



AGENDA

MANAGEMENT AND FINANCE POLICY COMMITTEE

March 23, 2021

1:00 pm

VIRTUAL MEETING

City of Aurora, Colorado

15151 E Alameda Parkway

Council Member Gardner, Chair

Council Member Johnston, Vice Chair

Council Member Gruber

Deputy City Manager Roberto Venegas

Finance Director Terri Velasquez

Public Participant Dialing Instructions

Dial Access Number: 1-408-418-9388

Enter Participant Code: 1874884925##

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.

Pages

1. **Call to Order**

2. **Approval of Minutes**

3. **Consent Items**

3.a. **February 2021 Sales Tax Chart**

Greg Hays, Budget Officer (5 minutes)

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4. General Business

- 4.a. 2021 SPRING SUPPLEMENTAL: FOR AN ORDINANCE OF THE CITY OF AURORA, COLORADO APPROPRIATING SUMS OF MONEY IN ADDITION TO THOSE APPROPRIATED IN ORDINANCE NOS. 2019-82, 2020-44, AND 2020-68 FOR 2020 FISCAL YEAR AND ORDINANCE NO. 2020-53 FOR 2021 FISCAL YEAR** 4

Kerstin Claspell, Lead Financial Analyst (15 minutes)

- 4.b. 2020 External Audit Pre-Audit Letter** 51

Nancy Wishmeyer, Controller (10 minutes)

- 4.c. GFOA End the Acronym Policy Statement** 58

Nancy Wishmeyer, Controller (10 minutes)

- 4.d. City of Aurora Investment Mangement Report** 62

Teresa Sedmak, City Treasurer (15 minutes)

Mary Donovan, Insight

- 4.e. 2021 ACLC Heavy Fleet Program Financing Ordinance** 74

Andrew Jamison, Senior Debt Analyst (10 minutes)

- 4.f. Requested Audit of Mayor and Council Operating Expenses** 82

Wayne Sommer, Internal Audit Manager (15 minutes)

5. Miscellaneous Matters for Consideration

- Next meeting tentatively scheduled for April 27 at 1:00 pm, WebEx Meeting

6. Adjournment

Total projected meeting time: 80 minutes



CITY OF AURORA

Council Agenda Commentary

Item Title: February 2021 Sales Tax Chart
Item Initiator: Greg Hays
Staff Source/Legal Source: Greg Hays, Budget Officer
Outside Speaker: N/A
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

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

- Approve Item as proposed at Study Session
- Information Only
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date:

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
- Does Not Recommend Approval
- Forwarded Without Recommendation
- Recommendation Report Attached
- Minutes Attached
- Minutes Not Available

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 M&F Committee have asked for the monthly sales tax performance chart.

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

Attached is the February sales tax performance chart. February of 2021 was 0.2 percent lower than February of 2020.

QUESTIONS FOR COUNCIL

Info Only

LEGAL COMMENTS

The city charter requires that the city manager shall keep the council advised of the financial condition and future needs of the city and make such recommendations to the council for adoption as he may deem necessary or expedient. (Aurora City Charter Sec. 7-4 (f)). This item is informational only. (Hernandez)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: N/A

PRIVATE FISCAL IMPACT

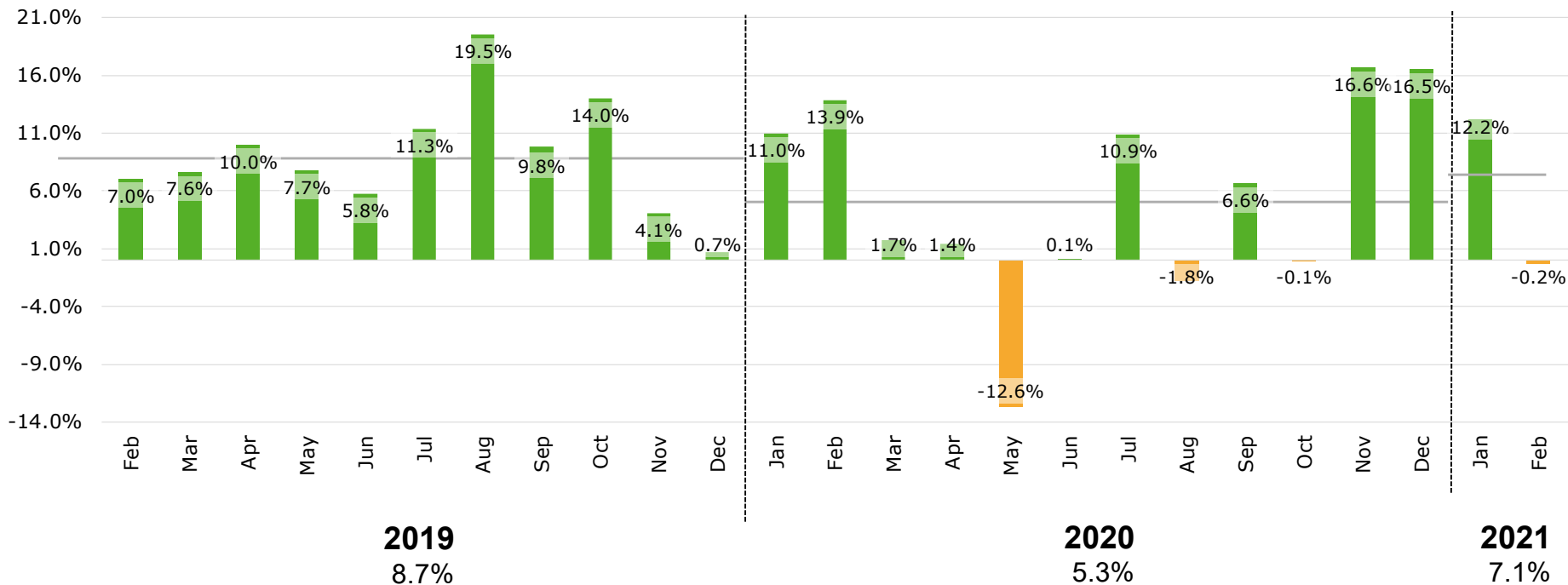
Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A

February 2021 Sales Tax Performance



Percent Change from Prior Year By Month





CITY OF AURORA

Council Agenda Commentary

Item Title: 2021 SPRING SUPPLEMENTAL: FOR AN ORDINANCE OF THE CITY OF AURORA, COLORADO APPROPRIATING SUMS OF MONEY IN ADDITION TO THOSE APPROPRIATED IN ORDINANCE NOS. 2019-82, 2020-44, AND 2020-68 FOR THE 2020 FISCAL YEAR AND ORDINANCE NO. 2020-53 FOR 2021 FISCAL YEAR

Item Initiator: Kerstin Claspell, Lead Financial Analyst

Staff Source/Legal Source: Kerstin Claspell, Lead Financial Analyst/Hanosky Hernandez Perez, Assistant City Attorney

Outside Speaker: N/A

Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: 5/3/2021

Regular Meeting: 5/24/2021

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

- Approve Item and Move Forward to Study Session
 - Approve Item as proposed at Study Session Information Only
 - Approve Item and Move Forward to Regular Meeting
 - Approve Item as proposed at Regular Meeting
 - Approve Item with Waiver of Reconsideration
- Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval Does Not Recommend Approval
- Forwarded Without Recommendation Recommendation Report Attached

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.*)

N/A

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

The 2021 Spring Supplemental Ordinance appropriates amounts for a number of operating expenditures and capital projects that require appropriations and inter-fund transfers in the funds listed in the attachment. This ordinance impacts the 2020 and 2021 budget years. Items for 2020 represent financial activities that have already occurred.

One of the first steps of the annual budget process is to prepare an updated projection of current year requirements. Some requirements that had been identified in the 2020 projection prepared for the 2021 Adopted Budget were reviewed and appropriated as part of the 2020 Fall Supplemental process. Others were deferred, as departments are often able to offset the impact, either partially or entirely. Most of the requests included for 2020 in this 2021 Spring Supplemental request were identified and included in the 2020 projection in the 2021 budget document.

Many of the requests included in this supplemental process are technical. Technical items are typically budget lapses (reductions) or reallocations, zero-dollar amendments with appropriation offset by revenue, or accounting and other adjustments. These items are indicated by including "technical" in the title and may or may not have been reviewed by Council. Most items have been previously reviewed by Council or Council Committee. Council review includes items included in the 2020 projection and reviewed as part of the 2021 Adopted Budget process, as well as items reviewed at either a Council Committee meeting or City Council meeting. Council review details are included in the narrative for the supplemental request.

The attachments included for this agenda item reflect summary and detail information regarding the requested appropriation changes for each fund and department. Transfers result in a move of funding from one fund to another. The details of these appropriation amendments are found in:

- Attachment A: 2020 Appropriation Summaries by Fund;
- Attachment B: 2021 Appropriation Summaries by Fund;
- Attachment C: 2020 Appropriation Detail by Fund; and
- Attachment D: 2021 Appropriation Detail by Fund.

As noted, the spring process covers two budget years. The following discussion will identify and focus on significant changes included for each budget year by fund, rather than the list in its entirety. Please see attachments C and D for the details on each request.

2020 Supplemental Amendments

Significant one-time supplemental items in all funds include:

- The appropriation of **\$33.9 million** in CARES funds and **\$591,000** for the purchase of land to create additional buffer near Buckley AFB in the Gifts and Grants Fund. CARES Act funding was included in the 2020 projection whereas the Buckley buffer grant was not due to the timing of the project.
- The appropriation of **\$29.8 million** for water rights acquisitions in the Water Fund. This item was included in the 2020 projection, although the actual amount needed was higher.
- Appropriations totaling **\$1.7 million** for costs incurred to respond to an increased workload surrounding development activity in the Development Review Fund. This item was included in the 2020 projection.
- The appropriation of **\$596,900** for the Homelessness Program in the Marijuana Tax Revenue Fund to align the 2020 appropriation with final 2020 collections of the 2.0% marijuana sales tax set aside. This supplemental was included in the 2020 projection, although revenues came in higher than anticipated.
- The appropriation of **\$596,200** in federal funding for the design phase of the Nine Mile Bike and Pedestrian Bridge Project in the Capital Projects Fund. This item was not included in the 2020 projection due to the timing of the project.

2021 Supplemental Amendment Requests

Significant supplemental items include the addition of a net 11.0 FTE across various departments:

- 1.0 FTE Youth Violence Prevention Manager and 5.0 FTE Youth Violence Prevention Outreach Specialists to initiate the Youth Violence Prevention Program in Housing and Community Services.
- 1.0 FTE Business Solutions Architect to support remote work and 1.0 FTE Project Coordinator contingent conversion to address increased project demands in Information Technology.
- 1.0 FTE Water Conservation Specialist to continue to provide low-water-use landscapes at no cost to income-qualified homeowners, 1.0 FTE Water Resources Specialist to address the growing need for water acquisitions, and 2.0 FTE Treatment Technicians to address the need for entry-level operators in Aurora Water.
- The net elimination of 1.0 FTE associated with a reorganization in Communications.

Other significant supplemental items in all funds include:

- The appropriation of **\$1.8 million** for the developer-funded final design of Montview Boulevard within the Fitzsimons Campus in the Capital Projects Fund.
- The appropriation of **\$1.1 million** for the Youth Violence Prevention Program in the Marijuana Tax Revenue Fund, including 6.0 FTE.
- The re-appropriation of **\$1.0 million** for affordable housing seed funding that was budgeted but not spent in 2020 and the appropriation of **\$4.4 million** in CARES funds not spent in 2020 in the General Fund.
- The appropriation of **\$565,400** for the activation of 4.0 FTE in the Development Review Fund to meet the workload demands in the Engineering Development Review division.

Detail behind all supplemental items can be found in Attachments C and D.

QUESTIONS FOR COUNCIL

Does Council wish to send this item forward to study session?

LEGAL COMMENTS

The City Council may make appropriations in addition to those contained in the budget upon recommendation of the City Manager, provided that the Finance Director certifies there are sufficient funds available to meet such appropriations. (*See*, City Charter Art. 11-16) (Hernandez).

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: This supplemental budget request will make adjustments to the 2020 budget and the 2021 budget.

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A



TO: Doug Wilson, Chief Public Defender

FROM: Tawny Kemerling, Classification and Compensation Analyst
Ryan Lantz, Deputy Director of Human Resources

DATE: January 26, 2021

SUBJECT: Public Defenders Pay Adjustments

Human Resources (HR) completed an assessment and analysis of Chief Public Defender Doug Wilson's request for a market study and pay adjustment for the following positions:

- Deputy Public Defender I
- Deputy Public Defender II
- Chief Deputy Public Defender
- Chief Public Defender.

After a market review, and factoring in the ongoing compensation assessment project, HR supports Wilson's increase to Public Defender pay by the amounts listed below. Further analysis and compensation marketing will continue in the compensation assessment project with an expected future adjustment to the position's salary midpoint and ranges.

PCN	NAME	Current Annual	New Annual	Difference (Increase)	Current Rounded	New Rounded	Rounded Difference
130017	Deputy Public Defender I	\$66,997	\$72,092	\$5,095	\$67,000	\$72,000	\$5,000
130018	Deputy Public Defender I	\$71,567	\$76,662	\$5,095	\$72,000	\$77,000	\$5,000
130007	Deputy Public Defender I	\$71,439	\$76,534	\$5,095	\$72,000	\$77,000	\$5,000
130011	Deputy Public Defender I	\$71,439	\$76,534	\$5,095	\$72,000	\$77,000	\$5,000
130004	Deputy Public Defender II	\$85,225	\$90,320	\$5,095	\$85,500	\$90,500	\$5,000
130012	Deputy Public Defender I	\$66,997	\$72,092	\$5,095	\$67,000	\$72,000	\$5,000
130023	Deputy Public Defender I	\$66,997	\$72,092	\$5,095	\$67,000	\$72,000	\$5,000
130001	Chief Deputy Public Defender	\$104,892	\$113,801	\$8,909	\$105,000	\$113,800	\$8,800
130002	Chief Deputy Public Defender	\$104,892	\$113,801	\$8,909	\$105,000	\$113,800	\$8,800
130005	Chief Public Defender	\$148,920	\$160,000	\$11,080	\$151,000	\$160,000	\$9,000
TOTAL:				\$64,564			\$61,600

Next Steps:

- Department to request pay range increase.
- Upon approval of pay range increase, department completes and submits to HR analyst an Employee Action Request (EAR) form, and attach City Management approval of pay range and this memo.
- Once received HR will process completed EARs form and place into employee's file.

ORDINANCE NO. 2021-____

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF AURORA, COLORADO APPROPRIATING SUMS OF MONEY IN ADDITION TO THOSE APPROPRIATED IN ORDINANCE NOS. 2019-82, 2020-44, AND 2020-68 FOR THE 2020 FISCAL YEAR AND ORDINANCE NO. 2020-53 FOR THE 2021 FISCAL YEAR

WHEREAS, pursuant to Ordinance Nos. 2019-82, 2020-44 and 2020-68 the Council has appropriated funds for the fiscal year beginning January 1, 2020, and ending December 31, 2020 (“Fiscal Year 2020”); and

WHEREAS, pursuant to Ordinance No. 2020-53 the Council has appropriated funds for the fiscal year beginning January 1, 2021, and ending December 31, 2021 (“Fiscal Year 2021”); and

WHEREAS, additional appropriations are needed to fund new expenditures for which revenues have recently become available; and

WHEREAS, the Director of Finance has certified that unappropriated reserves and additional funding sources and revenues are available for appropriation in the various funds; and

WHEREAS, the City Manager has recommended that the various appropriations enumerated in this Ordinance be made.

