AGENDA

MANAGEMENT AND FINANCE POLICY COMMITTEE

May 24, 2022

1:30 pm

WebEx Meeting

Public Participant Dialing Instructions
Dial Access Number: 1-408-418-9388
Enter Participant Code: 2499-099-6810

Council Member Gardner, Chair
Council Member Murillo, Vice Chair
Council Member Zvonek
Deputy City Manager Roberto Venegas
Finance Director Terri Velasquez

The Management and Finance Committee oversees the following Council goal and objectives:
PROVIDE A WELL-MANAGED AND FINANCIALLY STRONG CITY

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

Pages

1. **Call to Order**

2. **Approval of Minutes** 1

   Approval April 26, 2022 Draft Minutes

3. **Consent Items**

   3.a. **April 2022 Sales Tax Chart** 16

   Presenter: Greg Hays, Budget Officer (5 minutes)

4. **General Business**

4.a. **Aurora Sales and Use Tax Forecast (CU Leeds School of Business)** 20

Presenter: Greg Hays, Budget Officer (20 minutes)

4.b. **Summary of the City's Outstanding Debt as of January 1, 2022** 22

Presenter: Teresa Sedmak, City Treasurer (10 minutes)

5. **Miscellaneous Matters for Consideration**

Next meeting tentatively scheduled for June 28 at 1:00 pm WebEx Meeting

6. **Adjournment**

Total projected meeting time: 35 minutes

MF POLICY COMMITTEE MEETING
April 26, 2022

Members Present: Council Member Gardner – Chair, Council Member Murillo, Council Member Zvonek

Others present: R. Venegas, T. Velasquez, G. Hays, J. Cox, N. Wishmeyer, T. Sedmak, K. Rodriquez, W. Sommer, J. Schneebeck, Z. White, J. Prosser, G. Koumantakis, B. Rulla, J. Gruber Tanaka, B. Dickhoner, A. Johnson, C. Smith, J. Culotti, B. Pesch, D. Krzyzanowski, C. Zapata, W. Keever, M. Noble, A. Barnes, J. Patterson, M. Stamp, J. Rustad, J. Calegari, R. Lantz, R. Allen, H. Hernandez, M. Crawford, D. Hudson, J. Ehmann, D. Brotzman, J. Bajorek, K. Claspell, B. Orte, S. Newman, A. Jamison, D. Sisneros, and T. Hoyle

INTRODUCTIONS AND MINUTES

March 22, 2022 minutes were approved.

MARCH 2022 SALES TAX CHART

Summary of Issue and Discussion

Greg Hays gave an update on the March 2022 Sales Tax. The sales tax was up 7.2% compared to March 2021 which is the only the second growth of less than double digits since November 2020. Auto dealers were up 23%, eating and drinking were up 20%, and utilities are up 18%. Building materials and furniture are also up. However, liquor stores and department stores are down. It was noted that the sales tax is not growing with the inflation rate, which is at 8.5%. Inflation, however, also affects non-taxed items such as groceries.

Committee Discussion

Council Member Gardner: Yes. That was actually one of my questions or maybe just observation. Inflation really started to increase at the end of last year, the beginning of this year, so it doesn't surprise me that we maybe saw a little bit of a slowing in March because it might have affected how consumers are spending and spending more on things like groceries that we’re not taxing.

G. Hays: Correct. Yes. That's the downside of that whole inflation piece.

Outcome
Information only.

Follow-up Action
No follow-up needed.

ERP AND GERP PLAN AMENDMENTS

Summary of Issue and Discussion

Nancy Wishmeyer, Controller, presented the item. Amendments to the City Code related to the Executive Retirement Plan (ERP) and General Employees Retirement Plan (GERP) are requested. The code will be changed to eliminate the option where employees can move between plans. This will not allow employees that are being promoted to transfer to ERP from GERP. This will avoid IRS penalties where employees can transfer between pension plans with differing employer contribution rates. Currently, the IRS only allows transfers for the same contribution rate. For GERP, the employer rate is 7%, while it is 10% for ERP. Staff considered the option to match the employer rate of GERP to ERP, however, this was not believed to be financially feasible. Once the ordinance is in effect, it will be prospectively applied. The GERP Board approved this amendment and is in support of the change to the city code.

