portion of wastewater revenue bonds in 2013 and a loss on early extinguishment of debt of \$2.2 million contributed to the expense increase.

Expenses and Charges for Services – Business-type Activities

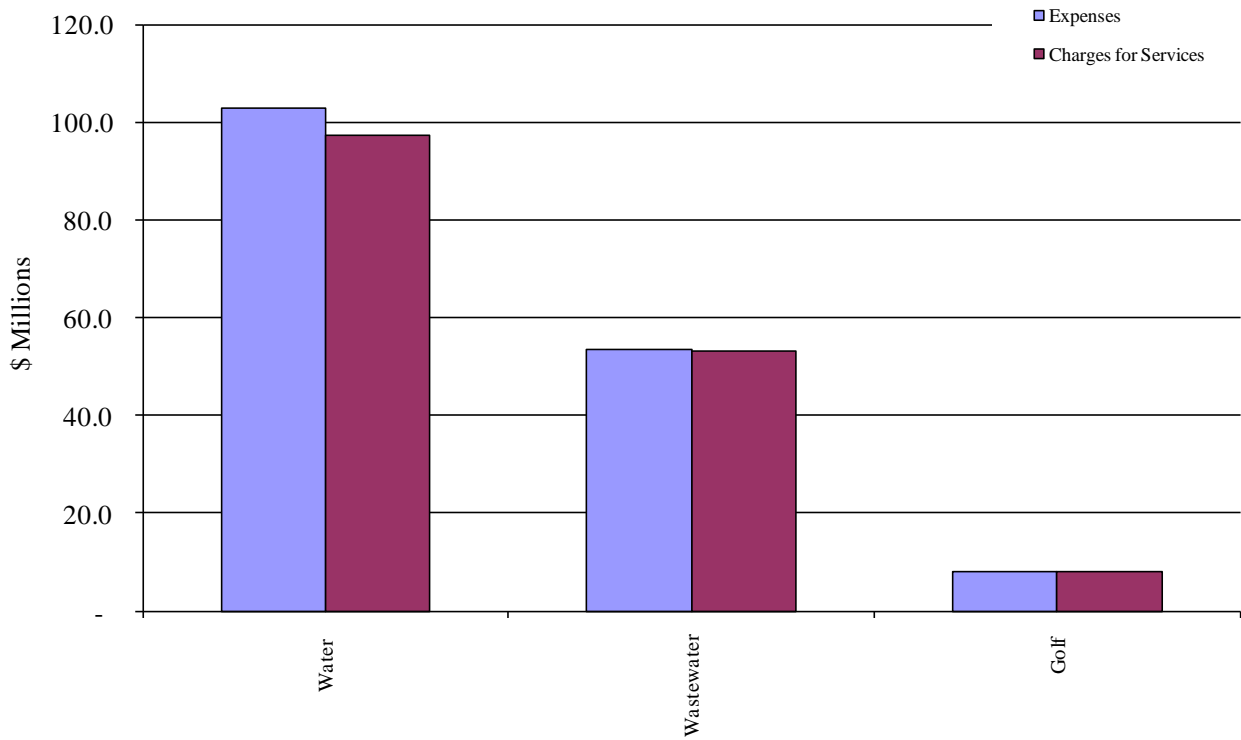


Chart 5

Revenues by Source – Business-type Activities

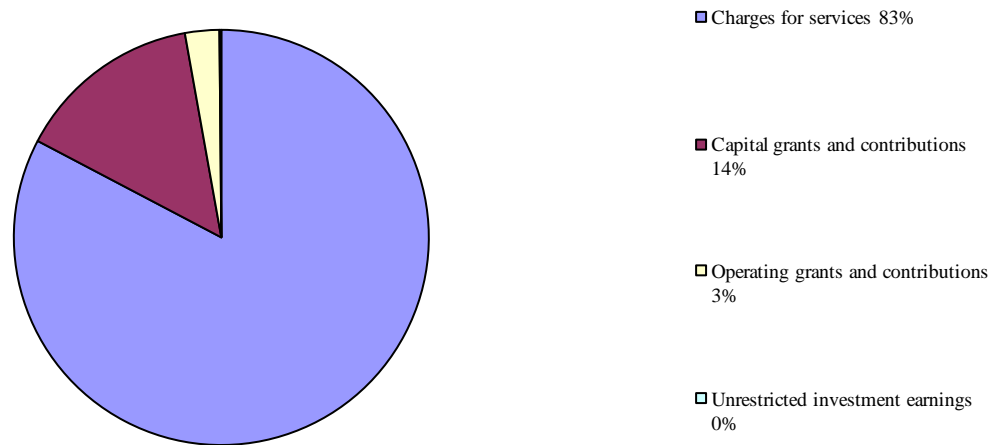


Chart 6

Financial Analysis of the Government's Funds**General Fund**

The General Fund is the main operating fund of the city. At the end of 2013, total fund balance for the General Fund was \$80.8 million. This amount includes: \$10.9 million restricted fund balance comprised primarily of the \$9.7 million TABOR reserve restricted for emergencies; \$26.8 million committed fund balance comprised mainly of the \$21.7 million 10% policy reserve; \$22.6 million assigned fund balance comprised primarily of \$19.4 million assigned to payment of long-term liabilities; and \$20.5 million for the unassigned fund balance operating reserve.

All of the unassigned General Fund fund balance is maintained as the "unassigned fund balance Operating Reserve". The Operating Reserve has a minimum target policy range of 1% to 3% of annual budgetary revenues and is intended to be spendable in limited circumstances as determined appropriate and necessary by City Council. City policy provides for restoring the Operating Reserve to those levels as quickly as feasible. The General Fund unassigned fund balance Operating Reserve was \$20.5 million at December 31, 2013 and \$22.2 million at December 31, 2012. The Operating Reserve is 7.8% of 2013 annual budgetary revenues or \$12.6 million above the 3% minimum target range specified by Council. Total General Fund funds available was 19.6% of total General Fund budgetary revenues in 2013, compared to 20.8% in 2012.

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 General Fund committed reserves. General Fund adjusted budgetary operating expenditures, for purposes of calculating this 10% 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 2013, the 10% Policy Reserve balance meets the minimum 10% policy. The total of the General Fund's 10% Policy Reserve balance committed to reserves and the "Taxpayer Bill of Rights" (TABOR) Reserve balance restricted for emergencies was 14.3% of the General Fund's 2013 adjusted budgetary operating expenditures.

The TABOR Reserve is restricted for emergencies for fund balance purposes. This balance accounts for the emergency reserve required by TABOR, a State constitutional amendment (Note 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 the TABOR amendment at December 31, 2013.

General Fund Budgetary Highlights

General Fund revenues for 2013 were greater than budget by \$16.6 million mainly resulting from gains in sales and use tax revenue as the economy continues its recovery from 2012 (bigger base) into 2013 (greater growth), and increased consumer confidence. General Fund expenditures were \$3.6 million under budget primarily from vacancy savings, lower water utility costs that resulted from late summer rains, lower debt costs, and lower equipment purchase costs as fleet replacement is deferred. December 31 ending funds available was \$13.8 million higher than original budget and \$20.2 million higher than the final budget. 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 Debt Administration***Capital Assets***

The city's capital assets for its governmental and business-type activities as of December 31, 2013, were valued at \$4.5 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, Note 6.

**Comparative Schedule of Capital Assets - net of accumulated depreciation December 31, 2013 and 2012
(in thousands)**

	Governmental Activities			Business-type Activities			Citywide Totals		
	2013	2012	Change	2013	2012	Change	2013	2012	Change
Land and water rights	\$ 264,385	\$ 254,715	\$ 9,670	\$ 376,576	\$ 369,582	\$ 6,994	\$ 640,961	\$ 624,297	\$ 16,664
Buildings and improvements	138,166	143,525	(5,359)	464,527	476,303	(11,776)	602,693	619,828	(17,135)
Infrastructure	2,071,930	2,088,790	(16,860)	1,015,003	985,150	29,853	3,086,933	3,073,940	12,993
Machinery and equipment	32,849	29,626	3,223	72,107	71,217	890	104,956	100,843	4,113
Construction in progress	1,489	7,616	(6,127)	66,992	86,480	(19,488)	68,481	94,096	(25,615)
Totals	<u>\$ 2,508,819</u>	<u>\$2,524,272</u>	<u>\$(15,453)</u>	<u>\$1,995,205</u>	<u>\$1,988,732</u>	<u>\$ 6,473</u>	<u>\$4,504,024</u>	<u>\$4,513,004</u>	<u>\$ (8,980)</u>

Chart 7

Major capital asset activity for the year ended December 31, 2013 included the following:

Governmental Activities Capital Assets

- Land and water rights increased as a result of the addition of permanent easements valued at \$4.8 million and various land additions mainly for parks and open space valued at \$4.4 million.
- Buildings and improvements decreased primarily due to additions to accumulated depreciation of \$5.8 million.
- Infrastructure decreased as a result of current year additions to accumulated depreciation of \$39.8 million. Additions to infrastructure include \$4.9 million for developer contributed roads. Transfers from construction in progress increased infrastructure for \$10.3 million for street overlays, \$1.1 million for traffic signals, \$1.9 million for Dam East Fence, and \$1.2 million for Colfax/17th Avenue improvements. Various smaller projects made up the remainder of infrastructure transferred from construction in progress.
- Machinery and equipment increased mainly from the transfer from construction in progress of \$3.0 million for the computer aided dispatch system equipment. Public safety and public works equipment valued at \$1.1 million was added through leases with the Aurora Colorado Leasing Corporation (ACLC). Additionally, other additions of fleet vehicles to machinery and equipment and decreases due to accumulated depreciation also occurred.
- Construction in progress decreased due to projects completed and transferred to other categories as discussed above. Additions to construction in progress included \$10.3 million for street overlays, \$1.8 million for computed aided dispatch system, and \$1.1 million for traffic signals.

Business-type Activities Capital Assets

- The purchase of \$3.6 million in water rights in the Water Fund and the purchase of land valued at \$2.4 million for the Easterly Creek detention pond land in the Wastewater Fund account for the majority of land and water rights increases.
- Buildings and improvements decrease is the result of additions to accumulated depreciation.
- Infrastructure increased mainly due to transfers from construction in progress for various projects including \$17.6 million for Tollgate sewer interceptor improvements, \$4.7 million for Prairie Waters Project system improvements, \$17.0 million for various water and sewer line improvements, \$3.7 million for the Gun Club/Mississippi line improvement, \$2.2 million for the Jefferson Lake project, and \$2.2 million for contributed mains from developers. Infrastructure decreased \$18.0 million through additions to accumulated depreciation.
- Construction in progress assets completed and transferred to infrastructure accounted for the majority of the decrease. Other projects, including \$8.6 million for Homestake Reservoir improvements, \$2.5 million for Baranmor Ditch improvements, \$2.5 million for Cherry Creek spill channel, \$2.6 million for Challenger storage and various water storage and water and sewer main replacements and improvements totaling close to \$12.0 million, were added to construction in progress.

Debt Administration

At the end of 2013, the city had total bonded debt of \$560.4 million and \$91.6 million in certificates of participation (COPs). COPs are issued for particular projects and are repaid from lease payments made by the city for use of the acquired property. Aurora Capital Leasing Corporation (ACLC), a blended component unit, issues the COPs. Outstanding debt by activity at December 31, 2013, and 2012 was as follows:

Comparative Schedule of Outstanding Debt December 31, 2013 and 2012 (in thousands)

	Primary Government								
	Governmental Activities			Business-type Activities			Citywide Totals		
	2013	2012	Change	2013	2012	Change	2013	2012	Change
General Obligation Bonds	\$ 10,468	\$ 14,929	\$ (4,461)	\$ -	\$ -	\$ -	\$ 10,468	\$ 14,929	\$ (4,461)
Revenue Bonds	1,635	3,225	(1,590)	548,395	568,900	(20,505)	550,030	572,125	(22,095)
Total Bonded Debt	12,103	18,154	(6,051)	548,395	568,900	(20,505)	560,498	587,054	(26,556)
Certificates of Participation	91,570	96,970	(5,400)	-	-	-	91,570	96,970	(5,400)
Totals	\$103,673	\$115,124	\$ (11,451)	\$548,395	\$568,900	\$ (20,505)	\$652,068	\$684,024	\$ (31,956)

Chart 8

Citywide net bonded and COP debt decreased \$32.0 million during 2013 due to \$7.8 million in bonded debt payments and \$5.4 million in COP payments. In addition, during 2013, the First Lien Sewer Series 2006 revenue bonds were defeased for \$18.8 million. This unscheduled, voluntary sewer debt pay down was made from available funds and will result in significant savings along with improved debt coverage ratios.

The city's underlying general obligation debt rating is Aa1 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 in the Statistical Section of this report, Exhibit A-16, and additional information on the city's debt can be found in the notes to the basic financial statements, Note 7.

Economic Factors and Rate Increases

- In December 2013, the local unemployment rate for Denver-Aurora-Broomfield was at 6.7%. This rate compares favorably to the state's average unemployment rate of 6.8% and the national unemployment rate of 7.4%.
- Aurora-Denver nonfarm employment in 2013 is up 2.7% over last year.
- Housing starts for the city in 2013 increased 17.8% over last year. This is just slightly more favorable than the national increase of 17.7% over last year and the state's increase of 17.1%.
- Water, wastewater, and storm drain user rates will increase 0.0%, 3.8% and 0.0%, respectively, in 2014 to fund operating expenses 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.

* * * * *



AURORA MUNICIPAL

Citywide Financial Statements



Basic Financial Statements

CITY OF AURORA, COLORADO
CITYWIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 14,949,499	\$ 29,189,397	\$ 44,138,896	\$ 135,724
Investments	82,860,088	175,885,245	258,745,333	—
<i>Receivables (net of allowance)</i>				
Taxes receivable	48,091,720	—	48,091,720	304,737
Accounts receivable	1,576,981	14,013,106	15,590,087	1,882
Interest receivable	691,467	628,076	1,319,543	—
Due from other governments	1,220,597	274,101	1,494,698	—
Other receivables	370,081	1,322,379	1,692,460	6,508
Internal balances	438,393	(438,393)	—	—
Inventories	720,879	158,603	879,482	—
<i>Restricted assets</i>				
Cash and cash equivalents	11,673,789	374,000	12,047,789	—
Investments	55,125,631	53,075,780	108,201,411	—
Taxes receivable	8,374,274	—	8,374,274	—
Accounts receivable	33,817	—	33,817	—
Interest receivable	23,258	890,681	913,939	—
Due from other governments	3,146,704	—	3,146,704	—
Other receivables	3,588,282	7,089,168	10,677,450	—
Inventories	1,233,897	—	1,233,897	—
Notes receivable	213,165	2,727,544	2,940,709	—
Equity in joint venture	—	2,312,110	2,312,110	—
<i>Capital assets (net of accumulated depreciation)</i>				
Land and water rights	264,385,541	376,575,544	640,961,085	—
Buildings and improvements	138,165,906	464,526,588	602,692,494	—
Infrastructure	2,071,929,972	1,015,003,477	3,086,933,449	46,503
Machinery and equipment	32,849,263	72,107,203	104,956,466	31,493
Construction in progress	1,488,502	66,992,496	68,480,998	—
Total assets	<u>2,743,151,706</u>	<u>2,282,707,105</u>	<u>5,025,858,811</u>	<u>526,847</u>
DEFERRED OUTFLOWS OF RESOURCES	9,531,565	497,552	10,029,117	—
LIABILITIES				
Accounts payable	7,454,340	10,671,449	18,125,789	8,432
Accrued interest	466,709	13,042,397	13,509,106	—
Other payables	1,048,489	2,795,208	3,843,697	—
Unearned revenues	1,450,386	648,912	2,099,298	—
<i>Noncurrent liabilities</i>				
Due within one year	21,183,654	2,830,276	24,013,930	—
Due beyond one year	150,157,052	637,710,879	787,867,931	—
Total liabilities	<u>181,760,630</u>	<u>667,699,121</u>	<u>849,459,751</u>	<u>8,432</u>
DEFERRED INFLOWS OF RESOURCES	33,607,749	—	33,607,749	304,737
NET POSITION				
Net investment in capital assets	2,412,387,375	1,398,819,086	3,811,206,461	77,996
Restricted				
Culture, recreation, and open space	24,968,445	—	24,968,445	—
Development	6,998,948	—	6,998,948	—
Gifts and grants	2,207,605	—	2,207,605	—
Public improvement	5,674,665	7,463,167	13,137,832	—
Emergencies	17,938,257	—	17,938,257	11,683
Unrestricted	67,139,597	209,223,283	276,362,880	123,999
Total net position	<u>\$ 2,537,314,892</u>	<u>\$ 1,615,505,536</u>	<u>\$ 4,152,820,428</u>	<u>\$ 213,678</u>

CITY OF AURORA, COLORADO

CITYWIDE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		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	\$ 24,696,431	\$ 3,298,514	\$ 649,784	\$ 24,194	\$ (20,723,939)	\$ —	\$ (20,723,939)	
Judicial	8,553,513	8,302,244	101,132	—	(150,137)	—	(150,137)	
Police	93,929,360	4,685,849	5,183,679	—	(84,059,832)	—	(84,059,832)	
Fire	40,882,297	1,061,960	338,822	159,206	(39,322,309)	—	(39,322,309)	
Other public safety	13,209,769	—	3,137,947	—	(10,071,822)	—	(10,071,822)	
Public works	68,713,623	882,032	1,721,177	25,054,222	(41,056,192)	—	(41,056,192)	
Economic development	17,710,893	9,827,665	351,596	137,427	(7,394,205)	—	(7,394,205)	
Community services	11,094,827	3,244,069	3,933,956	—	(3,916,802)	—	(3,916,802)	
Culture and recreation	38,521,649	7,888,042	9,646,618	8,288,284	(12,698,705)	—	(12,698,705)	
Unallocated depreciation, excluding direct program depreciation	3,783,709	—	—	—	(3,783,709)	—	(3,783,709)	
Interest on long-term debt	5,367,645	—	—	—	(5,367,645)	—	(5,367,645)	
Total governmental activities	326,463,716	39,190,375	25,064,711	33,663,333	(228,545,297)	—	(228,545,297)	
<i>Business-type activities</i>								
Water	102,907,859	97,187,860	4,350,784	23,137,323	—	21,768,108	21,768,108	
Wastewater	53,493,344	53,202,354	752,879	4,612,824	—	5,074,713	5,074,713	
Golf	7,915,159	8,015,101	12,873	—	—	112,815	112,815	
Total business-type activities	164,316,362	158,405,315	5,116,536	27,750,147	—	26,955,636	26,955,636	
Total primary government	\$ 490,780,078	\$ 197,595,690	\$ 30,181,247	\$ 61,413,480	(228,545,297)	26,955,636	(201,589,661)	
Component Unit	\$ 458,107	\$ 11,298	\$ 633	\$ —			\$ (446,176)	

	<u>Primary Government</u>			
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Component Unit</u>
General Revenues				
<i>Taxes</i>				
Sales and use	175,628,735	—	175,628,735	—
Property taxes	33,385,392	—	33,385,392	344,792
Franchise taxes	14,187,444	—	14,187,444	—
Lodgers taxes	5,523,874	—	5,523,874	—
Occupational privilege taxes	4,496,002	—	4,496,002	—
Other taxes	4,220,881	—	4,220,881	24,052
Grants and contributions not restricted to specific programs	835,737	—	835,737	—
Unrestricted investment earnings	364,353	281,065	645,418	—
Transfers	(150,000)	150,000	—	—
Total general revenues and transfers	<u>238,492,418</u>	<u>431,065</u>	<u>238,923,483</u>	<u>368,844</u>
INCREASE (DECREASE) IN NET POSITION	9,947,121	27,386,701	37,333,822	(77,332)
NET POSITION - January 1	<u>2,527,367,771</u>	<u>1,588,118,835</u>	<u>4,115,486,606</u>	<u>291,010</u>
NET POSITION - December 31	<u>\$ 2,537,314,892</u>	<u>\$ 1,615,505,536</u>	<u>\$ 4,152,820,428</u>	<u>\$ 213,678</u>

See notes to the basic financial statements.



Basic Financial Statements



GOVERNMENTAL FUNDS

Major governmental funds include the General Fund and any governmental fund that comprises 10% or more of total governmental fund classification (assets, liabilities, revenues or expenditures) and at least 5% of the governmental and enterprise fund totals for the same classification. The General Fund is considered to be the only major fund.

MAJOR GOVERNMENTAL FUND

General Fund

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 funds, debt service funds and capital projects funds.

CITY OF AURORA, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2013

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 7,098,410	\$ 6,083,488	\$ 13,181,898
Investments	42,633,446	28,440,364	71,073,810
<i>Receivables (net of allowance)</i>			
Taxes receivable	48,091,720	—	48,091,720
Accounts receivable	971,031	605,950	1,576,981
Interest receivable	647,453	3,540	650,993
Due from other governments	1,211,159	9,438	1,220,597
Other receivables	105,424	6,688	112,112
Due from other funds	851,237	—	851,237
<i>Restricted assets</i>			
Cash and cash equivalents	2,839,976	8,833,813	11,673,789
Investments	8,042,684	47,082,947	55,125,631
Taxes receivable	—	8,374,274	8,374,274
Accounts receivable	227	33,590	33,817
Interest receivable	—	23,258	23,258
Due from other governments	—	3,146,704	3,146,704
Other receivables	—	3,588,282	3,588,282
Inventory	—	1,233,897	1,233,897
Notes receivable	83,000	130,165	213,165
Total assets	<u>\$ 112,575,767</u>	<u>\$ 107,596,398</u>	<u>\$ 220,172,165</u>
LIABILITIES			
Accounts payable	\$ 4,557,155	\$ 3,629,832	\$ 8,186,987
Other payables	720,430	328,059	1,048,489
Due to other funds	—	234,069	234,069
Unearned revenues	—	1,450,386	1,450,386
Total liabilities	<u>5,277,585</u>	<u>5,642,346</u>	<u>10,919,931</u>
DEFERRED INFLOWS OF RESOURCES	26,526,394	10,276,708	36,803,102
FUND BALANCES			
Restricted	10,882,887	58,249,010	69,131,897
Committed	26,753,062	4,942,460	31,695,522
Assigned	22,653,025	28,485,874	51,138,899
Unassigned	20,482,814	—	20,482,814
Total fund balances	<u>80,771,788</u>	<u>91,677,344</u>	<u>172,449,132</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 112,575,767</u>	<u>\$ 107,596,398</u>	<u>\$ 220,172,165</u>

CITY OF AURORA, COLORADO

GOVERNMENTAL FUNDS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE CITYWIDE STATEMENT OF NET POSITION
DECEMBER 31, 2013**

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

Total fund balance - governmental funds (see page 5)		\$ 172,449,132
Internal Balances		
Interfund loans for golf equipment	617,168	
Interfund loan for land purchase	(1,291,315)	
Accumulated internal service fund loss attributable to business-type activities	<u>1,112,540</u>	438,393
Due to / due from amounts are eliminated for citywide reporting.		
Due to other funds		234,069
Due from other funds		(851,237)
The net pension asset is not available to pay current period expenditures and, therefore, is not recorded in the funds. (See Note 11)		257,969
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Less \$460,485 Fleet Internal Service Fund capital assets.		2,508,358,699
Deferred loss on refunding is amortized over future periods and is not recorded in the funds.		9,531,565
Accounts payable and other current liabilities are adjusted for interest payable on bonds, which are not paid in the current period and, therefore, not recorded in the funds.		(466,709)
Deferred inflows of resources from tax audit receivables, long term receivables, notes receivable, and special assessments have been recognized as revenue at citywide. (See Note 1D)		3,195,353
Noncurrent liabilities including, bonds, certificates of participation, accrued compensated absences, and the net pension obligation are not due and payable in the current period and, therefore, are not recorded in the funds.		
Due within year -		
Due within one year on citywide statement of net position	21,183,654	
Internal service fund current portion long-term liabilities	(5,663,373)	
Funded portion of accrued compensated absences reclassified from accounts payable in the funds to long term debt at citywide.	<u>(966,186)</u>	(14,554,095)
Due beyond one year -		
Due beyond one year on citywide statement of net position	150,157,052	
Internal service fund due beyond one year	<u>(4,542,737)</u>	(145,614,315)
Internal Service Funds are used by the city to accumulate and allocate fleet management and risk management costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the citywide statement of net position as they predominately benefit governmental activities.		4,336,068
Net position of governmental activities (see page 1)		<u><u>\$ 2,537,314,892</u></u>

CITY OF AURORA, COLORADO

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
<i>Taxes</i>			
Sales and use	\$ 172,904,238	\$ 2,724,497	\$ 175,628,735
Property	25,113,853	8,271,539	33,385,392
Franchise	14,187,444	—	14,187,444
Lodgers	5,214,443	309,431	5,523,874
Occupational privilege	4,036,279	459,723	4,496,002
Other	4,826,706	24,558	4,851,264
Charges for services	11,068,914	12,202,878	23,271,792
Licenses and permits	2,439,943	7,686,615	10,126,558
Fines and forfeitures	10,792,601	10,173	10,802,774
Special assessments	—	493,650	493,650
Intergovernmental	13,979,711	27,024,887	41,004,598
Surcharges	333,982	3,102,060	3,436,042
Miscellaneous	1,500,919	3,358,678	4,859,597
Investment earnings	316,380	49,758	366,138
Total revenues	<u>266,715,413</u>	<u>65,718,447</u>	<u>332,433,860</u>
EXPENDITURES			
<i>Current</i>			
General government	23,470,892	1,305,081	24,775,973
Judicial	8,346,956	102,849	8,449,805
Police	88,859,630	3,706,618	92,566,248
Fire	39,372,791	276,965	39,649,756
Other public safety	10,514,310	2,314,140	12,828,450
Public works	23,986,149	5,969,968	29,956,117
Economic development	4,835,077	12,796,040	17,631,117
Community services	4,402,416	6,567,116	10,969,532
Culture and recreation	15,956,170	18,949,007	34,905,177
<i>Debt service</i>			
Principal	407,080	12,227,120	12,634,200
Interest	12,055	5,505,525	5,517,580
Capital outlay	2,876,987	22,497,371	25,374,358
Total expenditures	<u>223,040,513</u>	<u>92,217,800</u>	<u>315,258,313</u>
Excess (deficiency) of revenues over (under) expenditures	<u>43,674,900</u>	<u>(26,499,353)</u>	<u>17,175,547</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,561,714	48,679,518	50,241,232
Transfers out	(43,878,745)	(7,012,487)	(50,891,232)
Proceeds from capital lease	—	1,336,997	1,336,997
Proceeds from interfund loan	—	1,231,315	1,231,315
Sale of capital assets	226,286	37,354	263,640
Total other financing sources (uses)	<u>(42,090,745)</u>	<u>44,272,697</u>	<u>2,181,952</u>
NET CHANGE IN FUND BALANCES	1,584,155	17,773,344	19,357,499
FUND BALANCES - January 1	<u>79,187,633</u>	<u>73,904,000</u>	<u>153,091,633</u>
FUND BALANCES - December 31	<u>\$ 80,771,788</u>	<u>\$ 91,677,344</u>	<u>\$ 172,449,132</u>

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, 2013

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)	\$ 19,357,499
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 reported as revenue in the funds when collected. Amounts accrued in the prior year exceeded amounts collected in the current year.	(630,383)
Charges for services generated internally are eliminated at citywide.	
Charges for services - revenue	(5,013,676)
Charges for services - expenditures	5,013,676
The change in special assessment revenue, deferred inflow of resources in the funds, is recognized as revenue at citywide.	(493,650)
Street infrastructure donated by developers and easement infrastructure are recorded as revenue at citywide, however, they are not a current financial source and, therefore, not recorded in the funds.	10,043,470
The change in miscellaneous revenues is recognized as revenue at citywide. The decrease represents write-off of developer funded traffic signal construction costs.	(63,818)
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 net pension asset / obligation (see Note 7 and Note 11)	(1,632,121)
Change in OPEB obligation (see Note 7)	(992,480)
Change in accrued compensated absences, less Internal Service Funds	348,048
Change in aid to agencies	(137,186)
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 discounts and premiums are made at citywide only.	
Repayment of principal	12,634,200
Accrued interest	49,211
Amortization of premium and discount	945,552
Amortization of loss on refunding	(844,828)
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 (see Note 6 less roads and easements)	25,374,358
Depreciation (see Note 6 less Fleet Fund depreciation)	(50,219,276)
Proceeds from capital leases and interfund loans are recorded in the funds but have no affect on net position.	(2,568,312)
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.	(556,070)
Internal Service Funds are used by the city to accumulate and allocate fleet management and risk management costs to individual funds. The change in net position of the internal service funds are included in governmental activities in the citywide statement of net position as they predominately benefit governmental activities.	
Governmental - type	(963,963)
Business - type	296,870
Increase in net position of governmental activities (see page 3)	<u>\$ 9,947,121</u>



Basic Financial Statements

PROPRIETARY FUNDS

Major proprietary funds are enterprise funds that comprise 10% or more of total enterprise fund classification (assets, liabilities, revenues or expenses) and at least 5% of the combined governmental and enterprise fund total for the same classification.

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 position is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Water Fund and the Wastewater Fund are major funds.

MAJOR PROPRIETARY 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 FUND

Golf Fund

The Golf Fund accounts for the operation and maintenance of city owned or operated golf courses.



CITY OF AURORA, COLORADO
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor	Total	Activities
	Water	Wastewater	Fund	Enterprise	Internal
		Golf	Funds	Service Funds	
ASSETS					
<i>Current Assets</i>					
Cash and cash equivalents	\$ 20,415,091	\$ 8,001,406	\$ 772,900	\$ 29,189,397	\$ 1,767,601
Investments	125,621,144	48,742,827	1,521,274	175,885,245	11,786,278
<i>Receivables (net of allowance)</i>					
Accounts receivable	8,203,091	5,810,015	—	14,013,106	—
Interest receivable	519,234	108,842	—	628,076	40,474
Due from other governments	116,115	157,986	—	274,101	—
Other receivable	987,003	335,376	—	1,322,379	—
<i>Restricted assets</i>					
Investments	10,504,339	649,922	—	11,154,261	—
Current portion of notes receivable	—	1,543,767	—	1,543,767	—
Current portion of interfund loans	—	50,000	—	50,000	—
Inventories	—	—	158,603	158,603	720,879
Total current assets	166,366,017	65,400,141	2,452,777	234,218,935	14,315,232
<i>Noncurrent assets</i>					
<i>Restricted assets</i>					
Cash and cash equivalents	374,000	—	—	374,000	—
Investments	37,689,567	3,749,250	482,702	41,921,519	—
Interest receivable	804,885	84,685	1,111	890,681	—
Other receivables	—	7,089,168	—	7,089,168	—
Notes receivable	—	1,183,777	—	1,183,777	—
Interfund loans	1,291,315	4,234,000	—	5,525,315	—
Equity in joint venture	2,312,110	—	—	2,312,110	—
<i>Capital assets (net of accumulated depreciation)</i>					
Land and water rights	348,641,457	12,642,484	15,291,603	376,575,544	—
Buildings and improvements	412,953,323	49,397,240	2,176,025	464,526,588	—
Infrastructure	642,735,929	361,591,139	10,676,409	1,015,003,477	227,835
Machinery and equipment	69,555,342	1,678,562	873,299	72,107,203	232,650
Construction in progress	57,043,738	9,948,758	—	66,992,496	—
Total capital assets	1,530,929,789	435,258,183	29,017,336	1,995,205,308	460,485
Total noncurrent assets	1,573,401,666	451,599,063	29,501,149	2,054,501,878	460,485
Total assets	1,739,767,683	516,999,204	31,953,926	2,288,720,813	14,775,717
DEFERRED OUTFLOWS OF RESOURCES	472,825	—	24,727	497,552	—
LIABILITIES					
<i>Current liabilities</i>					
Accounts payable	7,166,586	3,460,890	43,973	10,671,449	233,539
Accrued interest	12,371,409	648,509	22,479	13,042,397	—
Other payables	1,635,435	1,159,773	—	2,795,208	—
Unearned revenues	—	—	648,912	648,912	—
Current portion - interfund loans	—	—	261,197	261,197	—
Current portion - long-term liabilities	2,015,032	258,223	557,021	2,830,276	5,663,373
Total current liabilities	23,188,462	5,527,395	1,533,582	30,249,439	5,896,912
<i>Noncurrent liabilities</i>					
Interfund loans	—	—	4,639,971	4,639,971	—
Due beyond one year	602,796,460	33,740,466	1,173,953	637,710,879	4,542,737
Total noncurrent liabilities	602,796,460	33,740,466	5,813,924	642,350,850	4,542,737
Total liabilities	625,984,922	39,267,861	7,347,506	672,600,289	10,439,649
NET POSITION					
Net investment in capital assets	964,745,286	405,549,035	28,524,765	1,398,819,086	460,485
Restricted for public improvement	374,000	7,089,167	—	7,463,167	—
Unrestricted	149,136,300	65,093,141	(3,893,618)	210,335,823	3,875,583
Total net position	\$ 1,114,255,586	\$ 477,731,343	\$ 24,631,147	\$ 1,616,618,076	\$ 4,336,068

CITY OF AURORA, COLORADO
PROPRIETARY FUNDS
RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION TO THE CITYWIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2013

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

Total net position - proprietary funds (see page 10)	\$ 1,616,618,076
The current and long-term portions of the Murphy Creek interfund loan between the Wastewater Fund and the Golf Fund are eliminated.	
Wastewater Fund - asset	(4,284,000)
Golf Fund - liability	4,284,000
The current and long-term portions of the golf cart interfund loans between the General Fund and the Golf Fund are eliminated. As these loans cross between Governmental Activities and Business-type Activities at citywide, these amounts are recorded on the internal balances line.	
General Fund - asset	(617,168)
Golf Fund - liability	617,168
The Fanfare interfund loan between the AURA General Fund and the Water Fund is eliminated. As these loans cross between Governmental Activities and Business-type Activities at citywide, these amounts are recorded on the internal balances line.	
AURA General Fund - liability	1,291,315
Water Fund - asset	(1,291,315)
The internal balances due to the governmental activities from the business-type activities result from the allocation of the cumulative Internal Service Fund loss.	(1,112,540)
Net position of business-type activities (see page 1)	<u>\$ 1,615,505,536</u>

CITY OF AURORA, COLORADO

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013

	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	\$ 97,187,860	\$ 53,202,354	\$ 8,015,101	\$ 158,405,315	\$ 15,128,209
OPERATING EXPENSES					
Cost of sales and services	42,640,617	39,732,792	5,937,423	88,310,832	11,132,689
Claims losses	—	—	—	—	5,549,769
Administrative expenses	4,223,389	1,403,135	949,763	6,576,287	112,934
Depreciation	28,469,745	8,866,969	916,830	38,253,544	95,130
Total operating expenses	75,333,751	50,002,896	7,804,016	133,140,663	16,890,522
Operating income (loss)	21,854,109	3,199,458	211,085	25,264,652	(1,762,313)
NONOPERATING REVENUES (EXPENSES)					
Investment earnings (loss)	2,006,894	541,454	10,947	2,559,295	(1,785)
Intergovernmental revenue	2,180,526	528,439	—	2,708,965	—
Miscellaneous revenues/expenses	267,117	22,540	12,874	302,531	301,040
Interest expense	(25,650,137)	(1,592,843)	(250,500)	(27,493,480)	—
Amortization of premiums and (discounts), net	398,385	444,907	(12,364)	830,928	—
Gain (loss) on disposal of capital assets	(2,089,943)	(85,195)	3,848	(2,171,290)	(905)
Loss on early extinguishment of debt	—	(2,184,549)	—	(2,184,549)	—
Gain (loss)-Joint Venture	(33,628)	—	—	(33,628)	—
Net nonoperating revenues (expenses)	(22,920,786)	(2,325,247)	(235,195)	(25,481,228)	298,350
Income (loss) before capital contributions and transfers	(1,066,677)	874,211	(24,110)	(216,576)	(1,463,963)
Capital contributions	23,137,323	4,612,824	—	27,750,147	—
Transfers in	—	—	150,000	150,000	500,000
CHANGE IN NET POSITION	22,070,646	5,487,035	125,890	27,683,571	(963,963)
NET POSITION - January 1	1,092,184,940	472,244,308	24,505,257	1,588,934,505	5,300,031
NET POSITION - December 31	\$ 1,114,255,586	\$ 477,731,343	\$ 24,631,147	\$ 1,616,618,076	\$ 4,336,068

CITY OF AURORA, COLORADO

PROPRIETARY FUNDS

**RECONCILIATION OF THE PROPRIETARY FUNDS ON THE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION TO THE CITYWIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013**

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

Net change in net position - total enterprise funds (see page 12)	\$ 27,683,571
The current year Internal Service Fund operating loss attributable to business-type activities is eliminated for citywide reporting.	(296,870)
Increase in net position of business-type activities (see page 3)	<u>\$ 27,386,701</u>

CITY OF AURORA, COLORADO

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2013

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor Fund	Total Enterprise Funds	Activities Internal Service Funds
	Water	Wastewater	Golf		
CASH FLOWS FROM OPERATING ACTIVITIES					
<i>Cash received from:</i>					
Customers and others	\$ 101,659,022	\$ 53,323,061	\$ 8,065,867	\$ 163,047,950	\$ 303,967
Interfund services provided and used	—	—	—	—	15,125,282
<i>Cash payments to:</i>					
Employees	(20,102,458)	(10,997,424)	(3,925,449)	(35,025,331)	(3,584,459)
Suppliers for goods and services	(27,610,221)	(28,997,418)	(2,883,467)	(59,491,106)	(13,478,644)
Net cash provided by (used in) operating activities	53,946,343	13,328,219	1,256,951	68,531,513	(1,633,854)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash transfers in	—	—	150,000	150,000	500,000
Interfund loan transactions	(1,231,315)	50,000	—	(1,181,315)	—
Net cash provided by (used in) noncapital financing activities	(1,231,315)	50,000	150,000	(1,031,315)	500,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
<i>Proceeds from:</i>					
Capital contributions	22,097,787	4,283,819	—	26,381,606	—
Sale of capital assets	99,773	10,634	3,848	114,255	—
Grants	—	5,144	—	5,144	—
Interfund loan	—	—	379,990	379,990	—
Intergovernmental agreements	—	370,814	—	370,814	—
Note receivable principal	—	2,694,200	29,155	2,723,355	—
<i>Payments for:</i>					
Capital assets	(20,705,492)	(16,770,495)	(396,650)	(37,872,637)	—
Capital assets acquired through construction payables	(4,717,573)	(2,932,782)	—	(7,650,355)	—
Principal on capital debt (golf amount includes interfund loan payment of \$262,491)	(2,162,746)	(20,035,000)	(732,491)	(22,930,237)	—
Interest on capital debt	(28,177,583)	(2,509,012)	(251,498)	(30,938,093)	—
Prepayment on debt	—	(2,184,549)	—	(2,184,549)	—
Deposits for future construction	654,168	(448,153)	—	206,015	—
Net cash used in capital and related financing activities	(32,911,666)	(37,515,380)	(967,646)	(71,394,692)	—
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) decrease in equity in pooled investments	(11,440,887)	26,207,385	—	14,766,498	1,914,688
(Increase) decrease in investments	15,308	—	(218,735)	(203,427)	—
Interest received	3,336,447	1,240,810	42,510	4,619,767	132,855
Net cash provided by (used in) investing activities	(8,089,132)	27,448,195	(176,225)	19,182,838	2,047,543

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor	Total	Activities
	Water	Wastewater	Fund	Enterprise	Internal
		Golf	Funds	Service Funds	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,714,230	3,311,034	263,080	15,288,344	913,689
TOTAL CASH AND CASH EQUIVALENTS, January 1					
(including \$1,284,000 for the Water Fund reported as restricted cash)	9,074,861	4,690,372	509,820	14,275,053	853,912
TOTAL CASH AND CASH EQUIVALENTS, December 31					
(including \$374,000 for the Water Fund reported as restricted cash)	<u>\$ 20,789,091</u>	<u>\$ 8,001,406</u>	<u>\$ 772,900</u>	<u>\$ 29,563,397</u>	<u>\$ 1,767,601</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
OPERATING INCOME (LOSS)	<u>\$ 21,854,109</u>	<u>\$ 3,199,458</u>	<u>\$ 211,085</u>	<u>\$ 25,264,652</u>	<u>\$ (1,762,313)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Depreciation	28,469,745	8,866,969	916,830	38,253,544	95,130
Miscellaneous nonoperating revenues	2,447,643	22,540	12,874	2,483,057	301,040
<i>Changes in operating assets and liabilities</i>					
Receivables	1,975,015	98,167	—	2,073,182	—
Inventories	—	—	5,174	5,174	(104,702)
Accounts payable and accrued liabilities	(800,169)	1,141,085	73,095	414,011	(163,009)
Unearned revenues	—	—	37,893	37,893	—
Total adjustments	<u>32,092,234</u>	<u>10,128,761</u>	<u>1,045,866</u>	<u>43,266,861</u>	<u>128,459</u>
Net cash provided by (used in) operating activities	<u>\$ 53,946,343</u>	<u>\$ 13,328,219</u>	<u>\$ 1,256,951</u>	<u>\$ 68,531,513</u>	<u>\$ (1,633,854)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Contribution of capital assets	\$ 1,039,537	\$ 329,003	\$ —	\$ 1,368,540	\$ —
Capital assets acquired through payables	4,239,702	566,012	—	4,805,714	—
Increase (decrease) in fair value of investments	(1,211,366)	(598,251)	(31,465)	(1,841,082)	(118,951)
Amortization of discount and premium	398,385	444,907	(12,364)	830,928	—

See notes to the basic financial statements.