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

Section 1. Appropriations in addition to those made in Ordinance Nos. 2019-82, 2020-44 and 2020-68 shall be made for Fiscal Year 2020 for the purposes enumerated in Attachment C to the document entitled 2021 Spring Amendment Ordinance Appropriation Detail by Fund, such document being in the form as filed with the Office of the City Clerk and presented to the Council at this meeting (the “2020 Amendment Detail”), all as follows:

- a. From the unappropriated fund balance and/or additional revenues of the General Fund, the net amount of Seven Hundred Seventy Thousand, Nine Hundred Seventy-Eight Dollars (\$770,978).
- b. From the unappropriated fund balance and/or additional revenues of the Capital Projects Fund, the net amount of Eight Hundred Ninety-One Thousand, Two Hundred Twenty Dollars (\$891,220).
- c. From the unappropriated fund balance and/or additional revenues of the Community Development Fund, the net amount of Three Hundred Ninety-Three Thousand, Seven Hundred Eleven Dollars (\$393,711).

- d. From the unappropriated fund balance and/or additional revenues of the Designated Revenues Fund, the net amount of Zero Dollars (\$0).
- e. From the unappropriated fund balance and/or additional revenues of the Development Review Fund, the net amount of One Million, Seven Hundred Fifteen Thousand, Six Hundred Seventy-Nine Dollars (\$1,715,679).
- f. From the unappropriated fund balance and/or additional revenues of the Fleet Management Fund, the net amount of Seventy-Seven Thousand, Three Hundred Sixty-Three Dollars (\$77,363).
- g. From the unappropriated fund balance and/or additional revenues of the Gifts and Grants Fund, the net amount of Thirty-Five Million, Four Hundred Seventy-Three Thousand, Three Hundred Nineteen Dollars (\$35,473,319).
- h. From the unappropriated fund balance and/or additional revenues of the Marijuana Tax Revenue Fund, the net amount of Seven Hundred Eighty Thousand, Eight Hundred Twenty-Six Dollars (\$780,826).
- i. From the unappropriated fund balance and/or additional revenues of the Water Fund, the net amount of Twenty-Nine Million, Eight Hundred Twenty-Four Thousand, Eight Hundred Thirteen Dollars (\$29,824,813).

Section 2. Appropriations in addition to those made in Ordinance No. 2020-53 shall be made for Fiscal Year 2021 for the purposes enumerated in Attachment D to the document entitled 2021 Spring Amendment Ordinance Appropriation Detail by Fund, such document being in the form as filed with the Office of the City Clerk and presented to the Council at this meeting (the “2021 Amendment Detail”), all as follows:

- a. From the unappropriated fund balance and/or additional revenues of the General Fund, the net amount of Six Million, Forty-Eight Thousand, Eight Hundred Sixteen Dollars (\$6,048,816).
- b. From the unappropriated fund balance and/or additional revenues of the Capital Projects Fund, the net amount of Two Million, Six Hundred Eighteen Thousand, Three Hundred Five Dollars (\$2,618,305).
- c. From the unappropriated fund balance and/or additional revenues of the Conservation Trust Fund, the net amount of Two Thousand Five Hundred Forty-Two Dollars (\$2,542).
- d. From the unappropriated fund balance and/or additional revenues of the Cultural Services Fund, the net amount of One Hundred Thirty-Five Thousand Dollars (\$135,000).
- e. From the unappropriated fund balance and/or additional revenues of the Development Review Fund, the net amount of Five Hundred Sixty-Five Thousand, Three Hundred Fifty-Eight Dollars (\$565,358).
- f. From the unappropriated fund balance and/or additional revenues of the Gifts and

Grants Fund, the net amount of Sixteen Thousand, Eighty Dollars (\$16,080).

- g. From the unappropriated fund balance and/or additional revenues of the Marijuana Tax Revenue Fund, the net amount of Zero Dollars (\$0).
- h. From the unappropriated fund balance and/or additional revenues of the Parks Development Fund, the net amount of Two Thousand, One Hundred Twenty-Eight Dollars (\$2,128).
- i. From the unappropriated fund balance and/or additional revenues of the Water Fund, the net amount of Three Hundred Twenty-Four Thousand, Two Hundred Fifty-Seven Dollars (\$324,257).

Section 3. Appropriations made in Ordinance No. 2020-53 for Fiscal Year 2021 shall be adjusted for the reasons enumerated in the 2021 Amendment Detail, all as follows:

- a. From the Designated Revenues Fund, the net amount of One Million, Five Hundred Eighty-Six Thousand, Nine Hundred Sixty-Two Dollars (\$1,586,962) shall be deemed lapsed.
- b. From the Wastewater Fund, the net amount of Seventeen Thousand, Eight Hundred Sixty-Five Dollars (\$17,865) shall be deemed lapsed.

Section 4. Inter-fund and inter-departmental transfers shall be made as enumerated in the 2020 Amendment Detail for Fiscal Year 2020 and the 2021 Amendment Detail for Fiscal Year 2021.

Section 5. The City Manager and the Finance Director are hereby directed and authorized to expend so much of said funds as are necessary to pay for the projects and acquisitions referenced herein.

Section 6. All ordinances or parts of ordinances of the City in conflict herewith are expressly repealed.

Section 7. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this ordinance are available at the office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this _____ day of _____, 2021.


PASSED AND ORDERED PUBLISHED BY REFERENCE this _____ day of _____, 2021.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

 RLA

HANOSKY HERNANDEZ,
Assistant City Attorney

**2021 Spring Amendment Ordinance
Appropriation Summaries by Fund**

**2020 Amendment Summary
Attachment A**

Attachment A
2021 Spring Amendment Ordinance
Appropriation Summary by Fund and Department
2020 Amendment Summary

Fund/Department	FTE Request	Net Total Appropriation	Revenue ¹ Offset	Inc. / (Dec.) ² in Fund Bal.
General Fund Total	0.00	770,978	419,323	-351,655
Fire	0.00	419,323	419,323	0
Police	0.00	351,655	0	-351,655
Public Defender	0.00	0	0	0
Capital Projects Fund Total	0.00	891,220	891,220	0
Planning & Development Services	0.00	500,000	295,000	-205,000
Public Works	0.00	391,220	596,220	205,000
Community Development Fund Total	0.00	393,711	393,779	68
Housing and Community Services	0.00	393,711	393,779	68
Designated Revenues Fund Total	0.00	0	242,947	242,947
Judicial	0.00	0	59,017	59,017
Police	0.00	0	183,930	183,930
Development Review Fund Total	0.00	1,715,679	0	-1,715,679
Public Works	0.00	1,715,679	0	-1,715,679
Fleet Management Fund Total	0.00	77,363	0	-77,363
Public Works	0.00	77,363	0	-77,363
Gifts & Grants Fund Total	0.00	35,473,319	40,147,371	4,674,052
Fire	0.00	209,521	209,521	0
Housing and Community Services	0.00	406,256	5,036,194	4,629,938
Information Technology	0.00	205,356	205,356	0
Judicial	0.00	137,790	137,790	0
Library & Cultural Services	0.00	35,004	0	-35,004
Non-Departmental	0.00	33,882,755	33,882,755	0
Parks, Recreation & Open Space	0.00	591,000	591,000	0
Public Defender	0.00	5,637	84,755	79,118
Marijuana Tax Revenue Fund Total	0.00	780,826	596,896	-183,930
Housing and Community Services	0.00	596,896	596,896	0
Non-Departmental	0.00	183,930	0	-183,930
Water Fund Total	0.00	29,824,813	0	-29,824,813
Aurora Water	0.00	29,824,813	0	-29,824,813
Total	0.00	\$69,927,909	\$42,691,536	(\$27,236,373)

1 The revenue offset includes new revenue and revenue from transfers.

2 Inc./Dec in Fund Balance = New Revenue minus Net Appropriation.

**2021 Spring Amendment Ordinance
Appropriation Summaries by Fund**

**2021 Amendment Summary
Attachment B**

Attachment B
2021 Spring Amendment Ordinance
Appropriation Summary by Fund and Department
2021 Amendment Summary

Fund/Department	FTE Request	Net Total Appropriation	Revenue ¹ Offset	Inc. / (Dec.) ² in Fund Bal.
General Fund Total	3.00	6,048,816	408,687	-5,640,129
City Council	0.00	45,846	0	-45,846
Communications	-2.00	0	0	0
Finance	-1.00	-146,372	0	146,372
General Management	-1.00	-30,005	0	30,005
Housing and Community Services	1.00	1,135,590	0	-1,135,590
Human Resources	0.00	3,649	0	-3,649
Information Technology	2.00	38,013	0	-38,013
Non-Departmental	0.00	4,196,064	0	-4,196,064
Planning & Development Services	0.00	0	0	0
Police	4.00	749,143	408,687	-340,456
Public Defender	0.00	56,888	0	-56,888
Capital Projects Fund Total	0.00	2,618,305	2,268,305	-350,000
Public Works	0.00	2,618,305	2,268,305	-350,000
Conservation Trust Fund Total	0.00	2,542	0	-2,542
Parks, Recreation & Open Space	0.00	2,542	0	-2,542
Cultural Services Fund Total	0.00	135,000	142,138	7,138
Library & Cultural Services	0.00	135,000	142,138	7,138
Designated Revenues Fund Total	-2.00	-1,586,962	-1,245,732	341,230
Judicial	0.00	-33,353	152,046	185,399
Non-Departmental	0.00	-1,363,239	-1,237,530	125,709
Police	-2.00	-195,330	-160,248	35,082
Public Works	0.00	4,960	0	-4,960
Development Review Fund Total	0.00	565,358	0	-565,358
General Management	1.00	159,307	0	-159,307
Non-Departmental	-4.00	0	0	0
Public Works	3.00	406,051	0	-406,051
Gifts & Grants Fund Total	0.00	16,080	0	-16,080
Court Administration	0.00	16,080	0	-16,080
General Management	0.00	-13,552	0	13,552
Human Resources	0.00	1,294	0	-1,294
Parks, Recreation & Open Space	0.00	1,630	0	-1,630
Police	0.00	10,628	0	-10,628
Marijuana Tax Revenue Fund Total	6.00	0	0	0
Housing and Community Services	6.00	1,130,539	0	-1,130,539
Non-Departmental	0.00	-1,130,539	0	1,130,539
Parks Development Fund Total	0.00	2,128	0	-2,128

Attachment B
2021 Spring Amendment Ordinance
Appropriation Summary by Fund and Department
2021 Amendment Summary

Fund/Department	FTE Request	Net Total Appropriation	Revenue ¹ Offset	Inc. / (Dec.) ² in Fund Bal.
Parks, Recreation & Open Space	0.00	2,128	0	-2,128
Wastewater Fund Total	-0.25	-17,865	0	17,865
Aurora Water	-0.25	-17,865	0	17,865
Water Fund Total	4.25	324,257	0	-324,257
Aurora Water	4.25	324,257	0	-324,257
Total	11.00	\$8,107,659	\$1,573,398	(\$6,534,261)

1 The revenue offset includes new revenue and revenue from transfers.

2 Inc./Dec in Fund Balance = New Revenue minus Net Appropriation.

**2021 Spring Amendment Ordinance
Appropriation Detail by Fund**

**2020 Amendment Detail
Attachment C**

Attachment C

2021 Spring Amendment Ordinance

2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Aurora Water

2020 Technical: Re-Allocate Funds to Pump Station Improvements

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Water Fund	0.00	0	0	0	0	0
Total Appropriation Impact	0.00	\$0	\$0	\$0	\$0	\$0

This supplemental will reduce (lapse) funds for the Rampart Appurtenances project budget and re-appropriate the funding for Pump Station Improvements. Funding is available from this project due to a delay within the Rampart Appurtenances program.

The electrical and SCADA (Supervisory Control And Data Acquisition) portions of the Pump Stations Improvements project came in higher than the engineer's estimate. This is due to the ever-increasing complexity of our instrumentation and controls systems. The complexity has increased significantly over the last couple of years and prices in the electrical sector have risen dramatically, thus increasing our install cost. Future budgets were adjusted for the increase in the 2021 budget.

This supplemental was projected for 2020 in the 2021 budget.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Aurora Water	Water Fund	-2,757,096	0	Lapse of Appropriation
Aurora Water	Water Fund	2,757,096	0	New Appropriation

2020: Water Rights Acquisition Project

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Water Fund	0.00	0	29,824,813	29,824,813	0	-29,824,813
Total Appropriation Impact	0.00	\$0	\$29,824,813	\$29,824,813	\$0	(\$29,824,813)

This supplemental will appropriate funds to cover water rights acquisitions over the 2020 budgeted amount. Water rights acquisition is extremely important to the city's ability to ensure that Aurora will have enough water to serve future needs. Acquiring water rights is opportunistic as water rights that work for the system are not often available to purchase. Competition for water is growing as supplies get tighter and growth continues in most Colorado communities. Therefore, whenever Aurora Water has the opportunity to purchase water rights that fit in our system, efforts will be made to purchase those rights.

In 2020 Aurora was provided two opportunities which were outside the scope of our typical purchases and of significantly larger size than usual: one purchase up the Cache La Poudre and one purchase in the lower South Platte River downstream of Fort Morgan. Both opportunities provided over 1,000 AF each. Those two purchases were the cause of the overspending with one at \$27 Million and the other at \$16 Million adding over 2,600 AF of water to the city's portfolio.

The agreement for the purchase and sale of the Cache La Poudre water rights and ancillary interests was reviewed by City Council on July 20th, 2020. The agreement for the purchase and sale of the lower South Platte River downstream of Fort Morgan was reviewed by City Council on November 16, 2020.

This supplemental was projected for 2020 in the 2021 budget. The amount included in the supplemental is 29% higher than the projection as the opportunities developed over the second half of the year.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Aurora Water	Water Fund	29,824,813	0	New Appropriation

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2021 Spring Amendment Ordinance
2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Fire

2020 Technical: Assistance to Firefighters Grant

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	209,521	0	209,521	209,521	0
Total Appropriation Impact	0.00	\$209,521	\$0	\$209,521	\$209,521	\$0

Aurora Fire Rescue was awarded funding from the Assistance to Firefighters Grant (AFG) to replace eight sets of extrication equipment (cutters, spreaders, and push/pull rams) that were obsolete, antiquated, and past their useful life. The 10% match for the grant was covered under the department's 2020 operating budget in the General Fund. This supplemental recognizes close to the full amount of the 2019 grant award and provides appropriation for the grant funds spent in 2020. This supplemental was included in the 2020 projection as part of the 2021 Adopted Budget.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Fire	Gifts & Grants Fund	0	209,521	New Appropriation

2020 Technical: Wildland Fire

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	419,323	0	419,323	419,323	0
Total Appropriation Impact	0.00	\$419,323	\$0	\$419,323	\$419,323	\$0

This supplemental request will provide appropriation to cover personal service and overtime costs incurred as a result of 19 deployments of personnel to wildland fire events across Colorado, Kansas, and Nevada. Expenditures are offset by equivalent reimbursement revenue. This supplemental was included as part of the 2020 projection in the 2021 Adopted Budget.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Fire	General Fund	0	419,323	New Appropriation

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2021 Spring Amendment Ordinance

2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Housing and Community Services

2020 Technical: Adjust 2020 Program Income for the Neighborhood Stabilization Program (NSP)

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Community Development Fund	0.00	-13,261	0	-13,261	-13,261	0
Total Appropriation Impact	0.00	(\$13,261)	\$0	(\$13,261)	(\$13,261)	\$0

This technical adjustment for the Neighborhood Stabilization Programs (NSP1 and NSP3) will set the 2020 appropriation of program income to match final 2020 collections. The 2020 budget included program income of \$20,000 while the actual amount collected was \$6,700.

The City of Aurora was awarded NSP funding of \$6.9 million from the United States Department of Housing and Urban Development (HUD) over two years (2009 and 2011). NSP projects were developed to address the high foreclosure problem resulting from the market crash and recession. The city bought, rehabbed, and sold homes to households whose incomes did not exceed 120 percent of the area median income as established by HUD. The program also provided soft second mortgages in the form of deferred loans to the qualified buyers and as the market rebounded, some of the NSP buyers either sold their homes or refinanced with a cash out of equity, requiring loan repayment, resulting in NSP program income.

