MANAGEMENT AND FINANCE POLICY COMMITTEE (M&F) MEETING
TUESDAY, FEBRUARY 26, 2019
2:30 PM, Ponderosa, Aurora Municipal Center

Council Member Gruber, Chair
Council Member Lawson, Vice Chair
Council Member Richardson
Deputy City Manager Michelle Wolfe
Deputy City Manager Jason Batchelor
Finance Director Terri Velasquez

The Management and Finance Committee oversees the following Council goal and objectives:

PROVIDE A WELL-MANAGED AND FINANCIALLY STRONG CITY

- Ensure the delivery of high quality services to residents in an efficient and cost effective manner.
- Maintain superior financial reporting, financial controls, appropriate reserves, budgeting financial management, and transparency, and invest in capital and infrastructure to support efficient and effective long-term provision of services.
- Maintain a high financial credit (bond) rating, maintain debt policies and debt practices that allow the assessment of appropriate debt levels, and periodically review debt and debt service to minimize costs.
- Provide appropriate stewardship of natural resources to ensure long-term sustainability for the city.

1. APPROVAL OF DECEMBER 18, 2018 DRAFT MINUTES AND JANUARY 15, 2019 DRAFT MINUTES

2. CONSENT ITEMS

- **Sales Tax Chart**
  Presenter: Greg Hays, Budget Officer

3. POLICE PENSION UPDATE
Presenter: Terri Velasquez, Finance Director (15 minutes)

4. DRCOG AURORA SENIOR TRANSPORTATION 2018 YEAR END REPORT
Presenter: Jan Hamburg, Special Services Superintendent (10 minutes)

5. THE POINT INCLUSION AREA
Presenter: Cesarina Dancy, Development Project Manager (10 minutes)

6. CORA PROPOSED RESOLUTION
Presenter: Council Member Richardson (20 minutes)

7. PROPOSED MARIJUANA TAX REVENUE FUND ORDINANCE
Presenter: Kimberly Brown, Senior Financial Analyst (10 minutes)

8. DEBT MANUAL
Presenter: Joseph Scott, Senior Financial Analyst (15 minutes)

9. 2018 INTERNAL AUDIT ANNUAL REPORT
Presenter: Wayne Sommer, Manager of Internal Audit (10 minutes)

10. MISCELLANEOUS MATTERS FOR CONSIDERATION

- Next meeting is on March 26 at 2:30 PM.

Total projected meeting time: 90 minutes

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MANAGEMENT AND FINANCE POLICY COMMITTEE
December 18, 2018

Members Present: Council Member D. Gruber – Chair, Council Member C. Richardson – Vice Chair, and Council Member F. Bergan – Member

Others Present: City Manager Twombly, J. Batchelor, N. Freed M. Wolfe, T. Velasquez, J. Napper, G. Hays, M. Lawson, R. Allen, D. Lathers, J. Schneebeck, J. Campbell, M. Fassio, M. Shannon, A. Jamison, and T. Hoyle

MINUTES

November 27, 2018 minutes were approved.

CONSENT ITEMS

- Sales Tax Chart
  Members of the Management and Finance Policy Committee have asked for the monthly sales tax performance chart. G. Hays discussed that October of 2018 was 7.5 percent higher than October of 2017. In order to hit the current projection by year end, sales tax would need to average 6.2% in the remaining two months.

<u>Outcome</u>
The Committee thanked staff.

<u>Follow-up Action</u>
No follow-up needed.

PROPOSED CAMPAIGN FINANCE REFORM ORDINANCE

<u>Summary of Issue and Discussion</u>
Proposed Campaign Finance Reform Ordinance was presented. C. Richardson gave an overview of the proposed Campaign Finance Reform Ordinance noting that proposed Section 4 of the proposed ordinance in the agenda packet was inadvertently included and should be struck. He said, Council Member Berzins and I collaborated in the preparation of an ethics ordinance, even though it was an understandable effective coherent work product, it met a political demise. But the two of us are undeterred and decided to move into the campaign reporting area. Right now Aurora is in the Wild West; there are no limits at all. We did some surveys, and Denver recently passed by a voter initiative 2E, which is their campaign reform act. We also looked at Colorado Springs and Lakewood. I chose Lakewood as being the one to propose. Colorado Springs is a lot like Aurora in the sense of very few limitations, so we didn't want to copy that. I looked at Denver's 2E, and I think it's much too draconian. My concerns are about a very strict piece of campaign reform legislation. It's going to drive dark money into the political arena. It will in my opinion drive and motivate PACs (Political Action Committee) and all kinds of subterfuges. I know the proponents of that measure would disagree fiercely with my characterization, but that's my opinion. So, I tried to take a moderate approach based on Lakewood and that's what I have before me. I also have Dave Lathers and Rachel Allen here, who also were fabulous working with me on this. So after

further review, there is an additional provision, Section 4 of the ordinance in the agenda packet that should be omitted. It's incomprehensible in my opinion, and I have to be careful here, that opinion was shared somewhat by my legal beagles.

Q&A
Council Member Gruber: Because it referred to the LLCs (Limited Liability Company)?

Council Member Richardson: Yes, it relates to the LLCs and their treatment under the IRS code. I read the Ordinance over again, and I think it's still a good work product without the provision. It referred to shifting from corporate status to LLC status based on the revenue code, which D. Lathers helped me out with that. Again as with the ethics code, I want to propose this and run it up the flag. Hopefully, it will have a better fate than our ethics effort.

Council Member Bergan: I'm fine with it. I think it's reasonable to go from completely unlimited to something like this. I think you are right about putting too many restrictions on it. It does lead to unsavory kind of practices that basically get around it. It's almost like anything that happens, if there's a will there's a way. I liked, that you took out the LLC language. It was kind of confusing.

Council Member Richardson: The LLC language is still in there to some extent, which requires the identification of the partners but that other conversion regarding the corporate status is out.

Council Member Gruber: Last night there was a discussion from one of the citizens talking about the limits. He said, a Ward is a Ward because its limited to 52,000 people, and it's going to go up to 62,000 people per Ward. Mayor is Mayor, that's their saying, maybe there's a third way for the At Large, because the At Large has to cover the entire city. In other words, a number of signs, a number of mailers, things like that for an At Large. A number of votes required for an At Large higher than they are in a Ward. I do support it to go to Study Session, but that's one of the things that was said last night.

Council Member Richardson: You raised a good point, certainly we know sitting here this is going to be subject to amendments. The City Clerk and everybody better be on their toes that night because there will be a lot of amendments. I'm just going to say it, my race cost about $53,000 as a Ward council member. The Mayor's race, I'm hearing cost $300,000. I'm not endorsing those amounts I'm just commenting on those amounts. Should they be there, we can debate that all we want. I don't honestly have an answer. I know one of the speakers and I confirmed this, the state legislature has much lower campaign limits. It's my opinion PACs are very active in the state legislature arena. On their face they look really modest and nominal, but there's a completely different dynamic going on at a state legislature level. I'm comfortable to a subject modification a Ward vs. an At Large. I'm going to go in with the numbers I'm proposing, which is to copy Lakewood.

Council Member Gruber: One of the other things that I was thinking about was the discussion on LLCs. What I really was trying to say, organizations shouldn't be able to provide more money than the limits prescribed in here. But where organizations get away from that, is to say instead of working as an organization, they work as an individual. So we want every individual in our organization to contribute as an individual to the prescribed limits. Therefore what you will see, is accumulation under sponsors of the organization because it was hidden by distributing by that, yet it's still there. So when I was seeing the LLC, I was thinking the same thing, what if that LLC asks members to disregard the LLC and contribute as individuals and go that route. There's still loopholes that are going to be exploited going forward.

Council Member Richardson: You know the best and brightest lawyers probably will spend a lot of time looking for loopholes. I named one of my dogs Loophole. That's the way it works, so God Bless America.

Council Member Gruber: Let me ask from the City's Attorney's point a view, is this compliant to the law? If it was voted on by Council, could this pass in a legal perspective in current form?

R. Allen: One of the things that Council Member Richardson and I discussed over email was the cases that are out there. One specifically was out of Vermont. You can't be too restrictive in terms of expenditure limits. One of the movements in campaign finance reform has been disclosure requirements rather than expenditure limits, and I think it embraces both of those ideas. Most of the activity has been at the federal level. At the state level, we have express authority from the State Constitution to opt out of the state rule as a home rule city and to act as our own law. So those principles are embraced in this Ordinance; therefore, the City would have a good defense should we be challenged.

Council Member Bergen: In the Vermont case it was your constitutionally protected right (first amendment).

R. Allen: Right, your first amendment speech is reflected in your campaign contributions, and you can't have unreasonable restriction on that first amendment speech, which is your contribution.

Council Member Gruber: If I could dig a little deeper on the LLC discussion from a legal perspective. If we turned around to say, if you are a LLC this is what you have to follow, however if you don't acknowledge that you're a LLC contributor individual up to the $2,500-$5,000 limit could there be a requirement in there that says you still have to identify whether you're a member of an LLC or a trade organization, so that they can't hide?

R. Allen: So, I haven't specifically looked at that question. I think it embraces the current status with campaign finance where it's disclosure. Disclosure requirements rather than expenditure limits.

Council Member Gruber: The question I have is the anonymity, pretending to be anonymous when you're actually associated with an organization and the organization has encouraged the contribution.

R. Allen: Dave, did you have a chance to look at that specifically?

D: Lathers: Not specifically. But as an example Union members, whether they are police or something else, if a union is going to give, sometimes they'll object to a union's giving because they are not monolithic, but they also could give individually. So if the police union gave to a mayoral campaign, does that prohibit me from say supporting a mayoral campaign and perhaps a different candidate? The answer to that, generally would be no. You are not limited by how you happened to be labeled, but the Supreme Court is very open to the fact of having to disclose various labels in which you operate.

Council Member Gruber: That's the root of my question. So to turn that question on its side, if the Union said, we are not going to contribute as a Union but we are going to encourage members to donate as much as they can. We're going to leave the advertising for that. We're going to discuss this at our meetings. We're going to solicit our members to make that contribution. Would that be something that should be disclosed when those people donate? Because they are donating maybe not under the direction because they're donating for that Union?

D. Lathers: Here comes the whack-a-mole problem with the difficulty of campaign finance reform that's been going on for 100 years. Would that union be campaigning to solicit or influence their members to get involved in an election process? It's more in the nature of a general first amendment political discussion. And I think that's what citizen united got us, which is the court is going to allow and even encourage robust political discussion that's not pointedly delivered to the benefit of a particular candidate or candidacies. But, to generally speak for or against a proposition, party or slated candidates where it's going to allow, the most we can do there likely, is to require some sort of disclosure if we see political advertisement or money being spent. Now the difficulty of course is how the City of Aurora has an enforcement mechanism for this, and the resources to do that.

Council Member Richardson: I'm glad we're having this discussion because that's exactly why I did not include corporations or labor organizations vs. LLCs. With corporations you can look at their Board of Directors and you can look at their filings with the Secretary of State. We are not a labor organization intensive City, but you can find out who the officers are of those labor organizations. It's only the LLCs that are mysterious and limited liability partners that are undisclosed. We tried to be surgical and deal with the LLCs rather than the others.

Council Member Bergen: I have a question on disclosures, so at what point do you have to put your occupation and all that information? Is it only after 20 dollars?

D. Lathers: In this one, you must do so after 100 dollars. We do have one provision down to 20 dollars I think for Council Mayoral campaigns, if it's going to be cash donation. That's just the name, but if it's a 100 dollars or more you have to put the occupation.

Council Member Bergen: Okay, so if it's a 100 dollars or more you put the occupation if it's more than $19.99 then you have to put your name, but not the occupation.

D. Lathers: So you will have some ability hopefully to trace. Google machines are pretty powerful these days.

Council Member Bergen: I was wondering more about reform on that? Should we be looking at more disclosure like more transparency? One Hundred dollars it's a pretty high threshold. You give 75 dollars, you don't have to say your occupation?

D. Lathers: The answer is I guess, what you get is what you got. Let's say your solicitors are out at the Southlands mall this time of year, and there's the red kettle for Santa and my wife's going from store to store and somebody wants a donation. She grabs a 20 dollar bill from her purse and now we would like you to fill out this slip stating your name, address, occupation, husband's name, etc. At some point, how much are you discouraging participation in the system? That will not be a legal question, that's a political question for you all.

Council Member Richardson: This is where obviously amendments could be considered at a later date. But in my opinion donations less than 100 dollars, even if accumulated, do not play a determinative roll in an election. I'm comfortable only asking for an occupation, which is you know an invasion of privacy to some extent, only triggered at the 100 dollar level.

Council Member Gruber: It's going to be important as far as the minutes go, that you capture discussions specifically, you know the impact of corporations encouraging their employees to contribute, labor unions encouraging their members to contribute, the 100 dollar limit. This will be debated at length when we bring it to Council. Having detailed minutes of these discussions, and the vote will eliminate repeated discussions but also spark questions and may spark some amendments just based on what we already said here. Having said that, do you support moving forward?

Outcome

The Committee recommended this item be sent to Study Session.

Follow-up Action

Following the December 18, 2018 Management and Finance Policy Committee meeting, Council Member Richardson requested that the item be placed on hold until further work on this item is completed.

ACLC FLEET PROGRAM FINANCING ORDINANCE

Summary of Issue and Discussion

Andrew Jamison gave an overview of the proposed ordinance. This is the continuation of a fleet financing program begun in 2012 through the use of the Aurora Capital Leasing Corporation (ACLC). In 2018, ACLC completed a 7.5 year fleet financing for $1.75 million at a rate of 3.13%. In 2017, ACLC completed a 7.5 year fleet financing for $1.22 million at a rate of 1.98%. In 2016, ACLC completed a 7.5 year fleet financing for $2.0 million at a rate of 1.46%. In 2015 ACLC completed a seven year fleet financing for $3.2 million at a rate of 1.68%. Staff seeks to replicate this program in 2019. Beginning in 2012, staff solicited third party financing for annual fleet acquisitions. The results were quite favorable to the City. Given this success and the continued interest among local banks to provide such financing, staff will again solicit financing proposals for 2019 fleet needs. The first step is to seek Council approval of a Lease Purchase and Financing Ordinance followed by a request for financing proposals later this year.

In the approved 2019 budget, Public Works will acquire up to 3 vehicles (2 Dump Trucks, Forestry Truck) and Fire will acquire 5 vehicles (2 Pumpers, Heavy Rescue, Wildland, Brush Truck) for a total cost not to exceed $4,000,000, financed for a term not to exceed 96 months at a rate not to exceed 5.75%.

Q&A

Council Member Bergan: So, in the past we had excellent rates, like 1.98%, 1.46%, and 3.13% and you said up to 5.75%?

A. Jamison: The 5.75% is the maximum.

Council Member Bergen: Are you trying to lock in now?

A. Jamison: No. We will send an RFP to numerous banks, about a dozen or so, and they'll come in with their quotes for their rates based on what the market is at that time. In the fall, the fleet rate was at 3.13%. It's hard to get interest rates, so that's why we give ourselves a great big cushion. As of today the five-year treasury was at 2.65%, so even though in the short end the three month has gone up, but in the long end it's actually tilted down and flat right now. So, it's hard to exactly estimate where we will be, but we expect it to be substantially lower than the 5.75 percent.

M. Shannon: Three or four years ago it was a great time to be a borrower but a bad time to be investing. We had rates that I don't think we'll see again for a long time. We always put in a number a little higher because if we go above, then we have to do the ordinance all over again. Therefore we want to give ourselves a little room, give ourselves one-year to get it done and get it done early. We don't make the decision on what's being purchased that's really part of the budget process, but now that the budget is done, we'll want to go ahead and get the ordinance out of the way and then it can sit there. We may do it in the second quarter of next year or we may do it in the fourth quarter, but we will wait and see what the market looks like. Last year or earlier this year I would have said we would be doing it early, but now we heard interest rates may not be going up fast and so we may wait a little longer. Typically, we like to get the vehicles in but we don't like to issue the debt and sit on it. We don't mind doing that if we think rates are moving up. We do have quite a few purchases this year and would like to get them ordered in January. Before, when I did this we would go through this process and not get the vehicles until a year or more later, and we said there's got to be a better way and that is how we really developed this program. We wait for the budget and start getting everything cued up and then we can close whenever we feel it's appropriate.

J. Batchelor: I'll just echo that, M. Wolfe and the Fire Chief will be working with Fleet. They'll focus particularly on the Fire equipment, since those are custom built. They'll work through the department process to get them ordered. Very long lead time but we pushed them as much as we can as you see in the backup. Even with a January order optimistically we hope for a fall delivery, but it's normally a nine to 12-month lead on Fire equipment built. And as M. Shannon said, the good news is we don't pay for them until they roll in but we like to get the financing done. They'll be watching interest rates and if for some reason they start creeping up and it's advantageous to lock in then we can. They'll monitor and be handling all those things. There is a lot of variables both on the financing side as well as on the operational side.

Council Member Gruber: I think this is an outstanding best practice and I'm glad we're doing it. I think it's saving the City a lot of money and giving us a lot of flexibility.

Outcome
The Committee recommended this item be sent to Study Session.

Follow-up Action
Staff will forward this item to Study Session.

UNFUNDED CAPITAL PROJECTS

Summary of Issue and Discussion

Terri Velasquez gave an overview and stated that staff added to the capital projects list based on department requirements and identified unfunded capital projects. The agenda item was presented in May 2018 and this is a repeat of that agenda item. Attached is a list of unfunded capital projects, including a list of the transportation roadway maintenance requirements that have been presented during City Council Study Session. Some funding has been identified for a portion of the projects listed.

Q&A

Council Member Bergan: On the impound lot, I saw that it doesn't include land acquisition or extension of utilities, so it's 23-million and what's that for?

> T. Velasquez: There were a variety of things that were put together on this list that were very preliminary estimates. As we moved forward and tried to come up with what the capital project list needs will looks like, it will be more fine-tuned. Public Works has said from time to time, we need to actually hire consultants to fine tune these numbers. We have John Schneebeck here who could probably speak to that particular item.

Council Member Bergan: Do you know if it was brought up as far as a study in Public Safety to look at a possible acquisition? I was just curious.

M. Wolfe: Yes, when it went to Public Safety last year, the next step that was recommended was to do a consultant study and that wasn't approved at the time. Staff was asked what they could do, and we did some very big picture analysis and Public Works did their best estimate, but there were so many variables in terms of where it's located and what the cost of the property might be, and what services are you providing and are you providing only impound or utility. So there were so many factors that the number was pretty broad.

Council Member Gruber: What I was hoping to do with this and I'll talk briefly about this. Step one, identify everything you might need. Step two, define the decision workload you're going to employ to grade these things and rate these things. Frankly, I don't think that should be Council's job to do that, however its Council's job and Management and Finance Policy Committee's responsibility to oversee these decisions support workflow. To say yes, we think that's legitimate and then the City works that through and when the City comes back with the list prioritized under that decision support workflow then Management and Finance Policy Committee can sign off on it. And when we go to the fall workshop at the end of the year, then we will be in a much better position to say, that this is ranked #3 because and this is ranked #7 because without having to move them around. So, I want to spend time early next year on the decision support workflow, as to how are we going to make the decision, what factors are we going to use in the evaluations, and what ratings are we using in the evaluation. I want the City to run all of the numbers and bring it back.

Council may say I want this one above this one. But I think that if we have a well-defined process and we bring that to Council, we won't have any choice other than to say, we understand your logic, we understand how the system works, we were part of that process.

Council Member Bergan: I believe that in our January workshop we prioritized projects. So, I can see if staff did a preliminary and maybe their top amount for the January's workshop. Looking at short term and long term.

Council Member Richardson: Yes, I would say for the January's workshop as well, and use that to explain the matrix.

> City Manager Twombly: The timeframe we were looking at was coming maybe at a workshop with what we're calling a problem statement which identifies issues of why we need to prepare this list, and talk about some of the criteria that should be used in that prioritize setting and get feedback at that point, to make sure we're on the right track. Then we would be in the gathering inventory mode by department, what you see as needs and some idea of costs. At the same time, we need to be looking at funding alternatives and I'm talking about things that are unfunded. So, we're going to have to bring something forward and this was just an initial exercise to know what to look at.

Council Member Gruber: I'm with you on this one-hundred percent. I'm thinking about timing for the fall workshop when we allocate the funds. Funding will be the topic of other meetings that we haven't had yet. What I want to make sure, is that when we go into the fall workshop we have reasons why we have that list. So in January, I think you're exactly right, define the problem that defines some of the criteria, spend the next couple months defining what the process is in the weighting structure and how we are going to handle it within the city with the different director's decisions. I'm thinking, bring it to Council in July and say here is the way the decisions support system works and here's the way that we're looking at this. So when we get into the fall workshop and you come in with a prioritized list there won't be a debate so much because we already approved the process. The results of the process will become much easier for you to defend and harder for a council member to make arbitrary changes. That's what I'm trying to lock in. Identify the process, identify the criteria and have the process approved by Council and when I say approved, I'm not talking on the dias, I'm talking at a Study Session. Then when we do go to the fall workshop, we have something that's gone through a process that we all supported.

Council Member Bergan: I would like to see it brought to the spring workshop because you know how these things go. You have all this debate for this and that, and the next thing you know it's the fall budget. If we could bump it up a bit earlier it could go to the spring workshop and then to Study Session.

> City Manager Twombly: I have to caution, some of the cost estimates in this process take some time to develop, so it may very well be preliminary estimates. I have to say, that this is a very long process to put a package together and come to Council to get input and obviously not bring something much more than what we can afford, but in terms of feedback also make sure that they're aligned with Council.

T. Velasquez: I don't know if we will have a ranking at that point. To gather all that data and then try to figure out the ranking in that criteria is a project unto itself. And then beyond that, we need to have discussions on how we consider funding the list. Because we allocated all the funds we currently have available for the next five years or so, until some debts can be paid off or until some other funds are available. So, we can go through this process and hope to target having a list by the time we get to budget season.

Council Member Gruber: I just want to have a more structured and a more defined process. I want a pre-vetting throughout all the council members, so we all know what the rules were and when they were applied, so we can't argue again about whether we agree on the process and what comes out of the process is what we already agreed on, opposed to what we did last year.

T. Velasquez: I understand, you're trying to work toward an end result and a list of prioritization.

CITY FACILITIES

Summary of Issue and Discussion

T. Velasquez stated that there are facilities that need to be maintained and even though there are some resources allocated to maintenance, doesn't mean facilities are being maintained at the best level. Facility maintenance is also part of the project the City Manager asked staff to look at.

Council Member Gruber: So on the facilities we own the issue there is that we need to do an analysis. Should we own them or should we not own them and the things that we do own should we maintain them? This could be a big part, that if we have a piece of property that we can't afford to maintain then we have to make a business decision as to whether or not it's in the best interest to keep.

Council Member Bergan: I don't know if this makes any sense but you know we both served on CABC the Citizens Advisory Budget Committee. Would they be able to take on any of the capital projects piece from a committee prospective?

G. Hays: You know, they haven't gone through what they want to do this year. I think it's a possibility. It fits in that high level world we want them to live in or here's what we think is important.

Council Member Bergan: Personally, I like them to vote on the budget because they are called the budget committee.

G. Hays: What I liked about your thought process there, is that they can look at this new shiny brand new stuff and compare it to what currently happens or what we may not be taking care of as much as we should.

N. Freed: I was just going to add, that sometimes they have good ideas on different ways to fund things, perhaps things that we haven't thought of.

Outcome

Committee thanked staff.

Follow-up Action

Staff will bring back to the Management and Finance Policy Committee the prioritized unfunded capital projects and capital facilities lists along with the process for the prioritization.

MANAGEMENT AND FINANCE POLICY COMMITTEE 2018 RECAP

Summary of Issue and Discussion

Annually the Management and Finance Policy Committee reviews the committee activity.

Council Member Gruber: I like the detailed minutes out of the Management and Finance Policy Committee We do accomplish a lot in here. I think the work staff has done and the homework prior to the meetings and the information you bring is outstanding. I've always been impressed with the knowledge and the competence of the folks that come.

Outcome

Committee thanked staff.

Follow-up

No follow up is necessary as this item was informational only.

MISCELLANEOUS MATTERS FOR CONSIDERATION

Summary of Issue and Discussion

Council Member Richardson stated there are two aspects of the campaign finance reform that I should have talked about. If you look at Denver's 2E, it has a small donor fund match of 9 to 1. I personally determined this community and probably this council reflects this community that they would not support the establishment of a public campaign fund using the taxpayer money to match on a ratio basis, a political donation. Marsha Berzins and I considered that. I don't know what the right term is but this committee, I don't think would support that. Secondly, Dave Lathers did some great work on PACs, I might have already mentioned this. He gave a real good legal opinion for me, and I gave it to the representatives of the media. Because one of the speakers said we want to regulate PACs and that under the current jurisprudence is problematic.

Council Member Richardson: Were the two civilian employees taken care of that had been displaced by the termination of the photo red program? M. Fassio replied that they were placed in positions in the new body camera unit.

Other

- Management and Finance Policy Committee will keep the same date and time as of now.
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- The next meeting is on Tuesday, January 15, 2019.

THESE MINUTES WERE APPROVED AS SUBMITTED

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David Gruber, Chair of the Management & Finance (M&F) Committee Date

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MANAGEMENT AND FINANCE POLICY COMMITTEE
January 15, 2019

Members Present: Council Member David Gruber – Chair, Council Member Angela Lawson – Vice Chair, and Council Member Charlie Richardson – Member

Others Present: J. Batchelor, T. Velasquez, M. Geyer, V. Irvin, G. Hays, H. Hernandez, B. Rulla, A. Morales, A. Hrisanfovs, M . Shannon, B. Wichterman and T. Hoyle

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MINUTES
December 18, 2018 minutes were deferred until February meeting due to Council Member Gruber making minor edits before approved.

CONSENT ITEMS
November of 2018 was 7.8 percent higher than November of 2017. In order to hit the current projection by year end, sales tax would need to average 4.7% in the remaining month.

Council Member Gruber: Do you have any indications about December?

G. Hays: December amounts are still coming through but up to now it's indicating we are right where we need to be.

Council Member Lawson: I have a question, how will the shutdown be an impact to the sales tax in our city?

T. Velasquez: I don't know that there's any impact on the sales tax side. One of the things that there might be a delay in, and that's in the reimbursements of grants, however we don't believe that it will affect City operations.

Outcome
The Committee thanked staff.

Follow-up Action
No follow-up needed.

VELOCITY METROPOLITAN DISTRICT AMENDMENT TO INCREASE DEBT LIMIT
Summary of Issue and Discussion
The Velocity Metropolitan District was formed in 2007. The District is a funding mechanism to provide infrastructure for the Porteos Development. The District is located north of 56th Avenue, south of 68th Avenue, and east of Harvest Road for approximately 8,000 feet. The total size of the district is 1274 acres.
Current development at Porteos consists of one airport parking facility. Several larger, manufacturing and distribution projects are currently under review and will begin construction in 2019.

Eight of the nine Districts within Velocity have an existing debt limitation of $50,000,000. District number nine has a debt limit of $75,000,000.

The Board of Directors for the Districts has determined that the current Total Debt Issuance Limitation is insufficient because the pace of development and phasing within the District have significantly increased. In addition, to receive the most beneficial and cost-effective bond issuance to finance the public improvements, the increased debt limit is required. Another factor in this request is related to the ever increasing construction costs and the volatility of economic conditions.
The District is requesting an increase of the debt limit to $100,000,000.

Bill Wichterman stated, Velocity is a Metro District that funds all the improvements for Porteos industrial and commercial projects that are located just south of Denver International Airport and east of Harvest Road. Currently, Porteos development has significantly increased and Velocity is requesting an increase from their debt limitation from $50,000,000 to $100,000,000 for each of the nine districts.

<u>Q&A</u>

Council Member Richardson: No residential correct?

Bill Wichterman: No residential is correct.

Council Member Gruber: Could you give an overview of the Metro Districts and is there a management district?

V. Irvin: Mr. Wichterman please correct me if I'm wrong, but I don't believe they currently have a district that is acting in a role of a management district. All nine of the districts issue and manage their own debt themselves. At least that's how it is functioning currently.

Jason Batchelor: In the letter from SpencerFane they talked about some pending changes associated with the Business Improvement District (BID). A BID is able to do some things that a Metropolitan District does not, including marketing and some other expenses around operating that's not common for a Metro District to do. Initially that's how it was setup. And as they got into it and as they explored BIDs, they would like to potentially explore BIDs to be-the coordinating entity around that. We told them we think there are some fundamental questions based on past conversations with Council, including government structure representational. They would like to continue potential conversations regarding how BIDs can take a different role. At this point, it's more straight forward for this district to increase the debt limit and get it going while the market is right and not suffer the risks of rising interest rates. If you are okay with moving this forward, we would bring it to Study Session on January 28 and the Regular meeting on February 4 with the waiver of reconsideration, so they can strike while the market is right in the next 2-3 weeks and not suffer the risks of rising interest rates.

Bill Wichterman: For clarification, District #1 was potentially going to be the control District, but that's not the way it has worked out. District #1 fronted a lot of costs for the other Districts but it's not issuing the bonds; neither is the BID which also fronted some costs. Right now, we have three Districts and the total debt issuance is $75,000,000. Each of those Districts are jointly and severability liable for those bonds, with two of the Districts in the pool limited to $50,000,000 and one at $75,000,000. We need to increase the liability limits to $100,000,000. We decided on $100,000,000 because a few years ago we thought $50,000,000 was enough, therefore we don't want to have to come back and bother you again for another amendment. So, that's why we increased them all to $100,000,000, but in reality $75,000,000 is being issued by three out of the nine Districts. This will allow us to fund significant additional infrastructure on top of what we already have done.

V. Irvin: All nine Districts are responsible for paying those bonds back is what you're saying.

Bill Wichterman: The first three Districts are responsible for the issuance of bonds. And as additional improvements are completed additional districts might come in, because they might benefit by additional improvements.

Council Member Lawson: So I just want to understand, if we increase this to $100,000,000 and each of the Districts don't use the $100,000,000 what do you do with the excess or what happens? Do you put it in a reserve or do you expect to use it all?

Bill Wichterman: We don't expect to use $100,000,000 but what we're talking about is $75,000,000 totally. Because of joint severability liability, each district has to have a debit limit of $75,000,000 or greater.

V. Irvin: If I might add to clarify, the $100,000,000 is the debt limit. It's not actually issuing debt at that amount.

Council Member Richardson: When this comes to Council, make sure that part is prominently pointed out and it's not for residential development.

Council Member Gruber: Bill can you share those things that are public and what's part of the development that you can announce?

Bill Wichterman: At the intersection of Jackson Gap Way and Jackson Gap Street the Economy Rent a Car is under way; 56th Avenue in front of Walmart has been widened. The most important piece of infrastructure will be having 64th Avenue built. A portion of the bonds have been allocated for this to get done.

To answer Council Member Lawson's question about what happens to the excess, if there are future bond proceeds available to fund future improvements part of the bond requirement is to spend those bond proceeds in three years. The idea is we already have a lot of activity based on infrastructure that's already built, then we'll want to build twice as much and hope we get twice as much activity.

Jason Batchelor: There's a lot of major improvements in this area including stormwater. There's been a lot of discussion the last few months with a lot entities up and around that area, with improvements including major regional ponds, wastewater and water lines.

Outcome
The Committee recommended this item be sent to Study Session.

Follow-up Action
Staff will forward this item to Study Session.

2018 BKD AUDIT ENGAGEMENT LETTER

Summary of Issue and Discussion
The city's external auditors, BKD LLP, provides the city with an engagement letter prior to the performance of the annual audit. The engagement letter outlines the various audits and other procedures that will be performed in the coming year and the fees associated with each. The engagement letter also outlines the responsibilities of city management and those of the BKD auditors.

This year the BKD auditors will be performing audits of the city's 2018 financial statements, the Single Audit of federal grants, and the Scientific and Cultural Facilities District (SCFD) audit. Additionally, the auditors will perform agreed upon procedures for the 720 Memorial Foundation, the city's six Post Employment Health Plans (PEHPs), and the city's 457 Deferred Compensation Plan.

Council Member Lawson: I understand the perspective of the City’s audit but what caused the other departments? Was it something that triggered the audits or is it because it’s within a certain timeframe where certain departments are audited?

N. Wishmeyer: The financial statement audits are for the entire City. The Single Audit of Federal grants are required when you have a considerable amount of money coming in for grants from the Federal government. The auditors will come in and perform a risk assessment to determine how many programs fall within that threshold or the amount of dollars based on the Federal government rules and regulations.

Council Member Lawson: So the trigger is the money piece.

N. Wishmeyer: Correct.

Outcome
The Committee thanked staff.

Follow-up Action
No follow up is necessary as this item was informational only.

2019 MANAGEMENT AND FINANCE WORK PLAN

Summary of Issue and Discussion
Review of the 2019 proposed work plan for the Management and Finance Policy Committee.

T. Velasquez gave a brief overview of the normal activities that are presented each month and asked if the Committee had any items to add to the 2019 work plan.

Council Member Richardson briefly gave an update on the proposed Campaign Finance Reform Ordinance and stated that it can be delisted until further notice. Jason Batchelor recommend that it be added at the bottom of the list titled as unscheduled.

Future Agenda Items
Social Media (Public Records)
Internet Sales Tax Update
C.O.R.A. – February
Career Services Commission
CABC
Election Commission
GERP
Police Pension Update
Smart Cities
Bonding

Outcome
Committee thanked staff.

Follow-up Action
Future agenda items will be scheduled for future 2019 Management and Finance Policy Committee meetings.

MISCELLANEOUS MATTERS FOR CONSIDERATION
Summary of Issue and Discussion

- The next meeting is on Tuesday, February 26, 2019.

THESE MINUTES WERE APPROVED AS SUBMITTED

David Gruber, Chair of the Management & Finance (M&F) Committee Date

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Management and Finance Policy Committee

Agenda Item Commentary

Item Title: December 2018 Sales Tax Chart	
Item Initiator: Greg Hays	
Staff Source: Greg Hays	
Deputy City Manager Signature: Michelle Wolfe	
Outside Speaker:	
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City	

ACTIONS(S) PROPOSED ***(Check all appropriate actions)***

☐ Approve Item and Move Forward to Study Session

☐ Approve Item and Move Forward to Regular Meeting

☒ Information Only

HISTORY ***(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)***

Members of the Management and Finance Policy Committee have asked for the monthly sales tax performance chart.

ITEM SUMMARY ***(Brief description of item, discussion, key points, recommendations, etc.)***

Attached is the December sales tax performance chart. December of 2018 was 2.5 percent higher than December of 2017.

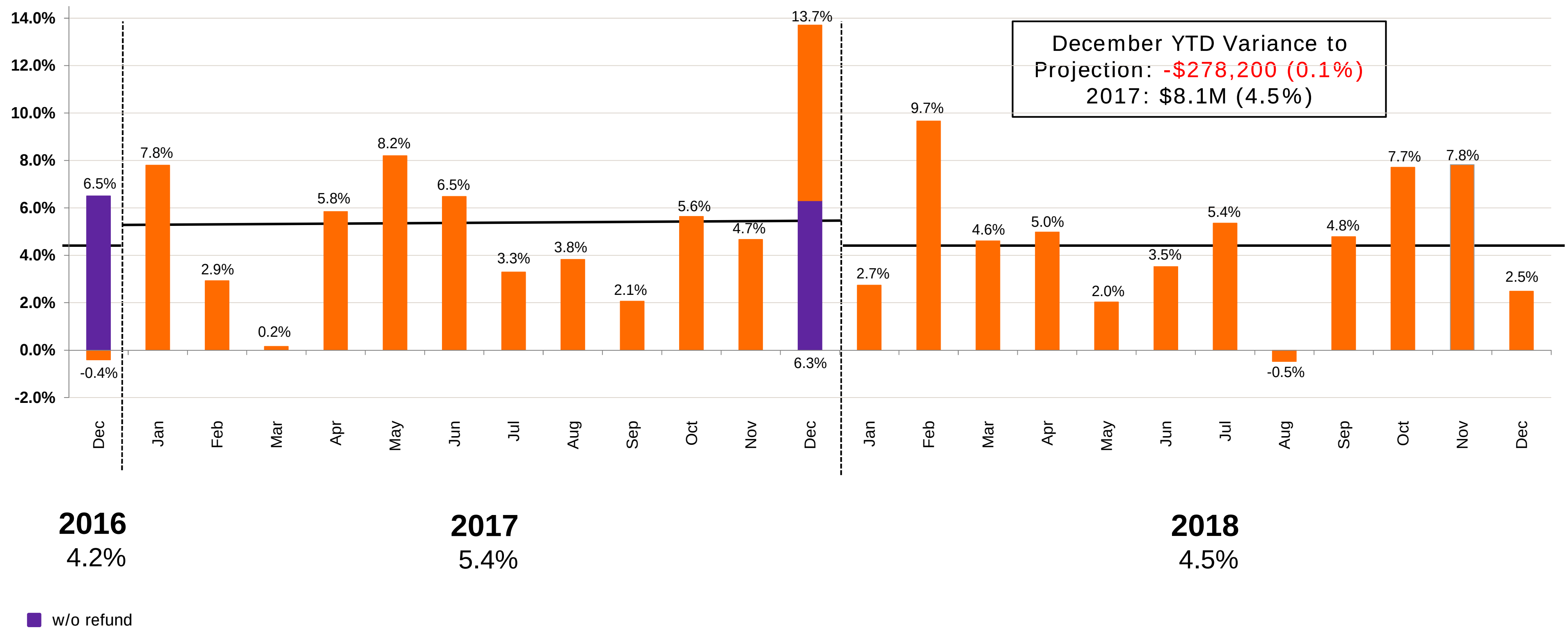
QUESTIONS FOR Committee

EXHIBITS ATTACHED:

Sales Tax Chart_Dec18.pdf

December Sales Tax Performance

Percent Change from Prior Year By Month



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Management and Finance Policy Committee
Agenda Item Commentary

Item Title: Police Pension Update	
Item Initiator: Terri Velasquez	
Staff Source:	
Deputy City Manager Signature: Jason Batchelor	
Outside Speaker:	
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City	

ACTIONS(S) PROPOSED ***(Check all appropriate actions)***

☒ Approve Item and Move Forward to Study Session

☐ Approve Item and Move Forward to Regular Meeting

☐ Information Only

HISTORY ***(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)***

AP-MPPP (Aurora Police Money Purchase Pension Plan) requests to make a presentation to the Management and Finance Policy Committee and City Council regarding a proposed change to the pension plan. All proposed changes to pension plans are presented first to the Management and Finance Policy Committee.

A presentation was made to the Management and Finance Policy Committee on July 24, 2018. In addition, a second presentation was made at the Management and Finance Policy Committee on September 25, 2018. At the September 29, 2018, Budget workshop Council approved a one-time contribution increase from 10.5% to 11% for the AP-MPPP employer contributions if the employee plan participants also would increase their contributions from 10.5% to 11%.. The 2019 budget included the one-time contribution increase cost of $334,000 and the 2019 budget was approved unanimously by City Council. In addition, a resolution for the one-time contribution increase was presented and approved by Council on December 17, 2018. AP-MPPP participants overwhelmingly approved the contribution increase, and it was put in place as of January 1, 2019.

ITEM SUMMARY ***(Brief description of item, discussion, key points, recommendations, etc.)***

AP-MPPP Board will provide an overview of their proposal at the Management and Finance Policy Committee meeting.

QUESTIONS FOR Committee

Does the Committee support moving the Police pension plan proposal forward to a Study Session for a full City Council presentation?

EXHIBITS ATTACHED:

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Management and Finance Policy Committee
Agenda Item Commentary

Item Title: AURORA SENIOR TRANSPORTATION PILOT PROGRAM 2018 YEAR END REPORT	
Item Initiator: Jan Hamburg	
Staff Source: Jan Hamburg, Special Services Superintendent	
Deputy City Manager Signature: Nancy Freed	
Outside Speaker: Denver Regional Council of Governments	
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City	

ACTIONS(S) PROPOSED ***(Check all appropriate actions)***

- ☐ Approve Item and Move Forward to Study Session
- ☐ Approve Item and Move Forward to Regular Meeting
- ☐ Information Only

HISTORY ***(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)***

$80,000 was approved as part of the 2018 budget. The city began to work with DRCOG to determine the best approach and terms for both entities. After several meetings, an Intergovernmental Agreement and payment were made to DRCOG in July 2018. The primary objective of the funding is to improve transportation services for Aurora senior residents residing in Arapahoe and Adams County. DRCOG commenced service in October 2018 with their contracted agency. At 2018 year end, unexpended funds were $73,148.

ITEM SUMMARY ***(Brief description of item, discussion, key points, recommendations, etc.)***

When this agreement was first discussed, City Council expressed a desire to have DRCOG provide an annual report outlining the details and the outcomes, thus the year-end report is attached. This report reviews the 2018 results of the Aurora Senior Transportation pilot program and the steps that DRCOG will take in 2019 to continue to meet the contract requirements. DRCOG requests to carry forward the unspent amount of $73,148 in 2018 in their efforts to continue growing the program in 2019. The 2018 year-end report includes a summary of program performance and 2019 projections. They will also conduct a formal survey in 2019 to gauge client satisfaction and these results will be shared with the City.

QUESTIONS FOR Committee

Does the Committee approve the proposed plan and carryover of the unexpended funds into 2019?

EXHIBITS ATTACHED:

Yearend transportation report and carryover justification 1.15.19.docx

Date: January 15, 2019

To: Byron Fanning, Jan Hamburg, and Ronald Roulhac

From: Sharon Day, Jayla Sanchez-Warren

Re: Aurora Senior Transportation yearend report and justification of carryover

Dear Jan, Byron and Ron,

This letter is to provide a yearend report for the 2018 pilot senior transportation program in Aurora as well as to provide a justification for carryover of the unexpended funds into 2019. As a recap, DRCOG received a lump sum payment of $80,000 from the City of Aurora at the end of July 2018. The primary objective for the funding was to improve transportation services for Aurora senior residents residing in Arapahoe and Adams counties. In practical terms, this meant providing more on-demand service and supporting more personal trips, which is in contrast with the predominant service delivery model that requires a minimum one-week advanced notice for trip reservations and for which medical visits and nutrition sites comprise over 75% of the trips provided. Examples of personal trips include shopping, going to the hairdresser, running errands, attending church/temple, and visiting with family and friends.

Seniors' Resource Center (SRC) was identified by DRCOG as the contracted agency to provide the service due to its extensive experience in senior transportation. SRC was eager to take on the program using its current fleet (including volunteer drivers) and the transportation network providers Lyft and Metro Taxi.

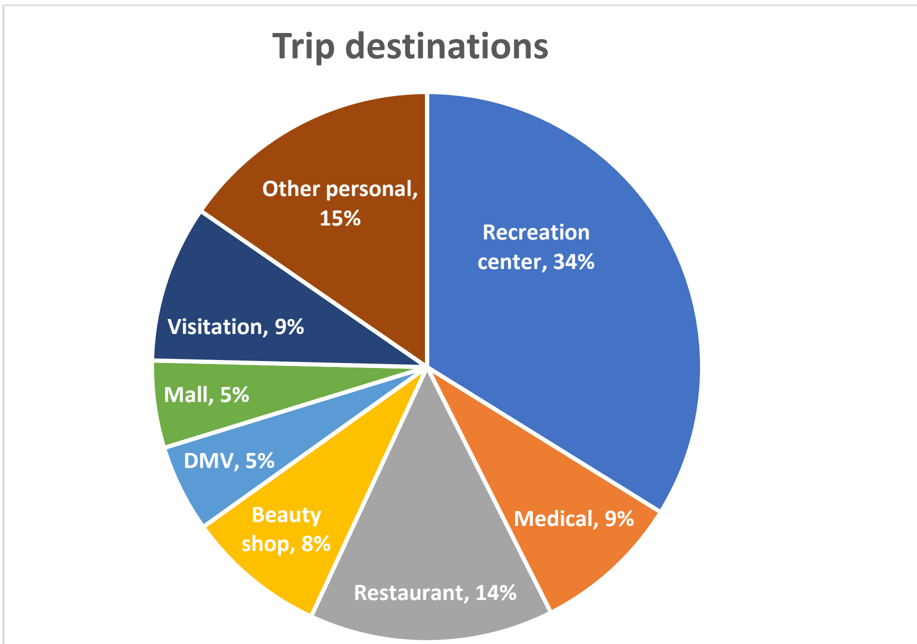
Upon finalizing a scope of services on which all parties could agree, SRC commenced services in the first week of October 2018. To help manage costs and logistics, one-way trips have been limited to no more than 10 miles from the client pick-up point. Also, the City agreed to allow SRC to park one of its vehicles at the Aurora Center for Active Adults (ACAA), a frequent destination for area seniors.

To promote the service, SRC conducted the following outreach activities:

- SRC has been on Aurora TV 12 times
- Flyer was posted in all SRC vehicles servicing the boundary area
- Flyer was created in coordination with the City of Aurora that has the official city logo as requested by many of the libraries and other areas before posting
- E-mail was sent with program flyer to ACAA, Heritage Eagle Bend, Heather Gardens, Beck Recreation Center, Senior Social, Village at Hampden Tower, Moorhead Recreation Center, and Utah Indoor pool
- Information about the program was included in the latest Senior Blue Book

2018 Performance

Since commencing services in the first week of October through December 31, 2018, SRC reported 222 trips serving 47 unique riders. The average trip length was 5.63 miles. As required in its contract with DRCOG, at least 90% of the trips were of a personal nature. The top trip destinations are categorized in the chart below:



To be eligible for the service, the senior must be at least 60 years of age and an Aurora resident. All but three of the 47 consumers served were Aurora residents living in Arapahoe county. Close to one-third were an ethnic minority and about the same percentages were low income and were assessed as frail.

The average charge per trip was $21.84. Trips provided by SRC were reimbursed based on the current trip rate it is paid under Older Americans/State Funding for Senior Services funding (the lower of the two rates paid for Adams and Arapahoe counties). For Lyft and Metro Taxi, SRC was reimbursed for the actual trip charge from the provider plus a flat per trip administrative rate of $5.25. During 2018, about 55% of the trips were provided by Lyft and 43% were provided by SRC. A small 1% of trips was provided by Metro Taxi.

Below is a summary of program performance in 2018:

Aurora Senior Transportation
2018 Summary

Total budget **$80,000.00**

	10/5-10/31	11/1-11/30	12/1-12/31	Total	% Total
Lyft trips	38	43	42	123	55%
Metro trips	0	0	3	3	1%
SRC trips	25	26	45	96	43%
Total trips	63	69	90	222	100%
No-shows/cancel	0	-3	0		
Net trips	63	66	90	219	
Avg distance in mi.	6.41	5.23	5.24	5.63	
Cost/Trip	$22.40	$20.97	$22.16	$21.84	
Amt Reimbursed	$3,411.01	$1,447.22	$1,994.27		
Monthend funds balance	$76,588.99	$75,141.77	$73,147.50		
County data					
Arapahoe trips	57	69	74	200	90%
Arapahoe riders	11	19	24	42	93%
Trips per rider	5.2	3.6	3.1	4.8	
Adams trips	6	0	16	22	10%
Adams riders	3	0	2	3	7%
Trips per rider	2.0	0.0	8.0	7.3	

Notes:
- Services commenced on October 5
- Flat admin fee of $5.25 is charged for each Lyft and Metro trip arranged by SRC
- October reimbursement includes $2,000 one-time start up fee for marketing purposes
- Total year-to-date riders is the number of unique consumers served, which is less than the total of all months' figures added together due to repeat clients

SRC fell short of meeting its minimum contractual number of 400 trips (actual was 219) and was close to meeting its minimum client count of 50 (actual was 47). However, DRCOG recognizes that as a pilot program there are unknown factors and lessons to be learned. Working with new vendors, creating efficient processes, educating clients and generally getting the word out about the program have presented challenges for SRC. As an example, new riders require additional time than normal at intake to introduce and explain the program (i.e. how and who will be providing the service and perhaps most importantly, how the return ride from Lyft will work, particularly posing an issue for riders without a cell phone).

Below are some of the unique challenges and an explanation for how SRC is addressing these:

Challenges	Resolution
Lyft driver arriving early and creating a No Show because client is not ready	Lyft suggested booking trips within 15 minutes of need. This is a challenge with the current volume and non-dedicated full time staff. SRC is moving duties around between staff and putting notes for Lyft drivers not to show early and placing request closer to pick up time.
Lyft driver pick up at hospitals or other busy location is challenging. SRC has had a few no shows when Lyft driver is unable to identify the client quickly and client is potentially at the wrong area or not on time.	Client must have cell phone which will help identify the driver and vehicle. May consider limiting these trips to SRC vehicles only in the future. Working with key locations about protocol for pick up for Lyft drivers to streamline ths process.
Client leaves items in the Lyft vehicles.	Educating client should this happen of the charge for the additional trip to return items; stressing importance that the client double check that they have not left anything.
Client confused about differences between the two program models.	SRC is working on an internal process to minimize differences and adjusting communication to find what works best to convey the difference (conventional vs. on-demand).
First Metro Taxi ride, set up 24 hours in advance as requested, did not happen. Metro did not have a vehicle available.	SRC communicated the issue with Metro and hopes they can prevent future problems.

SRC is diligently working to resolve issues and is committed to growing the program. Since SRC had less than three months of service in 2018, DRCOG respectfully requests to award the carryover amount to SRC to continue the growing momentum of the program. The unexpended balance of the Aurora funds is approximately $73,148.