Basic Financial Statements

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 Funds

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. The agency funds are comprised of the Payroll Clearing Fund and the Aurora 7/20 Relief Fund.

CITY OF AURORA, COLORADO
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2013

	Pension Trust Funds	Agency Fund
	<u> </u>	<u> </u>
ASSETS		
<i>Current assets</i>		
Cash and equivalents	\$ 6,435,743	\$ 9,028,254
<i>Investments</i>		
Equity securities and funds	193,370,840	—
U.S. government treasury and U.S. government agency obligations	11,670,136	—
Corporate notes, bonds and funds	98,068,011	—
Real estate funds	32,976,018	—
Alternative investments	48,583,411	—
<i>Receivables (net of allowance)</i>		
Interest receivable	682,601	—
Due from other governments	494,916	—
Prepaid expenses	5,750	—
	<u> </u>	<u> </u>
Total assets	<u>392,287,426</u>	<u>\$ 9,028,254</u>
LIABILITIES		
<i>Current liabilities</i>		
Accounts payable and other current liabilities	556,020	\$ 9,028,254
	<u> </u>	<u> </u>
Total liabilities	<u>556,020</u>	<u>\$ 9,028,254</u>
NET POSITION		
Held in trust for pension benefits	<u>391,731,406</u>	
	<u> </u>	
Total net position	<u>\$ 391,731,406</u>	

CITY OF AURORA, COLORADO
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013

	Pension Trust Funds
	<u> </u>
ADDITIONS	
<i>Contributions</i>	
City	\$ 5,189,587
Plan members	5,021,435
	<u> </u>
Total contributions	10,211,022
	<u> </u>
<i>Investment activity</i>	
Investment earnings	53,522,516
Investment expense	(1,440,603)
	<u> </u>
Net investment earnings	52,081,913
	<u> </u>
Other income	42,323
	<u> </u>
Total additions, net	62,335,258
	<u> </u>
DEDUCTIONS	
Benefits	17,218,069
Administrative expenses	606,654
	<u> </u>
Total deductions	17,824,723
	<u> </u>
CHANGE IN NET POSITION	44,510,535
NET POSITION - January 1	347,220,871
	<u> </u>
NET POSITION - December 31	<u>\$ 391,731,406</u>

AURORA MUNICIPAL

Basic Financial Statements



Notes to the
Basic Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The City of Aurora (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. 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 Unit

Havana Business Improvement District (Havana BID) – The Havana BID was organized by the City Council on July 21, 2007 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. Separately issued, audited financial statements are available by contacting the Havana BID at 337 Oswego Street, Aurora, Colorado 80010 or telephone (303) 360-7505.

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 and ACLCL is fiscally dependent upon the city. 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 position. 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 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. The AURA general fund is presented in these financial statements as a special revenue fund. Noncurrent debt of AURA, if any, is included in the citywide statement of net position. There are no separately issued financial statements for AURA.

The General Improvement Districts (GIDs) – Three separate fence GIDs and a sewer line GID have been created by action of registered voters in their respective neighborhoods to construct masonry fences and sewer line improvements financed by the issuance of general obligation bonds (repaid with property taxes assessed on their respective neighborhoods). Each GID is a blended component unit because its governing body is the same as the City Council and it provides financial benefits solely to the city. The financial statements for each GID consist of a separate special revenue fund. The noncurrent debt of each respective GID is included in the citywide statement of net position. There are no separately issued financial statements for any of the GIDs. The four GIDs are as follows:

Cherry Creek Fence General Improvement District (GID) – Cherry Creek Fence GID was formed by action of registered voters of the Cherry Creek Racquet Club neighborhood in 2007.

Meadow Hills Fence General Improvement District (GID) – Meadow Hills Fence GID was formed by action of registered voters of the Meadow Hills neighborhood in 2008.

Peoria Park Fence General Improvement District (GID) – Peoria Park Fence GID was formed by action of registered voters of the Peoria Park neighborhood in 2008.

Pier Point 7 Sewer General Improvement District (GID) – Pier Point 7 Sewer GID was formed by action of registered voters of the Pier Point 7 neighborhood in 2009.

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 12100 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, Mail Code 0930, Colorado Springs, Colorado 80947-0930 or telephone (719) 668-4052.

B. Citywide and Fund Financial Statements

The financial statements of 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 position and the statement of activities) provide financial information about the city as a whole (the primary government and its component unit). 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 a legally separate component unit 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.

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. Property taxes are recognized as revenue in the year for which they are levied (the year subsequent to the levy year), and are reported as a receivable and deferred inflow of resources in the year levied, as an enforceable legal claim occurs at this time. Revenues susceptible to accrual under the modified accrual basis include fines, 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. 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.

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 needed.

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 committed for a specific purpose. The city has fifteen special revenue funds: Gifts and Grants, Development Review, Abatement, Community Development, Enhanced E-911, Conservation Trust, Parks Development, Open Space, Recreation Services, Cultural Services, Cherry Creek Fence General Improvement District, Meadow Hills Fence General Improvement District, Peoria Park Fence General Improvement District, Pier Point 7 Sewer 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, Special Improvement District (SID) Debt Service (includes the following special improvement districts: 1-03 Smith Road, 1-04 56th Avenue, 1-05 Ptarmigan Fence, 2-03 Dam West Fence, and 1-10 Dam East Fence), Surplus and Deficiency (closed in 2013), AURA Debt Service and ACLC Debt Service.

The *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 two capital projects funds: the City Capital Projects Fund and 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 two internal service funds: Fleet Management 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 (GERP) and the city of Aurora Elected Officials' and Executive Personnel Defined Benefit Plan (EOEP).

The city has two *agency funds*. The Payroll Clearing Fund accounts for the consolidation of payroll liabilities (taxes, pensions, insurance etc.) after the related payroll expenditures are recorded into the appropriate funds. The Aurora 7/20 Relief Fund (closed in 2013) was established after the Century 16 Theater tragedy to accept donations on behalf of the victims.

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 position 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. Deferred Inflows and Outflows of Resources

A deferred inflow of resources is an acquisition of net position by the city that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by the city that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

Deferred outflows of resources of the city consist of the loss on refunding recorded in the Water Fund and the Golf Fund.

Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which the revenues are not available are reported as a deferred inflow of resources. In addition, property tax receivables are reported as a deferred inflow of resources when levied in the fund statements. Deferred inflows of resources are comprised of property tax, unavailable fund resources, and a regulatory liability. Unavailable fund resources include: special assessment receivables, tax audit receivables and notes receivables that are unavailable in the fund statements but are recognized as revenue in the citywide statements.

The components of the deferred inflows of resources balances as of December 31, 2013 are shown below:

Funds	Property Tax	Unavailable Fund Resources	Regulatory Liability (A)
General	\$ 25,233,475	\$ 1,292,919	\$ -
Water (A)	-	-	-
Nonmajor Governmental	8,374,274	1,902,434	-
Total	\$ 33,607,749	\$ 3,195,353	\$ -
Component Unit	\$ 304,737	\$ -	\$ -

(A) The regulatory liability is recorded pursuant to Governmental Accounting Standards Board's (GASB) Statement 62, Regulated Operations, 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 position as incurred are recognized as deferred inflows of resources when they are included in the calculations for water rates set by the city. A deferred inflow of resources was 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. During 2013, the project was finished and the city has no further obligation.

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 funds statement of net position 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. Real estate funds, not actively traded on national or international exchanges, are valued based upon appraisals of the real estate underlying the investment. For alternative investments where no readily ascertainable fair value exists, the general partner of the partnerships determines the fair value.

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 position, 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. Inventories

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 meeting threshold level on a per unit basis. The city's threshold levels changed as of January 1, 2013, to those noted below. 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. Street infrastructure recorded from 1973 through 2002 is stated at discounted replacement cost. 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. Land includes intangible water rights and easements. Machinery and equipment includes both internally developed and externally acquired computer software. 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.

Estimated Useful Lives Assigned by Individual Items

Description	Estimated Useful Life (Years)	Threshold Levels
Land and water rights	N/A	\$ 50,000
Buildings and improvements	40	50,000
Infrastructure		
Street overlay and improvements	10	250,000
Other utility improvements	20-65	250,000
Mains and conduits	65-95	250,000
Reservoirs/park improvements/roads	99	250,000
Machinery and equipment	3-20	5,000
Assets purchased with federal funds	Varies by category	5,000

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.

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 position. 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 position.

Capital assets purchased by proprietary funds are included on the fund's statement of net position 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 is capitalized during construction of business-type activities' assets in accordance with GASB 62.

I. Accounts Payable

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

	Governmental Activities	Business-type Activities
Vendors	\$ 5,920,534	\$ 10,464,500
Salaries and Benefits	1,533,806	206,949
Total	\$ 7,454,340	\$ 10,671,449

J. Unearned Revenues (Liabilities)

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 statement of net position and revenue is recognized.

K. Noncurrent Liabilities

Noncurrent liabilities include: bonds, notes, certificates of participation, capital leases, claims payable, earned but not used compensated absences and 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 beyond one year.” For the proprietary and pension trust funds, long-term liabilities are accounted for in the applicable fund. Additionally, proprietary fund long-term liabilities are accounted for in the business-type activities column of the citywide financial statements.

L. Bond Premiums and Discounts

In governmental funds, bond premiums and discounts are reported as other financing sources/uses. For the citywide and the proprietary fund statements, bond premiums and discounts are capitalized 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.

M. Compensated Absences

City policy allows employees to accumulate earned but not used annual leave up to maximum hours as indicated in the table below. 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.

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

Generally, Career Service employees may convert sick leave hours accumulated in excess of established minimums annually in January to either annual leave hours or cash payments at a rate of one hour’s pay (in annual leave or cash) 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. Police and Fire Civil Service may only convert sick leave hours to cash at a rate of one hour’s pay for every two hours of sick leave.

Employees	Minimum Accrual Hours	Maximum Payment Hours
Council Appointees	520	120
Police and Career Service	720	90
Fire Civil Service 8-hour shift	684	90
Fire Civil Service 24-hour shift	960	90

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 position as noncurrent liabilities. 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 position.

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 Position

Fund balances reflect assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources and are shown only in the governmental fund statements. Fund balance is divided into four classifications; restricted, committed, assigned and unassigned. Fund balance is reported as restricted when constraints placed on the use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Additionally, assets that are required by outside sources to be used for a specific purpose are shown on the balance sheet as “restricted assets.” Fund balance is reported as committed when constraints are imposed by formal action (ordinance or resolution) of the City Council, the city’s highest level of decision making authority. Council ordinances and resolutions require the same level of council action to add or remove a constraint. Both are equally binding for their respective purposes and are mutually exclusive, not interchangeable with one another. Fund balance is reported as assigned when the intent of the city is to use it for a specific purpose.

The Financial Policies and Guidelines, as approved by City Council, authorize the assignment of fund balances by informal action of City Council (no ordinance or resolution) or by the City Manager or the Finance Director as long as City Council has been advised of the assignment through either the budget process or some other process. Unassigned fund balance is the residual and may only be reported in the General Fund.

Net position is assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources and is shown in the citywide, proprietary and fiduciary fund financial statements and is reported in three classifications. Net investment in capital assets 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 position report amounts legally segregated for a specific future use. Remaining net position is reported as unrestricted.

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, the GIDs, GERP, EOEP, 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, Open Space and Recreation Services. 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 restrictions and commitments. While the restrictions and commitments are available to appropriate, funds available after restrictions and commitments 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 are considered reductions of funds available when appropriated, not when expenditures occur.
- e) Purchases of inventory are considered expenditures when purchased, not when sold or used.
- f) Overspending of project length (continuing appropriation) budgets is considered to reduce funds available.
- g) Close-out of unspent project-length (continuing appropriation) budgets is considered to increase funds available.
- h) Proceeds from capital leases and related capital expenditures are not budgeted.
- i) The value received on the trade-in of capital assets and the related capital expenditures are not budgeted.
- j) Changes in investment income due to recording investments at fair value are not budgeted.
- k) January sick leave buyout is expensed for GAAP but not for budget until subsequent year.
- l) Transactions related to asset forfeitures 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) Grants are considered revenue when awarded, not when earned.
- h) Receipts of long-term receivables are considered revenues, not reductions of the receivable.
- i) Proceeds from the sale of assets are recognized as revenue; however, the related gain or loss is not.
- j) Purchases of inventory are considered expenditures when purchased, not when sold or used.
- 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) January sick leave buyout is expensed for GAAP but not for budget until subsequent year.
- m) Accrued compensated absences are not considered expenditures until paid.

- n) Interest earned on escrowed cash and investments is not considered revenue for budget purposes.
- o) 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.
- p) Project-length (continuing appropriation) budgets are considered reductions of funds available when appropriated, not when expenditures occur.
- q) Overspending of project length budgets is considered to reduce funds available.
- r) Close-out of unspent project length budgets is considered to increase funds available.
- s) Proceeds from capital leases and related capital expenditures are not budgeted.
- t) The value received on the trade-in of capital assets and the related capital expenditures are not budgeted.
- u) Changes in investment income due to recording investments at fair value are not budgeted.

2. CASH AND INVESTMENTS

Cash and investments as of December 31, 2013 are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Component Unit	Total
Cash and cash equivalents	\$ 14,949,499	\$ 29,189,397	\$ 15,463,997	\$ 135,724	\$ 59,738,617
Investments	82,860,088	175,885,245	-	-	258,745,333
Restricted cash and cash equivalents	11,673,789	374,000	-	-	12,047,789
Restricted investments	55,125,631	53,075,780	384,668,416	-	492,869,827
Total	\$ 164,609,007	\$ 258,524,422	\$ 400,132,413	\$ 135,724	\$ 823,401,566

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 resolution, 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 (PDPA) requires that all deposits exceeding the amount insured by the FDIC be collateralized to 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 U.S. 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, 2013:

	Pooled Investments	Non-pooled Investments	Total Primary Government
Money market funds*	\$ 10,036	\$ 1,211,174	\$ 1,221,210
Repurchase agreements	-	37,507,812	37,507,812
Certificates of deposit	30,500,000	-	30,500,000
U.S. agency notes	78,145,655	12,193,450	90,339,105
U.S. Treasury notes	10,278,120	1,010,848	11,288,968
Corporate notes	74,260,293	-	74,260,293
Commercial paper	4,999,553	-	4,999,553
Municipal bonds	42,724,977	-	42,724,977
Foreign securities - U.S. dollars	75,326,036	-	75,326,036
Total	\$ 316,244,670	\$ 51,923,284	\$ 368,167,954

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

Reconciliation to the statement of net position:

Investments in governmental and business-type activities	\$ 336,446,744
Cash and cash equivalents	
Money market funds	1,221,210
Pooled and other cash, not included above	54,965,475
Certificates of deposit (investment for financial reporting purposes, but not for risk evaluation)	30,500,000
Total cash and cash equivalents and investments	\$ 423,133,429
Total Governmental activities	\$ 164,609,007
Total Business-type activities	258,524,422
Total	\$ 423,133,429

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. See rating schedule on page 30.

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 3% of its pooled investments. The city does have investments that represent more than 5% to a single issuer within specific funds of the city: the Water Fund repurchase agreements for bond reserve requirements and capital projects. The repurchase agreements represent 21% of the Water Fund's total investments and are invested pursuant to specific requirements of bond indentures.

Primary Government

Repurchase agreements – Counterparties must have an investment grade credit rating and must be collateralized by U.S. 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 \$25 million and maturities up to thirty 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 – Must be registered under the Investment Company Act of 1940 that: 1) are "no-load" (no commission or fee shall be charged on purchases or sales of shares); 2) have a constant net asset value of \$1.00 per share; 3) limit assets of the fund to those authorized by state statute; 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940; and 5) have a rating of AAA or the equivalent by one or more nationally recognized statistical rating organization. The city may invest up to 10% of its portfolio in each such fund to a maximum amount per the investment policy, not to exceed 50% of the portfolio.

U.S. agency notes – Investments may not exceed 75% of the total par value of the city's portfolio. Maturities may be no more than seven years.

U.S. Treasury notes - Maturities may be no more than seven years.

Commercial paper – Commercial paper issued by domestic corporations must be rated at least A-1 or the equivalent at the time of purchase by at least two nationally recognized statistical rating organizations (NRSROs). If the commercial paper issuer has senior debt outstanding, it must be rated at least A or the equivalent at the time of purchase by all rating organizations that rate the issuer. The aggregate investment in corporate debt, commercial paper, and bankers acceptances shall not exceed 50% of the city's investment portfolio. No more than 3% of the city's investment portfolio may be invested in the obligations of any one issuer.

Corporate notes - Investments other than commercial paper, issued by domestic corporations, maximums:

Rating	Maximum Percentage	Maximum Maturity (Years)
AAA or AA	30%	5
A1 or A+	10%	2

Municipal bonds – Investment maximums:

Rating	Maximum Percentage	Maximum Maturity (Years)
AAA or AA	30%	5
A1 or A+	10%	2

Domestic corporate bonds and foreign securities – Domestic corporate bonds must be issued by a corporation or bank organized and operating within the United States. Foreign sovereign, foreign political subdivision and foreign corporate securities issued in foreign markets and under foreign law must be denominated in U.S. dollars. Specific nations whose debt may be purchased shall be approved by council resolution. Diversification requirements may not exceed the following; 10% of obligations issued in any one authorized foreign country, 20% investment in foreign securities, 30% invested in domestic corporate bonds, or 40% combination in both, foreign and domestic. Securities must be rated by at least two Nationally Recognized Statistical Ratings Organizations (NRSROs). Those with a rating of AA- or the equivalent may be purchased with a maximum maturity of 5 years and up to 10% may be purchased in securities rated A+ or the equivalent with a maximum maturity of 2 years. The aggregate investment in corporate obligations shall not exceed 50% of the portfolio.

Credit ratings on the primary government's investments are as follows:

Moody's	S&P	Repurchase Agreements	Money Market	Commercial Paper	U.S. Agency Notes	U.S. Treasury Notes	Corporate Notes	Foreign Securities U.S. Dollars	Municipal Bonds
Aaa	AA+	\$ -	\$ -	\$ -	\$ 90,339,105	\$ 11,288,968	\$ -	\$ -	\$ -
Aaa	AAA	-	-	-	-	-	6,718,562	-	1,946,081
Aa1 to Aa3	AA+ to AA-	-	-	-	-	-	52,564,919	58,349,697	35,142,632
Aa1 to Aa3	A+ to A-	-	-	-	-	-	-	16,976,339	-
A1 to A3	AA+ to AA-	-	-	-	-	-	6,581,387	-	1,679,464
A1 to A3	A+ to A-	-	-	-	-	-	8,395,425	-	-
P-1	A-1+ to A-1	-	-	4,999,553	-	-	-	-	-
Aaa-mf	AAA _m	-	1,211,174	-	-	-	-	-	-
Not rated	AAA _m	-	10,036	-	-	-	-	-	-
Aa1 to Aa3	Not rated	-	-	-	-	-	-	-	3,956,800
Not rated	Not rated	37,507,812	-	-	-	-	-	-	-
Total		\$ 37,507,812	\$ 1,221,210	\$ 4,999,553	\$ 90,339,105	\$ 11,288,968	\$ 74,260,293	\$ 75,326,036	\$ 42,724,977

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 September 16, 2010. 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.
- The manager has received authorization to use options, forwards and futures to hedge currency exposure.
- For investment in a commingled fund, the manager is authorized full discretion to use derivate instruments, consistent with fund prospectus.

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, 2013, 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, 2013, the Plan did not invest in funds that had a greater than 5% exposure to any single fixed income issuer, other than the U.S. Government and its agencies.

GERP and EOEP held fixed income investments with respective qualitative ratings, excluding those which are not considered to have credit risk, as follows:

S&P	Corporate Bonds & Notes	Government & Corporate Bond Funds
Aaa	\$ 3,823,412	\$ 14,979,902
Aa1 to Aa3	3,360,331	47,350,203
A1 to A3	16,388,101	886,528
Baa1 to Baa3	11,279,534	-
Total	\$ 34,851,378	\$ 63,216,633

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 3 years, unless the investments are funded by specifically identified sources such as bond proceeds. Non-pooled investments are invested in accordance with state statute; terms of a bond indenture or to meet bond insurer requirements and may have a weighted average maturity exceeding 2 years.

	Pooled Investments	Average Maturity (Years)	Non-pooled Investments	Average Maturity (Years)
Money market funds	\$ 10,036	-	\$ 1,211,174	-
Repurchase agreements	-	-	37,507,812	23.48
U.S. agency notes	78,145,655	3.90	12,193,450	3.95
U.S. Treasury notes	10,278,120	2.33	1,010,848	0.38
Corporate notes	74,260,293	2.32	-	-
Commercial paper	4,999,553	-	-	-
Municipal bonds	42,724,977	2.46	-	-
Foreign securities - U.S. dollars	75,326,036	2.60	-	-
Total	\$ 285,744,670		\$ 51,923,284	

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 September 16, 2010. 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, 2013:

	Investment	Investment Maturities (in years)				
		Undetermined	Less than 1	1 - 5	6 - 10	>10
Money market funds	\$ 6,303,819	\$ 6,303,819	\$ -	\$ -	\$ -	\$ -
U.S. Treasury notes and bonds	11,670,136	-	-	6,880,280	2,324,605	2,465,251
Corporate notes and bonds	81,484,160	-	1,447,166	58,255,386	14,016,285	7,765,323
Equity securities	190,100,513	190,100,513	-	-	-	-
Real estate funds	32,316,424	32,316,424	-	-	-	-
Alternative investments	48,583,411	48,583,411	-	-	-	-
TIPS Fund	14,726,881	-	-	-	14,726,881	-
Total	\$ 385,185,344	\$ 277,304,167	\$ 1,447,166	\$ 65,135,666	\$ 31,067,771	\$ 10,230,574

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	\$ 58,681	0.09
Government and corporate bond funds	1,856,970	7.10
Equity funds	3,270,327	-
Real estate funds	659,594	-
Total	\$ 5,845,572	

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, 2013 is \$63,551,126.

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 inflow of resources 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 in the General Fund at December 31, 2013 is \$25,488,358. Based upon experience, one percent of outstanding receivables is recorded as an allowance and is deducted from the deferred inflow of resources and the receivable for reporting purposes. The allowance at December 31, 2013 is \$254,883.

Restricted property tax receivables recorded in the City Debt Service Fund and the General Improvement Districts (GIDs) represent tax levies collected to specifically repay general obligation bonds and interest. Restricted property tax receivables recorded in the Aurora Urban Renewal Authority (AURA) represent tax levies collected pursuant to C.R.S. 31-25 and must be spent on urban renewal within the tax increment district. Total restricted property tax receivables net of allowance at December 31, 2013, for the City Debt Service Fund, GIDs and AURA Debt are \$4,941,128, \$320,196 and \$3,112,950, respectively.

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, 2013 is \$19,362,521.

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, 2013 is \$2,285,805.

4. Tax Audits

Amounts calculated as owed during sales and use tax compliance audits are recorded as receivables and deferred inflow of resources 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, 2013 is \$1,209,919.

B. Accounts**1. City Services**

Amounts billed for court fines, library fines, weed cutting, trash removal, demolition, tree trimming and removal, vacant property fees, liens for uncollected city service receivables, 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, 2013 is \$1,576,981 for governmental activities and \$43,030 for business-type activities.

Restricted accounts receivable are recorded primarily in the Gifts and Grants Fund and represent amounts collected by the county, state or other governments for specific grant-related expenses incurred by the city. The total restricted accounts receivable at December 31, 2013 for these funds is \$33,817.

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, 2013 are \$8,689,060. Earned but unbilled utility charges at December 31, 2013 is \$5,322,110. 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, 2013 is \$41,094.

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, specific ownership tax, and cigarette tax, which the city has earned but not yet received. These amounts are collected by the other government and remitted to the city within the first two months of the following year. Due from other governments also includes federal and state grants which are collected within one year after year-end.

E. Other

Other receivables include E-911 surcharges, PEG access fees, special improvement district assessments, a prepayment for a property purchase, deposits to a special district for flood and drainage control improvements, and reclaimed wastewater lease fees.

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 nine 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 four loans with interest rates ranging between 2% - 6.5% and maturity dates between 2013 – 2021 with real and business property as collateral. The balance outstanding as of December 31, 2013 is \$962,100, which is not expected to be collected and therefore is not reflected in the city's financial statements.

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 is one loan to a non-profit organization with an interest rate of 4.25% and a maturity date 2038. The balance outstanding as of December 31, 2013 is \$124,403 which is not expected to be collected and therefore is not reflected in the city's financial statements.

2. Community Services

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, 2013 is \$83,000.

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 1,410 loans with various maturity dates and interest rates. The balance outstanding as of December 31, 2013 is \$17,584,102, which is not expected to be collected and therefore is not reflected in the city's financial statements.

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, 2013 is \$438, all of which is expected to be collected within one year.

In 2012, the city entered into an agreement with East Cherry Creek Valley (ECCV) to fund improvements to the sanitary sewer line from ECCV to the facilities of the Metropolitan Wastewater Reclamation District. The note may be paid in twelve quarterly installments over three years, interest to accrue at an annual rate of 2.5 percent. The balance outstanding as of December 31, 2013 is \$2,727,106 of which \$1,183,339 is not expected to be collected within one year.

3. Fitzsimons Redevelopment Authority (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 Fitzsimons. In 2013, the final installment of the original loan was rolled into a new loan of \$130,165, repayable in five equal annual installments beginning October 15, 2014. FRA negotiated the agreement to a zero percent interest rate. The

principal balance outstanding as of December 31, 2013 is \$130,165, of which \$104,132 is not expected to be collected within one year.

G. Component Unit

Havana BID

Property owners within the boundaries of the Havana Business Improvement District have been assessed \$304,737 in property taxes for 2013 to be collected in 2014.

4. RESTRICTED, COMMITTED, ASSIGNED AND UNASSIGNED FUND BALANCES AND RESTRICTED NET POSITION

Order of Spending

Fund balances are classified as restricted, committed, assigned or unassigned. When expenditures are incurred that use funds from more than one classification, the city will generally determine the order which the funds are used on a case-by-case basis, taking into account any application requirements of grant agreements, contracts, business circumstances, or other constraints. If no other constraints exist, the order of spending of resources will be restricted, committed, assigned and, lastly, unassigned.

Restricted for Culture, Recreation, and Open Space

General Fund: \$981,358 per agreement for library and computer equipment funding. *Cultural Services Fund*: \$46,696 for the SCFD grant. *Conservation Trust Fund*: \$5,915,384 lottery proceeds share back to be used for park and open space development. *Parks Development Fund*: \$3,955,272 developer contributions required to be used for the creation of city parks. *Open Space Fund*: \$12,953,240 share back of sales and use tax the citizens in Arapahoe and Adams counties approved for parks and open space construction and maintenance in their respective counties. *City Capital Projects Fund*: \$1,116,493 from a capital impact fee for open space development.

Restricted for Debt Related

Amounts held for debt service payments and required reserves include, *City Debt Service Fund*: \$1,521,336, *SID Debt Service Fund*: \$334,304, and *ACLIC Debt Service Fund*: \$9,488,339.

Restricted for Development

Amounts restricted for employee development in the *General Fund* are \$101,224. Amounts restricted for future development projects in urban renewal areas include *AURA General Fund* and *AURA Debt Service Fund* for \$58,316 and \$6,839,409 respectively.

Restricted for Gifts and Grants

Gifts and Grants Fund: \$1,328,830 for various grants. *Community Development Fund*: \$443,617 for the purchase of home inventory to be restored and resold for the neighborhood support program (NSP). *City Capital Projects Fund*: \$435,158 for capital improvement program grants.

Restricted for Public Improvement

General Fund: \$145,222 remitted to the city as settlement of a judgment against another jurisdiction for noise violations at Denver International Airport to be used to make improvements in the airport vicinity in an effort to mitigate noise in the surrounding communities. *City Capital Projects Fund*: \$3,014,549 from the Adams County Road and Bridge 0.5% sales tax collected by Adams County and allocated back per agreement to the city for the purpose of constructing roads and bridges located within the respective jurisdictions and \$2,099,759 as settlement of a judgment against another jurisdiction for noise violations at Denver International Airport to be used to acquire land and make improvements in the airport vicinity in an effort to mitigate noise in the surrounding communities. *Water Fund*: \$374,000 is an escrow and deposit restricted for the Prairie Waters Project "owner controlled insurance program". *Wastewater Fund*: \$7,089,167 is held in trust by the Urban Drainage and Flood Control District to fund construction of storm drain infrastructure in the city. *Peoria Park Fence GID*: \$56,620, *Meadow Hills Fence GID*: \$30,750, and *Cherry Creek Fence GID*: \$47,156 required by agreement for the purpose of maintaining neighborhood masonry fences. *Pier Point 7 Sewer GID*: \$93,923 required by agreement for the purpose of maintaining sewer line improvements. *ACLIC Capital Projects*: \$186,685 for the purchase of public works equipment.

Restricted for Emergencies

General Fund: \$9,655,083 for the TABOR State constitutional amendment 3% emergency reserve to be used in rare circumstances resulting from major nonrecurring and not predictable emergencies. Examples of a major emergency may include a tornado requiring extensive additional city operational or capital costs, or a protracted health, civilian or military crisis requiring extensive operational or capital costs. The funds are not to be used to adjust for revenue variances due to the normal variance in the economy. The TABOR reserve amount is adjusted annually in accordance with State constitutional requirements. *Gifts and Grants Fund:* \$1,521,904 of seizure funds from state and federal courts forfeiture actions is used to support activities of the City Police Department. *E-911 Fund:* \$5,928,919 received from a phone surcharge is required by State law to fund E-911 infrastructure development, operations and maintenance. *City Capital Projects Fund:* \$832,351 from capital impact fees for public safety infrastructure.

Committed to Capital Improvements

City Capital Projects Fund: \$33,579 is committed for Dam East Reserve per city ordinance.

Committed to Culture, Recreation and Open Space

General Fund: per city code \$716,564 from fee revenues is committed for the community trees program to fund tree planting in the city. Per city code \$211,669 is committed for various visitor promotion programs. *Recreation Services Fund:* Recreation fee revenues are committed by ordinance although at December 31, 2013, no committed fee revenues are outstanding. *Cultural Services Fund:* per city code \$730,121 generated from the capital project budget is committed to fund the Art in Public Places program.

Committed to Development

City Capital Projects Fund: by AURA resolution \$255,018 is committed for the City Center urban renewal area development. *Development Review Fund:* by city resolution \$3,645,679 is committed for the Enhanced Development Review program.

Committed to Emergencies

General Fund: \$4,079,356, per city code court surcharges are committed to fund the DARE, teen court, and victim witness programs, traffic fines are committed to fund the photo red light program, fines and license fees fund the restricted breeds program, and fire violation restitution funds fire education seminars. *Abatement Fund:* \$278,063, per city code weed, tree and demolition abatement fees are used to fund abatement activities.

Committed to Reserves

General Fund: \$21,745,473, financial policies and guidelines adopted by City Council through resolution commit the 10% Policy Reserve. This reserve is to be used only in extremely rare circumstances resulting from major emergencies that are not recurring by nature and, in general, are not predictable. Examples of a major emergency may include a tornado requiring extensive additional city operational or capital costs, or a protracted health, civilian or military crisis requiring extensive operational or capital costs. The funds are not intended to be used to adjust for revenue variances due to the normal variance in the economy. Included in this reserve are three interfund loans totaling \$617,168 to the Golf Fund. The 10% Policy Reserve is adjusted annually to an amount no less than 10% of adjusted budgetary operating expenditures of the General Fund.

Assigned to Capital Improvement

City Capital Projects Fund: \$26,851,848 of residual equity is assigned to fund city capital improvements and virtually all has been appropriated to specific projects.

Assigned to Culture, Recreation and Open Space

Recreation Fund: \$287,879 residual fund balance is assigned to Culture and Recreation through the budget process. *Cultural Services Fund:* \$18,978 is assigned to Culture and Recreation through the budget process.

Assigned to Debt Service

ACL Debt Service Fund: \$1,327,169 is assigned through the budget process to fund future debt payments.

Assigned to Development

General Fund: \$1,642,765 is assigned to pay existing development incentives through the budget process.

Assigned to Encumbrance

General Fund: \$1,647,739 is assigned to pay commitments on open purchase orders.

Assigned to Long-term Liabilities

General Fund: \$19,362,521 is assigned by management, with Council review, to pay long-term liabilities.

Unassigned Fund Balance Operating Reserve (minimum fund balance policy)

General Fund: As outlined in the city's Financial Policies and Guidelines and adopted by resolution, the General Fund has a minimum target fund balance of 1% to 3% of annual General Fund budgetary revenues. This reserve is intended to be usable in limited circumstances for one-time use where Council determines such use is appropriate and necessary. Uses may include paying for unexpected revenue shortfalls, unexpected expenses, and offsetting potential budget cuts. This reserve also assists in meeting financial bond rating agency total reserve requirements.

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 expenses incurred in the operation and maintenance of the project. The investment on January 1, 2013 was \$2,345,738, less the city's share of the change in net assets of (\$33,628) results in an ending investment on December 31, 2013 of \$2,312,110.