Aurora's NSP program is effectively complete at this time. All grant money has been spent and there are no future NSP projects planned. Each year NSP program income collected typically declines as there are fewer remaining loans to be paid. Based on a new rule implemented by HUD, future NSP program income will be reported under the CDBG program. As a result, there will be no program income budgeted in the NSP program in future years.

While the 2020 projection in the 2021 budget document incorporated a reduction in program income compared to recent years, actual program income was lower than projected.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Housing and Community Services	Community Development Fund	0	-13,261	Lapse of Appropriation

2020 Technical: Appropriate 2020 Income for the Homelessness Program

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Marijuana Tax Revenue Fund	0.00	596,896	0	596,896	596,896	0
Total Appropriation Impact	0.00	\$596,896	\$0	\$596,896	\$596,896	\$0

This technical adjustment for the Homelessness Program will set the 2020 appropriation of program income to match final 2020 collections of the 2.0% Marijuana Sales Tax set aside for the program. The 2020 budget includes program income of \$2.2 million while the actual amount collected was \$2.8 million.

This supplemental was included in the 2020 projection as part of the 2021 budget but revenues came in significantly higher than anticipated.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Housing and Community Services	Marijuana Tax Revenue Fund	0	596,896	New Appropriation

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2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Housing and Community Services

2020 Technical: Appropriate CDBG Program Income

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Community Development Fund	0.00	40,292	0	40,292	40,292	0
Total Appropriation Impact	0.00	\$40,292	\$0	\$40,292	\$40,292	\$0

This technical adjustment for the Community Development Block Grant (CDBG) Program will set the 2020 appropriation of program income to match final 2020 collections.

CDBG program income consists of loan payoffs from the original Home Ownership Assistance Program (HOAP) and the Commercial Renovation Program. High market values and low interest rates have led program participants to sell their homes or refinance home and business loans with a cash out of equity, resulting in the requirement to repay the loan.

CDBG programs are funded by annual grants from the United States Department of Housing and Urban Development (HUD). The Commercial Renovation Program provides ten-year amortized loans to commercial building owners to renovate and improve building façades.

This supplemental was not included in the 2020 projection as part of the 2021 budget as program income over the second half of the year was higher than projected.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Housing and Community Services	Community Development Fund	0	40,292	New Appropriation

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2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Housing and Community Services

2020 Technical: Appropriate HOME Program Income

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Community Development Fund	0.00	366,680	0	366,680	366,748	68
Total Appropriation Impact	0.00	\$366,680	\$0	\$366,680	\$366,748	\$68

This technical adjustment for the Home Investment Partnership (HOME) Program will set the 2020 appropriation of program income to match final 2020 collections.

HOME program income consists primarily of loan payoffs from the Home Ownership Assistance Program (HOAP) and the Single Family Rehabilitation Program. The strong real estate market has led program participants to sell their homes or refinance home loans with a cash out of equity resulting in the requirement to repay the loan.

HOME programs are funded by annual grants from the United States Department of Housing and Urban Development (HUD). HOAP provides zero interest, deferred loans to first-time homebuyers. The loans do not exceed \$10,000 and repayment is deferred until title transfers or if a refinance results in a cash out of equity. The Single Family Rehabilitation Program provides zero interest deferred loans to income qualifying owner-occupied homeowners to rehabilitate their homes, making them more energy efficient which in turn keeps the home more affordable to the household. Payment is deferred until transfer of title or if a refinance results in a cash out of equity.

This supplemental was not included in the 2020 projection as part of the 2021 budget as program income over the second half of the year was higher than projected.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Housing and Community Services	Community Development Fund	0	366,680	New Appropriation

2020 Technical: COVID-19 Emergency Solutions Grant (ESG)

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	406,256	0	406,256	5,036,194	4,629,938
Total Appropriation Impact	0.00	\$406,256	\$0	\$406,256	\$5,036,194	\$4,629,938

In 2020, the City of Aurora received a one-time ESG COVID-19 grant of \$5.0 million to prevent, prepare for and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance. This technical supplemental recognizes the full amount of the 2020 grant award and provides appropriation for the grant funds spent in 2020. The remaining funds will be spent over the grant period of July 8, 2020 to July 8, 2022 as established by the Department of Housing and Urban Development (HUD).

This supplemental was included in the 2020 projection as part of the 2021 budget.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Housing and Community Services	Gifts & Grants Fund	0	406,256	New Appropriation

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2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Information Technology

2020 Technical: E-911 Emergency Services IP Network (ESINet) Grant

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	0	205,356	205,356	205,356	0
Total Appropriation Impact	0.00	\$0	\$205,356	\$205,356	\$205,356	\$0

In 2020, the city received a state grant managed by the Colorado Public Utilities Commission for the statewide ESINet infrastructure implementation to facilitate the implementation of Next Generation 911 services that will allow both voice and data (photos, video, voice recordings) requests for 911 service and also allow 911 applications to run on the network. This supplemental recognizes the full amount of the grant award and provides appropriation for the grant funds spent. The city will implement the service technologies as they become available in the state.

This supplemental was not included in the 2020 projection as part of the 2021 budget document as the grant was not executed until after the budget was developed.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Information Technology	Gifts & Grants Fund	205,356	0	New Appropriation

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2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Judicial

2020 Technical: Courts and Detention COVID-19 Grant

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	56,045	0	56,045	56,045	0
Total Appropriation Impact	0.00	\$56,045	\$0	\$56,045	\$56,045	\$0

This technical supplemental will provide appropriation for 2020 expenditures covered by the Aurora Municipal Court & Detention COVID-19 Safety Measures grant. The municipal court had closed on March 18, 2020 and in preparation for reopening, the Court Administrator and the Presiding Judge pursued and were awarded grant funding. This funding helped them reach the goal of offering the same level of critical services to the public while preventing the spread of COVID-19 and creating peace of mind to all those who would enter the facility. The grant funds were used to fund social distancing through technology, personal protective equipment, and comprehensive sanitation.

These expenditures were projected for 2020 in the 2021 budget document.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Judicial	Gifts & Grants Fund	0	56,045	New Appropriation

2020 Technical: DOLA First Appearance Grant

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Designated Revenues Fund	0.00	0	0	0	59,017	59,017
General Fund	0.00	0	0	0	0	0
Gifts & Grants Fund	0.00	81,745	0	81,745	81,745	0
Total Appropriation Impact	0.00	\$81,745	\$0	\$81,745	\$140,762	\$59,017

This technical supplemental provides appropriation for 2020 to cover actual transactions eligible under the DOLA First Appearance Grant. This grant allows the city to seek reimbursement for providing no-cost legal representation to in-custody defendants for first appearances, an added expense caused by the State legislation (HB16-1309). This supplemental was projected for 2020 in the 2021 budget document. Funding for this grant was also appropriated in the 2021 budget as the grant period is set to expire on June 30, 2021.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Defender	General Fund	0	-59,017	Lapse of Appropriation
Public Defender	General Fund	0	59,017	Operating Transfer Out
Judicial	Gifts & Grants Fund	0	81,745	New Appropriation

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Department \ Description - Reason for Appropriation

Library & Cultural Services

2020 Technical: Appropriate Existing Balance in Gifts and Grants Fund for Bookmobile Purchase

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	35,004	0	35,004	0	-35,004
Total Appropriation Impact	0.00	\$35,004	\$0	\$35,004	\$0	(\$35,004)

This technical supplemental appropriates funds previously donated that are available in the Gift and Grants Fund balance. This supplemental appropriation, combined with the 2020 General Fund appropriation for the new Bookmobile approved as part of a 2020 budget, will provide the total funding required to complete the purchase of the Bookmobile. This supplemental was reflected in 2020 projections within the 2021 budget document.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Library & Cultural Services	Gifts & Grants Fund	0	35,004	New Appropriation

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Department \ Description - Reason for Appropriation

Non-Departmental

2020 Technical: CARES Appropriation

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	33,882,755	0	33,882,755	33,882,755	0
Total Appropriation Impact	0.00	\$33,882,755	\$0	\$33,882,755	\$33,882,755	\$0

This supplemental will appropriate the \$33.9 million in CARES funds received in 2020. This technical supplemental was projected as such in the 2020 projection of the 2021 budget document. Approximately \$4.4 million will be used to cover costs in the General Fund in 2021 that weren't able to be expensed by year-end. That amount will be in a separate supplemental.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Non-Departmental	Gifts & Grants Fund	0	33,882,755	New Appropriation

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2021 Spring Amendment Ordinance
2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Parks, Recreation & Open Space

2020 Technical: Grant Funded Purchase of Land for Buckley Buffer Project

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	0	591,000	591,000	591,000	0
Total Appropriation Impact	0.00	\$0	\$591,000	\$591,000	\$591,000	\$0

This supplemental will appropriate Arapahoe County grant funding for the purchase of land to create additional buffer near Buckley AFB. City Council approved the land purchase at regular council meeting on June 1st, 2020. Grant funds in the amount of \$591,000 were received and booked in the Gifts and Grants Fund in December 2020. This supplemental was not included in the 2020 projection as part of the 2021 budget document due to the timing of the project.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Parks, Recreation & Open Space	Gifts & Grants Fund	591,000	0	New Appropriation

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2021 Spring Amendment Ordinance

2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Planning & Development Services

2020 Technical: Appropriate 13th Ave Corridor Study

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Capital Projects Fund	0.00	0	295,000	295,000	295,000	0
Total Appropriation Impact	0.00	\$0	\$295,000	\$295,000	\$295,000	\$0

This Technical supplemental will appropriate funding to conduct a corridor-wide multimodal mobility study, generally along 13th Avenue between the High Line Canal Trail on the east (just east of Chambers Road), and Yosemite Street via 12th Avenue on the west. The final report will include phasing, conceptual design, a cost estimate and funding strategies for delivering transportation improvements. Total project budget is \$500,000 (\$295,000 state grant and \$205,000 local transportation improvement program match funds). The match was previously appropriated in Public Works and will be transferred to Planning for management of this project.

The intergovernmental agreement (IGA) for this project was approved at the 09/14/2020 Regular City Council Meeting. The agreement and option letter for this grant were not fully executed at the time of 2021 budget preparation and it was not included in the 2020 projection.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Capital Projects Fund	-205,000	0	Lapse of Appropriation
Planning & Development Services	Capital Projects Fund	500,000	0	New Appropriation

Attachment C

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2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Police

2020: One-time Subsidy for Victim Assistance Program

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Designated Revenues Fund	0.00	0	0	0	183,930	183,930
Marijuana Tax Revenue Fund	0.00	183,930	0	183,930	0	-183,930
Total Appropriation Impact	0.00	\$183,930	\$0	\$183,930	\$183,930	\$0

This supplemental will provide appropriation for a one-time transfer of marijuana tax revenue to the Victim Assistance program in the Designated Revenues Fund to shore up program shortages in 2020.

The Victim Assistance program is largely funded by court surcharge revenue, which was impacted by a sudden decline in issued tickets in mid-2020. Since then, the number of issued tickets has increased. In addition, adjustments to the court surcharge revenue allocation have resulted in a larger share of revenue allocated to the Victim Assistance program beginning in 2021. This will help ensure continued funding of this program.

This supplemental was included in the 2020 projection as part of the 2021 budget document and approved by Council at the October 12, 2020 study session

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Non-Departmental	Marijuana Tax Revenue Fund	0	183,930	Operating Transfer Out

2020: Police Attrition Buyout

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	351,655	0	351,655	0	-351,655
Total Appropriation Impact	0.00	\$351,655	\$0	\$351,655	\$0	(\$351,655)

In 2020, the Police Department experienced increased attrition to include twice the number of Civil Service retirements compared to the last couple years at 40. The resulting buyout of leave far exceeded previous experience and department budget.

This high level of attrition was not expected and was not included in the 2020 projection as part of the 2021 budget document.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Police	General Fund	0	351,655	New Appropriation

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2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Public Defender

2020 Technical: Public Defender Attorney COVID-19 Grant

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	5,637	0	5,637	84,755	79,118
Total Appropriation Impact	0.00	\$5,637	\$0	\$5,637	\$84,755	\$79,118

This technical supplemental will provide appropriation for 2020 expenditures covered by the Coronavirus Emergency Supplemental Funding granted to the Aurora Public Defender's Office. Granted funds are to cover an attorney to help address the anticipated workload increase from new arrests and bail hearings; newly unemployed citizens who cannot afford counsel and hundreds of ongoing cases that were continued, compounding overall workload. The grant period is 4/24/2020 through 1/31/2022. These expenditures were projected for 2020 and included in the 2021 budget document.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Defender	Gifts & Grants Fund	0	5,637	New Appropriation

Attachment C

2021 Spring Amendment Ordinance

2020 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Public Works

2020: Additional Expenditures in the Development Review and Fleet Funds

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Development Review Fund	0.00	1,715,679	0	1,715,679	0	-1,715,679
Fleet Management Fund	0.00	77,363	0	77,363	0	-77,363
Total Appropriation Impact	0.00	\$1,793,042	\$0	\$1,793,042	\$0	(\$1,793,042)

This supplemental appropriation will cover costs incurred in 2020 in the Development Review Fund to respond to increased workload surrounding development activity, including overhire personnel; overtime; credit card fees; leave buyouts; and contracted inspection and development review services.

This supplemental will also appropriate fund balance to cover costs incurred in 2020 in Fleet Management for the purchase and implementation of the FuelMaster software program in response to 2019 audit findings.

This supplemental was included in the 2020 projection as part of the 2021 Adopted Budget.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Fleet Management Fund	0	77,363	New Appropriation
Public Works	Development Review Fund	0	1,715,679	New Appropriation

2020: Appropriate Nine Mile Bike & Pedestrian Bridge Project

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Capital Projects Fund	0.00	0	596,220	596,220	596,220	0
Total Appropriation Impact	0.00	\$0	\$596,220	\$596,220	\$596,220	\$0

This supplemental will appropriate federal funding for the design phase of the Nine Mile Bike & Pedestrian Bridge Project as part of a grant received from the Denver Regional Council of Governments (DRCOG) Transportation Improvement Program (TIP). The project will construct a pedestrian and bicycle bridge that will span Colorado State Highway 83 (Parker Road) west of I-225. The bridge will provide a much safer and more convenient connection between the RTD Nine Mile Rail and Bus Station, adjacent residential, business developments, and The Point at Nine Mile Station. This supplemental will appropriate \$596,200 in federal funding for the design phase. The local match has been previously appropriated. The construction phase will be appropriated in a future supplemental. Total project budget is \$7.4 million (\$4.4 million federal grant and \$3.0 million local match funds).

The intergovernmental agreement (IGA) for this project was approved at the June 1, 2020 Regular City Council Meeting. The agreement and option letter for this grant were not fully executed at the time of 2021 budget preparation and it was not included in the 2020 projection.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Capital Projects Fund	596,220	0	New Appropriation

**2021 Spring Amendment Ordinance
Appropriation Detail by Fund**

**2021 Amendment Detail
Attachment D**

Attachment D

2021 Spring Amendment Ordinance

2021 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Aurora Water

2021 Technical: PCN Re-Allocation

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Wastewater Fund	-0.25	-17,865	0	-17,865	0	17,865
Water Fund	0.25	17,865	0	17,865	0	-17,865
Total Appropriation Impact	0.00	\$0	\$0	\$0	\$0	\$0

This is a technical adjustment to re-allocate FTE and operating costs between funds (Water and Wastewater). An internal review of Aurora Water's organization and service programs identified activities shared by Water and Wastewater Funds. Business functions were reviewed, and organizational efficiencies and operational improvements were identified to enhance the department's multiple service utilities (Water, Sewer and Storm).