If approved, DRCOG intends to extend its contract with SRC with the following key terms and performance measures:

- Renew contract for six months January through June 30, 2019.
- Require (1) providing a minimum of 1500 trips through end of June and (2) successfully implementing a Phase II rollout of expanded service hours by May 2019. Phase II involves SRC expanding its service hours to include longer days and weekends.
- Upon achievement of the required units and Phase II in the first half of the year, the contract shall automatically renew for six months through December 31, 2019 and increase in amount up to an additional $80,000. Minimum annual units of at least 4000 will be required.
- If SRC fails to achieve either the number of units or Phase II, then DRCOG reserves the right to reallocate funds to another program, including its in-house pilot concierge transportation program. DRCOG will be commencing a pilot concierge transportation program beginning in January or February 2019 using funds it receives from federal Older Americans Act and State Funding for Senior Services

2019 Projections

DRCOG plans at least a couple of scenarios for expending the carryover funds. The primary scenario is for SRC to continue its contract and manage all Aurora trips. The program is gaining traction and the numbers are anticipated to continue to grow. Some of the growth will be attributable to more group trips. For instance, SRC is on track to implement a regular route that transports elderly refugees to and from the ACAA for senior programming at least once per week. A secondary scenario involves both SRC and DRCOG expending the funds for their respective programs. SRC foresees that dedicated staff may need to be hired, particularly for the Phase II support, and that there will likely be additional marketing costs to promote the Phase II service expansion. These additional costs are not factored in the projected numbers below and may potentially be deducted from the budget with a correspondent adjustment in the required trips. Below are two projection:

1. SRC only
   SRC is conservatively projected to expend the carryover in early August; and with expanded service hours trip numbers are projected to double in the second half of 2019. To double, SRC may need to add dedicated program staff.

2019 Projected
SRC Only

$73,148	2018 Carryover
$80,000	2019 Allocation
$153,148	Total Funds

SRC base case	No. Trips	Avg. Cost	Funds expended	Funds balance
January-19	200	$22.00	$4,400.00	$148,748.00
February-19	250	$22.00	$5,500.00	$143,248.00
March-19	325	$22.00	$7,150.00	$136,098.00
April-19	400	$22.00	$8,800.00	$127,298.00
May-19	475	$22.00	$10,450.00	$116,848.00
June-19	550	$22.00	$12,100.00	$104,748.00
July-19	650	$22.00	$14,300.00	$90,448.00
August-19	730	$22.00	$16,060.00	$74,388.00
September-19	800	$22.00	$17,600.00	$56,788.00
October-19	850	$22.00	$18,700.00	$38,088.00
November-19	865	$22.00	$19,030.00	$19,058.00
December-19	867	$22.00	$19,074.00	($16.00)
	6,962			

2. SRC and DRCOG
   Dependent on SRC contract performance, DRCOG may choose to allocate a portion of funds to its in-house concierge transportation program or to another provider. The projections reflect 20% of the available funds is allocated outside of SRC. As mentioned previously, DRCOG is piloting a concierge transportation program to commence in January or February 2019. Other funds will support that pilot in the first half of the year.

2019 Projected
SRC & DRCOG

$73,148	2018 Carryover
$80,000	2019 Allocation
$153,148	Total Funds

SRC	No. Trips	Avg. Cost	Funds expended	DRCOG	No. Trips	Avg. Cost	Funds expended	Total expended	Funds balance
January-19	200	$22.00	$4,400.00	January-19	0	$17.00	$0.00	$4,400.00	$148,748.00
February-19	240	$22.00	$5,280.00	February-19	0	$17.00	$0.00	$5,280.00	$143,468.00
March-19	300	$22.00	$6,600.00	March-19	0	$17.00	$0.00	$6,600.00	$136,868.00
April-19	360	$22.00	$7,920.00	April-19	0	$17.00	$0.00	$7,920.00	$128,948.00
May-19	420	$22.00	$9,240.00	May-19	0	$17.00	$0.00	$9,240.00	$119,708.00
June-19	475	$22.00	$10,450.00	June-19	0	$17.00	$0.00	$10,450.00	$109,258.00
July-19	530	$22.00	$11,660.00	July-19	80	$17.00	$1,360.00	$13,020.00	$96,238.00
August-19	560	$22.00	$12,320.00	August-19	160	$17.00	$2,720.00	$15,040.00	$81,198.00
September-19	590	$22.00	$12,980.00	September-19	250	$17.00	$4,250.00	$17,230.00	$63,968.00
October-19	615	$22.00	$13,530.00	October-19	340	$17.00	$5,780.00	$19,310.00	$44,658.00
November-19	640	$22.00	$14,080.00	November-19	430	$17.00	$7,310.00	$21,390.00	$23,268.00
December-19	664	$22.00	$14,608.00	December-19	510	$17.00	$8,670.00	$23,278.00	($10.00)
	5,594				1,770				

Closing comments

The Aurora funds are enabling a valuable service. SRC will conduct a formal survey of participants in 2019 to gauge client satisfaction and these results will be shared with the City. The feedback from consumers and their families has generally been positive. A couple of recent client stories are below:

> “We [SRC] were contacted by a family member whose mom lived in Aurora and they needed help getting their mom to the hospital to visit her husband for a few days. The husband was suddenly hospitalized and family members were unable to get their mom to the hospital during working hours and yet knew she wanted to be there. The location of the client and the hospital made doing this trip on a daily basis a challenge for an SRC route. With the addition of the Aurora funding and the Lyft option we were able to make this happen for this family. The clients husband spent 2 weeks in the hospital (longer than expected) and family was extremely grateful that their mom could be there every day as it was comforting for all. Without this Lyft option we may not have been able to provide daily trips for this client. “

> “We have a client who has been utilizing transportation with SRC for over a year. She likes to visit the rec center several times a week and would request transportation with us. These are personal trips and we were not consistent in providing this to her week after week. With the additional funding and the Lyft vehicle option this client has been able to get to the Rec center for exercise on a regular basis allowing her to have a better quality of life. She is extremely happy to have this option and is hopeful it continues.”

DRCOG sincerely appreciates the opportunity to expand services with the funds you have generously provided. Please contact me if you have any questions. I also ask that you kindly respond as to your approval for the proposed plan for the 2018 carryover and projected expenditure of 2019 funds.

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Management and Finance Policy Committee

Agenda Item Commentary

Item Title: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE INCLUSION OF REAL PROPERTY INTO THE BOUNDARIES OF THE POINT METROPOLITAN DISTRICT.	
Item Initiator: Cesarina Dancy	
Staff Source: Cesarina Dancy, Project Manager, Office of Development Assistance	
Deputy City Manager Signature: Jason Batchelor	
Outside Speaker:	
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City	

ACTIONS(S) PROPOSED ***(Check all appropriate actions)***

☒ Approve Item and Move Forward to Study Session

☐ Approve Item and Move Forward to Regular Meeting

☐ Information Only

HISTORY ***(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)***

The Point Metropolitan District was originally approved in August 2016. The district is located generally at Interstate 225 and Parker Road (see attached vicinity map).

The property requested for inclusion was not originally included within the boundaries or the future inclusion area of the Metropolitan District. The property is currently owned by the Aurora Urban Renewal Authority (AURA). In December 2018, AURA completed a petition to include this property within the boundaries of The Point Metropolitan District.

ITEM SUMMARY ***(Brief description of item, discussion, key points, recommendations, etc.)***

The Point Metropolitan District is requesting inclusion of this parcel to the existing District.

In addition to the petition signed by the AURA, the AURA had also previously agreed to a future conveyance of this property to King Soopers to serve as the location of a new fuel center (see attached petition).

QUESTIONS FOR Committee

Does the committee wish to move this item forward to the next available study session?

EXHIBITS ATTACHED:

AURA Petition for inclusion.pdf
Resolution re The Point MD AURA Inclusion DRAFT SFSJ0950.pdf
The Point Letter to the City.pdf
Vicinity Map The Point Metropolitan District.pdf

PETITION FOR INCLUSION OF REAL PROPERTY

TO: THE POINT METROPOLITAN DISTRICT,
ARAPAHOE COUNTY, COLORADO

The undersigned, as petitioner, **Aurora Urban Renewal Authority**, hereby respectfully petitions The Point Metropolitan District (the "District"), acting by and through its Board of Directors, for the inclusion of the hereinafter described real property into the boundaries of the District in accordance with the Sections 32-1-401 *et seq.*, C.R.S.

The undersigned hereby requests that the real property described in **Exhibit A**, attached hereto and incorporated herein by this reference (the "Property"), be included in the boundaries of the District and that an Order may be entered in the District Court in and for the County of Arapahoe, State of Colorado, effectuating the inclusion of the Property into said District, and that from and after the entry of such Order, said Property shall be liable for taxes, assessments or other obligations of the District as provided by statute.

The undersigned represent to the District that he/she/it is the owner of one hundred percent (100%) of the Property and that no other person, persons, entity or entities own any interest therein, except as beneficial holders of encumbrances.

The undersigned acknowledges that the District is not required to enlarge or extend its facilities beyond those currently existing and all such enlargements or extensions are undertaken in the exercise of discretion as a governmental function in the interest of public health, safety and welfare.

The undersigned acknowledges that acceptance of this petition by the District does not constitute any assurance from the District that the Property can be served by the District.

The undersigned further acknowledges that the Master Developer will pay the fees associated with the inclusion of the Property within the District if this petition is accepted, including the costs of publication of appropriate legal notices.

SUBMITTED THIS 21st DAY OF December, 2018.

PETITIONERS:

The Aurora Urban Renewal Authority (AURA)

By: Andrea A. Amonick
Its: Manager

ADDRESS OF PETITIONERS:

15151 E. Alameda Parkway, Suite 2300
Aurora, CO 80012

STATE OF Colorado)
) ss.
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 21st day of December, 2018 by Andrea Amonick as manager of City of Aurora.

WITNESS my hand and official seal.

LESLIE L EPPERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144018821
MY COMMISSION EXPIRES MAY 6, 2022

My commission expires: 5-6-2022

Leslie L Epperson
Notary Public

EXHIBIT A
To
Petition for Inclusion of Real Property

PARCEL 4:
A PART OF LOT 1, BLOCK 5, OF DILLON SUBDIVISION FILING NO. ONE, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID LOT 1, BLOCK 5, SAID POINT BEING N 89 DEGREES 48 MINUTES 24 SECONDS E A DISTANCE OF 25.00 FEET FROM THE NORTHWEST CORNER OF SAID LOT 1;

THENCE N 89 DEGREES 48 MINUTES 24 SECONDS E ALONG THE NORTH LINE OF SAID LOT 1 A DISTANCE OF 219.44 FEET;

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CONTAINING AN AREA OF 1.397 ACRES, (60,867 SQUARE FEET), MORE OR LESS.

RESOLUTION NO. R2019-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, APPROVING THE INCLUSION OF REAL PROPERTY INTO THE BOUNDARIES OF THE POINT METROPOLITAN DISTRICT

WHEREAS, the City Council (the "Council") of the City of Aurora, Colorado (the "City"), is vested with jurisdiction to approve the service plan of any special district whose boundaries are to be wholly contained within the boundaries of the City pursuant to the Special District Act, Article 1 of Title 32, Colorado Revised Statutes (the "Act"); and

WHEREAS, in accordance with the Act, the Council adopted Resolution No. R2016-64 on August 22, 2016 approving the Model Service Plan for The Point Metropolitan District City of Aurora, Colorado (the "Service Plan"); and

WHEREAS, pursuant to Section V.A.7 of the Service Plan, The Point Metropolitan District (the "District") shall not include within any of its boundaries any property outside the Service Area (defined therein) without the prior written consent of the City; and

WHEREAS, the District received a Petition for Inclusion of Real Property for property located outside of the District's current Service Area from the Aurora Urban Renewal Authority ("AURA"), as the owner of 100% of the property sought to be included; and

WHEREAS, among other planned public improvements, the District is currently constructing a storm water detention facility that will serve and is located, in part, beneath the property sought to be included by AURA; and

WHEREAS, once constructed, the District intends to operate and maintain the storm water detention facility for the benefit of its taxpayers and the public; and

WHEREAS, the Council finds and determines that the approval of the inclusion of the property into the District as requested by AURA and the District is in the best interests of both the City and the District.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO THAT:

Section 1. The City hereby consents to the inclusion of the real property described in Exhibit A hereto (the "AURA Property"), and generally depicted in Exhibit B hereto, within the boundaries of The Point Metropolitan District. Once the inclusion of the AURA Property is complete, the recorded court order of inclusion shall be attached to the Service Plan as a part of Exhibit C-2, and the AURA Property shall constitute a part of the Inclusion Area Boundaries and Service Area.

RESOLVED AND PASSED this _______ day of ____________________, 2019.

____
BOB LEGARE, Mayor

ATTEST:

____
STEPHEN RUGER, City Clerk

APPROVED AS TO FORM:

_______________________________ cMcK
BRIAN J. RULLA, Assistant City Attorney

EXHIBIT A
To
Petition for Inclusion of Real Property

PARCEL 4:

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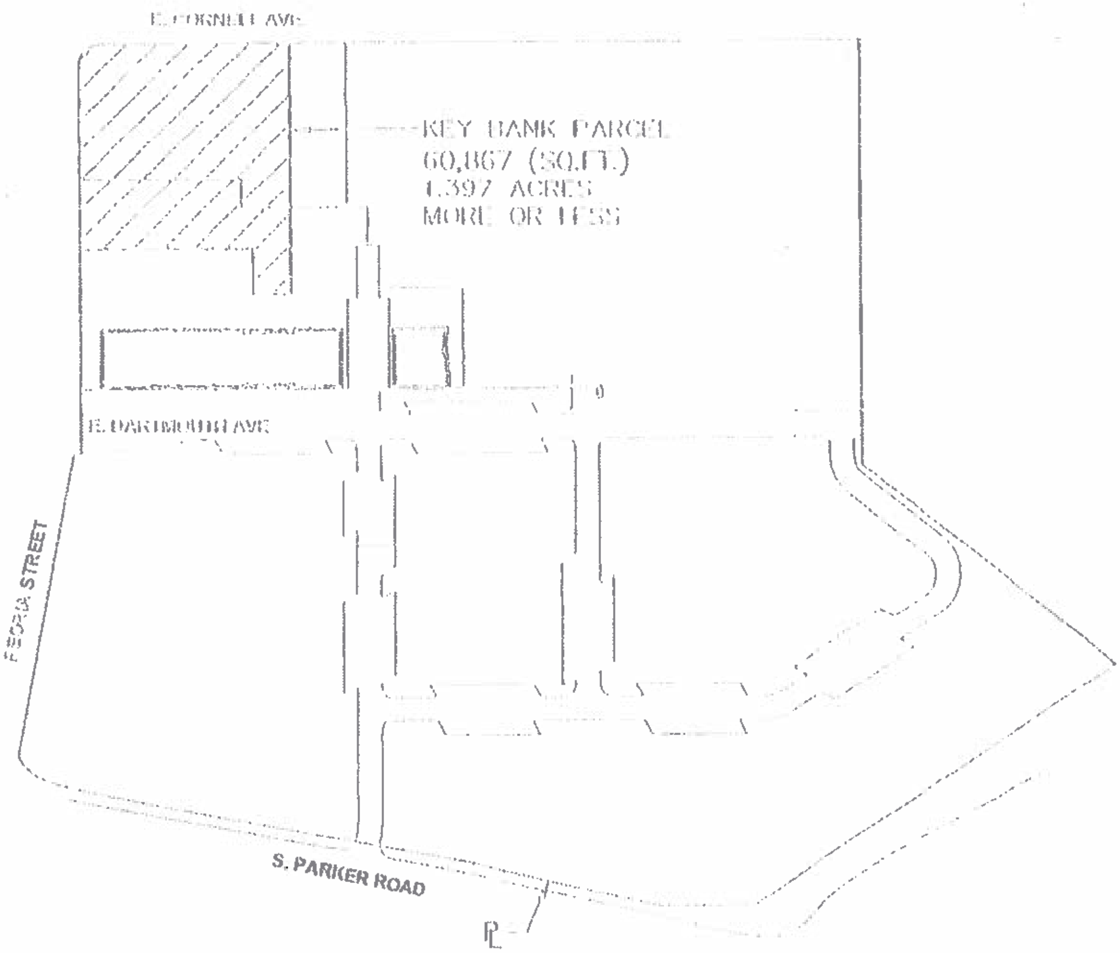
EXHIBIT B

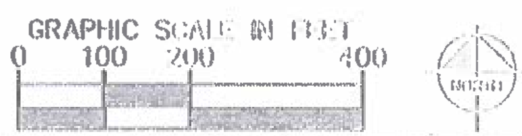
AURA Property Map

THE POINT - PLAT VS. KEY BANK ALTA OVERLAY



NOTES:

METES & BOUNDS INFORMATION UNDER SHOWN ON SEPARATE PAGE.



ICENOGLE SEAVER POGUE

February 5, 2019

Office of Development Assistance
City of Aurora, Colorado
15151 E. Alameda Parkway, Suite 5200
Aurora, Colorado 80012
Attn: Ms. Cesarina Dancy

Re: The Point Metropolitan District Real Property Inclusion Consent Request

Ms. Dancy:

Our firm represents The Point Metropolitan District (the "District"), a metropolitan district organized pursuant to the Special District Act, Sections 32-1-101 *et seq.* C.R.S., located within the City of Aurora, Colorado (the "City") at approximately Interstate 225 and Parker Road. The District was organized to assist in funding and constructing certain public improvements in concert with the redevelopment of Regatta Plaza.

During the Regatta Plaza redevelopment efforts, the Aurora Urban Renewal Authority ("AURA") has obtained fee title to certain property, including that portion of Lot 1, Block 5 of Dillon Subdivision No. 1 described in Attachment 1 hereto (the "AURA Property") and generally depicted in Attachment 2 hereto (the "AURA Property Map"). As part of the redevelopment, Dillon Companies, Inc. (d/b/a "King Soopers"), AURA, and MHK Nine Mile, LLC (the "Master Developer") also entered into a Simultaneous Exchange Agreement, dated October 3, 2017 (the "SEA"), a copy of which is separately enclosed herewith. Pursuant to Section 22 of the SEA, and in consideration of the larger redevelopment effort, AURA agreed to a future conveyance of the AURA Property to King Soopers to serve as the location of a new fuel center, and the parties agreed that the new King Soopers store property, including the AURA Property, "will be subject to and within the service area and boundaries of one or more metropolitan districts."

Prior to the parties' negotiation of the SEA, the City Council of the City of Aurora approved the Model Service Plan for The Point Metropolitan District City of Aurora, Colorado (the "Service Plan") on August 22, 2016 via Resolution No. R2016-64, a copy of which is separately enclosed herewith. As approved, the District's Service Plan contemplated "Initial District Boundaries" as well as "Inclusion Area Boundaries," which together are defined in Section II of the Service Plan as the "Service Area" and are depicted in Attachment 3 hereto.

Section V.A of the Service Plan establishes powers and limitations of the District, and subsection 7 thereof provides as follows with regard to the inclusion of additional real property:

Shannon Smith Johnson | *SJohnson@isp-law.com* | *Direct 303.867.3012*

4725 S. Monaco St., Suite 360 | Denver, CO 80237 | 303.292.9100 | fax 303.292.9101 | www.isp-law.com

> 7. Inclusion Limitation. The District shall not include within any of its boundaries any property outside the Service Area without the prior written consent of the City. The District shall not include within any of its boundaries any property inside the inclusion area boundaries without the prior written consent of the City, except upon the petition of the fee owner or owners of one hundred percent (100%) of such property as provided in Section 32-1-401(1)(a), C.R.S.

As contemplated by the parties to the SEA, AURA, as the owner of 100% of the AURA Property, has petitioned the District's Board of Directors to include the AURA Property within the boundaries of the District via the Petition of Inclusion of Real Property attached hereto as Attachment 4 (the "Petition").

Among other public improvements planned for the area, the District is currently constructing a storm water detention facility that is located, in part, beneath the AURA Property. Once constructed, the storm water detention facility will serve the larger development, including the AURA Property, and the District will continue to operate and maintain the same for the benefit of its taxpayers and the public. Accordingly, the District desires to proceed with considering the Petition and including the AURA Property into the boundaries of the District pursuant to Section 32-1-401, C.R.S. The AURA Property is not currently located within the District's Service Area, and therefore, the District must also obtain the City's consent to include the property within the District's boundaries pursuant to Section V.A.7 of its Service Plan.

Section 39-1-110(1.5), C.R.S. establishes that if property is included via petition of 100% of the property owners, a special district may only levy a tax against that property for the calendar year in which it was included where the court's order of inclusion has been filed with the county clerk and recorder prior to May 1. To accomplish the inclusion, the District must hold a hearing on the Petition at a public meeting of its Board of Directors pursuant to Section 32-1-401(1)(b), C.R.S. Pending the City's consent to the inclusion and the Board's approval of the Petition, the District's Board must make an order granting the Petition and file the same with the Arapahoe County District Court, which will then order the property to be included in accordance with Section 32-1-401(1)(c)(I), C.R.S. The inclusion and change in the District's boundaries will not be effective until the recordation of the court's order with the Arapahoe County Clerk and Recorder per Section 32-1-105, C.R.S.

In light of the District undertaking the construction and maintenance of public improvements that will benefit, and are located within, the AURA Property, and understanding that the inclusion of the AURA Property was at all times contemplated as a part of the larger Regatta Plaza redevelopment project, the District requests the City consent to the inclusion of the AURA Property into the District's boundaries pursuant to Section V.A.7 of the District's Service Plan. The District requests that, if possible, the City consider this request in such time as to allow the District to include the AURA Property and obtain and record the court's inclusion order prior to the May 1, 2019 taxing deadline.

Thank you in advance for your consideration of the District's request, and please do not hesitate to contact me with questions or concerns.

Shannon Smith Johnson | *SJohnson@isp-law.com* | *Direct 303.867.3012*

4725 S. Monaco St., Suite 360 | Denver, CO 80237 | 303.292.9100 | fax 303.292.9101 | www.isp-law.com

Sincerely,

Shannon S. Johnson

ICENOGLE SEAVER POGUE, P.C.
Shannon Smith Johnson

Enclosures

Cc: Carl Koelbel, District President
Tamara K. Seaver, District General Counsel

Shannon Smith Johnson | *SJohnson@isp-law.com* | *Direct 303.867.3012*

4725 S. Monaco St., Suite 360 | Denver, CO 80237 | 303.292.9100 | fax 303.292.9101 | www.isp-law.com

Attachment 1

<u>AURA Property</u>
<u>Legal Description</u>

EXHIBIT A

To

Petition for Inclusion of Real Property

PARCEL 4:

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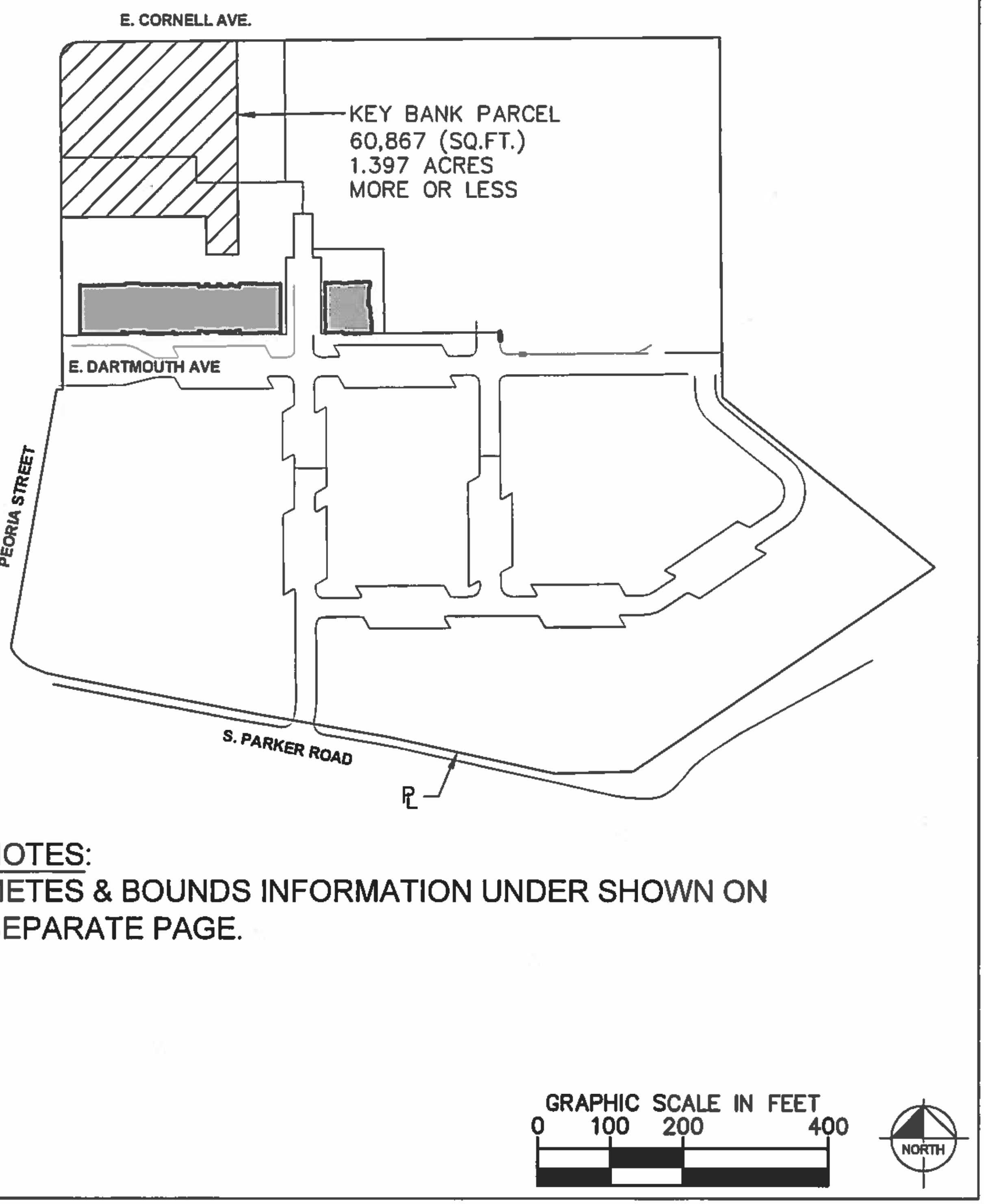
Attachment 2

AURA Property Map

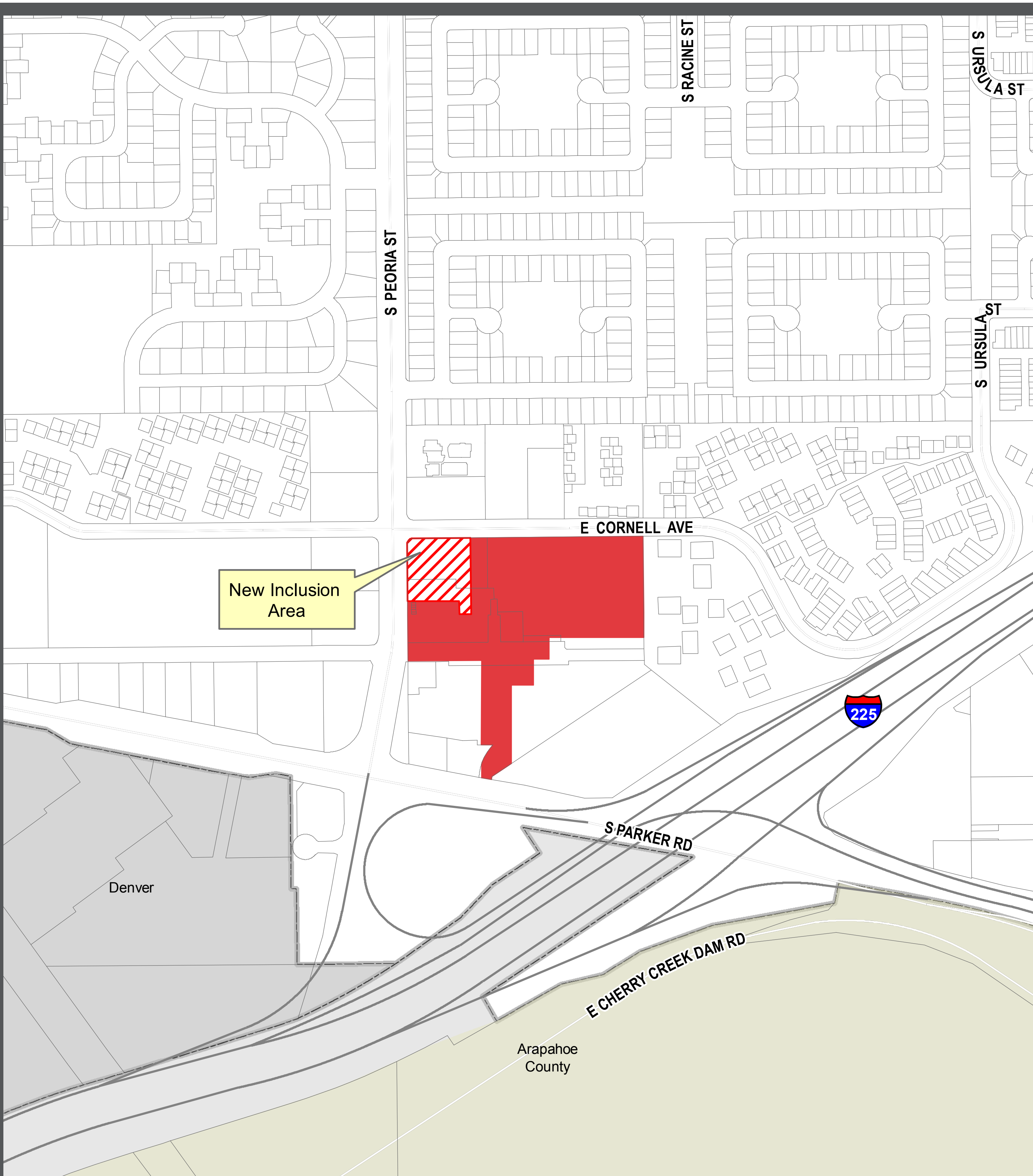
THE POINT - PLAT VS. KEY BANK ALTA OVERLAY



NOTES:
METES & BOUNDS INFORMATION UNDER SHOWN ON SEPARATE PAGE.

Attachment 3

Service Area



Planning & Development Services

15151 E. Alameda Pkwy
Aurora CO 80012 USA
www.auroragov.org
303-739-7250
GIS @auroragov.org

Feet 0 200 400

City of Aurora, Colorado

The Point Metropolitan District

February 11, 2019

Aurora is Worth Discovering!

Legend

- Aurora
- Buckley AFB
- Unincorporated County

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Management and Finance Policy Committee
Agenda Item Commentary

Item Title: Colorado Open Records Act (CORA) Proposed Resolution
Item Initiator: Stephen Ruger
Staff Source: Stephen Ruger, City Clerk
Deputy City Manager Signature: Jason Batchelor
Outside Speaker:
Council Goal: 2012: 6.0--Provide a well-managed and financially strong Cit

ACTIONS(S) PROPOSED ***(Check all appropriate actions)***

☒ Approve Item and Move Forward to Study Session

☐ Approve Item and Move Forward to Regular Meeting

☐ Information Only

HISTORY ***(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)***
The city shall promulgate rules and procedures for properly responding to records production matters under a CORA request which rules and procedures shall comply with all of the requirements of CORA as well as other mandatory provisions.

ITEM SUMMARY ***(Brief description of item, discussion, key points, recommendations, etc.)***
Council Member Richardson has proposed a resolution related to CORA and he will provide an overview.

Council Member Richardson also requested the following information for 2018:

1) The number of CORA requests received: 1009

2) The number of cost estimates provided to the requestors:
This is not tracked however there are less than five on average per month.

3) The number of times the requestor did not respond to the cost estimate and abandoned the CORA request: 18 (*including those who did not pay based on invoiced price)

There were 18 CORA requests of the 1009 total requests that were abandoned or 1.8%.

4) A description of any litigation filed or resolved involving a CORA request in 2018:

See attachments to this agenda item.

5) A list of the CORA response cost estimates expressed in terms of dollars:

Requests under $100 do not generate an estimate, and are simply invoiced at the time records are provided. For 2018 total invoices and cost estimates for CORA requests was approximately $11,100.

6) A list of those situations where the cost estimate was exceeded with the excess expressed in terms of dollars.

The City did not exceed any cost estimates in 2018.

7) Using the CORA applications received in 2018 list wherever possible the number which appear to be from Aurora residents and those which are not from Aurora residents.

This information is not currently tracked; however, based on a sample of CORA requests and information provided, the City appears to receive approximately 20% of CORA requests from Aurora residents.

QUESTIONS FOR Committee

Does the Management and Finance Policy Committee support moving this proposed CORA resolution forward to a Study Session?

EXHIBITS ATTACHED:

1 Resolution CORA 2019.pdf
2 APM 4-9 Records Accessibility Policy.pdf
3 Memo CORA Litigation 2019.pdf
4 Ravenscroft - ORDER.pdf
5 Norberg - ORDER.pdf

RESOLUTION NO. R2019-__________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO TO INCLUDE MANDATORY DIRECTION ON PROCESSING REQUESTS UNDER THE COLORADO OPEN RECORDS ACT

WHEREAS, the city is responsible for the preservation and retrieval of public records within its possession or jurisdiction in compliance with state statute and this Code; and

WHEREAS, the city may promulgate rules and regulations pursuant to Section 2-3 of the City Code to carry out its responsibilities, including the preservation and retrieval of public records; and

WHEREAS, the city should establish and maintain good customer service relation procedures and shall ensure that those procedures are applied during employee interactions with citizens, including interactions arising under the Colorado Open Records Act ("CORA"); and

WHEREAS, City Council unambiguously and strenuously supports and fully endorses the legislative declaration of CORA as expressed in Sections 24-72-201 & 24-72-203 of the Colorado Revised Statutes fully believing that public records should be available for inspection and that such transparency and availability is essential to open government and an informed electorate.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA COLORADO THAT:

<u>Section 1.</u> The city shall promulgate rules and procedures for properly responding to records production matters under a CORA request which rules and procedures shall comply with all of the requirements of CORA as well as with the following mandatory provisions:

a) In those instances where the response time for production of a response under a CORA request will exceed one hour of staff time the city shall provide an initial good faith estimate of the fees for compliance with the CORA request, which response shall not be undertaken until a deposit equal to 50% of the estimated of cost has been deposited with the city clerk by the person or entity initiating the request and in no case shall the final fee exceed 20% more than the initial estimate. In the event that the final production cost is less than the deposit the difference shall be refunded to the requestor as soon as possible after the response is delivered.

b) When the requestor is an individual Aurora resident as evidenced by their address or by their attestation to that fact the city shall provide up to one hour of staff assistance including, the city attorney's office, for the purpose of helping the requester define and refine the request to make it more effective and less costly.

c) In no case shall the CORA response include duplicate pages or data if the CORA requestor has designated that the response to their request be “de-duped” meaning checked for duplicative responses. In the event that a duplicative response document is inadvertently produced the requestor shall be entitled to receive a refund of any copy fee not only for the duplicative document, but for twice the copy charge for the duplicative pages produced and charged for.

d) If a page is more than 50% redacted there can be no charge for that copy.

e) Research fees shall not include any work by any staff members associated with or related to the assertion of any privileges or refusal to provide the requested materials.

f) Staff overtime to comply with the State mandated time requirements shall not be charged to the requestor.

g) When materials are withheld for any privilege or legal basis the City shall prepare at no cost to the requestor a “privilege log” identifying the document with sufficient specificity to locate and produce the document for a court of competent jurisdiction in the event of any suit initiated on the determination and the specific reason or privilege cited justifying the nondisclosure.

h) When the requestor is an individual Aurora resident the total cost shall not exceed $500.00.

i) When a requestor offers to provide assistance in refining the search including review of a voluminous number of pages of data the offer shall not be summarily rejected and the City Clerk’s Office shall provide a suitable office space for the requestor and a staff member to review the documents for the identification of relevant documents. If the City has asserted any privilege or legal rationale for nondisclosure the privilege log shall be presented to the citizen at this meeting.

j) By State law the response period is fixed and shall not be delayed unless agreed to by the requestor in writing. The requestor shall not be pressured to grant a delay. In this regard the City Clerk and City Attorney Offices shall prepare a written CORA work plan including overtime and/or comp time provisions so as to be able to comply with the mandatory State response time.

k) City staff shall track and collect the following data and present the data to Management and Finance Committee biannually:

1) the number of CORA requests received;
2) the number of cost estimates provided to requestors;
3) the number of times the requestor did not respond to the cost estimate and abandoned the CORA request;
4) a description of any litigation filed or resolved involving a CORA request;
5) a list of the CORA response cost estimates expressed in terms of dollars;
6) a list of those situations where the cost estimate was exceeded with the excess expressed in terms of dollars; and

7) prepare a list reflecting the number which appear to be from Aurora residents and those which are not from Aurora residents, where possible, using the CORA applications received.

l) A copy of this Resolution shall be provided to anyone who comes to the City Clerk's Office and expresses an intention and/or interest in submitting a CORA request.

m) A requestor shall be entitled to ask the City Clerk any questions regarding any aspect of processing a CORA request including any aspect of the Resolution.

n) If the requestor is dissatisfied or confused with the response of the City Clerk, the requestor shall be entitled to directly contact the City Manager.

o) If the requestor agrees to an extension, that extension shall in no event exceed 10 additional days.

Section 2. All resolutions or parts of resolutions of the City in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this __________ day of ________________________, 2019.

____
BOB LEGARE, Mayor

ATTEST:

____
STEPHEN J. RUGER, City Clerk

APPROVED AS TO FORM

____
RACHEL ALLEN, City Attorney's Office

City of Aurora

City Manager's Office
Phone: 303-739-7010
Fax: 303-739-7123

Aurora
All-America City
2008

AURORA

ADMINISTRATIVE POLICY MEMORANDUM NO. 4-9 (Revised)

Date Revised: June 17, 2014

Date Revised: June 25, 2012

Date Issued: December 19, 1997

Subject: COLORADO OPEN RECORDS ACT (CORA) REQUESTS

I. PURPOSE

To set forth a general policy for providing access to and inspection of public records maintained by the City of Aurora (the City) pursuant to the Colorado Open Records Act (CORA), section 24-72-201 et. seq., C.R.S. This policy does not apply to criminal justice records, as defined by the Colorado Criminal Justice Records Act (CCJRA), section 24-72-301 et seq., C.R.S. Requests for these records should be made directly to the applicable department of the specific records requested, for example the Aurora Police Department - Police Records Unit; the Public Safety Communications Department/Dispatch Center; Aurora Detention Facility, etc.... CCJRA requests that originate in the City Clerk's office, or requests that include public records under both CORA and CCJRA will be processed, but fees will be assessed accordingly.

To protect the integrity of the City's records and to prevent unnecessary interference with the regular operational duties of City of Aurora employees that may be caused by access to the records.

To establish general procedures and reasonable and standardized fees for the research, retrieval and obtaining of information from City-maintained records; and the review, analysis, redaction, preparation and production of copies of public records.

To ensure consistent application of these procedures across all departments when responding to requests for City-maintained records

II. SCOPE:

Except where otherwise stated by charter or ordinances it is the policy of the City Aurora to make public records open for inspection at reasonable times.

These rules apply to requests submitted to the City for the inspection of public records pursuant to CORA. These rules do not apply to informal requests for information or records that are not specifically submitted pursuant to CORA.

The City Clerk is the official records custodian for municipal records centrally maintained by the city. In certain circumstances, department directors may be considered records custodians for records maintained with their departments as well as the Director of Information Technology for email records.

The Office of the City Attorney shall be consulted when requests for public records under this Policy are made from members of the media, attorneys or private investigators, when requests involve multiple city departments, or when legal interpretation is required.

III. PROCEDURES:

A. Submission of requests

1. Requests for public records under this policy shall be made in writing and must be specific as to the information requested.
2. Requests should be made to the City Clerk's office.
3. Requests may be submitted by hand-delivery, mail, fax, e-mail, or through the on-line link at https://www.auroragov.org/cs/groups/public/documents/document/011791.pdf.
4. The City may contact the person requesting to inspect or receive a copy of public records (the requestor) in an attempt to clarify and narrow the request. Specificity on things like the nature of documents, the timeframe requested, and other necessary details enable the request to be filled more expediently, and in a manner which may produce a cost savings to the requestor. Conferral between the requestor and the City is strongly encouraged, throughout the entirety of the process.

B. Process of Filling Requests

1. A cost estimate will be provided to the requestor. The cost estimate will include the estimated time needed by any city staff or representative to complete the research, retrieval, copying, redaction, assembly, transmission, and any other activities.
2. The fee for filling the open records request, as described in Part III, Section (B)(1), is $30.00 per hour. This fee will only be charged after one hour of staff time has been expended. The cost estimate will not include the first, free hour of staff time.
3. A 50% advance deposit may be required for open records requests that are estimated to cost in excess of $100.00 to complete.
4. Should production of the records prove more costly, than the provided estimate, the requestor will need to pay the additional amount prior to receiving the records. However, if the actual costs prove less than the estimate, any necessary adjustment will be reflected upon the invoice at the time the request is ready for pickup.
5. No work to complete the request will begin until the requestor approves the cost estimate, and makes payment, if necessary because the estimate was more than $100.00. The timeframe the custodian has to complete the request will be tolled during the time period between notification to the requestor and approval by the requestor.

C. Inspection or Production of Documents

1. Public records shall be made available for inspection or pickup in the office of the official records custodian (City Clerk) from 8:30 AM to 4:30 PM, Monday through Friday, except on observed holidays.
2. If the requested records are in the custody and control of the records custodian, but are in active use, in storage, or otherwise not immediately and readily available for inspection, the records custodian shall set a date and hour when the records will be available for inspection. The date and time shall be within three working days unless extenuating circumstances exist which requires the date and time to be extended for up to an additional seven working days. All findings of extenuating circumstances shall be made in writing by the official records custodian to the requestor.
3. Public records shall not be removed from the City Clerk's office or from the city departments. Copies will be made from the originals, and made available for inspection in the City Clerk's office. Even if the requestor chooses simply to inspect the documents in the City Clerk's office, if the documents were assembled solely for the purposes of such request, the full cost of filling that request [as delineated in Part III, Section B(1) of this policy] must be paid in full before the documents can be inspected.
4. The public may not be allowed to directly use either its own or the equipment of the City of Aurora in inspecting or copying public records. In every instance, the necessary manual or electronic functions necessary to extract, collate, organize, retrieve, copy or otherwise manipulate the records and data necessary to produce the record or allow for its inspection shall be performed by city personnel using the equipment of the city.
5. The City will choose the format in which to provide the public documents, and will provide the responsive information in a reasonably accessible form which does not alter the content of the information. The standard practice is to provide hard copies. In certain circumstances, at the discretion of the official records custodian, electronic copies may be provided. However, electronic copies will only be provided in a PDF format. No transmission fees will be charged to the record requestor for transmitting public records via electronic mail. However; other fees may be charged, if applicable, according to this policy.
6. The City shall deny the inspection of any records if such inspection would be contrary to state or federal law or regulation, would violate a court order, is involved in litigation or would do substantial injury to the public interest.
7. Reasons for denial of access to public records and for records not in the control or custody of the official records custodian shall be noted in writing by the official records custodian in consultation with city staff.

D. Fees

1. If a person has the right to inspect a public record, the person may request a copy of the record. The official records custodian may charge reasonable fees for the production of such public records.
2. If, in response to a specific request, the City has chosen to perform a manipulation of data so as to generate a record in a form not used by the City in its normal course of business, fee(s) will be charged to the person making the request. Such fee(s) shall not exceed the actual costs of research, retrieval and manipulation of the said data and generating the

said record in accordance with the request. Persons making subsequent requests for the same or similar records may be charged a fee not in excess of the original fee.

3. The City will not impose a charge for the first hour of total time any staff member(s) expend in connection with filling a request for public records under CORA.
4. After the first hour of time has been expended, the City will charge a fee of $30.00 per hour for the research and retrieval of such documents.
5. Copies, printouts, and photographs of a public record will be provided for a fee of twenty-five cents per standard page, defined as a document created from word processing, generated onto paper sized 8 ½ x 11 to 11 x 17 from a non-color printer.
6. Copies, printouts, and photographs of a public record in a format other than a standard page will be provided for a fee not to exceed the actual costs of providing such documents.
7. If the City, at the sole discretion of the official records custodian, chooses to provide information via a delivery mechanism other than hard copies, a fee, not to exceed actual costs of such delivery mechanism, will be charged.
8. The standard fee for a CD and/or a DVD is actual cost.
9. The standard fee for a thumb drive containing 4gb is $4.00.
10. If the City, at the sole discretion of the official records custodian, chooses to deliver or transmit public records in response to a records request, the fees for such delivery shall not exceed actual costs. After notifying the requestor that the records are ready to be inspected or picked up, and if the requestor asks and the official records custodian agrees to deliver or transmit the records, the official records custodian will send the records only upon either receiving full payment or making arrangements to receive such payment at a later date.

E. Abandoned Requests

1. Records assembled in response to a CORA request will be held for no more than seven business days after the requestor has been notified that the records are available for inspection or pick-up. The holding period may be shorter for records which are needed for any use. Failure to inspect or pick-up the records within this timeframe will be considered an abandoned request, and the request will be automatically closed. The records will be returned to their files and a new records request form must be submitted in order to inspect or obtain copies of the records, wherein the entire process will start over.
2. The official records custodian will maintain a list of requestors, or agencies, who have previously abandoned requests. A 100% advance deposit may be required for requests from persons, or agencies, who have made previous records requests and not paid or not come in to view the requested information.

IV. EFFECTIVE DATE:

This policy is effective July 1, 2014, and supersedes APM 4.9 revised June 25, 2012.

V. APPROVAL:

George K. Noe, City Manager

6/26/2014
Date

TO: Council Member Richardson

FROM: Rachel Allen, Client Group Manager

THROUGH: Dan Brotzman, Interim City Attorney

DATE: January 14, 2018

RE: Recent CORA Litigation

You have asked for a description of any litigation filed or resolved involving a CORA request in 2018. The two cases are summarized below.

Ravenscroft v. Horton, et al.

This was a records lawsuit under the Colorado Criminal Justice Records Act. Mr. Ravenscroft alleged that the City and Lisa Horton, as records custodian, improperly denied his records request for internal affairs files related to an incident between Aurora Police Department Officer John Gonzales and himself on June 23, 2016. Two records requests were filed: (1) all disciplinary records related to Officer Gonzales, and the internal affairs records related to the June 23rd incident, and (2) only the internal affairs records related to the June 23rd incident. Both requests were denied pursuant to the City Charter Sec. 3-16(8) protecting the confidentiality of statements made in an internal affairs investigation, and pursuant to the Police Department's policy that provides that all internal affairs files are confidential. The City received an adverse ruling from Arapahoe County District Court on the records portion relating to whether or not the City's position on the limited release of records was "arbitrary and capricious" or not. Subsequent to receiving this ruling, the City reached a settlement with Plaintiff's counsel.

City of Aurora v. Norberg

The City successfully petitioned the Arapahoe County District Court to determine whether the identity of a citizen requesting anonymity may be protected while responding to a Colorado Open Records Act request. A hearing was held on April 16, 2018. On May 7, 2018, Honorable Judge Weishaupl ruled that disclosing the identity of the citizen is not exempt from CORA and the email in question should be produced in an unredacted format within fourteen days.

****

If this memorandum raises any additional questions, please let me know.

DISTRICT COURT, ARAPAHOE COUNTY, COLORADO Court Address: 7325 South Potomac Street Centennial, Colorado 80112	DATE FILED: March 6, 2018 6:49 PM CASE NUMBER: 2017CV32737
Plaintiff: **KEVIN RAVENSCROFT** vs. Defendant: **LISA HORTON; and THE CITY OF AURORA, COLORADO**	Case Numbers: 2017 CV 32737 Div.: 21
ORDER – Re: Attorney-Client Privilege - Government Attorney	

Having reviewed the briefs submitted by the parties regarding plaintiff's request for Angela Garcia, Esq., to testify as an adverse witness at hearing on March 9, 2018, and being otherwise advised of the status of the issues, the Court rules as follows:

A. Undisputed Factual and Procedural Background.

1. The following facts are undisputed and are relevant to the request of the plaintiff that Angela Garcia, Esq. ("Garcia"), assistant city attorney for the defendant The City of Aurora, Colorado ("Aurora"), testify as an adverse witness at hearing on March 9, 2018, regarding legal advice provided by Garcia to defendant Lisa Horton, Municipal Records Supervisor of Aurora ("Horton") concerning plaintiff's request for internal affairs investigation reports on the June 23, 2016 incident involving the plaintiff and the Aurora Police Department ("APD"):

a. On October 17, 2017, plaintiff requested the production of (1) "all disciplinary records for Officer John Gonzalez," and (2) internal affairs investigation records of the 6/23/16 incident involving the plaintiff [Def. Brief at 3, ¶ 3].

b. On October 19, 2017, Horton (on behalf of Aurora) denied plaintiff's request based upon: (1) C.R.S. § 24-72-202(4.5) regarding personnel files; (2) an expectation of privacy; (3) Section 3-16 of the Aurora City Charter regarding confidentiality; and (4) limitations on disclosure under APD Directives [*id.* at 3, ¶ 5].

c. On October 30, 2017, plaintiff limited the request to Aurora to the production of only internal affairs investigation records of the 6/23/16 incident involving the plaintiff, not including personnel files [*id.* at 3, ¶ 6].

d. On November 3, 2017, Horton denied the 10/30/17 request for the internal affairs investigation reports based on the same objections cited in the 10/19/17 response, plus Aurora's discretionary authority under C.R.S. § 24-72-305(5) and **Harris v. Denver Post Corp.**, 123 P.3d 1166 (Colo. 2005) [*id.* at 3, ¶ 7].

e. The parties agree that neither response by Horton for Aurora on October 19 or November 3, 2017, is "an articulation of the custodian's balancing of the public and private interests in the record," as required under C.R.S. § 24-72-305(6), as interpreted in **Harris** and **In Re Freedom Colorado Information, Inc., and Dennis Huspeni v. El Paso County Sheriff's Department**, 196 P.3d 892 (Colo. 2008) (hereinafter, "**Huspeni**") [Def. Brief at 5, ¶ 12].

f. On December 1, 2017, plaintiff filed his "Complaint and Application for Order to Show Cause" requesting:

(1) An Order directing Aurora to show cause at a hearing why the internal affairs investigation reports should not be produced;

(2) An award of attorneys' fees pursuant to C.R.S. § 24-72-305(9);

(3) An Order declaring that the APD Directives and Section 3-16 of the Aurora City Charter are preempted under Art. XX, § 6 of the Colorado Constitution; and

(4) A permanent injunction against the defendants preventing any further action under the APD Directives and Section 3-16 of the Aurora City Charter regarding withholding internal affairs investigation reports [Complaint at 17-18].

g. Although not stated by Horton in either the October 19 or November 3, 2017 responses to the plaintiff, in their December 28, 2017 Answer to plaintiff's Complaint, defendants Aurora and Horton acknowledge the following regarding the basis for their refusal to disclose the internal affairs investigation records of the 6/23/16 incident involving the plaintiff:

> 34. Defendants admit that Defendant Horton, upon advice of counsel, denied requests for internal affairs records following a balancing of interest based on the type of request, a request for confidential internal affairs records, which is applied consistently notwithstanding the facts, circumstances, or interests of the requestor. Defendant Horton denied Plaintiff's requests based on this practice. Defendants admit that Defendant Horton did not complete an analysis regarding this specific incident. The remainder of paragraph 34 of the Complaint is a legal argument to which no response is required. To the extent a response is required, Defendants deny that their practice is not in accordance with Harris v. Denver Post, 123 P.3d 1116 (Colo. 2005).