6. CAPITAL ASSETS

Governmental Activities - Capital asset activity for the year ended December 31, 2013, is shown below.

	January 1	Additions	Disposals	Transfers	December 31
Capital assets not depreciated					
Land	\$ 254,715,116	\$ 9,571,710	\$ -	\$ 98,715	\$ 264,385,541
Construction in progress	7,616,133	15,208,495	(105,291)	(21,230,835)	1,488,502
Total capital assets not depreciated	262,331,249	24,780,205	(105,291)	(21,132,120)	265,874,043
Capital assets being depreciated					
Buildings and improvements	210,898,442	871,852	(179,222)	(438,316)	211,152,756
Infrastructure	2,650,012,261	4,884,520	(22,777,989)	18,445,759	2,650,564,551
Machinery and equipment	83,287,776	4,881,251	(3,256,972)	3,124,677	88,036,732
Total capital assets being depreciated	2,944,198,479	10,637,623	(26,214,183)	21,132,120	2,949,754,039
Less accumulated depreciation					
Buildings and improvements	(67,373,968)	(5,758,203)	70,002	75,319	(72,986,850)
Infrastructure	(561,222,152)	(39,833,182)	22,496,074	(75,319)	(578,634,579)
Machinery and equipment	(53,661,776)	(4,723,021)	3,197,328	-	(55,187,469)
Total accumulated depreciation	(682,257,896)	(50,314,406)	25,763,404	-	(706,808,898)
Total capital assets being depreciated, net	2,261,940,583	(39,676,783)	(450,779)	21,132,120	2,242,945,141
Governmental activities capital assets, net	\$ 2,524,271,832	\$ (14,896,578)	\$ (556,070)	\$ -	\$ 2,508,819,184

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	\$ 1,904,091
Judicial	43,236
Police	711,590
Fire	961,025
Other public safety	350,287
Public works	38,714,176
Economic development	64,364
Community services	101,421
Culture and recreation	3,680,507
Unallocated	3,783,709
Depreciation expense governmental activities	<u>\$ 50,314,406</u>

Business-type Activities - Capital asset activity for the year ended December 31, 2013, is shown below and includes capitalized interest of \$2,448,261 in the Water Fund and \$517,393 in the Wastewater Fund.

	January 1	Additions	Disposals	Transfers	December 31
Capital assets not depreciated					
Land and water rights	\$ 369,581,931	\$ 4,828,658	\$ -	\$ 2,164,955	\$ 376,575,544
Construction in progress	86,480,389	39,016,443	(1,838,256)	(56,666,080)	66,992,496
Total capital assets not depreciated	<u>456,062,320</u>	<u>43,845,101</u>	<u>(1,838,256)</u>	<u>(54,501,125)</u>	<u>443,568,040</u>
Capital assets being depreciated					
Buildings and improvements	528,455,314	-	-	1,451,880	529,907,194
Infrastructure	1,203,624,391	1,368,542	(1,442,857)	47,360,645	1,250,910,721
Machinery and equipment	108,002,758	1,798,904	(1,269,668)	5,688,600	114,220,594
Total capital assets being depreciated	<u>1,840,082,463</u>	<u>3,167,446</u>	<u>(2,712,525)</u>	<u>54,501,125</u>	<u>1,895,038,509</u>
Less accumulated depreciation					
Buildings and improvements	(52,152,789)	(13,193,296)	-	(34,521)	(65,380,606)
Infrastructure	(218,474,419)	(18,509,849)	1,042,503	34,521	(235,907,244)
Machinery and equipment	(36,785,727)	(6,550,399)	1,222,735	-	(42,113,391)
Total accumulated depreciation	<u>(307,412,935)</u>	<u>(38,253,544)</u>	<u>2,265,238</u>	<u>-</u>	<u>(343,401,241)</u>
Total capital assets being depreciated, net	<u>1,532,669,528</u>	<u>(35,086,098)</u>	<u>(447,287)</u>	<u>54,501,125</u>	<u>1,551,637,268</u>
Business-type activities capital assets, net	<u>\$ 1,988,731,848</u>	<u>\$ 8,759,003</u>	<u>\$ (2,285,543)</u>	<u>\$ -</u>	<u>\$ 1,995,205,308</u>

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

Water	\$ 28,469,745
Wastewater	8,866,969
Golf	916,830
Depreciation business-type activities	<u>\$ 38,253,544</u>

Component Unit - Capital asset activity for the year ended December 31, 2013, is shown below:

	January 1	Additions	Disposals	Transfers	December 31
Capital assets being depreciated					
Infrastructure	\$ 75,422	\$ -	\$ -	\$ -	\$ 75,422
Machinery and equipment	53,097	-	-	-	53,097
Total capital assets being depreciated	128,519	-	-	-	128,519
Less accumulated depreciation					
Infrastructure	(18,144)	(10,775)	-	-	(28,919)
Machinery and equipment	(13,653)	(7,951)	-	-	(21,604)
Total accumulated depreciation	(31,797)	(18,726)	-	-	(50,523)
Total capital assets being depreciated, net	\$ 96,722	\$ (18,726)	\$ -	\$ -	\$ 77,996

7. NONCURRENT LIABILITIES

A. General Obligation Bonds

The city has issued governmental 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. The General Improvement Districts pledge the full faith and credit of the properties within the district.

Governmental Activities - The city and General Improvement Districts have five outstanding issuances of general obligation bonds. Amounts originally issued and amounts outstanding at December 31, 2013, respectively, were: 2009 Cherry Creek Fence \$700,000 and \$610,000; city 2010 Refunding (1998 Alameda/I-225 and 2000 FMP) \$21,035,000 and \$6,630,000; 2010 Meadow Hills Fence \$520,000 and \$450,000; 2010 Peoria Park Fence \$375,000 and \$343,000; and 2011 Pier Point Sewer \$2,600,000 and \$2,435,000.

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

Year Ending December 31	Governmental Activities		
	Principal	4.00-5.45% Interest	Total
2014	\$ 4,657,000	\$ 511,327	\$ 4,657,000
2015	2,262,000	278,920	2,262,000
2016	163,000	166,293	163,000
2017	169,000	158,632	169,000
2018	174,000	150,697	174,000
2019-2023	1,010,000	622,069	1,010,000
2024-2028	1,246,000	363,749	1,246,000
2029-2033	787,000	70,867	787,000
Total	\$ 10,468,000	\$ 2,322,554	\$ 10,468,000

B. Revenue Bonds

Governmental Activities - The city has one outstanding issuance of revenue bonds. Amount originally issued and amount outstanding at December 31, 2013, respectively, were: 2009 Sports Park Refunding \$7,850,000 and \$1,635,000.

Business-type Activities - Water Fund has three outstanding issuances of revenue bonds. Amounts originally issued and amounts outstanding at December 31, 2013, respectively, were: 2005D Colorado Water Resources and Power Development Authority (CWRPDA) Governmental Agency \$100,000,000 and \$53,610,000; 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 Fund has one outstanding issuance of revenue bonds. Amounts originally issued and amounts outstanding at December 31, 2013, respectively, were: 2006 First Lien Sewer Improvement \$57,790,000 and \$32,295,000. During 2013, the Wastewater Fund defeased \$18,795,000 of the 2006 debt issue through payment to an escrow agent. The loss on early extinguishment of debt is \$2,184,549 while the early payoff provided a cash flow savings of \$9,251,251.

Golf Fund has one outstanding issuance of revenue bonds. Amount originally issued and amount outstanding at December 31, 2013, respectively, were: 2005 Golf Course Enterprise System Refunding \$4,625,000 and \$1,000,000.

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>		
	Principal	3.00% Interest	Total	Principal	3.20-5.00% Interest	Total
2014	\$ 1,635,000	\$ 24,525	\$ 1,659,525	\$ 490,000	\$ 26,868,286	\$ 27,358,286
2015	-	-	-	510,000	26,847,464	27,357,464
2016	-	-	-	-	26,825,149	26,825,149
2017	-	-	-	1,450,000	26,825,151	28,275,151
2018	-	-	-	1,510,000	26,765,337	28,275,337
2019-2023	-	-	-	69,030,000	128,538,488	197,568,488
2024-2028	-	-	-	126,020,000	105,116,613	231,136,613
2029-2033	-	-	-	158,425,000	70,819,331	229,244,331
2034-2038	-	-	-	158,810,000	31,263,112	190,073,112
2039-2043	-	-	-	32,150,000	1,607,500	33,757,500
Total	\$ 1,635,000	\$ 24,525	\$ 1,659,525	\$548,395,000	\$471,476,431	\$1,019,871,431

C. Certificates of Participation

Governmental Activities - Certificates of Participation (COPs) are issued by Aurora Capital Leasing Corporation (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 three outstanding COPs issues. Amounts originally issued and amounts outstanding at December 31, 2013, respectively were: 2005 Open Space \$8,405,000 and \$1,815,000; 2006A-1 Refunding of the 2000 AMC \$20,290,000 and \$5,595,000; and 2009A refunding series (2005 Public Improvement and 2008 refunding) \$84,160,000 and \$84,160,000.

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

Year Ending December 31	<u>Governmental Activities</u>		
	Principal	3.00-5.00% Interest	Total
2014	\$ 4,545,000	\$ 4,395,622	8,940,622
2015	2,865,000	4,226,225	7,091,225
2016	3,640,000	4,082,975	7,722,975
2017	3,790,000	3,933,775	7,723,775
2018	3,945,000	3,775,600	7,720,600
2019-2023	22,605,000	16,011,025	38,616,025
2024-2028	28,815,000	9,804,000	38,619,000
2029-2033	21,365,000	1,803,750	23,168,750
Total	\$ 91,570,000	\$ 48,032,972	\$ 139,602,972

D. Notes Payable

Governmental Activities – The city has three 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, 2013, respectively were: Dam West Neighborhood \$1,140,000 and \$185,000; Ptarmigan Park Neighborhood \$1,075,000 and \$440,000; and Dam East Neighborhood \$1,230,000 and \$1,060,000.

Business-type Activities – Water Fund has two outstanding notes payable. Amounts originally issued and amounts outstanding at December 31, 2013, respectively were: 2004 Water Rights Notes \$8,280,091 and \$884,415 and Colorado Water Conservation Board (CWCB) \$75,750,000 and \$74,174,748 for the financing of the Prairie Waters Project. Repayment of the CWCB loan began May 1, 2013 and will continue for the next 27 years at a rate of 3.75%.

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

Year Ending December 31	Governmental Activities			Business-Type Activities		
		2.73-5.00%			3.75-5.00%	
	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 30,000	\$ 59,669	\$ 89,669	\$ 1,634,324	\$ 2,781,553	\$ 4,415,877 *
2015	195,000	58,407	253,407	1,872,494	2,764,487	4,636,981
2016	20,000	49,199	69,199	1,936,079	2,692,057	4,628,136
2017	420,000	48,425	468,425	2,002,049	2,617,243	4,619,292
2018	10,000	27,778	37,778	2,070,493	2,539,955	4,610,448
2019-2023	1,010,000	108,381	1,118,381	10,764,867	11,500,245	22,265,112
2024-2028	-	-	-	12,727,813	9,351,571	22,079,384
2029-2033	-	-	-	15,300,102	6,779,283	22,079,385
2034-2038	-	-	-	18,392,249	3,687,135	22,079,384
2039-2043	-	-	-	8,358,693	473,061	8,831,754
Total	\$ 1,685,000	\$ 351,859	\$ 2,036,859	\$ 75,059,163	\$ 45,186,590	\$120,245,753

*A principal and interest payment of \$587,494 and \$73,595, respectively, was made on the 2004 water rights note payable on December 27, 2013 due January 1, 2014.

E. Capitalized Leases

Governmental Activities - The city has entered into leases for four fire apparatus and four units of construction equipment 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 \$1,723,430 and \$1,321,997, respectively. Accumulated amortization on these leases is \$157,196 as of December 31, 2013.

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

Year Ending December 31	Governmental Activities		
		1.34-1.355%	
	Principal	Interest	Total
2014	\$ 481,227	\$ 24,261	\$ 505,488
2015	475,827	29,661	505,488
2016	482,238	23,251	505,489
2017	488,734	16,754	505,488
2018	495,319	10,170	505,489
2019-2023	260,962	3,497	264,459
Total	\$ 2,684,307	\$ 107,594	\$ 2,791,901

F. 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 1999 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 3.5% of legally available funds or revenues from the General Fund. The total principal and interest remaining to be paid on the bonds is \$1,659,525. Principal and interest paid for the current year and total legally available funds or revenues were \$1,662,900 and \$47,197,309, respectively.

The city has pledged any special assessments levied and collected on the respective neighborhoods to repay \$1,685,000 current principal outstanding, in Special Improvement District Revenue Notes issued in 2005, 2007 and 2012. Proceeds from the notes provided for the construction of three masonry fences. The notes are payable solely from special assessments levied and collected on the respective neighborhoods and are payable through 2015, 2017 and 2022.

- *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 \$202,359. Principal and interest paid for the current year and total special assessments levied and collected on the neighborhood was \$97,592 and \$102,405, 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 \$524,500. Principal and interest paid for the current year and total special assessments levied and collected on the neighborhood was \$121,000 and \$140,040, respectively.
- *Dam East 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 \$1,310,000. Principal and interest paid for the current year and total special assessments levied and collected on the neighborhood was \$203,929 and \$269,943, respectively.

Business-type Activities - The city has pledged future water system revenues, net of specified operating expenses, to repay \$515,100,000 principal currently outstanding, in water system revenue bonds issued in 2005, 2007 and 2008 and \$75,059,163, principal currently outstanding, in utility enterprise water resources revenue notes issued in 2004 and 2008. 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, including funding the Prairie Waters Project. The bonds are payable solely from water system net revenues and are payable through 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 2019 and 2040. Annual principal and interest payments on the bonds and notes are expected to require approximately 38.8% of net revenues. The total principal and interest remaining to be paid on the bonds and notes is \$1,086,117,972. Principal and interest paid for the current year and total water system net revenues were \$30,342,304 and \$78,108,415, respectively.

The city has pledged future wastewater system revenues, net of specified operating expenses, to repay \$32,295,000 in wastewater system revenue bonds issued in 2006. Proceeds from the bonds provided financing for 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 2036. Annual principal and interest payments on the bonds are expected to require approximately 23.0% of net revenues. The total principal and interest remaining to be paid on the bonds is \$52,933,762. Principal and interest paid for the current year, including the loss on early extinguishment of debt, and total system net revenues were \$24,728,562 and \$16,322,410, respectively. Of the total principal and interest paid, \$3,749,013 was scheduled debt service and \$20,979,549 was the prepayment of the series 2006 bonds.

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. The bonds are payable through 2015. Annual principal and interest payments on the bonds are expected to require approximately 55.6% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,065,450. Principal and interest paid for the current year and total golf system net revenues were \$532,525 and \$958,353, respectively.

G. Accrued Compensated Absences

Accrued compensated absences recorded in governmental activities are generally paid from the General Fund. Amounts outstanding at December 31, 2013 are \$27,608,752 for governmental activities and \$4,196,477 for business-type activities.

H. 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, 2013 is \$88,861,214. 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.

I. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2013, was as follows:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
General obligation bonds	\$ 14,929,000	\$ -	\$ (4,461,000)	\$ 10,468,000	\$ 4,657,000
Revenue bonds	3,225,000	-	(1,590,000)	1,635,000	1,635,000
Certificates of participation	96,970,000	-	(5,400,000)	91,570,000	4,545,000
Less adjustments:					
Unamortized discounts	(16,897)	-	8,817	(8,080)	-
Unamortized premium	7,497,815	-	(954,369)	6,543,446	-
Total bonds and COPs	122,604,918	-	(12,396,552)	110,208,366	10,837,000
SID Notes payable	2,035,000	-	(350,000)	1,685,000	30,000
Capitalized leases	2,180,510	1,336,997	(833,200)	2,684,307	481,227
Accrued compensated absences	27,983,759	298,573	(673,580)	27,608,752	4,264,420
Accrued claims payable	9,937,336	5,449,826	(5,571,007)	9,816,155	5,571,007
Arbitrage liability	168,892	-	-	168,892	-
Net OPEB obligation	3,901,375	992,480	-	4,893,855	-
Net Pension obligation	12,649,036	1,633,723	(7,380)	14,275,379	-
Total Governmental Activities	\$ 181,460,826	\$ 9,711,599	\$ (19,831,719)	\$ 171,340,706	\$ 21,183,654

Business-type Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable					
Revenue bonds	\$ 568,900,000	\$ -	\$ (20,505,000)	\$ 548,395,000	\$ 490,000
Less adjustments					
Unamortized premium	12,301,919	-	(866,933)	11,434,986	-
Total bonds and COPs	581,201,919	-	(21,371,933)	559,829,986	490,000
Notes payable	77,221,909	-	(2,162,746)	75,059,163	1,634,324
Accrued compensated absences	4,382,631	127,299	(313,453)	4,196,477	705,952
Arbitrage liability	43,668	-	(43,668)	-	-
Net OPEB obligation	751,110	138,325	-	889,435	-
Net Pension obligation	-	566,094	-	566,094	-
Total Business-type Activities	\$ 663,601,237	\$ 831,718	\$ (23,891,800)	\$ 640,541,155	\$ 2,830,276

8. INTERFUND TRANSACTIONS

The balances between the General Fund and the Nonmajor Governmental Funds result from an overdraft of cash balances. The balances between the General Fund and the Nonmajor Business-type Funds result from an interfund loan between the General Fund and Golf Fund for golf equipment purchases. The balance between the Water Fund and Nonmajor Governmental Funds is an interfund loan for purchase and development of land. The balances between the Wastewater Fund and the Nonmajor Business-type Funds result from the interfund loan between the Wastewater Fund and the Golf Fund for the construction of the Murphy Creek Golf Course.

Receivable Fund	Interfund Receivables and Payables		
	Payable Fund		
	Nonmajor Governmental Funds	Nonmajor Business-type Funds	Totals
General Fund	\$ 234,069	\$ 617,168	\$ 851,237
Water Fund	1,291,315	-	1,291,315
Wastewater Fund	-	4,284,000	4,284,000
Total	\$ 1,525,384	\$ 4,901,168	\$ 6,426,552

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 In	Interfund Transfers Out		
	General Fund	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 1,561,714	\$ 1,561,714
Nonmajor Governmental Funds	43,378,745	5,300,773	48,679,518
Nonmajor Business-type Activities Funds	-	150,000	150,000
Internal Service Funds	500,000	-	500,000
Total	\$ 43,878,745	\$ 7,012,487	\$ 50,891,232

9. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**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, 2013, the city had various appropriations for the acquisition and construction of projects which totaled \$145,100,055.

A. 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, 2013, the city had development incentive agreements with the developers of Town Center at Aurora, Buckingham – Havana Gardens, and Pacific Ocean Marketplace Aurora. In addition, the city had industrial enterprise expansion incentive agreements with Raytheon Company, Merrick and Company, Whirlpool Corporation, Ecotech Institute, Metropolitan Medical Care, Inc., PrimeStar Solar, Inc., Niagara Bottling, LLC, Cooper Lighting, LLC, United Natural Foods, Inc., Advanced Circuits, Inc., Furniture Row COLO, LLC, ADT, LLC and Steven – Robert Originals, LLC. The commercial expansion incentive agreements rebate city levied taxes to the enterprise.

B. Tax Increment Financing

At December 31, 2013, the Aurora Urban Renewal Authority had retail and commercial and residential agreements with Cornerstar, The Shops at Fitzsimons, Fitzsimons Village, the Colorado Science and Technology Park and Gardens on Havana.

C. Fitzsimons Golf Course Operations

Fitzsimons Redevelopment Authority (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, 2014 through December 31, 2018. 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 \$26,033 per year as FRA's share of the proceeds from the operations of the golf course. The maximum remaining commitment to FRA is \$130,165 as of December 31, 2013.

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 in the deferred compensation plans are held in trust for the benefit of the city's employees; the city is not the trustee.

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)
- Fire Statewide Defined Benefit Pension Plan
- Fire Statewide Hybrid Pension Plan
- Other Postemployment Benefits (OPEB)
- Police Money Purchase Pension Plan (New Hire-Police)
- Fire Money Purchase Pension Plan
- 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 supplemental benefits. Currently 757 retirees and others are receiving benefits with 1,606 active plan members. There are 235 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 12100 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. Actuarial studies are considered in establishing funding policies. However, contributions are not actuarially determined. Employee contributions are required as a condition of employment at 6.0% for 2013 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 (EOEP)

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 35 retirees and others receiving benefits with 38 active plan members. There are 9 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. 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. Administrative costs are financed using contributions and earnings of the plan.

EOEP	EOEP
Statement of Fiduciary Net Position	Statement of Changes in Fiduciary Net Position
December 31, 2013	For the Year Ended December 31, 2013
ASSETS	ADDITIONS
<i>Current Assets</i>	<i>Contributions</i>
Investments	City \$ 182,057
Cash and cash equivalents \$ 58,681	Total contributions <u>182,057</u>
Equity securities and funds 3,270,327	<i>Investment activity</i>
Corporate bond funds 1,856,970	Investment earnings 788,513
Real estate funds 659,594	Investment expense <u>(9,207)</u>
Interest receivable 4,018	Net investment earnings <u>779,306</u>
Prepaid expenses <u>5,750</u>	Other income <u>-</u>
Total assets <u>5,855,340</u>	Total additions <u>961,363</u>
LIABILITIES	DEDUCTIONS
<i>Current Liabilities</i>	Benefits 194,971
Accounts payable <u>6,376</u>	Administrative expenses <u>17,394</u>
Total liabilities <u>6,376</u>	Total deductions <u>212,365</u>
NET POSITION	NET POSITION - January 1 <u>5,099,966</u>
Held in trust for pension benefits 5,848,964	NET POSITION - December 31 <u>\$ 5,848,964</u>
Total net position <u>\$ 5,848,964</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 agent 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 and 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. Statewide Defined Benefit Plan – Fire New Hire Pension Plan

Established in 2011, the Fire Statewide Defined Benefit Plan is a cost-sharing multiple employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). The plan provides retirement and death benefits to firefighters hired on or after April 8, 1978. State statute assigns authority to establish and amend benefit provisions to the FPPA. Currently 181 city firefighters are members of this transfer plan. In 2013, members of the transfer plan and the city each contributed 10.0%, \$1,478,279. In 2012 and 2011, both plan members and the city contributed 10.0%, \$1,589,622 and \$506,504, respectively. As condition of membership in this plan, annual contributions are also made to a 457 plan. For 2013, contributions to the 457 plan were 0.5%, \$73,914, each for both plan members and the city. In 2012 and 2011, contributions to the 457 plan for plan members and the city were each 0.5%, \$79,487 and \$12,619, respectively. In 2012, an updated plan was instituted for firefighters hired on or after January 1, 2012. Currently, 53 city firefighters are members of this plan. In 2013, plan members and the city each contributed 8.0%, \$128,361. In 2012, both plan members and the city contributed 8.0%, \$70,943 each.

5. Statewide Hybrid Plan – Fire New Hire Pension Plan

Established in 2011, the Statewide Hybrid Fire Pension Plan is a cost-sharing multiple employer pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). This plan contains a defined benefit component and a money purchase component. State statute assigns authority to establish and amend benefit provision to the FPPA. Currently, 46 city firefighters are members of this plan. In 2013, plan members and the city each contributed 10.5%, \$406,408. In 2012 and 2011, plan members and the city both contributed 10.5%, \$401,163 and \$124,372, respectively. The percentage split is recalculated each year.

B. Other Postemployment Benefits (OPEB)

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 with 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 2,371 active employees covered under the city’s health insurance plan. Of these, 639 are fully eligible for the plan. In addition, there are 355 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 pay-as-you-go expense for the year ended December 31, 2013 is \$989,000.

Summary of the Net OPEB obligation at the end of 2013 by Business–type and Governmental activities:

Fund	Amount
Water Fund	\$ 531,899
Wastewater Fund	277,724
Golf Fund	79,812
Total Business-type activities	889,435
Total Governmental activities	4,893,855
Total net OPEB obligation - December 31	\$ 5,783,290

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:

	GERP	EOEP	Old Hire Fire	Old Hire Police	OPEB
Annual required contribution (ARC)	\$ 6,949,075	\$ 182,057	\$ 1,963,632	\$ 3,367,555	\$ 2,088,000
Interest on net pension obligation (NPO/NPA)	984,975	-	(19,781)	25,264	209,362
Adjustment to ARC	(726,704)	-	25,559	(32,644)	(177,557)
Annual pension cost (APC)	7,207,346	182,057	1,969,410	3,360,175	2,119,805
Contributions made	(5,007,529)	(182,057)	(1,963,632)	(3,367,555)	(989,000)
Increase (decrease) in NPO/NPA	2,199,817	-	5,778	(7,380)	1,130,805
NPO/NPA - beginning of year	12,312,183	-	(263,747)	336,853	4,652,485
NPO/NPA - end of year	\$ 14,512,000	\$ -	\$ (257,969)	\$ 329,473	\$ 5,783,290

Net pension asset is recorded as other receivables and net pension obligation and net OPEB obligation are recorded as long term debt on the citywide statement of net position. Net pension obligation and net OPEB obligation recorded in governmental activities are generally paid from the General Fund. Water, Wastewater and Golf Funds report a proportionate share of the net pension obligation and net OPEB obligation as long term debt in business-type activities and are generally paid from their respective funds.

Summary of the Net NPO obligation at the end of 2013 by Business-type and Governmental activities:

Fund	Amount
Water Fund	\$ 340,040
Wastewater Fund	176,841
Golf Fund	49,213
Total Business-type activities	566,094
Total Governmental activities	14,275,379
Total net NPO obligation - December 31	\$ 14,841,473

Funded Status and Funding Progress. The city's funded status for the year ended December 31, 2013 can be seen below. The schedule of funding progress, presented as Required Supplementary Information 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)	UAAL as a Percent of Covered Payroll (b-a)/(c)
GERP	1/1/13	\$ 340,856,093	\$ 369,696,290	\$ 28,840,197	92.20%	82,619,797	34.91%
EOEP	1/1/13	5,056,265	4,572,082	(484,183)	110.59%	-	0.00%
Old Hire - Fire	1/1/12	80,886,666	101,430,286	20,543,620	79.75%	68,218	30114.66%
Old Hire - Police	1/1/12	91,220,252	126,318,024	35,097,772	72.21%	99,532	35262.80%
OPEB	1/1/13	-	21,227,000	21,227,000	0.00%	179,384,474	11.83%

Three Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
GERP			
12/31/2011	\$ 8,125,507	56.26%	\$ 9,412,075
12/31/2012	7,686,848	61.33%	12,312,183
12/31/2013	7,207,346	69.48%	14,512,000
EOEP			
12/31/2011	356,280	100.00%	-
12/31/2012	182,057	100.00%	-
12/31/2013	182,057	100.00%	-
Old Hire - Fire			
12/31/2011	1,761,360	99.68%	(271,274)
12/31/2012	1,763,274	99.57%	(263,747)
12/31/2013	1,969,410	99.71%	(257,969)
Old Hire - Police			
12/31/2011	2,865,271	100.25%	346,468
12/31/2012	2,862,824	100.34%	336,853
12/31/2013	3,360,175	100.22%	329,473
OPEB			
12/31/2011	1,659,000	60.04%	4,567,000
12/31/2012	1,732,129	95.06%	4,652,485
12/31/2013	2,119,805	46.66%	5,783,290

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.

	GERP	EOEP	Old Hire - Fire	Old Hire - Police	OPEB
Actuarial valuation date	1/1/2013	1/1/2013	1/1/2012	1/1/2012	1/1/2013
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit cost
Amortization method	Level percent - open	Level dollar - open	Level dollar - open	Level dollar - open	Level percent - open
Remaining amortization period	30 years	15 years	20 years	20 years	30 years
Asset valuation method	3-year smoothing	3-year smoothing	3-year smoothed fair market value	3-year smoothed fair market value	N/A
Actuarial assumptions:					
Investment rate of return*	8.00%	7.75%	7.50%	7.50%	4.50%
Payroll growth rate	3.50%	N/A	N/A	N/A	N/A
Projected salary increases*	3.50% to 7.50%	N/A	4.00%	4.00%	3.50%
Cost of living adjustment	3.50% base (tier 1) 0.00% base (tier 2) 0.00% supplemental	3.5% basic 0.00% supplemental	3.50%	3.50%	N/A
Health care cost trend	N/A	N/A	N/A	N/A	10.00% to 5.00%
*Includes inflation at	N/A	N/A	3.00%	3.00%	N/A

C. Defined Contribution Plans**1. Police Money Purchase Pension Plan – New Hire**

The Police New Hire Plan is a defined contribution money purchase plan established by City Ordinance to provide benefits at retirement for full time police hired on or after April 8, 1978. The plan is administered by a committee established by the agreement. Plan provisions and contribution requirements are amended by an affirmative vote of 65% of the members as well as a City Council resolution. At December 31, 2013, there were 667 plan members. Plan members and the city are both required to contribute 10.5%. In 2013, plan members and the city each contributed \$ 5,278,365.

2. Fire Money Purchase Pension Plan

The Fire Money Purchase Pension Plan is established by City Ordinance to provide retirement and death benefits for city firefighters and is administered by the Fire and Police Pension Association of Colorado. Plan provisions and contribution requirements are established and may be amended by City Council. At December 31, 2013, there were 19 plan members. In 2013, plan members and the city each contributed \$163,628.

3. 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, 2013, there were 27 plan members. In 2013, plan members and the city both contributed 10.0%, \$367,097 each.

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 \$1,190,438 for the year ended December 31, 2013. The future minimum lease payments for these leases are as follows:

Year Ending December 31	Amount
2014	\$ 701,455
2015	610,103
2016	126,581
2017	109,964
2018	8,338
Total	\$ 1,556,441

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 1.00% 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. Management believes any resulting judgments would not exceed insurance coverage by a material amount.

**Summary of the Accrued Claims Liability
December 31, 2013**

Self-Insured Program	Case Reserves	IBNR	Total	Discounted
Worker's compensation	\$ 2,340,621	\$ 3,943,470	\$ 6,284,091	\$ 6,060,773
Multi-line liability	1,322,540	2,495,165	3,817,705	3,755,382
Total	\$ 3,663,161	\$ 6,438,635	\$ 10,101,796	\$ 9,816,155

Reconciliation of Claims Payable

Year	Balance January 1	Current Year Accrued Claims	Claim Payments	Recoveries	Balance December 31
2012	\$ 9,239,764	\$ 4,800,598	\$ (4,302,046)	\$ 199,020	\$ 9,937,336
2013	9,937,336	5,197,979	(5,571,007)	251,847	9,816,155

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.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the city expects such amounts, if any, to be immaterial.

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. Escrowed debt outstanding at December 31, 2013 is as follows:

Issue Description	Date of Issue	Series	December 31, 2013
Colorado Water Resources & Power Development Authority (CWR & PDA) Revenue Bonds Series 2005D	9/29/2005	2005	\$ 39,360,000
First-Lien Sewer Improvement Revenue Bonds Series 2006	4/25/2006	2006	18,795,000
Total			\$ 58,155,000

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, 2013, there were seven series of revenue bonds outstanding, which included four Hospital Revenue Bonds payable from operating revenues, one Educational Development Bond payable from lease payments, one Multifamily Mortgage Bonds payable from rental and mortgage payments, and one Single Family Mortgage Bonds payable from mortgage payments. The total aggregate principal amount payable was \$252,755,000.

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 2013, 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 General 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 of TABOR reserves recorded in the General Fund, which are identified as restricted for emergencies at December 31, 2013, was \$9,655,083 or 3% of fiscal year spending. The city's management believes the city is in compliance with the provisions of TABOR at December 31, 2013.

* * * * *

Required Supplementary Information



CITY OF AURORA, COLORADO

**DEFINED BENEFIT PENSION PLANS
AND OTHER POSTEMPLOYMENT BENEFITS (OPEB)
SCHEDULE OF FUNDING PROGRESS (UNAUDITED)
DECEMBER 31, 2013**

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						
1/1/09	\$ 296,021,806	\$ 319,750,886	\$ 23,729,080	92.58%	\$ 86,099,178	27.56%
1/1/10	300,704,227	333,831,950	33,127,723	90.08%	84,403,431	39.25%
1/1/11	297,494,555	335,310,191	37,815,636	88.72%	83,973,043	45.03%
1/1/12	320,996,231	354,416,941	33,420,710	90.57%	82,107,803	40.70%
1/1/13	340,856,093	369,696,290	28,840,197	92.20%	82,619,797	34.91%
EOEP						
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
1/1/11	4,098,706	4,299,638	200,932	95.33%	n/a	n/a
1/1/13	5,056,265	4,572,082	(484,183)	110.59%	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)%
1/1/10	88,066,465	104,279,437	16,212,972	84.45%	66,487	24385.18%
1/1/12	80,886,666	101,430,286	20,543,620	79.75%	68,218	30114.66%
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%
1/1/10	96,468,415	124,458,499	27,990,084	77.51%	98,936	28291.10%
1/1/12	91,220,252	126,318,024	35,097,772	72.21%	99,532	35262.80%
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%
1/1/11	-	17,898,000	17,898,000	0.00%	174,640,472	10.25%
1/1/13	-	21,227,000	21,227,000	0.00%	179,384,474	11.83%

CITY OF AURORA, COLORADO
DEFINED BENEFIT PLANS
AND OTHER POSTEMPLOYMENT BENEFITS (OPEB)
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)
DECEMBER 31, 2013

Year	Annual Required Contribution (ARC)	Percentage Contributed
GERP		
2009	\$ 8,144,982	59%
2010	8,415,022	55%
2011	8,002,631	57%
2012	7,489,412	63%
2013	6,949,075	72%
EOEP		
2009	\$ 351,991	100%
2010	356,280	100%
2011	356,280	100%
2012	182,057	100%
2013	182,057	100%
OPEB		
2009	\$ 1,836,000	52%
2010	1,931,000	58%
2011	1,632,000	61%
2012	1,701,000	97%
2013	2,088,000	47%



CITY OF AURORA, COLORADO

GENERAL FUND
 SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (UNAUDITED)
 FOR THE YEAR ENDED DECEMBER 31, 2013

	General Fund				Designated Revenues Fund				Total of Funds
	Budgets		Budgetary	Variance	Budgets		Budgetary	Variance	Budgetary
	Original	Final	Actual	with Final	Original	Final	Actual	with Final	Actual
SOURCES									
Taxes									
Property	\$ 25,014,120	\$ 25,014,120	\$ 25,113,853	\$ 99,733	\$ —	\$ —	\$ —	\$ —	\$ 25,113,853
Sales	131,477,615	131,477,615	142,501,648	11,024,033	—	—	—	—	142,501,648
Use	25,770,452	25,770,452	29,430,562	3,660,110	—	—	—	—	29,430,562
Lodgers	4,575,473	4,575,473	5,149,066	573,593	—	—	—	—	5,149,066
Franchise	13,628,603	13,628,603	14,187,443	558,840	—	—	—	—	14,187,443
Other	8,773,222	8,773,222	8,862,985	89,763	—	—	—	—	8,862,985
Total taxes	209,239,485	209,239,485	225,245,557	16,006,072	—	—	—	—	225,245,557
Intergovernmental	12,796,979	12,899,795	13,379,711	479,916	—	—	600,000	600,000	13,979,711
Licenses and permits	2,290,168	2,302,868	2,439,943	137,075	—	(12,700)	—	12,700	2,439,943
Charges for services	11,049,345	10,997,245	10,362,458	(634,787)	1,286,383	1,297,983	1,040,439	(257,544)	11,402,897
Fines and forfeitures	6,251,899	6,269,899	6,081,941	(187,958)	3,980,847	4,107,297	4,710,660	603,363	10,792,601
Investment income	557,409	557,409	743,869	186,460	45,300	45,300	60,144	14,844	804,013
Other revenues	935,787	960,827	1,557,393	596,566	79,876	103,936	156,017	52,081	1,713,410
Proceeds from sales of assets	220,000	220,000	226,287	6,287	—	—	—	—	226,287
Transfers in	1,160,750	1,160,750	1,160,750	—	—	183,748	502,188	318,440	1,662,938
TOTAL SOURCES	244,501,822	244,608,278	261,197,909	16,589,631	5,392,406	5,725,564	7,069,448	1,343,884	268,267,357
USES									
Operating Costs									
<i>Municipal Court</i>									
Judicial	2,132,724	2,152,016	2,131,802	20,214	132,198	133,578	110,979	22,599	2,242,781
Court Administration	7,297,892	7,361,919	7,184,777	177,142	—	—	—	—	7,184,777
Public Defender	667,644	678,865	677,307	1,558	—	—	—	—	677,307
Total municipal court	10,098,260	10,192,800	9,993,886	198,914	132,198	133,578	110,979	22,599	10,104,865
<i>City Attorney</i>	5,171,116	5,279,665	5,278,889	776	—	—	—	—	5,278,889
<i>General Management Group</i>									
City Council	1,040,464	1,064,862	948,488	116,374	—	—	—	—	948,488
Civil Service	698,142	790,973	790,414	559	—	—	—	—	790,414
General Management	2,199,010	2,269,959	2,232,855	37,104	—	—	—	—	2,232,855
Total general management group	3,937,616	4,125,794	3,971,757	154,037	—	—	—	—	3,971,757
<i>Administrative Services Group</i>									
Communications	2,104,886	2,122,696	2,113,428	9,268	254,528	254,528	191,446	63,082	2,304,874
Finance	5,521,236	5,507,942	5,129,744	378,198	—	—	—	—	5,129,744
Information Technology	7,312,099	7,327,647	7,123,976	203,671	—	—	—	—	7,123,976
Internal Services	5,409,329	5,337,732	4,954,064	383,668	—	—	—	—	4,954,064
Public Safety Communications	6,082,056	6,039,978	5,818,882	221,096	—	—	—	—	5,818,882
Total administrative services group	26,429,606	26,335,995	25,140,094	1,195,901	254,528	254,528	191,446	63,082	25,331,540

(continued)

	General Fund				Designated Revenues Fund				Total of Funds
	Budgets		Budgetary	Variance	Budgets		Budgetary	Variance	Budgetary
	Original	Final	Actual	with Final	Original	Final	Actual	with Final	Actual
<i>Operations Group</i>									
Library and Cultural Services	\$ 3,950,283	\$ 3,946,781	\$ 3,946,781	\$ —	\$ 355,241	\$ 358,885	\$ 260,027	\$ 98,858	\$ 4,206,808
Public Works	23,472,764	23,487,165	22,407,832	1,079,333	18,876	34,376	18,834	15,542	22,426,666
Parks, Recreation and Open Space	11,690,810	11,583,597	11,517,170	66,427	760,347	974,941	615,849	359,092	12,133,019
Neighborhood Services	3,471,422	3,486,729	3,486,534	195	110,116	71,076	27,681	43,395	3,514,215
Planning and Development Services	2,193,541	2,244,820	2,128,079	116,741	341,710	345,480	326,783	18,697	2,454,862
Total operations group	44,778,820	44,749,092	43,486,396	1,262,696	1,586,290	1,784,758	1,249,174	535,584	44,735,570
<i>Police/Fire Group</i>									
Non-departmental	—	295,000	294,057	943	—	—	—	—	294,057
Police	85,946,523	86,294,652	86,293,395	1,257	2,913,325	3,125,156	3,084,593	40,563	89,377,988
Fire	38,998,327	39,463,327	39,461,715	1,612	—	—	—	—	39,461,715
Total police/fire group	124,944,850	126,052,979	126,049,167	3,812	2,913,325	3,125,156	3,084,593	40,563	129,133,760
<i>Non-departmental</i>	35,911,710	48,590,055	47,792,620	797,435	1,785,121	1,927,260	1,623,095	304,165	49,415,715
TOTAL USES	251,271,978	265,326,380	261,712,809	3,613,571	6,671,462	7,225,280	6,259,287	965,993	267,972,096
CHANGE IN FUNDS AVAILABLE	(6,770,156)	(20,718,102)	(514,900)	20,203,202	(1,279,056)	(1,499,716)	810,161	2,309,877	295,261
FUNDS AVAILABLE - January 1	44,193,219	51,716,988	51,716,988	—	6,435,260	7,254,226	7,254,226	—	58,971,214
FUNDS AVAILABLE - December 31	\$ 37,423,063	\$ 30,998,886	51,202,088	\$ 20,203,202	\$ 5,156,204	\$ 5,754,510	8,064,387	\$ 2,309,877	59,266,475
Less: Restricted for emergencies (TABOR)			(9,655,083)				—		(9,655,083)
Committed to reserves (10% Policy)			(21,745,473)				—		(21,745,473)
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESTRICTIONS, AND COUNCIL COMMITMENTS - December 31			\$ 19,801,532				\$ 8,064,387		\$ 27,865,919
RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE									
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 51,202,088				\$ 8,064,387		\$ 59,266,475
Long-term interfund receivables			617,168				—		617,168
Sales, use and lodgers tax accrual			19,362,521				—		19,362,521
Current year encumbrances			1,647,739				65,118		1,712,857
Adjustment of investments to fair value			(167,605)				(19,628)		(187,233)
FUND BALANCE (U.S. GAAP BASIS) - DECEMBER 31			\$ 72,661,911				\$ 8,109,877		\$ 80,771,788

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. The information presented in these schedules was determined based upon the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	GERP	EOEP	Old Hire - Fire	Old Hire - Police	OPEB
Actuarial valuation date	1/1/2013	1/1/2013	1/1/2012	1/1/2012	1/1/2013
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit cost
Amortization method	Level percent - open	Level dollar - open	Level dollar - open	Level dollar - open	Level percent - open
Remaining amortization period	30 years	15 years	20 years	20 years	30 years
Asset valuation method	3-year smoothing	3-year smoothing	3-year smoothed fair market value	3-year smoothed fair market value	N/A
Actuarial assumptions:					
Investment rate of return*	8.00%	7.75%	7.50%	7.50%	4.50%
Payroll growth rate	3.50%	N/A	N/A	N/A	N/A
Projected salary increases*	3.50% to 7.50%	N/A	4.00%	4.00%	3.50%
Cost of living adjustment	3.50% base (tier 1) 0.00% base (tier 2) 0.00% supplemental	3.5% basic 0.00% supplemental	3.50%	3.50%	N/A
Health care cost trend	N/A	N/A	N/A	N/A	10.00% to 5.00%
*Includes inflation at	N/A	N/A	3.00%	3.00%	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 (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, 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) Sales, use and lodgers taxes are considered revenue when received rather than when earned.
- c) Proceeds from capital leases and related capital expenditures are not budgeted.
- d) The value received on the trade-in of fixed assets and the related capital expenditures are not budgeted.
- e) Changes in investment income due to recording investments at fair value are not budgeted.
- f) January sick leave buyout is expensed for GAAP but not for budget until subsequent year.