This supplemental was not previously reviewed by Council.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Aurora Water	Wastewater Fund	0	-28,584	Lapse of Appropriation
Aurora Water	Water Fund	0	-42,879	Lapse of Appropriation
Aurora Water	Wastewater Fund	0	10,719	New Appropriation
Aurora Water	Water Fund	0	60,744	New Appropriation

2021: Add 1.0 FTE Water Conservation Specialist

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Water Fund	1.00	89,481	0	89,481	0	-89,481
Total Appropriation Impact	1.00	\$89,481	\$0	\$89,481	\$0	(\$89,481)

Beginning in 2013, Water Conservation has provided low-water use landscapes at no cost to income-qualified homeowners. While commercial landscapers were utilized during the first five years of this program, for the past two years, these landscapes were installed by a non-profit organization, CommunityWorks, which required unforeseen oversight from Water Conservation staff to manage the installations to meet city code. In 2021, CommunityWorks informed Aurora Water that they would be unable to provide this service due to funding and personnel reductions. For GreatScapes to remain a viable and achievable program, Water Conservation requires this position to manage the program from customer application through installation. Water Conservation will utilize contract landscapers for installation in 2021, and will analyze the effectiveness of this approach. Should contract landscapers not meet the program standards, budget and timelines, Water Conservation will utilize contingent employees for landscape installation in following years. Either approach provides a more consistent and high-quality product for the customers, as well as improved communications with the customer throughout the design, installation and maintenance education process. If CommunityWorks is able to assist with some installations in future years, this position would manage that relationship. This position will also provide an additional resource for the ongoing maintenance of the Water-Wise Garden at the AMC and will act as the customer liaison for the Water-wise rebate program. This position is projected to save Aurora Water approximately 101 acre feet annually, which would offset water acquisitions that, utilizing recent water rights purchase costs, would have cost over \$2 million. This results in a ROI of less than two weeks. Additional soft-costs for this position will include uniform, safety shoes, PPEs, laptop computer and accessories and additional tools.

This supplemental was not previously reviewed by Council.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Aurora Water	Water Fund	0	89,481	New Appropriation

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2021 Spring Amendment Ordinance

2021 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Aurora Water

2021: Add 1.0 FTE Water Resources Specialist

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Water Fund	1.00	91,481	0	91,481	0	-91,481
Total Appropriation Impact	1.00	\$91,481	\$0	\$91,481	\$0	(\$91,481)

A new Water Resource Specialist FTE is necessary to address the growing need for water acquisitions, raw water accounting and operations, legal and engineering analysis, and storage development to ensure the Water Department can provide dependable and sustainable water into the future. This position is needed to address the growing need for water and water accounting, not only to keep up with the population growth and need as more land is annexed into City limits, but also the growing complexity and magnitude of the raw water accounting requirements of Water Court as new raw water supplies are changed for Municipal use. The primary means of obtaining water is through the acquisition of senior agricultural water rights. The timing of a potential acquisition is entirely in the control of the seller. Competition for water rights is increasing. Most other municipalities and many developers on the Front Range are also looking to acquire water. Once an agricultural right has been acquired by a municipality or developer, there is almost no chance of that water right returning to the market. Therefore, we need to be able to pursue an acquisition when it comes on the market, not when it is convenient. We are sadly confident that most of the opportunities we miss today will not come again. Because of our future need for water and the fact that these acquisitions cannot be delayed, Water Resources has been increasing the pace of our water acquisitions as much as possible. Current staff are currently over extended and need additional staff to get new deals and assist with current deals that are being negotiated. Water rights accounting is critical to the daily operations of water. Water Resources manages and operates over 300 water rights from three different basins. The accounting must be submitted to the State Division of Water Resources in daily, weekly, monthly, and yearly formats. It is extraordinarily complex and complicated. Accounting includes not only the tracking of water, but also understanding and applying multiple agreement and Water Court decreed terms and conditions.

This supplemental was not previously reviewed by Council.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Aurora Water	Water Fund	0	91,481	New Appropriation

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Department \ Description - Reason for Appropriation

Aurora Water

2021: Add 2.0 FTE Treatment Technicians

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Water Fund	2.00	125,430	0	125,430	0	-125,430
Total Appropriation Impact	2.00	\$125,430	\$0	\$125,430	\$0	(\$125,430)

Add 2.0 FTE to address the need for entry level operators and take advantage of both internal candidates and the current labor market to address the shortage of Certified "A" Water Treatment Plant Operators. A review of the treatment staff was completed in 2019. It was determined that 4 additional staff were needed over the following 3 years. One FTE was added to the 2020 budget. This supplemental request is to add two more of these positions in the Spring Supplemental.

The Treatment Division recently completed a Business Case Study, approved by the department and in concert with H.R., that identified the need to recruit and train an in-house Operations staff for Certified Operator retention and recruitment. One of the issues identified during the process is the fact there is no opportunity or career path in Aurora Water that allows entry level Operators to be hired as an entry level Water Treatment Operator and progress through the certification process - this is a position that experiences a lot of turnover. There is a lot of competition for certified operators. Adding additional positions at an entry level position will allow us to "grow" our own operators in house and help keep qualified staff operating our treatment facilities. These entry level positions will not be able to operate the facilities independently, but will instead allow us to train operators to take on those responsibilities after obtaining required certifications. Utilities that have implemented "grow your own" programs for treatment plant operators report significant improvement in recruitment and retention. With the current number of operator vacancies, we will struggle to operate our treatment facilities during peak-demand summer months and urgently need to create a training program to try and avoid the same problem in future years. Soft costs include uniforms, safety shoes, possible corrective eyewear for PPE, and certification reimbursements.

This supplemental was not previously reviewed by Council.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Aurora Water	Water Fund	0	125,430	New Appropriation

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Department \ Description - Reason for Appropriation

City Council

2021 Technical: Carry Forward for Unused City Council Travel

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	45,846	0	45,846	0	-45,846
Total Appropriation Impact	0.00	\$45,846	\$0	\$45,846	\$0	(\$45,846)

This supplemental will carry forward unused 2020 travel budget of \$45,800 for use in 2021. Per City Council policy, the unused amount of the annual travel budget allocation can be carried forward to be used in the next year.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
City Council	General Fund	0	45,846	New Appropriation

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Department \ Description - Reason for Appropriation

Communications

**2021 Technical: Communications Department
Reorganization**

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	-1.00	0	0	0	0	0
Total Appropriation Impact	-1.00	\$0	\$0	\$0	\$0	\$0

Human Resources has approved a reorganization plan for the Communications Department. Key items include the creation of a deputy director position and several internal equity adjustments, all offset by the reduction of 2.0 FTE. 1.0 FTE is eliminated in this supplemental while 1.0 FTE is transferred to Housing and Community Services as part of the Office of Diversity, Equity and Inclusion - Community Relations Reorganization Supplemental included in this packet.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Communications	General Fund	0	-123,447	Lapse of Appropriation
Communications	General Fund	0	123,447	New Appropriation

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Department \ Description - Reason for Appropriation

Court Administration

2021 Technical: CAFFE Grant Extension

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Gifts & Grants Fund	0.00	16,080	0	16,080	0	-16,080
Total Appropriation Impact	0.00	\$16,080	\$0	\$16,080	\$0	(\$16,080)

This technical supplemental will provide appropriation for the unspent balance of the 2019 grant award. The National League of Cities (NLC) awarded the City of Aurora funds totaling \$38,300 in 2019 to conduct an assessment of the impact of municipal fines and fees on residents as part of the NLC's Cities Addressing Fines and Fees Equitably (CAFFE) initiative. These funds are to be spent over the grant period of April 1, 2019 - March 31, 2021. The grant period was extended from June to December of 2020 and then again to the end of March 2021 by the NLC due to the COVID-19 pandemic and the resulting economic crisis.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Court Administration	Gifts & Grants Fund	0	16,080	New Appropriation

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Department \ Description - Reason for Appropriation

General Management

2021 Technical: Move Development Process Improvement Manager from Public Works to General Management

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Development Review Fund	0.00	0	0	0	0	0
Total Appropriation Impact	0.00	\$0	\$0	\$0	\$0	\$0

This technical supplemental will transfer the 2021 budget for 1.0 FTE Manager position from Public Works to General Management as part of the creation of the Office of Process Improvement. This manager will fill the role of the Development Process Improvement Manager as a critical position in implementing short and long-term process improvement strategies in all areas and across multiple departments integral to the city's Development Review process. The creation of this leadership role was described as a high-priority recommendation in the Development Review Process Update Study conducted by Bohannon Huston, Inc.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Development Review Fund	0	-159,307	Lapse of Appropriation
General Management	Development Review Fund	0	159,307	New Appropriation

2021 Technical: Move Special Projects Manager from Finance to General Management

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	0	0	0	0	0
Total Appropriation Impact	0.00	\$0	\$0	\$0	\$0	\$0

This technical supplemental will transfer the 2021 budget for the 1.0 FTE Special Projects Manager position from Finance to General Management in order to align with organizational reporting changes.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Finance	General Fund	0	-146,372	Lapse of Appropriation
General Management	General Fund	0	146,372	New Appropriation

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Department \ Description - Reason for Appropriation

General Management

2021 Technical: Office of Diversity, Equity and Inclusion - Community Relations Reorganization

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	0	0	0	0	0
Gifts & Grants Fund	0.00	0	0	0	0	0
Total Appropriation Impact	0.00	\$0	\$0	\$0	\$0	\$0

This technical supplemental will transfer 2021 budgets and FTE authorization to and from various departments in order to align with organizational reporting changes involving the Office of Diversity, Equity, and Inclusion (DEI) and the associated Community Relations Division. It also addresses other unrelated organizational needs without additional funding requirements as this supplemental has no financial impact and no net change to the number of FTE authorizations.

The central item is the transfer of the Community Relations Division from DEI to the existing Community Relations Section in the Police Department. The intent is to help foster both working relationships and the relationship between the community and the Police Department. As a result of this and the Communications reorganization, 2.0 FTE are able to be repurposed. One will be transferred to Housing and Community Services to fulfill the need for an additional Neighborhood Liaison and the other will transfer to DEI to fulfill the need for a DEI Officer.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
General Management	General Fund	0	-331,952	Lapse of Appropriation
General Management	Gifts & Grants Fund	0	-13,552	Lapse of Appropriation
Housing and Community Services	General Fund	0	-1,430	Lapse of Appropriation
Police	General Fund	0	-997	Lapse of Appropriation
General Management	General Fund	0	155,575	New Appropriation
Housing and Community Services	General Fund	0	89,942	New Appropriation
Human Resources	General Fund	0	3,649	New Appropriation
Human Resources	Gifts & Grants Fund	0	1,294	New Appropriation
Parks, Recreation & Open Space	Gifts & Grants Fund	0	1,630	New Appropriation
Police	General Fund	0	85,213	New Appropriation
Police	Gifts & Grants Fund	0	10,628	New Appropriation

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Department \ Description - Reason for Appropriation

Housing and Community Services

2021 Technical: Re-Appropriate Affordable Housing Seed Funding

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	1,047,078	0	1,047,078	0	-1,047,078
Total Appropriation Impact	0.00	\$1,047,078	\$0	\$1,047,078	\$0	(\$1,047,078)

This technical adjustment will re-appropriate \$1.0 million that was budgeted but not spent in 2020 for Affordable Housing. This unspent funding was included in the 2020 Adopted Budget as year two of one-time seed funding to provide Aurora residents with affordable housing opportunities. It is anticipated that this full amount will be spent in 2021 as the department has several upcoming initiatives to provide Aurora residents with affordable housing opportunities.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Housing and Community Services	General Fund	0	1,047,078	New Appropriation

2021: Youth Violence Prevention Program

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Designated Revenues Fund	0.00	-1,130,539	0	-1,130,539	-1,130,539	0
Marijuana Tax Revenue Fund	6.00	0	0	0	0	0
Total Appropriation Impact	6.00	(\$1,130,539)	\$0	(\$1,130,539)	(\$1,130,539)	\$0

This supplemental will provide appropriation for the Youth Violence Prevention Program. This new program will be entirely funded by the 1.0% special sales tax rate on retail marijuana, which is projected to generate \$1.1 million in 2021. Of this total, funding of \$531,400 will cover the personnel costs associated with 1.0 FTE Youth Violence Prevention Manager position required to collaborate with city departments, community mental health agencies, and school districts to ensure that juvenile system agencies and the program are all coordinating efforts regarding at risk juveniles and 5.0 FTE Youth Violence Prevention Outreach Specialist positions required to provide a bridge between the community, gang-involved youth and families, and various agencies that respond to the problem of community youth violence. In addition, this supplemental will provide program operating funding of \$125,000 and \$474,100 to support community service agencies and programs directly related to youth violence prevention.

The Youth Violence Prevention Program set aside was originally budgeted in the Designated Revenues Fund. This supplemental will make the necessary adjustments to provide appropriation as discussed by Council at the October 12, 2020 study session.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Non-Departmental	Designated Revenues Fund	0	-1,130,539	Lapse of Appropriation
Non-Departmental	Marijuana Tax Revenue Fund	0	-1,130,539	Operating Transfer Out
Housing and Community Services	Marijuana Tax Revenue Fund	0	1,130,539	New Appropriation

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Department \ Description - Reason for Appropriation

Information Technology

2021: Add 1.0 FTE Business Solutions Architect

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	1.00	38,013	0	38,013	0	-38,013
Total Appropriation Impact	1.00	\$38,013	\$0	\$38,013	\$0	(\$38,013)

This supplemental will add 1.0 FTE Business Solutions Architect to continue to develop and maintain the Microsoft Office 365 suite productivity tools that facilitated the city's move to remote working and allows access to work products from anywhere. Since 2020, this work has been conducted through a professional services contract at a markup rate, using one-time budget. The addition of an FTE is a more cost-effective solution to address this ongoing need. The cost of the FTE is partially offset by personnel savings in other areas.

This supplemental was not previously reviewed by Council. The ongoing need for this position associated with a remote working environment was not fully understood at the time the 2021 budget was developed.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Information Technology	General Fund	0	-83,622	Lapse of Appropriation
Information Technology	General Fund	0	121,635	New Appropriation

2021: Contingent Project Coordinator to FTE Conversion

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	1.00	0	0	0	0	0
Total Appropriation Impact	1.00	\$0	\$0	\$0	\$0	\$0

This supplemental converts a contingent project coordinator position to a full-time employee (FTE) position at net zero cost to the budget. This will allow the department to address an ongoing need associated with increased project demands to include after-hour support of the city's new legislative management software for City Council and Boards and Commissions meetings.