[Answer, ¶ 34 (emphasis added)].

h. On January 24, 2018, after a preliminary hearing regarding plaintiff's Complaint, the Court ordered the APD and the custodian of the internal affairs investigation records to provide a written analysis and determination balancing the pertinent factors identified in **Harris** and **Huspeni** [1/24/18 Order, ¶ 3.b.].

i. On February 1, 2018, Paul O'Keefe, Deputy Chief of Police of the APD, submitted his analysis of the balancing factors under **Harris** resulting in the production of some information from the APD Internal Affairs Bureau ("IAB") requested by the plaintiff, and denying the disclosure of other IAB documents [2/1/18 O'Keefe letter at 2-3].

(1) The 2/1/18 O'Keefe letter does not indicate that the refusal to produce the documents withheld is based on the "advice of counsel," nor have the defendants amended their Answer to assert "advice of counsel" as the basis for withholding selected documents from the February 1, 2019 production.

B. Legal Analysis.

(1) Attorney-client privilege in the context of a government attorney.

2. In general, the attorney-client privilege is a statutory evidentiary exception to the truth-seeking goal of the judicial process:

> "The attorney-client privilege applies to confidential matters communicated by or to the client in the course of obtaining counsel, advice, or direction with respect to the client's rights or obligations." Colorado has codified the attorney-client privilege as follows:
>
>> An attorney shall not be examined without the consent of his client as to any communication made by the client to him or his advice given thereon in the course of professional employment....
>
> § 13-90-107(1)(b), C.R.S. (2006). Thus the privilege is held by the client and may be waived only by the client.

People v. Trujillo, 144 P.3d 539, 542 (Colo. 2006)(citations omitted).

> Because the attorney-client privilege may frustrate the fact-finding process, it exists in constant tension with the judicial system's truth-seeking goals. However, that tension "is the price that society must pay for the availability of justice to every citizen, which is the value that the privilege is designed to ensure." The overall social benefits of the privilege outweigh any harm that may result in a particular case from the privilege's application. Further, the harshness of the

operation of the privilege is softened by a number of exceptions and by the doctrine of waiver, all of which are consistent with the goals of the privilege.

Wesp v. Everson, 33 P.3d 191, 197 (Colo. 2001)(citations omitted). The privilege is not only specific to the client, but applies only to specific communications between the attorney and the client:

> No blanket privilege for all attorney-client communications exists. Rather, the privilege must be claimed with respect to each specific communication and, in deciding whether the privilege attaches, a trial court must examine each communication independently.

Id. at 197 (footnote omitted).

3. The Colorado Supreme Court has <u>expressly</u> held that the privilege applies in many situations when the attorney's client is a governmental entity, and specifically when the governmental entity is being sued in a civil case under the Open Records Act:

> In enacting the open records laws, the General Assembly "did not intend that the open records laws would supplant discovery practice in civil litigation." The exemption for "privileged information" existed in the original draft of the open records legislation. This category of records "extends to various types of government-held information essentially private in nature." The exemption for "privileged information" in section 24–72–204(3)(a)(IV), therefore, includes various common law evidentiary privileges, such as the attorney-client privilege and the attorney work product privilege.

City of Colorado Springs v. White, 967 P.2d 1042, 1055 (Colo. 1998)(citations omitted); **Denver Post Corp. v. University of Colo.**, 739 P.2d 874, 880 (Colo. App. 1987); **Black v. Southwest Water Conserv. Dist.**, 74 P.3d 462, 467 (Colo. App. 2003); *see* **United States v. Jicarilla Apache Nation**, 564 U.S. 162, 169–170 (2011).

4. In the context of asserting the attorney-client privilege for a governmental client, the privilege is further narrowed by the tension between protecting confidential communications and the public interest in open and honest government and holding the government to account for its actions:

> Assuming that the privilege applies, "[i]t is appropriate to recognize a privilege 'only to the very limited extent that ... excluding relevant evidence has a public good transcending the normally predominant principal of utilizing all rational means for ascertaining truth.' " <u>Guided by this principle, courts and commentators have cautioned against broadly applying the privilege to governmental entities</u>. The recognition of a governmental attorney-client privilege imposes the same costs as are imposed in the application of the corporate privilege, but with an

> added disadvantage. <u>The governmental privilege stands squarely in conflict with the strong public interest in open and honest government</u>.

Reed v. Baxter, 134 F.3d 351, 356 (6th Cir. 1998)(citations omitted). This does <u>not</u> mean that the attorney-client privilege does not apply between an attorney and his/her government client, but <u>only</u> that communications are strictly scrutinized in order for the privilege to apply only as far as necessary to protect the identified communication. **Lee v. F.D.I.C.**, 923 F. Supp. 451, 457 (S.D.N.Y. 1996); **Hedquist v. Patterson**, 215 F. Supp. 3d 1237, 1244–45 (D. Wyo. 2016); *see* **Reed v. Baxter**, 134 F.3d 351, 358 (6th Cir. 1998).

(2) Implied waiver of the attorney-client privilege.

5. The attorney-client privilege may be waived by the express or implied conduct of the client:

> To prove an implied waiver, there must be evidence showing that the privilege holder, "by words or conduct, has impliedly forsaken his claim of confidentiality with respect to the communication in question."

Wesp, 33 P.3d at 198 (citation omitted).

6. The implied waiver of the attorney-client privilege may occur if the client places communications with counsel at issue in litigation as a claim or defense:

> Courts have found implied waiver of the attorney-client privilege when a defendant places the allegedly privileged communication at issue in the litigation, because "any other rule would enable the client to use as a sword the protection which is awarded him as a shield."

People v. Madera, 112 P.3d 688, 691 (Colo. 2005)(citation omitted).

> In order to waive the privilege in this manner, the client must commit some "affirmative act" that places the privileged information at issue. <u>Accordingly, we have held in several cases that, where a client asserts a defense or a claim based on the propriety of advice given by her attorney, she waives the privilege with respect to that advice</u>.

People v. Trujillo, 144 P.3d 539, 543 (Colo. 2006)(citation omitted).

7. The party seeking to pierce the attorney-client privilege through an implied waiver must establish the following elements:

> Rather than endorsing a blanket waiver, we have adopted the following three-prong test for implied waiver of the attorney-client privilege which asks whether:

> (1) assertion of the privilege was a result of some affirmative act, such as filing suit, by the asserting party; (2) through this affirmative act, the asserting party put the protected information at issue by making it relevant to the case; and (3) application of the privilege would have denied the opposing party access to information vital to his defense.

Madera, 112 P.3d at 691-692 (citation omitted).

8. The most common application of an implied waiver of the attorney-client privilege is when a criminal defendant asserts that his conviction resulted from ineffective assistance from his/her attorney. In that context, the prosecution is able to place the defendant's attorney on the witness stand as to those communications involving the specific issues alleged by the defendant as contributing to his/her conviction. **Madera**, 112 P.3d at 691.

> Hence, because defendant put in issue what advice he did or did not receive from counsel, as well as his own understanding of the proceedings, he waived the attorney-client privilege with respect to his discussions with counsel on these topics.

People v. Sickich, 935 P.2d 70, 73 (Colo. App. 1996)(citations omitted).

9. Assertion of both the attorney-client privilege by a governmental entity in a civil action and the plaintiff's attempt to pierce that privilege by subpoenaing the government's attorney to testify at trial requires specific findings by the trial court <u>and</u> proof by the plaintiff:

> Thus, the trial court "must enter appropriate orders clearly delineating the contours of the limited waiver before" the privilege holder discloses communications which would be privileged attorney-client communications but for the privilege holder's assertion of an ineffective assistance of counsel claim.

Id. (citation omitted).

> Therefore, we held that a subpoena served upon an opponent's attorney can withstand a motion to quash only if the non-moving party demonstrates on the record that: (1) the opposing counsel's testimony will be adverse to her client; (2) the evidence sought will likely be admissible under the controlling rules of evidence; and (3) <u>there is a "compelling need for such evidence, which need cannot be satisfied by some other source</u>." We emphasized that the first requirement of adversity cannot be inferred from the mere fact that the moving party subpoenaed opposing counsel to testify at trial. The moving party bears the burden of demonstrating actual adversity.

Wesp, 33 P.3d at 202 (citations omitted)(emphasis added), *extended to civil cases in* **Taylor v. Grogan**, 900 P.2d 60, 62 n. 5 (Colo.1995).

(3) Application to the testimony of Angela Garcia, Esq.

10. Plaintiff does not dispute that Garcia is legal counsel directly employed by Aurora to provide legal advice on various matters [Pl. Brief at 3]. Aurora does not dispute that Garcia provided Aurora with specific legal advice regarding Aurora's October 19 and November 3, 2017 responses to plaintiff's October 17 and 30, 2017 requests for internal affairs investigation records of the 6/23/16 incident involving the plaintiff [Answer, ¶ 34].

11. Therefore, the Court finds that the attorney-client privilege attaches to communications between Garcia and Aurora specifically involving legal advice provided by Garcia to Aurora regarding Aurora's October 19 and November 3, 2017 responses to plaintiff's October 17 and 30, 2017 requests for internal affairs investigation records of the 6/23/16 incident involving the plaintiff.

12. The Court also finds that Aurora's statement in its Answer that the denial of plaintiff's October 17 and 30, 2017 requests for the internal investigation records was based "upon advice of counsel" [Answer, ¶ 34] is an implied waiver of the attorney-client privilege as to communications between Garcia and Aurora on the specific issues addressed in Aurora's October 19 and November 3, 2017 responses for the following reasons:

a. Stating in its Answer that the denial of plaintiff's requests for records was based "upon advice of counsel" is an affirmative act by Aurora in direct response to plaintiff's Complaint alleging that the basis of the denials is (1) an abuse of Horton's discretion (on behalf of Aurora), and (2) arbitrary or capricious, thereby providing plaintiff with an award of attorneys' fees pursuant to C.R.S. § 24-72-305(7). **Madera**, 112 P.3d at 691-692.

b. By affirmatively claiming that Horton relied on Garcia's advice in responding to plaintiff's record requests, Aurora placed the protected communications at issue by making them relevant to the case. *Id.*

c. Application of the attorney-client privilege would deny plaintiff with access to information vital to establishing that the basis of the denials is (1) an abuse of Horton's discretion (on behalf of Aurora), and (2) arbitrary or capricious. *Id.*

13. <u>However</u>, before plaintiff is permitted to subpoena Garcia to testify at the March 9, 2018 hearing, plaintiff must establish that there is a "compelling need for such evidence, which need cannot be satisfied by some other source." **Wesp**, 33 P.3d at 202.

14. Within the context of this litigation to date, the Court provides the following analysis of the parties' respective positions regarding plaintiff's proof of a "compelling need" for Garcia's testimony about the basis for Aurora's October 19 and November 3, 2017 responses to plaintiff's October 17 and 30, 2017 requests for internal affairs investigation records of the 6/23/16 incident involving the plaintiff:

a. As noted above in ¶ 1(i)(1), Aurora's "advice of counsel" statement applies only to Aurora's October 19 and November 3, 2017 responses, and not to Deputy Chief O'Keefe's February 1, 2018 response.

b. Consequently, if Garcia testifies, her testimony will be confined to the basis for the 10/19/17 and 11/3/17 responses only.

c. On January 24, 2018, the Court held that the 10/19/17 and 11/3/17 responses failed to address the balancing factors under **Harris v. Denver Post Corp.**, 123 P.3d 1166 (Colo. 2005) and **Huspeni v. El Paso County Sheriff's Department**, 196 P.3d 892 (Colo. 2008) [1/24/18 Order, ¶ 3], and Aurora has admitted that the 10/19/17 and 11/3/17 responses failed to address these balancing factors (*see* ¶ 1.e. above).

d. Based on these findings and admissions, the Court finds that, *as to Aurora's 10/19/17 and 11/3/17 responses only*, Horton abused her discretion in denying plaintiff's record requests without performing a **Harris/Huspeni** analysis.

e. Notwithstanding these findings and admissions, if Aurora continues to assert that, *as to the 10/19/17 and 11/3/17 responses only*, Horton's denial of plaintiff's requests for records was not arbitrary and capricious, then the Court will find that plaintiff can demonstrate a "compelling need" for Garcia's testimony at the hearing on that discrete issue of arbitrary or capricious conduct, thereby permitting Garcia to testify.

f. On the other hand, if Aurora acknowledges that, *as to the 10/19/17 and 11/3/17 responses only*, Horton's denial of plaintiff's requests for records was arbitrary and capricious, then the Court will find that plaintiff cannot demonstrate a compelling need for Garcia's testimony at the hearing on that discrete issue because Aurora's admission renders such testimony unnecessary, thereby preventing Garcia from testifying.

15. Under any procedural scenario, Aurora will be permitted to assert as a defense to plaintiff's claims that Deputy Chief O'Keefe's February 1, 2018 partial denial of plaintiff's record request is (1) not an abuse of Aurora's discretion in considering such requests, and (2) not arbitrary or capricious.

16. Based on these rulings, the Court issues the following additional Orders:

a. Aurora is required to notify plaintiff in writing no later than 4:00 p.m. on Thursday, March 8, 2018, whether Aurora elects to acknowledge that, *as to the 10/19/17 and 11/3/17 responses only*, Horton's denial of plaintiff's requests for records was arbitrary and capricious (thereby preventing Garcia from testifying as to those issues). *See* ¶ 14.f. above.

b. If no such notice is received by 4:00 p.m. on Thursday, March 8, 2018, then plaintiff and the Court will presume that Aurora continues to assert that the 10/19/17 and 11/3/17 responses were not arbitrary and capricious, and that Garcia will be produced to testify as to those issues only. *See* ¶ 14.e. above.

By Order of the Court this 6th day of March, 2018.

John L. Wheeler
District Court Judge

Cc: All parties

DISTRICT COURT, ARAPAHOE COUNTY, COLORADO 7325 S. Potomac St., Centennial, CO 80112 Telephone: 303-649-6355	DATE FILED: May 7, 2018 CASE NUMBER: 2018CV30267
Petition of City of Aurora for Hearing Pursuant to Section 27-72-204(6)(a)	▲ COURT USE ONLY ▲
	Case No.: 2018CV30267 Div.: 402
ORDER	

The Court has before it a petition under Section 24-72-205(6)(a) brought by the City of Aurora ("the City"), concerning certain records which it believes are not subject to the Colorado Open Records Act, ("CORA"). § 24-72-201, et seq. C.R.S. (2017). The facts are as follows:

On March 5, 2017 at 1:32 p.m, Trevor Vaughn, City of Aurora Manager of Tax and Licensing received an email. The email was addressed to Mr. Vaughn's City of Aurora email account and was unsolicited. The email alleged that Carpet Connection, a business, was operating in Aurora without the proper licenses and without paying taxes to the proper authorities. The email contained a closing request from the author that the email remain anonymous. However, the author of the email appended his/her name to the email. In addition, the email was issued from a personal account, the address of which contains information about the sender's identity. Thus, the information on the email contains personally identifying information.

Mr. Vaughn did not promise the author of the email anonymity. Rather, Mr. Vaughn forwarded the allegation in the email, without the personally identifying information, to the Tax Audit Section of the City of Aurora. The Tax Audit Section of the City of Aurora sent a notice on March 8, 2017 to Shelly Thomen of Carpet Connection that the business would be audited.

On December 5, 2017, the Aurora City Clerk's Office received an open records request from Nick Kellem of Joseph H. Thibodeau, P.C., a law firm. In response to Mr. Kellem's request, the City produced a copy of the March 5, 2017 email. However, it redacted the sender's name and email address as Mr. Vaughn believed in good faith that the request for anonymity should be honored. In its response, the City stated:

> The record you are receiving in response to your Open Records Request has been redacted. Production of the redacted material would be contrary to public policy as set forth in section 16-15.7-101, and Section 24-341-602(sic) of the Colorado Revised Statutes and contrary to public policy enunciated in *People v. Marquez*, 190 Colo. 255 (1976) and *People v. Selig*, 914 P.2d 511 (Colo. App. 1996). As such under 24-72-204(1), C.R.S., the City is not disclosing a portion of the record requested while producing that portion which is not subject to protection

See Response of December 5, 2017, attached as Exhibit B to Petition.

On January 29, 2018, Mr. Vaughn notified the City Clerk's Office that he had received another request for the March 5, 2017 email. The City Clerk's Office opened another file and contacted the City Attorney's Office. The new request was from Douglas Norberg, Esq. On February 5, 2018, the City filed this petition seeking guidance from the Court as to whether the material provided redacted was covered by the public policy exception of the Open Records Act or whether it was required under CORA to provide the email with the personally identifying information unredacted. Mr. Norberg responded to the Court on February 13, 2018, and the matter was set for a hearing before the Court held on April 16, 2018.

The City asserted at hearing that "its redaction of identifying information in response to requests for the document falls within a well articulated state policy." It argues that it is aware of *Denver Publishing Company v. Dreyfus*, 520 P.2d 104 (Colo. 1974) in which the Colorado

Supreme Court restated that "all public records shall be open for inspection by any person at reasonable times, except as provided in part 2 or as otherwise specifically provided by law. *Id.* at 104 (citing § 24-72-201, C.R.S.). However, the City claimed that the identifying information in the email was exempt from disclosure under the "public interest" exception to CORA. As a result, the Court turns to an analysis as to whether or not the "public interest" exemption as claimed by the City applies in this matter.

Legal Analysis

The Court's analysis begins "where all CORA analysis begins – determining if the records at issue are public records within the scope of CORA's mandatory disclosure provisions." *Denver Publishing Company d/b/a Rocky Mountain News v. Board of County Commissioners of the County of Arapahoe*, 121 P.3d 190, 195 (Colo. 2005). The General Assembly of the State of Colorado has declared that it "is the public policy of the state that all public records shall be open for inspection by any person at reasonable times, except as provided herein or as otherwise specifically provided by law." *Id.* (citing § 24-72-201, C.R.S. (2004)). Thus, the General Assembly enacted CORA which requires the custodian of records to make available to the public all public records, subject only to certain exceptions. *Id.* CORA specifically defines "public records" as "all writings made, maintained, or kept by the state, any agency, institution . . . or political subdivision of the state . . . for use in the exercise of functions required or authorized by law or administrative rule or involving the receipt or expenditure of public funds." § 24-72-202, C.R.S. As discussed in *Denver Publishing Company*, the definition of public records was specifically expanded to include email messages. *Denver Publishing Company*, 121 P.3d at 198 (citing § 24-72-202(7)). Thus, emails to public officials are a class of writings that may be deemed as "public records" under CORA. *Id.* As a result, the Court first finds that the email in question, an email sent to a public official at a political subdivision of the state, is a public record that may be deemed covered by CORA.

Next the Court turns to whether the email in question is exempt under an exception to the disclosure mandate contained in CORA. The City asserts that the public interest exception contained in section 24-72-201(6)(a) should cover the email in question. This exception permits that a record "open and subject to disclosure and release may be exempted from release when such release would do substantial injury to the public interest." *Daniels v. City of Commerce City, Custodian of Records,* 988 P.2d 648, 651-52 (Colo. App. 1999). The City asserts that this public interest arises from the fact that the sender of the email was reporting a violation of City law and that he or she requested anonymity. Thus, the City asserts it has an interest in having citizens report crime without fear or reprisal and that to do so would be a "substantial injury to the public interest." The City asserted at the hearing that there are many mechanisms for persons to report crimes anonymously such as the Crime Stoppers or Safe2Tell telephone lines.

Mr. Norberg asserts, and the Court agrees, that City has the burden of proof in this matter. *Daniels,* 988 P.2d at 651. Further, he asserts that the City cannot meet the three-part test enunciated in *Todd v. House*, 371 P.3d 705, 712 (Colo. App. 2015), to determine whether the public interest exception applies. This test includes: (1) whether the individual has a legitimate expectation of nondisclosure; (2) whether disclosure is required to serve a compelling public interest; and (3) if so, how disclosure may occur in the least intrusive manner with respect to the individual's privacy right. *Id.* at 712. Mr. Norberg asserted at hearing that an individual who contacts a public official with an email address that clearly identifies his or her identity and actually includes that name within the body of the email has no "legitimate expectation of nondisclosure" and that in addition, there is no compelling public interest which would prohibit application of CORA. The Court now reviews the facts in this case with these legal principles in mind.

Legitimate expectation of nondisclosure

First, the Court notes that the mere inclusion of personally identifying information on a document that may be subject to the provisions of CORA does not necessarily dictate a finding that the sender/responder has no legitimate expectation of nondisclosure. The Court has been unable to find much case authority to provide guidance on this issue. However, the Colorado Appellate Courts tangentially considered this issue in litigation regarding constituent surveys. *Colorado Republican Party v. Bennefield*, 337 P.3d 1199 (Colo. App. 2011), aff'd 329 P.3d 262 (Colo. 2014). In *Bennefield*, a CORA request was made to obtain constituent surveys received by state representatives, some of which contained identifying information. The District Court, after hearing, initially found that the surveys were public records subject to disclosure under CORA and ordered their production. The Court of Appeals reversed in a non-published opinion, and remanded to the trial court. An additional order issued, and in a subsequent published opinion, the unpublished opinion was discussed. In the original appellate division, in reversing and remanding, the Court of Appeals made a distinction between the constituent surveys, specifically noting those in which "the content of the constituent's response plainly indicates that he or she would expect the Representative to keep the information private" and those which did not. *See Colorado Republican Party v. Bennefield*, 337 P.3d 1199, 1202 (Colo. App. 2011) (quoting *Colorado Republican Party v. Bennefield*, No. 07CA1216, 2008 WL 4667078 (Colo. App. Oct. 23, 2011) (not published pursuant to C.A.R. 35(f))). The Court of Appeals determined that there were surveys which were clearly anonymous because the constituent did not provide any identifying information, surveys in which there were written comments which provided identifying information as to the author, but no name, surveys which the constituent provided identifying information such as name, email address, mailing address, and phone number while only checking boxes; and surveys in which there was identifying information and the responding constituent "expressly requested that such information be kept confidential because the request makes clear the constituent's intent that it be non-public" i.e. by providing personal information such as his or her finances, health or other circumstances." *Id. at 1203.* The Court of Appeals, in addressing those surveys in which the constituent identified himself or herself by email address, name, mailing address or phone number but provided no other identifying information, found that "these surveys merely express the constituent's positions on various issues without disclosing personal information that one would expect to remain confidential, such as details about their finances, health or other circumstances." *Id.* It found that "these types of responses are also public records subject to disclosure under CORA."

Thus, the Court in the present case turns to the subject email. It concludes that the author who includes a name, email address, and other personally identifying information in an email has no legitimate expectation of privacy as required by *Todd.* A person who sends a letter with a return address and signature has no legitimate expectation of privacy unlike the sender of an anonymous letter. A sender of an anonymous email, from an account which is not clearly identifiable, also may have a legitimate expectation of privacy. However, the legitimate expectation of privacy of a sender of an email who included self-identifying information in the email address and in the body of an email is more akin to that of the sender of a return addressed, signed letter. The Court finds that the City has failed in its burden under the first prong of *Todd.*

Substantial injury to public interest

Regardless of whether the sender of the email had a legitimate expectation of privacy, the Court also believes that the City cannot meet its burden on the second prong of *Todd.* The City also argues that it withheld the email because releasing it would cause substantial injury to the public interest by revealing the name of a citizen who is reporting a violation of law and has requested anonymity. Mr. Norberg asserts to the contrary, stating "[g]enerally, disclosure of the identity of a complaining party does not do a substantial injury to the public interest." He argues that withholding such information would allow parties to "harass a person or entity by filing false complaints and enable the complainant to escape responsibility and accountability for such acts, and/or/ breaches of professional duties." *Response*, at ¶ 11.

The City argued at hearing that providing information such as that contained in the email in question was akin to calling the Safe2Tell or CrimeStoppers phone lines. However, the City admitted that it did not have any information on the City website, or any ordinance that would provide any person any expectation that the information that they were providing to the City would be anonymous or subject to any expectation of confidentiality.

The Court notes that the Colorado Criminal Justice Records Act, §§ 24-72-300 et seq. pertains to records kept by Criminal Justice Agencies. These entities are defined as:

> . . . [A]NY agency of the state, including but not limited to the department of education, or any agency of any county, city and county, home rule city and county, home rule city or county, city, town, territorial charter city, governing boards of institutions of higher education, school district, special district, judicial district, or law enforcement authority that performs any activity directly relating to the detection or investigation of crime, the apprehension, pretrial release, post trial release, prosecution, correctional supervision, rehabilitation, evaluation, or treatment of accused persons or criminal offenders; or criminal identification activities or the collection, storage or dissemination of arrest and criminal records information.

See § 24-72-302(3). Thus, the City could fall under the CCJRA's purview. While Colorado's two open government laws, CORA and the CCJRA, generally favor broad disclosure of records, the Colorado Supreme Court has construed the CCJRA to favor somewhat less broad disclosure. The legislative policy regarding access to criminal justice records under the CCJRA is more limited than access to public records under CORA. *Harris,* 123 P.3d at 1171; *see Wick Commc'ns Co. v. Montrose County Bd. of County Comm'rs.*, 81 P.3d 360, 364 (Colo.2003) (describing the General Assembly's preference for broad disclosure of public records favored under CORA). Thus, the CCJRA preference for disclosure is tempered by the privacy interests and dangers of adverse consequences involved in the inspection request. *Harris,* 123 P.3d at 1175; *Freedom Colorado Info., Inc. v. El Paso Cty. Sheriff's Dep't*, 196 P.3d 892, 899 (Colo. 2008). Neither the City nor Mr. Norberg has alleged that the email in question is a CCJRA record nor that it is subject to the official action designation[1]. However, since the City is analogizing the email to information provided by an informant in a criminal investigation, the Court will examine the disclosure under the CCJRA.

[1] Records subject to CCJRA official actions designation are open to inspection subject to the rules and regulations of the agency under section 24-72-303, C.R.S.

The CCJRA differentiates between two categories of records: (1) records of "official action," and (2) all other criminal justice records, each possessing its own "regimens of public access to those records." § 24–72–301, C.R.S. (2008); *Thompson,* 181 P.3d at 1145; *see* §§ 24–72–301(2), –303(1), –304(1), C.R.S. (2008); *Office of State Court Adm'r v. Background Info. Servs., Inc.*, 994 P.2d 420, 427 (Colo.1999); *See Freedom Colorado Info., Inc.* 196 P.3d at 898 (Colo. 2008). "Official action" is defined as "an arrest; indictment; charging by information; disposition, pretrial or post-trial release from custody; judicial determination of mental or physical condition; decision to grant, order or terminate probation, parole or participation in a correctional or rehabilitative program; and any decision to formally discipline, reclassify, or relocate any person under criminal system." § 24-72-302(7), C.R.S.

However, the City argued at hearing that the email was akin to an anonymous tip submitted to CrimeStoppers or Safe2Tell. Thus, the Court will consider if it is "investigatory" in nature and could be classified as a criminal justice record under CCJRA. In *Johnson v. Colorado Department of Corrections,* 972 P.2d 692 (Colo. App. 1998) investigatory records that were made and maintained in the exercise of an authorized function of the DOC governed by administrative regulations were considered criminal justice records. *Id.* In the *Johnson* case the trial court determined that such ongoing internal affairs investigations could be "substantially hampered" by the disclosure of such interim materials and the trial court credited the testimony indicating that reporting parties and witnesses could be subject to "harassment and intimidation" if their names and the contents of their statements had to be revealed. *See also* DOC Regulation 1150-4 (1986). The risk of such harassment and intimidation, coupled with the preliminary nature of the investigatory report in question, supported the Court of Appeals' determination that disclosure would be contrary to the public interest. *See Johnson,* 972 P.2d at 695.

In the present case, the Court received no evidence or argument that there is any ongoing investigation, that any action was taken by the City based on that investigation, or that if an investigation or proceeding was taking place that it could be "substantially hampered" by the disclosure of the remaining contents of the email. In addition, the City also has no ordinances or regulations that would provide any citizen with the impression that any such identifying information would be confidential, that complaints could be accepted anonymously, or that would provide the Court with a framework for balancing the mandate to disclose such records with the public interest that might be advanced by its non-disclosure. Therefore, the Court finds that the identifying information is not investigatory in nature and that even if it were a CCJRA record, it would be subject to the disclosure requirement mandates found in that act. If the City had policies that protected such disclosures, or regulations that enunciate the interest and provide a method of balancing the competing interest, this would have militated toward the City's argument regarding the existence of a substantial public interest. No such evidence was provided to the Court to support this contention.

Therefore, the Court finds that regardless of the application of the CCJRA that, in undertaking the analysis regarding CORA found in *Todd v. House*, the disclosure of the identifying information in the email does not violate a substantial public interest, and thus it is not exempt from disclosure. As the Court has found no substantial public interest, it does not have to proceed to examine the third prong of the *Todd* test.

Thus, the Court orders that the email be produced in an unredacted format within fourteen days of this order.

SO ORDERED

Dated this 7 day of May 2018.

BY THE COURT:

District Court Judge

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Management and Finance Policy Committee

Agenda Item Commentary

Item Title: Proposed Marijuana Tax Revenue Fund Ordinance	
Item Initiator: Terri Velasquez	
Staff Source: Terri Velasquez, Finance Director	
Deputy City Manager Signature: Jason Batchelor	
Outside Speaker:	
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City	

ACTIONS(S) PROPOSED ***(Check all appropriate actions)***

☒ Approve Item and Move Forward to Study Session

☐ Approve Item and Move Forward to Regular Meeting

☐ Information Only

HISTORY ***(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)***

Proposed ordinance authorizing the continuing appropriation of funds from the Marijuana Tax Revenue Fund for the City of Aurora's Homelessness Program

ITEM SUMMARY ***(Brief description of item, discussion, key points, recommendations, etc.)***

Budget Officer Greg Hays will provide an overview of the proposed ordinance.

QUESTIONS FOR Committee

Does the Committee support moving the proposed ordinance forward to Study Session and Regular Meeting as a dual listing?

EXHIBITS ATTACHED:

Proposed Marijuana Tax Revenue Fund Continuing Appropriation Ordinance.doc

DRAFT

ORDINANCE NO. 2019-____

A BILL

FOR AN ORDINANCE OF THE CITY OF AURORA, COLORADO, AUTHORIZING THE CONTINUING APPROPRIATION OF FUNDS FROM THE MARIJUANA TAX REVENUE FUND FOR THE CITY OR AURORA HOMELESSNESS PROGRAM

WHEREAS, the City Council (the "Council") has created through Ordinance 2016-52 a Marijuana Tax Revenue Fund (the "Fund"), providing for annual, periodic, or continuing appropriations from such Fund, and Council has made appropriations from the Fund through Ordinance 2018-63; and

WHEREAS, Council authorized certain expenditures from the Fund for the express purpose of assisting with homelessness in the City, and now the Council desires to establish a process to allow for the continuing appropriation of funds; and

WHEREAS, Council finds and determines that it is reasonable and appropriate to authorize the continuing appropriation of funds for the homelessness program and that such continuing appropriation enhances the public safety, and helps with the overall general improvement to the quality of life within the City of Aurora by providing assistance to the homeless population.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO THAT:

<u>Section 1.</u> Appropriations from the Marijuana Tax Revenue Fund allocated to the Homelessness Program shall not lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned; provided that any such purpose shall have been deemed to be abandoned if three (3) fiscal years lapse without any expenditure from or encumbrance of said appropriation. Therefore continuing appropriation is hereby authorized as regulated in this section.

<u>Section 2.</u> This Ordinance shall apply retroactively to appropriations made for the 2017 and 2018 fiscal year.

<u>Section 3.</u> All ordinances or parts of ordinances of the City of Aurora, Colorado, in conflict herewith are expressly repealed.

<u>Section 4.</u> Pursuant to Section 5-5 of the Charter of the City of Aurora, Colorado, the second publication of this ordinance shall be by reference, utilizing the ordinance title.

INTRODUCED, READ AND ORDERED PUBLISHED this ______ day of _______________, 2019.

PASSED AND ORDERED PUBLISHED BY REFERENCE this ______ day of ________________, 2019.

____
BOB LEGARE, Mayor

ATTEST:

____
STEPHEN J. RUGER,
City Clerk

APPROVED AS TO FORM:

____
HANOSKY HERNANDEZ,
Assistant City Attorney

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Management and Finance Policy Committee
Agenda Item Commentary

Item Title: Debt Manual	
Item Initiator: Joseph Scott	
Staff Source: Mike Shannon - Debt, Treasury & Investments Manager, x37538	
Deputy City Manager Signature: Jason Batchelor	
Outside Speaker:	
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City	

ACTIONS(S) PROPOSED ***(Check all appropriate actions)***

☐ Approve Item and Move Forward to Study Session

☐ Approve Item and Move Forward to Regular Meeting

☒ Information Only

HISTORY ***(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)***

Each year the Management & Finance Policy Committee (M&F) is provided an overview of the City's outstanding debt. As part of that overview, the Debt Manual is provided to members of M&F. This Manual is updated every spring to reflect the actual outstanding debt as of the end of the prior calendar year. Part of the review includes a short overview of the City's Investor Page (https://www.auroragov.org/cms/one.aspx?pageId=8592972)

ITEM SUMMARY ***(Brief description of item, discussion, key points, recommendations, etc.)***

During fiscal year 2018, a number of transactions were completed and are summarized in the attached documents. In addition to an electronic copy of the Debt Manual for Fiscal Year 2018 attached is a list of transactions completed over the past few years.

This review is part of the City's best practices for encouraging and providing transparency to investors and citizens of Aurora, which includes an overview of the City's Investor Page, which is available to the public, outlining the City's debt related transactions and more. In a recent ratings report from S&P for the Central Rec COPs, S&P provided a rating upgrade from AA- to AA. In addition to the overall strong economy in the region, S&P mentioned "very strong management, with strong financial policies and practices. We revised our assessment to strong from good due to changes in our view of the city's debt management policy, reporting, and capital planning practices." Additionally, S&P identified other highlights such as "debt policy last updated in 2016 that includes clear conceptual framework, detailed swap policy and limited ratio constraints, although its annual "debtbook" provides strong transparency as to holdings, including private placement financing."

QUESTIONS FOR Committee
Information only.

EXHIBITS ATTACHED:

Aurora CO Debt Book (2019).pdf
COA Financing Transactions December 2018 FINAL.pdf

Analysis of Outstanding Debt

City of Aurora, Colorado

As of January 1, 2019

HilltopSecurities
A Hilltop Holdings Company.

CONTACT:

Jason Simmons, Managing Director

8055 E. Tufts Avenue, Suite 500, Denver, CO 80237

Phone 303.771.0217

City of Aurora, Colorado

As of January 1, 2019
Analysis of Outstanding Debt

The City of Aurora, Colorado

Table of Contents

Subordinate Interfund Revenue Note (SEAM)

F. Details of Outstanding Golf Enterprise Revenue Debt

Murphy Creek Golf Course Revenue Refunding Note, Series 2017

G. Details of Outstanding General Improvement District Debt

GID 1-16 (Cobblewood) General Obligation Bonds, Series 2017
GID 2-09 (Pier Point 7) General Obligation Bonds, Series 2011
GID 3-08 (Meadow Hills) General Obligation Bonds, Series 2010
GID 1-08 (Peoria Park) General Obligation Bonds, Series 2010
GID 1-07 (Cherry Creek) General Obligation Bonds, Series 2009

Official Statement Cover

H. Details of Outstanding Special Improvement District Debt

Special Improvement District Revenue Note (Dam East), Series 2012

I. Details of Outstanding Urban Renewal Authority Debt

AURA The Point Loan, 2016
NBH Hyatt Hotel Loan, 2014
Special Obligation Revenue Note (Fan Fare Property), 2012

J. Details of Outstanding Derivatives

Interest Rate Cap (Hyatt Hotel Loan)

Exhibit 1: 2017 Fitch Full Rating Report

City of Aurora, Colorado

Tab A: Summary of Outstanding Debt

As of January 1, 2019

Summary of Outstanding Debt

HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado

Outstanding Debt by Purpose

Summary of Outstanding Bond Issues as of January 1, 2019

Issue	Series	Original Principal	Outstanding Principal	Outstanding Coupon Range	Maturity	Call Date	Current Underlying Ratings: Moody's	S&P	Fitch	Purpose
Certificates of Participation										
Certificates of Participation	2017B	$ 27,675,000	$ 26,790,000	3.000%-5.000%	12/1/2037	12/1/2027	N/A	AA	AA-	New Money
Certificates of Participation	2017	28,865,000	27,980,000	2.000%-5.000%	12/1/2042	12/1/2026	N/A	AA	AA-	New Money
Certificates of Participation	2015	24,340,000	22,405,000	3.500%-3.750%	12/1/2040	12/1/2025	Aa2	N/A	AA-	New Money
Certificates of Participation	2014	21,775,000	14,915,000	4.000%-5.000%	12/1/2024	Non-Callable	Aa2	AA	N/A	New Money
Refunding Certificates of Participation	2009A	84,160,000	72,785,000	3.250%-5.000%	12/1/2030	12/1/2019	Aa2	AA	N/A	Refunding
		$ 186,815,000	$ 164,875,000							
ACLC Capital Leases										
ACLC Lease Purchase (Police)	2018B	$ 359,677	$ 329,643	2.500%	3/1/2025	Non-Callable		Not Rated		New Money
ACLC Lease Purchase (PROS)	2018A	65,215	65,215	2.500%	3/1/2023	Non-Callable		Not Rated		New Money
Rolling Stock	2018-A	1,750,000	1,750,000	2.880%	3/27/2025	Callable Anytime		Not Rated		New Money
Hogan Parkway	2018	19,000,000	19,000,000	3.050%	2/1/2027	Callable Anytime		Not Rated		New Money
Rolling Stock	2017-C	1,220,000	1,043,212	1.980%	3/27/2024	Non-Callable		Not Rated		New Money
District II Police Station Phase II	2017-A	10,095,000	9,575,000	2.650%	2/1/2032	6/7/2022		Not Rated		New Money and Refunding
Moorhead Recreation Center	2016-B	8,643,000	6,173,571	1.250%	2/1/2023	Non-Callable		Not Rated		New Money
Rolling Stock	2016-A	2,060,597	1,482,587	1.460%	3/27/2023	Non-Callable		Not Rated		New Money
Rolling Stock	2015-B	3,182,736	1,851,793	1.676%	3/27/2022	Non-Callable		Not Rated		New Money
Equipment Lease Purchase Agreement (SCBA)	2015-A	1,644,700	333,201	1.208%	3/27/2019	Non-Callable		Not Rated		New Money
History Museum Expansion	2014-B	1,383,800	872,741	2.560%	12/1/2024	Non-Callable		Not Rated		New Money
Rolling Stock	2014-A	1,674,787	342,314	1.480%	3/27/2019	Non-Callable		Not Rated		New Money
Rolling Stock	2012-B	1,773,430	260,961	1.340%	3/27/2019	Non-Callable		Not Rated		New Money
		$ 52,852,942	$ 43,080,238							
Water Enterprise										
First-Lien Water Refunding Revenue Bonds (Green Bonds)	2016	$ 437,025,000	$ 437,025,000	1.500% - 5.000%	8/1/2046	8/1/2026	N/A	AA+	AA+	Current Refunding and Advance Refunding
Water Rights Rocky Ford II Notes	2004	8,280,091	176,883	2.300%	1/1/2019	Non-Callable		Not Rated		New Money
		$ 445,305,091	$ 437,201,883							
Sewer Enterprise										
First-Lien Sewer Revenue Bonds	2018A	$ 2,000,000	$ 2,000,000	3.035%	8/1/2030	Callable Anytime + Breakage		Not Rated		New Money
First-Lien Sewer Revenue Bonds	2018B	28,000,000	0 (1)	Variable	8/1/2030	Callable Anytime + Breakage		Not Rated		New Money
First-Lien Sewer Refunding Revenue Bonds	2016	28,900,000	23,380,000	1.560%	8/1/2026	Non-Callable		Not Rated		Refunding
Total First-Lien		58,900,000								
Subordinate Interfund Revenue Note (SEAM)	2018	16,000,000	16,000,000	2.500%	12/1/2026	Non-Callable		Not Rated		New Money
(1) Revolving Drawdown Loan with no draws as of 1/1/2019		$ 74,900,000	$ 25,380,000							
Golf Course Enterprise										
Murphy Creek Golf Course Note	2017	$ 3,909,000	$ 3,334,000	2.000%	12/1/2026	Any Date		Not Rated		Restructure 2011 Note
		$ 3,909,000	$ 3,334,000							
General Improvement District										
Cobblewood	2017	$ 650,000	$ 347,000	3.270%	11/15/2032	11/16/2022		Not Rated		New Money
Pier Point	2011	2,600,000	1,935,000	4.380%	11/15/2031	Non-Callable		Not Rated		New Money
Meadow Hills	2010	520,000	360,000	4.990%	11/15/2031	Non-Callable		Not Rated		New Money
Peoria Park	2010	375,000	278,000	5.450%	11/15/2031	Non-Callable		Not Rated		New Money
Cherry Creek	2009	700,000	470,000	5.250%	11/15/2029	Non-Callable		Not Rated		New Money
		$ 4,845,000	$ 3,390,000							
Special Improvement District										
Revenue Note (Dam East)	2012	$ 1,230,000	$ 365,000	2.730%	11/15/2022	Any Date		Not Rated		New Money
		$ 1,230,000	$ 365,000							
Urban Renewal Authority										
AURA The Point Loan	2016	$ 21,500,000	$ 21,500,000	1.750%	12/1/2041	Any Date		Not Rated		New Money
NBH Hyatt Hotel Loan	2014	27,750,000	27,750,000	2.400%	12/1/2024	Any Date		Not Rated		New Money
Fan Fare Property Loan	2012	4,000,000	3,800,000	2.500%	12/1/2037	Any Date		Not Rated		New Money
		$ 53,250,000	$ 53,050,000							
	TOTAL	**$ 823,107,033**	**$ 730,676,121**							
Derivatives										
Interest Rate Cap (Hyatt Hotel Loan)	2015	$ 25,000,000	$ -	6.500%	12/1/2024					

City of Aurora, Colorado

Tab B: Details of Outstanding Certificates of Participation Debt

As of January 1, 2019

Certificates of Participation Debt

City of Aurora, Colorado

All Outstanding Certificates of Participation Debt
As of January 1, 2019
(000's)

Year Ending December 31	$27,675,000 Certificates of Participation Series 2017B		$28,865,000 Certificates of Participation Series 2017		$24,340,000 Certificates of Participation Series 2015		$21,775,000 Certificates of Participation Series 2014		$84,160,000 Refunding Certificates of Participation Series 2009A			
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon		
2019	910	4.000%	680	3.000%	690	3.500%	2,190	5.000%	2,115/2,000	3.500%/5.000%		
2020	945	5.000%	700	3.000%	715	3.500%	2,300	5.000%	4,290	5.000%		
2021	995	5.000%	720	4.000%	740	3.500%	2,420	5.000%	4,505	5.000%		
2022	1,045	5.000%	750	4.000%	765	3.500%	2,540	5.000%	4,730	5.000%		
2023	1,095	5.000%	780	4.000%	795	3.500%	2,665	5.000%	4,965	5.000%		
2024	1,150	5.000%	810	4.000%	820	3.500%	2,800	5.000%	5,215	5.000%		
2025	1,210	5.000%	840	5.000%	850	3.500%			5,475	5.000%		
2026	1,270	5.000%	885	5.000%	880	3.500%			5,750	5.000%		
2027	1,335	5.000%	930	5.000%	910	3.500%			6,035	5.000%		
2028	1,400	5.000%	975	5.000%	940	3.500%			6,340	5.000%		
2029	1,470	5.000%	1,025	5.000%	975	3.500%			6,655	5.000%		
2030	1,545	5.000%	1,075	5.000%	1,010	3.500%			14,710	5.000%		
2031	1,620	3.000%	1,130	5.000%	1,045	3.500%						
2032	1,670	3.000%	1,185	5.000%	1,080	3.500%						
2033	1,720	3.000%	1,245	5.000%	1,120	3.625%						
2034	1,770	3.000%	1,305	5.000%	1,160	3.625%						
2035	1,825	3.000%	1,370	5.000%	1,200	3.750%						
2036	1,880	3.125%	1,440	3.500%	1,245	3.750%						
2037	1,935	3.125%	1,490	5.000%	1,290	3.750%						
2038			1,565	5.000%	1,340	3.750%						
2039			1,645	5.000%	1,390	3.750%						
2040			1,725	5.000%	1,445	3.750%						
2041			1,810	5.000%								
2042			1,900	5.000%								
TOTALS	$26,790		$27,980		$22,405		$14,915		$72,785			
Next Call	12/1/2027 @ Par		12/1/2026 @ Par		12/1/2025 @ Par		Non-Callable		12/1/2019 @ Par			
Dated Date	8/15/2017		5/2/2017		5/28/2015		12/30/2014		9/30/2009			
Coupon Dates	June 1	December 1	June 1	December 1	June 1	December 1	June 1	December 1	June 1	December 1		
Maturity Dates	December 1		December 1		December 1		December 1		December 1			
Insurer	None		None		None		None		None			
Paying Agent	UMB		UMB		US Bank		US Bank		Wells Fargo			
Purpose	New Money		New Money		New Money		New Money		Refunding Series 2008A and Series 2005 Certificates			

Color Legend

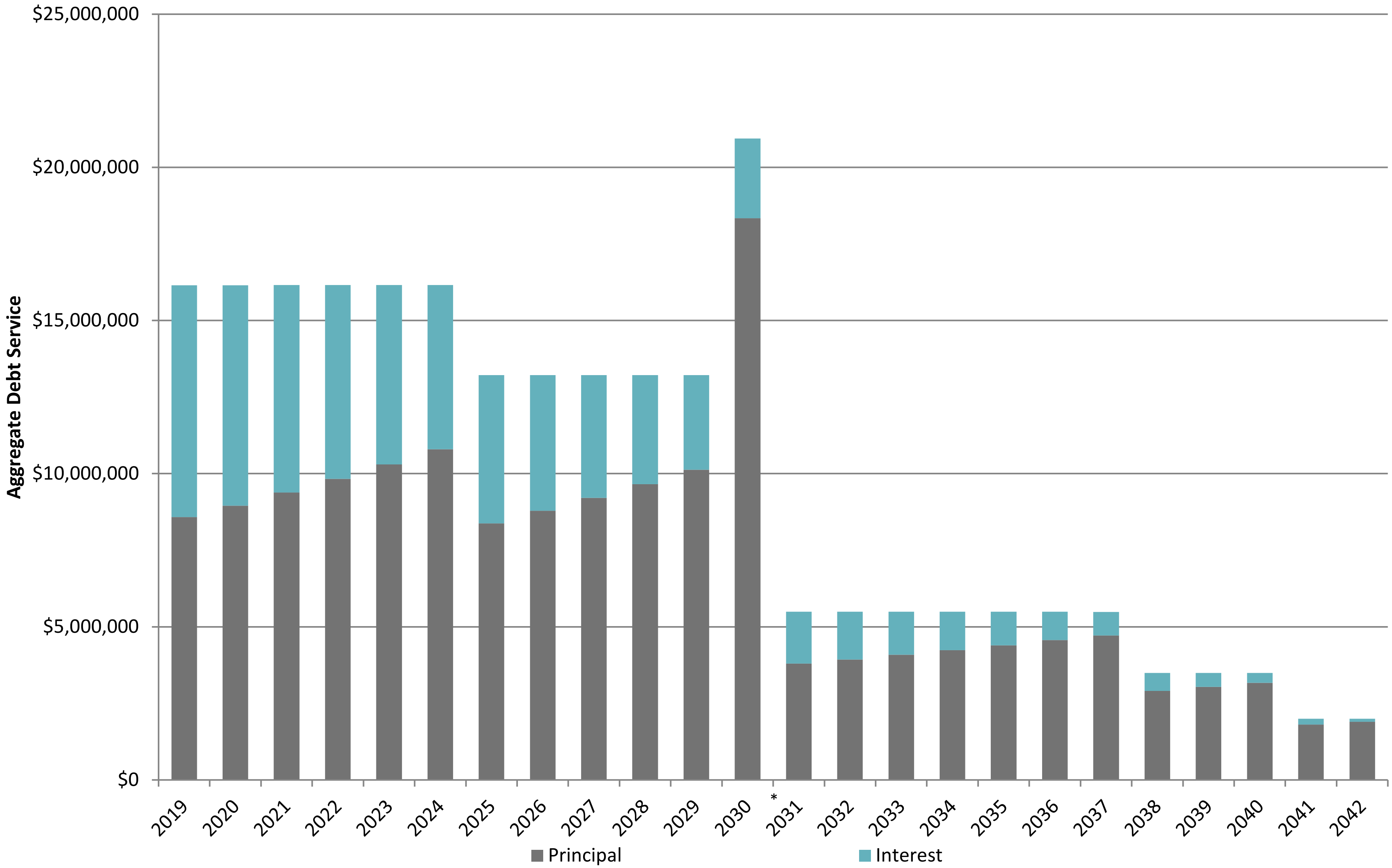
Callable Bonds — Non-Callable

City of Aurora, Colorado
Certificates of Participation
Summary of Oustanding Obligations as of January 1, 2019

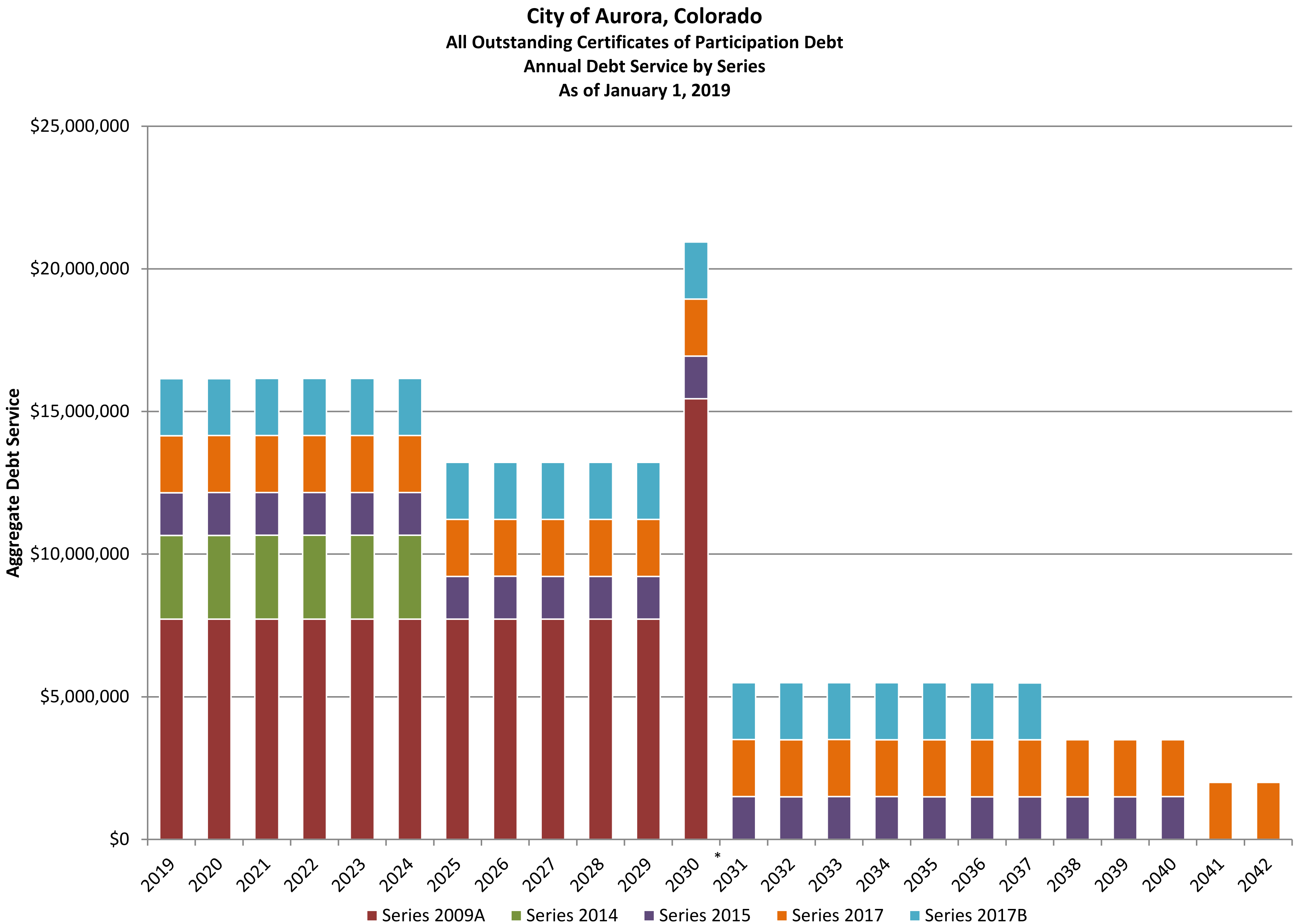
TOTAL ANNUAL DEBT SERVICE						
	Series 2009A	Series 2014	Series 2015	Series 2017	Series 2017B	Total
2019	7,722,525	2,935,750	1,496,800	1,999,200	1,996,769	16,151,044
2020	7,723,500	2,936,250	1,497,650	1,998,800	1,995,369	16,151,569
2021	7,724,000	2,941,250	1,497,625	1,997,800	1,998,119	16,158,794
2022	7,723,750	2,940,250	1,496,725	1,999,000	1,998,369	16,158,094
2023	7,722,250	2,938,250	1,499,950	1,999,000	1,996,119	16,155,569
2024	7,724,000	2,940,000	1,497,125	1,997,800	1,996,369	16,155,294
2025	7,723,250	-	1,498,425	1,995,400	1,998,869	13,215,944
2026	7,724,500	-	1,498,675	1,998,400	1,998,369	13,219,944
2027	7,722,000	-	1,497,875	1,999,150	1,999,869	13,218,894
2028	7,725,250	-	1,496,025	1,997,650	1,998,119	13,217,044
2029	7,723,250	-	1,498,125	1,998,900	1,998,119	13,218,394
2030	15,445,500	-	1,499,000	1,997,650	1,999,619	20,941,769
2031	-	-	1,498,650	1,998,900	1,997,369	5,494,919
2032	-	-	1,497,075	1,997,400	1,998,769	5,493,244
2033	-	-	1,499,275	1,998,150	1,998,669	5,496,094
2034	-	-	1,498,675	1,995,900	1,997,069	5,491,644
2035	-	-	1,496,625	1,995,650	1,998,969	5,491,244
2036	-	-	1,496,625	1,997,150	1,999,219	5,492,994
2037	-	-	1,494,938	1,996,750	1,995,469	5,487,156
2038	-	-	1,496,563	1,997,250		3,493,813
2039	-	-	1,496,313	1,999,000		3,495,313
2040	-	-	1,499,188	1,996,750		3,495,938
2041	-	-	-	1,995,500		1,995,500
2042	-	-	-	1,995,000		1,995,000
Total	**100,403,775**	**17,631,750**	**32,947,925**	**47,942,150**		**236,885,206**

City of Aurora, Colorado

All Outstanding Certificates of Participation Debt
Aggregate Annual Debt Service
As of January 1, 2019



*COPs include $7,725,250 debt service reserve fund to be applied in full to 2030 debt service for Series 2009A.