Combining and Individual Fund Statements and Schedules



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 other than debt service or capital projects.

Gifts & 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, inspections/permits 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 and building demolition and board up 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.

Non-Major Governmental Funds



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.

Open Space Fund

The Open Space Fund accounts for dedicated use tax revenues received from both Arapahoe County and Adams 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 each of the respective counties.

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.

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.

Meadow Hills Fence General Improvement District (GID)

The Meadow Hills 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.

Peoria Park Fence General Improvement District (GID)

The Peoria Park 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.



Pier Point 7 Sewer General Improvement District (GID)

The Pier Point 7 Sewer GID accounts for debt service and construction and installation of essential sanitary sewer system improvements within the District. Funding is from property tax assessed on the related properties.

Aurora Urban Renewal Authority (AURA) General Fund

The AURA General Fund, a blended component unit, 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. The remaining equity in this fund was transferred to the Capital Projects Fund in 2013 and the Surplus and Deficiency Fund was closed.



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

Capital projects funds account for financial resources used for the construction and acquisition of major capital projects.

City Capital Projects Fund

The City Capital Projects Fund accounts for 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 Revenues and participation revenues from outside sources.

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 for 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, 2013

	Special Revenue				
	Gifts and Grants	Development Review	Abatement	Community Development	Enhanced E-911
ASSETS					
Cash and cash equivalents	\$ —	\$ 484,179	\$ 2,276	\$ —	\$ —
Investments	—	3,228,478	15,179	—	—
<i>Receivables (net of allowance)</i>					
Accounts receivable	—	19,181	257,153	—	—
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	—	—
Other receivables	—	—	6,688	—	—
<i>Restricted assets</i>					
Cash and cash equivalents	1,682,188	—	—	374,567	748,326
Investments	—	—	—	—	4,989,798
Taxes receivable	—	—	—	—	—
Accounts receivable	33,590	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	1,448,909	—	—	56,889	—
Other receivables	177,297	—	—	126,978	204,668
Inventory	790,280	—	—	443,617	—
Notes receivable	—	—	—	—	—
Total assets	<u>\$ 4,132,264</u>	<u>\$ 3,731,838</u>	<u>\$ 281,296</u>	<u>\$ 1,002,051</u>	<u>\$ 5,942,792</u>
LIABILITIES					
Accounts payable	\$ 312,322	\$ 86,159	\$ 3,233	\$ 234,574	\$ 13,873
Other payables	—	—	—	—	—
Due to other funds	—	—	—	234,069	—
Unearned revenues	969,208	—	—	89,791	—
Total liabilities	<u>1,281,530</u>	<u>86,159</u>	<u>3,233</u>	<u>558,434</u>	<u>13,873</u>
DEFERRED INFLOWS OF RESOURCES					
	—	—	—	—	—
FUND BALANCES					
Restricted	2,850,734	—	—	443,617	5,928,919
Committed	—	3,645,679	278,063	—	—
Assigned	—	—	—	—	—
Total fund balances	<u>2,850,734</u>	<u>3,645,679</u>	<u>278,063</u>	<u>443,617</u>	<u>5,928,919</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,132,264</u>	<u>\$ 3,731,838</u>	<u>\$ 281,296</u>	<u>\$ 1,002,051</u>	<u>\$ 5,942,792</u>

(continued)

CITY OF AURORA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013

	Special Revenue				
	Conservation Trust	Parks Development	Open Space	Recreation Services	Cultural Services
ASSETS					
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ 667,506	\$ 874,290
Investments	—	—	—	62,725	—
<i>Receivables (net of allowance)</i>					
Accounts receivable	—	—	—	104,628	7,000
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	9,438	—
Other receivables	—	—	—	—	—
<i>Restricted assets</i>					
Cash and cash equivalents	661,966	516,449	1,716,527	—	7,396
Investments	4,413,949	3,443,657	11,445,717	—	—
Taxes receivable	—	—	—	—	—
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	894,909	—	—	—	52,098
Other receivables	—	—	162,703	—	—
Inventory	—	—	—	—	—
Notes receivable	—	—	—	—	—
Total assets	<u>\$ 5,970,824</u>	<u>\$ 3,960,106</u>	<u>\$ 13,324,947</u>	<u>\$ 844,297</u>	<u>\$ 940,784</u>
LIABILITIES					
Accounts payable	\$ 55,440	\$ 4,834	\$ 371,707	\$ 228,672	\$ 80,789
Other payables	—	—	—	559	—
Due to other funds	—	—	—	—	—
Unearned revenues	—	—	—	327,187	64,200
Total liabilities	<u>55,440</u>	<u>4,834</u>	<u>371,707</u>	<u>556,418</u>	<u>144,989</u>
DEFERRED INFLOWS OF RESOURCES					
	—	—	—	—	—
FUND BALANCES					
Restricted	5,915,384	3,955,272	12,953,240	—	46,696
Committed	—	—	—	—	730,121
Assigned	—	—	—	287,879	18,978
Total fund balances	<u>5,915,384</u>	<u>3,955,272</u>	<u>12,953,240</u>	<u>287,879</u>	<u>795,795</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,970,824</u>	<u>\$ 3,960,106</u>	<u>\$ 13,324,947</u>	<u>\$ 844,297</u>	<u>\$ 940,784</u>

(continued)

CITY OF AURORA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013

	Special Revenue				
	Cherry Creek Fence GID	Meadow Hills Fence GID	Peoria Park Fence GID	Pier Point 7 Sewer GID	AURA General
ASSETS					
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —	\$ —
Investments	—	—	—	—	—
<i>Receivables (net of allowance)</i>					
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	—	—
Other receivables	—	—	—	—	—
<i>Restricted assets</i>					
Cash and cash equivalents	46,811	30,503	56,414	92,840	7,606
Investments	—	—	—	—	50,710
Taxes receivable	62,159	44,662	32,307	181,068	—
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	345	247	206	1,083	—
Other receivables	—	—	—	—	—
Inventory	—	—	—	—	—
Notes receivable	—	—	—	—	—
Total assets	<u>\$ 109,315</u>	<u>\$ 75,412</u>	<u>\$ 88,927</u>	<u>\$ 274,991</u>	<u>\$ 58,316</u>
LIABILITIES					
Accounts payable	\$ —	\$ —	\$ —	\$ —	\$ —
Other payables	—	—	—	—	—
Due to other funds	—	—	—	—	—
Unearned revenues	—	—	—	—	—
Total liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
DEFERRED INFLOWS OF RESOURCES	62,159	44,662	32,307	181,068	—
FUND BALANCES					
Restricted	47,156	30,750	56,620	93,923	58,316
Committed	—	—	—	—	—
Assigned	—	—	—	—	—
Total fund balances	<u>47,156</u>	<u>30,750</u>	<u>56,620</u>	<u>93,923</u>	<u>58,316</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 109,315</u>	<u>\$ 75,412</u>	<u>\$ 88,927</u>	<u>\$ 274,991</u>	<u>\$ 58,316</u>

(continued)

CITY OF AURORA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013

	Debt Service				
	City Debt Service	SID Debt Service	Surplus and Deficiency	AURA Debt Service	ACLC Debt Service
ASSETS					
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —	\$ 173,080
Investments	—	—	—	—	1,154,089
<i>Receivables (net of allowance)</i>					
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	—	—
Other receivables	—	—	—	—	—
<i>Restricted assets</i>					
Cash and cash equivalents	198,626	111,442	—	943,514	674,489
Investments	1,324,460	222,862	—	6,291,301	8,790,592
Taxes receivable	4,941,128	—	—	3,112,950	—
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	23,258
Due from other governments	—	—	—	—	—
Other receivables	—	1,625,321	—	1,291,315	—
Inventory	—	—	—	—	—
Notes receivable	—	—	—	—	—
Total assets	\$ 6,464,214	\$ 1,959,625	\$ —	\$ 11,639,080	\$ 10,815,508
LIABILITIES					
Accounts payable	\$ 1,750	\$ —	\$ —	\$ 1,686,721	\$ —
Other payables	—	—	—	—	—
Due to other funds	—	—	—	—	—
Unearned revenues	—	—	—	—	—
Total liabilities	1,750	—	—	1,686,721	—
DEFERRED INFLOWS OF RESOURCES	4,941,128	1,625,321	—	3,112,950	—
FUND BALANCES					
Restricted	1,521,336	334,304	—	6,839,409	9,488,339
Committed	—	—	—	—	—
Assigned	—	—	—	—	1,327,169
Total fund balances	1,521,336	334,304	—	6,839,409	10,815,508
Total liabilities, deferred inflows of resources, and fund balances	\$ 6,464,214	\$ 1,959,625	\$ —	\$ 11,639,080	\$ 10,815,508

(continued)

CITY OF AURORA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013

	Capital Projects		Total Nonmajor Governmental Funds
	City Capital Projects	ACLIC Capital Projects	
ASSETS			
Cash and cash equivalents	\$ 3,882,157	\$ —	\$ 6,083,488
Investments	23,979,893	—	28,440,364
<i>Receivables (net of allowance)</i>			
Accounts receivable	217,988	—	605,950
Interest receivable	3,540	—	3,540
Due from other governments	—	—	9,438
Other receivables	—	—	6,688
<i>Restricted assets</i>			
Cash and cash equivalents	777,464	186,685	8,833,813
Investments	6,109,901	—	47,082,947
Taxes receivable	—	—	8,374,274
Accounts receivable	—	—	33,590
Interest receivable	—	—	23,258
Due from other governments	692,018	—	3,146,704
Other receivables	—	—	3,588,282
Inventory	—	—	1,233,897
Notes receivable	130,165	—	130,165
Total assets	<u>\$ 35,793,126</u>	<u>\$ 186,685</u>	<u>\$ 107,596,398</u>
LIABILITIES			
Accounts payable	\$ 549,758	\$ —	\$ 3,629,832
Other payables	327,500	—	328,059
Due to other funds	—	—	234,069
Unearned revenues	—	—	1,450,386
Total liabilities	<u>877,258</u>	<u>—</u>	<u>5,642,346</u>
DEFERRED INFLOWS OF RESOURCES	277,113	—	10,276,708
FUND BALANCES			
Restricted	7,498,310	186,685	58,249,010
Committed	288,597	—	4,942,460
Assigned	26,851,848	—	28,485,874
Total fund balances	<u>34,638,755</u>	<u>186,685</u>	<u>91,677,344</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 35,793,126</u>	<u>\$ 186,685</u>	<u>\$ 107,596,398</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, 2013

	Special Revenue				
	Gifts and Grants	Development Review	Abatement	Community Development	Enhanced E-911
REVENUES					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ —	\$ —	\$ —
Property	—	—	—	—	—
Lodgers	—	—	—	—	—
Occupational privilege	—	—	—	—	—
Other	—	—	—	—	—
Charges for services	79,505	1,663,538	373,969	2,449,032	—
Licenses and permits	—	7,398,744	—	—	—
Fines and forfeitures	2,443	—	—	—	—
Special assessments	—	—	—	—	—
Intergovernmental	9,826,200	—	—	2,828,321	—
Surcharges	—	—	—	—	3,102,060
Miscellaneous	1,334,747	176,603	570	—	280
Investment earnings	26,989	11,044	3,306	—	(5,805)
Total revenues	11,269,884	9,249,929	377,845	5,277,353	3,096,535
EXPENDITURES					
<i>Current</i>					
General government	13,107	—	—	—	—
Judicial	102,849	—	—	—	—
Police	3,706,618	—	—	—	—
Fire	276,965	—	—	—	—
Other public safety	25,841	—	—	—	2,288,299
Public works	80,706	—	—	—	—
Economic development	164,256	6,885,370	—	665,442	—
Community services	933,090	—	586,523	5,047,503	—
Culture and recreation	746,930	—	—	—	—
<i>Debt service</i>					
Principal	—	—	—	—	—
Interest	—	—	—	—	—
Capital outlay	5,027,707	85,824	—	245,836	1,844,220
Total expenditures	11,078,069	6,971,194	586,523	5,958,781	4,132,519
Excess (deficiency) of revenues over (under) expenditures	191,815	2,278,735	(208,678)	(681,428)	(1,035,984)
OTHER FINANCING SOURCES (USES)					
Transfers in	92,011	—	—	101,637	1,710,000
Transfers out	—	(1,100,000)	—	—	(1,706,531)
Proceeds from capital lease	—	—	—	—	—
Proceeds from interfund loan	—	—	—	—	—
Sale of capital assets	2,444	27,014	—	—	—
Total other financing sources (uses)	94,455	(1,072,986)	—	101,637	3,469
NET CHANGE IN FUND BALANCES	286,270	1,205,749	(208,678)	(579,791)	(1,032,515)
FUND BALANCES - January 1	2,564,464	2,439,930	486,741	1,023,408	6,961,434
FUND BALANCES - December 31	\$ 2,850,734	\$ 3,645,679	\$ 278,063	\$ 443,617	\$ 5,928,919

(continued)

CITY OF AURORA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Special Revenue				
	Conservation Trust	Parks Development	Open Space	Recreation Services	Cultural Services
REVENUES					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ —	\$ —	\$ —
Property	—	—	—	—	—
Lodgers	—	—	—	—	—
Occupational privilege	—	—	—	—	—
Other	—	—	—	—	—
Charges for services	—	—	—	5,040,545	713,522
Licenses and permits	—	—	—	—	—
Fines and forfeitures	—	—	—	44	—
Special assessments	—	—	—	—	—
Intergovernmental	3,495,481	—	6,409,304	438,202	258,075
Surcharges	—	—	—	—	—
Miscellaneous	—	1,142,844	—	229,672	89,317
Investment earnings	7,379	6,280	34,636	(526)	5,637
	<u>3,502,860</u>	<u>1,149,124</u>	<u>6,443,940</u>	<u>5,707,937</u>	<u>1,066,551</u>
Total revenues					
EXPENDITURES					
<i>Current</i>					
General government	—	—	—	—	—
Judicial	—	—	—	—	—
Police	—	—	—	—	—
Fire	—	—	—	—	—
Other public safety	—	—	—	—	—
Public works	—	—	—	—	—
Economic development	—	—	—	—	—
Community services	—	—	—	—	—
Culture and recreation	2,009,653	162,014	4,415,793	9,444,613	2,117,866
<i>Debt service</i>					
Principal	—	—	—	—	—
Interest	—	—	—	—	—
Capital outlay	173,070	61,436	1,029,747	—	—
	<u>2,182,723</u>	<u>223,450</u>	<u>5,445,540</u>	<u>9,444,613</u>	<u>2,117,866</u>
Total expenditures					
Excess (deficiency) of revenues over (under) expenditures	<u>1,320,137</u>	<u>925,674</u>	<u>998,400</u>	<u>(3,736,676)</u>	<u>(1,051,315)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	—	—	—	3,604,226	1,081,112
Transfers out	(216,454)	—	(1,190,874)	(30,000)	—
Proceeds from capital lease	—	—	—	—	—
Proceeds from interfund loan	—	—	—	—	—
Sale of capital assets	—	—	—	7,896	—
	<u>(216,454)</u>	<u>—</u>	<u>(1,190,874)</u>	<u>3,582,122</u>	<u>1,081,112</u>
Total other financing sources (uses)					
NET CHANGE IN FUND BALANCES	1,103,683	925,674	(192,474)	(154,554)	29,797
FUND BALANCES - January 1	4,811,701	3,029,598	13,145,714	442,433	765,998
FUND BALANCES - December 31	<u>\$ 5,915,384</u>	<u>\$ 3,955,272</u>	<u>\$ 12,953,240</u>	<u>\$ 287,879</u>	<u>\$ 795,795</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, 2013

	Special Revenue				
	Cherry Creek Fence GID	Meadow Hills Fence GID	Peoria Park Fence GID	Pier Point 7 Sewer GID	AURA General
REVENUES					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ —	\$ —	\$ —
Property	64,143	45,885	38,234	201,421	—
Lodgers	—	—	—	—	—
Occupational privilege	—	—	—	—	—
Other	4,409	3,193	2,654	14,302	—
Charges for services	—	—	—	—	20,000
Licenses and permits	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—
Special assessments	—	—	—	—	—
Intergovernmental	—	—	—	—	—
Surcharges	—	—	—	—	—
Miscellaneous	80	80	53	—	12,000
Investment earnings	17	13	24	306	(106)
Total revenues	68,649	49,171	40,965	216,029	31,894
EXPENDITURES					
<i>Current</i>					
General government	1,522	972	1,103	3,098	—
Judicial	—	—	—	—	—
Police	—	—	—	—	—
Fire	—	—	—	—	—
Other public safety	—	—	—	—	—
Public works	—	—	—	—	—
Economic development	—	—	—	—	33,907
Community services	—	—	—	—	—
Culture and recreation	—	—	—	—	—
<i>Debt service</i>					
Principal	25,000	15,000	11,000	85,000	—
Interest	33,337	23,204	19,293	110,376	—
Capital outlay	—	—	—	—	—
Total expenditures	59,859	39,176	31,396	198,474	33,907
Excess (deficiency) of revenues over (under) expenditures	8,790	9,995	9,569	17,555	(2,013)
OTHER FINANCING SOURCES (USES)					
Transfers in	—	—	—	—	—
Transfers out	—	—	—	—	(5,426)
Proceeds from capital lease	—	—	—	—	—
Proceeds from interfund loan	—	—	—	—	—
Sale of capital assets	—	—	—	—	—
Total other financing sources (uses)	—	—	—	—	(5,426)
NET CHANGE IN FUND BALANCES	8,790	9,995	9,569	17,555	(7,439)
FUND BALANCES - January 1	38,366	20,755	47,051	76,368	65,755
FUND BALANCES - December 31	<u>\$ 47,156</u>	<u>\$ 30,750</u>	<u>\$ 56,620</u>	<u>\$ 93,923</u>	<u>\$ 58,316</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, 2013

	Debt Service				
	City Debt Service	SID Debt Service	Surplus and Deficiency	AURA Debt Service	ACLIC Debt Service
REVENUES					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ —	\$ 2,724,497	\$ —
Property	4,821,443	—	—	3,100,413	—
Lodgers	—	—	—	309,431	—
Occupational privilege	—	—	—	459,723	—
Other	—	—	—	—	—
Charges for services	—	—	—	—	—
Licenses and permits	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—
Special assessments	—	479,147	14,503	—	—
Intergovernmental	—	—	—	—	—
Surcharges	—	—	—	—	—
Miscellaneous	—	—	—	—	—
Investment earnings	26,700	80,160	3,260	13,698	(103,704)
Total revenues	4,848,143	559,307	17,763	6,607,762	(103,704)
EXPENDITURES					
<i>Current</i>					
General government	50,464	54,825	152	—	24,000
Judicial	—	—	—	—	—
Police	—	—	—	—	—
Fire	—	—	—	—	—
Other public safety	—	—	—	—	—
Public works	—	—	—	—	—
Economic development	—	—	—	4,923,759	—
Community services	—	—	—	—	—
Culture and recreation	—	—	—	—	—
<i>Debt service</i>					
Principal	5,915,000	350,000	—	—	5,826,120
Interest	577,400	72,521	—	21,456	4,647,938
Capital outlay	—	—	—	—	—
Total expenditures	6,542,864	477,346	152	4,945,215	10,498,058
Excess (deficiency) of revenues over (under) expenditures	(1,694,721)	81,961	17,611	1,662,547	(10,601,762)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,662,900	—	—	5,426	10,103,211
Transfers out	—	—	(505,011)	(318,440)	(6,579)
Proceeds from capital lease	—	—	—	—	15,000
Proceeds from interfund loan	—	—	—	1,231,315	—
Sale of capital assets	—	—	—	—	—
Total other financing sources (uses)	1,662,900	—	(505,011)	918,301	10,111,632
NET CHANGE IN FUND BALANCES	(31,821)	81,961	(487,400)	2,580,848	(490,130)
FUND BALANCES - January 1	1,553,157	252,343	487,400	4,258,561	11,305,638
FUND BALANCES - December 31	<u>\$ 1,521,336</u>	<u>\$ 334,304</u>	<u>\$ —</u>	<u>\$ 6,839,409</u>	<u>\$ 10,815,508</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, 2013

	Capital Projects		Total Nonmajor Governmental Funds
	City Capital Projects	ACLIC Capital Projects	
REVENUES			
<i>Taxes</i>			
Sales and use	\$ —	\$ —	\$ 2,724,497
Property	—	—	8,271,539
Lodgers	—	—	309,431
Occupational privilege	—	—	459,723
Other	—	—	24,558
Charges for services	1,862,767	—	12,202,878
Licenses and permits	287,871	—	7,686,615
Fines and forfeitures	7,686	—	10,173
Special assessments	—	—	493,650
Intergovernmental	3,769,304	—	27,024,887
Surcharges	—	—	3,102,060
Miscellaneous	372,432	—	3,358,678
Investment earnings	(59,579)	29	49,758
Total revenues	6,240,481	29	65,718,447
EXPENDITURES			
<i>Current</i>			
General government	1,155,838	—	1,305,081
Judicial	—	—	102,849
Police	—	—	3,706,618
Fire	—	—	276,965
Other public safety	—	—	2,314,140
Public works	5,889,262	—	5,969,968
Economic development	123,306	—	12,796,040
Community services	—	—	6,567,116
Culture and recreation	52,138	—	18,949,007
<i>Debt service</i>			
Principal	—	—	12,227,120
Interest	—	—	5,505,525
Capital outlay	12,887,611	1,141,920	22,497,371
Total expenditures	20,108,155	1,141,920	92,217,800
Excess (deficiency) of revenues over (under) expenditures	(13,867,674)	(1,141,891)	(26,499,353)
OTHER FINANCING SOURCES (USES)			
Transfers in	30,312,416	6,579	48,679,518
Transfers out	(1,933,172)	—	(7,012,487)
Proceeds from capital lease	—	1,321,997	1,336,997
Proceeds from interfund loan	—	—	1,231,315
Sale of capital assets	—	—	37,354
Total other financing sources (uses)	28,379,244	1,328,576	44,272,697
NET CHANGE IN FUND BALANCES	14,511,570	186,685	17,773,344
FUND BALANCES - January 1	20,127,185	—	73,904,000
FUND BALANCES - December 31	\$ 34,638,755	\$ 186,685	\$ 91,677,344

(concluded)



Combining and Individual Fund Statements and Schedules

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.

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 POSITION
DECEMBER 31, 2013

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total Internal Service</u>
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	\$ 104,870	\$ 1,662,731	\$ 1,767,601
Investments	699,270	11,087,008	11,786,278
<i>Receivables (net of allowance)</i>			
Interest Receivable	—	40,474	40,474
Inventories	720,879	—	720,879
Total current assets	<u>1,525,019</u>	<u>12,790,213</u>	<u>14,315,232</u>
<i>Capital assets, net of accumulated depreciation</i>			
Infrastructure	227,835	—	227,835
Machinery and equipment	232,650	—	232,650
Total capital assets	<u>460,485</u>	<u>—</u>	<u>460,485</u>
Total assets	<u>1,985,504</u>	<u>12,790,213</u>	<u>14,775,717</u>
LIABILITIES			
<i>Current liabilities</i>			
Accounts payable	226,830	6,709	233,539
Current portion long-term liabilities	82,107	5,581,266	5,663,373
Total current liabilities	<u>308,937</u>	<u>5,587,975</u>	<u>5,896,912</u>
<i>Noncurrent liabilities</i>			
Due beyond one year	247,276	4,295,461	4,542,737
Total liabilities	<u>556,213</u>	<u>9,883,436</u>	<u>10,439,649</u>
NET POSITION			
Net investment in capital assets	460,485	—	460,485
Unrestricted	968,806	2,906,777	3,875,583
Total net position	<u>\$ 1,429,291</u>	<u>\$ 2,906,777</u>	<u>\$ 4,336,068</u>

CITY OF AURORA, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total Internal Service</u>
OPERATING REVENUES			
Charges for services	\$ 8,779,673	\$ 6,348,536	\$ 15,128,209
OPERATING EXPENSES			
Cost of sales and service	8,671,051	2,461,638	11,132,689
Claims losses	—	5,549,769	5,549,769
Administrative expenses	85,991	26,943	112,934
Depreciation	95,130	—	95,130
Total operating expenses	<u>8,852,172</u>	<u>8,038,350</u>	<u>16,890,522</u>
Operating income (loss)	<u>(72,499)</u>	<u>(1,689,814)</u>	<u>(1,762,313)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	(2,104)	319	(1,785)
Miscellaneous revenues	10,952	290,088	301,040
Gain (loss) on disposal of capital assets	(905)	—	(905)
Net nonoperating revenues	<u>7,943</u>	<u>290,407</u>	<u>298,350</u>
Income (loss)	(64,556)	(1,399,407)	(1,463,963)
Transfers in (out)	<u>—</u>	<u>500,000</u>	<u>500,000</u>
CHANGE IN NET POSITION	(64,556)	(899,407)	(963,963)
NET POSITION - January 1	<u>1,493,847</u>	<u>3,806,184</u>	<u>5,300,031</u>
NET POSITION - December 31	<u>\$ 1,429,291</u>	<u>\$ 2,906,777</u>	<u>\$ 4,336,068</u>

CITY OF AURORA, COLORADO

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total Internal Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Cash received from:</i>			
Customers and others	\$ 13,879	\$ 290,088	\$ 303,967
Interfund services provided and used	8,776,746	6,348,536	15,125,282
<i>Cash payments to:</i>			
Employees	(2,874,025)	(710,434)	(3,584,459)
Suppliers of goods and services	(5,984,679)	(7,493,965)	(13,478,644)
Net cash provided by (used in) operating activities	<u>(68,079)</u>	<u>(1,565,775)</u>	<u>(1,633,854)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash transfers in	—	500,000	500,000
Net cash provided by (used in) noncapital financing activities	<u>—</u>	<u>500,000</u>	<u>500,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) Decrease in equity in pooled investments	117,097	1,797,591	1,914,688
Interest received	4,973	127,882	132,855
Net cash provided by (used in) investing activities	<u>122,070</u>	<u>1,925,473</u>	<u>2,047,543</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	53,991	859,698	913,689
TOTAL CASH AND CASH EQUIVALENTS, January 1	<u>50,879</u>	<u>803,033</u>	<u>853,912</u>
TOTAL CASH AND CASH EQUIVALENTS, December 31	<u>\$ 104,870</u>	<u>\$ 1,662,731</u>	<u>\$ 1,767,601</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	<u>\$ (72,499)</u>	<u>\$ (1,689,814)</u>	<u>\$ (1,762,313)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation	95,130	—	95,130
Miscellaneous nonoperating revenues	10,952	290,088	301,040
<i>Changes in operating assets and liabilities</i>			
Inventories	(104,702)	—	(104,702)
Accounts payable and accrued liabilities	3,040	(166,049)	(163,009)
Total adjustments	<u>4,420</u>	<u>124,039</u>	<u>128,459</u>
Net cash provided by (used in) operating activities	<u>\$ (68,079)</u>	<u>\$ (1,565,775)</u>	<u>\$ (1,633,854)</u>
NONCASH INVESTING, CAPITAL AND AND FINANCING ACTIVITIES			
Increase (decrease) in fair value of investments	\$ (7,076)	\$ (111,875)	\$ (118,951)



Combining and Individual Fund Statements and Schedules



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 POSITION
DECEMBER 31, 2013

	<u>GERP</u>	<u>EOEP</u>	<u>Total Pension Trust</u>
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	\$ 6,377,062	\$ 58,681	\$ 6,435,743
<i>Investments</i>			
Equity securities and funds	190,100,513	3,270,327	193,370,840
U.S. government treasury and U.S. government agency obligations	11,670,136	—	11,670,136
Corporate notes, bonds and funds	96,211,041	1,856,970	98,068,011
Real estate funds	32,316,424	659,594	32,976,018
Alternative investments	48,583,411	—	48,583,411
<i>Receivables (net of allowance)</i>			
Interest receivable	678,583	4,018	682,601
Due from other governments	494,916	—	494,916
Prepaid expenses	—	5,750	5,750
 Total assets	 <u>386,432,086</u>	 <u>5,855,340</u>	 <u>392,287,426</u>
LIABILITIES			
<i>Current Liabilities</i>			
Accounts payable	549,644	6,376	556,020
 Total liabilities	 <u>549,644</u>	 <u>6,376</u>	 <u>556,020</u>
NET POSITION			
Held in trust for pension benefits	385,882,442	5,848,964	391,731,406
 Total net position	 <u>\$ 385,882,442</u>	 <u>\$ 5,848,964</u>	 <u>\$ 391,731,406</u>

CITY OF AURORA, COLORADO
PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>GERP</u>	<u>EOEP</u>	<u>Total Pension Trust</u>
ADDITIONS			
<i>Contributions</i>			
City	\$ 5,007,530	\$ 182,057	\$ 5,189,587
Plan members	5,021,435	—	5,021,435
Total contributions	<u>10,028,965</u>	<u>182,057</u>	<u>10,211,022</u>
<i>Investment activity</i>			
Investment earnings	52,734,003	788,513	53,522,516
Investment expense	<u>(1,431,396)</u>	<u>(9,207)</u>	<u>(1,440,603)</u>
Net investment earnings	<u>51,302,607</u>	<u>779,306</u>	<u>52,081,913</u>
Other income	<u>42,323</u>	—	<u>42,323</u>
Total additions, net	<u>61,373,895</u>	<u>961,363</u>	<u>62,335,258</u>
DEDUCTIONS			
Benefits	17,023,098	194,971	17,218,069
Administrative expenses	<u>589,260</u>	<u>17,394</u>	<u>606,654</u>
Total deductions	<u>17,612,358</u>	<u>212,365</u>	<u>17,824,723</u>
CHANGE IN NET POSITION	43,761,537	748,998	44,510,535
NET POSITION - January 1	<u>342,120,905</u>	<u>5,099,966</u>	<u>347,220,871</u>
NET POSITION - December 31	<u>\$ 385,882,442</u>	<u>\$ 5,848,964</u>	<u>\$ 391,731,406</u>

Combining and Individual Fund Statements and Schedules



AGENCY FUNDS

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Payroll Clearing Fund

The Payroll Clearing Fund provides for the consolidation of all payroll liabilities after the recording of related payroll expenditures/expenses into the appropriate funds.

Aurora 7/20 Relief Fund

The Aurora 7/20 Relief Fund was established after the Century 16 Theater tragedy to accept donations on behalf of the victims. Financial accountability for the fund belongs to the city of Aurora. Activity completed in 2013 and the fund was closed.