This FTE conversion was not previously reviewed by Council because the demand for this position occurred with the implementation of the legislative management software in the past three months.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Information Technology	General Fund	0	-64,657	Lapse of Appropriation
Information Technology	General Fund	0	64,657	New Appropriation

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Department \ Description - Reason for Appropriation

Non-Departmental

2021 Technical: CARES Appropriation

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	4,361,257	0	4,361,257	0	-4,361,257
Total Appropriation Impact	0.00	\$4,361,257	\$0	\$4,361,257	\$0	(\$4,361,257)

While spending CARES Funding, \$4.4 million of the amount was not able to be spent by year-end. This amount was saved in 2020 in the General Fund to be re-appropriated in 2021.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Non-Departmental	General Fund	0	4,361,257	New Appropriation

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Department \ Description - Reason for Appropriation

Parks, Recreation & Open Space

2021 Technical: Transfer Funds to Art in Public Places in the Cultural Services Fund

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Conservation Trust Fund	0.00	0	2,542	2,542	0	-2,542
Cultural Services Fund	0.00	0	0	0	7,138	7,138
Parks Development Fund	0.00	0	2,128	2,128	0	-2,128
Total Appropriation Impact	0.00	\$0	\$4,670	\$4,670	\$7,138	\$2,468

Per City ordinance, one percent of funds used for certain construction and remodeling projects with budgets over \$100,000 are dedicated to funding Art in Public Places (AIPP). This is a transfer of funds committed to the AIPP program in the Cultural Services Fund from the Conservation Trust Fund and the Parks Development Fund and is based on qualifying construction expenses totaling \$713,800. This supplemental was not included in the 2021 budget due to the timing of the projects.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Parks, Recreation & Open Space	Parks Development Fund	-58	0	Lapse of Appropriation
Parks, Recreation & Open Space	Conservation Trust Fund	-2,410	0	Lapse of Appropriation
Parks, Recreation & Open Space	Parks Development Fund	2,186	0	Operating Transfer Out
Parks, Recreation & Open Space	Conservation Trust Fund	4,952	0	Operating Transfer Out

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Department \ Description - Reason for Appropriation

Planning & Development Services

**2021 Technical: Transfer Funding for NAAG Program
from General Fund to Cultural Services Fund**

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Cultural Services Fund	0.00	135,000	0	135,000	135,000	0
General Fund	0.00	0	0	0	0	0
Total Appropriation Impact	0.00	\$135,000	\$0	\$135,000	\$135,000	\$0

This technical supplemental will make the necessary budget adjustments to allow for the administration of the North Aurora Arts Grant (NAAG) program in the Cultural Services Fund. The funds are currently budgeted in the General Fund within Development Services. For 2021, Development Services and Cultural Division will work together to administer the NAAG operating and project grants program. The goal of this program is to support overall redevelopment in the Fletcher Plaza Urban Renewal Area (the Arts District) and to increase area activity and visits.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Planning & Development Services	General Fund	0	-135,000	Lapse of Appropriation
Planning & Development Services	General Fund	0	135,000	Operating Transfer Out
Library & Cultural Services	Cultural Services Fund	0	135,000	New Appropriation

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Department \ Description - Reason for Appropriation

Police

2021 Technical: Re-Appropriate New Target System for Police Training Academy

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	180,000	0	180,000	0	-180,000
Total Appropriation Impact	0.00	\$180,000	\$0	\$180,000	\$0	(\$180,000)

This supplemental request will re-appropriate \$180,000 that was budgeted but not spent in 2020 for a target system used by the Police Academy to train new officers. The current target system has not been replaced since 2003. The unspent funding is available for one-time re-appropriation.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Police	General Fund	0	180,000	New Appropriation

2021: Court Surcharge Program Adjustments

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Designated Revenues Fund	-2.00	-461,383	0	-461,383	-115,193	346,190
General Fund	2.00	319,734	0	319,734	408,687	88,953
Total Appropriation Impact	0.00	(\$141,649)	\$0	(\$141,649)	\$293,494	\$435,143

Declining court surcharge revenues and the elimination of the Photo Red Light Program at the end of 2018 have resulted in projected revenues that fall behind court surcharge program costs in the five-year forecast. The unanticipated revenue decline in 2020, fueled by the COVID-19 pandemic and racial tensions within the community, has accelerated depletion of the fund balance.

This revenue shortfall has prompted City Council to re-imagine court surcharge program funding and adjust appropriations as included in this supplemental. The major changes are as follows:

- Portions of Aurora for Youth, including 1.0 FTE Patrol Officer will be funded out of the General Fund while agencies will compete for Youth Violence Prevention funds in the Marijuana Tax Revenue Fund
- 1.0 FTE Victim Assistance Supervisor will be moved to the General Fund
- Nexus programs serving the homeless will initially be funded by fund balance from the 2% marijuana sales tax funding dedicated to homelessness and then compete in the next RFP process

These adjustments were approved by Council at the October 12, 2020 study session.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Judicial	Designated Revenues Fund	0	-33,353	Lapse of Appropriation
Non-Departmental	Designated Revenues Fund	0	-500,000	Lapse of Appropriation
Police	Designated Revenues Fund	0	-604,017	Lapse of Appropriation
Non-Departmental	General Fund	0	-165,193	Operating Transfer Out
Police	General Fund	0	50,000	Operating Transfer Out
Police	Designated Revenues Fund	0	408,687	Operating Transfer Out
Non-Departmental	Designated Revenues Fund	0	267,300	New Appropriation
Police	General Fund	0	434,927	New Appropriation

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Department \ Description - Reason for Appropriation

Public Defender

2021: Public Defender Equity Review Pay Increases

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
General Fund	0.00	56,888	0	56,888	0	-56,888
Total Appropriation Impact	0.00	\$56,888	\$0	\$56,888	\$0	(\$56,888)

At the request of the Chief Public Defender, Human Resources (HR) completed a market review for all Public Defender Attorney positions. As a result of the study, HR is recommending pay adjustments ranging from 7.6% to 8.5% for all 10 Attorneys to include the Chief Public Defender, Chief Deputy Public Defender, Deputy Public Defender II and Deputy Public Defender I positions. This supplemental provides funding to cover pay adjustments effective 1/30/2021 in accordance with the HR recommendation memo. The Public Defenders Commission is in support of this request. The Chief Public Defender will bring this request forward for review at the Management and Finance Committee meeting on March 23, 2021.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Defender	General Fund	0	56,888	New Appropriation

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Department \ Description - Reason for Appropriation

Public Works

2021 Technical: Appropriate and Activate Non-Departmental FTE

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Development Review Fund	0.00	565,358	0	565,358	0	-565,358
Total Appropriation Impact	0.00	\$565,358	\$0	\$565,358	\$0	(\$565,358)

This supplemental will fund activation of four of the designated Non-Departmental FTE positions to meet the workload demands in the Engineering Development Review division including 1.0 Engineering Supervisor, 2.0 Senior Engineers and 1.0 Project Engineer. The 2020 workload numbers showed an increase over historic averages for the number of civil plan sets reviewed requiring additional resources.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Development Review Fund	0	565,358	New Appropriation

2021 Technical: Appropriate Developer Reimbursement

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Capital Projects Fund	0.00	0	77,305	77,305	77,305	0
Total Appropriation Impact	0.00	\$0	\$77,305	\$77,305	\$77,305	\$0

This supplemental will appropriate developer reimbursement received for a cost share of the signal constructed at Smoky Hill and Powhatan.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Capital Projects Fund	77,305	0	New Appropriation

2021 Technical: Ptarmigan Park Fence Repairs

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Designated Revenues Fund	0.00	4,960	0	4,960	0	-4,960
Total Appropriation Impact	0.00	\$4,960	\$0	\$4,960	\$0	(\$4,960)

This technical supplemental will appropriate existing funding for repairs to Ptarmigan Park Fence for several panels that required replacement after being struck by a vehicle. Ptarmigan Park Fence is part of a Special Improvement District (SID) and annual assessments to property owners fund an Operating and Maintenance (O&M) account that was used to pay for these repairs. While a cash balance exists, this supplemental is necessary to provide appropriation of that cash. The city is pursuing the responsible party for reimbursement of these costs.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Designated Revenues Fund	0	4,960	New Appropriation

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Department \ Description - Reason for Appropriation

Public Works

2021: Appropriate 25th Avenue Pedestrian Improvement Project

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Capital Projects Fund	0.00	0	391,000	391,000	391,000	0
Total Appropriation Impact	0.00	\$0	\$391,000	\$391,000	\$391,000	\$0

This supplemental will appropriate federal funding for the construction phase of pedestrian improvements on 25th Avenue as part of a grant received from the Denver Regional Council of Governments (DRCOG) Community Mobility Planning and Implementation (CMP) set-aside. The project will construct a pedestrian boulevard on the north side of 25th Avenue between Fulton Street and Lola Street. The work includes relocating the existing curb line to narrow the existing cross-section of the street. This project is anticipated to cost a total of \$488,800 for construction with \$391,000 from federal grant funds and \$97,800 in local matching funds that are already appropriated. This IGA was approved at the November 16, 2020 Council Meeting.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Capital Projects Fund	-97,750	0	Lapse of Appropriation
Public Works	Capital Projects Fund	488,750	0	New Appropriation

2021: Appropriate Cost Share for Alameda Gun Club Study IGA

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Capital Projects Fund	0.00	0	350,000	350,000	0	-350,000
Total Appropriation Impact	0.00	\$0	\$350,000	\$350,000	\$0	(\$350,000)

This supplemental will appropriate \$350,000 for the city's cost share for a joint project with Arapahoe County to complete an alternatives analysis and concept design for the widening of Gun Club Road from Mississippi Ave to 6th Parkway. Alameda Ave from Harvest Rd to Gun Club Rd will be included as an alternate in the project pending availability of overall project budget. The project will address local access, stream crossing(s), major intersection configurations, and include conceptual design. Public meetings and communication will also be included as part of the project. Funding will be split 50/50 between the County and the City, with a total cap of \$700,000 for the project. The city's contribution will come from impact fees collected for this area. The IGA for this project was reviewed at the March 1, 2021 City Council Study Session.

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Capital Projects Fund	350,000	0	New Appropriation

Attachment D
2021 Spring Amendment Ordinance
2021 Appropriation Amendment Requests

Department \ Description - Reason for Appropriation

Public Works

2021: Appropriate Montview Final Design Developer Contribution

Fund Impact	FTE	Operating Approp.	CIP Approp.	Approp. Total	Revenue Offset	Inc. / (Dec.) in Fund Bal.
Capital Projects Fund	0.00	0	1,800,000	1,800,000	1,800,000	0
Total Appropriation Impact	0.00	\$0	\$1,800,000	\$1,800,000	\$1,800,000	\$0

This supplemental will appropriate developer funding for the final design of Montview Boulevard within the Fitzsimons Campus. An intergovernmental agreement (IGA) has been executed to allow Aimco to front the \$1.8 million cost for the final redesign of Montview Blvd. from Peoria St. east to Fitzsimons Pkwy. This IGA was approved at the December 7th, 2020 Council meeting

Total Appropriation Impact (Does not include offset impact)

Department	Fund	Capital	Operating	Type
Public Works	Capital Projects Fund	1,800,000	0	New Appropriation



CITY OF AURORA

Council Agenda Commentary

Item Title: 2020 External Audit Pre-Audit Letter
Item Initiator: Nancy Wishmeyer
Staff Source/Legal Source: Nancy Wishmeyer/Hans Hernandez, Assistant City Attorney
Outside Speaker: N/A
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

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

- Approve Item as proposed at Study Session
- Information Only
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
 - Does Not Recommend Approval
 - Forwarded Without Recommendation
 - Recommendation Report Attached
 - Minutes Attached
 - Minutes Not Available
-

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.)*

BKD, LLP, the city's external auditors, provide this pre-audit letter to communicate various matters related to the scope and timing of the 2020 financial statement audit, and compliance with requirements applicable to federal grant programs. BKD, LLP also provided an engagement letter dated September 21, 2020 that was presented at the October 27, 2020 Management & Finance Policy Committee meeting. The engagement letter is the contract for the upcoming audit and defines auditor and city management responsibilities as well as fees. The pre-audit letter communicates audit matters that are more appropriately communicated as the engagement begins.

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

The pre-audit letter is required auditor communication to the city's audit committee at the beginning of the engagement. The letter outlines audit risk areas and the corresponding audit approach to address those risks. The pre-audit letter also outlines areas that governance should be particularly aware of as it oversees the financial reporting process. Finally, the pre-audit letter discusses how the auditors address the risk of fraud.

QUESTIONS FOR COUNCIL

Information only

LEGAL COMMENTS

An independent audit shall be made annually of all funds of the City, and more frequent audits may be made if deemed necessary by Council. Such audits shall be made by registered or certified public accountants, experienced in municipal accounting, selected by Council. City Charter §3-18. (Hernandez)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain:

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain:

January 29, 2021

Mayor and City Council Members
City of Aurora, Colorado
15151 East Alameda Parkway
Aurora, Colorado 80012

The purpose of this communication is to summarize various matters related to the planned scope and timing for the December 31, 2020 audits of the financial statements of City of Aurora, Colorado (the City) and of its compliance with specified requirements applicable to its major federal award programs.

Please refer to our engagement letter dated September 21, 2020 for additional information and the terms of our engagement.

OVERVIEW

We will conduct our audits in accordance with auditing standards generally accepted in the United States of America, the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or (U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*). Those standards require that we plan and perform:

- The audit of the financial statements to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.
- The audit of compliance with the types of compliance requirements described in the U.S. Office of Management and Budget, *Compliance Supplement* that are applicable to each major federal award program to obtain reasonable rather than absolute assurance about whether noncompliance having a direct and material effect on a major federal award program occurred.

Additionally, with respect to the Scientific and Cultural Facilities District (SCFD) we will:

- Audit the financial statements of the City of Aurora, Colorado’s Cultural Service Division, for the year ended December 31, 2020 and any other schedules as required by SCFD

PLANNED SCOPE & TIMING

We have preliminarily identified the following areas of significant risks of material misstatement due to error or fraud and of material noncompliance and propose to address these areas as described:

Opinion Unit	Risk Area	Audit Approach
All	Management override of controls	Examine journal entries for evidence of material misstatement, review accounting estimates for bias, and evaluate business rationale for significant unusual transactions.
All	Revenue recognition (including CARES grant revenue)	Review revenue for proper cut-off and compliance with requirements determining recognition.
All	Expenditures	Compare budget to actual expenditures for reasonableness and ensure changes in budget are approved by City Council. Also test expenditures for proper cutoff.
Governmental and business-type activities, water, sewer, and other aggregate funds	Implementation of new accounting standards: GASB 84, <i>Fiduciary Activities</i> ; GASB 88, <i>Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placement</i> , GASB 83, <i>Certain Asset Retirement Obligations</i>	Review for compliance with new standards including required footnote disclosures.

Opinion Unit	Risk Area	Audit Approach
Governmental and business-type activities, water, sewer, and other aggregate funds	Debt	Review significant activity, including confirming new debt and debt paid off. Review debt covenants for compliance with terms outlined in debt agreements.
Governmental and business-type activities, water, sewer, and other aggregate funds	Capital Assets	Review for propriety of capitalization and reasonableness of depreciation.
Single audit	Compliance with requirements described in the U.S. Office of Management and Budget, <i>Compliance Supplement</i> for major federal awards programs	Select samples and test for compliance with federal and grant requirements.

We welcome any input you may have regarding the risk areas identified above, any other significant risk areas in your opinion or other matters you believe warrant particular attention.

We propose the following timeline:

- Final fieldwork has been scheduled for March 29, 2021 to April 30, 2021
- Final reports will be issued by June 4, 2021

CONTACTS

We understand the appropriate person in the governance structure with whom to communicate is Council Member Curtis Gardner, Chair of the Management and Finance Committee.

If for any reason any member of the City Council would need to contact us, please call Marcie Ardan, Managing Director, or Karmyn Jeffries, Senior Manager at 303.861.4545.

ACCOUNTING & AUDITING MATTERS

The following matters are, in our judgment, relevant to the planned scope of the audit as well as your responsibilities in overseeing the financial reporting process.

- Segregation of accounting duties
- Revenue Recognition
- Self-insurance liabilities
- Third-party service providers
- Related-party transactions
- Component Units
- Joint Venture
- Commitments and contingencies
- Significant estimates
- Recording of restricted net position and restricted, committed and assigned fund balances
- Investments and investment valuation
- Debt
- Capital Assets
- Expenses/Expenditures
- Compliance with federal award programs

New Accounting Pronouncements, Effective for the Year ended December 31, 2020

- Governmental Accounting Standards Board Statement No. 83, *Certain Asset Retirement Obligations*
- Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*
- Governmental Accounting Standards Board Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*

CONSIDERATION OF ERROR OR FRAUD

One of the most common questions we receive from audit committees is, “How do you address fraud in a financial statement audit?” Our responsibility, as it relates to fraud, in an audit of financial statements is addressed in auditing standards generally accepted in the United States of America.

Our audit approach includes such procedures as:

- Engagement Team Brainstorming
 - Discussions include how and where we believe the entity's financial statements might be susceptible to material misstatement due to error or fraud, how management could perpetrate and conceal fraudulent financial reporting and how assets of the entity could be misappropriated
 - An emphasis is placed on the importance of maintaining the proper state of mind throughout the audit regarding the potential for material misstatement due to error or fraud
- Inquiries of Management and Others
 - Personnel interviewed include the Management & Finance Committee Chair, the City Manager, the Finance Director, the Internal Auditor, the Controller and others
 - Inquiries are directed towards the risks of error or fraud and whether personnel have knowledge of any fraud or suspected fraud affecting the entity
- Reviewing Accounting Estimates for Bias
- Evaluating Business Rationale for Significant Unusual Transactions
- Incorporating an Element of Unpredictability Into the Audit Each Year

* * * * *

This communication is intended solely for the information and use of those charged with governance, management and is not intended to be and should not be used by anyone other than these parties.