*COPs include $7,725,250 debt service reserve fund to be applied in full to 2030 debt service for Series 2009A.

HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$27,675,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Certificates of Participation, Series 2017B**
Registrar/Paying Agent:	UMB Bank, n.a.
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Janney Montgomery Scott
Method of Sale:	Competitive
Arbitrage Yield:	2.7362%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	8/15/2022
Arbitrage Liability Calcs:	N/A
Source of Repayment:	General Fund Lease Payments
Bond Covenant:	Annual Appropriation

Purpose: The Project to be financed with the proceeds of the Series 2017B Certificates consists of the design, construction and equipping (including acquisition of related vehicles) of three facilities to be used as the City's Fire Station No. 5, Fire Station No. 15 and Fire Station No. 16.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	910,000	4.000%	1,086,769	1,996,769
2020	945,000	5.000%	1,050,369	1,995,369
2021	995,000	5.000%	1,003,119	1,998,119
2022	1,045,000	5.000%	953,369	1,998,369
2023	1,095,000	5.000%	901,119	1,996,119
2024	1,150,000	5.000%	846,369	1,996,369
2025	1,210,000	5.000%	788,869	1,998,869
2026	1,270,000	5.000%	728,369	1,998,369
2027	1,335,000	5.000%	664,869	1,999,869
2028	**1,400,000**	5.000%	598,119	1,998,119
2029	**1,470,000**	5.000%	528,119	1,998,119
2030	**1,545,000**	5.000%	454,619	1,999,619
2031	**1,620,000**	3.000%	377,369	1,997,369
2032	**1,670,000**	3.000%	328,769	1,998,769
2033	**1,720,000**	3.000%	278,669	1,998,669
2034	**1,770,000**	3.000%	227,069	1,997,069
2035	**1,825,000**	3.000%	173,969	1,998,969
2036	**1,880,000**	3.125%	119,219	1,999,219
2037	**1,935,000**	3.125%	60,469	1,995,469
TOTAL	**26,790,000**		**11,169,606**	**37,959,606**

Redemption Provision: December 1, 2027 @ 100% **Callable Bonds**

Maturity Dates: December 1

Interest Payment Dates: June 1 & December 1

Original Par Amount:	**$28,865,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Certificates of Participation, Series 2017**
Registrar/Paying Agent:	UMB Bank, n.a.
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Stifel, Nicolaus & Company Inc.
Method of Sale:	Negotiated
Arbitrage Yield:	2.9550%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	5/2/2022
Arbitrage Liability Calcs:	N/A
Source of Repayment:	General Fund Lease Payments
Bond Covenant:	Annual Appropriation

Purpose: The Project consists of the design and construction of a community recreation center on a 20-acre site currently owned by the City. The Site was previously designated as a community park and community recreation center based on the need for recreation facilities in the area, the size of the parcel, the Site's compatibility with adjacent land uses, the intended connection to the City's regional trail system, and access from nearby arterial roadways. The Series 2017 Certificates are issued for the purpose of financing the costs of the design and construction of a community recreation center.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	680,000	3.000%	1,319,200	1,999,200
2020	700,000	3.000%	1,298,800	1,998,800
2021	720,000	4.000%	1,277,800	1,997,800
2022	750,000	4.000%	1,249,000	1,999,000
2023	780,000	4.000%	1,219,000	1,999,000
2024	810,000	4.000%	1,187,800	1,997,800
2025	840,000	5.000%	1,155,400	1,995,400
2026	885,000	5.000%	1,113,400	1,998,400
2027	**930,000**	5.000%	1,069,150	1,999,150
2028	**975,000**	5.000%	1,022,650	1,997,650
2029	**1,025,000**	5.000%	973,900	1,998,900
2030	**1,075,000**	5.000%	922,650	1,997,650
2031	**1,130,000**	5.000%	868,900	1,998,900
2032	**1,185,000**	5.000%	812,400	1,997,400
2033	**1,245,000**	5.000%	753,150	1,998,150
2034	**1,305,000**	5.000%	690,900	1,995,900
2035	**1,370,000**	5.000%	625,650	1,995,650
2036	**1,440,000**	3.500%	557,150	1,997,150
2037	**1,490,000**	5.000%	506,750	1,996,750
2038	**1,565,000**	5.000%	432,250	1,997,250
2039	**1,645,000**	5.000%	354,000	1,999,000
2040	**1,725,000**	5.000%	271,750	1,996,750
2041	**1,810,000**	5.000%	185,500	1,995,500
2042	**1,900,000**	5.000%	95,000	1,995,000
TOTAL	**27,980,000**		**19,962,150**	**47,942,150**

Redemption Provision:	December 1, 2026 @ 100%	**Callable Bonds**
Maturity Dates:	December 1	
Interest Payment Dates:	June 1 & December 1	

Original Par Amount:	**$24,340,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Certificates of Participation, Series 2015**
Registrar/Paying Agent:	US Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	RBC Capital Markets
Method of Sale:	Competitive
Arbitrage Yield:	3.4643%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	5/28/2020
Arbitrage Liability Calcs:	N/A
Source of Repayment:	General Fund Lease Payments
Bond Covenant:	Annual Appropriation

Purpose: Police and Fire training occured at a variety of locations throughout the City of Aurora and Denver. The Fire training needs had been met through the use of a Joint Fire Academy training facility in Denver for operational training and through the Community College of Aurora for classroom training. The Rocky Mountain Fire Academy reached the end of its useful service life, and the City's lease ended on December 31, 2015. In accordance with a plan for the build of a Public Safety Training Center created in 1999, a new joint facility, which consolidates police and fire training, will be constructed. The Certificates were issued for the purpose of funding the design and construction of the Public Safety Training Facility for Aurora Police and Fire.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	690,000	3.500%	806,800	1,496,800
2020	715,000	3.500%	782,650	1,497,650
2021	740,000	3.500%	757,625	1,497,625
2022	765,000	3.500%	731,725	1,496,725
2023	795,000	3.500%	704,950	1,499,950
2024	820,000	3.500%	677,125	1,497,125
2025	850,000	3.500%	648,425	1,498,425
2026	880,000	3.500%	618,675	1,498,675
2027	**910,000**	3.500%	587,875	1,497,875
2028	**940,000**	3.500%	556,025	1,496,025
2029	**975,000**	3.500%	523,125	1,498,125
2030	**1,010,000**	3.500%	489,000	1,499,000
2031	**1,045,000**	3.500%	453,650	1,498,650
2032	**1,080,000**	3.500%	417,075	1,497,075
2033	**1,120,000**	3.625%	379,275	1,499,275
2034	**1,160,000**	3.625%	338,675	1,498,675
2035	**1,200,000**	3.750%	296,625	1,496,625
2036	**1,245,000**	3.750%	251,625	1,496,625
2037	**1,290,000**	3.750%	204,938	1,494,938
2038	**1,340,000**	3.750%	156,563	1,496,563
2039	**1,390,000**	3.750%	106,313	1,496,313
2040	**1,445,000**	3.750%	54,188	1,499,188
TOTAL	**22,405,000**		**10,542,925**	**32,947,925**

Redemption Provision:	December 1, 2026 @ 100%	**Callable Bonds**
Refunding Status:	Current or Advance	
Maturity Dates:	December 1	
Interest Payment Dates:	June 1 & December 1	

Original Par Amount:	**$21,775,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Certificates of Participation, Series 2014**
Registrar/Paying Agent:	US Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Stifel
Method of Sale:	Negotiated
Arbitrage Yield:	2.0175%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	12/30/2019
Arbitrage Liability Calcs:	N/A
Source of Repayment:	General Fund Lease Payments
Bond Covenant:	Annual Appropriation

Purpose: The Certificates were issued for the purpose of funding the City's E911 upgrade from analog to digital and the Sports Park expansion projects.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	2,190,000	5.000%	745,750	2,935,750
2020	2,300,000	5.000%	636,250	2,936,250
2021	2,420,000	5.000%	521,250	2,941,250
2022	2,540,000	5.000%	400,250	2,940,250
2023	2,665,000	5.000%	273,250	2,938,250
2024	2,800,000	5.000%	140,000	2,940,000
TOTAL	**14,915,000**		**2,716,750**	**17,631,750**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	December 1
Interest Payment Dates:	June 1 & December 1

Original Par Amount:	**$84,160,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Refunding Certificates of Participation, Series 2009A**
Registrar/Paying Agent:	Wells Fargo
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	RBC Capital Markets
Method of Sale:	Negotiated
Arbitrage Yield:	4.6484%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	Cash Funded - $7,725,250
Rebateable Funds:	Rebate/Reserve Fund
Yield Restricted Funds:	Escrow Fund
Last Rebate Calc. Date:	9/30/2014
Next Rebate Calc. Date:	9/30/2019
Arbitrage Liability Calcs:	(2,600,573.83)
Source of Repayment:	General Fund Lease Payments
Bond Covenant:	Annual Appropriation
Purpose:	The Certificates were issued for the purpose of refunding, paying and discharging all of the outstanding Certificates of Participation, Series 2008A and to fund a debt service reserve fund.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	4,115,000	3.50%-5.00%*	3,775,600	7,890,600
2020	**4,290,000**	5.000%	3,433,500	7,723,500
2021	**4,505,000**	5.000%	3,219,000	7,724,000
2022	**4,730,000**	5.000%	2,993,750	7,723,750
2023	**4,965,000**	5.000%	2,757,250	7,722,250
2024	**5,215,000**	5.000%	2,509,000	7,724,000
2025	**5,475,000**	5.000%	2,248,250	7,723,250
2026	**5,750,000**	5.000%	1,974,500	7,724,500
2027	**6,035,000**	5.000%	1,687,000	7,722,000
2028	**6,340,000**	5.000%	1,385,250	7,725,250
2029	**6,655,000**	5.000%	1,068,250	7,723,250
2030**	**14,710,000**	5.000%	735,500	15,445,500
TOTAL	**72,785,000**		**27,786,850**	**100,571,850**

Redemption Provision:	December 1, 2019 @ 100%	**Callable Bonds**
Refunding Status:	Current Only	
Maturity Dates:	December 1	
Interest Payment Dates:	June 1 & December 1	

**Indicates Bifurcated Coupons*

***COPs include $7,725,250 debt service reserve fund to be applied in full to 2030 debt service.*

NEW ISSUE
BOOK-ENTRY-ONLY

RATINGS: S&P: "AA"
Fitch: "AA-"
(See "RATINGS")

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, the portion of the Base Rentals paid by the City with respect to the Series 2017B Certificates which is designated and paid as interest (including any original issue discount properly allocable to certain of the Series 2017B Certificates), as provided in the Lease, and received by the Owners of the Series 2017B Certificates, is excludable from gross income for federal and State of Colorado income tax purposes, is not a specific preference item for purposes of the federal alternative minimum tax and is excluded from the computation of State of Colorado alternative minimum tax. For a more complete description of such opinions of Bond Counsel, see "TAX MATTERS" herein.

$27,675,000
Certificates of Participation, Series 2017B
Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues pursuant to a Lease Purchase Agreement between Aurora Capital Leasing Corporation and the
City of Aurora, Colorado

Dated: Date of Delivery **Due: December 1, as shown below**

The Certificates of Participation, Series 2017B (the "Series 2017B Certificates") will be issued in book-entry-only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), depository for the Series 2017B Certificates. Individual purchases are to be made in book-entry form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2017B Certificates. Interest on the Series 2017B Certificates is payable December 1, 2017 and semiannually thereafter each June 1 and December 1 to and including the maturity dates shown below, unless the Series 2017B Certificates are redeemed earlier.

Year	Amount	Rate	Yield	CUSIP [1, ©]	Year	Amount	Rate	Yield	CUSIP [1, ©]
2018	$ 885,000	3.000%	0.950%	051556 JB5	2026	$1,270,000	5.000%	2.160%	051556 JK5
2019	910,000	4.000	1.050	051556 JC3	2027	1,335,000	5.000	2.300	051556 JL3
2020	945,000	5.000	1.200	051556 JD1	2028	1,400,000	5.000	2.400[2]	051556 JM1
2021	995,000	5.000	1.300	051556 JE9	2029	1,470,000	5.000	2.500[2]	051556 JN9
2022	1,045,000	5.000	1.450	051556 JF6	2030	1,545,000	5.000	2.600[2]	051556 JP4
2023	1,095,000	5.000	1.600	051556 JG4	2033	1,720,000	3.000	3.100	051556 JS8
2024	1,150,000	5.000	1.810	051556 JH2	2034	1,770,000	3.000	3.150	051556 JT6
2025	1,210,000	5.000	2.000	051556 JJ8	2035	1,825,000	3.000	3.200	051556 JU3

$3,290,000 3.000% Term Bond due December 1, 2032 Yield 3.000% CUSIP 051556 JR0 [©]

$3,815,000 3.125% Term Bond due December 1, 2037 Yield 3.250% CUSIP 051556 JW9 [©]

The Series 2017B Certificates are subject to optional redemption prior to maturity and also may be redeemed under certain circumstances as described under the caption "THE SERIES 2017B CERTIFICATES—Redemption."

The Series 2017B Certificates are issued for the purpose of (a) financing the costs of the design, construction and equipping (including acquisition of related vehicles) of three fire stations (the "Project") as described under the caption "USE OF PROCEEDS;" and (b) paying expenses of issuance of the Series 2017B Certificates. Certain assets used in the City's operations (collectively, the "Site Leased Property") are to be leased by the City to the Aurora Capital Leasing Corporation ("ACLC") pursuant to a Site Lease dated as of August 1, 2017 (the "Site Lease"). The Site Leased Property and any improvements to the Site Leased Property, whether existing now or in the future (collectively, the "Leased Property") are to be leased back to the City by ACLC pursuant to a Lease Purchase Agreement dated as of August 1, 2017 (the "Lease"). The right, title and interest of ACLC in the revenues to be derived under the Lease has been assigned to UMB Bank, n.a., as Trustee (the "Trustee") pursuant to a Mortgage and Indenture of Trust dated as of August 1, 2017 (the "Indenture") between ACLC and the Trustee. Neither the Lease nor any Series 2017B Certificate constitutes a general obligation or other indebtedness of the City. *Neither the Lease nor any Series 2017B Certificate constitutes a multiple fiscal-year direct or indirect debt or other financial obligation of the City or obligates the City to make any payment beyond those appropriated for any fiscal year in which the Lease is in effect. The Lease is subject to annual renewal by the City.*

This cover page is not a summary of the issue. Investors should read the Official Statement in its entirety to make an informed investment decision.

The Series 2017B Certificates are offered when, as and if issued by the City and accepted by the Underwriter named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney. Piper Jaffray & Co. has acted as financial advisor to the City in connection with the Series 2017B Certificates. Delivery of the Series 2017B Certificates through DTC in New York, New York, is expected on or about August 15, 2017.

Janney Montgomery Scott LLC

The date of this Official Statement is August 1, 2017

[1] The City assumes no responsibility for the accuracy of the CUSIP numbers, which are included solely for the convenience of owners of the Series 2017B Certificates.
[2] Priced to the earliest call date of December 1, 2027.

NEW ISSUE | **RATINGS: S&P: "AA"**
BOOK-ENTRY-ONLY | **Fitch: "AA-"**
(See "RATINGS")

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, the portion of the Base Rentals paid by the City with respect to the Series 2017 Certificates which is designated and paid as interest (including any original issue discount properly allocable to certain of the Series 2017 Certificates), as provided in the Lease, and received by the Owners of the Series 2017 Certificates, is excludable from gross income for federal and State of Colorado income tax purposes, is not a specific preference item for purposes of the federal alternative minimum tax and is excluded from the computation of State of Colorado alternative minimum tax. See the caption "TAX MATTERS."

$28,865,000
Certificates of Participation, Series 2017
Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues pursuant to a Lease Purchase Agreement between Aurora Capital Leasing Corporation and the
City of Aurora, Colorado

Dated: Date of Delivery | **Due: December 1, as shown below**

The Certificates of Participation, Series 2017 (the "Series 2017 Certificates") will be issued in book-entry-only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), depository for the Series 2017 Certificates. Individual purchases are to be made in book-entry form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2017 Certificates. Interest on the Series 2017 Certificates is payable December 1, 2017 and semiannually thereafter each June 1 and December 1 to and including the maturity dates shown below, unless the Series 2017 Certificates are redeemed earlier.

Year	Amount	Rate	Yield	CUSIP [1,©]	Year	Amount	Rate	Yield	CUSIP [1,©]
2017	$ 220,000	2.00%	0.90%	051556 HE1	2027	$ 930,000	5.00%	2.47% [2]	051556 HQ4
2018	665,000	2.00	1.06	051556 HF8	2028	975,000	5.00	2.58 [2]	051556 HR2
2019	680,000	3.00	1.21	051556 HG6	2029	1,025,000	5.00	2.71 [2]	051556 HS0
2020	700,000	3.00	1.36	051556 HH4	2030	1,075,000	5.00	2.79 [2]	051556 HT8
2021	720,000	4.00	1.57	051556 HJ0	2031	1,130,000	5.00	2.89 [2]	051556 HU5
2022	750,000	4.00	1.74	051556 HK7	2032	1,185,000	5.00	2.98 [2]	051556 HV3
2023	780,000	4.00	1.90	051556 HL5	2033	1,245,000	5.00	3.04 [2]	051556 HW1
2024	810,000	4.00	2.03	051556 HM3	2034	1,305,000	5.00	3.10 [2]	051556 HX9
2025	840,000	5.00	2.22	051556 HN1	2035	1,370,000	5.00	3.15 [2]	051556 HY7
2026	885,000	5.00	2.35	051556 HP6	2036	1,440,000	3.50	3.62	051556 HZ4

$10,135,000 5.00% Term Certificates due December 1, 2042 – Yield: 3.31% [2] CUSIP Number: 051556 JA7 [1,©]

The Series 2017 Certificates are subject to optional redemption prior to maturity and also may be redeemed under certain circumstances as described under the caption "THE SERIES 2017 CERTIFICATES—Redemption."

The Series 2017 Certificates are issued for the purpose of (a) financing the costs of the design and construction of a community recreation center (the "Project") as described under the caption "USE OF PROCEEDS;" and (b) paying expenses of issuance of the Series 2017 Certificates. Certain assets used in the City's operations (collectively, the "Site Leased Property") are to be leased by the City to the Aurora Capital Leasing Corporation ("ACLC") pursuant to a Site Lease dated as of May 1, 2017 (the "Site Lease"). The Site Leased Property and any improvements to the Site Leased Property, whether existing now or in the future (collectively, the "Leased Property") is to be leased back to the City by ACLC pursuant to a Lease Purchase Agreement dated as of May 1, 2017 (the "Lease"). The right, title and interest of ACLC in the revenues to be derived under the Lease has been assigned to UMB Bank, n.a., as Trustee (the "Trustee") pursuant to a Mortgage and Indenture of Trust dated as of May 1, 2017 (the "Indenture") between ACLC and the Trustee. Neither the Lease nor any Series 2017 Certificate constitutes a general obligation or other indebtedness of the City. *Neither the Lease nor any Series 2017 Certificate constitutes a multiple fiscal-year direct or indirect debt or other financial obligation of the City or obligates the City to make any payment beyond those appropriated for any fiscal year in which the Lease is in effect. The Lease is subject to annual renewal by the City.*

This cover page is not a summary of the issue. Investors should read the Official Statement in its entirety to make an informed investment decision.

The Series 2017 Certificates are offered when, as and if issued by the City and accepted by the Underwriter named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney and for the Underwriter by Stradling Yocca Carlson & Rauth, P.C. Piper Jaffray & Co. has acted as financial advisor to the City in connection with the Series 2017 Certificates. Delivery of the Series 2017 Certificates through DTC in New York, New York, is expected on or about May 2, 2017.

STIFEL

The date of this Official Statement is April 18, 2017.

[1] The City assumes no responsibility for the accuracy of the CUSIP numbers, which are included solely for the convenience of owners of the Series 2017 Certificates.
[2] Priced to earliest call date of December 1, 2026.

NEW ISSUE—BOOK-ENTRY-ONLY

RATINGS: Moody's: "Aa2"
Fitch: "AA-"
(See "RATINGS")

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, the portion of the Base Rentals paid by the City with respect to the Series 2015 Certificates which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2015 Certificates, is excludable from gross income for federal and State of Colorado income tax purposes, is not a specific preference item for purposes of the federal alternative minimum tax and is excluded from the computation of State of Colorado alternative minimum tax. See the caption "TAX MATTERS."

$24,340,000
Certificates of Participation, Series 2015
Evidencing Proportionate Undivided Interests in Rights to Receive Certain
Revenues pursuant to a Lease Purchase Agreement between
Aurora Capital Leasing Corporation and the
City of Aurora, Colorado

Dated: Date of Delivery **Due: December 1, as shown below**

The Certificates of Participation, Series 2015 (the "Series 2015 Certificates") will be issued in book-entry-only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), depository for the Series 2015 Certificates. Individual purchases are to be made in book-entry form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2015 Certificates. Interest on the Series 2015 Certificates is payable December 1, 2015 and semiannually thereafter each June 1 and December 1 to and including the maturity dates shown below, unless the Series 2015 Certificates are redeemed earlier.

Year	Amount	Rate	Yield	CUSIP©	Year	Amount	Rate	Yield	CUSIP©
2016	$625,000	3.500%	0.750%	051556 GD4	2029 [1]	$ 975,000	3.500%	3.400%	051556 GS1
2017	645,000	3.500	1.150	051556 GE2	2030	1,010,000	3.500	3.500	051556 GT9
2018	665,000	3.500	1.500	051556 GF9	2031	1,045,000	3.500	3.550	051556 GU6
2019	690,000	3.500	1.700	051556 GG7	2032	1,080,000	3.500	3.600	051556 GV4
2020	715,000	3.500	1.950	051556 GH5	2033	1,120,000	3.625	3.650	051556 GW2
2021	740,000	3.500	2.150	051556 GJ1	2034	1,160,000	3.625	3.700	051556 GX0
2022	765,000	3.500	2.380	051556 GK8	2035	1,200,000	3.750	3.750	051556 GY8
2023	795,000	3.500	2.550	051556 GL6	2036	1,245,000	3.750	3.770	051556 GZ5
2024	820,000	3.500	2.750	051556 GM4	2037	1,290,000	3.750	3.800	051556 HA9
2025	850,000	3.500	2.900	051556 GN2	2038	1,340,000	3.750	3.830	051556 HB7
2026 [1]	880,000	3.500	3.100	051556 GP7	2039	1,390,000	3.750	3.850	051556 HC5
2027 [1]	910,000	3.500	3.250	051556 GQ5	2040	1,445,000	3.750	3.870	051556 HD3
2028 [1]	940,000	3.500	3.350	051556 GR3					

The Series 2015 Certificates are subject to optional redemption prior to maturity and also may be redeemed under certain circumstances as described under the caption "THE SERIES 2015 CERTIFICATES—Redemption."

The Series 2015 Certificates are issued for the purpose of (a) financing a portion of the costs of the design and construction of a public safety training facility (the "Project") as described under the caption "USE OF PROCEEDS;" (b) funding capitalized interest in connection with the 2015 Certificates; and (c) paying expenses of issuance of the Series 2015 Certificates. Certain assets used in the City's operations (collectively, the "Leased Property") are to be leased to the City by the Aurora Capital Leasing Corporation ("ACLC") pursuant to a Lease Purchase Agreement dated as of May 1, 2015 (the "Lease"). The right, title and interest of ACLC in the revenues to be derived under the Lease has been assigned to U.S. Bank National Association, Denver, Colorado, as Trustee (the "Trustee") pursuant to a Mortgage and Indenture of Trust dated as of May 1, 2015 (the "Indenture") between ACLC and the Trustee. Neither the Lease nor any Series 2015 Certificate constitutes a general obligation or other indebtedness of the City. *Neither the Lease nor any Series 2015 Certificate constitutes a multiple fiscal-year direct or indirect debt or other financial obligation of the City or obligates the City to make any payment beyond those appropriated for any fiscal year in which the Lease is in effect. The Lease is subject to annual renewal by the City.*

This cover page is not a summary of the issue. Investors should read the Official Statement in its entirety to make an informed investment decision.

The Series 2015 Certificates are offered when, as and if issued by the City and accepted by the Underwriter named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney. Piper Jaffray & Co. has acted as financial advisor to the City in connection with the Series 2015 Certificates. Delivery of the Series 2015 Certificates through DTC in New York, New York, is expected on or about May 28, 2015.

RBC Capital Markets

The date of this Official Statement is May 12, 2015.

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[1] The City assumes no responsibility for the accuracy of the CUSIP number, which is included solely for the convenience of owners of the Series 2015 Bonds.
[2] Priced to the earliest call date of December 1, 2025.

NEW ISSUE—BOOK-ENTRY-ONLY

RATINGS: Moody's: "Aa2"
S&P: "AA-"
(See "RATINGS")

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, the portion of the Base Rentals paid by the City with respect to the Series 2014 Certificates which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2014 Certificates, is excludable from gross income for federal and State of Colorado income tax purposes, is not a specific preference item for purposes of the federal alternative minimum tax and is excluded from the computation of State of Colorado alternative minimum tax. See the caption "TAX MATTERS."

$21,775,000
Certificates of Participation, Series 2014
Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues pursuant to a Lease Purchase Agreement between Aurora Capital Leasing Corporation and the
City of Aurora, Colorado

Dated: Date of Delivery **Due: December 1, as shown below**

The Certificates of Participation, Series 2014 (the "Series 2014 Certificates") will be issued in book-entry-only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), depository for the Series 2014 Certificates. Individual purchases are to be made in book-entry form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2014 Certificates. Interest on the Series 2014 Certificates is payable June 1, 2015 and semiannually thereafter each June 1 and December 1 to and including the maturity dates shown below, unless the Series 2014 Certificates are redeemed earlier.

Year	Amount	Rate	Yield	CUSIP©	Year	Amount	Rate	Yield	CUSIP©
2015	$ 760,000	2.00%	0.35%	051556 FT0	2020	$2,300,000	5.00%	1.87%	051556 FY9
2016	1,965,000	3.00	0.70	051556 FU7	2021	2,420,000	5.00	2.08	051556 FZ6
2017	2,025,000	4.00	1.00	051556 FV5	2022	2,540,000	5.00	2.25	051556 GA0
2018	2,110,000	4.00	1.30	051556 FW3	2023	2,665,000	5.00	2.33	051556 GB8
2019	2,190,000	5.00	1.61	051556 FX1	2024	2,800,000	5.00	2.42	051556 GC6

The Series 2014 Certificates are not subject to optional redemption prior to maturity but may be redeemed under certain circumstances as described under the caption "THE SERIES 2014 CERTIFICATES—Redemption."

The Series 2014 Certificates are issued for the purpose of (a) financing the expansion of the Aurora Sports Park (the "Sports Park Project") and improvements to the City's existing public safety communications system (the "E-911 Project" and together with the Sports Park Project, the "Project") as described under the caption "USE OF PROCEEDS;" and (b) paying expenses of issuance of the Series 2014 Certificates. Certain assets used in the City's operations (collectively, the "Leased Property") are leased to the City by the Aurora Capital Leasing Corporation ("ACLC") pursuant to a Lease Purchase Agreement dated as of December 1, 2014 (the "Lease"). The right, title and interest of ACLC in the revenues to be derived under the Lease has been assigned to US Bank National Association, Denver, Colorado, as Trustee (the "Trustee") pursuant to a Mortgage and Indenture of Trust dated as of December 1, 2014 (the "Indenture") between ACLC and the Trustee. Neither the Lease nor any Series 2014 Certificate constitutes a general obligation or other indebtedness of the City. *Neither the Lease nor any Series 2014 Certificate constitutes a multiple fiscal-year direct or indirect debt or other financial obligation of the City or obligates the City to make any payment beyond those appropriated for any fiscal year in which the Lease is in effect. The Lease is subject to annual renewal by the City.*

This cover page is not a summary of the issue. Investors should read the Official Statement in its entirety to make an informed investment decision.

The Series 2014 Certificates are offered when, as and if issued, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney, and for the Underwriter by Greenberg Traurig, LLP. Piper Jaffray & Co. has acted as financial advisor to the City in connection with the Series 2014 Certificates. Delivery of the Series 2014 Certificates through DTC in New York, New York, is expected on or about December 30, 2014.

STIFEL

The date of this Official Statement is December 16, 2014.

NEW ISSUE—BOOK-ENTRY-ONLY **RATINGS: Moody's: Aa3**
S&P: AA-
(See "RATINGS")

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, the portion of the Base Rentals paid by the City with respect to the Series 2009A Certificates which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2009A Certificates, is not includible in gross income for federal and State of Colorado income tax purposes, is not a specific preference item for purposes of the federal alternative minimum tax and is excluded from the computation of State of Colorado alternative minimum tax. See the caption "TAX MATTERS."

$84,160,000
Refunding Certificates of Participation, Series 2009A
Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues pursuant to a Lease Purchase Agreement between Aurora Capital Leasing Corporation and the
City of Aurora, Colorado

Dated: Date of Delivery **Due: December 1, as shown below**

The Refunding Certificates of Participation, Series 2009A (the "Series 2009A Certificates") will be issued in book-entry-only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), depository for the Certificates. Individual purchases are to be made in book-entry form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2009A Certificates. Interest on the Series 2009A Certificates is payable December 1, 2009 and semiannually thereafter each June 1 and December 1 to and including the maturity dates shown below, unless the Series 2009A Certificates are redeemed earlier.

Year	Amount	Rate	Yield	CUSIP©	Year	Amount	Rate	Yield	CUSIP©
2016	$1,640,000	3.000%	2.710%	051556EQ7	2022	$4,730,000	5.000%	3.690%	051556EW4
2016	2,000,000	5.000	2.710	051556FP8	2023	4,965,000	5.000	3.780	051556EX2
2017	1,790,000	3.250	2.980	051556ER5	2024	5,215,000	5.000	3.870	051556EY0
2017	2,000,000	5.000	2.980	051556FQ6	2025	5,475,000	5.000	3.960	051556EZ7
2018	1,945,000	3.500	3.170	051556ES3	2026	5,750,000	5.000	4.050	051556FA1
2018	2,000,000	5.000	3.170	051556FR4	2027	6,035,000	5.000	4.110	051556FB9
2019	2,115,000	3.500	3.330	051556ET1	2028	6,340,000	5.000	4.170	051556FC7
2019	2,000,000	5.000	3.330	051556FS2	2029	6,655,000	5.000	4.240	051556FD5
2020	4,290,000	5.000	3.470	051556EU8	2030	14,710,000	5.000	4.290	051556FE3
2021	4,505,000	5.000	3.600	051556EV6					

The Series 2009A Certificates are subject to redemption as described under the caption "THE SERIES 2009A CERTIFICATES—Redemption."

The Series 2009A Certificates are issued for the purpose of refunding, paying and discharging all of the outstanding Adjustable Rate Refunding Certificates of Participation, Series 2008A (the "Series 2008A Certificates") and a portion of the outstanding Certificates of Participation, Series 2005 (the "Series 2005 Certificates"). Certain assets used in the City's operations (collectively, the "Leased Property") are leased to the City by Aurora Capital Leasing Corporation ("ACLC") pursuant to a Lease Purchase Agreement dated as of June 1, 1994, as amended (the "Lease"). The right, title and interest of ACLC in the revenues to be derived under the Lease has been assigned to Wells Fargo Bank, National Association, Denver, Colorado, as Trustee (the "Trustee") pursuant to a Trust Indenture dated as of June 1, 1994, as amended (the "Indenture"). Neither the Lease nor any Series 2009A Certificate constitutes a general obligation or other indebtedness of the City. *Neither the Lease nor any Series 2009A Certificate constitutes a multiple fiscal-year direct or indirect debt or other financial obligation of the City or obligates the City to make any payment beyond those appropriated for any fiscal year in which the Lease is in effect. The Lease is subject to annual renewal by the City.*

This cover page is not a summary of the issue. Investors should read the Official Statement in its entirety to make an informed investment decision.

The Series 2009A Certificates are offered when, as and if issued, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney, and for the Underwriters by Sherman & Howard LLC. Piper Jaffray & Co. has acted as financial advisor to the City in connection with the Series 2009A Certificates. Delivery of the Series 2009A Certificates through DTC in New York, New York, is expected on or about September 30, 2009.

RBC Capital Markets

Morgan Stanley & Co. Incorporated

Stifel, Nicolaus & Company, Incorporated

The date of this Official Statement is September 24, 2009.

FitchRatings

Aurora, Colorado

New Issue Report

Ratings

Long-Term Issuer Default Rating	AA
New Issues	
$29,440,000 Certificates of Participation, Series 2017	AA–
Outstanding Debt	
Certificates of Participation	AA–

Rating Outlook

Stable

Related Research

Fitch Rates Aurora, CO's COPs 'AA–'; Outlook Stable (April 2017)

Analysts

Jose Acosta
+1 512 215-3726
jose.acosta@fitchratings.com

Leslie Cook
+1 512 215-3740
leslie.cook@fitchratings.com

New Issue Summary

Sale Date: Negotiated sale scheduled the week of April 17.

Series: $29,440,000 Certificates of Participation, Series 2017.

Purpose: Design and build a recreation center.

Security: Payable solely from lease revenue payments from Aurora's general revenues, subject to annual appropriation.

Analytical Conclusion

The 'AA' Issuer Default Rating (IDR) is based on the city's strong revenue growth prospects, solid expenditure flexibility, low liability burden, and exceptionally strong financial resilience through economic downturns relative to modest expected revenue volatility. The 'AA–' certificate of participation (COP) rating reflects the slightly higher degree of optionality associated with payment of appropriation debt.

Key Rating Drivers

Economic Resource Base: Aurora, with a population of over 360,000, is the third largest city in the state and is located adjacent to and directly east of Denver.

Revenue Framework: 'aa' factor assessment. The city's general fund revenues are expected to continue a solid growth trajectory due to continued population growth and economic expansion. The city has no independent legal ability to raise property or sales taxes without voter approval.

Expenditure Framework: 'aa' factor assessment. Solid expenditure flexibility is derived from management's prudent budgeting practices, significant pay-as-you-go capital spending, and modest carrying costs. Fitch Ratings expects growth-related spending demands to be matched by revenue gains, keeping their trajectories in line with one another.

Long-Term Liability Burden: 'aaa' factor assessment. The liability burden is modest and driven primarily by overlapping debt. The city has achieved full funding of its pensions at actuarially determined levels and its net pension liability is modest relative to personal income.

Operating Performance: 'aaa' factor assessment. The combination of expenditure flexibility and a record of reserve funding should enable the maintenance of a high level of financial flexibility during cyclical downturns.

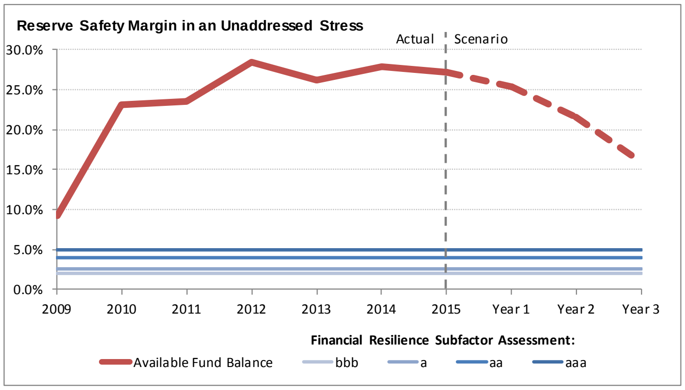
Rating Sensitivities

Shift in Fundamentals: The IDR and COP rating are sensitive to material changes in the city's strong revenue growth prospects, expenditure flexibility, and solid financial position, which Fitch expects the city to maintain throughout economic cycles.

Aurora (CO)

Scenario Analysis

v. 2.0 2017/03/24



Analyst Interpretation of Scenario Results:

Fitch expects the city to remain in compliance with its fund balance policy (11%-14% of spending) which supports an 'aaa' financial resilience assessment considering the city's solid revenue and expenditure flexibility and low level of expected revenue volatility. The 2015 audit posted a $5 million (1.6% of spending) operating surplus, increasing the unrestricted fund balance to a healthy $83.4 million or 27.2% of spending. Preliminary 2016 audited results point to another operating surplus despite an increase in transfers to the capital projects fund. The 2017 budget is balanced, based on a 2.9% increase in sales and use taxes which Fitch believes is reasonable given ongoing economic expansion.

Based on historical results, Fitch expects a moderate economic downturn would result in a modest decline in general fund revenues in the first year of a downturn, followed by a prompt rebound. Fitch would expect the city's financial position to remain solid throughout the economic cycle.

Scenario Parameters:	Year 1	Year 2	Year 3
GDP Assumption (% Change)	(1.0%)	0.5%	2.0%
Expenditure Assumption (% Change)	2.0%	2.0%	2.0%
Revenue Output (% Change)	(1.0%)	0.0%	0.0%
Inherent Budget Flexibility	Midrange		

Revenues, Expenditures, and Fund Balance	Actuals							Scenario Output		
	2009	2010	2011	2012	2013	2014	2015	Year 1	Year 2	Year 3
Total Revenues	222,137	231,480	235,990	254,270	266,715	288,233	309,683	306,586	306,586	306,586
% Change in Revenues	-	4.2%	1.9%	7.7%	4.9%	8.1%	7.4%	(1.0%)	0.0%	0.0%
Total Expenditures	198,925	203,865	211,718	215,709	223,040	234,859	253,095	258,157	263,320	268,587
% Change in Expenditures	-	2.5%	3.9%	1.9%	3.4%	5.3%	7.8%	2.0%	2.0%	2.0%
Transfers In and Other Sources	6,169	606	2,726	1,719	1,788	1,641	1,996	1,976	1,976	1,976
Transfers Out and Other Uses	30,030	25,879	24,170	26,620	43,879	46,248	53,588	54,660	55,753	56,868
Net Transfers	(23,861)	(25,273)	(21,444)	(24,901)	(42,091)	(44,607)	(51,592)	(52,683)	(53,777)	(54,892)
Bond Proceeds and Other One-Time Uses	-	-	-	-	-	-	-	-	-	-
Net Operating Surplus(+)/Deficit(-) After Transfers	(649)	2,342	2,828	13,660	1,584	8,767	4,996	(4,255)	(10,511)	(16,892)
Net Operating Surplus(+)/Deficit(-) (% of Expend. and Transfers Out)	(0.3%)	1.0%	1.2%	5.6%	0.6%	3.1%	1.6%	(1.4%)	(3.3%)	(5.2%)
Unrestricted/Unreserved Fund Balance (General Fund)	21,170	52,978	55,492	69,085	69,889	78,591	83,426	79,171	68,660	51,768
Other Available Funds (Analyst Input)	-	-	-	-	-	-	-	-	-	-
Combined Available Funds Balance (GF + Analyst Input)	21,170	52,978	55,492	69,085	69,889	78,591	83,426	79,171	68,660	51,768
Combined Available Fund Bal. (% of Expend. and Transfers Out)	9.2%	23.1%	23.5%	28.5%	26.2%	28.0%	27.2%	25.3%	21.5%	15.9%

Reserve Safety Margins	Inherent Budget Flexibility				
	Minimal	Limited	Midrange	High	Superior
Reserve Safety Margin (aaa)	16.0%	8.0%	5.0%	3.0%	2.0%
Reserve Safety Margin (aa)	12.0%	6.0%	4.0%	2.5%	2.0%
Reserve Safety Margin (a)	8.0%	4.0%	2.5%	2.0%	2.0%
Reserve Safety Margin (bbb)	3.0%	2.0%	2.0%	2.0%	2.0%

Notes: Scenario analysis represents an unaddressed stress on issuer finances. Fitch's downturn scenario assumes a -1.0% GDP decline in the first year, followed by 0.5% and 2.0% GDP growth in Years 2 and 3, respectively. Expenditures are assumed to grow at a 2.0% rate of inflation. Inherent budget flexibility is the analyst's assessment of the issuer's ability to deal with fiscal stress through tax and spending policy choices, and determines the multiples used to calculate the reserve safety margin. For further details, please see Fitch's US Tax-Supported Rating Criteria.

Rating History — IDR

Rating	Action	Outlook/ Watch	Date
AA	Affirmed	Stable	1/31/17
AA	Assigned	Stable	4/25/16

Rating History — COPs

Rating	Action	Outlook/ Watch	Date
AA–	Affirmed	Stable	1/31/17
AA–	Assigned	Stable	5/1/15

Related Criteria
U.S. Tax-Supported Rating Criteria (April 2016)

Credit Profile

With Denver approaching full maturity, population, and employment base growth in the Denver metropolitan area have benefited Aurora as evidenced by resurgent building activity given its ample developable land. Single-family residential building permits exceeded pre-recession levels in 2016, including a 38% increase from 2015–2016. Significant commercial development is underway, led by the $800 million, 1,500-room Gaylord Rockies resort under construction near the Denver International Airport (DIA). Amazon is planning to build a 1 million square foot distribution center in time for the 2017 Christmas holiday season with an estimated workforce of 1,000. With the completion of Regional Transportation District's two commuter rail lines within the city, including service to DIA, substantial transit-oriented development is planned or underway. A total of 10 stations are located within the city.

Buckley Air Force Base is the city's largest employer with 11,000 (6.3% of city employment) military and civilian personnel. As a U.S. Air Force Space Command base, its primary mission is to provide global surveillance of missile launches. Buckley is also home to the Colorado National Guard and numerous other tenants. Potential future reductions in military spending could impact base operations as well as the city's economic profile.

Aurora's emergence as a regional medical provider stemmed from the redevelopment of the former Fitzsimons Army Medical Center into the expansive Anschutz Medical Campus which includes two hospitals, a medical school, and research facilities. A $1.7 billion Veteran's Administration hospital complex under construction will further boost the current employment of 22,000 (13% of the city's employment base) on the campus.

The city's AV surged by 21% in the 2016 reassessment cycle after posting sluggish growth in the aftermath of a cumulative, moderate 6.6% recessionary loss from 2010 thru 2012. AV grew by a modest 1.2% in 2017 due solely to new construction. Fitch expects AV to post strong growth in the 2018 reassessment cycle based on rising home values. Median home values increased by a significant 12% (to $276,500) over the prior year per Zillow. Notably, current home prices are now above pre-recession peak levels.

Revenue Framework

General fund revenues are highly reliant on sales and use taxes which comprise 67% of general fund revenues, followed by property taxes (8%), and other local taxes (aggregate of 10.4%).

The city's general fund revenues grew by a CAGR of 3.5% for the 10 years through fiscal 2016, exceeding U.S. GDP gains. Fitch expects such revenues to continue a strong trajectory given favorable demographic trends and development prospects.

Increases in the property or sales tax rates require voter approval per state law. A modest amount of revenue flexibility is available through the city's fees and charges.

Expenditure Framework

Public safety comprised 59% of general fund expenditures in fiscal 2015.

The pace of spending growth absent policy actions is likely to be generally in line with revenue growth but pressured by an expanding population and growing service delivery needs.

The city's fixed cost burden is modest, with carrying costs for debt, pension, and other post-employment benefit (OPEB) equaling 6.6% of governmental spending. Future debt plans and pension contribution increases will cause carrying costs to rise but remain modest to moderate.

Expenditure flexibility is aided by the city's practice of making annual transfers to the capital projects fund, equal to all capital-related use taxes and 4% of all other revenue. This 4% transfer policy was scaled back somewhat during the recession but the city is progressing towards policy levels incrementally.