Committee Discussion

Council Member Murillo: Yes. I saw some furrowed brows. I understand the IRS consideration, but it just seems odd that like if you get a promotion to a role that would put you in the ERP, you wouldn't be able to take advantage. It seems like you're missing out on some of your benefits packages, I guess. I'm confused about how do we rectify that specific scenario?

N. Wishmeyer: Well, and, again, I think we were looking at the possibility of changing contribution rates because the plans do have different contribution rates, that that would be an option, but it would be a costly option. But I guess right now, we're in a situation where we're not in compliance with IRS rules because we do have differing rates.

Council Member Murillo: Sorry, I will let Terri or whomever answer as well. But my follow up question to that is in terms of IRS compliance. Like, actually not even that, the changing the percentage, would that have to be for everyone in the plan or just the person who is transferring over positions? I'm unclear. Maybe Terri can help answer that.

T. Velasquez: The contribution rates are set by plan and by a board approval, as well as City Code, which is governed by Council for those two plans. So those plans live within our City Code and that's why we're proposing an ordinance to change the code. But with regard to the difference between the two plans and maybe an inequity, I can just use myself as an example. When I became the Director of Finance, I had a choice at that time. The code wasn't closed. And I reviewed my choices. It was really, fairly comparable in the long term, even with the difference in contribution rates.

And the reason being is the defined contribution plan, which the Executive Retirement Plan is, is directed by each individual and what their choices are for investment. And usually, in a defined contribution, there's more risk involved for the individual, whereas GERP is a defined benefit plan. Based upon your highest average salary, you get a defined set amount of income. I chose to stay in the GERP plan. I just know that I probably wouldn't have picked the right investments and try to time the market or do something like that. So, I think that the difference in the contribution rates is somewhat a factor of that additional risk that those who are in that plan do take on. From my personal perspective, I do believe they're fairly closely aligned in what the benefits might generate at the very end of someone's career.

Council Member Murillo: Okay. I appreciate the example, but I guess now I have more questions on why GERP is defined benefit and ERP is defined contribution. I guess, for me, where the dust settled after that explanation is, I’m just concerned that we're forcing that choice. I, personally, probably also would have chosen the defined benefit plan, but some folks might feel more comfortable with the defined contribution and would know how to maximize their choice. I'm assuming if that is the selection that they made, that they would feel more comfortable in determining their retirement that way. Now I'm struggling with the choice that we'd be making on somebody's behalf, but I also respect the compliance piece. So, I'm struggling with where I fall here because I'm struggling with taking away that choice. And yes, I guess it worked out for you, but it doesn't necessarily mean that somebody else wouldn't have benefited more or felt more capable of managing a defined contribution plan as opposed to just deferring to defined benefit.

T. Velasquez: You’re probably right. As far as the standpoint of people's choices and who's more savvy at investing and who could do better in one plan versus the other. But I will say, our defined benefit plan for GERP, and I'm trying to recall the total number of participants in that plan. It's basically a majority of our career service employees plus people who've retired. So, I don't know. Is it about 5,000, Nancy?

N. Wishmeyer: I think it's less than that. It's in the 3,000 range.

T. Velasquez: Okay. The approximate number of people who are in that plan. And then I would say for the ERP plan, the defined contribution plan, you have probably 30 or less participants. There's a lot more portability, I would say, in that plan. When people come to an organization at a higher level, sometimes they're looking for more portability of a pension plan. I think that's why it was developed and that is part of the purpose that it serves. It has a little bit more portability for those individuals. I think they're each designed because they were based upon the type of employee that they serve. And maybe that helps explain some of that.

Council Member Murillo: Yes.

T. Velasquez: And then why they decided back in the early 2000s to change the contribution rate, I wasn't there, but I would assume it had to do with the additional risk of individuals investing for themselves versus being a part of a pool.

Council Member Murillo: So, I guess, again, that makes a lot of sense of why that would have developed in that different way. But, again, back to the portability and the choice. If somebody gets promoted, who's in GERP, can qualify for ERP, and then decides to leave, I would imagine there's not as much mobility once you start getting higher and higher. So, it wouldn't surprise me that if folks are looking for career advancement or change, they might have to move cities. Again, back to the fact that that's a less portable option. Are we doing a disservice to that specific employee? I don't know. I'm not sure we'll resolve that, but I did want to express that I do have some lingering concerns. Is there any way to overcome those types of concerns that I've expressed?