CITY OF AURORA, COLORADO

AGENCY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

FOR THE YEAR ENDED DECEMBER 31, 2013

	Balance January 1	Additions	Deductions	Balance December 31
<u>PAYROLL CLEARING FUND</u>				
ASSETS				
Cash and cash equivalents	\$ 8,033,674	\$ 236,741,426	\$ (235,746,846)	\$ 9,028,254
Total assets	8,033,674	236,741,426	(235,746,846)	9,028,254
LIABILITIES				
Funds held on behalf of others	8,033,674	244,540,794	(243,546,214)	9,028,254
Total liabilities	8,033,674	244,540,794	(243,546,214)	9,028,254
<u>AURORA 7/20 RELIEF FUND</u>				
ASSETS				
Cash and cash equivalents	109,922	27,200	(137,122)	—
Total assets	109,922	27,200	(137,122)	—
LIABILITIES				
Funds held on behalf of others	109,922	—	(109,922)	—
Total liabilities	109,922	—	(109,922)	—
<u>ALL AGENCY FUNDS</u>				
ASSETS				
Cash and cash equivalents	8,143,596	236,768,626	(235,883,968)	9,028,254
Total assets	8,143,596	236,768,626	(235,883,968)	9,028,254
LIABILITIES				
Funds held on behalf of others	8,143,596	244,540,794	(243,656,136)	9,028,254
Total liabilities	\$ 8,143,596	\$ 244,540,794	\$ (243,656,136)	\$ 9,028,254



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





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, 2013

	Gifts and Grants			Development Review		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
SOURCES						
Property Tax	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use Tax	—	—	—	—	—	—
Other Tax	—	—	—	—	—	—
Intergovernmental revenues	12,399,862	9,211,701	(3,188,161)	—	—	—
Licenses and permits	—	—	—	6,460,231	7,398,744	938,513
Charges for services	148,700	113,899	(34,801)	1,422,815	1,663,538	240,723
Fines and forfeitures	—	—	—	—	—	—
Investment income	1,680	13,568	11,888	27,000	35,531	8,531
Miscellaneous revenues	459,466	316,971	(142,495)	—	176,603	176,603
Proceeds from sale of assets	—	—	—	—	27,014	27,014
Transfers in	92,011	92,011	—	—	—	—
Funds from restricted assets	—	—	—	—	—	—
TOTAL SOURCES	13,101,719	9,748,150	(3,353,569)	7,910,046	9,301,430	1,391,384
USES						
<i>Operating Costs</i>						
Municipal Court	257,717	180,028	77,689	—	—	—
General Management Group	—	—	—	502,779	501,369	1,410
Administrative Services Group	201	201	—	—	—	—
Operations Group	1,505,338	1,142,868	362,470	6,665,137	6,477,040	188,097
Police/Fire Group	4,320,784	3,972,934	347,850	—	—	—
Non-Departmental	440,716	437,929	2,787	1,128,366	1,100,240	28,126
<i>Continuing Appropriations</i>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	5,758,974	5,758,974	—	—	—	—
Police/Fire Group	—	—	—	—	—	—
TOTAL USES	12,283,730	11,492,934	790,796	8,296,282	8,078,649	217,633
CHANGE IN FUNDS AVAILABLE	817,989	(1,744,784)	(2,562,773)	(386,236)	1,222,781	1,609,017
FUNDS AVAILABLE - January 1	4,217,455	4,217,455	—	2,434,827	2,434,827	—
FUNDS AVAILABLE - December 31	\$ 5,035,444	\$ 2,472,671	\$ (2,562,773)	\$ 2,048,591	\$ 3,657,608	\$ 1,609,017

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 2,472,671	\$ 3,657,608
Current year operating encumbrances	151,068	—
Carryforward of continuing appropriations	3,316,057	—
Assets not available for appropriations	1,699,200	—
Inventories	790,280	—
Adjustment of investments to fair value	—	(11,929)
Unspent grants	(5,578,542)	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	\$ 2,850,734	\$ 3,645,679

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, 2013

	Abatement			Community Development		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
SOURCES						
Property Tax	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use Tax	—	—	—	—	—	—
Other Tax	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	3,622,132	3,622,132	—
Licenses and permits	—	—	—	—	—	—
Charges for services	515,837	373,969	(141,868)	2,384,250	2,384,250	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	9,624	4,552	(5,072)	—	—	—
Miscellaneous revenues	500	570	70	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	—	—	—	105,911	101,637	(4,274)
Funds from restricted assets	—	—	—	—	—	—
TOTAL SOURCES	525,961	379,091	(146,870)	6,112,293	6,108,019	(4,274)
USES						
<i>Operating Costs</i>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	629,802	586,523	43,279	—	—	—
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	1,718	—	1,718	—	—	—
<i>Continuing Appropriations</i>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	6,038,947	6,038,947	—
Police/Fire Group	—	—	—	69,072	69,072	—
TOTAL USES	631,520	586,523	44,997	6,108,019	6,108,019	—
CHANGE IN FUNDS AVAILABLE	(105,559)	(207,432)	(101,873)	4,274	—	(4,274)
FUNDS AVAILABLE - January 1	485,552	485,552	—	—	—	—
FUNDS AVAILABLE - December 31	<u>\$ 379,993</u>	<u>\$ 278,120</u>	<u>\$ (101,873)</u>	<u>\$ 4,274</u>	<u>\$ —</u>	<u>\$ (4,274)</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 278,120	\$ —
Current year operating encumbrances	—	—
Carryforward of continuing appropriations	—	4,966,620
Assets not available for appropriations	—	—
Inventories	—	443,617
Adjustment of investments to fair value	(57)	—
Unspent grants	—	(4,966,620)
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 278,063</u>	<u>\$ 443,617</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, 2013

	Enhanced E-911			Conservation Trust		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
SOURCES						
Property Tax	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use Tax	—	—	—	—	—	—
Other Tax	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	3,060,300	3,495,481	435,181
Licenses and permits	—	—	—	—	—	—
Charges for services	2,947,868	3,102,060	154,192	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	65,000	47,558	(17,442)	99,487	43,703	(55,784)
Miscellaneous revenues	—	280	280	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	1,710,000	1,710,000	—	—	—	—
Funds from restricted assets	—	—	—	—	—	—
TOTAL SOURCES	4,722,868	4,859,898	137,030	3,159,787	3,539,184	379,397
USES						
<i>Operating Costs</i>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	1,885,515	1,640,072	245,443	—	—	—
Operations Group	—	—	—	1,805,003	1,758,408	46,595
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	7,001	—	7,001	9,663	—	9,663
<i>Continuing Appropriations</i>						
Administrative Services Group	2,638,000	2,638,000	—	—	—	—
Operations Group	—	—	—	1,253,000	1,253,000	—
Police/Fire Group	—	—	—	—	—	—
TOTAL USES	4,530,516	4,278,072	252,444	3,067,666	3,011,408	56,258
CHANGE IN FUNDS AVAILABLE	192,352	581,826	389,474	92,121	527,776	435,655
FUNDS AVAILABLE - January 1	4,793,063	4,793,063	—	747,654	747,654	—
FUNDS AVAILABLE - December 31	\$ 4,985,415	\$ 5,374,889	\$ 389,474	\$ 839,775	\$ 1,275,430	\$ 435,655

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 5,374,889	\$ 1,275,430
Current year operating encumbrances	219,365	—
Carryforward of continuing appropriations	353,102	4,656,261
Assets not available for appropriations	—	—
Inventories	—	—
Adjustment of investments to fair value	(18,437)	(16,307)
Unspent grants	—	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	\$ 5,928,919	\$ 5,915,384

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, 2013

	Parks Development			Open Space		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
SOURCES						
Property Tax	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use Tax	—	—	—	—	—	—
Other Tax	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	5,755,650	6,409,304	653,654
Licenses and permits	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	40,000	34,573	(5,427)	171,892	144,915	(26,977)
Miscellaneous revenues	131,300	1,142,845	1,011,545	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	—	—	—	—	—	—
Funds from restricted assets	—	—	—	—	—	—
TOTAL SOURCES	171,300	1,177,418	1,006,118	5,927,542	6,554,219	626,677
USES						
<i>Operating Costs</i>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	76,477	76,437	40	3,492,636	3,284,834	207,802
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	—	—	—	7,192	—	7,192
<i>Continuing Appropriations</i>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	61,050	61,050	—	2,724,163	2,724,163	—
Police/Fire Group	—	—	—	—	—	—
TOTAL USES	137,527	137,487	40	6,223,991	6,008,997	214,994
CHANGE IN FUNDS AVAILABLE	33,773	1,039,931	1,006,158	(296,449)	545,222	841,671
FUNDS AVAILABLE - January 1	2,168,399	2,168,399	—	2,399,369	2,399,369	—
FUNDS AVAILABLE - December 31	<u>\$ 2,202,172</u>	<u>\$ 3,208,330</u>	<u>\$ 1,006,158</u>	<u>\$ 2,102,920</u>	<u>\$ 2,944,591</u>	<u>\$ 841,671</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 3,208,330	\$ 2,944,591
Current year operating encumbrances	—	60,422
Carryforward of continuing appropriations	759,666	9,827,812
Assets not available for appropriations	—	162,703
Inventories	—	—
Adjustment of investments to fair value	(12,724)	(42,288)
Unspent grants	—	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 3,955,272</u>	<u>\$ 12,953,240</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, 2013

	Recreation Services			Cultural Services		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
SOURCES						
Property Tax	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use Tax	—	—	—	—	—	—
Other Tax	—	—	—	—	—	—
Intergovernmental revenues	409,273	444,578	35,305	189,192	268,422	79,230
Licenses and permits	—	—	—	—	—	—
Charges for services	5,237,561	5,040,545	(197,016)	821,135	713,522	(107,613)
Fines and forfeitures	—	45	45	—	—	—
Investment income	1,085	748	(337)	7,116	7,969	853
Miscellaneous revenues	98,450	229,672	131,222	56,040	87,776	31,736
Proceeds from sale of assets	—	7,896	7,896	—	—	—
Transfers in	3,646,046	3,604,226	(41,820)	1,081,112	1,081,112	—
Funds from restricted assets	—	—	—	—	—	—
TOTAL SOURCES	9,392,415	9,327,710	(64,705)	2,154,595	2,158,801	4,206
USES						
<i>Operating Costs</i>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	65,468	65,426	42
Operations Group	9,642,878	9,468,578	174,300	2,055,728	2,050,290	5,438
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	94,878	—	94,878	11,891	—	11,891
<i>Continuing Appropriations</i>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
Police/Fire Group	—	—	—	—	—	—
TOTAL USES	9,737,756	9,468,578	269,178	2,133,087	2,115,716	17,371
CHANGE IN FUNDS AVAILABLE	(345,341)	(140,868)	204,473	21,508	43,085	21,577
FUNDS AVAILABLE - January 1	483,370	483,370	—	769,373	769,373	—
FUNDS AVAILABLE - December 31	<u>\$ 138,029</u>	<u>\$ 342,502</u>	<u>\$ 204,473</u>	<u>\$ 790,881</u>	<u>\$ 812,458</u>	<u>\$ 21,577</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 342,502	\$ 812,458
Current year operating encumbrances	54,092	—
Carryforward of continuing appropriations	30,423	—
Assets not available for appropriations	—	—
Inventories	—	—
Adjustment of investments to fair value	(231)	—
Unspent grants	(138,907)	(16,663)
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 287,879</u>	<u>\$ 795,795</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, 2013

	Cherry Creek Fence - GID			Meadow Hills Fence - GID		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
SOURCES						
Property Tax	\$ 69,000	\$ 64,143	\$ (4,857)	\$ 51,500	\$ 45,885	\$ (5,615)
Use Tax	—	—	—	—	—	—
Other Tax	—	4,409	4,409	—	3,194	3,194
Intergovernmental revenues	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	—	17	17	—	13	13
Miscellaneous revenues	—	80	80	—	79	79
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	—	—	—	—	—	—
Funds from restricted assets	—	—	—	—	—	—
TOTAL SOURCES	69,000	68,649	(351)	51,500	49,171	(2,329)
USES						
Operating Costs						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	69,000	59,859	9,141	51,500	39,176	12,324
Continuing Appropriations						
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
Police/Fire Group	—	—	—	—	—	—
TOTAL USES	69,000	59,859	9,141	51,500	39,176	12,324
CHANGE IN FUNDS AVAILABLE	—	8,790	8,790	—	9,995	9,995
FUNDS AVAILABLE - January 1	38,366	38,366	—	20,755	20,755	—
FUNDS AVAILABLE - December 31	\$ 38,366	\$ 47,156	\$ 8,790	\$ 20,755	\$ 30,750	\$ 9,995

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 47,156	\$ 30,750
Current year operating encumbrances	—	—
Carryforward of continuing appropriations	—	—
Assets not available for appropriations	—	—
Inventories	—	—
Adjustment of investments to fair value	—	—
Unspent grants	—	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	\$ 47,156	\$ 30,750

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, 2013

	Peoria Park - GID			Pier Point 7 - GID		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
SOURCES						
Property Tax	\$ 42,000	\$ 38,234	\$ (3,766)	\$ 200,000	\$ 201,421	\$ 1,421
Use Tax	—	—	—	—	—	—
Other Tax	—	2,654	2,654	—	14,302	14,302
Intergovernmental revenues	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	—	24	24	—	306	306
Miscellaneous revenues	—	53	53	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	—	—	—	—	—	—
Funds from restricted assets	—	—	—	—	—	—
TOTAL SOURCES	42,000	40,965	(1,035)	200,000	216,029	16,029
USES						
Operating Costs						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	42,000	31,396	10,604	200,000	198,474	1,526
Continuing Appropriations						
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
Police/Fire Group	—	—	—	—	—	—
TOTAL USES	42,000	31,396	10,604	200,000	198,474	1,526
CHANGE IN FUNDS AVAILABLE	—	9,569	9,569	—	17,555	17,555
FUNDS AVAILABLE - January 1	47,051	47,051	—	16,503	16,503	—
FUNDS AVAILABLE - December 31	\$ 47,051	\$ 56,620	\$ 9,569	\$ 16,503	\$ 34,058	\$ 17,555

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 56,620	\$ 34,058
Current year operating encumbrances	—	—
Carryforward of continuing appropriations	—	—
Assets not available for appropriations	—	59,865
Inventories	—	—
Adjustment of investments to fair value	—	—
Unspent grants	—	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	\$ 56,620	\$ 93,923

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, 2013

	City Debt Service			SID Debt Service		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
SOURCES						
Property taxes	\$ 4,859,450	\$ 4,821,442	\$ (38,008)	\$ —	\$ —	\$ —
Special assessment taxes	—	—	—	596,085	479,147	(116,938)
Investment income	28,000	39,575	11,575	2,100	82,205	80,105
Funds to restricted assets	—	—	—	—	—	—
Transfers in	1,662,900	1,662,900	—	—	—	—
TOTAL SOURCES	6,550,350	6,523,917	(26,433)	598,185	561,352	(36,833)
USES						
<i>Operating Costs</i>						
Administrative Services Group	—	—	—	—	—	—
Non-Departmental	6,550,350	6,542,864	7,486	593,930	477,346	116,584
TOTAL USES	6,550,350	6,542,864	7,486	593,930	477,346	116,584
CHANGE IN FUNDS AVAILABLE	—	(18,947)	(18,947)	4,255	84,006	79,751
FUNDS AVAILABLE - January 1	1,545,176	1,545,176	—	214,321	214,321	—
FUNDS AVAILABLE - December 31	<u>\$ 1,545,176</u>	<u>\$ 1,526,229</u>	<u>\$ (18,947)</u>	<u>\$ 218,576</u>	<u>\$ 298,327</u>	<u>\$ 79,751</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 1,526,229	\$ 298,327
Assets not available for appropriation	—	36,800
Adjustment of investments to fair value	(4,893)	(823)
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 1,521,336</u>	<u>\$ 334,304</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, 2013

	Surplus and Deficiency		
	Final Budget	Budgetary Actual	Variance with Final
SOURCES			
Property taxes	\$ —	\$ —	\$ —
Special assessment taxes	17,829	14,503	(3,326)
Investment income	8,000	5,765	(2,235)
Funds to restricted assets	—	33,579	33,579
Transfers in	—	—	—
TOTAL SOURCES	<u>25,829</u>	<u>53,847</u>	<u>28,018</u>
USES			
<i>Operating Costs</i>			
Administrative Services Group	35,750	35,750	—
Non-Departmental	473,005	469,413	3,592
TOTAL USES	<u>508,755</u>	<u>505,163</u>	<u>3,592</u>
CHANGE IN FUNDS AVAILABLE	(482,926)	(451,316)	31,610
FUNDS AVAILABLE - January 1	<u>451,316</u>	<u>451,316</u>	<u>—</u>
FUNDS AVAILABLE - December 31	<u>\$ (31,610)</u>	<u>\$ -</u>	<u>\$ 31,610</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ —
Assets not available for appropriation	—
Adjustment of investments to fair value	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ —</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, 2013

	City Capital Projects		
	Final Budget	Budgetary Actual	Variance with Final
SOURCES			
Property Taxes	\$ —	\$ —	\$ —
Special Assessment Taxes	—	—	—
Intergovernmental revenues	2,497,918	3,191,325	693,407
License and Permits	350,000	287,871	(62,129)
Charges for services	826,104	1,862,767	1,036,663
Fines and forfeitures	—	7,686	7,686
Investment income	252,000	151,974	(100,026)
Miscellaneous revenues	318,535	372,432	53,897
Transfers in	30,301,221	30,312,416	11,195
TOTAL SOURCES	34,545,778	36,186,471	1,640,693
USES			
Operating Costs			
Administrative Services Group	2,219,492	2,219,492	—
Operations Group	13,325	13,325	—
Non-Departmental	140,648	140,648	—
Continuing Appropriations			
Administrative Services Group	376,000	376,000	—
Operations Group	21,018,768	21,018,768	—
Police/Fire Group	—	—	—
Non-Departmental	183,272	183,272	—
TOTAL USES	23,951,505	23,951,505	—
CHANGE IN FUNDS AVAILABLE	10,594,273	12,234,966	1,640,693
FUNDS AVAILABLE - January 1	6,125,211	6,125,211	—
FUNDS AVAILABLE - December 31	<u>\$ 16,719,484</u>	<u>\$ 18,360,177</u>	<u>\$ 1,640,693</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 18,360,177
Carry forward of continuing appropriations	17,050,115
Adjustment of investments to fair value	(111,173)
Unspent grants	<u>(660,364)</u>
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 34,638,755</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, 2013

	Water		
	Final Budget	Budgetary Actual	Variance with Final
SOURCES			
Charges for services	\$ 105,319,863	\$ 97,069,815	\$ (8,250,048)
Intergovernmental	2,089,304	2,210,135	120,831
Licenses and permits	82,551	118,045	35,494
Fines and forfeitures	—	1,135	1,135
Investment income	1,405,229	3,233,568	1,828,339
Miscellaneous revenues	20,425,930	22,363,769	1,937,839
Proceeds from sale of assets	—	99,773	99,773
Transfers in	—	—	—
Funds from restricted assets	—	910,000	910,000
TOTAL SOURCES	129,322,877	126,006,240	(3,316,637)
USES			
<i>Operating Costs</i>			
Operations Group	85,349,697	78,335,727	7,013,970
Non-Departmental	142,909	—	142,909
<i>Continuing Appropriations</i>			
Operations Group	15,917,846	15,917,846	—
TOTAL USES	101,410,452	94,253,573	7,156,879
CHANGE IN FUNDS AVAILABLE	27,912,425	31,752,667	3,840,242
FUNDS AVAILABLE - January 1	45,520,618	45,520,618	—
FUNDS AVAILABLE - December 31	\$ 73,433,043	\$ 77,273,285	\$ 3,840,242

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 77,273,285
Current year operating encumbrances	1,139,840
Carryforward of continuing appropriations	68,065,746
Assets not available for appropriation	38,061,646
Long-term interfund receivables	1,291,315
Equity in joint venture	2,312,110
Capital assets net of depreciation	1,530,929,789
Inventories	—
Deferred outflow-loss on refunding	472,825
Accrued compensated absence payment in lieu	91,872
Adjustment of investments to fair value	(501,022)
Current portion of long-term liabilities	(2,015,032)
Long-term debt	(602,796,460)
Unspent grants	(70,328)
NET POSITION (U.S. GAAP BASIS) - December 31	\$ 1,114,255,586

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, 2013

	Wastewater		
	Final Budget	Budgetary Actual	Variance with Final
SOURCES			
Charges for services	\$ 52,586,980	\$ 53,147,904	\$ 560,924
Intergovernmental	160,000	2,686,405	2,526,405
Licenses and permits	60,996	54,450	(6,546)
Fines and forfeitures	—	268	268
Investment income	1,178,568	1,127,788	(50,780)
Miscellaneous revenues	4,385,156	4,595,748	210,592
Proceeds from sale of assets	—	10,634	10,634
Transfers in	—	—	—
Funds from restricted assets	—	335,376	335,376
TOTAL SOURCES	58,371,700	61,958,573	3,586,873
USES			
Operating Costs			
Operations Group	66,973,152	64,537,429	2,435,723
Non-Departmental	87,196	—	87,196
Continuing Appropriations			
Operations Group	16,332,253	16,332,253	—
TOTAL USES	83,392,601	80,869,682	2,522,919
CHANGE IN FUNDS AVAILABLE	(25,020,901)	(18,911,109)	6,109,792
FUNDS AVAILABLE - January 1	45,328,219	45,328,219	—
FUNDS AVAILABLE - December 31	\$ 20,307,318	\$ 26,417,110	\$ 6,109,792

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 26,417,110
Current year operating encumbrances	418,719
Carryforward of continuing appropriations	35,625,476
Assets not available for appropriation	12,021,755
Long-term interfund receivables	4,284,000
Equity in joint venture	—
Capital assets net of depreciation	435,258,183
Inventories	—
Deferred outflow-loss on refunding	—
Accrued compensated absence payment in lieu	45,247
Adjustment of investments to fair value	(182,491)
Current portion of long-term liabilities	(258,223)
Long-term debt	(33,740,466)
Unspent grants	(2,157,967)
NET POSITION (U.S. GAAP BASIS) - December 31	\$ 477,731,343

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, 2013

	Golf		
	Final Budget	Budgetary Actual	Variance with Final
SOURCES			
Charges for services	\$ 8,610,083	\$ 8,015,101	\$ (594,982)
Intergovernmental	—	—	—
Licenses and permits	—	—	—
Fines and forfeitures	—	—	—
Investment income	44,174	42,469	(1,705)
Miscellaneous revenues	13,420	12,874	(546)
Proceeds from sale of assets	—	3,848	3,848
Transfers in	530,000	529,991	(9)
Funds from restricted assets	—	—	—
TOTAL SOURCES	<u>9,197,677</u>	<u>8,604,283</u>	<u>(593,394)</u>
USES			
<i>Operating Costs</i>			
Operations Group	8,776,163	7,708,460	1,067,703
Non-Departmental	38,952	—	38,952
<i>Continuing Appropriations</i>			
Operations Group	494,395	494,395	—
TOTAL USES	<u>9,309,510</u>	<u>8,202,855</u>	<u>1,106,655</u>
CHANGE IN FUNDS AVAILABLE	(111,833)	401,428	513,261
FUNDS AVAILABLE - January 1	690,721	690,721	—
FUNDS AVAILABLE - December 31	<u>\$ 578,888</u>	<u>\$ 1,092,149</u>	<u>\$ 513,261</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 1,092,149
Current year operating encumbrances	20,839
Carryforward of continuing appropriations	448,777
Assets not available for appropriation	456,192
Long-term interfund receivables	—
Equity in joint venture	—
Capital assets net of depreciation	29,017,336
Inventories	158,603
Deferred outflow-loss on refunding	24,727
Accrued compensated absence payment in lieu	22,666
Adjustment of investments to fair value	22,000
Current portion of long-term liabilities	(818,218)
Long-term debt	(5,813,924)
Unspent grants	—
NET POSITION (U.S. GAAP BASIS) - December 31	<u>\$ 24,631,147</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, 2013

	Fleet Management Fund		
	Final Budget	Budgetary Actual	Variance with Final
SOURCES			
Charges for services	\$ 8,471,037	\$ 8,779,673	\$ 308,636
Investment income	15,000	4,973	(10,027)
Miscellaneous revenues	2,800	10,952	8,152
Transfers in	—	—	—
TOTAL SOURCES	8,488,837	8,795,598	306,761
USES			
<i>Operating Costs</i>			
Administrative Services Group	8,923,029	8,922,678	351
Non-departmental	19,971	—	19,971
TOTAL USES	8,943,000	8,922,678	20,322
CHANGE IN FUNDS AVAILABLE	(454,163)	(127,080)	327,083
FUNDS AVAILABLE - January 1	617,395	617,395	—
FUNDS AVAILABLE - December 31	<u>\$ 163,232</u>	<u>\$ 490,315</u>	<u>\$ 327,083</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 490,315
Capital assets net of depreciation	460,485
Inventories	720,879
Current year operating encumbrances	61,113
Adjustment of investments to fair value	(2,583)
Accrued compensated absence payment in lieu	28,465
Current portion of long-term debt	(82,107)
Long-term debt	<u>(247,276)</u>
NET POSITION (U.S. GAAP BASIS) - December 31	<u>\$ 1,429,291</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, 2013

	Risk Management Fund		
	Final Budget	Budgetary Actual	Variance with Final
SOURCES			
Charges for services	\$ 6,348,536	\$ 6,348,536	\$ —
Investment income	200,000	112,194	(87,806)
Miscellaneous revenues	220,000	290,088	70,088
Transfers in	500,000	500,000	—
TOTAL SOURCES	<u>7,268,536</u>	<u>7,250,818</u>	<u>(17,718)</u>
USES			
<i>Operating Costs</i>			
Administrative Services Group	8,119,201	7,994,800	124,401
Non-departmental	1,942	—	1,942
TOTAL USES	<u>8,121,143</u>	<u>7,994,800</u>	<u>126,343</u>
CHANGE IN FUNDS AVAILABLE	(852,607)	(743,982)	108,625
FUNDS AVAILABLE - January 1	<u>3,640,839</u>	<u>3,640,839</u>	<u>—</u>
FUNDS AVAILABLE - December 31	<u>\$ 2,788,232</u>	<u>\$ 2,896,857</u>	<u>\$ 108,625</u>

RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 2,896,857
Capital assets net of depreciation	—
Inventories	—
Current year operating encumbrances	109,786
Adjustment of investments to fair value	(40,963)
Accrued compensated absence payment in lieu	1,670
Current portion of long-term debt	(10,259) *
Long-term debt	<u>(50,314) *</u>
NET POSITION (U.S. GAAP BASIS) - December 31	<u>\$ 2,906,777</u>

* Does not include IBNR adjustment.

Statistical Section Divider



Statistical Section (unaudited)

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 Position by Component

Exhibit A-2

Changes in Net Position

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.

City of Aurora, Colorado
Net Position by Component
Last Ten Years

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Invested in capital assets, net of related debt	\$ 2,479,755,028	\$ 2,564,482,012	\$ 2,711,545,994	\$ 2,750,014,460	\$ 2,773,573,410	\$ 2,782,071,351	\$ 2,793,361,865	\$ 2,820,903,641	\$ 2,416,049,678	\$ 2,412,387,375
Restricted										
Construction (a)	-	11,624,224	15,432,018	4,687,349	4,621,770	5,654,539	-	-	-	-
E-911 equipment & services (b)	4,181,097	4,730,191	5,289,905	6,011,852	6,365,253	5,414,600	-	-	-	-
Culture, recreation, open space (c)	9,792,734	13,679,692	13,537,324	16,297,932	19,591,164	21,620,276	24,016,520	19,914,957	21,763,041	24,968,445
Emergencies (b)	7,428,196	7,226,002	6,839,809	8,675,987	9,126,917	10,332,622	16,744,958	17,416,827	17,420,382	17,938,257
Gifts and grants (e)	7,345,087	6,754,529	4,706,420	5,184,456	5,712,156	14,899,217	8,092,078	7,774,218	4,088,133	2,207,605
Agreements (d)	5,251,278	4,442,130	9,587,071	11,038,966	9,338,401	8,094,334	-	-	-	-
Urban renewal (d)	1,170,124	721,486	127,822	11,382	11,682	71,673	-	-	-	-
Development (d)	-	-	-	-	-	-	103,070	3,222,327	4,324,316	6,998,948
Public improvement (a)	-	-	-	-	-	-	7,650,316	5,133,731	6,429,349	5,674,665
Unrestricted	76,870,105	76,210,900	85,548,045	80,282,944	72,658,454	59,211,198	64,302,977	53,978,502	57,292,872	67,139,597
Total governmental activities net position	\$ 2,591,793,649	\$ 2,689,871,166	\$ 2,852,614,408	\$ 2,882,205,328	\$ 2,900,999,207	\$ 2,907,369,810	\$ 2,914,271,784	\$ 2,928,344,203	\$ 2,527,367,771	\$ 2,537,314,892
Business-type activities										
Invested in capital assets, net of related debt	\$ 675,344,617	\$ 764,659,039	\$ 876,261,788	\$ 946,462,131	\$ 1,031,664,879	\$ 1,085,207,461	\$ 1,159,213,180	\$ 1,288,472,848	\$ 1,365,534,691	\$ 1,398,819,086
Restricted										
Public improvement (f)	4,199,838	1,984,417	13,762,820	3,627,410	5,114,062	8,627,252	3,578,243	6,422,626	7,665,014	7,463,167
Debt related (g)	3,100,000	2,500,000	2,500,000	2,500,000	19,535,272	2,500,000	1,250,000	1,250,000	-	-
Unrestricted	161,607,602	182,168,952	201,213,673	280,587,656	260,154,817	303,180,315	319,401,005	251,213,222	214,919,130	209,223,283
Total business-type activities net position	\$ 844,252,057	\$ 951,312,408	\$ 1,093,738,281	\$ 1,233,177,197	\$ 1,316,469,030	\$ 1,399,515,028	\$ 1,483,442,428	\$ 1,547,358,696	\$ 1,588,118,835	\$ 1,615,505,536
Primary government										
Invested in capital assets, net of related debt	\$ 3,155,099,645	\$ 3,329,141,051	\$ 3,587,807,782	\$ 3,696,476,591	\$ 3,805,238,289	\$ 3,867,278,812	\$ 3,952,575,045	\$ 4,109,376,489	\$ 3,781,584,369	\$ 3,811,206,461
Restricted										
Construction	4,199,838	13,608,641	29,194,838	8,314,759	9,735,832	14,281,791	-	-	-	-
E-911 equipment & services	4,181,097	4,730,191	5,289,905	6,011,852	6,365,253	5,414,600	-	-	-	-
Culture, recreation, open space	9,792,734	13,679,692	13,537,324	16,297,932	19,591,164	21,620,276	24,016,520	19,914,957	21,763,041	24,968,445
Emergencies	7,428,196	7,226,002	6,839,809	8,675,987	9,126,917	10,332,622	16,744,958	17,416,827	17,420,382	17,938,257
Gifts and grants	7,345,087	6,754,529	4,706,420	5,184,456	5,712,156	14,899,217	8,092,078	7,774,218	4,088,133	2,207,605
Debt related	3,100,000	2,500,000	2,500,000	2,500,000	19,535,272	2,500,000	1,250,000	1,250,000	-	-
Agreements	5,251,278	4,442,130	9,587,071	11,038,966	9,338,401	8,094,334	-	-	-	-
Urban renewal	1,170,124	721,486	127,822	11,382	11,682	71,673	-	-	-	-
Development	-	-	-	-	-	-	103,070	3,222,327	4,324,316	6,998,948
Public improvement	-	-	-	-	-	-	11,228,559	11,556,357	14,094,363	13,137,832
Unrestricted	238,477,707	258,379,852	286,761,718	360,870,600	332,813,271	362,391,513	383,703,982	305,191,724	272,212,002	276,362,880
Total primary government net position	\$ 3,436,045,706	\$ 3,641,183,574	\$ 3,946,352,689	\$ 4,115,382,525	\$ 4,217,468,237	\$ 4,306,884,838	\$ 4,397,714,212	\$ 4,475,702,899	\$ 4,115,486,606	\$ 4,152,820,428

- (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 remained unspent. Beginning in 2010, accumulations for construction are shown as Public Improvements, and include expenditures for roads and bridges.
- (b) Emergencies restricted equity represents seizure funds. Fluctuation in this account is expected. Beginning in 2010 restricted for E-911 Equipment and Services were combined into Emergencies.
- (c) 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) Urban renewal activity reflects the spend down of funds dedicated to the Fletcher Plaza Enhancement Area. The increase in accumulations for Agreements from 2005 represents amounts anticipated to be paid out on future agreements. In 2010 new reporting requirements combined Agreements and Urban Renewal with other activities. Increase in Development from 2010-2013 represent Urban Renewal Area revenues restricted for future development of those areas.
- (e) In 2009, an increase in grant funded activities and receipt of ARRA stimulus grants.
- (f) Represents accumulation and spend down of amounts set aside for storm drain projects.
- (g) Represents operation and maintenance reserve on Wastewater 99 CWR&PDA revenue bonds. In 2012, the debt outstanding on these revenue bonds was paid off.

City of Aurora, Colorado
Changes in Net Position
Last Ten Years

		Fiscal Year									
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses											
<i>Governmental activities:</i>											
General government	(a)	\$ 34,865,194	\$ 53,727,660	\$ 32,428,420	\$ 35,443,241	\$ 36,882,880	\$ 35,169,252	\$ 30,601,965	\$ 29,246,441	\$ 24,882,606	\$ 24,696,431
Judicial		6,891,787	6,955,078	7,182,054	7,744,454	8,067,017	8,010,923	8,051,966	7,907,221	8,276,167	8,553,513
Police		64,975,624	67,694,840	71,983,533	76,903,178	79,278,710	81,608,250	82,451,880	87,605,189	90,275,834	93,929,360
Fire		29,082,202	29,227,035	30,915,945	33,196,185	34,484,884	34,952,691	35,807,387	38,807,776	40,041,614	40,882,297
Other public safety		9,465,582	10,351,525	10,813,970	11,977,596	12,956,565	12,739,566	12,964,619	12,665,189	13,179,055	13,209,769
Public works	(c)	28,175,551	39,425,303	42,713,262	36,963,018	37,022,337	34,985,680	47,194,223	46,861,128	68,778,774	68,713,623
Economic development		14,095,722	15,214,633	16,873,516	15,266,467	16,364,134	14,613,005	15,579,908	15,198,743	15,653,168	17,710,893
Community services		9,407,800	9,632,404	9,964,733	10,389,047	12,626,972	9,596,719	13,099,831	11,918,520	12,355,693	11,094,827
Culture and recreation	(b)	34,217,470	35,608,066	35,750,658	37,470,446	38,720,494	36,615,952	33,602,434	34,851,488	35,839,031	38,521,649
Unallocated depreciation		2,741,752	2,944,641	3,305,620	3,187,118	3,325,541	3,309,006	3,304,110	3,316,281	3,459,130	3,783,709
Interest on long-term debt		8,958,150	8,610,617	6,949,427	7,388,080	8,268,795	6,934,727	6,802,759	6,167,732	5,806,138	5,367,645
Total governmental activities expenses		242,876,834	279,391,802	268,881,138	275,928,830	287,998,329	278,535,771	289,461,082	294,545,708	318,547,210	326,463,716
<i>Business-type activities:</i>											
Water	(d)	46,903,285	58,689,242	60,675,340	72,215,638	78,139,181	50,259,476	63,690,351	70,904,633	107,244,460	102,907,859
Wastewater	(e)	26,173,594	30,141,125	33,453,356	37,101,476	40,627,123	40,853,702	41,985,593	47,040,747	48,157,260	53,493,344
Golf		8,729,124	8,696,129	8,990,266	9,320,032	9,661,133	9,153,001	8,827,535	8,180,888	8,576,468	7,915,159
Total business-type activities expenses		81,806,003	97,526,496	103,118,962	118,637,146	128,427,437	100,266,179	114,503,479	126,126,268	163,978,188	164,316,362
Total primary government expenses		\$ 324,682,837	\$ 376,918,298	\$ 372,000,100	\$ 394,565,976	\$ 416,425,766	\$ 378,801,950	\$ 403,964,561	\$ 420,671,976	\$ 482,525,398	\$ 490,780,078
Program Revenues											
<i>Governmental activities:</i>											
Charges for services											
General government	(f)	\$ 1,499,724	\$ 5,101,144	\$ 1,794,049	\$ 2,361,233	\$ 3,841,779	\$ 2,410,691	\$ 2,531,269	\$ 3,874,729	\$ 4,312,893	\$ 3,298,514
Judicial	(g)	5,419,785	7,290,726	7,254,834	8,255,912	8,112,024	7,818,742	8,536,347	8,383,766	8,105,725	8,302,244
Police		1,728,947	1,756,746	2,310,862	2,809,446	2,298,015	2,301,632	2,231,160	3,664,486	4,525,865	4,685,849
Fire		548,843	521,594	612,917	443,224	608,065	643,016	681,758	710,055	978,890	1,061,960
Other public safety		-	3,060	169,371	180,945	153,938	103,758	83,849	80,749	38,039	-
Public works		485,472	971,021	1,626,995	683,325	223,148	310,941	507,331	300,454	1,278,782	882,032
Economic development	(h)	13,247,894	16,228,709	12,976,173	10,177,375	8,486,228	7,078,290	7,497,323	7,332,512	8,559,416	9,827,665
Community services	(i)	2,193,055	3,531,460	1,504,620	2,813,009	1,175,549	1,768,560	3,923,228	1,082,000	3,046,322	3,244,069
Culture and recreation		5,331,250	5,625,750	5,734,638	5,545,510	5,986,101	6,069,602	6,913,430	6,389,195	7,418,167	7,888,042
Operating grants & contributions	(j)	31,554,456	49,966,351	47,522,357	24,565,452	25,710,829	30,061,454	30,134,599	32,140,370	27,924,696	25,064,711
Capital grants & contributions	(k)	125,614,269	86,963,191	136,709,120	28,260,368	33,198,276	21,620,957	24,013,441	32,672,171	25,478,846	33,663,333
Total governmental activities program revenues		187,623,695	177,959,752	218,215,936	86,095,799	89,793,952	80,187,643	87,053,735	96,630,487	91,667,641	97,918,419
<i>Business-type activities:</i>											
Charges for services											
Water	(l)	50,924,714	64,603,833	74,797,433	83,489,049	86,804,628	84,494,044	107,032,989	104,941,420	112,405,348	97,187,860
Wastewater	(m)	26,327,715	29,059,182	33,286,941	39,070,578	43,334,647	46,563,398	49,751,109	50,363,242	51,688,341	53,202,354
Golf		8,266,180	8,737,191	9,055,305	9,332,171	9,528,713	9,027,617	8,332,216	7,932,907	8,613,543	8,015,101
Operating grants & contributions	(n)	1,757,856	2,957,447	12,866,255	23,957,607	23,559,047	11,351,548	6,493,005	8,360,688	4,404,161	5,116,536
Capital grants & contributions	(o)	67,566,320	96,735,378	113,381,835	97,844,561	41,224,671	27,630,547	22,709,393	19,760,493	31,395,313	27,750,147
Total business-type activities program revenues		154,842,785	202,093,031	243,387,769	253,693,966	204,451,706	179,067,154	194,318,712	191,358,750	208,506,706	191,271,998
Total primary government program revenues		\$ 342,466,480	\$ 380,052,783	\$ 461,603,705	\$ 339,789,765	\$ 294,245,658	\$ 259,254,797	\$ 281,372,447	\$ 287,989,237	\$ 300,174,347	\$ 289,190,417
Net (Expense)/Revenue											
Governmental activities		\$ (55,253,139)	\$ (101,432,050)	\$ (50,665,202)	\$ (189,833,031)	\$ (198,204,377)	\$ (198,348,128)	\$ (202,407,347)	\$ (197,915,221)	\$ (226,879,569)	\$ (228,545,297)
Business-type activities		73,036,782	104,566,535	140,268,807	135,056,820	76,024,269	78,800,975	79,815,233	65,232,482	44,528,518	26,955,636
Total primary government net (expense)/revenue		\$ 17,783,643	\$ 3,134,485	\$ 89,603,605	\$ (54,776,211)	\$ (122,180,108)	\$ (119,547,153)	\$ (122,592,114)	\$ (132,682,739)	\$ (182,351,051)	\$ (201,589,661)