A substantial 50% of the general fund's workforce (all within the police and fire departments) is represented by a union. The police and fire collective bargaining agreements (CBA) are typically negotiated with two-year terms and current agreements expire in 2018. Labor negotiations have been generally positive, but in the event negotiations stall and non-binding mediation is not successful, the framework allows for CBA disputes to be decided by a general election. The administration retains strong control over headcount and strikes are prohibited.

Long-Term Liability Burden

The long-term liability burden, including unlimited tax bonds, COPs, and unfunded pension liabilities, is low at about 6% of personal income. The 10-year principal amortization rate for all direct debt is rapid at 62%. Debt issuances by overlapping school districts comprise the majority (64%) of the long-term liability burden. Continued overlapping debt issuance is likely to be accompanied by steady gains in personal income, which should keep the city's long-term liability burden modest. Nearly all of the city's general government debt is comprised of COPs due to a lack of voter support for the city's past three GO bond elections.

The city's six defined benefit pension plans are dominated by the single-employer General Employees Retirement Plan (GERP). The city achieved full funding of the GERP annually required contribution (ARC) in 2015 due to pension reforms passed in 2010 that increased employee and employer contributions and created a lower cost tier of benefits for employees hired after 2011. The ratio of aggregate assets to liabilities is solid at 93% using the city's investment rate of return of 7.75%. The Fitch-adjusted estimate, based on a 7% rate of return assumption, is also solid at 87%. The adjusted aggregate net pension liability totals $105 million, or 0.7% of personal income. OPEB benefits are limited to an implicit rate subsidy for health insurance premiums through Medicare age and are funded on a pay-as-you-go basis.

Operating Performance

Fitch expects the city to remain in compliance with its fund balance policy (11%–14% of spending) which supports an 'aaa' financial resilience assessment considering the city's solid revenue and expenditure flexibility and low level of expected revenue volatility. For details, see "Scenario Analysis" on page 2.

The city maintained healthy reserves during the last economic downturn, enabled by flexibility in its annual pay-as-you-go capital spending and general expenditure flexibility. The city's pension contributions, established by city code and previously not actuarially determined, did fall short of the ARC during this period but by modest amounts relative to total general fund spending. Pension contributions rose to nearly 100% of the ARC in 2014 and exceeded the ARC by 20% in 2015.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

S&P Global
Ratings

RatingsDirect®

Summary:
Aurora, Colorado; Appropriations

Primary Credit Analyst:
Chris Morgan, San Francisco (1) 415-371-5032; chris.morgan@spglobal.com

Secondary Contact:
Michael Parker, Centennial 303-721-4701; michael.parker@spglobal.com

Table Of Contents

Summary:

Aurora, Colorado; Appropriations

Credit Profile		
US$29.44 mil certs of part ser 2017 due 12/01/2042		
Long Term Rating	AA/Stable	New
Aurora APPROP		
Long Term Rating	AA/Stable	Upgraded
Aurora APPROP		
Long Term Rating	AA/Stable	Upgraded

Rationale

S&P Global Ratings raised its long-term rating to 'AA' from 'AA-' on Aurora, Colo.'s existing appropriation obligations. S&P Global Ratings also assigned its 'AA' rating to Aurora's series 2017 certificates of participation. The outlook is stable.

The rating action reflects our view of the effects of the city's long-term economic growth recently recognized in market value revaluation that has strengthened our view of its economic and debt profiles, and from a strengthening in our view of the city's management profile.

The city's series 2017 and existing appropriation obligations represent an interest in lease payments the city makes, as leasee, for the use of city facilities. Payments related to the series 2017 obligations will be for the use of its Central Recreation Center, which has not yet been constructed but for which the city owns the site, has completed preliminary design, and plans to finalize design and enter into a maximum price contract for the construction of by summer 2017. The city does not have the right or obligation to abate lease payments in the event of nonuse of the facility. The city intends for the proceeds of the series 2017 debt to fully fund the development of the recreation center and tells us that it is issuing the series 2017 obligations early in the development of the project due to concerns over the potential for interest rates to rise in the municipal debt markets. However, the city council also has recognized the risk that development costs will materialize higher than expected, and would likely revise the project to align its costs with its financing plan but has not ruled out contributions of existing city resources or additional borrowing.

Our view of the city's credit quality reflects its:

- Strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Strong budgetary performance, with balanced operating results in the general fund and an operating surplus at the total governmental fund level in fiscal 2016;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2016 of 25% of operating expenditures;
- Very strong liquidity, with total government available cash at 10.7% of total governmental fund expenditures and

2.9x governmental debt service, and access to external liquidity we consider strong;
- Very strong debt and contingent liability position, with debt service carrying charges at 3.6% of expenditures and net direct debt that is 56.6% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value; and
- Strong institutional framework score.

Strong economy

We consider Aurora's economy strong. The city, with an estimated population of 355,441, is located in Adams, Arapahoe, and Douglas counties in the Denver-Aurora-Lakewood, Colo. MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 91.1% of the national level and per capita market value of $83,892. Overall, the city's market value grew by 1.0% over the past year to $29.8 billion in 2017. The weight-averaged unemployment rate of the counties was 3.8% in 2015.

The city serves a 154-square-mile area comprising the eastern area of the Denver metropolitan region and just south of the region's international airport.

The city issued water revenue bonds in 2016 to secure long-term water supply and conveyance and is positioned well to absorb regional housing, commercial and industrial demand, with an already large footprint of developable land and what management indicates are significant infill opportunities. The city has significant transportation infrastructure in place to access regional employment centers, including multiple interstate highways, and in February 2017 the regional transit agency inaugurated a light rail line with 10 stops in the city that connect residents and employees to existing lines that run through the city's north and southwest sections.

Major recent and under development real estate projects include a 1-million-square-foot Amazon.com distribution center (to open at the end of 2017), a Gaylord recreation complex including 485,000 square feet of exhibition space and a 1,500-room hotel (2018), and a 249-room Hyatt hotel (2016).

Although their facilities generally do not include taxable property, we believe that the city's economy benefits from the anchoring effect of the University of Colorado Anschutz Medical Campus (19,000 employees consisting of the university operations and those of other entities) and Buckley Air Force Base (approximately 11,000 airmen and staff). We understand that both facilities generate demand for ancillary services, and a U.S. Veterans Administration hospital to be added to the Anschutz campus in the next 25 to 30 years could add as many as 22,000 employees.

The city's market value fluctuated before and after the Great Recession, with 10% the largest single-year decline (2010 collection year), but for 2016 grew by 30% as part of what we understand was the county assessor's rebenchmarking of residential property values. The 2017 increase was more modest, at 1%, and based on the city's major projects and significant developable land and our expectation of real GDP growth in the U.S. mountain states during 2017 and 2018, we anticipate the city to experience continued growth in some form next year.

Very strong management

We view the city's management as very strong, with strong financial policies and practices under our FMA methodology, indicating financial practices are strong, well embedded, and likely sustainable.

We revised our assessment to strong from good due to changes in our view of the city's debt management policy and reporting and capital planning practices.

Highlights of the city's policies and practices include its:

- Analytic approach to revenue and cost trends, along with external economic forecasting sources, to build budget assumptions, which are transparently outlined in a comprehensive budget document;
- Quarterly budget-to-actuals discussions with council and the production of detailed reports that include narratives explaining performance for each presented fund;
- Annual updates to five-year financial forecasts, which include transparent discussions of supportable assumptions and clear use of projections to inform current-year budget discussions;
- Annual updates to five-year capital plans, which are integrated into financial forecasts and clearly identify capital spending by year, although funding sources are not reported on a rolled-up basis;
- Formal internal investment policy with qualitative explanation and quantitative portfolio allocation guidelines, supported by quarterly reports on holdings and performance that include brief macroeconomic narratives;
- Debt policy last updated in 2016 that includes clear conceptual framework, detailed swap policy and limited ratio constraints, although its annual "debtbook" provides strong transparency as to holdings, including private placement financing; and
- Two-pronged reserve policy that includes 1%-3% of budgeted revenues as a cushion against unexpected events and 10% of budget expenditures (excluding certain transfers) to manage longer-term structural challenges such as economic downturns.

Strong budgetary performance

Aurora's budgetary performance is strong in our opinion. The city had balanced operating results in the general fund of negative 0.2% of expenditures, and surplus results across all governmental funds of 2.1% in fiscal 2016.

Our calculation of the city's financial performance includes adjustments to treat recurring transfers in and out of the general fund as revenues and expenditures, respectively, and to remove one-time transfers in 2016 one-time capital projects and to smooth capital spending in the total governmental funds during 2013 to 2016. We have used 2016 unaudited actuals as our base for calculating performance consistent with our forward-looking approach after reviewing the comparability to the city's prior financial statements and a discussion with management that gives us confidence that the audited figures for 2016 are unlikely to change substantially.

Recent adjusted financial performance has been strong due in part to robust sales tax revenue performance, with 6%-7% growth in 2014 and 2015 followed by moderations to 3% growth in 2016 and budgeted for 2017. Management reports that the city increased employee compensation in 2017, as part of an effort to maintain competitiveness in the employment market in the context of likely growth in staffing as its economy continues to grow in the coming years. Based in part on our discussion with management, we anticipate that the city's general fund expenditures will increase to accommodate this goal and strong adjusted surpluses are unlikely through 2018. However, because the city has been transparent about the tradeoffs of compensation changes, such as by including a compensation increase scenario in its projections as part of its most recent budget, we think that its budget decisions are likely to result in general fund and total governmental funds net results that are stronger than our threshold of negative 1% of expenditures, resulting in what we consider strong performance under our criteria through 2018.

Very strong budgetary flexibility

Aurora's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2016 of 25% of operating expenditures, or $77.8 million. Over the past three years, the total available fund balance has remained at a consistent level overall, totaling 25% of expenditures in 2015 and 26% in 2014.

The city's financial flexibility inclusive of our adjustments has been very stable in recent years, hovering between 24% and 26% of expenditures between 2013 and 2016 (the latter year unaudited). Based on our expectation of largely balanced general fund operations, we anticipate the city's financial flexibility will remain very strong through 2018.

Very strong liquidity

In our opinion, Aurora's liquidity is very strong, with total government available cash at 10.7% of total governmental fund expenditures and 2.9x governmental debt service in 2015. In our view, the city has strong access to external liquidity if necessary.

Our calculation of the city's liquidity consists of the city's legally available primary government cash and cash equivalents, as well as our estimate of its U.S. Treasuries maturing in one year or less (pooled for both unrestricted and restricted uses). Because our calculation has excluded other at least partly liquid investments, such as U.S. agencies, we believe that liquidity on a practical basis could be stronger. As of January 2017, the city's total investments, including those restricted as to use, were dominated by corporate bonds (53% of the portfolio), followed by agencies (19%) and munis (18%). Our view of access to external liquidity reflects the city's issuance of multiple debt types over the past 20 years.

Private placement and direct purchase obligations

The city has been an active user of alternative financing in recent years with what we calculate is $74 million in principal outstanding over nine transactions, $58 million of which is associated with its urban renewal authority and water and sewer utility. Management reports that the city uses a request for proposal process that lays out the city's proposed terms and conditions, which helps it to avoid considering transactions that include onerous contingent liquidity provisions.

We have reviewed the terms and conditions and have not identified any provisions that present contingent liquidity concerns that we find can be associated with alternative financing, such as acceleration provisions, although we consider events of default for many of the city's alternative financing obligations to be nonremote.

In addition, the city entered into an interest rate cap agreement with RBC Capital Markets wherein the counterparty will offset interest expense costs associated with its $27.8 million tax increment revenue obligation should the obligation's floating LIBOR-based formula result in rates that exceed specified levels starting at 4.9% and rising to 7.2% at maturity. As of the end of 2016, this agreement was valued at $10,000.

Very strong debt and contingent liability profile

In our view, Aurora's debt and contingent liability profile is very strong. Total governmental fund debt service is 3.6% of total governmental fund expenditures, and net direct debt is 56.6% of total governmental fund revenue. Overall net debt is low at 2.4% of market value, which is in our view a positive credit factor.

Our view of the city's debt profile has strengthened since our last analysis to very strong from strong due primarily to the considerable strengthening in the city's market value associated with revaluation taking effect for 2016. We understand that the city is considering issuing as much as $12 million in privately placed lease debt that, depending on its timing and sizing as well as on the size of the city's operations, could lead us to revise our view of its debt profile back to strong.

Aurora's combined required pension and actual other postemployment benefits (OPEB) contributions totaled 3.8% of total governmental fund expenditures in 2015. The city made its full annual required pension contribution in 2015.

The city's required pension contribution is its actuarially determined contribution, which is calculated at the state level based on an actuary study. We view the largest plan's (the General Employees' Retirement Plan) funded ratio, which we estimate as the plan fiduciary net position as a percentage of the total pension liability, as good, at 98%.

The city's OPEB liability is associated with an implicit subsidy consisting of the ability to participate in the city's health benefit plans after 10 years of service for public safety employees and 20 years for most other employees. The OPEB unfunded actuarial accrued liability stands at $19.9 million, and the city takes a "pay-as-you-go" approach that, for 2015, resulted in a contribution that was slightly higher than the actuarially calculated annual required contribution.

Strong institutional framework

The institutional framework score for Colorado municipalities required to produce annual audits is strong.

Outlook

The stable outlook reflects our view that the city's robust budgeting, financial planning, and debt disclosures give it the tools to manage the risks associated with accommodating growth, including a debt burden or service costs that can become more difficult to shoulder during economic downturns. We think that the addition of new light rail infrastructure within the city will further integrate it with the regional economy and that investments related to its medical campus and in water infrastructure provide the conditions for continued real estate development that should support sales tax and property tax growth. We do not expect to change our rating during our two-year outlook horizon.

Upside scenario

While we view it as unlikely during the outlook horizon, a major strengthening in the city's fundamental economic indicators could lead us to raise the rating.

Downside scenario

We could lower the rating if a major economic downturn led to what we viewed a major weakening in financial performance that was also likely to weaken our view of budgetary flexibility or if the city entered into private placement financing that introduced what we viewed as major contingent liquidity risks. We do not expect to lower the rating solely in response to an additional debt issuance that weakened our view of the city's debt profile to strong from very strong, but we could do so in the event of other concurrent changes such as a major loss in property market value.

Related Research

- U.S. State And Local Government Credit Conditions Forecast, July 27, 2016
- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Alternative Financing: Disclosure Is Critical To Credit Analysis In Public Finance, Feb. 18, 2014
- Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria, Sept. 2, 2015
- 2016 Update Of Institutional Framework For U.S. Local Governments

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

MOODY'S
INVESTORS SERVICE

New Issue: Moody's assigns Aa2 to the City of Aurora's, CO $21.2M COP, Series 2015; outlook is stable

Global Credit Research - 30 Apr 2015

Outstanding Aa1 GO and Aa2 COP ratings affirmed

AURORA (CITY OF) CO
Cities (including Towns, Villages and Townships)
CO

Moody's Rating

ISSUE	RATING
Certificates of Participation, Series 2015	Aa2
Sale Amount $21,165,000	
Expected Sale Date 05/05/15	
Rating Description Lease Rental: Appropriation	

Moody's Outlook STA

NEW YORK, April 30, 2015 --Moody's Investors Service has assigned a Aa2 rating to the City of Aurora's, CO $21.2 million Certificates of Participation, Series 2015. At the same time, Moody's affirms the city's outstanding Aa1 GO and Aa2 COP ratings. The outlook is stable.

SUMMARY RATING RATIONALE

The Aa1 general obligation rating affirmation reflects the city's favorable financial performance following the downturn, large tax base well situated in the Denver metro area, and a modest debt burden. The city's primary operating source, sales taxes, has returned to solid growth following the recession and has helped to boost the city's financial position.

The Aa2 certificates of participation rating assignment and affirmation reflects the essential nature of the lease, satisfactory legal provisions, as well as the strong credit characteristics of the city's general obligation rating.

OUTLOOK

The stable outlook reflects our expectation that the city will continue to experience assessed valuation growth and maintain adequate reserves. Future credit evaluations will continue to closely monitor revenue collections, economic trends, and debt portfolio management.

WHAT COULD MAKE THE RATING GO UP

- Substantial economic expansion measured by assessed valuation growth

- Trend of surplus operations supporting significantly improved General Fund reserves

WHAT COULD MAKE THE RATING GO DOWN

- Economic contractions measured by declines in taxable values or sales taxes

- Trend of operating deficits that decrease General Fund reserves

- Substantial increases in the city's debt burden and General Fund appropriations

STRENGTHS

- Large tax base with favorable location in the growing Denver MSA

- Healthy General Fund reserve levels

CHALLENGES

- Reliance on economically sensitive sales and use tax revenues

- Average wealth levels that trend below similarly rated local governments

RECENT DEVELOPMENTS

Recent developments are incorporated in the Detailed Rating Rationale.

DETAILED RATING RATIONALE

REVENUE GENERATING BASE: LARGE TAX BASE EXPERIENCING GROWTH

The City of Aurora is favorably located approximately 10 miles east of Denver (Aaa stable) and is mainly situated in Arapahoe County (Aa1). The city is the third largest municipality within the state with roughly 340,000 residents. Aurora's economy remains solid following the recession, as sales tax revenues and new construction have provided a boost to the city's operations and full values. The region is entering another cycle of business expansion and growth, where job creation has proven to be broad-based. As of January 2015, the city's unemployment rate was below the U.S. at 5.1%, a significant improvement from the high of 10.8% in 2010. Sales tax revenues have improved since fiscal 2010, reflecting an increase in not only consumer spending but corporate spending has also increased as many technology companies resumed hiring and other expansion plans. Aurora continues to benefit from its proximity to Denver and Denver International Airport (Airport System Revenue bonds rated A1). The high quality of life and low cost of living continues to attract residents into the area, as the housing market resumes growth as reflected by recent permit activity. With relatively small declines in the city's tax base, new construction in the commercial and industrial sectors offset residential tax bases losses through 2012. Since that time, property tax valuations have resumed growth and the city expects development to be strong surrounding the Anschutz Medical Center and metro rail line expansions into the city. This $7.4 billion rail line expansion project will connect the city to the Denver airport rail lines, and increase the overall accessibility to the city in 2016. Aurora's fiscal 2014 full value of $22.7 billion is sizeable compared to the national peer rating median, and is only 8.8% below its peak in 2009 at $24.9 billion.

Moody's expects Aurora's economic base to continue to benefit from the continued redevelopment at and around the former Fitzsimons Army Medical Center (now Anschutz Medical Center), which currently house the University of Colorado Health and Science Center (UCHSC), the University of Colorado Hospital (UCH) and the Children's Hospital. Recent expansion efforts include the construction of a new regional Veterans Administration hospital, which is estimated to be operational by 2017. The medical campus currently employs 22,000 individuals and is projected to reach over 45,000 by build out. Buckley Air Force Base remains a significant institutional presence and the city's largest single employer (11,000 employees). Over the longer run, the city's moderate tax base growth rates are expected to resume given the strengths discussed above and with approximately 40% of the city's land available for development. Socioeconomic indicators are average, with median family income at 92.7% of the U.S. and full value per capita at $66,699.

FINANCIAL OPERATIONS AND POSITION: HEALTHY GENERAL FUND RESERVE LEVELS; HEAVY RELIANCE ON SALES AND USE TAX REVENUES

Moody's expects that Aurora's financial operations will continue to be well managed with solid reserves, and that the city's management team will continue to be proactive in its willingness to make budget adjustments as necessary. Over the last three fiscal years the city's operating reserve levels have consistently improved, boosted by a strong surplus in 2012 of $12.9 million which resulted in an ending available fund balance of $69.9 million (or 27.1% of operating revenues). Sales and use tax collections had strong growth in 2012 of 10.7%, as a result of solid automobile sales and increased spending by some of the city's largest taxpayers, particularly in the technology sector. Audited 2013 results reflect continued improvement in the city's financial position with ending total reserves growing to almost $70 million (or 26.2% of revenues). Moody's notes that sales and use taxes increased by 5.8% over the prior year and accounted for a significant 64.4% of fiscal 2013 General Fund revenues. Unaudited fiscal 2014 results indicate another year of favorable performance with an $8.8 million operating surplus. The surplus is anticipated to increase the city's General Fund balance to $89.5 million, or a healthy 31% of unaudited revenues. The unaudited surplus correlates with a 9.8% increase in sales and use taxes over the prior year.

For fiscal 2015, the proposed budget assumes revenue growth of 3.5% over the previous year with the largest increases anticipated in capital-related use and auto taxes. Total revenues are projected to total $282.2 million, with over 60% from sales and use tax collections. Revenues are anticipated to continue to perform well, with the 2015 budget being balanced and reflecting a significant effort made by the council to fund clear objectives. Management anticipates to use roughly $9.3 million of the General Fund balance on one-time capital projects. Despite the use of reserves, we believe reserve levels will remain healthy over the near term due to management's conservative budgeting practices.

Recurring cost drivers include compensation and benefit increases for employees and increase in the city's health insurance contributions. The city is also working to rebuild the funds set aside for its pay-go needs, increasing the required transfer amount each year through 2018 to 4% of revenues; currently the city contributes 2.5%. Moody's notes that voters approved a 5.0% excise tax to be imposed on marijuana grow operations and an additional 2.0% sales and use tax (in addition to the existing 3.75% city sales and use tax) to be imposed on the sale and use of retail marijuana and retail marijuana products; these revenues are not included in the 2015 budget but are expected to provide an additional boost to revenues in the near-term.

Liquidity

Liquidity maintained in the city's General Fund was $60.6 million as of fiscal year-end 2013 (22.6% of revenues). The fiscal 2014 cash level is expected to increase in tandem with the unaudited surplus, but will decrease if the budgeted draw on reserves in fiscal 2015 is realized.

DEBT AND OTHER LIABILITIES: DIRECT DEBT BURDEN REMAINS MODERATE; CONSISTS PRIMARILY OF LEASE OBLIGATIONS

The city's direct debt burden of 0.6% of fiscal 2015 full valuation (inclusive of the current COP issuance) is expected to remain manageable given no significant debt plans as well as the anticipated assessed valuation growth and budgetary growth. The city's overall debt is somewhat high, but manageable at 5.7%, reflecting special purpose district and school district obligations. The majority, or $136.9 million of the city's $143.9 million of direct debt consists of lease obligations. These obligations, including the current offering, are subject to annual General Fund appropriations and equate to a manageable 5% of General Fund revenues.

Debt Structure

Current principal amortization is below average for the rating category, with 68.9% of general obligation debt principal and 52.9% of certificate of participation debt retired in ten years.

Debt-Related Derivatives

The interest rate on the city's outstanding debt is fixed and the city is not a direct party to any variable rate debt or swaps.

Pensions and OPEB

The city has a manageable employee pension burden, based on unfunded liabilities for its total of nine pension plans, with the largest being the General Employees' Retirement Plan (GERP). City officials have worked diligently to implement a multi-year funding plan that works to achieve fully funded status through increased employee contributions, city matching, and reductions in benefits. By 2018, the six-year graduated employee and city contribution increases will grow to 7.0%, with the rate in future years being determined by an automatic adjustment mechanism. Moody's fiscal 2013 adjusted net pension liability (ANPL) for the city, under our methodology for adjusting reported pension data, is $361.7 million, or 1.3 times operating revenues. The three year average of the city's ANPL to Operating Revenues is 1.13 times, while the three-year average of ANPL to full value is a manageable 1.38%. Moody's ANPL reflects certain adjustments we make to improve comparability of reported pension liabilities. The adjustments are not intended to replace the city's reported liability information, but to improve comparability with other rated entities. For more information on Moody's insights on employee pensions and the related credit impact on companies, government, and other entities across the globe, please visit Moody's on Pensions at www.moodys.com/pensions.

MANAGEMENT AND GOVERNANCE

Colorado cities have an institutional framework score of 'Aa,' or strong. Revenues are generally predictable, and cities can significantly increase their tax rates with voter approval. Expenditures are stable and predictable, though an otherwise strong ability to cut costs is somewhat constrained by union presence and outsized fixed costs.

KEY STATISTICS

- Assessed Value (Full Value), Fiscal 2015: $22.7 billion

- Assessed Value (Full Value) Per Capita, Fiscal 2015: $66,699

- Median Family Income as % of US Median (2012 American Community Survey): 92.7%

- Fund Balance as % of Revenues (General & Debt Service Funds), Fiscal 2013: 25.06%

- 5-Year Dollar Change in Fund Balance as % of Revenues: 6.47%

- Cash Balance as % of Revenues (General & Debt Service Funds), Fiscal 2013: 21.73%

- 5-Year Dollar Change in Cash Balance as % of Revenues: 8.94%

- Institutional Framework: "Aa"

- 5-Year Average Operating Revenues / Operating Expenditures: 1.01x

- Net Direct Debt as % of Assessed Value: 0.63%

- Net Direct Debt / Operating Revenues: 0.52x

- 3-Year Average ANPL as % of Assessed Value: 1.39%

- 3-Year Average ANPL / Operating Revenues: 1.13x

OBLIGOR PROFILE

The City of Aurora is located approximately 10 miles east of Denver (Aaa stable) and is the third largest municipality within the State of Colorado. The city has roughly 340,000 residents.

LEGAL SECURITY

Debt service will be repaid from the City of Aurora's annual appropriation lease purchase agreement with the Aurora Capital Leasing Corporation. The lease is subject to annual renewal by the City. The leased asset will be the city's public safety training facility, which will be constructed with the proceeds of the issuance. The land and improvements are expected to carry an estimated value of $28 million and have a 40 year useful life. The city must maintain property and casualty insurance on the property and no debt service reserve fund will be established with the sale.

USE OF PROCEEDS

Proceeds of the current issuance will fund the construction of a police and fire training facility.

RATING METHODOLOGY

The principal methodology used in this rating was US Local Government General Obligation Debt published in January 2014. The additional methodology used in rating the lease rental debt was The Fundamentals of Credit Analysis for Lease-Backed Municipal Obligations published in December 2011. Please see the Credit Policy page on www.moodys.com for a copy of these methodologies.

REGULATORY DISCLOSURES

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Analysts

John Nichols
Lead Analyst
Public Finance Group
Moody's Investors Service

Gera M. McGuire
Backup Analyst
Public Finance Group
Moody's Investors Service

William Oh
Additional Contact
Public Finance Group
Moody's Investors Service

Contacts

Journalists: (212) 553-0376
Research Clients: (212) 553-1653

Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
USA

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City of Aurora, Colorado

Tab C: Details of Outstanding ACLC Capital Lease Debt

As of January 1, 2019

City of Aurora, Colorado

All Outstanding ACLC Capital Lease Debt
As of January 1, 2019
(000's)

Year Ending December 31	$359,677 ACLC Leasing Program 2018B		$65,215 ACLC Leasing Program 2018A		$1,750,000 Rolling Stock 2018-A		$19,000,000 Stephen D. Hogan Parkway 2018		$1,220,000 Rolling Stock 2017-C		$10,095,000 District 2 Police Station (Phase II) 2017-A	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2019	46,566	2.500%	13,477	2.500%	244,827	2.880%	2,100,269	3.050%	165	1.980%	575	2.650%
2020	44,316	2.500%	12,460	2.500%	233,398	2.880%	1,897,113	3.050%	169	1.980%	590	2.650%
2021	45,424	2.500%	12,771	2.500%	240,120	2.880%	1,954,975	3.050%	172	1.980%	605	2.650%
2022	46,559	2.500%	13,090	2.500%	247,035	2.880%	2,014,602	3.050%	175	1.980%	620	2.650%
2023	47,723	2.500%	13,417	2.500%	254,150	2.880%	2,076,048	3.050%	179	1.980%	635	2.650%
2024	48,916	2.500%			261,470	2.880%	2,139,367	3.050%	183	1.980%	655	2.650%
2025	50,139	2.500%			269,000	2.880%	2,204,618	3.050%			670	2.650%
2026							2,271,858	3.050%			690	2.650%
2027							2,341,150	3.050%			705	2.650%
2028											725	2.650%
2029											745	2.650%
2030											765	2.650%
2031											785	2.650%
2032											810	2.650%
2033												
2034												
2035												
2036												
TOTALS	$329,643		$65,215		$1,750,000		$19,000,000		$1,043		$9,575	
Next Call	Non-Callable		Non-Callable		Callable Anytime		Callable Anytime		Non-Callable		6/7/2022 @ Par	
Dated Date					8/9/2018		7/17/2018		11/8/2017		6/8/2017	
Coupon Dates	March 1		March 1		March 27		February 1		March 27		Febuary 1	August 1
Maturity Dates	March 1		March 1		March 27		February 1		March 27		February 1	August 1
Insurer	None		None		None		None		None		None	
Lender	Internal		Internal		ZMFU, Inc. (Vectra Bank)		ZB, N.A.		Key Government Finance		Key Government Finance	
Purpose	New Money		New Money		New Money		New Money		New Money		New Money	

Color Legend
Callable Non-Callable

City of Aurora, Colorado

All Outstanding ACLC Capital Lease Debt
As of January 1, 2019
(000's)

Year Ending December 31	$8,643,000 Moorhead Recreation Center 2016-B		$2,060,597 Rolling Stock 2016-A		$3,182,736 Rolling Stock 2015-B		$1,644,700 Equipment Lease Purchase Agreement (SCBA) 2015-A		$1,383,000 History Museum Expansion 2014-B		$1,674,787 Rolling Stock 2014-A	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2019	1,235	1.250%	288	1.460%	451	1.676%	333	1.208%	136	2.560%	342	1.480%
2020	1,235	1.250%	292	1.460%	459	1.676%			140	2.560%		
2021	1,235	1.250%	296	1.460%	467	1.676%			143	2.560%		
2022	1,235	1.250%	301	1.460%	475	1.676%			147	2.560%		
2023	1,235	1.250%	305	1.460%					151	2.560%		
2024									155	2.560%		
2025												
2026												
2027												
2028												
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
TOTALS	$6,174		$1,483		$1,852		$333		$873		$342	
Next Call	Non-Callable		Non-Callable		Non-Callable		Non-Callable		Non-Callable		Non-Callable	
Dated Date	8/4/2016		9/22/2016		8/19/2015		2/27/2015		12/4/2014		9/30/2014	
Coupon Dates	February 1		March 27		March 27		March 27		June 1	December 1	March 27	
Maturity Dates	February 1		March 27		March 27		March 27		June 1	December 1	March 27	
Insurer	None		None		None		None		None		None	
Lender	Key Government Finance		Key Government Finance		JPMorgan Chase		JPMorgan Chase		Colorado State Bank & Trust		UMB Bank	
Purpose	New Money		New Money		New Money		New Money		New Money		New Money	

Color Legend

Callable Non-Callable

City of Aurora, Colorado

All Outstanding ACLC Capital Lease Debt
As of January 1, 2019
(000's)

Year Ending December 31	$1,773,430 Rolling Stock 2012-B											
	Principal	Coupon										
2019	261	1.340%										
2020												
2021												
2022												
2023												
2024												
2025												
2026												
2027												
2028												
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
TOTALS	$261											
Coupon Dates	March 27											

Color Legend

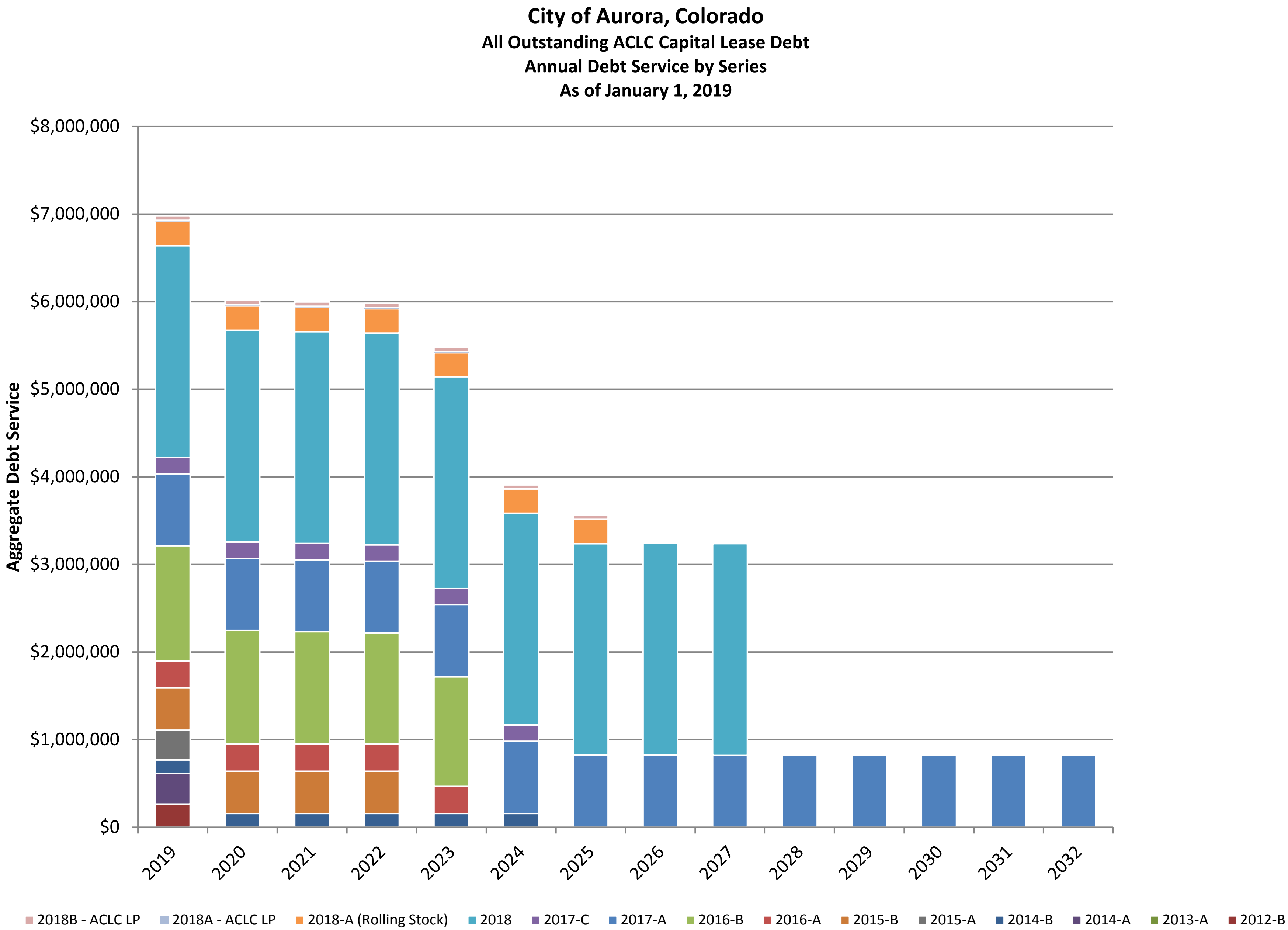
Callable Non-Callable

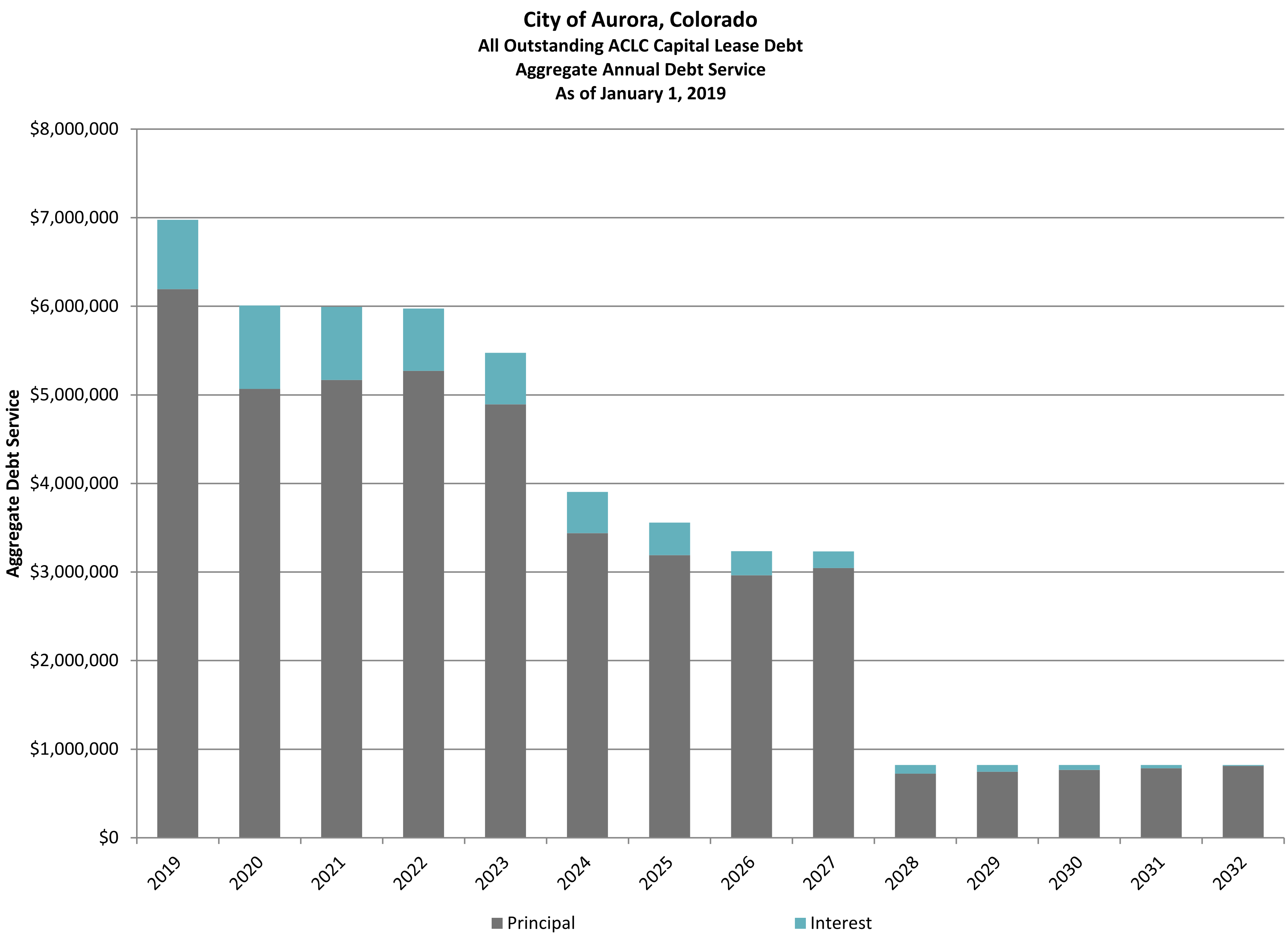
City of Aurora, Colorado

ACLC Capital Leases

Summary of Oustanding Obligations as of January 1, 2019

TOTAL ANNUAL DEBT SERVICE														
	2012-B	2014-A	2014-B	2015-A	2015-B	2016-A	2016-B	2017-A	2017-C	2018	2018-A	2018A LP	2018B LP	Total
2019	264,458	347,381	157,835	337,226	482,507	309,630	1,311,884	824,895	186,115	2,412,555	276,747	13,753	50,000	6,974,986
2020	-	-	157,835	-	482,507	309,630	1,296,450	824,525	186,115	2,412,555	276,747	13,753	47,768	6,007,885
2021	-	-	157,835	-	482,507	309,630	1,281,016	823,824	186,115	2,412,555	276,747	13,753	47,768	5,991,749
2022	-	-	157,835	-	482,507	309,630	1,265,582	822,725	186,115	2,412,555	276,747	13,753	47,768	5,975,217
2023	-	-	157,835	-	-	309,630	1,250,148	821,163	186,115	2,412,556	276,747	13,752	47,768	5,475,714
2024	-	-	157,835	-	-	-	-	824,203	186,115	2,412,555	276,747		47,768	3,905,223
2025	-	-	-	-	-	-	-	821,779		2,412,556	276,747		47,768	3,558,849
2026	-	-	-					823,891		2,412,555				3,236,446
2027	-	-	-					820,474		2,412,555				3,233,029
2028	-	-	-					821,659						821,659
2029	-	-	-					822,314						822,314
2030	-	-	-					822,439						822,439
2031	-	-	-					822,034						822,034
2032	-	-	-					820,733						820,733
Total	**264,458**	**347,381**	**947,010**	**337,226**	**1,930,027**	**1,548,151**	**6,405,080**	**11,516,655**	**1,116,688**	**21,712,996**	**1,937,230**	**68,765**	**336,608**	**48,468,275**


City of Aurora, Colorado
All Outstanding ACLC Capital Lease Debt
Annual Debt Service by Series
As of January 1, 2019
Aggregate Debt Service
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2018B - ACLC LP
2018A - ACLC LP
2018-A (Rolling Stock)
2018
2017-C
2017-A
2016-B
2016-A
2015-B
2015-A
2014-B
2014-A
2013-A
2012-B



HilltopSecurities
A Hilltop Holdings Company.

Original Lease Amount:		**$359,677**
Issuer:		**City of Aurora, Colorado**
Issue Description:		**ACLC Leasing Program**
Lessor:		Aurora Capital Leasing Corp.
Lease Purchase No.		2018B
Dated:		
Lender:		Internal
Equipment/Purpose:	Forensic Crime Lab Spectrometer	

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	46,566	2.500%	3,434	50,000
2020	44,316	2.500%	7,077	51,393
2021	45,424	2.500%	5,969	51,393
2022	46,559	2.500%	4,833	51,393
2023	47,723	2.500%	3,669	51,393
2024	48,916	2.500%	2,476	51,393
2025	50,139	2.500%	1,253	51,393
TOTAL	**329,643**		**28,712**	**358,355**

Redemption Provision:	N/A	**Callable Bonds***
Refunding Status:	N/A	
Maturity Dates:	March 1	
Interest Payment Dates:	March 1	

Original Lease Amount:	**$65,215**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**ACLC Leasing Program**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2018A
Dated:	
Lender:	Internal
Equipment/Purpose:	Recreation Center Equipment

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	**13,477**	2.500%	276	13,753
2020	**12,460**	2.500%	1,293	13,753
2021	**12,771**	2.500%	982	13,753
2022	**13,090**	2.500%	663	13,753
2023	**13,417**	2.500%	335	13,752
TOTAL	**65,215**		**3,550**	**68,765**

Redemption Provision:	Any date	**Callable Bonds***
Refunding Status:	N/A	
Maturity Dates:	March 1	
Interest Payment Dates:	March 1	

Original Lease Amount:	**$1,750,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Rolling Stock**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2018-A
Dated:	8/9/2018
Lender:	ZMFU, Inc. (Vectra Bank)
Equipment/Purpose:	1 Dump Truck 1 Fire Pumper Engine 1 Fire Aerial Ladder Truck

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	**244,827**	2.880%	31,920	276,747
2020	**233,398**	2.880%	43,349	276,747
2021	**240,120**	2.880%	36,627	276,747
2022	**247,035**	2.880%	29,712	276,747
2023	**254,150**	2.880%	22,597	276,747
2024	**261,470**	2.880%	15,278	276,747
2025	**269,000**	2.880%	7,747	276,747
TOTAL	**1,750,000**		**187,230**	**1,937,230**

Redemption Provision:	Any date	**Callable Bonds***
Refunding Status:	N/A	
Maturity Dates:	March 27	
Interest Payment Dates:	March 27	

Original Lease Amount:	**$19,000,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Stephen D. Hogan Parkway Extension**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2017-A
Dated:	7/17/2018
Lender:	ZB, N.A. (Vectra Bank)
Equipment/Purpose:	Proceeds used to finance theextension of the Stephen D. Hogan Parkway (formerly 6th Avenue) east to E-470. The Leased Property is the Tallyn's Reach Campus

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	2,100,269	3.050%	312,286	2,412,555
2020	1,897,113	3.050%	515,442	2,412,555
2021	1,954,975	3.050%	457,580	2,412,555
2022	2,014,602	3.050%	397,953	2,412,555
2023	2,076,048	3.050%	336,508	2,412,556
2024	2,139,367	3.050%	273,188	2,412,555
2025	2,204,618	3.050%	207,938	2,412,556
2026	2,271,858	3.050%	140,697	2,412,555
2027	2,341,150	3.050%	71,405	2,412,555
TOTAL	**19,000,000**		**2,712,996**	**21,712,996**

Redemption Provision:	Any date	**Callable Bonds***
Refunding Status:	N/A	
Maturity Dates:	February 1	
Interest Payment Dates:	February 1	

Original Lease Amount:	**$1,220,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Rolling Stock**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2017-C
Dated:	11/8/2017
Lender:	Key Government Finance
Equipment/Purpose:	1 Aerial and 1 Grader

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	165,459	1.980%	20,656	186,115
2020	168,735	1.980%	17,380	186,115
2021	172,076	1.980%	14,039	186,115
2022	175,483	1.980%	10,631	186,115
2023	178,958	1.980%	7,157	186,115
2024	182,501	1.980%	3,614	186,115
TOTAL	**1,043,212**		**73,476**	**1,116,688**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	March 27
Interest Payment Dates:	March 27

Original Lease Amount:	**$10,095,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**District 2 Police Station (Phase II)**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2017-A
Dated:	6/8/2017
Lender:	Key Government Finance
Equipment/Purpose:	Proceeds used to finance the second phase of the construction of the City's District 2 Police Station and also to refund and terminate the City's 2015 Lease originally issued for Phase I of the District 2 Police Station.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	**575,000**	2.650%	249,895	824,895
2020	**590,000**	2.650%	234,525	824,525
2021	**605,000**	2.650%	218,824	823,824
2022	**620,000**	2.650%	202,725	822,725
2023	**635,000**	2.650%	186,163	821,163
2024	**655,000**	2.650%	169,203	824,203
2025	**670,000**	2.650%	151,779	821,779
2026	**690,000**	2.650%	133,891	823,891
2027	**705,000**	2.650%	115,474	820,474
2028	**725,000**	2.650%	96,659	821,659
2029	**745,000**	2.650%	77,314	822,314
2030	**765,000**	2.650%	57,439	822,439
2031	**785,000**	2.650%	37,034	822,034
2032	**810,000**	2.650%	10,733	820,733
TOTAL	**9,575,000**		**1,941,655**	**11,516,655**

Redemption Provision:	Callable 6/8/2022 @ Par	**Callable Bonds***
Refunding Status:	N/A	
Maturity Dates:	February 1 and August 1	
Interest Payment Dates:	February 1 and August 1	

**Of the $620,000 of principal maturing in 2022, only the $310,000 maturing on 8/1/2022 is callable.*

Original Lease Amount:	**$8,643,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Moorhead Recreation Center**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2016-B
Dated:	8/4/2016
Lender:	Key Government Finance

Equipment/Purpose: The City, through a lease with ACLC, intends to finance the costs of renovation and improvements to the Moorhead Recreation Center (“Moorhead”). Moorhead serves the northwest Aurora population and is in close proximity to new developments in Denver/Aurora Stapleton neighborhood. Improvement plans include expanding the current 4,500 square foot facility to 25,000 square feet and converting the existing outdoor pool to indoors. Construction work began in February 2016 and it is completed. Moorhead Recreation Center is now open.