Marcella D. Ardan, CPA
Managing Director



CITY OF AURORA

Council Agenda Commentary

Item Title: GFOA End the Acronym Policy Statement
Item Initiator: Nancy Wishmeyer, Controller
Staff Source/Legal Source: Nancy Wishmeyer
Outside Speaker: N/A
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

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

- Approve Item as proposed at Study Session
- Information Only
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
 - Does Not Recommend Approval
 - Forwarded Without Recommendation
 - Recommendation Report Attached
 - Minutes Attached
 - Minutes Not Available
-

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.)

N/A

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

Effective immediately, the Government Finance Officers Association (GFOA) is asking all industry affiliates to stop using the four-letter acronym commonly associated with the Comprehensive Annual Financial Report. This recommendation is the result of increasing professional awareness that the acronym, when pronounced out loud, sounds the same as a derogatory term historically used in other parts of the world. Most concerning in South Africa, this term has ties to Apartheid and was used as a racial slur towards Black South Africans. GFOA takes its commitment to diversity, equity, and inclusion seriously. GFOA serves diverse communities across the county and supports strategic partners around the world and has determined that the continued use of this acronym conflicts with the organization's core professional values.

As members of GFOA, city staff agree with this policy and will begin the process to remove the four-letter acronym from the city website, internal share point, published documents, etc., and in day to day discussion. The term "Annual Report" will be used in its place going forward.

QUESTIONS FOR COUNCIL

This item is for information only.

LEGAL COMMENTS

The council shall have power to make and publish from time to time ordinances, pass resolutions or motions not inconsistent with the laws of the state for carrying into effect or discharging the powers and duties conferred by the state constitution, statute or city Charter and such as it shall deem necessary and proper to provide for the safety; preserve the health; promote the prosperity; and improve the morals, order, comfort and convenience of the city.(City Code Sec. 2-32.)(Hernandez)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: n/a

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: n/a



**GFOA Policy Statement
Issued March 9, 2021**

**Proper Referencing of the Comprehensive Annual Financial Report
– An Inclusivity Concern -**

Purpose:

The purpose of this policy is to outline an intentional change in the professional standards and expectations of government finance professionals and their industry affiliates as it relates to the formal and day-to-day discussion of Comprehensive Annual Financial Reports.

Applies To:

- All GFOA members
- All GFOA employees
- Media partners, especially those covering government and financial news and analysis
- The broader national bond management and government finance community

Overview:

The Government Finance Officers Association (GFOA) is asking all industry affiliates to immediately stop using the common four-letter acronym most often associated with the Comprehensive Annual Financial Report. Instead, GFOA recommends referring to the report by either the full name or by using a shortened format that does not include the four-letter acronym. For instance, the “Annual Report” is advised, the four-letter acronym even pronounced by saying each letter individually is still not advised.

This policy change is the result of a new and evolving industry understanding that the acronym, when pronounced aloud, mimics the pronunciation of a deeply derogatory term often used in other parts of the world but readily recognized among certain populations in the United States as well.

As an organization made up of 21,000 finance professionals that serve diverse communities across the country, and a growing list of important partners around the world, GFOA believes it is the responsibility of all government finance professionals to embrace change that moves us towards becoming more thoughtful, responsible, and inclusive global citizens.

Background:

Recently it came to the attention of GFOA leadership that this four-letter acronym, frequently leveraged in the government financial accounting industry to shorten the name of the Comprehensive Annual Financial Report, is pronounced the same way as a profoundly offensive racial slur in South Africa. The offensive version of this term is most often associated with the atrocities of the apartheid regime. Separately, a similar pronunciation also has a deeply controversial meaning in Arabic for those who practice Islam.

While GFOA serves governments in the US and Canada, the organization has significant international partners, including in South Africa through the Chartered Institute of Government Finance, Audit and Risk Officers (CIGFARO).

Much of the research, best practices, and programs that GFOA produces are relevant to, and recognized by, government finance officers around the world. Through the years, GFOA has been a leading partner helping to build financial best practices in South Africa’s emerging democracy.

GFOA’s leadership team understands that there may always be biases and concerns of which we are unaware, but has determined, with significant member input, that when confronted with new information on how our words or actions may negatively impact a particular group, it is our collective professional responsibility to give that information serious consideration.

While GFOA recognizes that the spellings of the South African slur, the Arabic term, and the acronym are different – as are the contexts in which they are used – the organization has determined that as influential community leaders with a shared commitment to diversity, equity, and inclusion, there is a responsibility to act. While doing so, GFOA and our partners can demonstrate our values in action, become more inclusive, and create safer spaces for the important work that we conduct.

Timeline: Effective Immediately, no end-date identified

Resources:

[End the Acronym – Fact Sheet](#)
[FAQ Document](#)



CITY OF AURORA

Council Agenda Commentary

Item Title: City of Aurora Investment Mangement Report
Item Initiator: Teresa Sedmak
Staff Source/Legal Source: Teresa Sedmak/Hans Hernandez, Assistant City Attorney
Outside Speaker: Mary Donovan, Senior Portfolio Manager, Insight Investments
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: 3/23/2021

Regular Meeting: N/A

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

- Approve Item as proposed at Study Session
 - Information Only
 - Approve Item and Move Forward to Regular Meeting
 - Approve Item as proposed at Regular Meeting
 - Approve Item with Waiver of Reconsideration
- Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
- Does Not Recommend Approval
- Forwarded Without Recommendation
- Recommendation Report Attached
- Minutes Attached
- Minutes Not Available

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.)*

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

At the suggestion of members of the Investment Advisory Committee, a high-level overview of the City's investment portfolio is being presented to the Management and Finance Committee. In addition to a review of the general characteristics of the portfolio, the Committee is being presented with a report on the credit quality of the holdings within the portfolio. The report summarizes securities held as of February 28, 2021.

QUESTIONS FOR COUNCIL

N/A

LEGAL COMMENTS

The city manager shall be responsible to the council for the proper administration of all affairs of the city placed in his charge, and to that end he shall have the power and duty to keep the council advised of the financial condition and future needs of the city and make such recommendations to the council for adoption as he may deem necessary or expedient. (City Charter Art. 7-4 (f)) (Allen)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain:

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain:

THIS DOCUMENT SHOULD NOT BE REPRODUCED IN ANY FORM WITHOUT PRIOR WRITTEN APPROVAL

City of Aurora
Investment management report
March 2021

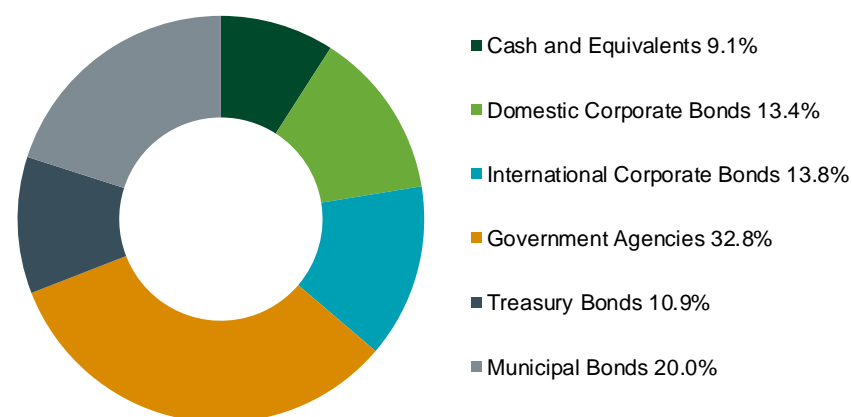


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Portfolio overview

Asset allocation

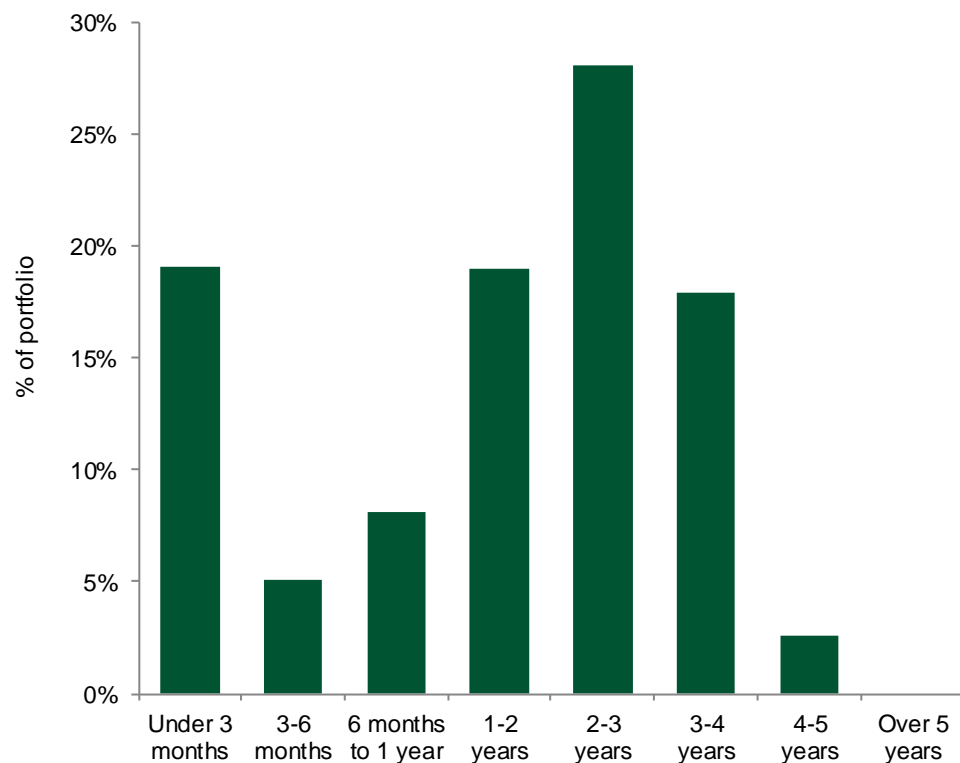
Investment Type	Par Value	Final Maturity	Allocation
Cash and Equivalents	57,161,337	1	9%
Domestic Corporate Bonds	84,154,000	752	13%
International Corporate Bonds	87,109,000	414	14%
Government Agencies	206,984,000	973	33%
Treasury Bonds	68,500,000	555	11%
Municipal Bonds	126,370,000	676	20%
Total	630,278,337	673	100%



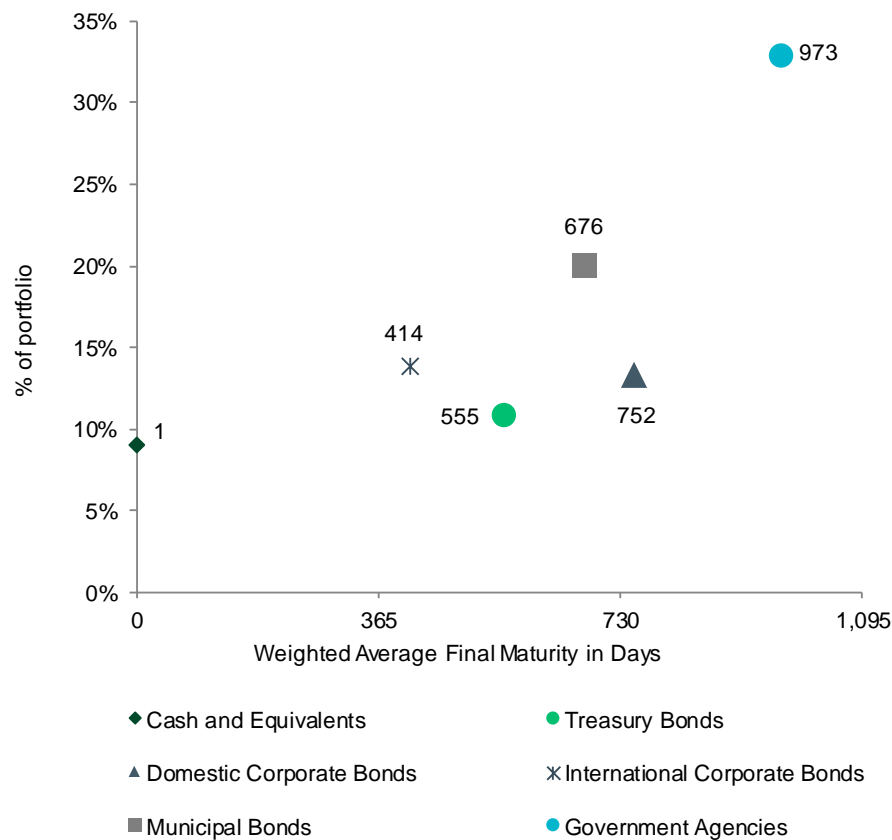
As of February 28, 2021. Asset allocations are subject to change without notice, may not represent current or future decisions and should not be construed as investment recommendations. Please refer to the important disclosures at the back of this presentation.

Portfolio overview

Maturity distribution



Maturity allocation map



As of February 28, 2021. Maturity allocations are subject to change without notice, may not represent current or future decisions and should not be construed as investment recommendations. Please refer to the important disclosures at the back of this presentation.

City of Aurora

Operating portfolio

Credit Review as of March 3, 2021

Holdings as of February 28, 2021

Policy Guidelines Dated July 10, 2017



CUSIP	Settlement		Coupon/ Rate	Maturity Date	Call Date	Expected Maturity	Par Value	Yield to Worst	% Portfolio	Final WAM	First Call WAM	Expected WAM	Moody's Rating	Moody's Outlook	S&P Rating	S&P Outlook	Fitch Rating	Fitch Outlook	Buy Hold Sell
	Date	Description																	

Cash and Cash Equivalents

Investments in local government investment pools and money market funds not to exceed 50% of portfolio, 10% maximum per fund.

		COLOTRUST Plus		03/01/21	-	03/01/21	30,060,600	0.08	4.77%	1	1	1								
		Wells Fargo Bank Sweep MMA		03/01/21	-	03/01/21	27,085,386	0.01	4.30%	1	1	1	Aa2	NEG	A+	STABLE	AA-	NEG		
		Wells Fargo Bank Standard MMA		03/01/21	-	03/01/21	15,351	0.01	0.00%	1	1	1	Aa2	NEG	A+	STABLE	AA-	NEG		
Total							57,161,337	0.05	9.07%	1	1	1								

Treasury Securities

Investments in U.S. Treasury obligations not to exceed a 7 year final maturity.

912828C57	07/11/17	T-Note	2.250	03/31/21	-	03/31/21	5,000,000	1.74	0.79%	31	31	31	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
912828QN3	08/30/18	T-Note	3.125	05/15/21	-	05/15/21	7,500,000	2.72	1.19%	76	76	76	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
912828Y20	08/20/18	T-Note	2.625	07/15/21	-	07/15/21	10,000,000	2.68	1.59%	137	137	137	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
9128286H8	03/15/19	T-Note	2.375	03/15/22	-	03/15/22	7,500,000	2.42	1.19%	380	380	380	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
912828XG0	02/21/19	T-Note	2.125	06/30/22	-	06/30/22	7,500,000	2.45	1.19%	487	487	487	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
9128282S8	01/07/21	T-Note	1.625	08/31/22	-	08/31/22	5,000,000	0.13	0.79%	549	549	549	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
912828UN8	07/30/19	T-Note	2.000	02/15/23	-	02/15/23	7,500,000	1.82	1.19%	717	717	717	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
912828Y61	08/30/19	T-Note	2.750	07/31/23	-	07/31/23	6,000,000	1.43	0.95%	883	883	883	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
912828X70	01/08/21	T-Note	2.000	04/30/24	-	04/30/24	7,500,000	0.24	1.19%	1,157	1,157	1,157	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
912828ZC7	02/24/21	T-Note	1.125	02/28/25	-	02/28/25	5,000,000	0.40	0.79%	1,461	1,461	1,461	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
Total							68,500,000	1.74	10.87%	555	555	555							

Federal Agency and Instrumentality Holdings

Investments in Federal Agency and Instrumentality obligations not to exceed 75% of the portfolio, 25% maximum per issuer, 7 year final maturity.