(continued)

Exhibit A-2 (continuation)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Revenues & Other Changes in Net Position										
<i>Governmental activities:</i>										
Taxes										
Sales & use taxes	\$ 135,610,392	\$ 143,592,080	\$ 149,931,394	\$ 152,895,195	\$ 151,023,488	\$ 141,025,543	\$ 147,240,243	\$ 150,088,205	\$ 165,356,184	\$ 175,628,735
Property taxes	28,033,332	28,644,691	29,742,954	30,813,184	32,519,051	33,175,518	32,290,711	32,664,480	33,381,689	33,385,392
Franchise taxes	10,606,171	11,224,526	11,566,625	11,439,537	13,037,994	12,187,933	13,192,882	13,395,548	13,199,623	14,187,444
Lodgers taxes	3,130,347	3,344,153	4,008,854	4,572,800	4,688,562	3,886,697	4,138,263	4,520,210	5,051,919	5,523,874
Occupational privilege taxes	3,755,667	3,950,531	4,058,928	4,215,950	4,295,911	4,145,282	4,162,035	4,274,368	4,370,299	4,496,002
Other taxes	5,361,765	5,366,799	7,292,324	7,331,575	5,001,847	5,181,550	5,059,070	3,070,765	5,545,015	4,220,881
Nonspecific grants & contributions	862,890	793,718	855,949	784,891	848,779	1,007,868	786,119	780,050	884,789	835,737
Unrestricted investment earnings	2,276,444	2,793,069	5,951,416	7,370,814	5,500,036	4,108,340	2,048,527	1,045,073	1,234,193	364,353
Transfers	-	(200,000)	-	-	82,588	-	5,327	2,148,941	(360,626)	(150,000)
Total governmental activities general revenues	<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>	<u>208,923,177</u>	<u>211,987,640</u>	<u>228,663,085</u>	<u>238,492,418</u>
<i>Business-type activities:</i>										
Unrestricted investment earnings	1,260,982	2,293,816	2,157,066	4,382,097	7,350,152	4,245,023	3,811,813	832,727	1,144,911	281,065
Transfers	-	200,000	-	-	(82,588)	-	(5,327)	(2,148,941)	360,626	150,000
Total business-type activities	<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>	<u>3,806,486</u>	<u>(1,316,214)</u>	<u>1,505,537</u>	<u>431,065</u>
Total primary government	<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>	<u>\$ 212,729,663</u>	<u>\$ 210,671,426</u>	<u>\$ 230,168,622</u>	<u>\$ 238,923,483</u>
Change in Net Position										
Governmental activities	\$ 134,383,869	\$ 98,077,517	\$ 162,743,242	\$ 29,590,917	\$ 18,793,879	\$ 6,370,603	\$ 6,515,830	\$ 14,072,419	\$ 1,783,516	\$ 9,947,121
Business-type activities	74,297,764	107,060,351	142,425,873	139,438,917	83,291,833	83,045,998	83,621,719	63,916,268	46,034,055	27,386,701
Changes in net position	<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>	<u>\$ 90,137,549</u>	<u>\$ 77,988,687</u>	<u>\$ 47,817,571</u>	<u>\$ 37,333,822</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 Asset write-down. Decreases in recent years resulted from budget reductions in salaries and supplies.
- (b) 2013 increase the result of increase spending on multiple neighborhood park projects.
- (c) 2005 increase results from non-capitalizable 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. 2010 increases were from work on the Colfax/I-225 project. 2012 increase resulted from one year of depreciation on roads.
- (d) Increases reflect expansion of the water system 2006-2008. Decrease in 2009 is the result of a decrease in water usage and storage due to conservation, wet weather and cooler temperatures, and budget reductions. 2012 increase resulted from lower interest expense capitalization as the Prairie Waters Project was essentially complete.
- (e) Increases reflect an increase in sewer treatment expense and an increase in sewer personnel costs. 2013 increase includes loss on early extinguishment of debt.
- (f) Increase in 2005 represents exaction fees collected to offset bridge widening costs.
- (g) Increase from 2004 to 2005 represents an increase in the court fines schedule.
- (h) Increase from 2004 to 2005 represents an increase in developer review activity and permit revenue growth. Subsequent fluctuations correspond to fluctuations in 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.
- (l) Increase in customer charges due to an increase in water tiered rates. 2012 represents an increase in customer usage due to a warmer and dryer summer. 2013 decrease due to wet spring and fall floods.
- (m) Increases are 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 and 2010 reductions are primarily from a decrease in developer contributions. There is a one-time reimbursement from governmental activities for Pier Point sewer line in 2011.
- (o) Amounts represent developer tap fee revenue and developer contributed water and sewer mains. 2008 and later decrease reflects reduced development activity. 2012 saw an increased development activity plus a new loan receivable from East Cherry Creek Valley Water and Sanitation District.

Exhibit A-3

City of Aurora, Colorado
Fund Balances, Governmental Funds

Last Ten Years

		Fiscal Year									
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund											
	Reserved	\$ 992,384	\$ 1,318,383	\$ 1,298,394	\$ 1,687,871	\$ 559,347	\$ 974,268	\$ -	\$ -	\$ -	\$ -
	Unreserved	23,433,917	26,290,788	29,910,165	25,886,915	22,232,971	21,169,487	-	-	-	-
(b)	Restricted	-	-	-	-	-	-	9,722,411	10,036,154	10,102,612	10,882,887
(b)	Committed	-	-	-	-	-	-	25,759,275	24,141,151	25,206,689	26,753,062
(b)	Assigned	-	-	-	-	-	-	18,993,600	20,214,414	21,681,909	22,653,025
(b)	Unassigned	-	-	-	-	-	-	8,224,844	11,136,075	22,196,423	20,482,814
Total General Fund		24,426,301	27,609,171	31,208,559	27,574,786	22,792,318	22,143,755	62,700,130	65,527,794	79,187,633	80,771,788
Unreserved, reported in:											
Special revenue funds											
	Policy Reserve	(c) 18,275,311	18,744,164	19,239,541	20,910,375	21,426,228	21,332,318	-	-	-	-
	TABOR Reserve	(c) 6,587,427	6,784,149	6,189,980	7,745,299	8,188,738	8,778,851	-	-	-	-
Total General, Policy & TABOR Reserve funds		\$ 49,289,039	\$ 53,137,484	\$ 56,638,080	\$ 56,230,460	\$ 52,407,284	\$ 52,254,924	\$ 62,700,130	\$ 65,527,794	\$ 79,187,633	\$ 80,771,788
Other Governmental Funds											
	Reserved	\$ 36,701,725	\$ 42,655,158	\$ 45,371,137	\$ 29,592,991	\$ 34,782,676	\$ 45,469,232	\$ -	\$ -	\$ -	\$ -
Special revenue funds											
	Unreserved	(a) 21,441,259	31,503,230	31,623,727	39,136,449	38,994,282	41,692,972	-	-	-	-
	Restricted	(b) -	-	-	-	-	-	36,417,219	31,884,124	31,929,925	32,380,627
	Committed	(b) -	-	-	-	-	-	4,082,737	3,302,017	3,382,293	4,653,863
	Assigned	(b) -	-	-	-	-	-	887,822	886,783	607,498	306,857
Debt service funds											
	Unreserved	(b) 788,296	907,313	1,158,038	1,275,158	1,934,741	2,212,883	-	-	-	-
	Restricted	(b) -	-	-	-	-	-	21,145,940	14,909,050	16,294,762	18,183,388
	Committed	(b) -	-	-	-	-	-	-	3,196,082	-	-
	Assigned	(b) -	-	-	-	-	-	-	478,860	1,562,337	1,327,169
Capital projects funds											
	Unreserved	(b) 28,225,242	24,577,647	28,380,427	24,743,923	20,913,118	16,510,042	-	-	-	-
	Restricted	(b) -	-	-	-	-	-	9,901,591	7,898,264	7,246,723	7,684,995
	Committed	(b) -	-	-	-	-	-	1,108,279	1,368,792	883,423	288,597
	Assigned	(b) -	-	-	-	-	-	22,032,405	16,369,760	11,997,039	26,851,848
Total all other governmental funds		87,156,522	99,643,348	106,533,329	94,748,521	96,624,817	105,885,129	95,575,993	80,293,732	73,904,000	91,677,344
Total fund balances		\$ 136,445,561	\$ 152,780,832	\$ 163,171,409	\$ 150,978,981	\$ 149,032,101	\$ 158,140,053	\$ 158,276,123	\$ 145,821,526	\$ 153,091,633	\$ 172,449,132

Notes:

- (a) Excluding TABOR and Policy Reserve funds for years 2004-2009.
- (b) In 2010, reporting of fund balances was changed to meet new reporting requirements. For the most part, changes represent removal of purpose of the fund restrictions.
- (c) In 2010, TABOR and Policy Reserve fund balances were transferred to the General Fund to meet new reporting requirements.

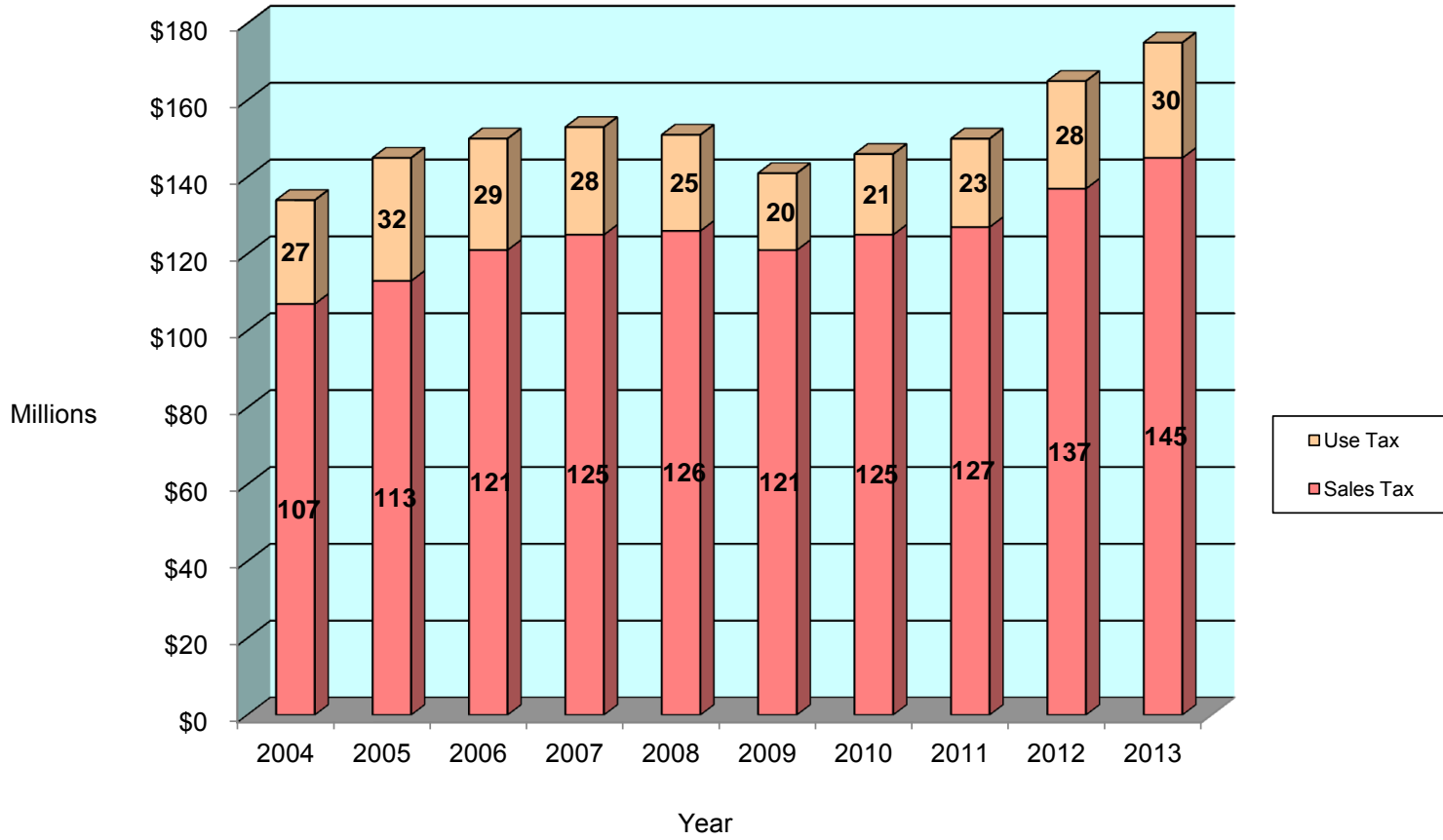
City of Aurora, Colorado
Changes in Fund Balances, Governmental Funds
Last Ten Years

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
REVENUES										
<i>Taxes</i>										
Sales and use	\$ 134,245,043	\$ 145,134,048	\$ 149,526,922	\$ 153,243,007	\$ 150,617,059	\$ 140,670,694	\$ 145,984,807	\$ 150,088,204	\$ 165,356,184	\$ 175,628,735
Property	28,033,332	28,644,691	29,742,954	30,813,184	32,519,051	33,175,518	32,290,710	32,664,479	33,381,689	33,385,392
Franchise	10,606,171	11,224,526	11,566,625	11,439,537	13,037,994	12,187,933	13,192,882	13,395,548	13,199,623	14,187,444
Lodgers	3,130,347	3,344,153	4,008,854	4,572,800	4,688,562	3,886,697	4,138,263	4,520,210	5,051,919	5,523,874
Occupational privilege	3,755,667	3,950,531	4,058,928	4,215,950	4,295,911	4,145,283	4,162,035	4,274,368	4,370,299	4,496,002
Other	5,361,765	5,366,799	7,292,324	7,331,575	5,001,847	5,181,550	5,059,070	4,139,057	4,930,278	4,851,264
Charges for services	18,951,376	19,902,708	15,408,472	18,620,824	15,996,882	16,160,154	20,122,179	18,764,627	21,028,520	23,271,792
Licenses and permits	10,974,896	13,710,827	13,121,874	9,523,978	8,817,173	7,852,116	8,219,699	7,431,019	9,142,694	10,126,558
Fines and forfeitures	5,195,033	7,081,565	7,547,331	8,862,389	8,209,553	7,882,527	8,620,118	9,466,314	10,340,311	10,802,774
Special assessments	47,795	1,024,193	292,474	545,373	346,447	394,158	294,672	302,827	991,478	493,650
Intergovernmental	28,557,034	36,785,824	35,509,439	32,005,970	33,731,296	38,975,230	45,510,442	45,512,041	40,982,459	41,004,598
Surcharges	2,650,587	2,694,385	2,790,662	2,862,077	3,139,083	3,177,105	3,243,446	3,241,299	3,380,121	3,436,042
Miscellaneous	5,174,348	16,033,741	15,473,953	8,052,699	7,182,586	5,999,760	3,616,361	1,988,246	3,463,774	4,859,597
Investment earnings	4,099,535	3,692,282	7,027,993	8,755,080	6,456,844	4,599,199	2,163,109	1,829,230	2,086,487	366,138
Total revenues	260,782,929	298,590,273	303,368,805	300,844,443	294,040,288	284,287,924	296,617,793	297,617,469	317,705,836	332,433,860
EXPENDITURES										
<i>Current</i>										
General government	34,809,025	51,361,370	34,353,933	34,207,588	34,006,200	32,334,060	24,013,123	27,129,870	23,379,915	24,775,973
Judicial	6,867,461	6,818,969	7,175,054	7,706,708	8,069,643	7,889,221	7,986,338	7,772,195	8,110,245	8,449,805
Police	62,661,168	65,764,443	70,298,998	74,496,292	78,646,612	79,708,894	81,520,107	86,158,396	89,012,417	92,566,248
Fire	27,840,562	28,195,821	29,977,336	32,308,850	33,764,814	33,979,814	35,092,746	37,456,976	38,752,666	39,649,756
Other public safety	9,038,844	10,106,404	10,506,510	11,780,534	12,742,372	12,503,334	12,741,196	12,276,468	12,835,793	12,828,450
Public works	20,605,607	30,631,449	32,304,425	24,933,938	24,357,677	21,439,170	33,340,162	32,522,809	30,030,948	29,956,117
Economic development	14,102,957	15,305,193	16,695,677	15,585,637	16,328,694	15,073,183	15,631,491	15,195,774	15,610,010	17,631,117
Community services	9,257,105	9,493,039	9,724,207	10,151,162	12,473,080	9,437,397	12,959,922	11,760,088	12,211,137	10,969,532
Culture and recreation	31,825,342	32,766,693	32,886,396	34,973,302	36,164,665	33,738,230	30,853,656	31,471,486	32,303,139	34,905,177
<i>Debt Service</i>										
Principal	8,921,242	10,577,968	13,036,135	13,583,952	13,187,802	14,986,664	12,194,833	12,666,310	12,612,286	12,634,200
Interest	9,046,758	8,598,608	6,874,792	7,141,260	7,971,018	7,263,782	6,780,668	6,250,720	5,955,638	5,517,580
Capital outlay	50,060,333	38,591,864	33,354,866	47,062,412	28,473,688	22,068,469	24,623,239	33,734,222	32,608,107	25,374,358
Total expenditures	285,036,404	308,211,821	297,188,329	313,931,635	306,186,265	295,370,033	297,737,481	314,395,314	313,422,301	315,258,313
Excess (deficiency) of revenues over (under) expenditures	(24,253,475)	(9,621,548)	6,180,476	(13,087,192)	(12,145,977)	(11,082,109)	(1,119,688)	(16,777,845)	4,283,535	17,175,547
OTHER FINANCING SOURCES (USES)										
Transfers in	57,960,594	83,160,614	57,744,381	49,352,397	44,221,197	46,454,536	36,761,387	34,104,141	35,790,966	50,241,232
Transfers out	(57,885,594)	(82,745,807)	(58,198,520)	(49,901,726)	(44,281,197)	(42,599,999)	(36,711,593)	(32,574,479)	(36,115,966)	(50,891,232)
Premium(discount) on debt issues	187,611	(179,797)	797,089	-	-	7,263,782	895,000	-	-	-
Proceeds from debt issues	8,750,000	24,535,000	539,309	-	68,540,000	92,710,000	23,102,727	2,600,000	-	-
Payment to refunded bond escrow agent	(14,975,000)	-	-	-	(60,635,390)	(84,185,263)	(22,850,000)	-	-	-
Notes Issued	-	-	-	1,075,000	-	415,000	-	-	1,230,000	-
Proceeds from capital leases	944,280	915,600	2,912,974	-	2,093,601	-	1,238	-	1,773,430	1,336,997
Proceeds from interfund loan	-	-	-	-	-	-	-	-	60,000	1,231,315
Proceeds from disposal of capital assets	225,467	271,209	414,868	369,093	260,886	132,005	56,999	193,586	248,142	263,640
Total other financing sources (uses)	(4,792,642)	25,956,819	4,210,101	894,764	10,199,097	20,190,061	1,255,758	4,323,248	2,986,572	2,181,952
Net change in fund balances	\$ (29,046,117)	\$ 16,335,271	\$ 10,390,577	\$ (12,192,428)	\$ (1,946,880)	\$ 9,107,952	\$ 136,070	\$ (12,454,597)	\$ 7,270,107	\$ 19,357,499
Debt service as a percentage of noncapital expenditures (a)	7.65%	7.11%	7.55%	7.77%	7.62%	9.95%	6.95%	6.74%	6.61%	6.26%

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

Exhibit A-5

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



Note: See Exhibit A-4, Revenues, Taxes

Exhibit A-6

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Sales and Use Tax Receipts by Business Sector										
Retail trade	\$ 61,323,123	\$ 64,149,437	\$ 68,785,268	\$ 72,371,462	\$ 70,219,932	\$ 67,808,813	\$ 68,857,464	\$ 70,688,223	\$ 76,807,781	\$ 81,024,992
Accommodation & food services	12,688,329	13,521,657	14,209,309	15,722,168	16,646,987	16,385,575	17,053,916	17,959,788	19,032,921	20,114,404
Information/Media	8,410,406	9,404,063	10,084,979	10,735,395	11,206,178	11,200,370	11,613,776	11,466,736	12,095,162	12,163,863
Utilities	8,338,419	9,254,990	10,868,971	10,176,084	11,542,677	10,573,276	12,016,790	11,749,053	11,223,504	11,995,923
Real estate, rental & leasing	4,246,358	4,351,737	4,595,117	4,738,835	4,620,515	3,971,830	3,564,350	3,690,601	3,985,064	4,733,975
Manufacturing	3,505,429	3,220,917	3,560,554	2,796,082	2,635,512	2,291,448	2,331,064	2,408,912	3,173,881	2,960,101
Wholesale trade	4,166,333	4,806,379	5,428,407	5,251,516	5,740,516	5,488,481	5,932,016	6,006,394	7,234,213	7,619,994
Finance & insurance	1,036,981	908,032	985,344	1,032,270	1,033,487	944,147	806,789	843,281	910,640	874,577
Health Care & Social Assistance (a)	-	-	-	-	1,278,344	1,628,884	1,235,574	1,359,860	1,472,308	1,433,102
Arts, entertainment & recreational	958,913	916,219	880,367	825,845	843,638	935,766	935,834	973,437	1,027,757	1,012,590
Professional, scientific & technical	728,034	1,025,581	958,251	1,050,971	939,483	1,206,693	1,263,796	1,748,739	2,090,349	1,994,755
Construction	1,083,516	2,206,861	1,987,942	1,760,245	1,604,885	1,635,413	1,121,618	1,280,502	1,361,843	1,387,115
Other services	4,408,874	4,340,091	4,758,881	5,284,155	4,210,019	4,277,911	4,146,360	3,852,438	4,661,465	5,073,628
Automobile use tax	10,215,871	10,284,541	9,834,375	10,845,015	10,302,520	8,882,587	9,043,526	10,597,687	12,712,981	13,568,059
Building materials use tax	11,955,724	15,459,058	13,645,196	12,328,785	7,514,659	4,891,059	6,494,128	4,889,066	7,071,243	9,190,830
Total Sales and Use Tax Receipts	\$ 133,066,310	\$ 143,849,563	\$ 150,582,961	\$ 154,918,828	\$ 150,339,352	\$ 142,122,253	\$ 146,417,001	\$ 149,514,717	\$ 164,861,112	\$ 175,147,908
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 Controller's Office.
 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 2004 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.

**City of Aurora, Colorado
Direct and Overlapping Sales Tax Rates
Last Ten Years**

Arapahoe County

Fiscal Year	City Direct Rate	State	RTD	Scientific & Cultural	Sports Stadium District	Open Space	Total Rate Arapahoe County	
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%	
2010	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%	
2011	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%	
2012	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	
2013	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	

Adams County

Fiscal Year	City Direct Rate	State	RTD	Scientific & Cultural	Sports Stadium District	Open Space	Roads & Bridges	Total Rate Adams County	
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%	
2010	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	0.50%	8.60%	
2011	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	0.50%	8.60%	
2012	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%	
2013	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%	

Douglas County (a)

Fiscal Year	City Direct Rate	State	RTD	Scientific & Cultural	Sports Stadium District	Open Space	Roads & Bridges	Justice Center	Total Rate Douglas County	
2010	3.75%	2.90%	1.00%	0.10%	0.10%	0.17%	0.40%	0.43%	8.85%	
2011	3.75%	2.90%	1.00%	0.10%	0.10%	0.17%	0.40%	0.43%	8.85%	
2012	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%	
2013	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%	

SOURCE: City of Aurora's Tax & Licensing Division

Notes: The Sports Stadium District sales tax expired on December 31, 2011.

(a) In 2010, Douglas County sales tax rates were presented for the first time.

Exhibit A-8

City of Aurora, Colorado
Top Ten Principal Sales and Use Tax Payers by Industry Group
Current Year and Nine Years Ago

	2013			2004		
	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	\$ 17,213,568	1	9.83%	\$ 12,373,893	1	9.30%
Full-service restaurants	12,928,115	2	7.38%	9,417,935	2	7.08%
Electrical power generation, distribution	11,838,807	3	6.76%	7,346,821	3	5.52%
Building materials & supplies stores	9,331,268	4	5.33%	6,603,629	4	4.96%
Telecommunications	7,456,711	5	4.26%	5,369,891	5	4.04%
Clothing stores	7,127,472	6	4.07%	3,536,062	8	2.66%
Automobile dealers	5,976,097	7	3.41%	5,141,476	6	3.86%
Limited-service eating places	5,929,024	8	3.39%			
Electronics and appliance stores	5,841,374	9	3.34%	2,996,937	10	2.25%
Other general merchandise stores	4,970,117	10	2.84%	3,340,452	9	2.51%
Other miscellaneous store retailers				3,942,922	7	2.96%
Total	\$ 88,612,553		50.59%	\$ 60,070,018		45.14%

SOURCE: City of Aurora's Sales Tax Division

Note: Total city sales and use tax receipts were \$175,147,908 for 2013 and \$133,066,310 for the year 2004.

The 2004 and 2013 Sales and Use Tax receipts are not reported on a GAAP basis.

City of Aurora, Colorado
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(b)	Assessed Value Arapahoe County (b),(c)	Assessed Value Douglas County	Assessed Value	Percentage Change	Estimated Actual Value	Percentage Change		
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
2010	2011	568,521,560	2,430,929,018	6,906,470	3,006,357,048	-0.1%	22,772,370,040	1.9%	13.2%	10.595
2011	2012	571,321,870	2,351,296,661	6,499,400	2,929,117,931	-2.6%	22,127,623,674	-2.8%	13.2%	10.653
2012	2013	584,444,180	2,366,344,788	5,001,200	2,955,790,168	0.9%	22,847,400,813	3.3%	12.9%	10.290
2013	2014	619,957,850	2,334,877,586	7,205,014	2,962,040,450	0.2%	22,472,968,714	-1.6%	13.2%	10.290

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 2014 are based on the 2013 assessment, which itself is based on property values as of June 30, 2012.

The assessed valuation percentage is established each year and was as follows: Residential: 2004 through 2013 - 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: \$4,720,910 - 2004; \$5,164,460 - 2005; \$5,453,930 - 2006; \$6,202,670 - 2007; \$1,662,950 - 2008; \$7,341,510 - 2009; \$4,553,030 - 2010; \$8,453,960 - 2011; \$10,009,240 - 2012 and \$8,910,730 - 2013 Adams; \$10,156,782 - 2010; \$16,694,359 - 2011; \$22,063,692 - 2012 and \$20,975,154 - 2013 Arapahoe. 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.
- (c) Does not include General Improvement District (GID) assessed value of: 2010 - \$7,059,720; 2011 - \$10,911,020; 2012 - \$10,997,420 and 2013 - \$10,212,781.

Exhibit A-10

City of Aurora, Colorado
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		(a) Total Tax Rate - City of Aurora and:		
		Operating	Debt Service	Adams	Arapahoe	Aurora 28J	Cherry Creek	Adams County and Aurora Schools 28J	Arapahoe County and Aurora Schools 28J	Arapahoe County and Cherry Creek
2004	2005	8.605	2.474	26.903	15.450	47.003	51.132	84.985	73.532	77.661
2005	2006	8.605	2.353	26.804	15.421	45.824	51.575	83.586	72.203	77.954
2006	2007	8.605	2.262	26.974	16.083	45.745	51.129	83.586	72.695	78.079
2007	2008	8.605	2.096	26.899	15.217	45.530	47.397	83.130	71.448	73.315
2008	2009	8.605	2.059	26.809	15.609	53.248	49.569	90.721	79.521	75.842
2009	2010	8.605	1.889	26.824	15.672	53.455	48.825	90.773	79.621	74.991
2010	2011	8.605	1.990	26.883	15.949	53.919	50.947	91.397	80.463	77.491
2011	2012	8.605	2.048	26.806	17.316	54.159	54.367	91.618	82.128	82.336
2012	2013	8.605	1.685	26.903	17.150	63.830	58.037	101.023	91.270	85.477
2013	2014	8.605	1.685	26.815	17.130	67.323	57.492	104.428	94.743	84.912

Notes: Data obtained from Certifications of Valuation provided by Adams and Arapahoe 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 2014 are based on the 2013 assessment, which itself is based on property values as of June 30, 2012.

(a) 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**

	2013			2004		
	Assessed Valuation of Property	Rank	Percentage of Total Assessed Valuation	Assessed Valuation of Property	Rank	Percentage of Total Assessed Valuation
Xcel Energy	\$ 137,088,960	1	4.63%	\$ 43,831,180	1	1.70%
Qwest Communications	41,649,160	2	1.41%	36,115,400	2	1.40%
Columbia HealthOne	20,300,000	3	0.69%	22,400,930	3	0.87%
Cellco Partnership dba Verizon	19,745,070	4	0.67%			
Arapahoe Crossings	16,109,500	5	0.54%	15,805,000	5	0.61%
CPT Operating Partnership	12,352,850	6	0.42%			
Weingarten/Miller/Aurora II	11,894,930	7	0.40%	10,921,400	8	0.42%
Retail Property Trust	9,570,000	8	0.32%	6,960,000	9	0.27%
The Medical Center of Aurora	7,995,294	9	0.27%			
Digital East Cornell	7,395,000	10	0.25%			
Blue Spruce Energy Center (a subsidiary of Xcel Energy)				22,032,100	4	0.86%
Comcast of Colorado				12,353,220	6	0.48%
Security Capital Industrial Trust (formerly Pro Logis)				11,059,500	7	0.43%
Quarry Assets LLC dba The Pauls Corporation				6,348,430	10	0.25%
Total	\$ 284,100,764		9.59%	\$ 187,827,160		7.29%

Source: Data obtained from Certifications of Valuations provided by Adams, Arapahoe and Douglas Counties. The Total Assessed Value in assessment year 2013 is \$2,962,040,450 and 2004 was \$2,574,961,930. This total does not include the tax increment financing district assessed valuation for 2013 of \$29,885,884 or 2004 of \$4,720,910. It also does not include General Improvement District (GID) assessed value for 2013 of \$10,212,781. Collections for GIDs are reported beginning in 2010.

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Exhibit A-12

City of Aurora, Colorado
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Years

Assessment/ Levy Year	Collection/ 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	Tax Increment Collections	General Improvement District Collections (c)	Total Property Tax Revenues
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
2009	2010	31,564,907	31,160,862	98.72%	(204,378)	30,956,484	98.07%	1,275,143	59,084	32,290,711
2010	2011	31,852,540	31,428,726	98.67%	(347,252)	31,081,474	97.58%	1,448,501	134,505	32,664,480
2011	2012	31,203,894	30,876,610	98.95%	(187,645)	30,688,965	98.35%	2,349,971	342,753	33,381,689
2012	2013	30,415,080	30,091,311	98.94%	(156,016)	29,935,295	98.42%	3,100,413	349,684	33,385,392

Notes: Data obtained from Certifications of Valuation provided by Adams and Arapahoe 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 blended in the city's 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 2013 are based on the 2012 assessment, which itself is based on property values as of June 30, 2011.

- (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) Collections for General Improvement Districts are reported beginning in 2010.

Exhibit A-13

City of Aurora, Colorado
Ratios of Outstanding Debt by Type
Last Ten Years

Year	Governmental Activities						Business-Type Activities						Unamortized Premium and Discount (c)	Total Primary Government	Percentage of Personal Income (b)	Per Capita	Population (a)
	General Obligation Bonds	Revenue Bonds	Special Assessments Notes	Certificates of Participation	Capital Leases	Tax Increment Bonds	General Obligation Bonds	Revenue Bonds	Water Rights Notes	Capital Leases	Revenue Notes						
2004	\$ 48,870,000	\$ 13,825,000	\$ -	\$ 97,745,000	\$ 997,232	\$ 1,365,000	\$ 59,155,000	\$ 128,820,266	\$ 7,640,006	\$ 347,836	\$ 1,023,519	\$ 3,525,913	\$ 363,314,772	10.3%	\$ 1,218	298,303	
2005	44,945,000	12,730,000	1,140,000	116,165,000	1,613,972	1,045,000	51,635,000	223,000,126	6,698,054	367,358	813,594	4,418,740	464,571,844	12.5%	1,529	303,833	
2006	40,840,000	11,580,000	1,055,000	115,780,000	3,963,516	710,000	43,910,000	275,355,094	5,756,102	450,337	594,031	324,970	500,319,050	12.9%	1,630	306,908	
2007	36,545,000	10,375,000	1,955,000	109,495,000	3,030,374	-	37,275,000	691,290,919	5,269,168	510,521	364,386	12,851,427	908,961,795	19.2%	2,938	309,416	
2008	32,045,000	9,105,000	1,745,000	110,900,000	4,136,172	-	30,435,000	684,566,848	3,872,197	541,643	18,530,576	11,742,280	907,619,716	19.4%	2,898	313,144	
2009	28,030,000	7,850,000	1,475,000	111,965,000	2,809,509	-	24,530,000	677,643,251	3,234,391	358,624	52,317,751	24,589,297	934,802,823	21.6%	2,974	314,326	
2010	22,585,000	6,350,000	1,230,000	107,155,000	1,694,676	-	18,410,000	659,542,058	2,646,897	190,886	75,750,000	25,563,958	921,118,475	24.7%	2,834	325,078	
2011	20,170,000	4,765,000	1,010,000	102,160,000	843,366	-	-	620,376,215	2,059,403	72,060	75,750,000	21,775,268	848,981,312	23.0%	2,533	335,105	
2012	14,929,000	3,225,000	2,035,000	96,970,000	2,180,510	-	-	568,900,000	1,471,909	-	75,750,000	19,782,837	785,244,256	16.7%	2,339	335,668	
2013	10,468,000	1,635,000	1,685,000	91,570,000	2,684,307	-	-	548,395,000	884,415	-	74,174,748	17,970,352	749,466,822	14.5%	2,203	340,269	

Notes:

- (a) The population for 2004 through 2005 and 2011 through 2012 was provided by Clarion Associates. The population for 2006 was provided by the Aurora's Economic and Development Council. For 2007 through 2009 and 2013, the population was provided by the city's Planning Department. The 2010 population is from the April 2010 federal census population count.
- (b) See Exhibit A-18 (Demographic and Economic) for personal income (based on labor force) totals.
- (c) This column includes both governmental activities and business-type activities on unamortized premium and discount.

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		Unamortized Premium and Discount (e)	Total General Obligation Bonded Debt (c)	Less: Debt Service Funds Available (d)	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						
2004	298,303	\$ 2,574,961,930	\$ 48,870,000	\$ 59,155,000	\$ 8,074	\$ 108,033,074	\$ 1,298,621	\$ 106,734,453	4.1%	\$ 358
2005	303,833	2,711,108,700	44,945,000	51,635,000	6,056	96,586,056	1,484,328	95,101,728	3.5%	313
2006	306,908	2,826,728,430	40,840,000	43,910,000	4,037	84,754,037	1,304,397	83,449,640	3.0%	272
2007	309,416	3,053,911,500	36,545,000	37,275,000	2,019	73,822,019	1,669,563	72,152,456	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
2010	325,078	3,006,357,048	22,585,000	18,410,000	1,860,954	42,855,954	1,573,343	41,282,611	1.4%	127
2011	335,105	2,929,117,931	20,170,000	-	1,447,409	21,617,409	1,474,560	20,142,849	0.7%	60
2012	335,668	2,955,790,168	14,929,000	-	1,033,863	15,962,863	1,545,176	14,417,687	0.5%	43
2013	340,269	2,962,040,450	10,468,000	-	620,318	11,088,318	1,526,229	9,562,089	0.3%	28

Notes:

- (a) The population for 2004 through 2005 and for 2011 through 2012, population count was provided by Clarion Associates. 2006 population was provided by the Aurora's Economic and Development Council. For 2007 through 2009 and 2013, the population was provided by the city's Planning Department. The 2010 population is from the April 2010 federal census population count.
- (b) Does not include tax increment financing district incremental assessed valuation of: \$4,720,910 - 2004; \$5,164,460 - 2005; \$5,453,930 - 2006; \$6,202,670 - 2007; \$1,662,950 - 2008, \$7,341,510 - 2009, \$4,553,030 - 2010, \$8,453,960 - 2011, \$10,009,240 - 2012 and \$8,910,730 - 2013 Adams; \$10,156,782 - 2010, \$16,694,359 - 2011, \$22,063,692 - 2012 and \$20,975,154 - 2013 Arapahoe. Arapahoe County had no TIF activity reported for the 2008 levy year. For 2009 levy year, Arapahoe County reported new TIF assessments related to the Havana Gardens project. Does not also include General Improvement Districts (GIDs) assessed value of: 2010 - \$7,059,720; 2011 - \$10,911,020; 2012 - \$10,997,420 and 2013 - \$10,212,781. 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 bonds for GIDs which are paid from property tax levies, and which are excluded from the debt limit calculation per sections 11-19-4 to 11-19-6 of the City Charter.
- (d) Beginning in 2011, the City Debt Service Funds Available is used in lieu of the City Debt Service Fund Balance. This is to tie the amount to what is used in Exhibit A-16, Legal Debt Margin Information.
- (e) This column includes both governmental activities and business-type activities on unamortized premium and discount.