While proceeds are being used to renovate Moorhead, the property to be leased by the City from ACLC is the MLK Complex (see Leasehold Interest section). This asset is being substituted as the City is unable to pledge Moorhead since it is designated as a park.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	1,234,714	1.250%	77,170	1,311,884
2020	1,234,714	1.250%	61,736	1,296,450
2021	1,234,714	1.250%	46,302	1,281,016
2022	1,234,714	1.250%	30,868	1,265,582
2023	1,234,714	1.250%	15,434	1,250,148
TOTAL	6,173,571		231,509	6,405,080

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	February 1
Interest Payment Dates:	February 1

Original Lease Amount:	**$2,060,597**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Rolling Stock**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2016-A
Dated:	9/22/2016
Lender:	Key Government Finance
Equipment/Purpose:	4 Freightliner 108SD Single Rear Axle Dump Trucks, 3 International 7400 Tandem Rear Axle Dump Trucks & 1 E-One CYCLONE II Pumper Fire Engine

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	287,984	1.460%	21,646	309,630
2020	292,189	1.460%	17,441	309,630
2021	296,455	1.460%	13,175	309,630
2022	300,783	1.460%	8,847	309,630
2023	305,175	1.460%	4,456	309,630
TOTAL	**1,482,587**		**65,565**	**1,548,151**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	March 27
Interest Payment Dates:	March 27

Original Lease Amount:	**$3,182,736**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Rolling Stock**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2015-B
Dated:	8/19/2015
Lender:	JPMorgan Chase
Equipment/Purpose:	Rolling Stock : Fire Engines, Bus, Patch & Paint Trucks, Dump Trucks

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	451,471	1.676%	31,036	482,507
2020	459,037	1.676%	23,469	482,507
2021	466,731	1.676%	15,776	482,507
2022	474,553	1.676%	7,954	482,507
TOTAL	**1,851,793**		**78,235**	**1,930,027**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	March 27
Interest Payment Dates:	March 27

Original Lease Amount:	**$1,644,700**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Equipment Lease Purchase Agreement (SCBA)**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2015-A
Dated:	2/27/2015
Lender:	JPMorgan Chase
Equipment/Purpose:	Fire Department Self-Contained Breathing Apparatus

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	333,201	1.208%	4,025	337,226
TOTAL	**333,201**		**4,025**	**337,226**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	March 27
Interest Payment Dates:	March 27

Original Lease Amount:	**$1,383,800**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**History Museum Expanison**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2014-B
Dated:	12/4/2014
Lender:	Colorado State Bank & Trust
Equipment/Purpose:	Finance the expansion of the Aurora History Museum. The City built a 2,800 square foot addition to the existing History Museum and upgraded HVAC systems. The new wing will house a restored Aurora Trolley Car and a museum workshop.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	136,366	2.560%	21,469	157,835
2020	139,879	2.560%	17,956	157,835
2021	143,483	2.560%	14,352	157,835
2022	147,180	2.560%	10,655	157,835
2023	150,972	2.560%	6,863	157,835
2024	154,862	2.560%	2,973	157,835
TOTAL	872,741		74,269	947,010

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	June 1 and December 1
Interest Payment Dates:	June 1 and December 1

Original Lease Amount:	**$1,674,787**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Rolling Stock**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2014-A
Dated:	9/30/2014
Lender:	UMB Bank
Equipment:	Rolling Stock Purchase: Dump trucks, asphalt trucks, snow trucks

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	342,314	1.48%	5,066	347,381
TOTAL	**342,314**		**5,066**	**347,381**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	March 27
Interest Payment Dates:	March 27

Original Lease Amount:	**$1,773,430**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Rolling Stock**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2012-B
Dated:	12/27/2012
Lender:	Chase Equipment Finance
Equipment:	2 E-One Pumpers, and 1 E-One Arial Ladder

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	260,961	1.340%	3,497	264,458
TOTAL	**260,961**		**3,497**	**264,458**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	March 27
Interest Payment Dates:	March 27

City of Aurora, Colorado

Tab D: Details of Outstanding Water Enterprise Revenue Debt

As of January 1, 2019

Water Enterprise Revenue Debt

HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado

All Outstanding Water Enterprise Revenue Debt
As of January 1, 2019
(000's)

Year Ending December 31	$437,025,000 First-Lien Water Refunding Revenue Bonds (Green Bonds) Series 2016 Principal	Coupon	$8,280,091 Water Rights Rocky Ford II Notes 2004	
2019			177	5.000%
2020	2,350	1.500%		
2021	4,855	5.000%		
2022	7,565	5.000%		
2023	10,410	5.000%		
2024	1,625/9,305	3.000%/5.000%		
2025	11,445	5.000%		
2026	4,000/8,015	4.000%/5.000%		
2027	12,015	5.000%		
2028	12,615	5.000%		
2029	13,245	5.000%		
2030	13,905	5.000%		
2031	14,600	5.000%		
2032	6,045/8,835	4.000%/5.000%		
2033	15,565	5.000%		
2034	16,345	5.000%		
2035	17,160	5.000%		
2036	18,020	5.000%		
2037	7,535/11,385	3.000%/5.000%		
2038	7,760/11,955	3.000%/5.000%		
2039	7,995/12,550	3.000%/5.000%		
2040	8,230/13,185	3.000%/5.000%		
2041	8,480/13,840	3.000%/5.000%		
2042	8,145/4,710/920/9,265	2%*/3%/4%/5%		
2043	8,550/4,850/960/9,730	2%*/3%/4%/5%		
2044	8,980/4,995/1,000/10,210	2%*/3%/4%/5%		
2045	9,425/5,145/1,040/10,725	2%*/3%/4%/5%		
2046	9,900/5,300/1,080/11,260	2%*/3%/4%/5%		
TOTALS	$437,025		$177	

	Series 2016	Rocky Ford II Notes 2004
Next Call	8/1/2019 @ Par (Step Coupon) 8/1/2026 @ Par All Others	Non-Callable
Dated Date	8/16/2016	2004
Coupon Dates	February 1 / August 1	January 1
Maturity Dates	August 1	January 1
Insurer	None	None
Paying Agent	UMB Bank	Wells Fargo Bank
Purpose	Currently Refund CWCB Loan and Advance Refund Series 2007A and Series 2008A Bonds	New Money to Purchase Water Rights

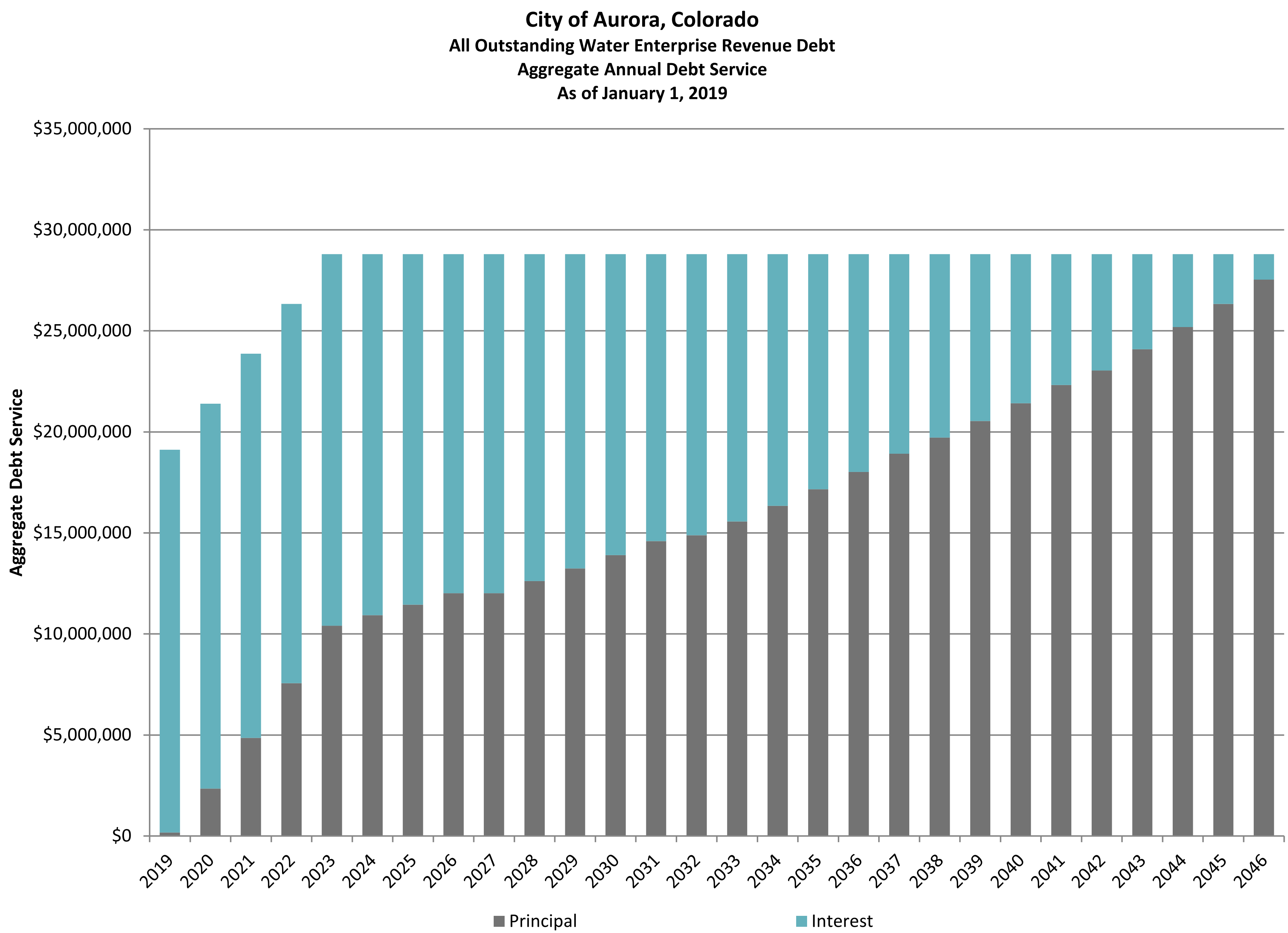
Color Legend
Callable Non-Callable
**Principal and Interest payment due on 1/1/2018 was paid on December 30, 2017*

Stripped new money portion

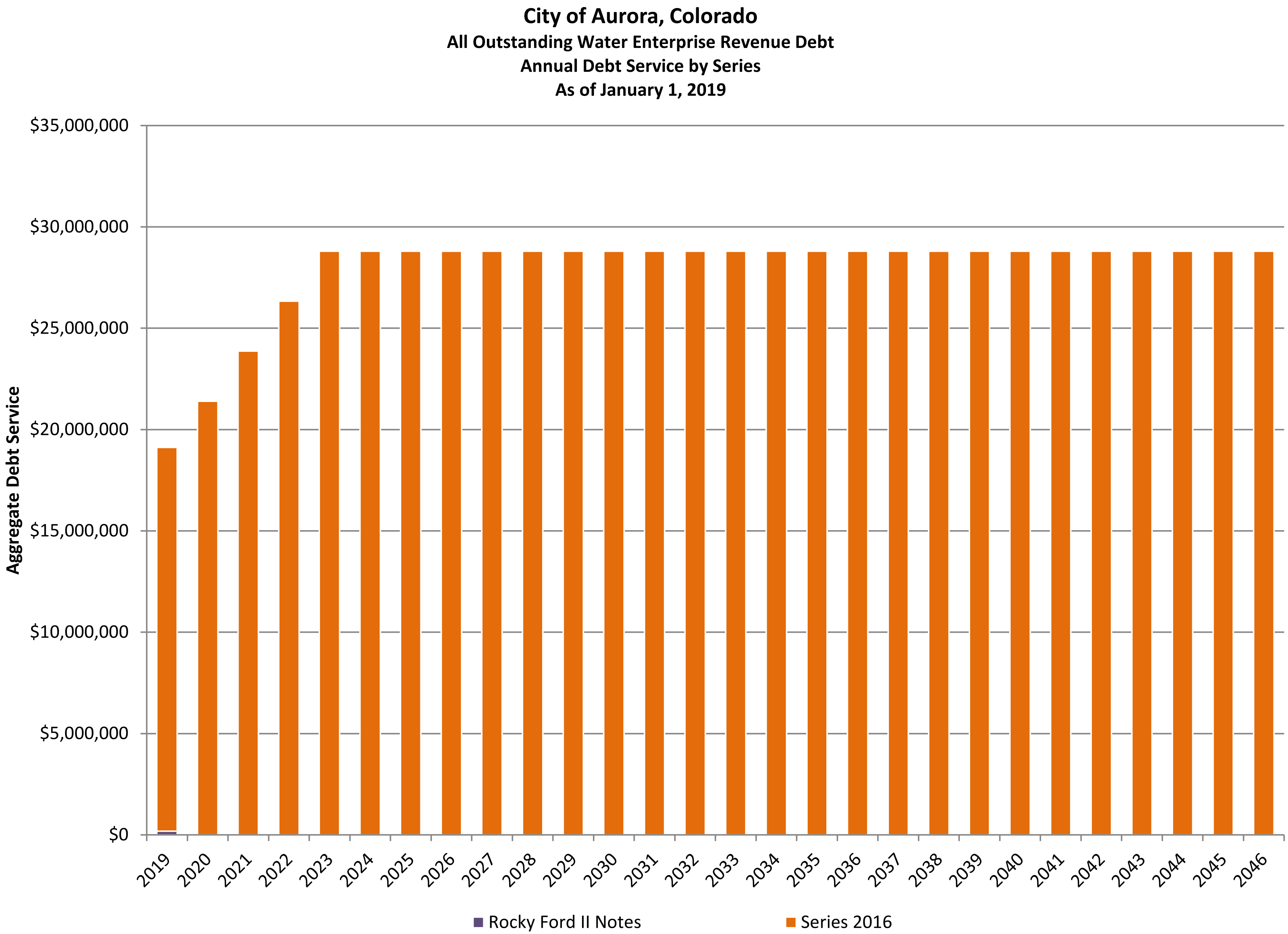
City of Aurora, Colorado
Water Debt
Summary of Oustanding Obligations as of January 1, 2019

TOTAL ANNUAL DEBT SERVICE	Rocky Ford II Notes	Series 2016	Total
2019	185,727	18,936,050	19,121,777
2020	-	21,398,550	21,398,550
2021	-	23,868,300	23,868,300
2022	-	26,335,550	26,335,550
2023	-	28,802,300	28,802,300
2024	-	28,801,800	28,801,800
2025	-	28,802,800	28,802,800
2026	-	28,800,550	28,800,550
2027	-	28,802,300	28,802,300
2028	-	28,801,550	28,801,550
2029	-	28,800,800	28,800,800
2030	-	28,798,550	28,798,550
2031	-	28,798,300	28,798,300
2032	-	28,798,300	28,798,300
2033	-	28,799,750	28,799,750
2034	-	28,801,500	28,801,500
2035	-	28,799,250	28,799,250
2036	-	28,801,250	28,801,250
2037	-	28,800,250	28,800,250
2038	-	28,799,950	28,799,950
2039	-	28,799,400	28,799,400
2040	-	28,802,050	28,802,050
2041	-	28,800,900	28,800,900
2042	-	28,799,500	28,799,500
2043	-	28,800,900	28,800,900
2044	-	28,798,000	28,798,000
2045	-	28,798,650	28,798,650
2046	-	28,800,200	28,800,200
Total	**185,727**	**781,747,250**	**781,932,977**

*Principal & Interest payment of $194,571 due on 1/1/2018 was paid to noteholders on 12/30/2017.



HilltopSecurities
A Hilltop Holdings Company.



HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$437,025,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**First-Lien Water Improvement Revenue Refunding Bonds, Series 2016 (Green Bonds)**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Morgan Stanley
Method of Sale:	Negotiated
Arbitrage Yield:	2.3156%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Source of Repayment:	Water Revenue
Bond Covenant:	1) 1.20x Debt Service Coverage for Senior Debt
	2) 1.05x Debt Service Coverage for Total Debt

Purpose: The Series 2016 Bonds are being issued for the purposes of refunding, paying and discharging all of the City's outstanding First Lien Water Improvement Revenue Bonds, Series 2007A and First-Lien Water Refunding Revenue Bonds, Series 2008A, as well as refinancing the City's Colorado Water Conservation Board Loan, dated as of November 20, 2007, in the original principal amount of $75,750,000. The City has designated the bonds as "Green Bonds," in accordance with Green Bond Principles promulgated by the International Capital Markets Association, resulting in a net present value (NPV) savings of $69 million (13%).

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	-	-	18,936,050	18,936,050
2020	2,350,000	1.500%	19,048,550	21,398,550
2021	4,855,000	5.000%	19,013,300	23,868,300
2022	7,565,000	5.000%	18,770,550	26,335,550
2023	10,410,000	5.000%	18,392,300	28,802,300
2024	10,930,000	3.00%-5.00%*	17,871,800	28,801,800
2025	11,445,000	5.000%	17,357,800	28,802,800
2026	12,015,000	4.00%-5.00%*	16,785,550	28,800,550
2027	**12,015,000**	5.000%	16,787,300	28,802,300
2028	**12,615,000**	5.000%	16,186,550	28,801,550
2029	**13,245,000**	5.000%	15,555,800	28,800,800
2030	**13,905,000**	5.000%	14,893,550	28,798,550
2031	**14,600,000**	5.000%	14,198,300	28,798,300
2032	**14,880,000**	4.00%-5.00%*	13,918,300	28,798,300
2033	**15,565,000**	5.000%	13,234,750	28,799,750
2034	**16,345,000**	5.000%	12,456,500	28,801,500
2035	**17,160,000**	5.000%	11,639,250	28,799,250
2036	**18,020,000**	5.000%	10,781,250	28,801,250
2037	**18,920,000**	3.00%-5.00%*	9,880,250	28,800,250
2038	**19,715,000**	3.00%-5.00%*	9,084,950	28,799,950
2039	**20,545,000**	3.00%-5.00%*	8,254,400	28,799,400
2040	**21,415,000**	3.00%-5.00%*	7,387,050	28,802,050
2041	**22,320,000**	3.00%-5.00%*	6,480,900	28,800,900
2042	**23,040,000**	2.00%-5.0%**	5,759,500	28,799,500
2043	**24,090,000**	2.00%-5.0%**	4,710,900	28,800,900
2044	**25,185,000**	2.00%-5.0%**	3,613,000	28,798,000
2045	**26,335,000**	2.00%-5.0%**	2,463,650	28,798,650
2046	**27,540,000**	2.00%-5.0%**	1,260,200	28,800,200
TOTAL	**437,025,000**		**344,722,250**	**781,747,250**

Callable Bonds

Redemption Provision: August 1, 2019 @ 100% for 2046 Step Coupon Bond, otherwise August 1, 2026 @ 100%
Maturity Dates: August 1
Interest Payment Dates: February 1 & August 1
*Bifurcated maturities
**Quadfurcated maturities

Original Par Amount: **$8,280,091**

Issuer: **City of Aurora, Colorado**

Issue Description: **Rocky Ford II Notes**

Source of Repayment: Water Revenues

Purpose: The Notes were issued for the purpose of purchasing water rights.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	176,883	2.300%	8,844	185,727
TOTAL	176,883		8,844	185,727

Redemption Provision: Non-Callable

Refunding Status: N/A

Maturity Dates:

Interest Payment Dates:

*Principal & Interest payment of $194,571.30 due on 1/1/2018 was paid to noteholders on 12/30/2017.

NEW ISSUE—BOOK-ENTRY-ONLY **RATINGS (See "RATINGS"): S&P: "AA+"**
Fitch: "AA+"

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, interest on the Series 2016 Bonds (including any original issue discount properly allocable to certain of the Series 2016 Bonds) is not includible in gross income for federal income tax purposes, is exempt from State of Colorado income tax, is not a specific preference item for purposes of the federal alternative minimum tax and is excluded from the computation of State of Colorado alternative minimum tax. See the caption "TAX MATTERS."

$437,025,000
City of Aurora, Colorado
acting by and through its
Utility Enterprise
First-Lien Water Refunding Revenue Bonds, Series 2016
(Green Bonds)

Dated: Date of Delivery **Due: August 1, as shown below**

The First-Lien Water Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds") will be issued in fully registered book-entry form in denominations of $5,000 or integral multiples thereof. The Series 2016 Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), securities depository for the Series 2016 Bonds. UMB Bank, n.a. will act as Paying Agent, Registrar and Transfer Agent for the Series 2016 Bonds. Individual purchases are to be made in book-entry-only form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2016 Bonds. Interest is payable February 1, 2017 and semiannually thereafter each August 1 and February 1 to and including the maturity dates shown below, unless the Series 2016 Bonds are redeemed earlier.

$207,920,000 SERIES 2016 SERIAL BONDS

Year	Amount	Rate	Price or Yield	CUSIP	Year	Amount	Rate	Price or Yield	CUSIP
2020	$2,350,000	1.500%	0.830%	051595 AL0	2028	$12,615,000	5.000%	1.870%	051595 BF2
2021	4,855,000	5.000	0.970	051595 AM8	2029	13,245,000	5.000	1.930	051595 AU0
2022	7,565,000	5.000	1.130	051595 AN6	2030	13,905,000	5.000	1.980	051595 BG0
2023	10,410,000	5.000	1.280	051595 AP1	2031	14,600,000	5.000	2.030	051595 AV8
2024	1,625,000	3.000	1.400	051595 AQ9	2032	6,045,000	4.000	2.330	051595 AW6
2024	9,305,000	5.000	1.400	051595 BE5	2032	8,835,000	5.000	2.080	051595 BM7
2025	11,445,000	5.000	1.520	051595 AR7	2033	15,565,000	5.000	2.130	051595 AX4
2026	4,000,000	4.000	1.650	051595 AS5	2034	16,345,000	5.000	2.180	051595 AY2
2026	8,015,000	5.000	1.650	051595 BJ4	2035	17,160,000	5.000	2.220	051595 AZ9
2027	12,015,000	5.000	1.760	051595 AT3	2036	18,020,000	5.000	2.260	051595 BA3

$40,000,000 3.000% Series 2016 Term Bonds due August 1, 2041 – Price @ 100.858% CUSIP: 051595 BK1
$62,915,000 5.000% Series 2016 Term Bonds due August 1, 2041 – Price @ 123.706% CUSIP: 051595 BD7
$45,000,000 2.000% (initial rate) Series 2016 Step Coupon Term Bonds[1] due August 1, 2046 – Price @ 100.000% CUSIP: 051595 BB1
$25,000,000 3.000% Series 2016 Term Bonds due August 1, 2046 – Price @ 100.427% CUSIP: 051595 BL9
$5,000,000 4.000% Series 2016 Term Bonds due August 1, 2046 – Price @ 112.026% CUSIP: 051595 BH8
$51,190,000 5.000% Series 2016 Term Bonds due August 1, 2046 – Price @ 123.206% CUSIP: 051595 BC9

The Series 2016 Bonds are issued for the purpose of refinancing obligations originally incurred to finance or refinance additions and improvements to the Water System operated by the Utility Enterprise of the City. The Series 2016 Bonds are special, limited obligations of the City, acting by and through its Utility Enterprise, and are payable solely from and secured by a first (but not necessarily exclusively first) lien upon certain net pledged revenues, consisting of the net revenues of the Water System of the City remaining after the payment of operation and maintenance expenses. See "THE SERIES 2016 BONDS—Security and Flow of Funds."

The Series 2016 Bonds are not a debt or indebtedness or a multiple-fiscal year debt or other financial obligation of the City under the Constitution and laws of the State of Colorado. The Series 2016 Bonds are not payable from the proceeds of general property taxes or any other form of taxation, and the full faith and credit of the City is not pledged for their payment.

The Series 2016 Bonds are subject to redemption as described under the caption "THE SERIES 2016 BONDS—Redemption."

This cover page is not a summary of the issue. Investors should read the Official Statement in its entirety to make an informed investment decision.

The Series 2016 Bonds are offered when, as and if issued, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney and for the Underwriters by Sherman & Howard LLC. Piper Jaffray & Co. has acted as financial advisor to the City in connection with the Series 2016 Bonds. Delivery of the Series 2016 Bonds through the facilities of DTC in New York, New York, is expected on or about August 16, 2016.

Morgan Stanley RBC Capital Markets

BofA Merrill Lynch **Wells Fargo Securities**

The date of this Official Statement is July 21, 2016.

[1] See "THE SERIES 2016 BONDS–Description of the Series 2016 Bonds–*Step Coupon Term Bonds Due August 1, 2046*."

Aurora, Colorado

Water System Revenue Bonds

New Issue Report

Ratings

New Issue

First-Lien Water Refunding Revenue Bonds, Series 2016 (Green Bonds)	AA+
Outstanding Debt	
First-Lien Water Improvement Revenue Bonds	AA+

Rating Outlook

Stable

Related Research

2016 Water and Sewer Medians (December 2015)

2016 Outlook: Water and Sewer Sector (December 2015)

Analysts

Julie Garcia Seebach
+1 512 215-3743
julie.seebach@fitchratings.com

Audra Dickinson
+1 512 813-5701
audra.dickinson@fitchratings.com

New Issue Details

Sale Information: Approximately $415,360,000 First-Lien Water Refunding Revenue Bonds, Series 2016 (Green Bonds), scheduled to sell the week of July 18 via negotiation.

Security: First lien on net revenues of the city of Aurora's (the city) water system (the system).

Purpose: To refund the city's outstanding series 2007A bonds, series 2008A bonds and the city's Colorado Water Conservation Board Loan for debt service savings, and pay costs of issuance.

Final Maturity: Aug. 1, 2046.

Key Rating Drivers

Solid Financial Profile: The system continues to produce strong financial metrics, with 2015 total debt service coverage (DSC) of over 1.8x net of connection fees and unrestricted reserves of $111 million, or roughly 760 days of cash on hand.

High Debt Ramping Down: The system is highly leveraged, though the city has actively prepaid debt and has no additional borrowings planned in the near- to medium-term, so debt levels should decline. Debt per customer and per capita levels are three times higher than the 'AA' rating category medians, while debt as a percent of plant assets is more moderate at 34%.

Rate Flexibility: Water rates register at a moderately high 1.1% of median household income (MHI). But on a combined basis with sewer charges, the monthly bill is affordable at 1.6% of MHI, providing sufficient ongoing rate-raising flexibility if needed.

Strong Financial, Resource Planning: Comprehensive long-term financial, capital and water supply planning practices have positioned operations well and provide a strong enhancement to credit quality.

Rating Sensitivities

Continuation of Current Trends: Fitch Ratings would view favorably the system's maintenance of strong financial results coupled with the ability to lower debt ratios.

Rating History

Rating	Action	Outlook/ Watch	Date
AA+	Affirmed	Stable	7/8/16
AA+	Affirmed	Stable	6/19/14
AA+	Upgraded	Stable	7/18/12
AA	Affirmed	Stable	7/30/10
AA	Revised	Stable	4/30/10
AA–	Affirmed	Stable	12/8/09
AA–	Assigned	Stable	4/10/06

Related Criteria

Revenue-Supported Rating Criteria (June 2014)

U.S. Water and Sewer Revenue Bond Rating Criteria (September 2015)

Credit Profile

The water system primarily provides retail service to city residents. Aurora is located adjacent to and directly east of Denver, and with a population in excess of 351,200 is the third largest city in the state. Given the city's close proximity to downtown Denver and the Denver International Airport, its location along the light rail corridor and strong and growing employment base, the city's planning department is estimating population will grow at a rate of approximately 1.7% per year.

The city's unemployment rate is down year over year, dropping to 3.6% in May 2016, compared with 4.6% the year prior. The rate is on par with the state level of 3.6%, above the county threshold of 3.3% but below the 4.5% national rate. Wealth levels are below state (91%) but above national (104%) averages. The city maintains core military/aerospace and retail economic elements but is also transforming into a major medical/bioscience center as redevelopment continues at the Fitzsimons army base.

Strong Financial Performance

For 2015, annual DSC was 3.3x (2.2x net of connection fees) on senior bonds and 2.8x (1.8x net of connection fees) on all debt. Connection fees comprised a sizable portion of pledged sources in the past, equating to about 50% of operating revenues, but for the past five fiscal years they have declined, making up an average of 19%. Even without these one-time revenues, senior DSC has remained over 2.0x since 2008. The system also has accumulated over $111 million in unrestricted cash and investments, equal to over 760 days of operations.

Given the city currently has no future debt issuance plans and has been actively prepaying debt, senior-lien DSC is projected to range between 2.0x and 2.2x (net of connection fees) over the fiscal year 2016 to 2020 period. Nevertheless, the city currently has no rate increases built into its forecast, so cash margins are projected to decline to support all capital improvement plan (CIP) activities.

New Revenues Expected to Further Bolster Financial Profile

Aurora has formed the Water Infrastructure and Supply Efficiency (WISE) partnership with Denver Water (revenue bonds rated 'AAA'/Stable by Fitch) and the South Metro WISE Authority, which will utilize the additional yield from the city's extensive Prairie Waters Project (PWP) to provide water to 10 communities in the south Denver metro area. The full amount of water to be provided by the WISE partnership is estimated at 72,250 acre-feet (af) over 10-year periods. Limited WISE deliveries are anticipated to begin in late 2016, with full deliveries expected by 2021.

Elevated but Declining Debt Burden

Fitch acknowledges the importance of PWP and the city's long-term water development programs as well as the foresight of the city to procure such supplies. Nevertheless, we note that a key credit concern is the system's high debt ratios: debt levels on a per capita basis are over 3.2x those of similarly rated credits. The slow amortization rate of system debt, which is 76% in 20 years, is another concern. Within the past three years, the city has made strides in reducing its debt burden by using excess cash reserves to steadily prepay debt, reducing debt-to-net plant to 34% in 2015 from 62% in 2008. Debt ratios should decrease over the long term as the city continues to follow prudent debt management practices. The city also has no debt issuance plans for the next five years, which will alleviate future leverage pressures.

The five-year CIP totals over $358 million, with 64% of projects dedicated to water supply. This marks a 30% increase from the 2014–2018 CIP, primarily due to the build-out cost ($92 million) of the Wild Horse Reservoir, which is estimated to provide the city with an additional 32,000 af of water storage. The city plans to fund all of its CIP projects in a pay-as-you-go fashion, which means that reserve fund balances could decline if rates are not increased in the interim.

Advanced Resource Planning

Water supply is derived largely from renewable mountain snowmelt, which annually recharges city reservoirs. Recognizing the need to drought-harden the system and provide for ongoing growth, the city proactively began developing PWP as part of its CIP in 2007. The $637 million project was completed in 2010 and will enhance firm yield supplies by 20%. Moreover, with future expansion of PWP and other water initiatives identified in the city's long-range capital program, the city will ensure adequate supplies through at least 2045.

Combined User Rates Remain Affordable

Water charges are somewhat high on an affordability basis but are comparable to other regional providers. Concerns regarding water charges are somewhat mitigated by the low cost of wastewater treatment, which brings combined utility costs just below Fitch's affordability range (1.6% of MHI), providing sufficient overall rate making flexibility. The city has been on a rate holiday since 2011, and no rate increases are currently forecast, although adjustments may be needed over the forecast period if the city plans to entirely cash-fund its current five-year CIP.

Strong financial results have allowed the city to extend the rate relief longer than originally planned and institute smaller than originally planned rate adjustments. Over the last few years, other Colorado utilities, and western utility credits in general, have been faced with large CIPs for source water development. As a result, over the medium term, Aurora utility charges have become more in line with or even slightly below other providers.

Legal Provisions

Security

The bonds are secured by a first lien on the net income of the system.

Rate Covenant

The city covenants to set rates and charges at a level that will produce net pledged revenues, after payment of operations and maintenance (O&M) expenses, in an amount equal to at least 1.20x the combined ADS requirements on all parity debt and 1.05x the combined ADS of all outstanding subordinate revenue obligations.

Additional Bonds Test

Additional parity bonds may be issued, provided net pledged revenues for the most recently complete fiscal year or a consecutive 12 of the previous 18 months equal at least 1.2x the combined maximum annual debt service (MADS) for outstanding and proposed parity bonds. Net pledged revenues may be adjusted to include any increase in rates or charges to be effective during or prior to the year in which the MADS requirement occurs. There are no limitations for the issuance of subordinate revenue obligations.

Debt Service Reserve Fund

No debt service reserve is being funded in connection with the series 2016 bonds.

Flow of Funds

All income derived from system operations is deposited into the income account and dispersed in the following order of priority:

- For O&M expenses.
- To pay debt service on senior lien obligations.
- To the senior lien debt service reserve account, if necessary.
- To pay debt service on subordinate lien obligations.
- For any lawful purpose.

Financial Summary

($000, Audited Years Ended Dec. 31)

	2011	2012	2013	2014	2015	2016[a]	2017[a]	2018[a]	2019[a]	2020[a]
Balance Sheet										
Unrestricted Cash and Investments	155,521	123,121	146,036	146,029	111,198	—	—	—	—	—
Net Current Accounts Receivable	9,922	10,276	8,203	8,043	9,501	—	—	—	—	—
Other Unrestricted Current Assets	11,406	12,562	9,825	10,743	11,676	—	—	—	—	—
Current Liabilities Payable from Unrestricted Assets	(27,999)	(22,469)	(23,188)	(26,995)	(26,242)	—	—	—	—	—
Net Working Capital	138,928	113,214	132,673	129,778	96,631	—	—	—	—	—
Net Fixed Assets	1,519,385	1,533,156	1,530,930	1,551,720	1,587,257	—	—	—	—	—
Net Long-Term Debt Outstanding	654,835	607,034	604,811	578,547	547,506	—	—	—	—	—
Operating Statement										
Operating Revenues	104,941	112,404	97,188	125,029	102,489	101,607	102,305	104,153	107,263	110,781
Non-Operating Revenues Available for Debt Service	5,007	4,092	2,274	4,099	3,661	3,692	1,147	1,045	993	991
Connection Fees	13,840	20,304	22,098	20,491	26,932	23,432	36,141	36,637	37,531	37,998
Total Revenues Available for Debt Service	123,789	136,800	121,560	149,618	133,081	128,731	139,593	141,835	145,787	149,769
Operating Expenditures (Excluding Depreciation)	46,574	45,857	46,864	51,490	53,355	53,932	56,817	60,078	63,339	65,554
Depreciation	14,734	26,608	28,470	29,496	29,473					
Operating Income	43,634	39,938	21,854	44,043	19,661	47,675	45,488	44,075	43,924	45,227
Net Revenues Available for Debt Service	77,215	90,943	74,696	98,129	79,726	74,799	82,776	81,757	82,448	84,216
Senior Lien ADS	34,665	29,660	25,265	24,747	24,012	22,931	19,918	20,784	20,784	22,899
All-In ADS	45,357	33,221	30,372	29,384	28,640	27,508	20,114	20,971	20,786	22,901
Financial Statistics										
Senior ADS	2.2	3.1	3.0	4.0	3.3	3.3	4.2	3.9	4.0	3.7
Senior ADS (Excluding Connection Fees)	1.8	2.4	2.1	3.1	2.2	2.2	2.3	2.2	2.2	2.0
All-In ADS	1.7	2.7	2.5	3.3	2.8	2.7	4.1	3.9	4.0	3.7
All-In ADS (Excluding Connection Fees)	1.4	2.1	1.7	2.6	1.8	1.9	2.3	2.2	2.2	2.0
Days Cash on Hand	1,219	980	1,137	1,035	761	—	—	—	—	—
Days Working Capital	1,089	901	1,033	920	661	—	—	—	—	—
Debt/Net Plant (%)	43	40	40	37	34	—	—	—	—	—
Outstanding Long-Term Debt Per Customer ($)	8,415	7,725	7,590	7,178	6,713	—	—	—	—	—
Outstanding Long-Term Debt Per Capita ($)	1,968	1,790	1,750	1,640	1,523	—	—	—	—	—
Free Cash / Depreciation (%)	216	217	156	233	173	—	—	—	—	—

[a]Projected. Note: Fitch may have reclassified certain financial statement items for analytical purposes.

Source: Aurora and Fitch.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

S&P Global
Ratings

RatingsDirect®

Summary:

Aurora, Colorado; Water/Sewer

Primary Credit Analyst:
John Schulz, Centennial (1) 303-721-4385; john.schulz@spglobal.com

Secondary Contact:
Chloe S Weil, San Francisco (1) 415-371-5026; chloe.weil@spglobal.com

Table Of Contents

Summary:

Aurora, Colorado; Water/Sewer

Credit Profile		
US$415.36 mil first lien wtr rfdg rev bnds ser 2016 due 08/01/2045		
Long Term Rating	AA+/Stable	New

Rationale

S&P Global Ratings assigned its 'AA+' long-term rating to Aurora, Colo.'s series 2016 first-lien water refunding revenue bonds (green bonds). The rating reflects, in our opinion, the combination of a very strong enterprise risk profile and an extremely strong financial risk profile. The outlook is stable.

The series 2016 water refunding revenue bonds (designated Green Bonds) are being issued to refund the series 2007A, series 2008A, and the city's Colorado Water Conservation Board loan for economic savings and to restructure the debt by extending the maturity by six years to have a more conservative future debt service. In addition, the series 2016 issuance issue is interest only through 2019 when the debt service begins to ramp up to roughly $30 million in 2022. The city water system's net revenues secure the bonds. The city estimates that more than 90% of the proceeds of the refunded obligations were allocated to Prairie Waters and other purposes of the kind contemplated by the green bond principles. The purpose of the Prairie Waters Project (the project funded by the series 2007A issuance was to make the system more drought-resistant and increase its capacity to serve customers. The Prairie Waters Project is designed to utilize these reusable water return flows from the South Platte River by transporting and treating the reusable water in a six-step process.

We view the bond provisions as credit neutral. After the refunding, Aurora's series 2016 will be the only existing senior water debt. The bonds are protected by a 1.2x additional bonds test of maximum annual debt service (MADS) and a 1.2x rate covenant of annual debt service.

Enterprise Risk

The city's very strong enterprise risk profile reflects our view of the system's:

- Service area participation in the broad and diverse Denver-Aurora metropolitan statistical area (MSA) with what we consider good resident wealth levels;
- Slightly below average water rates with low poverty rates however that is slightly off-set with average income indicators;
- Ample water supply for an expanding community; and
- Operational management assessment of 'good'.

Aurora Water operates the water system, which is the second-largest independent municipal water supply system in the Denver/Aurora metropolitan area, supplying treated water to over 81,560 active customer accounts as of Dec. 31, 2015. Residential and multi-family customers account for approximately 67% of consumption in fiscal 2015. The customer base is stable and is expanding with only being about 50% built-out. The city itself is its largest water customer which accounts for about 2.3% of total revenues in 2015. The resident population is growing and with average income levels, in our view, at 101% of national median household effective buying income (MHHEBI). Water supply and treatment resources exceed current potable water demand however projected demand indicates they will need some more raw water sources and treatment capacity to meet demand in the long term.

Consistent with our criteria "Methodology: Industry Risk," published Nov. 19, 2013, we consider industry risk for utilities covered under these criteria as very low, the most favorable assessment possible on a six-point scale, with '1' being the best.

Currently, the average residential monthly bill for water is about $43.68 per 6,000 gallons of usage. We calculated this rate assuming that a residential customer has a 6,000-gallon-per-month water budget, which may change depending on the specific type of property and irrigation needs. We view the combined fees paid by customers for water service as slightly below average for the region. This is somewhat offset some by average income indicators (MHHEBI) but still affordable, when annualized water represents 1.1% of MHHEBI. Furthermore, with lower county poverty rates in comparison to the nation levels, the city's market score is strong, as viewed by S&P Global Ratings. Rates are reviewed annually with the last planned rate increase in 2010. The city indicated they have not raised rates because net revenues have provided strong debt service coverage (DSC) after the city approved large rate increases from 2007 to 2010 to meet the capital improvements primarily to support the Prairie Waters Project. The city indicated they will assess whether future capital improvements and cost of service increases merit a future water rate increase on an annual basis.

Based on our operational management assessment, we view Aurora to be a '2' on a six-point scale, with '1' being the strongest. We view the operational management of the system as good. The water system has more than ample capacity for average and peak demand, and given the stable customer growth, management has a diverse water supply to meet future needs. Rates are reviewed annually and the city has developed several programs to manage succession.

Financial Risk

The city's extremely strong financial risk profile reflects our view of the system's:

- Extremely strong history of all-in debt service coverage (DSC) that is projected to continue;
- Extremely strong liquidity that we expect to continue;
- A moderate to large capital improvement program (CIP) funded with cash; and
- Financial management assessment (FMA) of 'strong'.

The water fund's financial performance has been extremely strong in recent years, in our view. Combined operating revenue totals roughly $129 million for audited fiscal 2015. All-in DSC provided by water fund net revenues in 2015 is also what we consider extremely strong, at 2.72x, with the past three audited years (2013-2015) averaging all-in DSC at 2.68x when excluding a one time payment of $26.3 in fiscal 2014 from Roxborough , which is at levels we view as extremely strong. Connection fee revenue for the water system was $24.5 million in audited 2015. When excluding system development fees, all-in DSC drops to 1.87x in 2015, levels we still consider extremely strong. Based on projections provided by management, we calculate the trend of extremely strong all-in DSC will continue.

The water fund's liquidity remained extremely strong, in our view, despite unrestricted cash and investments decreasing from $146.0 million (or 1,035 days' cash) in fiscal 2014, to $111.2 million (761 days' cash) in fiscal 2015. We attribute the lower unrestricted cash due to capital improvements and unscheduled prepayments of debt during fiscal 2015. We see the unrestricted cash to fluctuate in the next five years with healthy net revenues growing the fund and a cash funded capital improvement program (CIP) drawing from the unrestricted cash but remain at levels we consider very strong to extremely strong due to their strong reserve polices.

The five-year CIP totals roughly $322 million from fiscal 2017 through 2021. The largest categories of capital projects are in water storage, transmission and distribution. We view the debt to capitalization as very strong, with an adjusted ratio of 31.4%. City officials indicated they have no additional debt plans in a five-year outlook within the water fund, we expect debt to capitalization to slowly decrease as they progress through their debt service schedule.

Based on our financial management assessment (FMA), we view the Aurora to be a '1' on a six-point scale with '1' being the strongest. We view the system's financial management as strong, meaning policies are embedded and are likely sustainable. Interim financial results are produced monthly and shared with city council on a quarterly basis. The city has a formal policy regarding liquidity in the utility fund and produces strong financial forecasts that are reviewed internally and externally annually. Also, independently audited financial statements are produced annually. In addition, the city has a formal financial management plan that was adopted in 2007 and gets updated periodically.

Outlook

The stable outlook reflects our expectation that the system will continue to manage expenses and raise rates as need and produce extremely strong DSC and liquidity as the city progresses through its capital improvement plan.

Upside scenario

As they progress through their large CIP and continue to demonstrate extremely strong financial metrics that meet or exceed historic levels, or if income indicators as measured by MHHEBI rise faster relative to water rates and poverty levels, we could raise the rating.

Downside scenario

Should growth or the CIP stress liquidity substantially over period lasting more than a year, we could lower the rating.

Related Criteria And Research

Related Criteria

- USPF Criteria: Rating Methodology And Assumptions For U.S. Municipal Waterworks And Sanitary Sewer Utility Revenue Bonds, Jan. 19, 2016
- USPF Criteria: Methodology: Definitions And Related Analytic Practices For Covenant And Payment Provisions In U.S. Public Finance Revenue Obligations, Nov. 29, 2011
- Criteria: Use of CreditWatch And Outlooks, Sept. 14, 2009

Related Research

- U.S. State And Local Government Credit Conditions Forecast, April 19, 2016
- U.S. Municipal Water Utilities: No News is (Probably) Good News; The Outlook is Stable, Jan. 20, 2016

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on the S&P Global Ratings public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

City of Aurora, Colorado

Tab E: Details of Outstanding Sewer Enterprise Revenue Debt

As of January 1, 2019

Sewer Enterprise Revenue Debt

HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado

All Outstanding Sewer Enterprise Revenue Debt
As of January 1, 2019
(000's)

Year Ending December 31	$28,000,000 First-Lien Sewer Revenue Bonds (Outfall) Series 2018B		$2,000,000 First-Lien Sewer Revenue Bonds (Outfall) Series 2018A		$28,900,000 First-Lien Sewer Refunding Revenue Bonds Series 2016		$16,000,000 Sub. Interfund Wastwater Revenue Note (SEAM) Series 2018	
	Principal*	Coupon**	Principal	Coupon	Principal	Coupon	Principal	Coupon
2019					2,765	1.560%		
2020					2,810	1.560%		
2021	0	**	174	3.035%	2,855	1.560%		
2022	0	**	179	3.035%	2,895	1.560%	3,045	2.500%
2023	0	**	185	3.035%	2,945	1.560%	3,120	2.500%
2024	0	**	191	3.035%	2,990	1.560%	3,200	2.500%
2025	0	**	196	3.035%	3,035	1.560%	3,275	2.500%
2026	0	**	202	3.035%	3,085	1.560%	3,360	2.500%
2027	0	**	208	3.035%				
2028	0	**	215	3.035%				
2029	0	**	221	3.035%				
2030	0	**	228	3.035%				
2031								
2032								
2033								
2034								
2035								
2036								
TOTALS	$		$2,000		$23,380		$16,000	

	Series 2018B	Series 2018A	Series 2016	Series 2018 (SEAM)
Next Call	Callable with Breakage	Callable with Breakage	Non-Callable	Non-Callable
Dated Date	12/12/2018	12/12/2018	11/4/2016	
Coupon Dates	February 1 August 1	February 1 August 1	February 1 August 1	December 1
Maturity Dates	August 1	August 1	August 1	December 1
Insurer	None	None	None	None
Paying Agent	PNC Bank	PNC Bank	UMB Bank	UMB Bank
Purpose	New Money	New Money	Refund Series 2006 Bonds	New Money
	Color Legend	Color Legend		
	Callable	Callable	Non-Callable	Non-Callable

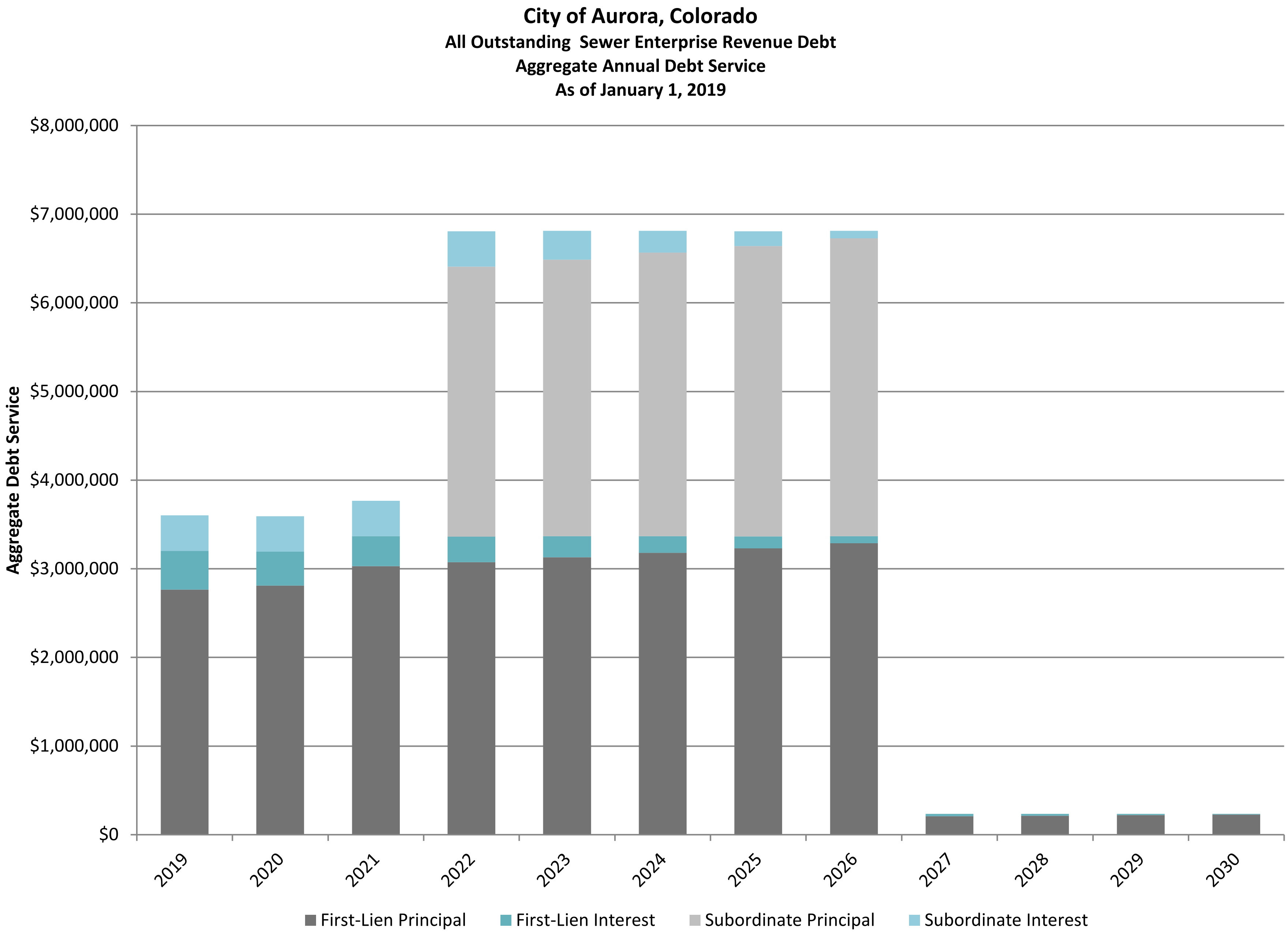
* Amortization schedule not final

** Variable rate interest until term out

City of Aurora, Colorado
Sewer Enterprise Debt
Summary of Oustanding Obligations as of January 1, 2019

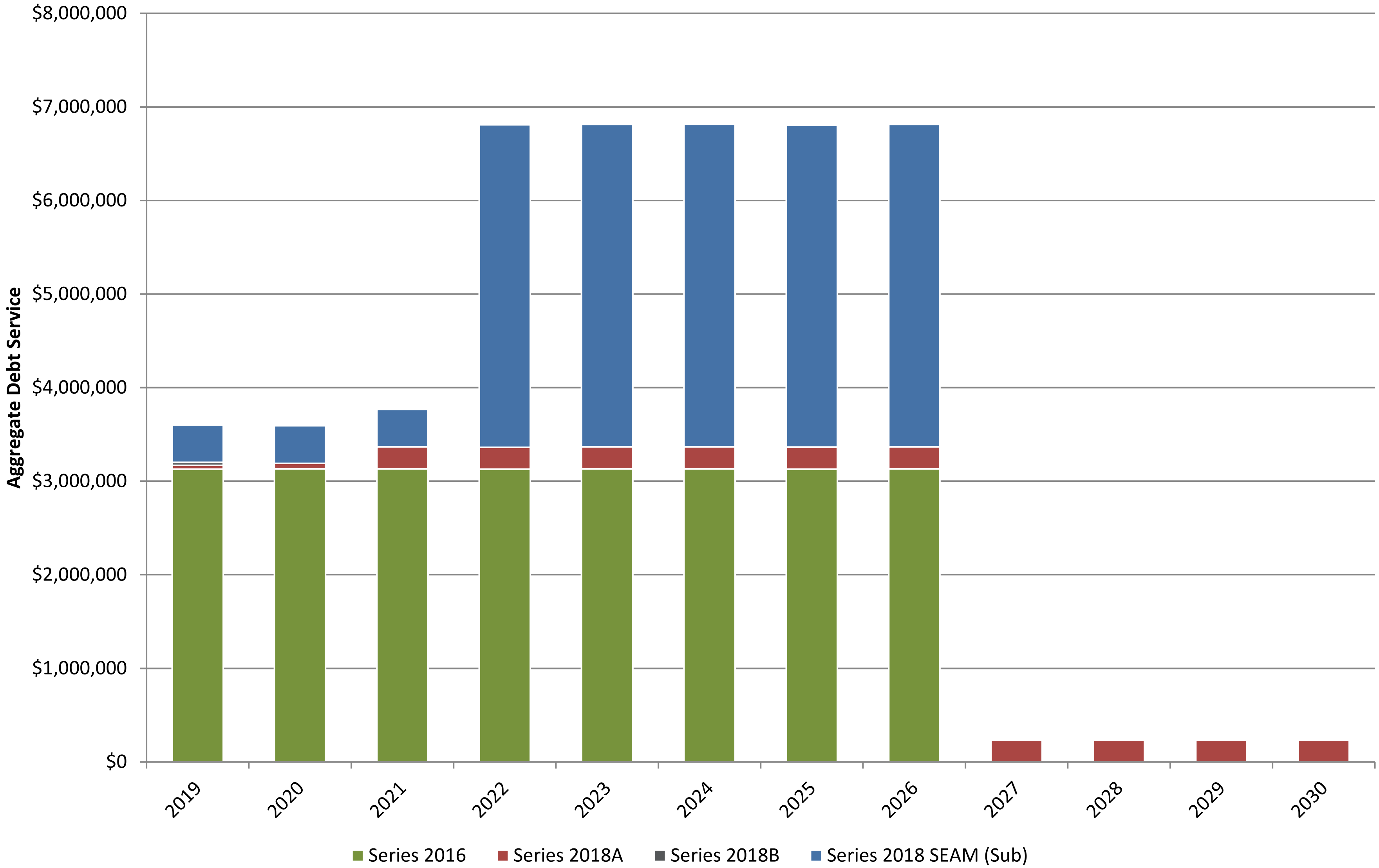
	TOTAL ANNUAL DEBT SERVICE					
	Series 2016	Series 2018A	Series 2018B (1)	Total First-Lien	2018 SEAM (Sub)	Total
2019	3,129,728	38,612	33,600	3,201,940	400,000	3,601,940
2020	3,131,594	60,700		3,192,294	400,000	3,592,294
2021	3,132,758	234,840		3,367,598	400,000	3,767,598
2022	3,128,220	234,849		3,363,069	3,445,000	6,808,069
2023	3,133,058	234,858		3,367,916	3,443,875	6,811,791
2024	3,132,116	234,867		3,366,983	3,445,875	6,812,858
2025	3,130,472	234,876		3,365,348	3,440,875	6,806,223
2026	3,133,126	234,886		3,368,012	3,444,000	6,812,012
2027		234,896		234,896		234,896
2028		234,907		234,907		234,907
2029		234,917		234,917		234,917
2030		234,928		234,928		234,928
Total	**25,051,072**	**2,448,136**	**33,600**	**26,593,160**	**18,419,625**	**45,012,785**

(1) The Series 2018B Bonds are a Revolving Drawdown loan with zero balance drawn as of 1/1/19



HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado
All Outstanding Sewer Enterprise Revenue Debt
Annual Debt Service by Series
As of January 1, 2019



HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$28,000,000**
Issuer:	**City of Aurora, Colorado** **Acting by and Through its Utility Enterprise**
Issue Description:	**First-Lien Sewer Improvement Revenue Bonds, Series 2018B**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Purchaser	PNC Bank, National Association
Method of Sale:	Placement
Arbitrage Yield:	N/A
Arbitrage Consultant:	
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A

Note: The Series 2018B Bonds have a Revolving Drawdown Period through August 1, 2021. During the Revolving Drawdown Period the City can fix out any drawn down balances with amortization through 2030. The City will pay a an Unutilized Committment Fee of 0.12% annual on the unddrawn balance and a variable rate of 79% of LIBOR + 0.40%. As of January 1, 2019 the City has made no draws on the Series 2018B Bonds.