T. Velasquez: We do have our legal advisor on as well. Jessica, I don't know if there's anything you can add to this. I guess my thought is the only way we could actually address this is what Nancy had previously mentioned, which would be a higher contribution rate for the GERP employees, which I think is a cost issue, and not an insignificant one.

J. Culotti: Yes. Hi, this is Jessica. I think Terri and Nancy have done a really great job explaining it. It is a very weird rule that the IRS has. You'd have to basically raise the contribution rates for everybody. I don't know how you would only raise it for the people who would have the ability to move. Very creative solution. Again, as Terri sort of expressed, it would be a cost issue that I think employees would be unhappy with as well. So, I totally understand your standpoint. It's frustrating. I get frustrated trying to navigate some of these weird IRS rules, but those are really the only options.

Council Member Zvonek: Do the employees that are in both GERP and ERP pay Social Security as well?

T. Velasquez: Yes.

Council Member Zvonek: Okay. I was going to say, why don't we do something that's similar to PERA right? I mean, with PERA I know that there are different divisions, but you have the options of a defined benefit or defined contribution. Obviously, the overwhelming majority of PERA members go into the defined benefit option, although a lot of people who work for the state will choose the contribution because they don't plan to be with the state government for that long. There's more portability with the DC than the DB plan. Is there not a way for us to have that type of option for all employees? Where when they start, they could go into GERP or they could go into ERP? And it doesn't matter if you're an executive or whatever, it's just that these are the two different types of plans, one's a DC and one's a DB. You create maximum choice for the type of retirement that an individual might want to have when they come into work for the city.

T. Velasquez: I guess we could do some research on that. Again, I think it comes back to having contribution rates that are the same, and because of the IRS aspect of it, and I think that going from the 7 percent to 10 percent for the number of employees in there, that would be very costly.

Council Member Zvonek: Right.

T. Velasquez: Maybe a future plan, another plan down the road, that would be something we would have to explore.

Council Member Zvonek: Right. But I think that the thing you're trying to solve for, and correct me if I'm wrong, is that people that are currently in GERP, they get promoted, become a director, and then they're going into ERP. I'm saying, could we create a system where anybody at the beginning of your employment, you choose to go into the defined benefit or the defined contribution? So even if you are not an executive, you could go into ERP if that's what you chose. So, if I went to work for the city and I decided as someone with a job that doesn't currently qualify for ERP, and I said, “I want to go into ERP,” then you have the higher rate, but that comes with the risk of being in a defined contribution or to the executive point. I think you pointed this out, Terri, if you're an executive and you want to stay in the defined benefit plan, that's fine too. It creates options, and from the get-go. But what you would say is once you choose at the beginning, if you choose to go into the defined benefit or the defined contribution, that's your choice. But you're locked in.

So then, you're not worrying about people having to transfer into a different program as they get promoted, you stay in the defined benefit, you stay in the defined contribution. I agree that the majority of people from a financial standpoint, are going to choose if you plan to be in the city for a while, the defined benefit. But if you're somebody whom you think might go out of government or not be around for 10, 15, or 20 years, you might choose the defined contribution plan. Because, again, it's the portability possibility. I just wanted to throw this out. I did a lot of work when I worked in the legislature with PERA and I think that the system that they have set, I wish they allowed more choice in the school division, but they allow lots of it at the state and the state division of PERA and that's how it works. You choose a DC or DB plan and once you pick it, you're locked in going forward, regardless of how far up the ladder you go.

D. Brotzman: Council Member Zvonek, this is Dan Brotzman.

Council Member Zvonek: Yes.

D. Brotzman: We recently created a hybrid plan giving the exact choice that you're talking about when you begin your employment for police officers. So, we have such a plan. So, we can create that plan. Let's talk about timing a little bit. That plan took several years to get put together and functioning and working. We're currently in violation of an IRS regulation.

Council Member Zvonek: Yes.

D. Brotzman: So, we need to handle this one first, and then begin working long term on a hybrid plan for general employees.

Council Member Zvonek: Okay. That makes sense. I just wondered why we had this bifurcated system already, but it sounds like there's been some work towards addressing it in other parts of the city, so maybe we could do it here.