City of Aurora, Colorado
Direct and Overlapping Governmental Activities Debt
December 31, 2013

Jurisdiction	Debt Outstanding	Estimated Percentage Applicable (c)	Estimated Share of Overlapping Debt
<i>Direct:</i>			
City of Aurora (a)			<u>\$ 114,577,673</u>
<i>Overlapping:</i>			
Debt repaid with property taxes			
Adams-Arapahoe School District 28J			
General obligation bonds (b)	\$ 344,584,578	100.00%	344,584,578
Other debt	4,087,554	100.00%	4,087,554
Cherry Creek School District			
General obligation bonds (b)	484,918,657	38.40%	186,208,764
Arapahoe County			
Other debt	50,372,381	31.20%	15,716,183
Adams County			
Other debt	140,216,655	13.30%	18,648,815
Debt repaid from other sources (d)			
Regional Transportation District			
Revenue bonds	1,609,360,000	18.30%	294,512,880
Other debt	1,684,780,474	18.30%	<u>308,314,827</u>
Total overlapping debt:			<u>1,172,073,601</u>
Total Direct and Overlapping Debt			<u><u>\$ 1,286,651,274</u></u>

Notes: This schedule demonstrates the City's ability to repay and issue long term debt based on the entire debt burden borne by its residences and businesses. Although more than 235 taxing entities overlap the City in whole or part, very few affect the majority of citizens. Therefore, this schedule does not include debt for 78 overlapping districts as inclusion of those districts would not accurately illustrate the debt burden for the average citizen.

- (a) Includes all governmental activities debt of the city of Aurora, such as general obligation bonds, revenue bonds, certificates of participation, special assessments and capital leases, net of unamortized premium and discounts.
- (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) 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.
- (d) 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, tap fees, etc.).

Exhibit A-16

City of Aurora, Colorado
Legal Debt Margin Information
 In accordance with Aurora Charter Article XI

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed valuation, all Counties:	\$ 2,962,040,450		
Debt limit - 3% of assessed valuation		\$ 88,861,214	
Amount of debt outstanding:			
Total bonded debt	\$ 560,498,000		
Other debt	<u>170,998,470</u>		
Total		\$ 731,496,470	
Deductions allowed by law:			
General obligation bonds exempt from limit	10,468,000	(a)	
Revenue bonds	550,030,000	(b)	
Capitalized lease obligations	2,684,307	(b)	
Certificates of participation	91,570,000	(b)	
Revenue notes	75,859,748	(b)	
Water right notes	<u>884,415</u>	(b)	
Total deductions		<u>731,496,470</u>	
Total amount of debt applicable to debt limit		-	
Funds available in City Debt Service Fund	1,526,229	(c)	
Amount of debt applicable to debt limit	<u>-</u>		<u>-</u>
Net amount of debt applicable to debt limit			-
Legal Debt Margin			<u>\$ 88,861,214</u> (d)

	<u>Last Ten Fiscal Years</u>									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt limit	\$ 77,248,858	\$ 81,333,261	\$ 84,801,853	\$ 91,617,345	\$ 93,663,116	\$ 90,237,013	\$ 90,190,711	\$ 87,873,538	\$ 88,673,705	\$ 88,861,214
Total net debt applicable to limit	<u>5,296,379</u>	<u>4,410,672</u>	<u>3,855,603</u>	<u>2,725,438</u>	<u>1,676,360</u>	<u>1,145,743</u>	<u>616,657</u>	-	-	-
Legal debt margin	\$ 71,952,479	\$ 76,922,589	\$ 80,946,250	\$ 88,891,907	\$ 91,986,756	\$ 89,091,270	\$ 89,574,054	\$ 87,873,538	\$ 88,673,705	\$ 88,861,214
Total net debt applicable to the limit as a percentage of debt limit	6.9%	5.4%	4.5%	3.0%	1.8%	1.3%	0.7%	0.0%	0.0%	0.0%

- (a) The Refunding Series 2010 bonds and the General Improvement District bonds are exempt from the debt limit.
- (b) Revenue bonds and other forms of debt paid from revenues generated are exempt from the debt limit.
- (c) The funds available is assigned to pay down debt and is a reduction of outstanding debt. Utilize City Debt Service Fund funds available to the extent of outstanding debt applicable to debt limit.
- (d) 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.

**City of Aurora, Colorado
SCHEDULE OF WATER REVENUE BOND COVERAGE**

Last Ten Years

Year	Gross		Net Revenue Available For Debt Service	Debt Service Requirements								Coverage Ratios (g)			
	Revenue (a)	Expenses (b)		First Lien Revenue Obligations (c)		First & Second Lien Revenue Obligations (d)		Debt Secured by Net Pledged Revenues (e)		Debt Payable from System Revenues (f)		(c)	(d)	(e)	(f)
				Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest				
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
2010	128,180,345	45,305,349	82,874,996	3,962,238	29,146,645	3,962,238	29,146,645	4,549,732	29,308,365	10,669,732	30,274,265	2.50	2.50	2.45	2.02
2011	125,130,039	46,573,513	78,556,526	5,300,000	29,365,365	5,300,000	32,205,990	5,887,494	32,367,710	12,252,494	33,104,110	2.27	2.09	2.05	1.73
2012	136,772,241	45,857,363	90,914,878	2,340,000	27,320,125	2,340,000	30,160,750	2,927,494	30,293,095	2,927,494	30,293,095	3.07	2.80	2.74	2.74
2013	124,972,421	46,864,006	78,108,415	-	25,265,338	1,575,252	28,105,963	2,162,746	28,208,933	2,162,746	28,208,933	3.09	2.63	2.57	2.57

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 (CWRPDA) Drinking Water Bonds Series 1999A and 2005D and the City's First Lien Water Improvement Revenue Bonds Series 2008, 2007 and 2003A. In 2010, the CWRPDA Drinking Water Bonds Series 1999A was paid off and in 2011, the 2003A 1st Lien Water Improvement Revenue Bonds were defeased. The legal covenant for debt service coverage for these obligations is 1.20 except for the CWRPDA Water Bonds 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. In 2011, the General Obligation Water Bonds were paid off. 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.

(continued)

Exhibit A-17

City of Aurora, Colorado
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	
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
2010	57,247,180	34,139,137	23,108,043	2,796,635	3,074,357	5,870,992	3.94
2011	56,543,592	36,205,235	20,338,357	2,910,843	2,967,180	5,878,023	3.46
2012	60,984,272	37,298,034	23,686,238	3,004,285	2,869,878	5,874,163	4.03
2013	57,458,337	41,135,927	16,322,410	1,240,000	2,509,013	3,749,013	4.35

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 (CWRPDA) Clean Water Revenue Bonds, Series 1999A. In 2012, the CWRPDA Clean Water Revenue Bonds, Series 1999A was paid off.
- (d) Net Revenue Available for Debt Service divided by Total Debt Service Requirements. The legal covenant for debt service coverage is 1.20 for the Series 2006 and 1.10 for the CWRPDA Series 1999A.

(continued)

Exhibit A-17

City of Aurora, Colorado
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)
2004	\$ 8,715,486	\$ 7,596,567	\$ 1,118,919	\$ 436,481	\$ 357,055	\$ 793,536	1.41	\$ 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
2010	8,408,174	7,655,245	752,929	420,000	114,925	534,925	1.41	56,000	224,800	280,800	0.78
2011	7,991,942	7,237,047	754,895	435,000	98,125	533,125	1.42	56,000	222,000	278,000	0.80
2012	8,678,890	7,680,612	998,278	455,000	80,725	535,725	1.86	50,000	175,360	225,360	2.05
2013	8,074,292	7,115,939	958,353	470,000	62,525	532,525	1.80	50,000	173,360	223,360	1.91

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, coverage's 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 which was fully paid in 2009. In 2005, the 1995 Golf Revenue Bonds were replaced by the 2005 Golf Revenue Refunding Bonds. The Subordinate Debt Service Requirement is the 1994 Interfund Loan Payable to the Wastewater Fund which was refinanced in 2008 and was restructured in 2012.
- (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 the principal and interest on the golf cart 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. In 2011, 2010 and 2004 the ratio dropped below 1.00, as a result, a consultant was hired in accordance with the bond covenants to provide recommendations to bring the ratio to 1.00.

(concluded)

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)
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%
2010	325,078	3,725,166,739	169,967	21,917	10.1%
2011	335,105	3,687,345,727	177,617	20,760	9.0%
2012	335,668	4,689,408,133	179,798	26,082	8.5%
2013	340,269	5,178,824,801	182,222	28,420	7.1%

Notes:

- (a) The population for 2004 through 2005 and for 2011 through 2012 was provided by Clarion Associates. 2006 population was provided by the Aurora's Economic and Development Council. For 2007 through 2009 and 2013, the population was provided by the city's Planning Department. The 2010 population is from the April 2010 federal census population count.
- (b) Data was provided by the city's Planning Department. 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 Aurora residents employed or potentially employable, 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**

<u>Employer</u>	<u>2013</u>			<u>2004 (b)</u>
	<u>Employees</u>	<u>Rank</u>	(a) <u>Percentage of Total City Employment</u>	
Buckley Air Force Base	11,640	1	6.88%	Over 5,000 employees
University of Colorado Anschutz Medical Campus	7,230	2	4.27%	1,000 to 2,000 employees
The Children's Hospital	5,020	3	2.97%	-
Aurora Public Schools	5,000	4	2.95%	3,000 to 5,000 employees
University of Colorado Hospital	4,890	5	2.89%	500 to 1,000 employees
Cherry Creek Public Schools (c)	3,840	6	2.27%	3,000 to 5,000 employees
City of Aurora (d)	3,780	7	2.23%	2,000 to 3,000 employees
Raytheon	2,410	8	1.42%	2,000 to 3,000 employees
Kaiser Permanente	1,690	9	1.00%	-
ADT Security Systems				1,000 to 2,000 employees
Health One Medical Center of Aurora	1,580	10	0.93%	1,000 to 2,000 employees
Wal-Mart				1,000 to 2,000 employees

Note: Data provided by the Aurora Economic Development Council and the city of Aurora unless otherwise noted. Information on 2013 does not include retail sector employers.

- (a) Total city employment data for 2013 was 169,275 provided by the City's Planning Department.
- (b) Data for 2004 provided estimates instead of a specific number of employees.
- (c) Cherry Creek Public Schools includes employees in the cities of Aurora, Centennial, Cherry Hills Village, Englewood, Foxfield, Glendale, and Greenwood Village. Data for 2013 includes only those school district employees working within the city.
- (d) The city of Aurora employee count includes temporary and seasonal workers.

City of Aurora, Colorado
Budgeted Full-time Equivalent City Government Employees by Function
Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
City Council	14.00	13.00	13.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Finance	60.50	60.50	60.00	63.00	65.00	62.50	63.50	63.50	60.50	58.50
General Management (includes Civil Service) (f)	44.80	131.80	125.30	127.80	130.80	125.30	96.80	99.50	97.50	102.00
Human Resources (a)	27.00	26.00	24.00	24.00	24.00	24.00	24.00	-	-	-
Information Technology	45.00	43.00	43.00	47.00	47.00	46.00	42.00	42.00	42.00	43.00
Internal Services (b)	92.00	-	-	-	-	-	-	-	-	-
Communications (h)	-	-	-	-	-	-	-	21.30	20.80	21.05
Planning	46.12	45.12	44.10	45.10	45.10	34.12	31.00	31.00	31.00	31.00
Judicial										
City Attorney	50.00	50.00	50.00	51.00	52.00	50.50	49.00	49.00	49.00	50.00
Court Administration (includes Judicial)	125.00	125.00	125.00	126.00	126.00	122.50	120.50	121.50	122.50	122.50
Public Defender	7.00	7.00	8.00	8.00	8.00	8.00	8.50	8.50	8.50	8.50
Police	732.00	740.00	759.00	773.00	778.00	778.00	772.50	786.00	783.00	791.50
Fire	318.00	309.00	325.00	329.00	329.00	323.00	325.00	325.00	323.00	327.00
Other Public Safety (c)	70.00	70.00	78.00	85.00	85.00	85.00	81.00	81.00	81.00	81.00
Public Works (g)	186.00	185.00	185.00	196.00	196.00	186.00	241.00	241.00	241.00	246.00
Community Services										
Neighborhood Services (e)	163.60	165.60	160.50	158.50	158.50	137.50	72.50	72.50	71.60	71.60
Culture and Recreation										
Library and Cultural Services (d)	187.80	182.00	177.00	183.50	184.50	183.50	65.90	67.40	72.40	73.40
Parks, Recreation & Open Space (d)	196.30	193.50	187.50	202.80	202.80	199.75	245.70	237.20	226.20	221.20
Water	195.37	206.00	241.00	258.15	266.70	270.30	270.72	269.40	268.91	273.82
Wastewater	108.63	123.00	134.00	144.85	148.30	155.70	152.28	152.60	153.09	148.18
Total	2,669.12	2,675.52	2,739.40	2,836.70	2,860.70	2,805.67	2,675.90	2,682.40	2,666.00	2,684.25

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

- Notes:
- (a) Starting in 2011, Human Resources became Internal Services and is reported under General Management.
 - (b) Internal Services positions included in General Management starting 2005.
 - (c) Additional positions moved from Police and Fire for the communications center (Other Public Safety function) beginning in 2004.
 - (d) In 2010, approximately 67 Recreation positions were moved from the Library and Cultural Services department to the Parks, Recreation and Open Space department, and another 6 to other city departments. Also, the 2008 recession and resulting budget reductions required four libraries to be closed in 2010 with a corresponding decrease in full time employees (approximately 44 from Library and Cultural Services and 21, mostly Forestry, from Parks, Recreation, and Open Space).
 - (e) In 2010, some Community Services positions were moved to Public Works.
 - (f) In 2010, Facilities Management operations (part of General Management) was moved to Public Works function.
 - (g) In addition to the positions that moved into Public Works from General Management and Community Services, approximately 30 positions were cut from the Public Works function in the 2010 budget.
 - (h) Prior to 2011, Communications was reported as part of General Management.

Exhibit A-21

City of Aurora, Colorado
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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
<i>Building Permits: Data provided by COA Building Code Division</i>										
Permits Issued (a)	9,920	10,121	10,037	9,538	9,931	15,574	13,729	9,958	12,438	12,186
Value of Buildings (millions \$)	750	897	777	992	452	349	415	327	435	522
<i>Tax & Licensing: Data provided by COA Tax & Licensing Division</i>										
New business licenses	2,661	2,099	2,183	2,333	2,081	2,078	2,014	2,027	2,133	2,370
Police Protection: Data provided by COA Police Department										
Number of Law Violations (Part I Crime) (b)	16,895	16,506	14,872	13,583	12,393	11,758	11,760	11,446	11,667	12,285
Total calls dispatched & officer initiated	276,441	288,682	300,953	317,442	309,712	402,165	409,955	401,913	427,458	415,995
Total moving violations	40,841	44,487	42,801	49,043	48,500	46,818	47,853	47,920	35,366	39,669
Total parking violations	6,713	7,898	7,433	9,164	9,027	8,665	7,429	7,219	6,474	6,028
Fire Protection: Data provided by COA Fire Department										
Number of fire inspections	8,111	7,639	7,845	8,723	9,563	9,002	9,943	9,546	8,559	7,015
Total Fire calls (Fire, EMS, other)	23,857	26,011	26,870	29,839	30,088	30,648	33,268	35,446	37,830	40,164
Haz Mat calls	42	34	20	35	39	6	7	28	23	17
Community Services: Data provided by COA Neighborhood Services Department										
Total number of Code Enforcement Inspections	90,382	86,477	84,599	89,493	65,055	67,458	87,633	72,012	68,030	70,161
Culture and Recreation: Data provided by COA Parks and Open Space, and Library and Cultural Services Departments										
Library items circulated	1,136,356	1,152,630	1,173,261	1,163,463	1,248,501	1,181,843	764,866	762,302	946,743	1,030,535
Library patron visits	891,831	926,497	1,036,513	1,213,191	1,367,509	1,290,115	793,355	745,890	872,821	939,805
Recreational classes offered	8,013	8,363	8,229	7,697	7,523	5,889	6,876	7,659	7,945	7,648
Recreational attendance	306,898	289,539	286,292	278,216	296,228	295,937	302,565	330,621	353,994	349,607
Cultural services in house program attendance	174,673	186,783	186,976	124,916	146,542	129,052	151,008	157,958	159,260	152,912

Notes:

- (a) Permits issued includes plumbing, heating, life safety and electrical for existing residential and non-residential structures.
- (b) Part 1 crime includes both violent and property crime.

**City of Aurora, Colorado
Capital Asset Statistics by Function
Last Ten Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police Protection: Data provided by COA Police Department										
Patrol Vehicles	156	165	167	167	158	151	151	155	155	165
Detention Facilities	1	1	1	1	1	1	1	1	1	1
Fire Protection: Data provided by COA Fire Department										
Number of Fire Stations	13	13	15	15	15	15	15	15	15	15
Public Works: Data provided by COA Public Works Department										
Miles of Improved Streets (center-line miles)	1,095	1,118	1,172	1,174	1,174	1,174	1,174	1,175	1,185	1,188
Tons of asphalt for patching & overlay (a)	181,211	171,108	179,125	188,037	189,594	211,193	146,331	127,917	116,898	83,406
Square yards of street repair & overlay (a)	1,459,415	976,199	1,383,276	1,342,659	1,330,824	1,591,986	2,114,175	1,925,685	1,386,148	985,660
Culture and Recreation: Data provided by COA Parks, Recreation, and Open Space, and Library and Cultural Services Departments										
Number of Playgrounds	75	78	79	79	80	82	84	87	88	88
Number of Golf Courses	7	7	7	7	7	7	7	7	7	6
Number of Swimming Pools	10	10	10	10	10	7	7	7	7	9
Parks - Number of Acres (b)	7,937	8,045	8,627	8,630	10,069	10,689	10,677	10,660	12,272	12,272
Number of Libraries (e)	7	7	7	7	7	7	3	4	4	4
Number of Computer Centers (e)	-	-	-	-	-	-	-	-	2	4
Water: Data provided by COA Aurora Water Department										
Number of Water Taps (c)	70,709	70,759	76,240	76,422	76,655	76,707	78,423	79,006	79,723	80,567
Miles of water mains constructed (d)	54	63	52	25	19	7	12	4	5	2
Wastewater: Data provided by COA Aurora Water Department										
Number of Sanitary Sewer Taps (c)	76,901	79,974	82,754	84,384	85,177	85,645	86,268	86,850	87,659	88,470
Miles of Sanitary Sewer constructed (d)	25	47	38	10	8	2	3	3	1	2

- (a) These totals include the following: reconstructive patching, in-place patching, slurry seal, chip seal and reconstructive planning. All work performed through the Capital Projects Fund by contract. In 2010, Public Works efforts were focused on street repair and overlay vs. patching and overlay. Beginning 2012, the numbers have decreased mainly due to increased labor & material price with decreased budgeted amount including a shift of funding to pavement preservation or surface treatment.
- (b) Includes parks, golf courses and open space. Beginning in 2004, the Parks, Recreation, and Open Space Department (PROS) revised the methodology used to calculate totals. In 2008, PROS used more refined and updated information from their GIS data system. The 2011 reduction in park acreage is due to refined mapping techniques. In 2012, new queries were developed and the total includes facility grounds, medians and streetscapes completed during the year including an acquisition of open space and trail corridor related to the Triple Creek Greenway Corridor project.
- (c) Total includes inactive and stubbed taps.
- (d) Total includes newly constructed mains during the period. Water mains and sewer lines decreased in 2009 due to decreased development activity which is also true in 2011 and 2013 for water mains and in 2012 for sewer lines.
- (e) Due to ongoing declining General Fund budgets, four libraries were closed in 2010. The Mission Viejo Library was reopened in 2011 but on a limited service hours. In 2012, eight operating hours were added at Tallyn's Reach, Martin Luther King and Central Libraries with an opening of two computer centers at the City's Moorhead and Beck Recreation Centers. In 2013, two additional computer centers were opened at Kmart Aurora and at the former Hoffman Heights Library building.



Other Schedules Section Divider



Other Schedules – (unaudited)

MISCELLANEOUS SCHEDULES

Exhibit B-1

Schedule of Indebtedness – All Funds

Exhibit B-2

Schedule of Debt Service
Requirements

Exhibit B-3

Local Highway Finance Report

DEBT CONTINUING DISCLOSURES

Exhibit C-1

Summary of Continuing Disclosures by
Issue

Exhibit C-2

Combined General, TABOR Reserve
and Policy Reserve Funds –
Comparative Schedule of Revenues,
Expenditures and Changes in Fund
Balance (GAAP Basis)

Exhibit C-3

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)

Exhibit C-4

Water Fund - Operating History

Exhibit C-5

Water Fund - System Statistics

Exhibit C-6

Water Fund - Maximum Annual Debt
Service Coverage

Exhibit C-7

Wastewater Fund - Operating History

Exhibit C-8

Wastewater Fund - System Statistics

Exhibit C-9

Golf Fund - Operating History

Exhibit C-10

Golf Fund - Golf Course Enterprise
System Statistics

Exhibit C-11

Golf Fund – Maximum Annual Debt
Service Coverage

EXHIBIT B-1
CITY OF AURORA, COLORADO
SCHEDULE OF INDEBTEDNESS - ALL FUNDS
DECEMBER 31, 2013

	Interest Rates	Dates		Debt		
		Issue	Maturity	Authorized and Issued	Outstanding	Current Maturities
GENERAL OBLIGATION DEBT						
Supported by Dedicated Property Tax Refunding Series 2010	4.00 - 5.00%	6/3/2010	2015	\$ 21,035,000	\$ 6,630,000	\$ 4,515,000
Unamortized premium				-	620,318	-
Total supported by dedicated property tax				<u>21,035,000</u>	<u>7,250,318</u>	<u>4,515,000</u>
REVENUE BONDS						
Supported by General Fund revenues Refunding Series 2009	3.00%	10/14/2009	2014	7,850,000	1,635,000	1,635,000
Unamortized premium				-	46,903	-
Unamortized loss on refunding				-	(36,965)	-
Total supported by General Fund revenues				<u>7,850,000</u>	<u>1,644,938</u>	<u>1,635,000</u>
Supported by Water Fund revenues						
Governmental agency	3.20 - 5.00%	9/29/2005	2035	100,000,000	53,610,000	-
First-Lien Water Revenue	4.75 - 5.00%	7/11/2007	2039	421,495,000	421,495,000	-
First-Lien Water Revenue - Refunding	4.63 - 5.00%	4/15/2008	2033	39,995,000	39,995,000	-
Unamortized premium				-	10,752,915	-
Unamortized loss on refunding				-	(472,825)	-
Total supported by Water Fund revenues				<u>561,490,000</u>	<u>525,380,090</u>	<u>-</u>
Supported by Wastewater Fund revenues						
First-Lien Sewer Revenue	4.00 - 5.00%	4/25/2006	2036	57,790,000	32,295,000	-
Unamortized premium				-	682,071	-
Total supported by Wastewater Fund revenues				<u>57,790,000</u>	<u>32,977,071</u>	<u>-</u>
Supported by Golf Fund revenues						
Golf Course Enterprise System refunding	3.50 - 4.375%	7/26/2005	2015	4,625,000	1,000,000	490,000
Unamortized loss on refunding				-	(24,727)	-
Total supported by Golf Fund revenues				<u>4,625,000</u>	<u>975,273</u>	<u>490,000</u>
NOTES						
Supported by Water Fund revenues						
Water Rights Rocky Ford II	5.00%	various 2004	2019	8,280,091	884,415	-
Colorado Water Conservation Board Note	3.75%	various 2008	2040	75,750,000	74,174,748	1,634,324
Total supported by Water Fund revenues				<u>84,030,091</u>	<u>75,059,163</u>	<u>1,634,324</u>
Supported by Special Assessments						
Special Improvement District - Dam West	4.89%	10/20/2005	2015	1,140,000	185,000	10,000
Special Improvement District - Ptarmigan Fence	5.00%	11/28/2007	2017	1,075,000	440,000	10,000
Special Improvement District - Dam East	2.73%	11/1/2012	2022	1,230,000	1,060,000	10,000
Total supported by Special Assessments				<u>3,445,000</u>	<u>1,685,000</u>	<u>30,000</u>
CAPITAL LEASES WITH THIRD PARTY						
Supported by General Fund revenues	1.34% - 1.355%	2012	2019	3,110,427	2,684,307	481,227
INCLUDABLE ENTITIES						
Supported by Lease Payments						
ACLIC certificates of participation	3.00 - 3.625%	3/1/2005	2014	8,405,000	1,815,000	1,815,000
ACLIC certificates of participation-refunding	4.00 - 5.00%	2/7/2006	2015	20,290,000	5,595,000	2,730,000
ACLIC certificates of participation-refunding	4.099 - 5.00%	9/24/2009	2030	84,160,000	84,160,000	-
Unamortized premium				-	5,876,225	-
Unamortized discount				-	(8,080)	-
Unamortized loss on refunding				-	(9,494,601)	-
Total supported by Lease Payments				<u>112,855,000</u>	<u>87,943,544</u>	<u>4,545,000</u>
Supported by Property Tax Levies						
GO Bonds - Cherry Creek Fence GID	5.25%	12/2/2009	2029	700,000	610,000	25,000
GO Bonds - Meadow Hills Fence GID	4.99%	12/22/2010	2031	520,000	450,000	15,000
GO Bonds - Peoria Park Fence GID	5.45%	6/1/2010	2031	375,000	343,000	12,000
GO Bonds - Pier Point Sewer GID	4.38%	10/31/2011	2031	2,600,000	2,435,000	90,000
Total supported by Property Tax Levies				<u>4,195,000</u>	<u>3,838,000</u>	<u>142,000</u>
Total supported by Includable Entities				<u>117,050,000</u>	<u>91,781,544</u>	<u>4,687,000</u>
TOTAL INDEBTEDNESS				<u>\$ 860,425,518</u>	<u>\$ 739,437,704</u>	<u>\$ 13,472,551</u>

**EXHIBIT B-2
CITY OF AURORA, COLORADO
SCHEDULE OF DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2013**

Year Due	Governmental Activities											
	General Obligation Bonds Supported by General Fund Revenues		General Obligation Bonds Supported by GID Revenues		Certificates of Participation Supported by ACLC Revenues		Notes Payable Supported by SID Revenues		Capital Leases Supported by General Fund Revenues		Revenue Bonds Supported by General Fund Revenues	
	4.00-5.00%		4.38-5.45%		3.00-5.00%		2.73-5.00%		1.34-1.355%		3.00%	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 4,515,000	\$ 331,500	\$ 142,000	\$ 179,827	\$ 4,545,000	\$ 4,395,622	\$ 30,000	\$ 59,669	\$ 481,227	\$ 24,261	\$ 1,635,000	\$ 24,525
2015	2,115,000	105,750	147,000	173,170	2,865,000	4,226,225	195,000	58,407	475,827	29,661	-	-
2016	-	-	163,000	166,293	3,640,000	4,082,975	20,000	49,199	482,238	23,251	-	-
2017	-	-	169,000	158,632	3,790,000	3,933,775	420,000	48,425	488,734	16,754	-	-
2018	-	-	174,000	150,697	3,945,000	3,775,600	10,000	27,778	495,319	10,170	-	-
2019-2023	-	-	1,010,000	622,069	22,605,000	16,011,025	1,010,000	108,381	260,962	3,497	-	-
2024-2028	-	-	1,246,000	363,749	28,815,000	9,804,000	-	-	-	-	-	-
2029-2033	-	-	787,000	70,867	21,365,000	1,803,750	-	-	-	-	-	-
Total	\$ 6,630,000	\$ 437,250	\$ 3,838,000	\$ 1,885,304	\$ 91,570,000	\$ 48,032,972	\$ 1,685,000	\$ 351,859	\$ 2,684,307	\$ 107,594	\$ 1,635,000	\$ 24,525

Year Due	Business-type Activities							
	Revenue Bonds Supported by Water Revenues		Notes Payable Supported by Water Revenues		Revenue Bonds Supported by Wastewater Revenues		Revenue Bonds Supported by Golf Revenues	
	3.20-5.00%		3.75-5.00%		4.00-5.00%		3.50-4.375%	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ -	\$ 25,265,337	\$ 1,634,324 *	\$ 2,781,553	\$ -	\$ 1,559,812	\$ 490,000	\$ 43,137
2015	-	25,265,338	1,872,494	2,764,487	-	1,559,813	510,000	22,313
2016	-	25,265,337	1,936,079	2,692,057	-	1,559,812	-	-
2017	-	25,265,338	2,002,049	2,617,243	1,450,000	1,559,813	-	-
2018	-	25,265,337	2,070,493	2,539,955	1,510,000	1,500,000	-	-
2019-2023	60,290,000	122,235,438	10,764,867	11,500,245	8,740,000	6,303,050	-	-
2024-2028	114,965,000	101,141,638	12,727,813	9,351,571	11,055,000	3,974,975	-	-
2029-2033	155,875,000	69,031,706	15,300,102	6,779,283	2,550,000	1,787,625	-	-
2034-2038	151,820,000	30,429,250	18,392,249	3,687,135	6,990,000	833,862	-	-
2039-2043	32,150,000	1,607,500	8,358,693	473,061	-	-	-	-
Total	\$ 515,100,000	\$ 450,772,219	\$ 75,059,163	\$ 45,186,590	\$ 32,295,000	\$ 20,638,762	\$ 1,000,000	\$ 65,450

* A principal and interest payment of \$587,494 and \$73,595 respectively, was made on the 2004 note payable on December 27, 2013 due January 1, 2014.



**EXHIBIT B-3
LOCAL HIGHWAY FINANCE REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013**

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Aurora, Colorado
		YEAR ENDING : December 2013
This Information From The Records Of (example - City of _ or County of _) City of Aurora, Colorado	Prepared By: Phone:	David Mullen (303) 739-7773

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	0
3. Other local imposts (from page 2)	21,835,375
4. Miscellaneous local receipts (from page 2)	6,983,784
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	0
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	28,819,159
B. Private Contributions	
C. Receipts from State government (from page 2)	9,144,958
D. Receipts from Federal Government (from page 2)	944,845
E. Total receipts (A.7 + B + C + D)	38,908,962

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	4,869,881
2. Maintenance:	13,972,613
3. Road and street services:	
a. Traffic control operations	2,974,416
b. Snow and ice removal	2,669,663
c. Other	5,631,487
d. Total (a. through c.)	11,275,566
4. General administration & miscellaneous	999,799
5. Highway law enforcement and safety	7,791,103
6. Total (1 through 5)	38,908,962
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	0
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	38,908,962

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0	0	0	0
1. Bonds (Refunding Portion)		0	0	
B. Notes (Total)	0	0	0	0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	38,908,962	38,908,962	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2013	
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	0	a. Interest on investments	16,678
b. Other local imposts:		b. Traffic Fines & Penalties	6,255,930
1. Sales Taxes	17,043,232	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	868,634	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	3,602,649	g. Other Misc. Receipts	
6. Total (1. through 5.)	21,514,515	h. Other	711,176
c. Total (a. + b.)	21,514,515	i. Total (a. through h.)	6,983,784
	(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	8,198,994	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	945,964	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	944,845
f. Total (a. through e.)	945,964	g. Total (a. through f.)	944,845
4. Total (1. + 2. + 3.f)	9,144,958	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	0	0	0
b. Engineering Costs	19,684	1,298,690	1,318,374
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	202,146	53	202,199
(3). System Preservation	0	1,864,626	1,864,626
(4). System Enhancement & Operation	10,639	1,474,043	1,484,682
(5). Total Construction (1) + (2) + (3) + (4)	212,785	3,338,722	3,551,507
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	232,469	4,637,412	4,869,881
			(Carry forward to page 1)
Notes and Comments:			

EXHIBIT C-1
CITY OF AURORA, COLORADO
SUMMARY OF CONTINUING DISCLOSURES BY ISSUE
DECEMBER 31, 2013:

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010 GENERAL FUND REFUNDING BONDS, SERIES 2009 CERTIFICATES OF PARTICIPATION, SERIES 2005 (Part Refunded)	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
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
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: SEWER REFUNDING BONDS, SERIES 2002A SEWER REFUNDING BONDS, SERIES 2003B	SEWER REFUNDING BONDS, SERIES 2008A SEWER IMPROVEMENT BONDS, SERIES 2009A AND 2009B
<p>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:</p>	
<u>Required Disclosure</u> Wastewater Fund Operating History General Fund Operating History Historical Summary of Debt Ratios Property Tax Levies and Collections 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-12 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 C-2
CITY OF AURORA, COLORADO
GENERAL FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE (US GAAP BASIS)
FOR THE YEARS ENDED DECEMBER 31:

	<u>2009</u>	<u>2010 (a)</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
REVENUES					
Taxes	\$ 191,859,369	\$ 195,377,492	\$ 199,321,808	\$ 215,073,673	\$ 226,282,963
Charges for services	7,495,590	9,179,928	9,408,597	10,295,801	11,068,914
License and permits	2,197,837	2,234,954	2,204,529	2,366,173	2,439,943
Fines and forfeits	6,049,482	8,616,330	9,461,708	10,335,263	10,792,601
Intergovernmental	11,738,686	13,333,242	13,438,514	13,457,968	13,979,711
Miscellaneous	1,994,879	1,859,321	1,284,418	1,825,295	1,834,901
Investment earnings	1,908,658	878,984	870,779	916,119	316,380
Total revenues	<u>223,244,501</u>	<u>231,480,251</u>	<u>235,990,353</u>	<u>254,270,292</u>	<u>266,715,413</u>
EXPENDITURES					
<i>Current</i>					
General government	27,068,901	21,482,169	22,187,057	22,013,708	23,470,892
Judicial	7,786,061	7,981,058	7,768,466	8,106,247	8,346,956
Police	75,156,259	78,677,347	82,450,845	85,460,066	88,859,630
Fire	33,453,116	34,791,196	37,082,009	38,410,555	39,372,791
Other public safety	10,260,286	10,810,214	10,406,780	10,397,756	10,514,310
Public works	18,634,508	24,477,697	24,327,451	23,454,541	23,986,149
Economic development	3,575,405	3,968,567	4,775,615	4,114,525	4,835,077
Community services	3,703,618	3,635,491	3,475,560	3,674,044	4,402,416
Culture and recreation	17,391,932	16,089,424	15,915,515	16,461,477	15,956,170
<i>Debt service</i>					
Principal	1,326,664	1,114,833	851,310	436,286	407,080
Interest	149,021	100,287	57,517	29,690	12,055
Capital outlay	418,932	736,405	2,419,815	3,149,982	2,876,987
Total expenditures	<u>198,924,703</u>	<u>203,864,688</u>	<u>211,717,940</u>	<u>215,708,877</u>	<u>223,040,513</u>
Excess of revenues over expenditures	24,319,798	27,615,563	24,272,413	38,561,415	43,674,900
Net other financing uses (a), (b)	<u>(24,472,158)</u>	<u>(25,273,442)</u>	<u>(21,444,749)</u>	<u>(24,901,576)</u>	<u>(42,090,745)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(152,360)	2,342,121	2,827,664	13,659,839	1,584,155
FUND BALANCES - January 1	52,407,284	(a)	62,700,130	65,527,794	79,187,633
General Fund balance - January 1, before restatement	—	22,143,755	—	—	—
Adjustment for accounting changes	—	38,214,254	—	—	—
FUND BALANCES - January 1, after restatement	—	60,358,009	—	—	—
FUND BALANCE - December 31	<u>\$ 52,254,924</u>	<u>\$ 62,700,130</u>	<u>\$ 65,527,794</u>	<u>\$ 79,187,633</u>	<u>\$ 80,771,788</u>
General Fund	\$ 22,143,755	(a)	(a)	(a)	(a)
Policy Reserve (c)	21,332,318	(a)	(a)	(a)	(a)
TABOR Reserve (c)	8,778,851	(a)	(a)	(a)	(a)

- (a) In 2010, a new accounting pronouncement required a change in reporting of Special Revenue funds. As a result, the fund balances from the TABOR Reserve Fund and the Policy Reserve Fund and a portion of the Designated Revenues Fund were transferred to the General Fund.
- (b) Net other financing uses consist primarily of transfers to other funds. For 2009, transfers among the General Fund, the TABOR Reserve Fund and the Policy Reserve Fund have been eliminated in this schedule.
- (c) For 2009, transactions for the TABOR Reserve Fund and the Policy Reserve Fund were accounted for as a Special Revenue fund.