3135G0U27	04/27/18	FNMA	2.500	04/13/21	-	04/13/21	12,000,000	2.69	1.90%	44	44	44	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
313383ZU8	08/30/18	FHLB	3.000	09/10/21	-	09/10/21	7,500,000	2.80	1.19%	194	194	194	Aaa	STABLE	AA+	STABLE			Buy
313383WD9	02/21/19	FHLB	3.125	09/09/22	-	09/09/22	7,500,000	2.55	1.19%	558	558	558	Aaa	STABLE	AA+	STABLE			Buy
3135G0T78	04/03/19	FNMA	2.000	10/05/22	-	10/05/22	7,500,000	2.31	1.19%	584	584	584	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
3135G0T94	03/15/19	FNMA	2.375	01/19/23	-	01/19/23	7,500,000	2.48	1.19%	690	690	690	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
3130ADRG9	04/03/19	FHLB	2.750	03/10/23	-	03/10/23	7,500,000	2.32	1.19%	740	740	740	Aaa	STABLE	AA+	STABLE			Buy

The above list of holdings is only valid as of February 28, 2021 and should not be relied upon as a complete listing of past investment decisions. Holdings are subject to change without notice, may not represent current or future decisions and should not be construed as investment recommendations.

City of Aurora

Operating portfolio

Credit Review as of March 3, 2021

Holdings as of February 28, 2021

Policy Guidelines Dated July 10, 2017



CUSIP	Settlement		Coupon/ Rate	Maturity Date	Call Date	Expected Maturity	Par Value	Yield to Worst	% Portfolio	Final WAM	First Call WAM	Expected WAM	Moody's Rating	Moody's Outlook	S&P Rating	S&P Outlook	Fitch Rating	Fitch Outlook	Buy Hold Sell
	Date	Description																	
3135G04Q3	06/25/20	FNMA	0.250	05/22/23	-	05/22/23	8,000,000	0.31	1.27%	813	813	813	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
3134GXJG0	12/30/20	FHLMC-Call	0.200	06/30/23	12/30/21	06/30/23	5,000,000	0.20	0.79%	852	305	852	Aaa	STABLE			AAA	NEG	Buy
3130A3DL5	08/30/19	FHLB	2.375	09/08/23	-	09/08/23	6,000,000	1.46	0.95%	922	922	922	Aaa	STABLE	AA+	STABLE			Buy
3133EKVB9	07/30/19	FFCB	1.860	10/17/23	-	10/17/23	7,500,000	1.90	1.19%	961	961	961	Aaa	STABLE	AA+	STABLE	AAA		Buy
3133EJNB1	03/16/20	FFCB	2.980	11/02/23	-	11/02/23	7,500,000	0.77	1.19%	977	977	977	Aaa	STABLE	AA+	STABLE	AAA		Buy
3134GW6E1	11/02/20	FHLMC-Call	0.320	11/02/23	11/02/21	11/02/23	10,000,000	0.32	1.59%	977	247	977	Aaa	STABLE			AAA	NEG	Buy
3135G06H1	12/31/20	FNMA	0.250	11/27/23	-	11/27/23	5,000,000	0.21	0.79%	1,002	1,002	1,002	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
3130A3VC5	07/29/19	FHLB	2.250	12/08/23	-	12/08/23	9,000,000	1.91	1.43%	1,013	1,013	1,013	Aaa	STABLE	AA+	STABLE			Buy
3133EMNG3	01/19/21	FFCB	0.230	01/19/24	-	01/19/24	5,000,000	0.24	0.79%	1,055	1,055	1,055	Aaa	STABLE	AA+	STABLE	AAA		Buy
3135G0V34	11/15/19	FNMA	2.500	02/05/24	-	02/05/24	7,000,000	1.78	1.11%	1,072	1,072	1,072	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
3133EKMX1	07/30/19	FFCB	2.230	02/23/24	-	02/23/24	7,500,000	1.89	1.19%	1,090	1,090	1,090	Aaa	STABLE	AA+	STABLE	AAA		Buy
3135GA5A5	12/03/20	FNMA-Call	0.350	02/23/24	11/23/22	02/23/24	3,484,000	0.35	0.55%	1,090	633	1,090	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
3130A7PH2	03/18/20	FHLB	1.875	03/08/24	-	03/08/24	7,500,000	0.78	1.19%	1,104	1,104	1,104	Aaa	STABLE	AA+	STABLE			Buy
3133ELG99	06/25/20	FFCB	0.375	06/10/24	-	06/10/24	8,000,000	0.39	1.27%	1,198	1,198	1,198	Aaa	STABLE	AA+	STABLE	AAA		Buy
3134GVV96	06/24/20	FHLMC-Call	0.500	06/24/24	06/24/22	06/24/22	10,000,000	0.50	1.59%	1,212	481	481	Aaa	STABLE			AAA	NEG	Buy
3134GV4S4	07/09/20	FHLMC-Call	0.450	07/08/24	07/08/22	07/08/24	5,000,000	0.46	0.79%	1,226	495	1,226	Aaa	STABLE			AAA	NEG	Buy
3130A2UW4	10/29/19	FHLB	2.875	09/13/24	-	09/13/24	7,000,000	1.73	1.11%	1,293	1,293	1,293	Aaa	STABLE	AA+	STABLE			Buy
3130ALF25	02/26/21	FHLB-Call	0.400	11/26/24	08/26/21	11/26/24	7,500,000	0.40	1.19%	1,367	179	1,367	Aaa	STABLE	AA+	STABLE			Buy
3135G06M0	12/16/20	FNMA-Call	0.500	12/16/24	06/16/21	12/16/24	10,000,000	0.50	1.59%	1,387	108	1,387	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
3135G0X24	09/18/20	FNMA	1.625	01/07/25	-	01/07/25	7,500,000	0.37	1.19%	1,409	1,409	1,409	Aaa	STABLE	AA+	STABLE	AAA	NEG	Buy
3137EAEP0	10/01/20	FHLMC	1.500	02/12/25	-	02/12/25	6,500,000	0.34	1.03%	1,445	1,445	1,445	Aaa	STABLE			AAA	NEG	Buy
3135G03U5	01/07/21	FNMA	0.625	04/22/25	-	04/22/25	7,500,000	0.36	1.19%	1,514	1,514	1,514	Aaa	STABLE	AA+		AAA	NEG	Buy
Total							206,984,000	1.22	32.84%	973	759	937							

Domestic Corporate Securities

Investments in domestic corporate securities not to exceed 30% of the portfolio, 3% per issuer. Combined domestic corporate securities, foreign securities, commercial paper and bankers acceptances limited to 50% of the portfolio.

For domestic corporate securities and foreign securities, 30% of portfolio may be invested to AA- with a 5 year maturity; 10% may be invested to A+ with a 2 year maturity by two rating agencies.

Rated AA- or better, maximum 30% to 5 year maturity

90331HNP4	04/04/19	US Bank	3.150	04/26/21	03/26/21	04/26/21	4,000,000	2.62	0.63%	57	26	57	A1	NEG	AA-	STABLE	AA-	NEG	Hold
742718EQ8	11/30/18	Procter & Gamble	1.700	11/03/21	-	11/03/21	5,954,000	3.10	0.94%	248	248	248	Aa3	STABLE	AA-	STABLE			Hold
90331HPC1	11/15/19	US Bank	2.650	05/23/22	04/22/22	05/23/22	5,000,000	1.97	0.79%	449	418	449	A1	NEG	AA-	STABLE	AA-	NEG	Hold

The above list of holdings is only valid as of February 28, 2021 and should not be relied upon as a complete listing of past investment decisions. Holdings are subject to change without notice, may not represent current or future decisions and should not be construed as investment recommendations.

City of Aurora

Operating portfolio

Credit Review as of March 3, 2021

Holdings as of February 28, 2021

Policy Guidelines Dated July 10, 2017



CUSIP	Settlement Date	Description	Coupon/Rate	Maturity Date	Call Date	Expected Maturity	Par Value	Yield to Worst	% Portfolio	Final WAM	First Call WAM	Expected WAM	Moody's Rating	Moody's Outlook	S&P Rating	S&P Outlook	Fitch Rating	Fitch Outlook	Buy Hold Sell	
Municipal Bonds																				
Investments in general obligation and revenue bonds not to exceed 30% of the portfolio, 3% per issuer, 5 year final maturity. Colorado issuers must be rated A- and other issuers must be rated AA- by at least two rating agencies.																				
10% may be held in non-Colorado issuers within a two year maturity which are rated A- by at least two rating agencies.																				
574193PU6	03/21/18	Maryland State Taxable GO	2.480	03/15/21	-	03/15/21	11,785,000	2.48	1.87%	15	15	15	Aaa*		AAA	STABLE	AAA	STABLE	Hold	
650035J82	08/04/17	NY State Urban Dev Taxable REV	2.900	03/15/21	-	03/15/21	10,000,000	1.94	1.59%	15	15	15	Aa2*		AA+	NEG	AA+	NEG	Hold	
24917DAF0	05/16/19	Denver City and County Taxable REV	2.368	08/01/21	-	08/01/21	1,300,000	2.31	0.21%	154	154	154	Aa3*		AA-	NEG	AA	NEG	Hold	
438687DZ5	09/05/18	Honolulu HI City & County Taxable GO	2.860	09/01/21	-	09/01/21	1,500,000	2.87	0.24%	185	185	185	Aa1*				AA+	STABLE	Hold	
882724GS0	09/11/18	Texas State Public Fin Auth Taxable GO	2.887	10/01/21	-	10/01/21	9,690,000	2.89	1.54%	215	215	215	Aaa*		AAA	STABLE			Hold	
605581GB7	03/06/19	Mississippi State Taxable GO	2.195	10/01/21	-	10/01/21	2,500,000	2.67	0.40%	215	215	215	Aa2*		AA	STABLE	AA	STABLE	Hold	
010411CN4	12/13/18	Alabama State Taxable GO	3.000	11/01/21	-	11/01/21	3,415,000	3.00	0.54%	246	246	246	Aa1*		AA	STABLE	AA+	STABLE	Hold	
68609BYF8	05/16/19	Oregon State Taxable GO	2.332	04/01/22	-	04/01/22	1,575,000	2.23	0.25%	397	397	397	Aa1*		AA+	STABLE	AA+	STABLE	Hold	
605581MB0	10/23/19	Mississippi State Taxable GO	1.809	10/01/22	-	10/01/22	2,000,000	1.81	0.32%	580	580	580	Aa2*		AA	STABLE	AA	STABLE	Hold	
57582RK54	12/03/20	Commonwealth of Mass Taxable GO	0.277	11/01/22		11/01/22	5,410,000	0.28	0.86%	611	611	611	Aa1*		AA	STABLE	AA+	STABLE	Hold	
4423315S9	09/10/19	City of Houston Taxable GO	1.820	03/01/23	-	03/01/23	12,000,000	1.82	1.90%	731	731	731	Aa3*		AA	STABLE			Hold	
977100CZ7	11/27/19	Wisconsin State Taxable REV	2.049	05/01/23	-	05/01/23	5,000,000	1.90	0.79%	792	792	792	Aa2*		AA-	STABLE	AA	STABLE	Hold	
59163PKF9	05/15/19	Metro Oregon Taxable GO	3.500	06/01/23	-	06/01/23	12,835,000	2.45	2.04%	823	823	823	Aaa*		AAA	STABLE			Hold	
64966QBZ2	09/12/19	New York City Taxable GO	2.080	08/01/23	-	08/01/23	5,000,000	1.75	0.79%	884	884	884	Aa2*		AA	NEG	AA-	NEG	Hold	
605581MC8	10/23/19	Mississippi State Taxable GO	1.850	10/01/23	-	10/01/23	2,000,000	1.85	0.32%	945	945	945	Aa2*		AA	STABLE	AA	STABLE	Hold	
64966QEF3	10/22/19	New York City Taxable GO	1.740	10/01/23	-	10/01/23	5,000,000	1.74	0.79%	945	945	945	Aa2*		AA	NEG	AA-	NEG	Hold	
13063DYY4	11/03/20	California State Taxable GO	3.000	11/01/23	-	11/01/23	4,480,000	0.35	0.71%	976	976	976	Aa2*		AA-	STABLE	AA	STABLE	Hold	
9281094B0	11/05/20	Commonwealth of Virginia Taxable GO	1.000	06/01/24		06/01/24	10,000,000	0.45	1.59%	1,189	1,189	1,189	Aaa*		AAA	STABLE	AAA	STABLE		
34153QUC8	10/22/20	Florida State Taxable GO	0.390	06/01/24	-	06/01/24	10,000,000	0.39	1.59%	1,189	1,189	1,189	Aaa*		AAA	STABLE	AAA	STABLE	Hold	
576051VX1	11/01/19	Mass Water Resources Auth Taxable REV	1.862	08/01/24	-	08/01/24	2,880,000	1.86	0.46%	1,250	1,250	1,250	Aa1*		AA+	STABLE	AA+	STABLE	Hold	
574193TQ1	08/05/20	Maryland State Taxable GO	0.510	08/01/24	-	08/01/24	8,000,000	0.51	1.27%	1,250	1,250	1,250	Aaa*		AAA	STABLE	AAA	STABLE	Hold	
Total							126,370,000	1.68	20.05%	676	676	676								
GRAND TOTAL INVESTMENTS							630,278,337	1.49	100%	673	603	661								
										1.84 Yr	1.65 Yr	1.81 Yr								

*underlying rating

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Important disclosures

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CITY OF AURORA

Council Agenda Commentary

Item Title: 2021 ACLC Heavy Fleet Program Financing Ordinance
Item Initiator: Andrew Jamison, Senior Debt Analyst
Staff Source/Legal Source: Andrew Jamison, Senior Debt Analyst / Hanosky Hernandez Perez, Assistant City Attorney
Outside Speaker: n/a
Council Goal: 2012: 6.1--Ensure the delivery of high quality services to residents in an efficient and cost effective manner

COUNCIL MEETING DATES:

Study Session: 5/3/2021

Regular Meeting: 5/24/2021

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

- Approve Item and Move Forward to Study Session
 - Approve Item as proposed at Study Session Information Only
 - Approve Item and Move Forward to Regular Meeting
 - Approve Item as proposed at Regular Meeting
 - Approve Item with Waiver of Reconsideration
- Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: n/a

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval Does Not Recommend Approval
- Forwarded Without Recommendation Recommendation Report Attached
- Minutes Attached Minutes Not Available

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.)*

This is the continuation of a fleet financing program begun in 2012 through the use of the Aurora Capital Leasing Corporation. Due to COVID-related production delays and other issues, no financing was completed in 2020. The 2019 fleet financing closed with terms of \$3.9 million for 6.3 years at a rate of 1.97 %. 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 2021.

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

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 2021 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 2021 budget, Public Works will acquire up to seven vehicles (six Dump Trucks and an asphalt machine) and Fire will acquire eight vehicles (four Pumpers, Ladder, two Brush Trucks, & Tender) for a total cost not to exceed \$10,000,000, financed for a term not to exceed 130 months at a rate not to exceed 5.00%.

Staff recommends approval.

QUESTIONS FOR COUNCIL

Does the Management & Finance Committee support soliciting third party financing for the 2021 fleet acquisition and moving this item forward to Study Session?

LEGAL COMMENTS

The City is authorized pursuant to state statute, the City's home rule powers, and City Code to enter into long-term or short-term rental or leasehold agreements in order to provide necessary land, buildings, equipment, and other property for governmental or proprietary purposes, which agreements may include an option to purchase and acquire title to such leased or rented property, and may have a term, at the discretion of the City, in excess of 30 years. (C.R.S. Section 31-15-801, Colo. Const. Article XX, Section 6, and City Code Section 2-683) (Allen)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: Yearly Lease payments must be appropriated from the General Fund.