Council Member Murillo: I was just going to thank Dan for bringing that up. That's exactly what I was going to bring up. Why couldn't we just model it after what we just did like a few years ago with the police? I forgot what it’s specifically called, like Money Purchase Plan Options. I think that's a follow-up item, Council Member Gardner?

Council Member Gardner: So, okay, at least in the short term, how are you both on moving this forward?

Council Member Murillo: I'm okay.

Council Member Zvonek: I'm okay.

Council Member Murillo: Yes. Let's not be out of compliance with the IRS.

Council Member Zvonek: Yes. Let's get in compliance.

Council Member Gardner: Okay. And then I think what I'll do is I'll talk offline with Terri and strategize, maybe we'll get at least an initial presentation later this year and begin that process. But obviously, as Dan mentioned, that will take a significant amount of time, but perhaps in the next several months, we can at least get a kickoff going on that. So I'll keep everyone posted.

Outcome
The Committee recommended the changes and move forward to Study Session.

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

2023 RE-WARDING UPDATE
Summary of Issue and Discussion

Kadee Rodriguez and Daniel Krzyzanowski presented an expedited schedule of the rewarding and new numbers from the March 31, 2022 population estimate counts. The Election Commission is set to meet with Ward Council Members in May to review ward boundary options. Public meetings in each ward will be held from June through the beginning of August. Engage Aurora will be used for comment. In addition to this, the Communications Department stated that it might be possible for Engage Aurora to have a tool wherein the public can draw their own ward boundary lines as is done in Denver. The Election Commission will approve one plan on August 17th which will be presented to the M&F Policy Committee for initial review. A second review can be conducted in September and the plan will be then brought to the full council for approval in an October Study Session. The first reading will be done on October 24th while the second will be on November 14th. It will be effective 30 days after it passes the 2nd reading. The counties and the public will then be notified of the new ward changes. With this new schedule, the city will be ahead of the May 2023 deadline.

Outcome
Information only.

Follow-up Action
No follow-up needed.

TALLYN'S REACH METROPOLITAN DISTRICT CONSOLIDATION, AURORA CROSSROADS MD NO.3 AMENDED AND RESTATED SERVICE PLAN, BUCKLEY MD NOS.1-4 AMENDED SERVICE PLAN

Summary of Issue and Discussion

Jacob Cox, Office of Development Assistance Manager, presented the items. Tallyn's Reach Metropolitan Districts 1 and 2 are requesting written approval from the city to enable the districts to move forward with a November 8, 2022 election for consolation. They are required to have approval from the City of Aurora before filing requests with the District Court to consolidate. The city on approves to further the process and not the consolidation. The consolidation process is governed by Title 32 and requires various court filings before the election.

The service plan for Aurora Crossroads Metro Districts 1 through 3 was approved in April 2020. The districts are originally intended to be developed by the same developer. However, builders purchasing property in District 3 no longer have the desire or need for coordinated services among the three districts. With this, Crossroads MD 3 is seeking to bifurcate from the original service plan to serve the development needs of the property within its boundaries. No residents are residing or owning properties within the district and the project is being developed for commercial purposes. Crossroads MD 3 did not receive proceeds from debts issued for District 2 and needs to issue debt under a separate debt limit. Crossroads MD 3 is also formally changing its name to Crossroads East Metropolitan District.

The Buckley Metropolitan Districts 1 through 4 service plan was approved in November 2019. Buckley MD is requesting the city to adopt a resolution to increase the total area of inclusion for its boundaries and incorporate property. The property is to be acquired by a developer within the district.

Outcome

The Committee moved the items forward to Study Session.

Follow-up Action

Staff will forward these items to Study Session.

2022 HEAVY FLEET FINANCING ORDINANCE

Summary of Issue and Discussion

Teresa Sedmak, City Treasurer, presented the item. The Fleet Financing Ordinance will allow the city to acquire heavy fleet vehicles through lease-purchase financing. Dump trucks, fire vehicles, public works trucks, and SWAT vehicles are expected to be acquired. The program was started in 2021 and has been consistently low on borrowing rates. However, interest rates are going up. According to the financial advisor, should they go to the market, the rate would be 3 to 3.5% and less than the cost of inflation. In 2021, the locked-in rate of financing was 1.98. They were able to advance purchase vehicles that were expected to be 5% more expensive if they waited for the acquisition.