EXHIBIT C-3
CITY OF AURORA, COLORADO
GENERAL FUND
COMPARATIVE SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE, ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEARS ENDED DECEMBER 31:

	2009		2010 (a)		2011		2012		2013	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
SOURCES										
Taxes	\$ 192,998,794	\$ 210,627,064	\$ 195,431,051	\$ 198,205,531	\$ 197,795,914	\$ 198,910,103	\$ 214,126,882	\$ 202,381,882	\$ 225,245,557	\$ 209,239,485
Licenses and permits	2,197,837	3,051,103	2,201,001	2,493,903	2,181,654	2,127,854	2,349,161	2,247,623	2,439,943	2,302,868
Intergovernmental	11,738,686	10,754,074	12,738,360	12,404,203	12,829,501	12,693,058	13,457,968	13,071,193	13,379,711	12,899,795
Charges for services	7,495,590	7,792,531	8,286,606	8,623,037	8,837,467	8,931,384	9,645,286	9,252,640	10,362,458	10,997,245
Fines and forfeitures	6,049,482	6,972,101	6,817,969	6,836,200	5,977,427	6,242,119	5,862,518	6,190,000	6,081,941	6,269,899
Investment income	1,602,567	1,932,340	661,468	750,000	871,209	650,000	706,190	950,000	743,869	557,409
Other revenues	8,440,912	9,084,632	1,308,040	1,435,638	1,139,423	1,027,614	1,695,064	1,035,210	1,783,680	1,180,827
Transfers in	—	—	31,272,714	31,015,125	2,264,512	2,381,638	1,176,743	1,461,743	1,160,750	1,160,750
Total sources	<u>230,523,868</u>	<u>250,213,845</u>	<u>258,717,209</u>	<u>261,763,637</u>	<u>231,897,107</u>	<u>232,963,770</u>	<u>249,019,812</u>	<u>236,590,291</u>	<u>261,197,909</u>	<u>244,608,278</u>
USES										
Municipal Court	9,613,306	9,999,209	10,204,166	10,318,823	9,531,219	9,822,927	9,940,492	10,108,802	9,993,886	10,192,800
City Attorney	4,861,669	5,011,576	4,866,155	5,010,311	5,000,491	5,023,825	4,986,345	5,063,069	5,278,889	5,279,665
General Management	6,220,487	6,653,297	6,186,184	6,606,384	2,947,752	3,051,872	3,691,985	3,903,153	3,971,757	4,125,794
Administrative Services	20,363,081	22,058,755	13,803,532	14,149,546	24,510,620	25,701,179	24,074,021	24,497,130	25,140,094	26,335,995
Operations Group Management	30,462,248	35,587,314	36,134,671	38,304,755	42,809,390	44,242,728	43,037,806	44,113,423	43,486,396	44,749,092
Community Services	129,861,362	134,603,464	123,966,797	125,233,927	117,162,667	117,236,313	120,831,277	120,804,758	126,049,167	126,052,979
Non-departmental	28,875,661	35,024,098	31,402,300	32,797,155	27,753,505	28,250,297	30,277,780	30,693,464	47,792,620	48,590,055
Total uses	<u>230,257,814</u>	<u>248,937,713</u>	<u>226,563,805</u>	<u>232,420,901</u>	<u>229,715,644</u>	<u>233,329,141</u>	<u>236,839,706</u>	<u>239,183,799</u>	<u>261,712,809</u>	<u>265,326,380</u>
Excess (deficiency) of revenues over (under) expenditures	266,054	1,276,132	32,153,404	29,342,736	2,181,463	(365,371)	12,180,106	(2,593,508)	(514,900)	(20,718,102)
FUNDS AVAILABLE - January 1	34,564,035	34,564,035	5,165,400	5,165,400	37,318,804	37,318,803	39,500,267	39,500,267	51,716,988	51,716,988
FUNDS AVAILABLE - December 31	34,830,089	<u>\$ 35,840,167</u>	37,318,804	<u>\$ 34,508,136</u>	39,500,267	<u>\$ 36,953,432</u>	51,680,373	<u>\$ 36,906,759</u>	51,202,088	<u>\$ 30,998,886</u>
Committed for Reserves (10% policy)	—	—	(21,467,734)	—	(20,404,987)	—	(20,790,709)	—	(21,745,473)	—
Restricted for Emergencies (TABOR)	(8,647,747)	—	(8,871,465)	—	(8,972,548)	—	(9,401,524)	—	(9,655,083)	—
Council designations	(5,165,400)	—	—	—	—	—	—	—	—	—
Funds available - after restrictions, and commitments	<u>\$ 21,016,942</u>	—	<u>\$ 6,979,605</u>	—	<u>\$ 10,122,732</u>	—	<u>\$ 21,488,140</u>	—	<u>\$ 19,801,532</u>	—
	(b)		(a)		(a)		(a)		(a)	
Reconciliation to GAAP fund balance										
Funds available - December 31	\$ 34,830,089	—	\$ 37,318,804	—	\$ 39,500,267	—	\$ 51,680,373	—	\$ 51,202,088	—
Current year encumbrances	974,269	—	969,518	—	803,554	—	1,354,274	—	1,647,739	—
Inventories	—	—	9,547	—	—	—	—	—	—	—
Sales, use and lodgers tax accrual	15,905,989	—	15,852,432	—	17,378,325	—	18,325,116	—	19,362,521	—
Long-term interfund receivables	—	—	304,050	—	240,888	—	449,668	—	617,168	—
Deferred revenues-grant awards	—	—	496,095	—	496,095	—	(232,214)	—	—	—
Adjust investments to fair value	544,577	—	186,300	—	125,708	—	263,626	—	(167,605)	—
Adjust for accounting change	—	—	7,563,390	—	6,982,957	—	7,346,790	—	8,109,877	—
FUND BALANCE - December 31	<u>\$ 52,254,924</u>	—	<u>\$ 62,700,136</u>	—	<u>\$ 65,527,794</u>	—	<u>\$ 79,187,633</u>	—	<u>\$ 80,771,788</u>	—

- (a) In 2010, a new accounting pronouncement required a change in reporting of Special Revenue funds. As a result, the fund balances from the TABOR Reserve Fund and the Policy Reserve Fund and a portion of the Designated Revenues Fund were transferred to the General Fund.
- (b) For 2009, transactions for the TABOR Reserve Fund and Policy Reserve Fund were accounted for as a Special Revenue fund.

EXHIBIT C-4

CITY OF AURORA, COLORADO

WATER FUND

OPERATING HISTORY

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31:

	2009	2010	2011	2012	2013
OPERATING REVENUES					
<i>Charges for services</i>					
Customers	\$ 84,493,197	\$ 107,030,397	\$ 104,941,420	\$ 112,403,991	\$ 97,187,860
Total operating revenues	84,493,197	107,030,397	104,941,420	112,403,991	97,187,860
OPERATING EXPENSES					
Cost of sales and services	28,707,693	40,801,328	42,202,299	41,782,745	42,640,617
Administrative expenses	4,544,897	4,504,021	4,371,213	4,074,618	4,223,389
Depreciation	10,390,860	11,113,289	14,734,196	26,608,375	28,469,745
Total operating expenses	43,643,450	56,418,638	61,307,708	72,465,738	75,333,751
Operating income	40,849,747	50,611,759	43,633,712	39,938,253	21,854,109
NON-OPERATING REVENUES (EXPENSES)					
Investment income	11,254,698	4,989,721	4,407,179	3,744,862	2,006,894
Intergovernmental revenue	183,494	71,361	556,905	94,055	2,180,526
Miscellaneous revenue	104,757	283,593	599,663	347,362	267,117
Interest expense	(6,527,282)	(7,757,051)	(8,334,345)	(28,561,411)	(25,650,137)
Amortization expense	559,950	597,435	(848,667)	955,621	398,385
Gain (loss)-disposal capital assets	(508,116)	(100,666)	(209,190)	(1,340,467)	(2,089,943)
Loss on early extinguishment of debt	-	-	-	(5,643,142)	-
Gain (loss)-joint venture	(31,680)	(31,512)	(31,334)	(32,165)	(33,628)
Net non-operating revenues (expenses)	5,035,821	(1,947,119)	(3,859,789)	(30,435,285)	(22,920,786)
NET INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	45,885,568	48,664,640	39,773,923	9,502,968	(1,066,677)
Capital contributions	16,669,965	18,344,367	14,855,566	21,571,350	23,137,323
INCREASE IN NET POSITION	62,555,533	67,009,007	54,629,489	31,074,318	22,070,646
NET POSITION - January 1, before restatement	881,526,509	944,082,042	1,011,290,399	1,065,919,888	1,092,184,940
Adjustment for accounting changes	-	199,350	-	(4,809,266)	-
NET POSITION - January 1, after restatement	881,526,509	944,281,392	1,011,290,399	1,061,110,622	1,092,184,940
NET POSITION - December 31	<u>\$ 944,082,042</u>	<u>\$ 1,011,290,399</u>	<u>\$ 1,065,919,888</u>	<u>\$ 1,092,184,940</u>	<u>\$ 1,114,255,586</u>

EXHIBIT C-4

CITY OF AURORA, COLORADO

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:

	2009	2010	2011	2012	2013
SOURCES					
Charges for services	\$ 84,439,067	\$ 106,961,809	\$ 104,863,804	\$ 112,331,690	\$ 97,069,815
Intergovernmental	183,494	321,361	683,770	91,838	2,210,135
Licenses and permits	54,326	68,667	77,651	72,301	118,045
Fines and forfeitures	—	2,513	2,150	1,357	1,135
Investment income	10,459,319	6,711,348	5,189,532	3,651,642	3,233,568
Miscellaneous revenues	11,868,590	17,058,348	14,267,721	20,536,096	22,363,769
Proceeds from sale of assets	70,366	5,857	27,160	31,864	99,773
Proceeds from long-term borrowings	34,064,530	23,432,250	—	—	—
Funds from restricted assets	—	(4,280,345)	3,391,681	380,000	910,000
Total sources	<u>141,139,692</u>	<u>150,281,808</u>	<u>128,503,469</u>	<u>137,096,788</u>	<u>126,006,240</u>
USES					
<i>Operating Costs</i>					
Operations group	80,114,423	103,616,427	134,048,219	125,109,145	78,335,727
<i>Continuing Appropriations</i>					
Operations group	<u>240,213,265</u>	<u>28,232,525</u>	<u>(11,242,452)</u>	<u>6,250,052</u>	<u>15,917,846</u>
Total uses	<u>320,327,688</u>	<u>131,848,952</u>	<u>122,805,767</u>	<u>131,359,197</u>	<u>94,253,573</u>
Change in funds available	(179,187,996)	18,432,856	5,697,702	5,737,591	31,752,667
FUNDS AVAILABLE - January 1	<u>194,840,465</u>	<u>15,652,469</u>	<u>34,085,325</u>	<u>39,783,027</u>	<u>45,520,618</u>
FUNDS AVAILABLE - December 31	<u>\$ 15,652,469</u>	<u>\$ 34,085,325</u>	<u>\$ 39,783,027</u>	<u>\$ 45,520,618</u>	<u>\$ 77,273,285</u>

EXHIBIT C-5
CITY OF AURORA, COLORADO
WATER FUND
WATER SYSTEM STATISTICS
FOR THE YEARS ENDED DECEMBER 31:

Water Usage and Billed Revenues by Classification

Classification	Consumption (thousand gallons)	Percent of Consumption	Billed Revenue	Percent of Billed Revenue
Residential	6,263,214	40%	\$ 43,797,554	47%
Multi-Family	3,571,761	23%	21,027,616	23%
Commercial	2,871,997	18%	16,627,251	18%
Irrigation	1,174,717	7%	7,883,149	8%
Other (a)	1,938,424	12%	3,715,769	4%
Total	15,820,113	100%	\$ 93,051,339	100%

(a) Includes tertiary, trade, hydrant, raw water and well water customers billed through utility billing system.

Water System Annual Billed Revenues and Cash Collection (b)

Classification	2009	2010	2011	2012	2013
Billed revenues	\$ 82,911,097	\$ 100,041,083	\$ 99,665,457	\$ 107,066,380	\$ 92,937,171
Cash collected during year for current and prior years' sales	\$ 82,724,654	\$ 99,055,513	\$ 99,874,709	\$ 107,152,680	\$ 93,786,045
Percentage of billed revenues collected	99.8%	99.0%	100.2%	100.1%	100.9%

(b) Revenues include metered sales, fire protection, raw water irrigation, raw water resale, well water, tertiary reuse water, related services (trip charges, meter testing, wasting water fees and non-sufficient funds fees) and other. Adjusted to match cash collection cycle.

Customers by Class (c)

Classification	2009	2010	2011	2012	2013
Residential (1-4 units)	70,035	70,609	71,374	72,116	73,210
Multi-Family (5+ units)	2,374	2,415	2,418	2,416	2,419
Commercial	2,872	2,883	2,908	2,929	2,939
Irrigation	1,108	1,113	1,116	1,116	1,116
Total	76,389	77,020	77,816	78,577	79,684

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

Aurora Water Rates History and Average Annual Water Bill

Single Family Residential	2009	2010	2011	2012	2013
Base charge	\$ 11.22	\$ 12.06	\$ 12.06	\$ 12.06	\$ 12.06
Rates per 1,000 gallons	Tiered Structure	Tiered Structure	Tiered Structure	Tiered Structure	Tiered Structure
Average annual bill	\$ 564.00	\$ 657.91	\$ 646.49	\$ 681.38	\$ 602.32

EXHIBIT C-5
CITY OF AURORA, COLORADO
WATER FUND
WATER SYSTEM STATISTICS
FOR THE YEARS ENDED DECEMBER 31:

The following table sets forth the ten largest consumers of the Water System, which, in aggregate, accounted for 9.6% of the total billed metered treated water sales in 2013.

Ten Largest Treated Water Customers of Water System - 2013

Customer	Consumption (a)	Percent of Top Ten Consumption	Billed Revenues	Percent of Top Ten Billed Revenues
City of Aurora	381,667	26%	\$ 2,443,155	28%
Aurora Public Schools	235,338	16%	1,375,722	16%
University of Colorado Denver	211,249	14%	1,241,281	14%
Buckley Air Force Base	157,095	11%	903,381	11%
Cherry Creek Schools	139,536	10%	801,283	9%
Heather Gardens HOA	131,921	9%	738,664	9%
Starr Bridge Chelsea LLC	52,727	4%	295,782	3%
Westdale Asset Management	52,700	4%	298,195	4%
Tallyns Reach Metro District	43,458	3%	277,535	3%
Medical Center of Aurora	42,664	3%	241,905	3%
Total	1,448,355	100%	\$ 8,616,903	100%

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

Monthly Service Charge (b)

Meter Size	2009	2010	2011	2012	2013
5/8" & 3/4"	\$ 11.22	\$ 12.06	\$ 12.06	\$ 12.06	\$ 12.06
1"	16.53	17.77	17.77	17.77	17.77
1 1/4"	16.53	17.77	17.77	17.77	17.77
1 1/2"	25.40	27.31	27.31	27.31	27.31
2"	36.04	38.74	38.74	38.74	38.74
3"	64.40	69.23	69.23	69.23	69.23
4"	96.30	103.53	103.53	103.53	103.53
6"	184.94	198.81	198.81	198.81	198.81
8"	433.11	465.60	465.60	465.60	465.60

(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				
	2009	2010	2011	2012	2013
Average Daily Treatment	40.4	45.2	44.5	47.3	40.3
Average Daily Consumption	37.9	43.1	42.2	45.5	39.5
Peak Hour Treatment	111.4	122.8	140.6	156.4	145.5
Peak Day Treatment	79.0	85.4	87.4	90.8	84.8
Peak Day Consumption	77.1	81.4	83.7	88.5	83.9

EXHIBIT C-5
CITY OF AURORA, COLORADO
WATER FUND
WATER SYSTEM STATISTICS
FOR THE YEARS ENDED DECEMBER 31:

Water Service Connection Fee

Type and Size of Connection	2009	2010	2011	2012	Jan - Nov 2013	Dec 2013
Single Family Detached						
5/8" & 3/4"	\$ 22,754	\$ 24,460	\$ 24,460	\$ 24,460	\$ 24,460	See Below Table
1"	45,508	45,156	45,156	43,700	43,700	See Below Table
Single Family Attached (per unit)	16,155	13,970	13,970	13,515	13,515	\$ 8,814
Multi-Family (per unit)	13,424	12,954	12,954	12,494	12,494	8,814
Commercial						
5/8" & 3/4"	22,754	24,460	24,460	24,460	24,460	20,043
1"	39,410	42,365	42,365	42,365	42,365	35,876
1 1/2"	90,810	97,620	97,620	97,620	97,620	78,767
2"	161,279	173,374	173,374	173,374	173,374	143,104
3"	362,622	389,818	389,818	389,818	389,818	(a)
4"	645,117	693,500	693,500	693,500	693,500	(a)
6"	1,452,028	1,560,930	1,560,930	1,560,930	1,560,930	(a)
8"	2,581,779	2,775,412	2,775,412	2,775,412	2,775,412	(a)

(a) Effective 12/1/2013, Commercial water service connection fees for meters greater than 2" will be determined on an individual basis.

Water Service Connection Fee (Effective 12/1/2013)

	Dec 2013
Single Family Detached	
Indoor Use:	
1-2 bathrooms	\$ 5,509
3-4 bathrooms	8,901
5+ bathrooms	15,425
Outdoor Use (Single Family Residential Detached and Single Family Residential Attached-Fee Simple Lots) Per Square Foot of Lot Size	0.941
Irrigation	
Non-water Conserving (per square foot of landscaped area)	2.75
Water Conserving (per square foot of landscaped area)	1.45

Tap and Development Fee Revenues (b)

Year	Tap Fee Revenues	Development Fee Revenue	Total Tap and Development Fees
2009	\$ 11,933,737	\$ 38,436	\$ 11,972,173
2010	16,766,342	58,749	16,825,091
2011	13,689,898	125,460	13,815,358
2012	20,144,078	99,249	20,243,327
2013	21,949,651	53,926	22,003,577

(b) Development fees include main extension and front footage (2009-2012). Excludes annexation fees and fees reimbursed to others. Front footage fees were eliminated in 2013.

EXHIBIT C-5
CITY OF AURORA, COLORADO
WATER FUND
WATER SYSTEM STATISTICS
FOR THE YEARS ENDED DECEMBER 31:

Type of Account	Tiered Use Rate	Tiered Use Rate	Tiered Use Rate	Tiered Use Rate	Tiered Use Rate
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Residential/ Multifamily (less than 5 units)					
Tier 1- (0-20,000 gals)	\$ 4.90	\$ 5.27	\$ 5.27	\$ 5.27	\$ 5.27
Tier 2- (20,001-40,000 gals)	5.58	6.00	6.00	6.00	6.00
Tier 3- (40,001 gals and above)	6.98	7.50	7.50	7.50	7.50
Multifamily (five or more units)					
Tier 1- (up to 100% allocation)	5.21	5.60	5.60	5.60	5.60
Tier 2- (greater than 100%)	5.73	6.16	6.16	6.16	6.16
Commercial					
Tier 1- (up to 100% allocation)	5.27	5.67	5.67	5.67	5.67
Tier 2- (greater than 100%)	5.80	6.24	6.24	6.24	6.24
Irrigation					
Tier 1- (up to 100% allocation)	6.03	6.48	6.48	6.48	6.48
Tier 2- (greater than 100%)	6.63	7.13	7.13	7.13	7.13

Beginning 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.

EXHIBIT C-6

CITY OF AURORA, COLORADO

WATER FUND

MAXIMUM ANNUAL DEBT SERVICE COVERAGE

FOR THE YEARS ENDED DECEMBER 31:

	2009	2010	2011	2012	2013
Net Pledged Revenue					
Charges for Services	\$84,493,197	\$107,030,397	\$104,941,420	\$112,403,991	\$97,187,860
Development Fee (a)	11,972,174	16,825,091	13,815,358	20,243,327	22,003,577
Other Non-Operating Revenue (b)	10,564,075	6,995,940	5,779,893	4,124,923	5,780,984
(Less) Operating Expense	(43,643,450)	(56,418,638)	(61,307,709)	(72,465,738)	(75,333,751)
Add: Depreciation	10,390,860	11,113,289	14,734,197	26,608,375	28,469,745
Total	<u>\$73,776,856</u>	<u>\$85,546,079</u>	<u>\$77,963,159</u>	<u>\$90,914,878</u>	<u>\$78,108,415</u>
Maximum Annual Debt Service					
First-Lien Revenue Obligations (c)	\$47,451,238	\$47,451,238	\$44,982,063	\$44,982,063	\$44,982,063
All Obligations Secured by Net Pledged Revenue (d)	47,451,238	51,867,114	49,397,939	49,397,939	49,397,939
All Obligations Payable From System Revenues (e)	47,451,238	51,867,144	n/a	n/a	n/a
Coverage					
First-Lien Revenue Obligations	1.55	1.80	1.73	2.02	1.74
Combined First-Lien Revenue Obligations and All Obligations Secured by Net Pledged Revenues	1.55	1.65	1.58	1.84	1.58
All Obligations Payable from Systems Revenues	1.55	1.65	n/a	n/a	n/a

(a) Includes tap, main extension, front footage fees. Does not include annexation fees. Total is net of any reimbursement of previously paid tap fees.

(b) Includes investment income, insurance recoveries and other non-operating revenue. Excludes fair value and interest on urban drainage.

(c) First lien maximum annual debt service occurs in 2033. Includes the City's portion of 2005D (CWR&PDA) and the city's First Lien Water Improvement Revenue Bonds Series 2007A and 2008A.

(d) Includes 2007 CWCB note and other water rights notes payable. Maximum annual debt service occurs in 2033.

(e) Includes (d) above and general obligation water bonds which are payable from revenues of the system but are not secured by the Net Pledged revenues. In 2011, the general obligation bonds were paid off.

EXHIBIT C-7

CITY OF AURORA, COLORADO

OPERATING HISTORY

WASTEWATER FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31:

	2009	2010	2011	2012	2013
OPERATING REVENUES					
Charges for services	\$ 46,562,963	\$ 49,747,055	\$ 50,363,242	\$ 51,687,414	\$ 53,202,354
Total operating revenues	46,562,963	49,747,055	50,363,242	51,687,414	53,202,354
OPERATING EXPENSES					
Cost of sales and services	32,314,994	32,702,625	34,431,787	35,896,465	39,732,792
Administrative expenses	1,511,342	1,436,412	1,773,448	1,401,569	1,403,135
Depreciation	6,877,719	7,264,609	8,328,611	8,756,083	8,866,969
Total operating expenses	40,704,055	41,403,646	44,533,846	46,054,117	50,002,896
Operating income	5,858,908	8,343,409	5,829,396	5,633,297	3,199,458
NON-OPERATING REVENUES (EXPENSES)					
Investment income	4,047,641	1,576,473	1,591,702	1,462,276	541,454
Intergovernmental revenue	88,000	250,000	2,660,855	—	528,439
Miscellaneous revenue	319,680	3,586,581	90,289	5,148,986	22,540
Interest expense	(107,199)	38,429	(2,319,742)	(2,142,921)	(1,592,843)
Amortization expense	24,312	24,312	24,312	66,918	444,907
Gain (loss)-disposal capital assets	(8,480)	(658,635)	(2,649,007)	29,799	(85,195)
Loss on early extinguishment of debt	—	—	—	—	(2,184,549)
Net non-operating revenues (expenses)	4,363,954	4,817,160	(601,591)	4,565,058	(2,325,247)
NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS					
	10,222,862	13,160,569	5,227,805	10,198,355	874,211
Capital contributions	10,671,083	4,036,633	4,344,696	4,725,296	4,612,824
INCREASE IN NET POSITION	20,893,945	17,197,202	9,572,501	14,923,651	5,487,035
NET POSITION - January 1, before restatement	409,968,390	430,862,335	448,165,868	457,738,369	472,244,308
Adjustment for accounting changes	—	106,331	—	(417,712)	—
NET POSITION - January 1, after restatement	409,968,390	430,968,666	448,165,868	457,320,657	472,244,308
NET POSITION - December 31	\$ 430,862,335	\$ 448,165,868	\$ 457,738,369	\$ 472,244,308	\$ 477,731,343

EXHIBIT C-7
CITY OF AURORA, COLORADO
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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
SOURCES					
Intergovernmental revenues	\$ 88,000	\$ 250,000	\$ 2,660,855	\$ —	\$ 2,686,405
Charges for services	46,563,100	49,730,302	50,312,760	51,636,913	53,147,904
Investment income	3,424,319	2,225,016	1,669,328	1,325,143	1,127,788
Other revenues	2,173,524	3,789,649	3,304,306	6,637,525	4,650,466
Proceeds from sale of assets	16,194	15,723	8,095	39,426	10,634
Transfers in	256,000	—	—	—	—
Funds from restricted assets	304,838	296,631	—	1,716,209	335,376
Total sources	<u>52,825,975</u>	<u>56,307,321</u>	<u>57,955,344</u>	<u>61,355,216</u>	<u>61,958,573</u>
USES					
<i>Operating Costs</i>					
Operations group	40,239,806	37,808,537	40,315,106	47,053,956	64,537,429
<i>Continuing Appropriations</i>					
Operations group	<u>27,589,299</u>	<u>25,270,427</u>	<u>22,591,962</u>	<u>6,696,082</u>	<u>16,332,253</u>
Total uses	<u>67,829,105</u>	<u>63,078,964</u>	<u>62,907,068</u>	<u>53,750,038</u>	<u>80,869,682</u>
Change in funds available	(15,003,130)	(6,771,643)	(4,951,724)	7,605,178	(18,911,109)
Funds Available - January 1	<u>64,449,538</u>	<u>49,446,408</u>	<u>42,674,765</u>	<u>37,723,041</u>	<u>45,328,219</u>
Funds Available - December 31	<u>\$ 49,446,408</u>	<u>\$ 42,674,765</u>	<u>\$ 37,723,041</u>	<u>\$ 45,328,219</u>	<u>\$ 26,417,110</u>

EXHIBIT C-8
 CITY OF AURORA, COLORADO
 WASTEWATER FUND
 SEWER SYSTEM STATISTICS
 DECEMBER 31:

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	100%	100%

Customers by Class

<u>Classification</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Residential (1-4) units	69,895	70,469	71,405	72,138	73,229
Multi-Family (5+ units)	2,373	2,414	2,417	2,419	2,416
Commercial	2,964	2,981	2,852	2,873	2,889
Total	75,232	75,864	76,674	77,430	78,534

Ten Largest Customers of the Sanitary Sewer System

<u>Customer</u>	<u>Billed Revenues</u>
Buckley Air Force Base	\$ 352,259
University of Colorado HSC	298,241
Heather Gardens HOA	230,049
Aurora Public Schools	134,781
Westdale Asset Management, LLC	127,954
Starr Bridge Chelsea, LLC	116,286
Landing at Buckley	101,830
Children's Hospital Colorado	101,193
Cherry Creek Schools	95,455
Kingsley Management Corp	90,401
Total	\$ 1,648,449

These ten customers accounted for 5.3% of the total billed sanitary sewer sales in 2013.

Sanitary Sewer Monthly Service Charge by Tap Size(a)

<u>Tap Size</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
5/8" and 3/4"	\$ 2.80	\$ 2.97	\$ 3.09	\$ 3.22	\$ 3.39
1" & 1 1/4"	6.66	7.06	7.35	7.65	8.05
1 1/2"	14.01	14.85	15.46	16.09	16.93
2"	22.40	23.74	24.71	25.72	27.06
3"	49.05	51.99	54.12	56.34	59.27
4"	140.16	148.57	154.66	161.00	169.37
6"	280.34	297.16	309.34	322.02	338.77

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

EXHIBIT C-8
CITY OF AURORA, COLORADO
WASTEWATER FUND
SEWER SYSTEM STATISTICS
FOR THE YEARS ENDED DECEMBER 31:

Sanitary Sewer Tap Fees by Service Size

<u>Customer</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Single Family Detached (per unit)	\$ 2,388	\$ 2,388	\$ 2,421	\$ 2,771	\$ 2,400
Single Family Attached (per unit)	1,934	1,934	1,961	1,524	1,320
Multi-family (per unit)	1,863	1,863	1,889	1,413	1,224
Commercial (per tap size):					
$\frac{3}{4}$ "	4,537	4,537	4,601	5,264	4,560
1" & 1 $\frac{1}{4}$ "	10,746	10,746	10,896	12,468	10,800
1 $\frac{1}{2}$ "	26,268	26,268	26,636	30,477	26,400
2	47,760	47,760	48,429	55,413	48,000
3	100,296	100,296	101,700	116,368	100,800
4	181,488	181,488	184,029	210,571	182,400
6	(a)	(a)	(a)	(a)	(a)

(a) Rates for the six inch meters are based on a formula utilizing flow, Biological Oxygen Demand (BOD), Total Suspended Solids (TSS), and Total Kjeldahl Nitrogen (TKN) values.

Sewer Tap and Development Fee Revenues (b)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Sanitary Sewer Tap Fees	\$ 1,867,919	\$ 2,445,331	\$ 1,675,452	\$ 2,672,735	\$ 2,566,584
Utility- Front footage (c)	21,828	26,393	74,491	110,569	n/a
Total Tap and Development Fees	\$ 1,889,747	\$ 2,471,724	\$ 1,749,943	\$ 2,783,304	\$ 2,566,584

(b) Development fees include main extensions and front footage (2009-2012), and exclude annexation, storm drain development and fees reimbursed to others.

(c) Front footage fees were eliminated in 2013.

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 \$8.16 per month for single family detached and individually metered single family attached dwellings. The storm drainage fee is \$8.16 per month plus \$6.42 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 \$8.16 per month for the first 2,500 square feet of gross floor space plus \$6.42 for each additional 2,500 square feet of gross floor space or portion thereof.

EXHIBIT C-9

CITY OF AURORA, COLORADO

GOLF FUND

OPERATING HISTORY

COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEARS ENDED DECEMBER 31:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
OPERATING REVENUES					
Charges for services	\$ 9,027,618	\$ 8,328,381	\$ 7,932,907	\$ 8,613,543	\$ 8,015,101
Total operating revenues	<u>9,027,618</u>	<u>8,328,381</u>	<u>7,932,907</u>	<u>8,613,543</u>	<u>8,015,101</u>
OPERATING EXPENSES					
Cost of sales and services	6,991,138	6,354,240	5,833,016	6,046,894	5,937,423
Administrative expenses	903,164	1,301,004	1,201,625	1,486,693	949,763
Depreciation	1,036,321	1,016,788	967,807	918,161	916,830
Total operating expenses	<u>8,930,623</u>	<u>8,672,032</u>	<u>8,002,448</u>	<u>8,451,748</u>	<u>7,804,016</u>
Operating income (loss)	<u>96,995</u>	<u>(343,651)</u>	<u>(69,541)</u>	<u>161,795</u>	<u>211,085</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment income	74,547	54,260	50,523	35,498	10,947
Miscellaneous revenue	20,166	32,561	14,966	21,745	12,874
Interest expense	(394,392)	(339,416)	(335,189)	(263,892)	(250,500)
Amortization expense	(13,414)	(27,545)	(27,545)	(12,364)	(12,364)
Gain (loss)-disposal capital assets	(6,300)	3,917	(17,218)	—	3,848
Net non-operating expenses	<u>(319,393)</u>	<u>(276,223)</u>	<u>(314,463)</u>	<u>(219,013)</u>	<u>(235,195)</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(222,398)</u>	<u>(619,874)</u>	<u>(384,004)</u>	<u>(57,218)</u>	<u>(24,110)</u>
Capital contributions	3,000	—	358,704	2,331	—
Transfers in	—	—	—	325,000	150,000
INCREASE (DECREASE) IN NET POSITION	<u>(219,398)</u>	<u>(619,874)</u>	<u>(25,300)</u>	<u>270,113</u>	<u>125,890</u>
TOTAL NET POSITION - January 1, before restatement	<u>25,146,654</u>	<u>24,927,256</u>	<u>24,307,382</u>	<u>24,282,082</u>	<u>24,505,257</u>
Adjustment for change in accounting principle	—	—	—	(46,938)	—
TOTAL NET POSITION - January 1, after restatement	<u>25,146,654</u>	<u>24,927,256</u>	<u>24,307,382</u>	<u>24,235,144</u>	<u>24,505,257</u>
TOTAL NET POSITION - December 31	<u>\$ 24,927,256</u>	<u>\$ 24,307,382</u>	<u>\$ 24,282,082</u>	<u>\$ 24,505,257</u>	<u>\$ 24,631,147</u>

EXHIBIT C-10
CITY OF AURORA, COLORADO
GOLF FUND
GOLF COURSE ENTERPRISE SYSTEM STATISTICS
FOR THE YEARS ENDED DECEMBER 31:

Golf Course System Usage - Total Rounds Played

Course	2009	2010	2011	2012	2013
Aurora Hills	54,043	51,671	49,818	52,952	45,732
Centre Hills	24,398	21,834	17,264	18,345	11,420
Fitzsimons	40,007	40,044	38,549	39,264	34,946
Meadow Hills	48,598	47,712	46,389	47,993	40,925
Murphy Creek	31,430	28,624	29,196	30,256	29,735
Saddle Rock	33,888	30,335	32,384	34,680	32,939
Springhill	37,359	34,544	30,260	33,313	28,373

2013 Green Fee Rates

Fee Type (c)	Saddle Rock	Murphy Creek	Meadow Hills	Aurora Hills	Fitzsimons (a)	Springhill	Centre Hills (b)
18-Hole Weekday	\$39.00	\$37.00	\$32.00	\$27.00	\$25.00	\$24.00	\$19.00
18-Hole Weekend	50.00	47.00	38.00	31.00	29.00	28.00	23.00
18-Hole Junior Weekday	23.25	21.00	18.00	16.00	16.00	15.00	11.00
18-Hole Junior Weekend	26.50	25.50	21.00	19.00	19.00	18.00	13.00
18-Hole Senior Weekday/Weekend (d)	29.50	27.50	23.00	21.00	19.00	18.00	15.00
18-Hole Military Weekday	34.00	32.00	27.00	22.00	19.00	19.00	14.00
18-Hole Military Weekend	45.00	42.00	33.00	26.00	24.00	24.00	16.00
9-Hole Weekday	19.50	18.50	16.00	13.50	12.50	12.00	9.50
9-Hole Weekend	25.00	23.50	19.00	15.50	14.50	14.00	11.50
9-Hole Junior Weekday	11.50	10.50	9.00	8.00	8.00	7.50	5.50
9-Hole Junior Weekend	13.25	12.75	11.00	9.50	9.50	9.00	6.50
9-Hole Senior Weekday/Weekend (d)	14.75	13.75	12.00	10.50	9.50	9.00	7.50
9-Hole Military Weekday	17.00	16.00	13.50	11.00	9.50	9.50	7.00
9-Hole Military Weekend	22.50	21.00	16.50	13.00	12.00	12.00	8.00
Twilight	15.50	15.50	11.50	10.50	10.00	10.00	n/a

- (a) Fitzsimons Golf Course continuing annual members \$450/year and \$2.50/9 holes trail fee.
(b) The Centre Hills Golf Course is a 9-hole course. The 18-hole fee is the cost to play the 9-hole course twice on the same day. This 9-hole golf course was permanently closed for business by end of September 2013.
(c) Effective 1/1/2010 Non-Resident Green Fees were eliminated, residents were given extended tee-time opportunities.
(d) Exception to weekend fee starting at noon: Fitzsimons \$24.00 and Springhill \$22.00.

EXHIBIT C-11
CITY OF AURORA, COLORADO
GOLF FUND
MAXIMUM ANNUAL DEBT SERVICE COVERAGE
FOR THE YEARS ENDED DECEMBER 31:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Net Pledged Revenue					
Charges for services	\$9,027,618	\$8,328,381	\$7,932,907	\$8,613,543	\$8,015,101
Capital contributions (a)	3,000	—	—	—	—
Transfers in	—	—	—	—	—
Other non-operating revenue (b)	99,242	87,711	58,979	65,347	59,191
Less: Operating expenses (c)	(9,134,439)	(8,852,168)	(8,201,217)	(8,598,773)	(8,032,769)
Add back: Depreciation	1,036,321	1,016,788	967,807	918,161	916,830
Total	<u>\$1,031,742</u>	<u>\$580,712</u>	<u>\$758,476</u>	<u>\$998,278</u>	<u>\$958,353</u>
Maximum Annual Debt Service (d)					
Series 2005 bonds	\$539,300	\$539,300	\$539,300	\$539,300	\$539,300
Coverage					
Series 2005 bonds	1.91	1.08	1.41	1.85	1.78

(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 debt service for 2009 includes both the 2005 bonds and the 2004 Golf Revenue Note for Aurora Hills irrigation system replacement that was fully paid in 2009. For years 2009 through 2013, maximum annual debt service is for the 2005 bonds only, and it occurred in 2006.



Controller's Office
City of Aurora
15151 E. Alameda Parkway, Suite 5700
Aurora, Colorado 80012

Telephone: 303-739-7800 • Fax: 303-739-7779

Email: controller@auroragov.org

Access Aurora: 303-739-7000

City of Aurora home page: <http://www.auroragov.org>