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: n/a

EXHIBIT B

**DESCRIPTION OF EQUIPMENT
LEASE NO. 2021-x**

ACLC Fleet Financing Series 2021

Type of Equipment	Total Cost	Delivery Date	PO Ref
Three Dump Trucks	\$774,847	Jan-2021	20P0169
Fire Pumper & Equipment	\$764,964	Mar-2021	20P0600
Fire Pumper & Equipment	\$764,964	Mar-2021	20P0600
Fire Ladder Truck & Equipment	\$1,240,615	Apr-2021	20P0600
Fire Brush Truck & Equipment	\$304,000	Dec-2021	Pending
Fire Pumper & Equipment	\$843,900	Jan-2022	Pending
Fire Pumper & Equipment	\$843,900	Jan-2022	Pending
Fire Tender Truck & Equipment	\$750,000	May-2022	Pending
Fire Brush Truck & Equipment	\$411,700	Mar-2022	Pending
Three Dump Trucks	\$904,800	Dec-2021	Pending
Asphalt Milling Machine	\$630,000	Nov-2021	Pending
<i>Totals</i>	<i>\$8,233,690</i>		
	<i>\$25,000.00</i>		
	<i>\$1,000.00</i>		
	<i>\$8,259,689.64</i>		

****Preliminary cost indications, Purchase Orders are NOT finalized***

¹ Does not include allocable portion of costs of execution and delivery of the Lease, to be included in the final Exhibit.

ORDINANCE NO. 2021-____

A BILL

FOR AN ORDINANCE AUTHORIZING THE USE OF LEASE-PURCHASE FINANCING TO ACQUIRE CERTAIN EQUIPMENT DURING THE 2021 FISCAL YEAR PURSUANT TO THE TERMS OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT BY AND BETWEEN THE AURORA CAPITAL LEASING CORPORATION, AS LESSOR, AND THE CITY OF AURORA, COLORADO, AS LESSEE; AUTHORIZING OFFICIALS OF THE CITY TO TAKE ALL ACTION NECESSARY TO CARRY OUT THE TRANSACTIONS CONTEMPLATED HEREBY; AND OTHER RELATED MATTERS

WHEREAS, the City of Aurora, Colorado, (the "City"), is a home rule municipality, organized and existing under and by virtue of Article XX, Section 6 of the Colorado Constitution; and,

WHEREAS, the City is authorized pursuant to Section 31-15-801, C.R.S., as amended, the City's home rule powers, and Section 2-683 of the City Code to enter into long-term or short-term rental or leasehold agreements in order to provide necessary land, buildings, equipment, and other property for governmental or proprietary purposes, which agreements may include an option to purchase and acquire title to such leased or rented property, and may have a term, at the discretion of the City, in excess of 30 years; and,

WHEREAS, in order to provide for the capital asset needs of the City, the City Council of the City (the "Council") hereby determines that it is necessary and in the best interests of the City and its citizens that the City undertake lease-purchase financing of equipment for use by the City for governmental or proprietary purposes; and

WHEREAS, the City wishes to obtain lease-purchase financing of certain equipment, to be acquired during the 2021 fiscal year (the "Equipment"), including vehicles for use by the Public Works Department ("Public Works"), and the Fire Department ("Fire") to be completed within 12 months of the date hereof; and

WHEREAS, the Equipment is hereby authorized to be financed by tax exempt municipal lease purchase financing from the Aurora Capital Leasing Corporation ("ACLCLC") with cash balances made available to ACLCLC by the City or pursuant to a direct placement of a lease-purchase agreement, or an assignment thereof, as a tax-exempt obligation, with one or more banks or institutional investors selected by the Finance Director through an informal competitive process (a "Financing"); and

WHEREAS, the City previously declared its official intent for federal income tax purposes, pursuant to 26 CFR § 1.150-2 and Ordinance No. 2018-18 of the Council, to reimburse the City for any capital expenditures made in connection with the acquisition of all or a portion of the Equipment with the proceeds of the Financing; and

WHEREAS, there has been filed for public inspection with the City Clerk in connection herewith a proposed form of Equipment Lease Purchase Agreement (the "Lease"), to be entered into by and between ACLC, as lessor, and the City, as lessee; and

WHEREAS, as specific items of equipment are acquired by ACLC for the City's use during the 2021 fiscal year, one or more Leases may be executed by and between ACLC and the City in accordance with the parameters set forth in this ordinance (the "Ordinance").

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

Section 1. *Ratification of Actions.* All action heretofore taken, not inconsistent with the provisions of this Ordinance, by the Council or the officers of the City, directed toward the acquisition of the Equipment and the preparation of the form of the Lease are hereby ratified, approved and confirmed.

Section 2. *The Equipment.* The City is hereby authorized to obtain lease-purchase financing through one or more lease-purchase agreements with ACLC for up to and including fifteen (15) vehicles and other equipment for use by Public Works and Fire to be acquired during the 2021 fiscal year, including all equipment, software, warranties, and service contracts accessory thereto and/or associated therewith.

Section 3. *Maximum Principal Amount; Interest Rate; Term.* The principal amount to be financed shall not exceed Ten Million Dollars (\$10,000,000.00), the interest component of rental payments to be made by the City shall accrue at a rate not to exceed five percent (5.0%), and the term of any Lease hereunder shall not exceed one hundred thirty (130) months. Rental payments may be made annually, semi-annually, or at any other convenient interval as determined by the Director of Finance

Section 4. *Findings; Authorizations.* The Council hereby finds and determines, pursuant to the City's home rule powers and the laws of the State of Colorado, that the acquisition of the Equipment is necessary, convenient, and in furtherance of the governmental purposes of the City and in the best interests of the City and its citizens; and the Council hereby authorizes the acquisition of the Equipment by means of lease-purchase financing.

Section 5. *Agency Relationship.* Pursuant to the Lease, the City shall act as the agent of ACLC solely for the purpose of acquiring the Equipment. The City will do all things necessary to effect the acquisition of the Equipment free and clear of any encumbrances and subject the same to any security interests as may be contemplated under the Lease.

Section 6. *Approval and Execution of Documents; Authorized Officers.* The Lease, in substantially the form filed in the office of the City Clerk prior to the final adoption of this Ordinance, is in all respects approved, authorized and confirmed. The Mayor is hereby authorized and directed to execute and deliver, and the City Clerk is hereby authorized and directed to affix the seal of the City to, and attest, each Lease hereunder in substantially the form filed with the City Clerk, with such changes as are not inconsistent with the intent of this Ordinance and as approved by the City Attorney. The Council hereby designates the Director of Public Works, the Chief of the Fire Department and the Director of Finance to act as "Authorized Officers" under each Lease

(the "Directors"). The Directors shall cause all title to, or other indicia of ownership of, the Equipment to be issued in ACLC's name. Prior to the execution of each Lease, the description and price of the Equipment subject to the Lease and the schedule of rental payments allocated to the Equipment under the Lease shall be approved by a certificate executed by the Director of Finance (the "Final Terms Certificate") and attached as a schedule to the Lease.

Section 7. *Additional Documents.* The City Clerk is hereby authorized and directed to attest all signatures and acts of any official of the City in connection with the matters authorized by this Ordinance. The Mayor and the Authorized Officers are hereby authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents and other papers and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized by this Ordinance.

Section 8. *No General Obligation or Other Indebtedness.* The obligation of the City to make rental payments under the Lease is subject to annual appropriation by the Council and constitutes an undertaking of the City to make current expenditures. Such payments are subject to termination and nonrenewal by the City in accordance with the provisions of the Lease. No provision of this Ordinance or any Lease hereunder shall be construed as constituting or giving rise to a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any home rule, constitutional or statutory debt limitation nor a mandatory charge or requirement against the City in any ensuing fiscal year beyond the current fiscal year.

Section 9. *Expression of Need.* The City hereby declares its current need for the Equipment. It is hereby declared to be the present intention and expectation of the Council that each Lease will be renewed annually until title to all of the Equipment is acquired by the City pursuant to the Lease; but this declaration shall not be construed as contractually obligating or otherwise binding the City.

Section 10. *Reasonable Rentals.* The Council hereby determines and declares that, after execution and delivery of each Lease, the rental payments due thereunder will represent the fair value of the use of the Equipment and the purchase price, as defined therein, will represent, as of any date upon which the City may exercise its option to purchase such Equipment, the fair purchase price of such Equipment. The Council further hereby determines and declares that, after the execution and delivery of each Lease, the rental payments due thereunder will not exceed a reasonable amount so as to place the City under an economic or practical compulsion to renew the Lease or to exercise its option to purchase the Equipment pursuant to the Lease. In making such determinations, the Council has given consideration to the cost of acquiring and installing the Equipment, the uses and purposes for which the Equipment will be employed by the City, the benefit to the citizens of the City by reason of the acquisition and use of the Equipment pursuant to the terms and provisions of each Lease, the City's option to purchase the Equipment, and the expected eventual vesting of title to, or other indicia of ownership of, the Equipment in the City. The Council hereby determines and declares that, after execution and delivery of each Lease, the maximum duration of the portion of the Lease allocable to any item of Equipment separately identified in the payment schedule appended thereto will not exceed the weighted average useful life of such item of Equipment.

Section 11. *Confirmation of Prior Acts.* All prior acts and doings of the officials, agents and employees of the City which are in conformity with the purpose and intent of this Ordinance and in furtherance of the purchase of the Equipment are in all respects ratified, approved and confirmed.

Section 12. *Severability.* The provisions of this Ordinance are hereby declared to be severable. If any section, paragraph, clause, or provision of this Ordinance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 13. *Repealer.* All acts, orders, resolutions, ordinances, or parts thereof, in conflict with this Ordinance or with any of the documents hereby approved, are hereby repealed only to the extent of such conflict. This repealer shall not be construed as reviving any resolution, ordinance, or part thereof, heretofore repealed.

Section 14. *Publication.* Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this ordinance are available at the office of the City Clerk.

[Remainder of page intentionally left blank]

INTRODUCED, READ AND ORDERED PUBLISHED this ____ day of _____, 2021.

PASSED AND ORDERED PUBLISHED BY REFERENCE this ____ day of _____,
2021.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

HANOSKY HERNANDEZ, Assistant City Attorney



CITY OF AURORA

Council Agenda Commentary

Item Title: Requested Audit of Mayor and Council Operating Expenses
Item Initiator: Wayne Sommer, Internal Audit Manager
Staff Source/Legal Source: Wayne Sommer, Internal Audit Manager/Hanosky Hernandez Assistant City Attorney
Outside Speaker: n/a
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

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

- Approve Item as proposed at Study Session
- Information Only
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: n/a

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
 - Does Not Recommend Approval
 - Forwarded Without Recommendation
 - Recommendation Report Attached
 - Minutes Attached
 - Minutes Not Available
-

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 Management and Finance Committee functions as the City's Audit Committee. The Audit Committee specifically requested this engagement.

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

Internal Audit is being asked to conduct an audit of Mayor and City Council operating expenses to ensure they comply with Council Rules and Procedures and City policies.

QUESTIONS FOR COUNCIL

n/a

LEGAL COMMENTS

Under the City Charter and ordinances, the office of the internal auditor shall be an independent staff function reporting to the city manager on all audit matters. The auditor shall conduct financial and performance audits of all departments, boards, activities and agencies of the city. All city officers and employees shall furnish the auditor with requested information and records within their custody regarding powers, duties, activities, organization, property, financial transactions and methods of business required to conduct an independent evaluation. *See* Article. 2-66 Aurora City Charter. Also, all powers of the City of Aurora are vested in the City Council, therefore the City Council has the inherent power to request from the Auditor to audit the activities of the City Council. *See also*, Aurora City Charter Article 3-1. (Hernandez)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: n/a

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: n/a



General Management
Office of the Internal Auditor
15151 E. Alameda Parkway Aurora, CO 80012

March 23, 2021

Council Member Curtis Gardner
Chair, Management and Finance Committee
Aurora City Council
15151 E Alameda Pkwy
Aurora Municipal Center
Aurora, CO 80012

Dear Council Member Gardner,

At the request of the Management and Finance Committee (the Committee), the Office of the Internal Auditor (Internal Audit) is prepared to conduct an annual audit of Mayor and City Council member expenses related to Council business in accordance with the *Rules of Order and Procedure for the Aurora, Colorado, City Council* in effect for the period under audit.

SCOPE

Internal Audit will perform test work on a sample of items related to expenditures incurred—regardless of the form of payment—for official business and conference and travel expenses for the Mayor and all City Council members recorded in the general ledger maintained in the Finance accounting system. This is anticipated to be an annual engagement which we will carry out during December and January beginning in 2021. The expense periods covered will be as follows:

- 2021: Expenses from January 1, 2021 through November 30, 2021. We will cover 11 months in the first year's engagement. We will also perform a look-back subject to the availability of records, but not farther than 2015.
- 2022 and beyond: Expenses from December 1 of the previous year to November 30 of the current year. This will allow us to cover 12 months' worth of expenditures on a continuous basis.

OBJECTIVES

The planned engagement objectives are to:

- Determine whether recorded expenses are incurred in accordance with Council policy.
- Determine whether expenses are supported by adequate supporting documentation in accordance with Council policy.

APPROACH

Our plan is to approach the objectives as follows:

- Review the *Rules of Order and Procedure for the Aurora, Colorado, City Council* in effect during the periods under audit as well as any applicable Finance Department policies and procedures.
- Consider leading practices related to managing Mayor and City Council expenses that we believe may add value to existing processes.
- Periodically sample Mayor and City Council expenses throughout the year and perform adequate test work to ensure that sufficient documentation exists to allow us to form a conclusion in accordance with the engagement objectives. Periodic sampling and testing throughout the year will allow us to be more efficient at the end of the year to complete the engagement in a timely manner.
- Examine supporting documentation for selected sample items to ensure that they comply with the rules of order and procedure as well as any applicable Finance Department policies and procedures.
- Apply other methods as necessary.

We will employ an agile approach that divides the engagement into separate and distinct activity groups (milestones.) This approach also allows us to provide valuable feedback in a timely manner.

We will review any findings with the Audit Committee in advance of inclusion in any reports to ensure accuracy and fairness in the process. It is our practice to avoid surprises in the final report. Accordingly, we will provide a written draft report for the Committee members to review and upon which to provide comments prior to issuance of a final report. This step is not intended to allow the Committee to influence in any way the findings of the report, but to ensure that our report is accurate and to avoid any surprises before the report is made public. We will provide a final report to the Committee at their January meeting. We will also provide final report copies to the Mayor and City Council members.

If there are any findings and recommendations in our report, the Committee will be responsible for determining the will of the Council whether to accept our recommendations and implement them or to accept the risk of not implementing them. Accepted recommendations are tracked in our TeamMate software. For accepted recommendations, we will work with the Committee to determine the party or parties

responsible for ensuring implementation and for providing final approval of implementation. We will work with the Committee to establish reasonable time periods during which to implement accepted recommendations. These time periods are based upon our assessment of the risk related to the finding. Higher risk findings will have a shorter implementation period; lower risk findings will have a longer implementation period. Implementation progress will be reported to the Committee in our quarterly progress reports.

Engagement scope and objectives are subject to adjustment depending upon the results of our work. We will inform you of any engagement scope or objective changes that we determine in our professional judgment are material in nature.

Our goal is to perform an effective and efficient engagement to minimize the impact on your staff's operations. Access to specific staff, facilities, and all records will be critical to the timely completion of this engagement.

We see ourselves as partners with you in pursuit of meaningful performance improvement that also enhances transparency and engenders greater community trust. To that end, our focus is on developing recommendations that add value to your operations.

The lead auditor for this engagement will be assigned based upon staff availability. We will inform you of the auditor assigned before commencing the engagement. They will be your primary contact throughout the engagement. If at any time you would like to speak directly with me, please do not hesitate to contact me.

Your signature below signifies that we have met with you and discussed our approach to this engagement to your satisfaction. We look forward to working with you.

Sincerely,

Wayne C. Sommer, CPA, CGMA
Internal Audit Manager
City of Aurora Office of the Internal Auditor
wsommer@auroragov.org
303-739-7075

CM Curtis Gardner
Chair, Management and Finance Committee

Date