Committee Discussion

Council Member Murillo: Yes. I was wondering if you could explain a little bit more about the need for the SWAT vehicles and what they were?

T. Sedmak: I don't have the expertise on that.

T. Velasquez : I think John Schneebeck can respond, are you on?

J. Schneebeck: Yes, the Bearcats are a little bit smaller than the Bear that we have right now, which is a 2007 vehicle, so it's reached the end of life and keeps on going in for repair. And there was a presentation, documents sent from SWAT, although I didn't have a copy of that, so I can't really elaborate too much more than just telling you that our current Bear's a 2007, and these two SWAT vehicles are called Bearcats, which is a smaller version.

Council Member Murillo: Okay. Before the Council meeting, can I get more information on what that particular vehicle is used for?

J. Schneebeck: Yes. We would definitely have somebody set up to respond if this goes forward.

Council Member Murillo: Okay. Thank you.

J. Schneebeck: Sure.

Council Member Gardner: And are you both okay with moving this item forward, pending getting the information to Council Member Murillo?

Council Member Murillo: Yes

Outcome
The Committee recommended moving the item forward to Study Session once information is sent to CM Murillo.

Follow-up Action
Staff will send more information to CM Murillo on the SWAT vehicles before forwarding this item to Study Session.

CITY OF AURORA DEBT POLICY
Summary of Issue and Discussion

Teresa Sedmak gave a background on the item. Aurora has a Dept Policy that is occasionally reviewed to keep it current regarding IRS regulations and SEC rules. It is required to be reviewed every three years and brought to Counsel regarding changes. The Debt Policy has been sent to the Bond Counsel for review and has been found to be current. The Bond Counsel, however, recommended changes to add to the clarity of the document but do not change the substance of the policy itself. Changes include areas regarding issuance of debt, use of derivative vehicles, and post-issuance compliance. This can also be changed in accordance with a change in law or the will of the Council. Staff anticipates taking the item to Study Session for further discussion but will not be asking for a resolution on the changes.

Committee Discussion

Council Member Gardner: Appreciate that summary. No, I don't think we need to go through it line by line.

Council Member Murillo: You're right. It is a lot to go through. Perhaps I'll have something at Study Session.

T. Sedmak: Okay. Thank you.

Outcome
The Committee recommended the changes and move forward to Study Session.

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

2021 EXTERNAL AUDIT ENGAGEMENT AND PRE-AUDIT LETTERS
Summary of Issue and Discussion

Nancy Wishmeyer presented the item. BKD, the external auditors, provide the city with an engagement letter at the beginning of each audit. It outlines services to be performed with the financial statement audit, single audit of federal grants, and the SCFD audit of cultural programs. It also includes procedures to be done on the city’s 457 plan, 720 Memorial Foundation, and PEP Plans. In addition to this, the letter also contains responsibilities of external auditors versus city management and fees as per the contract. Before the final audit fieldwork, BKD also provides a pre-audit letter that provides more detail on the scope and timing of the financial statement audit. It talks about areas where a higher risk of error could occur such as those with large dollar amounts and a large volume of transactions. The auditors will then discuss their approach to address the risk areas and consider the possibility of fraud and how to address it.

Committee Discussion

Council Member Gardner: Nancy, I have a couple of questions. First question is, I don't remember if we talked about this last year or the year before on this Committee, but how many years have we been using BKD? I think we did a multiyear agreement, if I remember right. So how many years into that agreement are we?

N. Wishmeyer: Yes. A few years ago, we had finished up 15 years, and so now we're going on the next 20 years. So, the last audit with BKD, I believe, will be the 2025 audit, which will be into 2026. So, yes, we'll be at the end of this contract term that we're in right now, it will have been 20 years.

Council Member Gardner: And then how do the fees compare this year to last year?

N. Wishmeyer: So, they increased fees about 2 percent per year.

Council Member Gardner: And was that contractual or is it per year they give us a cost or how does that work?

N. Wishmeyer: It's contractual. So, they gave us fees for five years.

Council Member Murillo: I think it's not specifically on the letter, but a question on the scope, since that's what it's covering. It says, “The single audit of federal grants.” Could you elaborate a little bit more about what that means?