Source of Repayment:	Sewer Revenue & Storm Drain Revenue
Bond Covenant:	1.2x Debt Service Coverage for Senior Lien Debt

Purpose: To finance the Fitzsimons Stormwater Outfall Project

Amortization:

	Principal	Coupon	Interest (1)	Total P&I
2019			33,600	33,600
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
TOTAL	**28,000,000**		**33,600**	**33,600**

(1) The Series 2018B Bonds are a Revolving Drawdown loan with zero balance drawn as of 1/1/19. 2019 Interest represents projected Unutilized Commitment Fee

Redemption Provision:	Callable anytime with breakage penalties
Refunding Status:	N/A
Maturity Dates:	August 1
Interest Payment Dates:	February 1 & August 1

Original Par Amount:	**$2,000,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**First-Lien Sewer Improvement Revenue Bonds, Series 2018A**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Purchaser	PNC Bank, National Association
Method of Sale:	Placement
Arbitrage Yield:	3.035000%
Arbitrage Consultant:	
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A

Source of Repayment:	Sewer Revenue & Storm Drain Revenue
Bond Covenant:	1.2x Debt Service Coverage for Senior Lien Debt

Purpose: To finance the Fitzsimons Stormwater Outfall Project

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	-		38,612	38,612
2020	-		60,700	60,700
2021	174,140	3.035%	60,700	234,840
2022	179,434	3.035%	55,415	234,849
2023	184,889	3.035%	49,969	234,858
2024	190,509	3.035%	44,358	234,867
2025	196,301	3.035%	38,576	234,876
2026	202,268	3.035%	32,618	234,886
2027	208,417	3.035%	26,479	234,896
2028	214,753	3.035%	20,154	234,907
2029	221,281	3.035%	13,636	234,917
2030	228,008	3.035%	6,920	234,928
TOTAL	**2,000,000**		**448,136**	**2,448,136**

Redemption Provision:	Callable anytime with breakage penalties
Refunding Status:	N/A
Maturity Dates:	August 1
Interest Payment Dates:	February 1 & August 1

Original Par Amount:	**$16,000,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**Special Obligation Interfund Wastewater Revenue Note**
Registrar/Paying Agent:	N/A
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Purchaser	City of Aurora Water Enterprise Fund
Method of Sale:	Interfund Loan
Arbitrage Yield:	2.500000%
Arbitrage Consultant:	
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Source of Repayment:	Subordinate Lien on Sewer Revenue
Bond Covenant:	
Purpose:	To finance the construction of the Southeast Maintenance Facility

Amortization:

	Principal	Coupon	Interest	Total P&I
2019			400,000	400,000
2020			400,000	400,000
2021			400,000	400,000
2022	3,045,000	2.50%	400,000	3,445,000
2023	3,120,000	2.50%	323,875	3,443,875
2024	3,200,000	2.50%	245,875	3,445,875
2025	3,275,000	2.50%	165,875	3,440,875
2026	3,360,000	2.50%	84,000	3,444,000
TOTAL	**16,000,000**		**2,419,625**	**18,419,625**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	December 1
Interest Payment Dates:	December 1

Original Par Amount:	**$28,900,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**First-Lien Sewer Improvement Revenue Bonds, Series 2016**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Purchaser	Wells Fargo Municipal Capital Strategies, LLC
Method of Sale:	Placement
Arbitrage Yield:	1.560149%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A

Source of Repayment:	Sewer Revenue & Storm Drain Revenue
Bond Covenant:	1.2x Debt Service Coverage for Senior Lien Debt

Purpose: In May 2006 the City issued $57,790,000 principal amount of First-Lien Sewer Improvement Revenue Bonds, Series 2006, for the purpose of financing the acquisition and construction of additions and improvements to its Wastewater Utility System. The transaction was a private placement instead of a public deal. As a result of serial maturities, a partial defeasance of principal, and favorable interest rate conditions, the principal amount of Series 2006 Bonds were refinanced in order to effect a Net Present Value (NPV) saving of ~$9.3 million to the taxpayers, which equates to a savings rate of ~29%.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	2,765,000	1.560%	364,728	3,129,728
2020	2,810,000	1.560%	321,594	3,131,594
2021	2,855,000	1.560%	277,758	3,132,758
2022	2,895,000	1.560%	233,220	3,128,220
2023	2,945,000	1.560%	188,058	3,133,058
2024	2,990,000	1.560%	142,116	3,132,116
2025	3,035,000	1.560%	95,472	3,130,472
2026	3,085,000	1.560%	48,126	3,133,126
TOTAL	**23,380,000**		**1,671,072**	**25,051,072**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	August 1
Interest Payment Dates:	February 1 & August 1

City of Aurora, Colorado

Tab F: Details of Outstanding Golf Enterprise Revenue Debt

As of January 1, 2019

Golf Enterprise Revenue Debt

HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado

All Outstanding Golf Enterprise Debt
As of January 1, 2019
(000's)

Year Ending December 31	$3,909,000 Murphy Creek Golf Course Revenue Refunding Note Series 2017											
	Principal	Coupon										
2019	325	2.000%										
2020	350	2.000%										
2021	375	2.000%										
2022	400	2.000%										
2023	425	2.000%										
2024	450	2.000%										
2025	475	2.000%										
2026	534	2.000%										
2027												
2028												
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
2037												
2038												
2039												
2040												
2041												
TOTALS	$3,334											
Next Call	Callable At Any Time											
Dated Date	03/2017											
Coupon Dates	December 1											
Maturity Dates	December 1											
Insurer	None											
Paying Agent	Director of Finance											
Purpose	Refinance 2011 Golf Note											

Color Legend

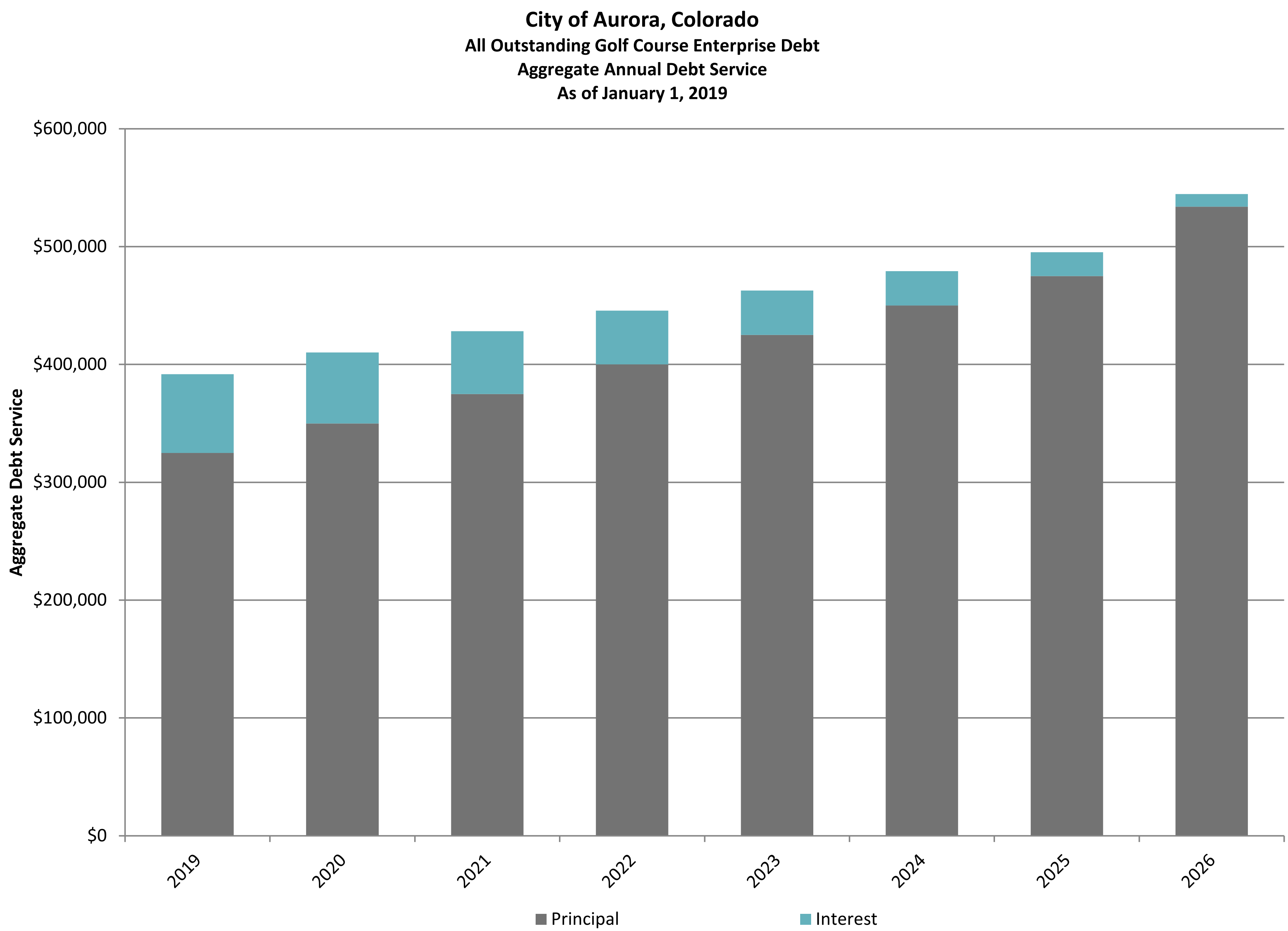
Callable — Non-Callable

City of Aurora, Colorado

Golf Enterprise Debt

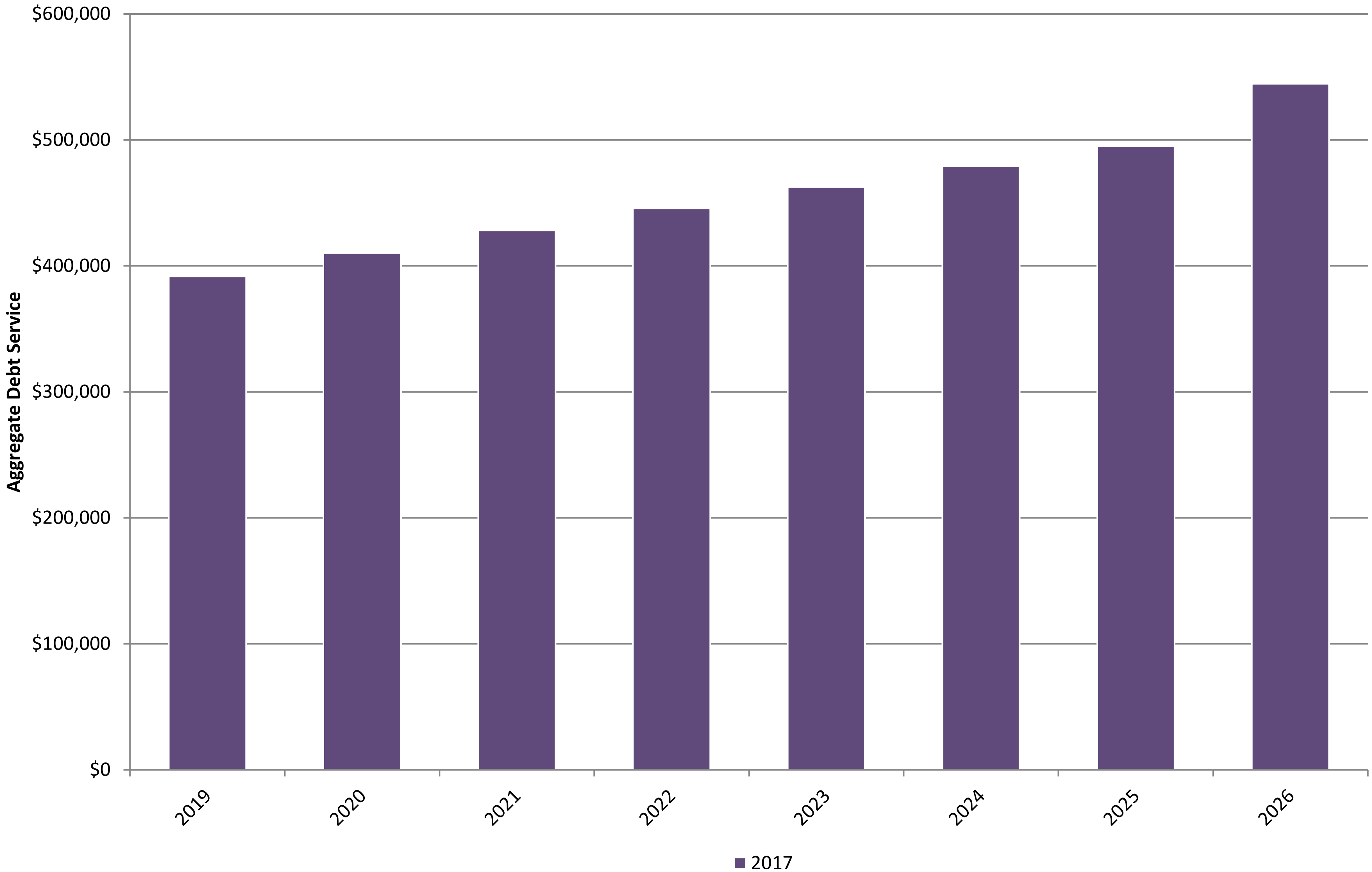
Summary of Oustanding Obligations as of January 1, 2019

TOTAL ANNUAL DEBT SERVICE		
	Series 2017 Golf	Total
2019	391,680	391,680
2020	410,180	410,180
2021	428,180	428,180
2022	445,680	445,680
2023	462,680	462,680
2024	479,180	479,180
2025	495,180	495,180
2026	544,680	544,680
Total	3,657,440	3,657,440



HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado
All Outstanding Golf Course Enterprise Debt
Annual Debt Service by Series
As of January 1, 2019



Original Par Amount: **$3,909,000**

Issuer: **City of Aurora, Colorado**

Murphy Creek Golf Course Note

Issue Description: **Series 2017**

Current Bond Rating:

Registrar/Paying Agent: Director of Finance of the City

Type: Interfund Loan

Source of Repayment: Golf Course Revenues

Bond Covenant: Covenant Violations Requires Rate Study

Notes: In December of 1995, City Council authorized the Utility Enterprise Wastewater Fund to provide a loan to the Golf Enterprise Fund for the construction of the Murphy Creek Golf Course. The loan between the Utility and Golf is a floating rate note that required annual principal payments of $256,000 through 2012. The loan was scheduled to mature in 2013 with a balloon payment of $3,328,000. Due to uncertainty in performance, the amortization schedule was revised in 2009 to provide immediate relief to the golf course. In November 2011 the loan was renegotiated providing a market interest rate and a final maturity in 2026, with a rate of 4%. In Novermber 2016, given interest rate market conditions at the time, a review of the loan occurred and the rate was adjusted to reflect current market conditions and set at 2% effective March 15, 2017; the new rate will save ~$390k in interest payments.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	**325,000**	2.000%	66,680	391,680
2020	**350,000**	2.000%	60,180	410,180
2021	**375,000**	2.000%	53,180	428,180
2022	**400,000**	2.000%	45,680	445,680
2023	**425,000**	2.000%	37,680	462,680
2024	**450,000**	2.000%	29,180	479,180
2025	**475,000**	2.000%	20,180	495,180
2026	**534,000**	2.000%	10,680	544,680
TOTAL	**3,334,000**		**323,440**	**3,657,440**

Redemption Provision: Callable at Any Time **Callable Bonds**

Refunding Status: Any Date

Maturity Dates: December 1

Interest Payment Dates: December 1

City of Aurora, Colorado

Tab G: Details of Outstanding General Improvement District Debt

As of January 1, 2019

General Improvement District Debt

Hilltop Securities
A Hilltop Holdings Company.

City of Aurora, Colorado

All Outstanding General Improvement District Debt
As of January 1, 2019
(000's)

Year Ending December 31	$650,000 GID 1-16 (Cobblewood) General Obligation Bonds Series 2017		$2,600,000 GID 2-09 (Pier Point 7) General Obligation Bonds Series 2011		$495,000 GID 3-08 (Meadow Hills) General Obligation Bonds Series 2010		$375,000 GID 1-08 (Peoria Park) General Obligation Bonds Series 2010		$700,000 GID 1-07 (Cherry Creek) General Obligation Bonds Series 2009			
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon		
2019	20	3.270%	115	4.380%	20	4.990%	15	5.450%	35	5.250%		
2020	21	3.270%	120	4.380%	20	4.990%	16	5.450%	35	5.250%		
2021	21	3.270%	125	4.380%	25	4.990%	17	5.450%	35	5.250%		
2022	22	3.270%	130	4.380%	25	4.990%	18	5.450%	40	5.250%		
2023	23	3.270%	135	4.380%	25	4.990%	19	5.450%	40	5.250%		
2024	23	3.270%	140	4.380%	25	4.990%	20	5.450%	40	5.250%		
2025	24	3.270%	145	4.380%	25	4.990%	21	5.450%	45	5.250%		
2026	25	3.270%	155	4.380%	30	4.990%	22	5.450%	45	5.250%		
2027	26	3.270%	160	4.380%	30	4.990%	23	5.450%	50	5.250%		
2028	27	3.270%	165	4.380%	30	4.990%	25	5.450%	50	5.250%		
2029	28	3.270%	175	4.380%	35	4.990%	26	5.450%	55	5.250%		
2030	28	3.270%	180	4.380%	35	4.990%	27	5.450%				
2031	29	3.270%	190	4.380%	35	4.990%	29	5.450%				
2032	30	3.270%										
2033												
2034												
2035												
2036												
TOTALS	$347		$1,935		$360		$278		$470			
Next Call	11/16/2022		Non-Callable		Non-Callable		Non-Callable		Non-Callable			
Dated Date	10/3/2017		10/31/2011		12/22/2010		6/1/2010		12/8/2009			
Coupon Dates	May 15	November 15	May 15	November 15	May 15	November 15	May 15	November 15	May 15	November 15		
Maturity Dates	November 15		November 15		November 15		November 15		November 15			
Insurer	None		None		None		None		None			
Paying Agent	Director of Finance		Director of Finance		Director of Finance		Director of Finance		Director of Finance			
Purpose	New Money		New Money		New Money		New Money		New Money			

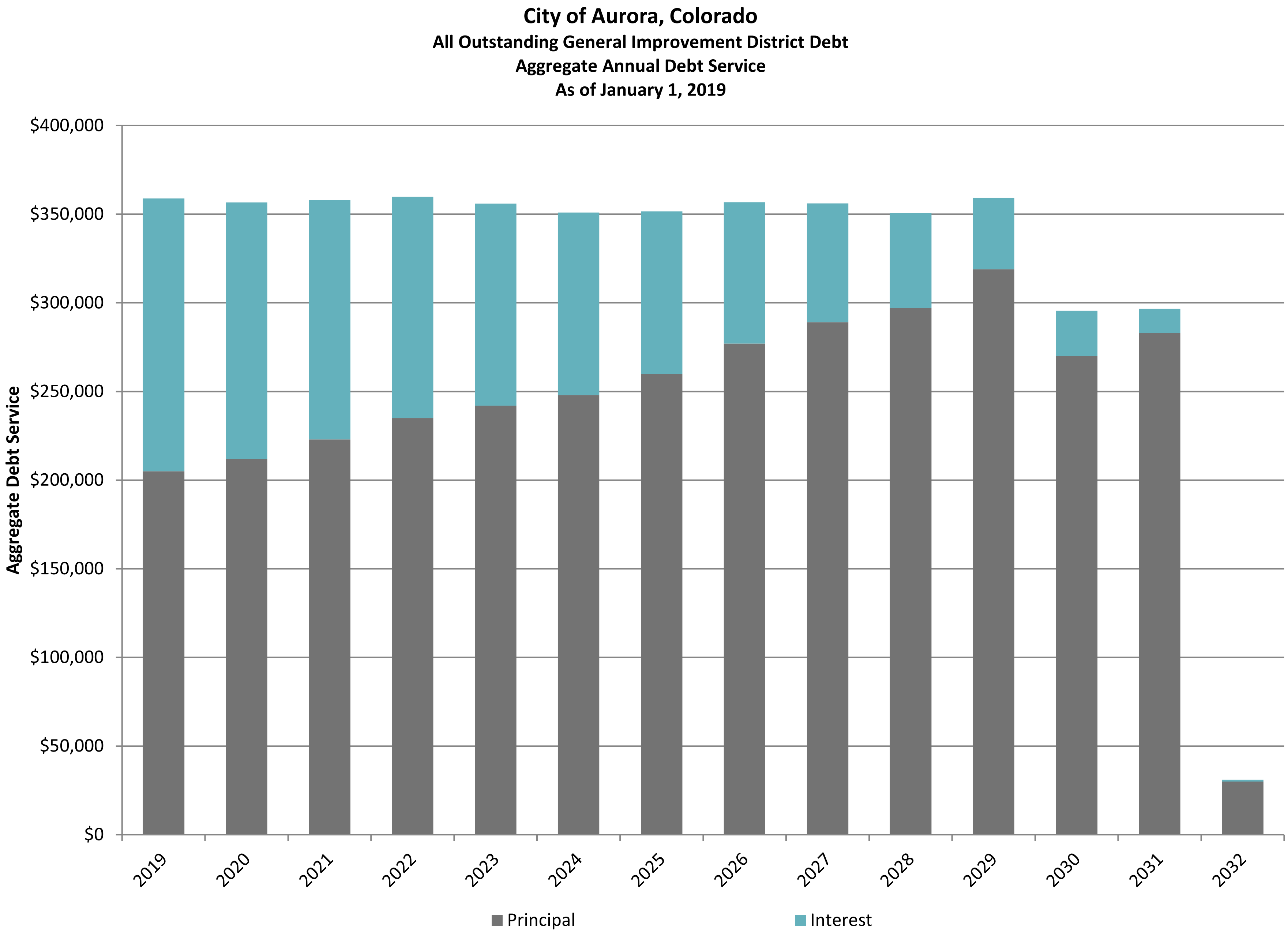
Color Legend
Callable — Non-Callable

City of Aurora, Colorado

GIDs

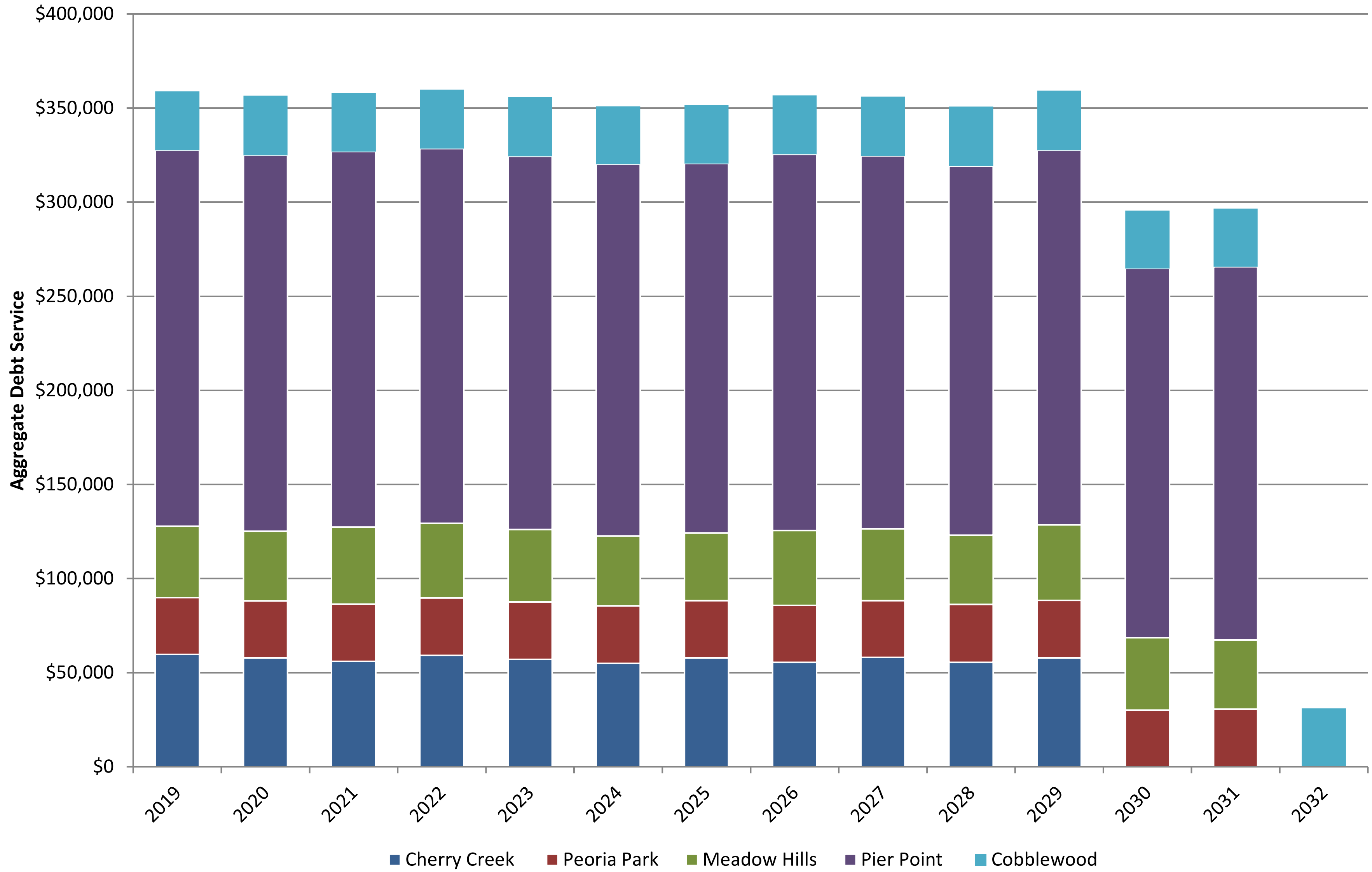
Summary of Oustanding Obligations as of January 1, 2019

	TOTAL ANNUAL DEBT SERVICE					
	Cherry Creek	Peoria Park	Meadow Hills	Pier Point	Cobblewood	Total
2019	59,675	30,151	37,964	199,753	31,347	358,890
2020	57,838	30,334	36,966	199,716	31,693	356,546
2021	56,000	30,462	40,968	199,460	31,006	357,896
2022	59,163	30,535	39,721	198,985	31,320	359,723
2023	57,063	30,554	38,473	198,291	31,600	355,981
2024	54,963	30,519	37,226	197,378	30,848	350,933
2025	57,863	30,429	35,978	196,246	31,096	351,611
2026	55,500	30,284	39,731	199,895	31,311	356,721
2027	58,138	30,085	38,234	198,106	31,494	356,056
2028	55,513	30,832	36,737	196,098	31,643	350,822
2029	57,888	30,469	40,240	198,871	31,761	359,228
2030	-	30,052	38,493	196,206	30,845	295,596
2031	-	30,581	36,747	198,322	30,929	296,578
2032	-	-	-	-	30,981	30,981
Total	**629,600**	**395,284**	**497,475**	**2,577,327**	**437,873**	**4,537,559**



HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado
All Outstanding General Improvement District Debt
Annual Debt Service by Series
As of January 1, 2019



HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$650,000**
Issuer:	**City of Aurora, Colorado** **General Improvement District 1-16 (Cobblewood)**
Issue Description:	General Obligation Bonds, Series 2017
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Underwriter	NBH Bank
Arbitrage Yield:	3.2695%
Arbitrage Consultant:	N/A
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	N/A
Arbitrage Liability Calc:	N/A
Source of Repayment:	Taxes levied by the GID on property within its boundaries.
Bond Covenant:	Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: The Cobblewood community is a group of 43 homes developed in 1973, in an HOA controlled community, where the street, South Kingston Circle, within the Cobblewood community was owned and privately maintained by the community's HOA. In November of 2016, the community voted to form a GID, and based on an election question, the voters elected with a vote of 43-7 to pay for the improvements to the roads through a tax levy, and have subsequently turned the ownership of the roads to the City. The debt incurred was used to bring to code the community's roadways, which included erosion control, excavation, reclamation; design and construction management, and all other necessary improvements. The scope of the project includes 2188 linear feet of curb and gutter and the removal and/or reclamation of ~5810 square yards of asphalt and roadway.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	20,000	3.270%	11,347	31,347
2020	21,000	3.270%	10,693	31,693
2021	21,000	3.270%	10,006	31,006
2022	22,000	3.270%	9,320	31,320
2023	23,000	3.270%	8,600	31,600
2024	23,000	3.270%	7,848	30,848
2025	24,000	3.270%	7,096	31,096
2026	25,000	3.270%	6,311	31,311
2027	26,000	3.270%	5,494	31,494
2028	27,000	3.270%	4,643	31,643
2029	28,000	3.270%	3,761	31,761
2030	28,000	3.270%	2,845	30,845
2031	29,000	3.270%	1,929	30,929
2032	30,000	3.270%	981	30,981
TOTAL	**347,000**		**90,873**	**437,873**

Redemption Provision:	11/16/2022 @ Par
Refunding Status:	N/A
Maturity Dates:	November 15
Interest Payment Dates:	May 15 & November 15

Original Par Amount:	**$2,600,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 2-09 (Pier Point 7)
Issue Description:	General Obligation Bonds, Series 2011
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Underwriter	FirstBank
Arbitrage Yield:	4.3798%
Arbitrage Consultant:	N/A
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	N/A
Arbitrage Liability Calc:	N/A
Source of Repayment:	Taxes levied by the GID on property within its boundaries.
Bond Covenant:	Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: Pier Point 7 is a group of seven communities, comprising 455 residential units, situated along South Parker Road just north of East Quincy Avenue in Aurora, Colorado. The Pier Point 7 sewer system was designed and constructed over a period of approximately 25 years, from the early 1970s to the completion of Village 8 (there is no Village 7) in the mid-1990s. The purpose of the District is to provide essential sanitary sewer system improvements and services within District boundaries, including, but not limited to, collection mains and laterals, transmission lines and related landscaping improvements, together with all necessary, incidental and appurtenant facilities. In the summer of 2009 the Pier Point 7 General Improvement District was created for the purpose of financing the construction/repairs of the system to bring the private system up to City standards, thereby allowing the City to take over ownership and maintenance of the system. The vote was 232 in favor (93%) and 17 opposed.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	115,000	4.380%	84,753	199,753
2020	120,000	4.380%	79,716	199,716
2021	125,000	4.380%	74,460	199,460
2022	130,000	4.380%	68,985	198,985
2023	135,000	4.380%	63,291	198,291
2024	140,000	4.380%	57,378	197,378
2025	145,000	4.380%	51,246	196,246
2026	155,000	4.380%	44,895	199,895
2027	160,000	4.380%	38,106	198,106
2028	165,000	4.380%	31,098	196,098
2029	175,000	4.380%	23,871	198,871
2030	180,000	4.380%	16,206	196,206
2031	190,000	4.380%	8,322	198,322
TOTAL	**1,935,000**		**642,327**	**2,577,327**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	November 15
Interest Payment Dates:	May 15 & November 15

Original Par Amount:	**$495,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 3-08 (Meadow Hills)
Issue Description:	General Obligation Bonds, Series 2010
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Underwriter	Colorado State Bank & Trust
Arbitrage Yield:	4.9907%
Arbitrage Consultant:	N/A
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	N/A
Arbitrage Liability Calc:	N/A
Source of Repayment:	Taxes levied by the GID on property within its boundaries.
Bond Covenant:	Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose:

In the summer of 2008, General Improvement District 3-2008 (Meadow Hills Country Club) was created for the purpose of constructing 1,670 linear feet of masonry wall. Residents within the District agreed to construct and install a masonry fence and assess an annual levy of property taxes to fund debt service on bonds and the maintenance of such fence. The vote was 40 (58.82%) to 28 (41.18%) in favor of organizing a GID to construct a fence, and 37 (54.41%) to 31 (45.59%) in favor of increasing the property tax to pay for the improvement, and a smaller levy to maintain the fence. The properties to be assessed in the District are owned by 46 property owners.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	20,000	4.990%	17,964	37,964
2020	20,000	4.990%	16,966	36,966
2021	25,000	4.990%	15,968	40,968
2022	25,000	4.990%	14,721	39,721
2023	25,000	4.990%	13,473	38,473
2024	25,000	4.990%	12,226	37,226
2025	25,000	4.990%	10,978	35,978
2026	30,000	4.990%	9,731	39,731
2027	30,000	4.990%	8,234	38,234
2028	30,000	4.990%	6,737	36,737
2029	35,000	4.990%	5,240	40,240
2030	35,000	4.990%	3,493	38,493
2031	35,000	4.990%	1,747	36,747
TOTAL	360,000		137,475	497,475

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	November 15
Interest Payment Dates:	May 15 & November 15

Original Par Amount:	**$375,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 1-08 (Peoria Park)
Issue Description:	General Obligation Bonds, Series 2010
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Lender:	Colorado State Bank and Trust
Method of Sale:	Negotiated
Arbitrage Yield:	5.4502%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	06/01/15
Next Rebate Calc. Date:	06/01/20
Arbitrage Liability Calc:	N/A

Source of Repayment: Taxes levied by the GID on property within its boundaries.

Bond Covenant: Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: In the summer of 2008, General Improvement District 1-2008 (Peoria Park) was created for the purpose of constructing 1,100 linear feet of masonry wall. Residents within the District agreed to construct and install a masonry fence and assess an annual levy of property taxes to fund debt service on bonds and the maintenance of the fence. With 373 registered district voters participating, the ballot question passed with 64% in favor of the District. The District is comprised of 233 single-family homes, primarily constructed from the late-1970's to the mid-1980's.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	15,000	5.450%	15,151	30,151
2020	16,000	5.450%	14,334	30,334
2021	17,000	5.450%	13,462	30,462
2022	18,000	5.450%	12,535	30,535
2023	19,000	5.450%	11,554	30,554
2024	20,000	5.450%	10,519	30,519
2025	21,000	5.450%	9,429	30,429
2026	22,000	5.450%	8,284	30,284
2027	23,000	5.450%	7,085	30,085
2028	25,000	5.450%	5,832	30,832
2029	26,000	5.450%	4,469	30,469
2030	27,000	5.450%	3,052	30,052
2031	29,000	5.450%	1,581	30,581
TOTAL	278,000		117,284	395,284

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	November 15
Interest Payment Dates:	May 15 & November 15

Original Par Amount:	**$700,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 1-07 (Cherry Creek)
Issue Description:	**(Cherry Creek Racquet Club) General Obligation Bonds, Series 2009**
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Underwriter	George K. Baum
Method of Sale:	Negotiated
Arbitrage Yield:	5.2504%
Arbitrage Consultant:	N/A
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	11/15/2014
Next Rebate Calc. Date:	12/8/2019
Arbitrage Liability Calc:	N/A
Source of Repayment:	Taxes levied by the GID on property within its boundaries.
Bond Covenant:	Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: In the summer of 2007, General Improvement District 1-2007 (Cherry Creek Racquet Club) was created for the purpose of constructing 1,700 linear feet of masonry wall around the District. Residents within the District agreed to construct and install a masonry fence and assess an annual levy of property taxes to fund debt service on bonds and the maintenance of the fence. The properties to be assessed in the District are owned by a total of 91 property owners.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	35,000	5.250%	24,675	59,675
2020	35,000	5.250%	22,838	57,838
2021	35,000	5.250%	21,000	56,000
2022	40,000	5.250%	19,163	59,163
2023	40,000	5.250%	17,063	57,063
2024	40,000	5.250%	14,963	54,963
2025	45,000	5.250%	12,863	57,863
2026	45,000	5.250%	10,500	55,500
2027	50,000	5.250%	8,138	58,138
2028	50,000	5.250%	5,513	55,513
2029	55,000	5.250%	2,888	57,888
TOTAL	**470,000**		**159,600**	**629,600**

Redemption Provision:	Non-Callable
Refunding Status:	N/A
Maturity Dates:	November 15
Interest Payment Dates:	May 15 & November 15

NEW ISSUE-BOOK ENTRY ONLY **NOT RATED**
BANK QUALIFIED

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the District with certain covenants, interest on the Series 2009 Bonds is not includible in gross income for federal and State of Colorado income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The District has designated the Series 2009 Bonds as "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See the caption "TAX MATTERS."

$700,000
General Improvement District 1-2007
(In the City of Aurora, Colorado)
General Obligation Bonds
Series 2009

Dated: Date of Delivery **Due: November 15, as shown below**

The General Obligation Bonds, Series 2009 (the "Series 2009 Bonds") are issued in fully registered form in denominations of $100,000 or integral multiples of $5,000 in excess thereof. Interest on the Series 2009 Bonds, at the rate set forth below, is payable semiannually on May 15 and November 15, commencing on May 15, 2010. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2009 Bonds.

$700,000 5.25% Series 2009 Term Bonds due November 15, 2029 Price @: 100%
CUSIP No. 051555 3W8

The net proceeds of the Series 2009 Bonds will be used for the purpose of reimbursing the City for the costs of constructing and installing a masonry fence. See "USE OF PROCEEDS." The Series 2009 Bonds are limited tax general obligations of the District, secured by its covenant to levy general ad valorem taxes, in limited amounts, to pay the principal of and interest on the Series 2009 Bonds as the same become due. See "SECURITY FOR THE SERIES 2009 BONDS."

The Series 2009 Bonds are subject to mandatory sinking fund redemption prior to their maturity. See "THE SERIES 2009 BONDS—Prior Redemption."

THE SERIES 2009 BONDS ARE OFFERED EXCLUSIVELY TO INVESTORS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE DISTRICT WILL NOT GIVE ANY UNDERTAKING OR ASSURANCE CONCERNING THE AVAILABILITY OF INFORMATION FOLLOWING THE ISSUANCE OF THE SERIES 2009 BONDS.

The District is a quasi-municipal corporation formed within the City of Aurora, Colorado (the "City") pursuant to a petition of property owners to finance the costs of a masonry fence (the "Project"). ***The Series 2009 Bonds are general obligations of the District and are payable from general ad valorem taxes required to be levied, without limitation as to rate, but subject to an annual limitation as to their dollar amount, on all taxable property within the boundaries of the District, except to the extent that other legally available funds are applied for such purpose. THE SERIES 2009 BONDS ARE NOT OBLIGATIONS OF THE CITY.***

This cover page is not a summary of the issue. Investors should read the Limited Offering Memorandum in its entirety to make an informed investment decision, giving particular attention to the matters referred to under the caption "RISK FACTORS."

The Series 2009 Bonds are offered solely to qualified institutional buyers meeting the requirements described under the caption "LIMITED OFFERING," when, as and if issued, subject to approval of validity by Kutak Rock LLP, Denver, Colorado, Bond Counsel, and certain other conditions. Piper Jaffray & Co. has acted as Financial Advisor to the District in connection with the Series 2009 Bonds. The Series 2009 Bonds are expected to be available for delivery by Wells Fargo Bank, National Association, as paying agent and registrar for the Series 2009 Bonds, through the facilities of The Depository Trust Company, on or about December 8, 2009.

George K. Baum & Co.

The date of this Limited Offering Memorandum is December 2, 2009.

City of Aurora, Colorado

Tab H: Details of Outstanding Special Improvement District Debt

As of January 1, 2019

City of Aurora, Colorado

All Outstanding Special Improvement District Debt
As of January 1, 2019
(000's)

Year Ending December 31	$1,230,000 Special Improvement District SID 1-10 (Dam East) Rev Note Series 2012											
	Principal	Coupon										
2019	10	2.730%										
2020	10	2.730%										
2021	10	2.730%										
2022	335	2.730%										
2023												
2024												
2025												
2026												
2027												
2028												
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
TOTALS	$365											
Next Call	Non-Callable											
Dated Date	11/1/2012											
Coupon Dates	May 15	November 15										
Maturity Dates	May 15	November 15										
Insurer	None											
Paying Agent	Director of Finance											
Purpose	New Money											

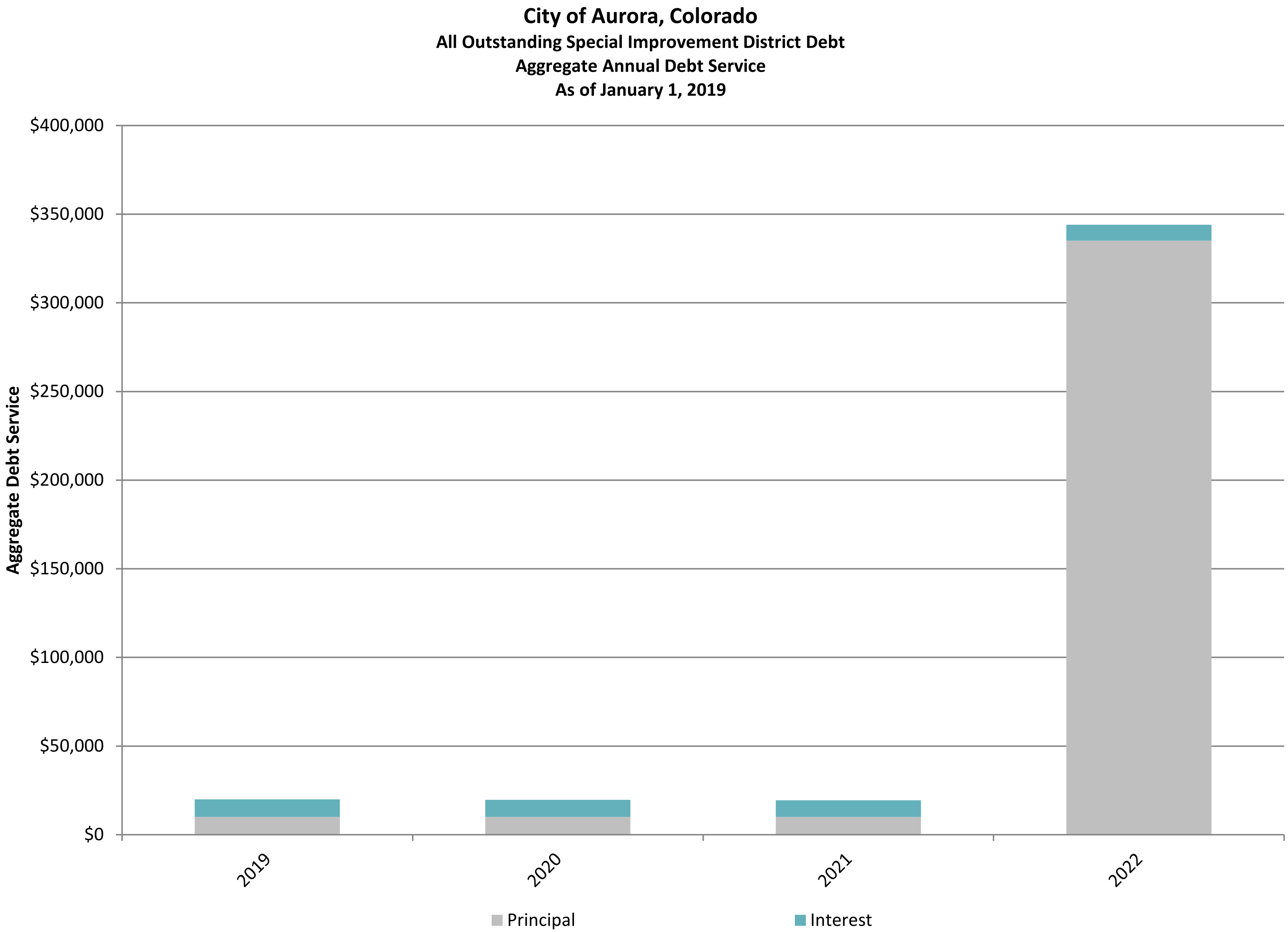
Color Legend
Callable Non-Callable
**Principal and interest amounts listed above are projections and are subject to change.*

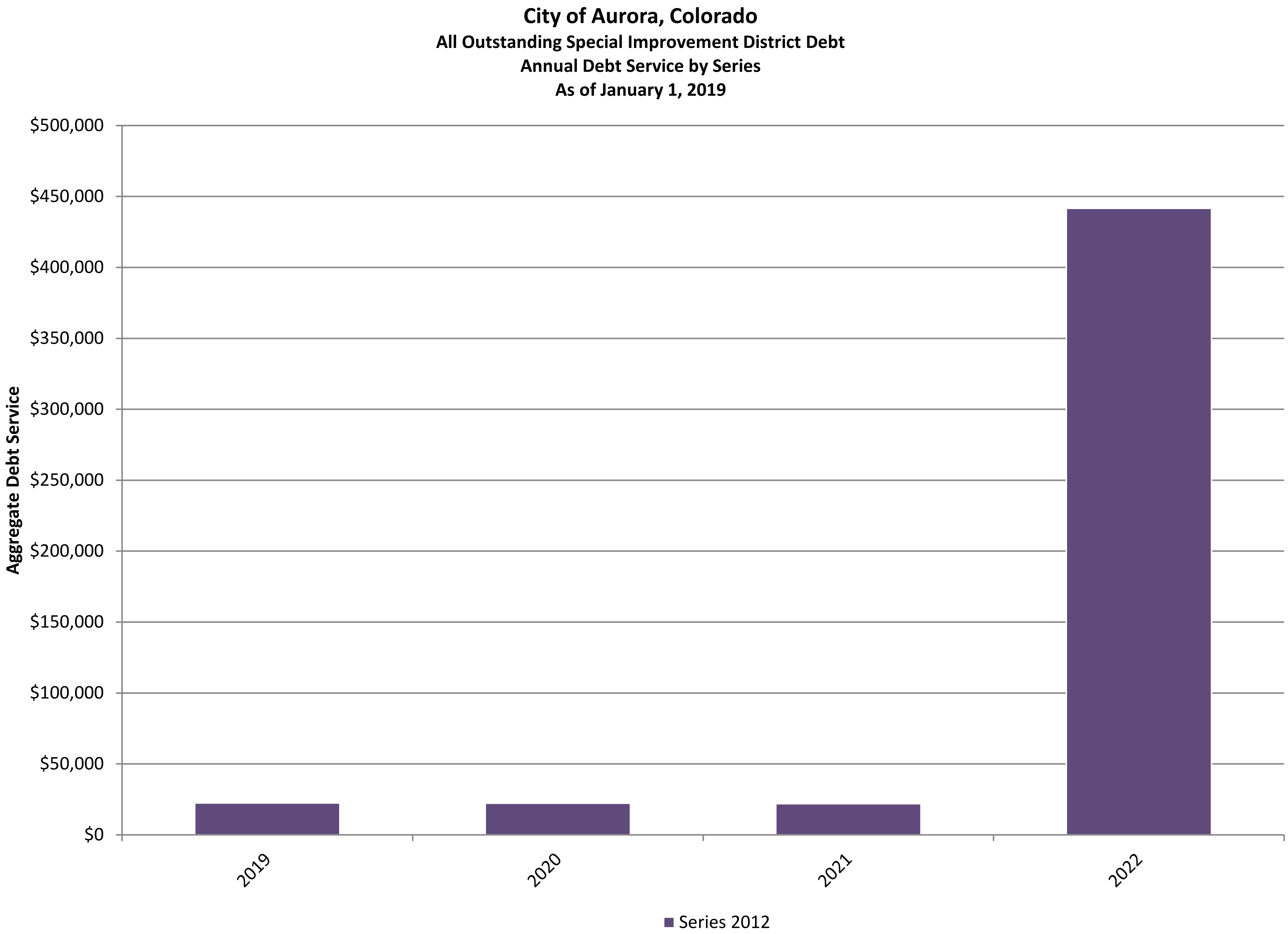
City of Aurora, Colorado

SIDs

Summary of Oustanding Obligations as of January 1, 2019

TOTAL ANNUAL DEBT SERVICE	Series 2012 (Dam East)	Total
2019	19,896	19,896
2020	19,623	19,623
2021	19,350	19,350
2022	344,077	344,077
Total	**402,947**	**402,947**