N. Wishmeyer: Right. We are required per the uniform guidance on grants, this is federal grant guidance. We are required to have an audit. They call it a single audit. It's an interesting term, I guess, but what it basically means is that the auditors will come out and do an audit of grants, federal grants, that fall within a certain scope. So they do an analysis of the total amount of grant money that we get from the feds, and they look at risk, they look at whether they have audited some of these programs in the past, they look at whether we've had findings in the past, and we're actually, right now, the city is a low-risk auditee, which means that we don't have to have quite as many programs audited. If we have more issues, we might become high risk, and then we'll have to have more programs audited. it’s a single audit because I guess before a single audit, before that term was devised, the auditors would come out many times during the year and audit different grant programs. Now, they do it all as one in what they call the single audit, but they are auditing multiple grant programs just depending on the size of the program, dollar amounts, risk factors and whether we've had issues in the past.

Council Member Murillo: Okay. So, those are the criteria. Do we get to determine which of our areas are audited? I mean, that sounds silly to say out loud. Are they determining based on those criteria? BKD is determining which ones we are auditing? It sounds like a sample size almost.

N. Wishmeyer: So, they determine through criteria which programs, but then once they start looking at the program, they may select samples of transactions within those programs.

Council Member Murillo: Okay. I'm the Chair of our Housing Committee, and when I saw the federal grants piece, my first thought was like our HUD funding, our HUD grants. I'm curious, are HUD grants included? I mean, since it is federal dollars, would they be subject to review in the scope of the single audit of federal grants?

N. Wishmeyer: That's correct. They are. And a lot of times because the CDBG and the HOME programs have so much money. A lot of times the auditors in the past, what they have done is they will just switch off, like one year, they'll do home, the next year, they'll do CDBG, then the following year, HOME again. So, they'll switch off because those are large grants.

Council Member Murillo: Okay. And, yes, I guess my thought is like as we're coming out of COVID I know a lot of the focus was just survival. Survival as an organization, survival of our people, and these different systems. I don't know if it's fair to say, but the requirements were relaxed. In some ways, folks are trying to be flexible and responsive as that immediate focus. I guess I'm just wondering, as we come out of COVID, not just for HUD funds, but that's the example I'm using since I'm Chair there and I guess more familiar with that pot of federal grants. Are we paying special attention to the last couple of years? Are we going through more scrutiny? Given that potentially, there is, I don't want to say oversight, but maybe more relaxed enforcement in some areas with federal funds, just in the interest of keeping people and different entities to be able to survive. Part of me feels like there should be a little bit more focus and scrutiny with just federal audits, and audits of federal dollars over the last couple of years just because of COVID. I guess I'm just trying to make sure we're covering all our bases in this what I feel and perceive to be a little bit more of a lax time.

N. Wishmeyer: Well, I'll say it from a personal standpoint. I don't feel that we have gotten off the hook and that it's more relaxed. This audit was a very intense single audit. We had more major programs reviewed than we've had in the last so many years. In fact, we were reviewed more like we were a high-risk entity and it was because we have received so much federal money. These are brand new programs, Obviously, CARES was audited. The CRF and ARPA SLFRF were audited. We received some other Treasury money for housing that was audited, and then other programs too, like highway programs, the FEMA programs. I mean, we've had multiple audits through the single audit process. I don't feel like anything's really been relaxed, and even the item of unpredictability that the auditors selected this year was based on SLFRF, so we had another area of the ARPA SLFRF that was reviewed. I think it's just as or even more intense review this year.

Council Member Murillo: Fair. I knew I wasn't using the right word. When I think of federal dollars, I don't at all think of a lack of reporting requirements. If we had all these new things that we had to take on because of this emergency situation and I understand that there was a very thorough analysis of those pools and pots of money. I just want to make sure that we, from an audit standpoint, are doing our due diligence and making sure that we maintain compliance with requirements that we were obligated to before this emergency situation if that makes sense. It sounds like there's a lot of work being done and there's like I don't have an issue with the process, but for sound peace of mind, making sure that we're not falling through in prior obligations in other HUD or not HUD federal grants that we were awarded prior to the pandemic that there's still oversight of those obligations because we had to prioritize other pools of money, if that makes sense.