City of Aurora, Colorado
All Outstanding Special Improvement District Debt
Aggregate Annual Debt Service
As of January 1, 2019
Aggregate Debt Service
$400,000
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
2019
2020
2021
2022
Principal
Interest



HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado

Tab I: Details of Outstanding Urban Renewal Authority Debt

As of January 1, 2019

Urban Renewal Authority Debt

HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$1,230,000**
Issuer:	**City of Aurora, Colorado**
	Dam East Special Improvement District
Issue Description:	**Series 2012 Revenue Note**
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	
Bond Counsel:	Kutak Rock
Lender:	Colorado Business Bank
Method of Sale:	Private Placement
Arbitrage Yield:	2.7298%
Arbitrage Conultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	5/31/2014
Next Rebate Calc. Date:	12/1/2017
Arbitrage Liability Calc:	($4,996.13)
Source of Repayment:	Special Improvement District Revenues
Bond Covenant:	

Purpose: The Series 2012 Note was issued for the purpose of providing funds for costs to be expended or reimbursed for the Dam East Neighborhood Fence Project.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	**10,000**	2.730%	9,896	19,896
2020	**10,000**	2.730%	9,623	19,623
2021	**10,000**	2.730%	9,350	19,350
2022	**335,000**	2.730%	9,077	344,077
TOTAL	**365,000**		**37,947**	**402,947**

Redemption Provision:	Callable at Any Time	**Callable Bonds**
Refunding Status:	Any Date	
Maturity Dates:	May 15 & November 15	
Interest Payment Dates:	May 15 & November 15	

**Note: Principal and interest amounts listed above are projections and are subject to change.*

City of Aurora, Colorado

All Outstanding Urban Renewal Authority Debt
As of January 1, 2019
(000's)

Year Ending December 31	$21,500,000 AURA The Point Loan 2016		$27,750,000 NBH Hyatt Hotel Loan 2014		$4,000,000 Special Obligation Revenue Note Fan Fare Property 2012	
	Principal	Coupon	Principal	Coupon*	Principal	Coupon
2019			435	3.864%	200	2.500%
2020	810	1.750%	645	3.864%	200	2.500%
2021	825	1.750%	715	3.864%	200	2.500%
2022	840	1.750%	770	3.864%	200	2.500%
2023	855	1.750%	835	3.864%	200	2.500%
2024	865	1.750%	24,350	3.864%	200	2.500%
2025	885	1.750%			200	2.500%
2026	900	1.750%			200	2.500%
2027	915	1.750%			200	2.500%
2028	930	1.750%			200	2.500%
2029	945	1.750%			200	2.500%
2030	965	1.750%			200	2.500%
2031	980	1.750%			200	2.500%
2032	995	1.750%			200	2.500%
2033	1,015	1.750%			200	2.500%
2034	1,030	1.750%			200	2.500%
2035	1,050	1.750%			200	2.500%
2036	1,070	1.750%			200	2.500%
2037	1,085	1.750%			200	2.500%
2038	1,105	1.750%				
2039	1,125	1.750%				
2040	1,145	1.750%				
2041	1,165	1.750%				
TOTALS	$21,500		$27,750		$3,800	

Next Call	Callable At Any Time	Callable At Any Time	Callable At Any Time
Dated Date	12/22/2016	8/21/2014	2012
Coupon Dates	December 1	March 1 June 1 Sept 1 Dec 1	December 1
Maturity Dates	December 1	December 1	December 1
Insurer	None	None	None
Purpose	New Money	New Money	New Money

Color Legend
Callable **Non-Callable**
** Variable rate is calculated as follows: (12 mos LIBOR + 2.40)*.70. Rate for 2019 is 3.864%*

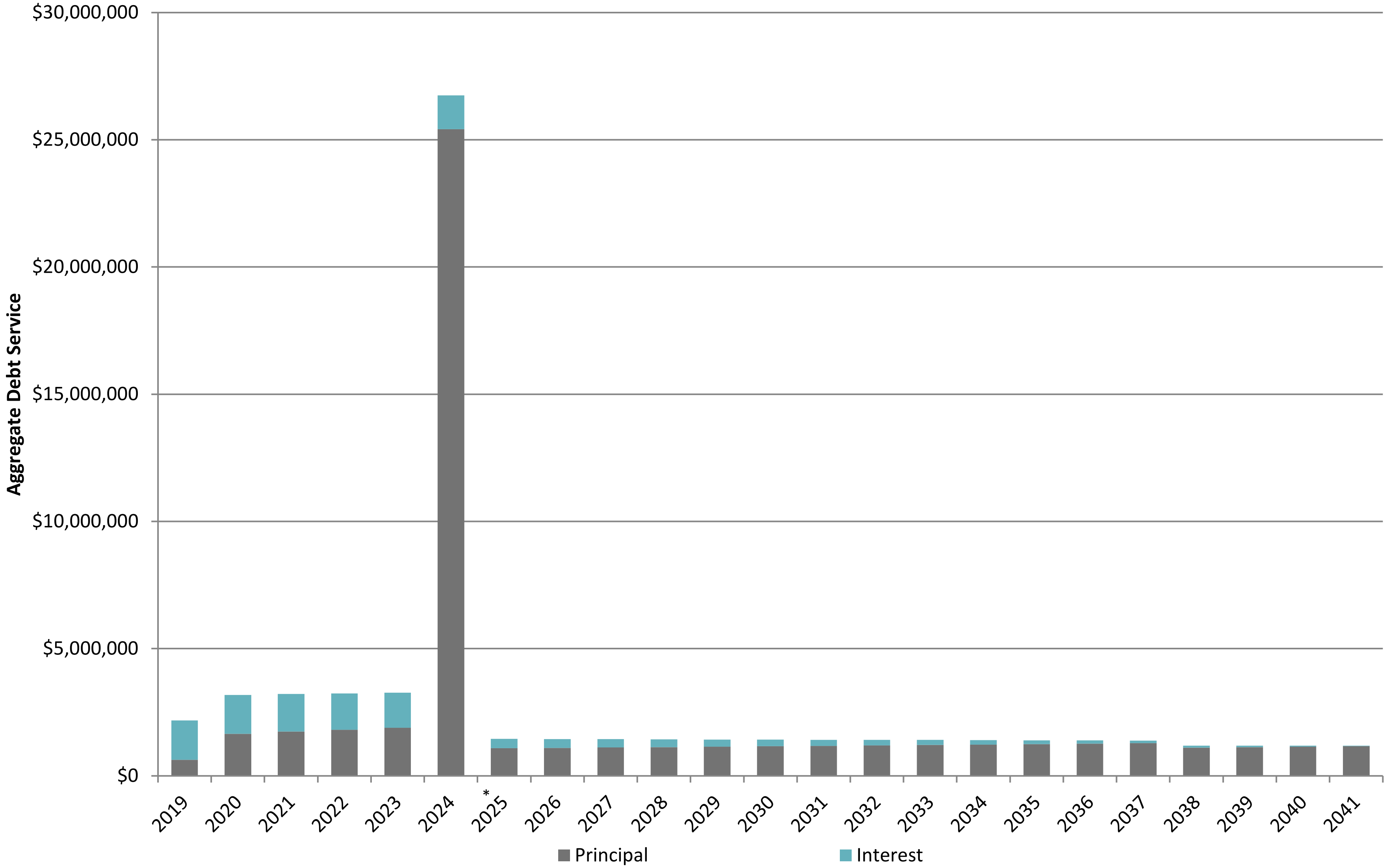
City of Aurora, Colorado

Urban Renewal Authority

Summary of Oustanding Obligations as of January 1, 2019

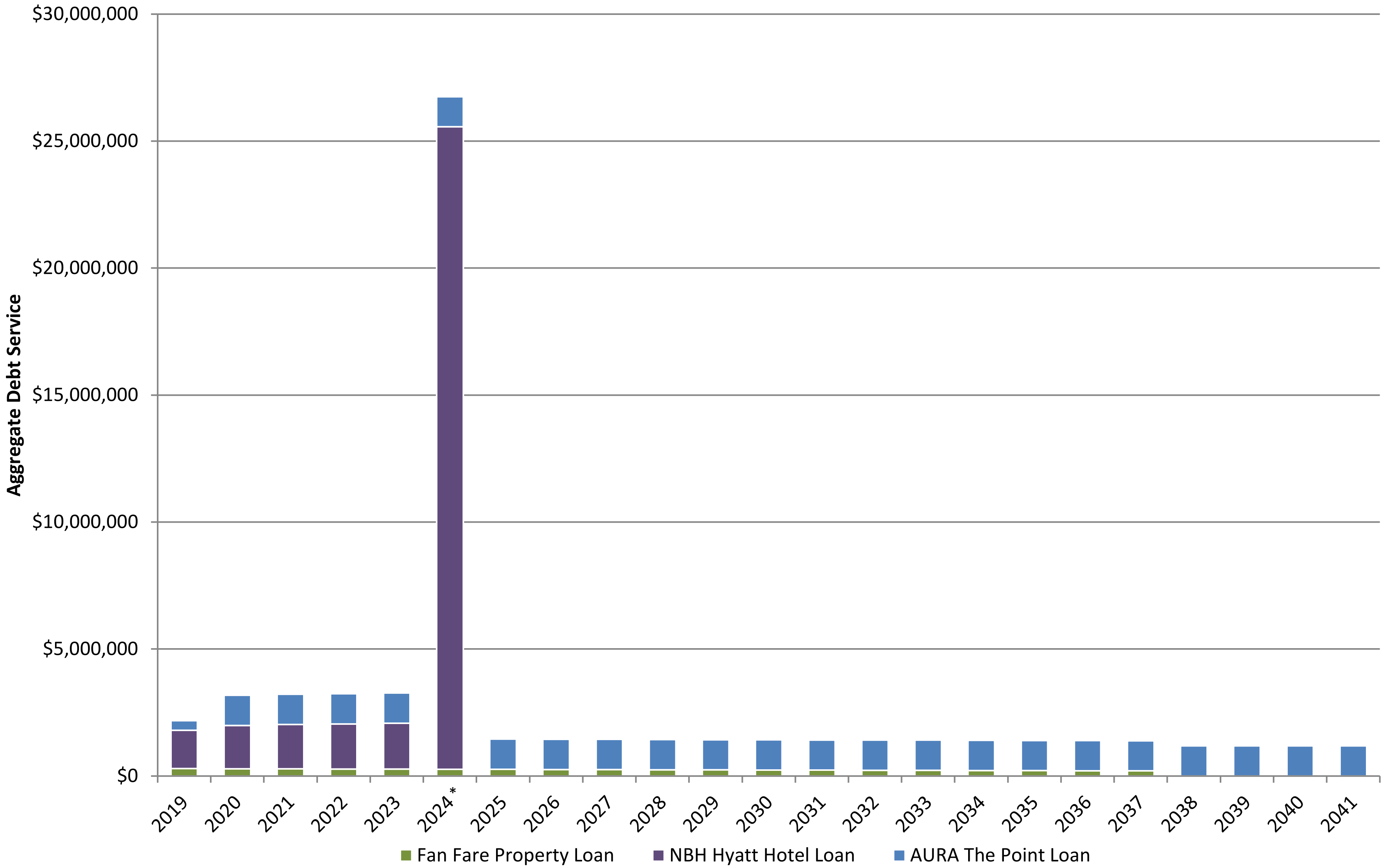
	TOTAL ANNUAL DEBT SERVICE			
	AURA The Point Loan	NBH Hyatt Hotel Loan	Fan Fare Property Loan	Total
2019	376,250	1,507,318	295,000	2,178,568
2020	1,186,250	1,700,509	290,000	3,176,759
2021	1,187,075	1,745,585	285,000	3,217,660
2022	1,187,638	1,772,956	280,000	3,240,593
2023	1,187,938	1,808,201	275,000	3,271,139
2024	1,182,975	25,290,935	270,000	26,743,910
2025	1,187,838	-	265,000	1,452,838
2026	1,187,350	-	260,000	1,447,350
2027	1,186,600	-	255,000	1,441,600
2028	1,185,588	-	250,000	1,435,588
2029	1,184,313	-	245,000	1,429,313
2030	1,187,775	-	240,000	1,427,775
2031	1,185,888	-	235,000	1,420,888
2032	1,183,738	-	230,000	1,413,738
2033	1,186,325	-	225,000	1,411,325
2034	1,183,563	-	220,000	1,403,563
2035	1,185,538	-	215,000	1,400,538
2036	1,187,163	-	210,000	1,397,163
2037	1,183,438	-	205,000	1,388,438
2038	1,184,450	-	-	1,184,450
2039	1,185,113	-	-	1,185,113
2040	1,185,425	-	-	1,185,425
2041	1,185,388	-	-	1,185,388
Total	26,463,613	33,825,504	4,750,000	65,039,117

City of Aurora, Colorado
All Outstanding Urban Renewal Authority Debt
Aggregate Annual Debt Service
As of January 1, 2019



*2024 Debt service includes Hyatt Hotel $24.35 million balloon payment.

City of Aurora, Colorado
All Outstanding Urban Renewal Authority Debt
Annual Debt Service by Series
As of January 1, 2019



*2024 Debt service includes Hyatt Hotel $24.35 million balloon payment.

Original Par Amount:	**$21,500,000**
Issuer:	**Aurora Urban Renewal Authority**
Issue Description:	**AURA The Point Loan**
Lender	Aurora General Fund
Closing Date	12/22/2016

Purpose

On April 14, 2014, the City Council approved the Nine Mile Station Urban Renewal Plan, which included the Regatta Plaza shopping center, a 22-acre parcel. The Nine Mile Station Urban Renewal Plan designated the Regatta Plaza property in its entirety as a catalytic project to stimulate the redevelopment of the area. The loan will be paid back through land sales to the developer and tax increment revenues generated by the property's redevelopment. Sources for the loan include the General Fund TABOR Reserve of $8 million, General Fund Operating Reserve of $425,000, Capital Projects Funds of $500,000. Staff anticipate land sales to the developer and an AURA bank loan with the pledge of the Regatta land for the remaining sources of funding. Uses for the loan include land acquisition costs of approximately $16.1 million, construction management agreement for the demolition and land preparation costs of approximately $3.5 million, capitalized interest of approximately $1.1 million, legal costs of $500,000 and $300,000 miscellaneous. Funds for part of the land acquisition will not be drawn until 2018 or later in the project.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	-	1.750%	376,250	376,250
2020	**810,000**	1.750%	376,250	1,186,250
2021	**825,000**	1.750%	362,075	1,187,075
2022	**840,000**	1.750%	347,638	1,187,638
2023	**855,000**	1.750%	332,938	1,187,938
2024	**865,000**	1.750%	317,975	1,182,975
2025	**885,000**	1.750%	302,838	1,187,838
2026	**900,000**	1.750%	287,350	1,187,350
2027	**915,000**	1.750%	271,600	1,186,600
2028	**930,000**	1.750%	255,588	1,185,588
2029	**945,000**	1.750%	239,313	1,184,313
2030	**965,000**	1.750%	222,775	1,187,775
2031	**980,000**	1.750%	205,888	1,185,888
2032	**995,000**	1.750%	188,738	1,183,738
2033	**1,015,000**	1.750%	171,325	1,186,325
2034	**1,030,000**	1.750%	153,563	1,183,563
2035	**1,050,000**	1.750%	135,538	1,185,538
2036	**1,070,000**	1.750%	117,163	1,187,163
2037	**1,085,000**	1.750%	98,438	1,183,438
2038	**1,105,000**	1.750%	79,450	1,184,450
2039	**1,125,000**	1.750%	60,113	1,185,113
2040	**1,145,000**	1.750%	40,425	1,185,425
2041	**1,165,000**	1.750%	20,388	1,185,388
TOTAL	21,500,000		4,963,613	26,463,613

Redemption Provision:	Callable at Any Time	**Callable Bonds**
Refunding Status:	Any Date	
Maturity Dates:	December 1	
Interest Payment Dates:	December 1	

Original Par Amount:	**$27,750,000**
Issuer:	**Aurora Urban Renewal Authority**
	Loan Agreement with NBH Bank
Issue Description:	**NBH Hyatt Hotel Loan**
Bond Counsel	Kutak Rock
Lender	NBH Capital Finance
Closing Date	8/21/2014

Purpose: Proceeds of the Loan will be used to finance the construction of the conference center and parking garage at the Hyatt Regency Hotel & Conference Center. The developer provided financing and will own the 249 room hotel, restaurant and kitchen. AURA will own the 30,000 sq ft conference center and 510 space garage.

Source of Repayment: TIF revenues of lodge tax, sales & use tax, property tax, net garage revenues and net conference center revenues.

Note: The Loan will bear interest from Closing Date through November 30, 2017 at 2.40% and is variable thereafter. The variable rate is the sum of the 12-month LIBOR rate plus 2.40%, multiplied by 70% (e.g.: [12 mos LIBOR + 2.40]*.70). Rate for 2019 = 3.86421%

RBC executed a rate lock on the loan commencing December 1, 2017 at the following levels to cap interest rate risk:
12/1/2017-12/1/2018: 4.90%
12/1/2018-12/1/2019: 6.50%
12/1/2019-12/1/2020: 6.00%
12/1/2020-12/1/2023: 6.05%
12/1/2023-12/1/2024: 7.20%

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	435,000	3.864%	1,072,318	1,507,318
2020	645,000	3.864%	1,055,509	1,700,509
2021	715,000	3.864%	1,030,585	1,745,585
2022	770,000	3.864%	1,002,956	1,772,956
2023	835,000	3.864%	973,201	1,808,201
2024*	24,350,000	3.864%	940,935	25,290,935
TOTAL	**27,750,000**		**6,075,504**	**33,825,504**

Redemption Provision:	Callable at Any Time	**Callable Bonds**
Refunding Status:	Any Date	
Maturity Dates:	December 1	
Interest Payment Dates:	March 1, June 1, September 1 & December 1	

**2024 Debt service includes Hyatt Hotel $24.35 million balloon payment.*

Original Par Amount: **$4,000,000**

Issuer: **Aurora Urban Renewal Authority**
Special Obligation Revenue Note

Issue Description: Fan Fare Property

Lender: City of Aurora Water Fund

Purpose: Acquire 10.31 acre parcel at 333 Havana Street (the "Fan Fare Property") for future private development.

Amortization:

	Principal	Coupon	Interest	Total P&I
2019	**200,000**	2.500%	95,000	295,000
2020	**200,000**	2.500%	90,000	290,000
2021	**200,000**	2.500%	85,000	285,000
2022	**200,000**	2.500%	80,000	280,000
2023	**200,000**	2.500%	75,000	275,000
2024	**200,000**	2.500%	70,000	270,000
2025	**200,000**	2.500%	65,000	265,000
2026	**200,000**	2.500%	60,000	260,000
2027	**200,000**	2.500%	55,000	255,000
2028	**200,000**	2.500%	50,000	250,000
2029	**200,000**	2.500%	45,000	245,000
2030	**200,000**	2.500%	40,000	240,000
2031	**200,000**	2.500%	35,000	235,000
2032	**200,000**	2.500%	30,000	230,000
2033	**200,000**	2.500%	25,000	225,000
2034	**200,000**	2.500%	20,000	220,000
2035	**200,000**	2.500%	15,000	215,000
2036	**200,000**	2.500%	10,000	210,000
2037	**200,000**	2.500%	5,000	205,000
TOTAL	3,800,000		950,000	4,750,000

Redemption Provision: Callable at Any Time **Callable Bonds**

Refunding Status: Any Date

Maturity Dates: December 1

Interest Payment Dates: December 1

City of Aurora, Colorado

Tab J: Details of Outstanding Derivatives

As of January 1, 2019

Derivatives

HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado

All Outstanding Derivatives
As of January 1, 2019
(000's)

Year Ending December 31	$25,000,000 Interest Rate Cap NBH Hyatt Hotel Loan 2015											
	Notional	Cap Rate										
2019	25,000	6.500%										
2020	24,565	6.000%										
2021	23,920	6.050%										
2022	23,205	6.050%										
2023	22,435	6.050%										
2024	21,600	7.200%										
2025												
2026												
2027												
2028												
2029												
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2032												
2033												
2034												
2035												
2036												
2037												
2038												
2039												
2040												
2041												
TOTALS												

Trade Date	9/1/2015					
Effective Date	12/1/2017					
Termination Date	12/1/2024					
Purpose	Manage Interest Rate Risk for 2014 TIF Loan for the Hyatt Hotel					

Original Par Amount:	**$25,000,000**
Issuer:	**Aurora Urban Renewal Authority**
	Interest Rate Cap
Issue Description:	**NBH Hyatt Hotel Loan**
Bond Counsel	Kutak Rock
Provider	Royal Bank of Canada
Closing Date	8/7/2015

Purpose: To manage interest rate risk on the 2014 Loan with NBH for the Hyatt Hotel

Amortization:

	Notional Amount	Cap Rate
2019	**25,000**	**6.500%**
2020	**24,565**	**6.000%**
2021	**23,920**	**6.050%**
2022	**23,205**	**6.050%**
2023	**22,435**	**6.050%**
2024	**21,600**	**7.200%**

Rate Determination Date:	December 1
Trade Date:	September 1, 2015
Effective Date:	December 1, 2017
Termination Date:	December 1, 2024

City of Aurora, Colorado

Exhibit 1: 2017 Fitch Full Rating Report

2017 Fitch Full Rating Report

HilltopSecurities
A Hilltop Holdings Company.

Aurora, Colorado

Full Rating Report

Ratings

Long-Term Issuer Default Rating	AA
Outstanding Debt	
Certificates of Participation	AA–

Rating Outlook

Stable

The 'AA' Issuer Default Rating (IDR) is based on Aurora's (the city) strong revenue growth prospects, solid expenditure flexibility, low liability burden and exceptionally strong financial resilience through economic downturns relative to modest expected revenue volatility. The 'AA–' certificates of participation (COP) rating reflects annual appropriation risk.

Key Rating Drivers

Economic Resource Base: Aurora, with a population of over 360,000, is the third-largest city in the state and is located adjacent and directly east of Denver.

Revenue Framework: 'aa' factor assessment. The city's general fund revenues are expected to continue a solid growth trajectory due to continued population growth and economic expansion. The city has no independent legal ability to raise property or sales taxes without voter approval.

Expenditure Framework: 'aa' factor assessment. Solid expenditure flexibility is derived from management's prudent budgeting practices, significant pay-as-you-go capital spending and modest carrying costs. Fitch Ratings expects growth-related spending demands to be matched by revenue gains, keeping their trajectories in line with one another.

Long-Term Liability Burden: 'aaa' factor assessment. The liability burden is modest and driven primarily by overlapping debt. The city has achieved full funding of its pensions at actuarially determined levels and its net pension liability is modest relative to personal income.

Operating Performance: 'aaa' factor assessment. The combination of expenditure flexibility and a record of reserve funding should enable the maintenance of a high level of financial flexibility during cyclical downturns.

Rating Sensitivities

Shift in Fundamentals: The IDR and COP ratings are sensitive to material changes in the city's strong revenue growth prospects, expenditure flexibility and solid financial position, which Fitch expects the city to maintain throughout economic cycles.

Analysts

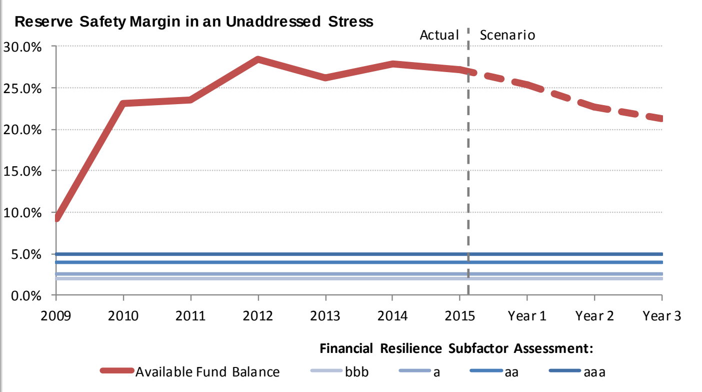
Jose Acosta
+1 512 215-3726
jose.acosta@fitchratings.com

Leslie Cook
+1 512 215-3740
leslie.cook@fitchratings.com

Aurora (CO)

Scenario Analysis

v. 1.10 2016/06/22



Analyst Interpretation of Scenario Results:

Fitch expects the city to remain in compliance with its fund balance policy (11%-14% of spending) which supports an 'aaa' financial resilience assessment considering the city's solid revenue and expenditure flexibility and low level of expected revenue volatility. The 2015 audit posted a $5 million (1.6% of spending) operating surplus, increasing the unrestricted fund balance to a healthy $83.4 million or 27.2% of spending. Preliminary 2016 audit results point to another operating surplus despite an increase in transfers to the capital projects fund. The 2017 budget is balanced, based on a 2.9% increase in sales and use taxes which Fitch believes is reasonable given ongoing economic expansion.

Based on historical results, Fitch expects a moderate economic downturn would result in a modest decline in general fund revenues in the first year of a downturn, followed by a prompt rebound. Fitch would expect the city's financial position to remain solid throughout the economic cycle.

Scenario Parameters:	Year 1	Year 2	Year 3
GDP Assumption (% Change)	(1.0%)	0.5%	2.0%
Expenditure Assumption (% Change)	2.0%	2.0%	2.0%
Revenue Output (% Change)	(1.0%)	1.2%	3.2%
Inherent Budget Flexibility	Midrange		

Revenues, Expenditures, and Fund Balance	Actuals							Scenario Output		
	2009	2010	2011	2012	2013	2014	2015	Year 1	Year 2	Year 3
Total Revenues	222,137	231,480	235,990	254,270	266,715	288,233	309,683	306,586	310,256	320,128
% Change in Revenues	-	4.2%	1.9%	7.7%	4.9%	8.1%	7.4%	(1.0%)	1.2%	3.2%
Total Expenditures	198,925	203,865	211,718	215,709	223,040	234,859	253,095	258,157	263,320	268,587
% Change in Expenditures	-	2.5%	3.9%	1.9%	3.4%	5.3%	7.8%	2.0%	2.0%	2.0%
Transfers In and Other Sources	6,169	606	2,726	1,719	1,788	1,641	1,996	1,976	2,000	2,063
Transfers Out and Other Uses	30,030	25,879	24,170	26,620	43,879	46,248	53,588	54,660	55,753	56,868
Net Transfers	(23,861)	(25,273)	(21,444)	(24,901)	(42,091)	(44,607)	(51,592)	(52,683)	(53,753)	(54,804)
Bond Proceeds and Other One-Time Uses	-	-	-	-	-	-	-	-	-	-
Net Operating Surplus(+)/Deficit(-) After Transfers	(649)	2,342	2,828	13,660	1,584	8,767	4,996	(4,255)	(6,817)	(3,263)
Net Operating Surplus(+)/Deficit(-) (% of Expend. and Transfers Out)	(0.3%)	1.0%	1.2%	5.6%	0.6%	3.1%	1.6%	(1.4%)	(2.1%)	(1.0%)
Unrestricted/Unreserved Fund Balance (General Fund)	21,170	52,978	55,492	69,085	69,889	78,591	83,426	79,171	72,354	69,091
Other Available Funds (Analyst Input)	-	-	-	-	-	-	-	-	-	-
Combined Available Funds Balance (GF + Analyst Input)	21,170	52,978	55,492	69,085	69,889	78,591	83,426	79,171	72,354	69,091
Combined Available Fund Bal. (% of Expend. and Transfers Out)	9.2%	23.1%	23.5%	28.5%	26.2%	28.0%	27.2%	25.3%	22.7%	21.2%

Reserve Safety Margins	Inherent Budget Flexibility				
	Minimal	Limited	Midrange	High	Superior
Reserve Safety Margin (aaa)	16.0%	8.0%	5.0%	3.0%	2.0%
Reserve Safety Margin (aa)	12.0%	6.0%	4.0%	2.5%	2.0%
Reserve Safety Margin (a)	8.0%	4.0%	2.5%	2.0%	2.0%
Reserve Safety Margin (bbb)	3.0%	2.0%	2.0%	2.0%	2.0%

Notes: Scenario analysis represents an unaddressed stress on issuer finances. Fitch's downturn scenario assumes a -1.0% GDP decline in the first year, followed by 0.5% and 2.0% GDP growth in Years 2 and 3, respectively. Expenditures are assumed to grow at a 2.0% rate of inflation. Inherent budget flexibility is the analyst's assessment of the issuer's ability to deal with fiscal stress through tax and spending policy choices, and determines the multiples used to calculate the reserve safety margin. For further details, please see Fitch's US Tax-Supported Rating Criteria.

Rating History (IDR)

Rating	Action	Outlook/ Watch	Date
AA	Affirmed	Stable	1/31/17
AA	Assigned	Stable	4/25/16
WD	Withdrawn	—	12/1/15
AA	Assigned	Stable	5/1/15

Related Research

Fitch Affirms Aurora, CO COPs at 'AA–'; Outlook Stable (January 2017)

Related Criteria

U.S. Tax-Supported Rating Criteria (April 2016)

Credit Profile

Aurora's population and employment base has benefited from Denver approaching full maturity, leading to resurgent building activity on Aurora's ample developable land. Single-family residential building permits exceeded prerecession levels in 2016, including a 38% increase from 2015–2016. Significant commercial development is under way, led by the $800-million, 1,500-room Gaylord Rockies resort under construction near the Denver International Airport (DIA). Amazon is planning to build a one-million-square-foot distribution center in time for the 2017 Christmas holiday season with an estimated workforce of 1,000. With the completion of RTD's two commuter rail lines within the city, including service to DIA, substantial transit-oriented development is planned or under way. A total of nine stations are located within the city.

Buckley Air Force Base is the city's largest employer with 11,000 (6.3% of city employment) military and civilian personnel. As an Air Force Space Command base, its primary mission is to provide global surveillance of missile launches. Buckley is also home to the Colorado National Guard and numerous other tenants. Potential future reductions in military spending could affect base operations as well as the city's economic profile.

Aurora's emergence as a regional medical provider stemmed from the redevelopment of the former Fitzsimons Army Medical Center into the expansive Anschutz Medical Campus, which includes two hospitals, a medical school and research facilities. A $1.7 billion Veteran's Administration hospital complex under construction will further boost the current employment of 22,000 (13% of the city's employment base) on the campus.

The city's assessed value (AV) surged by 21% in the 2016 reassessment cycle after posting sluggish growth in the aftermath of a cumulative, moderate 6.6% recessionary loss from 2010 thru 2012. AV grew by a modest 1.2% in 2017 due solely to new construction. Fitch expects AV to post strong growth in the 2018 reassessment cycle based on rising home values. Median home values increased by a significant 12% (to $276,500) over the prior year per Zillow. Notably, current home prices are now above prerecession peak levels.

Revenue Framework

General fund revenues are highly reliant on sales and use taxes, which comprise 67% of general fund revenues, followed by property taxes (8%) and other local taxes (aggregate of 10.4%).

The city's general fund revenues grew by a CAGR of 3.5% for the 10 years through fiscal 2016, exceeding U.S. GDP gains. Fitch expects such revenues to continue a strong trajectory given favorable demographic trends and development prospects.

Increases in the property or sales tax rates require voter approval per state law. A modest amount of revenue flexibility is available through the city's fees and charges.

Expenditure Framework

Public safety comprised 59% of general fund expenditures in fiscal 2015.

The pace of spending growth absent policy actions is likely to be generally in line with revenue growth but pressured by an expanding population and growing service delivery needs.

The city's fixed cost burden is modest, with carrying costs for debt, pension and other post-employment benefits (OPEB) equaling 6.6% of governmental spending. Future debt plans and pension contribution increases will cause carrying costs to rise but remain modest to moderate. Expenditure flexibility is aided by the city's practice of making annual transfers to the capital projects fund, equal to all capital-related use taxes and 4% of all other revenue. This 4% transfer policy was scaled back somewhat during the recession, but the city is progressing toward policy levels incrementally.

A substantial 50% of the general fund's workforce (all within the police and fire departments) is represented by a union. The police and fire collective bargaining agreements (CBAs) are typically negotiated with two-year terms and current agreements will expire in 2018. Labor negotiations have been generally positive, but in the event negotiations stall, the framework allows for CBA disputes to be decided by a general election if nonbinding mediation is not successful. The administration retains strong control over headcount and strikes are prohibited.

Long-Term Liability Burden

The long-term liability burden, including unlimited tax bonds, COPs and unfunded pension liabilities, is low at about 5% of personal income. The 10-year principal amortization rate for all direct debt is rapid at 68%. Debt issuances by overlapping school districts comprise the majority (64%) of the long-term liability burden. Continued overlapping debt issuance is likely to be accompanied by steady gains in personal income, which should keep the city's long-term liability burden modest. Nearly all of the city's general government debt consists of COPs due to a lack of voter support for the city's past three GO bond elections. Near-term debt plans include additional COPs for a recreation center complex.

The city's six defined benefit pension plans are dominated by the single-employer General Employees Retirement Plan (GERP). The city achieved full funding of the GERP annual required contribution (ARC) in 2015 due to pension reforms passed in 2010 that increased employee and employer contributions and created a lower cost tier of benefits for employees hired after 2011. The ratio of aggregate assets to liabilities is solid at 93% using the city's investment rate of return of 7.75%. The Fitch-adjusted estimate, based on a 7% rate of return assumption, is also solid at 87%. The adjusted aggregate net pension liability totals $105 million, or 0.7% of personal income. OPEB benefits are limited to an implicit rate subsidy for health insurance premiums through Medicare age and are funded on a pay-as-you-go basis.

Operating Performance

Fitch expects the city to remain in compliance with its fund balance policy (11%–14% of spending), which supports an 'aaa' financial resilience assessment considering the city's solid revenue and expenditure flexibility and low level of expected revenue volatility. For details, see Scenario Analysis, page 2.

The city maintained healthy reserves during the last period of economic recovery, enabled by flexibility in its annual pay-as-you-go capital spending and general expenditure flexibility. The city's contributions, established by city code and not actuarially determined, did fall short of the ARC during this period but by modest amounts relative to total general fund spending. Pension contributions rose to nearly 100% of the ARC in 2014 and exceeded the ARC by 20% in 2015.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

CHRONOLOGY OF FINANCIAL TRANSACTIONS

PURPOSE	AMOUNT	RFP	CLOSED	TYPE	RATE	TERM (yrs.)	SOURCE
2018B Stormwater	$2/28 M	Y 7/10	12/18	Bank Loan	3.04%	11.7	PNC
2018 Fleet	$1.75 M	Y 5/6	8/18	Bank Loan	3.13%	6.7	Vectra
Hogan Parkway	$19.0 M	Y 7/8	7/18	Bank Loan	3.10%	8.5	Vectra
2017 Fleet	$1.22 M	Y 5/8	11/17	Bank Loan	2.49%	7.5	Key
Fire Stations	$27.7 M	Competitive	8/17	COP	2.91%	20.3	Janney
D2 Police Phase II	$10.1 M	Y 8/13	6/17	Bank Loan	2.73%	14.7	Key
Central Rec Center	$28.9 M	Negotiated	5/17	COP	3.70%	25.5	Stifel
Golf Loan Refinancing	$3.9 M	N/A	3/17	Interfund	2.00%	9.75	Inter-Fund
Wastewater Refi	$28.9M	Y 5/10	11/16	Bank Loan	1.56% $9.3M NPV	10	Wells
2016 Fleet	$2.0 M	Y 4/6	9/16	Bank Loan	1.46%	7.5	Key
MLK/Moorhead	$8.6 M	Y 5/10	8/16	Bank Loan	1.25%	6.5	Key
AW Refinancing	$437.0 M	Negotiated	8/16	Rev. Bonds	3.12% $68M NPV	30	Morgan Stanley
District 2 Police Station	$3.79 M	Y 7/9	12/15	Bank Loan	2.13%	10	JPMC
Int. Rate Cap	$25.0 M	Y 4/4	8/15	Derivative	Various	10	RBC
2015 Fleet	$3.2 M	Y 6/8	8/15	Bank Loan	1.67%	7	JPMC
Water Prepay	$30.3 M	N/A	6/15	Cash Prepay	60.9% NPV	N/A	City
Public Safety Training Facility	$24.3 M	Competitive	5/15	COP	3.65%	25	RBC
Fire (SCBA)	$1.63 M	Y 5/5	2/15	Bank Loan	1.20%	5	US Bank
Sports Park/ E-911 Upgrade	$21.78 M	Negotiated	12/14	COP	2.19%	10	Stifel
History Museum Expansion	$1.38 M	Y 5/12	12/14	Bank Loan	2.56%	10	CSBT
2014 Fleet	$1.60 M	Y 6/12	9/14	Bank Loan	1.50%	7	UMB
Conf. Center/ Hotel	$27.75 M	Y 3/21	8/14	Bank Loan	2.40%*	10	NBH
Water Prepay	$25.5 M	N/A	5/14	Cash Prepay	43.4% NPV	N/A	City

*variable rate. RFP column number is response/requested.

Management and Finance Policy Committee

Agenda Item Commentary

Item Title: Internal Audit Annual Progress Report Against the 2018 Audit Plan	
Item Initiator: Wayne Sommer	
Staff Source: Wayne Sommer, Internal Audit Manager, 37075	
Deputy City Manager Signature: Jason Batchelor	
Outside Speaker:	
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City	

ACTIONS(S) PROPOSED ***(Check all appropriate actions)***

☐ Approve Item and Move Forward to Study Session

☐ Approve Item and Move Forward to Regular Meeting

☒ Information Only

HISTORY ***(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)***

Internal Audit provides periodic updates to the M&F (Audit) Committee on progress against their work plans and any significant audit findings

ITEM SUMMARY ***(Brief description of item, discussion, key points, recommendations, etc.)***

Internal Audit reached a 94% rate for active and completed engagements in 2018.

76% of audit recommendations since 2014 have been implemented.

QUESTIONS FOR Committee

EXHIBITS ATTACHED:

M and F Internal Audit 2018 Annual Progress Report 2.1.2019.pdf

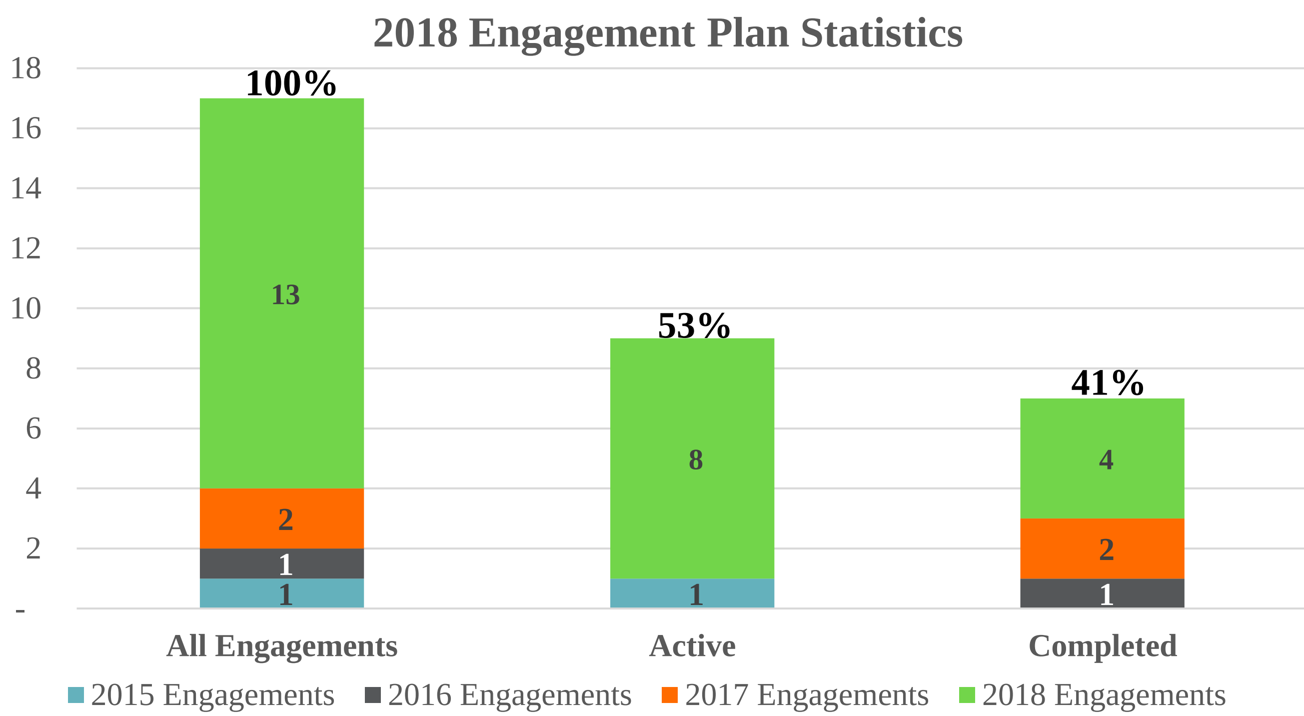
Internal Audit

2018

Annual Engagement Progress Report

Prepared by the Internal Audit Office
City of Aurora, Colorado

2018 Engagement Plan Progress



Internal Audit had a productive 2018. We reached a 94% rate for active and completed engagements. This included six unplanned engagements added during the year. We only had one engagement planned for 2018 we did not start. We will commence this engagement in 2019.

We frequently start engagements in one year that roll into the next or subsequent years. The majority of our engagements are non-recurring, that is, they are not recycled in a repeating annual pattern. Each engagement is new and unique. Consequently, we may estimate resource needs during planning, but unexpected issues we encounter during our fieldwork may require additional effort, extending the engagement beyond its original estimate and pushing other scheduled engagements into another year.

Internal Audit consists of three positions, one manager and two auditors. The manager conducts some fieldwork, but mostly performs workpaper reviews. Auditors mostly work independently on their engagements. They will have multiple engagements underway at any given time. We annually review our engagement approach seeking adjustments that will enable us to cover more engagements in a year. In 2018, we implemented an agile audit approach. The approach breaks down our audit work into milestones. Within each milestone, a pre-written audit program that includes checklists and workpaper formats is employed to improve our efficiency. A great benefit we have realized from the agile approach is an ability to get issues formally out to the client and management—using our milestone reports—in a timelier manner. Previously, we did not formally report most issues until the engagement was completed and we issued a final report.

ENGAGEMENT STATUS UPDATES

During 2018, we completed the following engagements and issued final reports.

1. **AFR Overtime**
2. **Neighborhood Services Inspection Program**
3. **APD Lethal/Less Lethal Weapons Inventory**
4. **APD Property and Evidence CALEA Audit***
5. **APD Vice and Narcotics***
6. **APD *A-GRIP* Grant Management**

These engagements rolled over into 2019. We expect to complete most, if not all, of these in Q1. The statuses below are as of January 31, 2019.

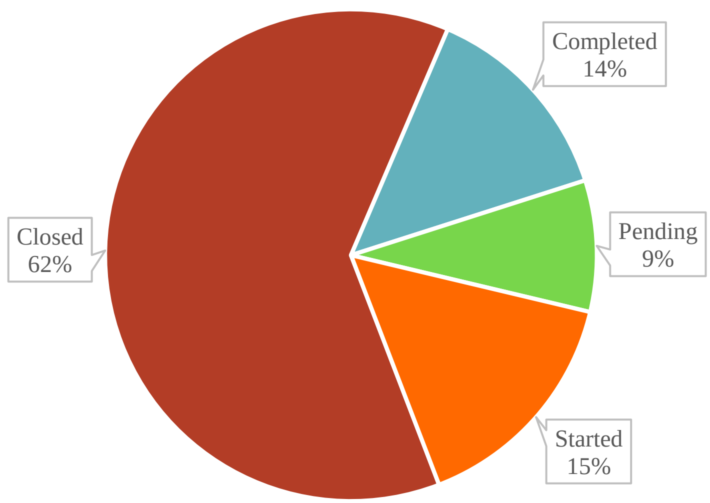
1. **General Management: Fleet Management**: We are in the sixth of eight milestones and expect to complete this engagement in Q1.
2. **Finance—Payroll Operations Review**: We are in the second of eight milestones and expect to complete this engagement in Q1; however, due to Payroll's heavy January responsibilities it may edge into Q2.
3. **Purchasing Operations Review, Part 1**: We are in the fourth of eight milestones and expect to complete Part 1 in Q1.
4. **General Management—Energy Audit**: This 2015 rollover engagement is nearing completion. We are ironing out the recommendation responses. We will issue it in Q1.
5. **AFR—Disaster Preparedness Follow Up**: The draft report is complete and we will issue the final report in Q1.
6. **APD Metro Gang Task Force (MGTF) Change of Command**: Completed; report issued
7. **APD—Culture Survey for Public Safety Communications**: The draft report is complete and we expect to issue the final report in Q1.
8. **Finance—GenTax 2018 Activity Audit**: Completed; report issued.
9. **Neighborhood Services—Animal Shelter Live Release Rates**: Fieldwork is underway. We will issue the report in Q1.

* Recurring engagement.

RECOMMENDATIONS

We maintain and track the implementation status of our audit recommendations in our TeamMate audit software. The chart below displays the status of recommendations as of January 31, 2019. As of that date, only 24% of all audit recommendations issued remain incomplete. The table that follows outlines the status of audit recommendations by engagement. The table outlines active audits with outstanding recommendations (sorted by number of total items) and closed audits (sorted by year) where the client implemented all recommendations. Internal Audit regularly monitors the progress made on these recommendations.

Status of Audit Recommendations



Closed: Client management has approved the implementation. No further action is necessary.

Completed: The client has implemented the recommendation and is waiting for client management's final approval.

Pending: The client has not begun recommendation implementation.

Started: The client has commenced recommendation implementation.

Report Release Date	*Engagement Audit Plan Year and Name*		*Closed*	*Completed*	*Pending*	*Started*	*Total*
September 2017	2016	Citywide Physical Security Assessment	4	4	7	8	23
March 2018	2016	Fire Department Overtime	-	13	1	8	22
May 2018	2017	Lethal and Less Lethal Weapons Inventory and Control Review	2	2	4	10	18
January 2016	2015	Payroll and HR Audit	10	2	-	3	15
April 2017	2016	Overall Disaster Preparedness Assessment	3	2	3	3	11
February 2017	2015	HIPAA Compliance	4	1	-	4	9
July 2018	2018	APD-Property and Evidence Audit	2	1	-	1	4
January 2016	2015	PROS Timesheet Audit	2	-	-	1	3
March 2017	2017	APD Vice and Narcotics	-	1	-	-	1
September 2017	2016	Core 4 Culture Impact Assessment	-	-	4	-	4
			27	**30**	**19**	**34**	**110**
		Percentage of total	*25%*	*27%*	*17%*	*31%*	*100%*
	2018	Records Section Cash Handling Audit	7	-	-	-	7
	2018	CALEA Property and Evidence	2	-	-	-	2
	2018	Review of Police Grant A-GRIP	2	-	-	-	2
	2018	APD-Vice and Narcotics	1	-	-	-	1
	2016	Court Void Review	19	-	-	-	19
	2016	Citywide Cash Counts	8	-	-	-	8
	2016	CALEA Property and Evidence	7	-	-	-	7
	2016	Vice and Narcotics Audit	3	-	-	-	3
	2016	Fox Theater Business Process Review	3	-	-	-	3
	2015	Aurora History Museum Cash Audit	15	-	-	-	15
	2015	Cashier's Office Cash Handling Audit	13	-	-	-	13
	2015	Utah Pool Cash Handling Audit	11	-	-	-	11
	2015	Service Desk and Change Management Audit	5	-	-	-	5
	2015	Aqua Vista Cash Handling Audit	3	-	-	-	3
	2015	Treasury Cash Management Audit	2	-	-	-	2
	2015	Meadowood Center Cash Handling Audit	2	-	-	-	2
	2015	Aurora Sports Park Cash Handling Audit	1	-	-	-	1
	2015	Aurora Reservoir Cash Handling Audit	1	-	-	-	1
	2014	AFD Logistics Facility	5	-	-	-	5
			110	**-**	**-**	**-**	**110**
		Percentage of total	*100%*	*0%*	*0%*	*0%*	*100%*
		All Recommendations to date	**137**	**30**	**19**	**34**	**220**
		Percentage of total	*62%*	*14%*	*9%*	*15%*	*100%*

Implementation Notes

2017 Lethal and Less Lethal Weapons Inventory and Control Review

- The implementation effort is waiting on the completion of a software RFP for a new inventory system.

2016 Citywide Physical Security Assessment

- Management charged a cross-departmental steering committee with overseeing the recommendation implementation process. This committee is progressing slowly and providing regular progress reports to the City Manager.

2016 Fire Department Overtime

- AFR is actively pursuing recommendation implementation.

2016 Overall Disaster Preparedness Assessment

- Internal Audit is completing a follow-up engagement on the recommendations from this original engagement. We will issue the follow-up report in Q1 2019.

2016 Core 4 Culture Impact Assessment

- Human Resources are addressing the recommendations.

2015 HIPAA Compliance

- Sign-off on final completed item is pending

2015 Payroll and HR Audit

- Implementation is in process.

2018 APD-Property and Evidence CALEA Audit

- Sign-off on final completed item is pending

2015 PROS Timesheet Audit

- Completion is dependent upon a decision regarding the City's payroll systems

2017 APD Vice and Narcotics

- Sign-off on final completed item is pending

2014 AFD Logistics Facility

- The implementation effort is awaiting the completion of a software RFP for a new inventory system.

OTHER ACTIVITIES

Information Technology (IT) and Risk Operations

Internal Audit schedules separate quarterly meetings with the City's Chief Information Security Officer (CISO) and the Risk Operations staff. These meetings, in which we discuss topics of mutual interest, aid our risk assessment efforts. These functional areas also contribute questions that Internal Audit uses in our annual risk assessment questionnaire.