N. Wishmeyer: That’s a good point. No, I understand, and I agree.Not all of the grant programs that were audited were COVID related, but we were able to hire a grant compliance officer, so we have an additional position in Finance that will help coordinate compliance and grant management across the city, working with other staff within the controller's office. So, we do have some extra help that way. When we are standing up some of these newer grant programs, we've got the ability to pull in some contract help to help us with that, and one of the contractors is actually an accounting firm that does do grant compliance and they have agreed to help us with some of that too, as some of those transactions and the beneficiaries are going through that program, they're going to be reviewing those transactions also.

Council Member Murillo: Okay. Thank you.

Outcome
Information only.

Follow-up Action
No follow-up needed.

QUARTERLY REPORT ON THE AUDIT OF MAYOR AND COUNCIL EXPENSES
Summary of Issue and Discussion
Wayne Sommer, Internal Audit Manager, provided a summary of the item. The Office of the Internal Auditor will be providing three months' worth of audits per quarter. Two exceptions were identified for expenses tested from November 1, 2021 through January 31, 2022, which have exception types ‘inadequate detail’ and ‘improve expense guidance.’ Exceptions totaled $1,050.23 out of $132,935.89. Changes approved to Council expenses will add clarity to the process and reduce the number of audit exceptions found in quarterly expenses.

Outcome
Information only.

Follow-up Action
No follow-up needed.

Q1 2022 INTERNAL AUDIT QUARTERLY REPORT
Summary of Issue and Discussion

Wayne Sommer presented the item. For the 2022 Audit Plan, 50% of plan engagements are active or completed. Some engagements were rearranged to compensate for the absence of one staff member that is set to return in early May. A citywide culture survey was concluded at the end of March and its data is now being analyzed. Preliminary findings were presented at the citywide level management. Further analysis is to be concluded at the department level. This will be followed by report drafting and discussion at various levels of management to maintain accuracy. Final work on the engagement is set to be completed by the end of Q2. However, this may be subject to adjustment given progress. Once the report is finished, it will be presented to the M&F Committee. The report was longer and more detailed with a list of specific status by recommendations. The number of pending recommendations has declined from 25% to 21% in the last quarter compared to last year.

Committee Discussion:

Council Member Gardner: The only question I have, and we might have talked about this before, so if we did, I apologize. Is the Marijuana Enforcement Division Audit on hold because of the retirement of Robin Peterson or why did we put that on hold?

W. Sommer: We originally put it on hold before Robin left because they were in the process of developing some of their processes and policies, and it didn't make sense to audit something that wasn't ready to be audited. And at this point, I don't know the status of Robin's replacement, but that engagement is still on our radar, and we will continue to evaluate that in context of other engagements as the audit plans move forward.

Council Member Zvonek: When you'd mentioned that the culture survey or audit was finished and you're still digging into that, what type of participation did you end up with? I know it's probably dependent upon the department, but citywide.

W. Sommer: Citywide, we had 46 percent participation, out of roughly 3,000 full-time employees. Not quite as high as we had hoped, and there were various reasons that we'll go into in the final report as to why that happened, but this was the first time we've gone citywide. Not everyone was used to this survey. It was pretty intensive because we combined it with the Human Resources Department doing an engagement survey. So, it was double the size it normally would be. And it was taking people on average about 20 minutes to go through the questions. So, in the future, we'll be looking for ways to speed up that completion process, but 46 percent is what participation we had this first year.

Council Member Zvonek: Thanks. I know specifically with the Public Safety Department’s Fire Police Dispatch, I would be anxious to, as I’m on the Public Safety side, to see what those end up looking like, and diving into those when available.

W. Sommer: Yes. Those will certainly be coming back.

Council Member Zvonek: Great.

W. Sommer: We wanted to also let you know about some changes we're making to the audit plan. We have added an engagement at the request of Council Member Lawson. And this will be an audit of the Youth Violence Prevention Program. The engagement letter was included in your materials on thumbnail 225 or page 223, so that you can see just what it is we're planning to do. This is not unusual for us to add an engagement in this way. We've had a number of engagements in the past that have been requested by Council. Some examples include the AGRIP Program Review, the House Aurora Partnership, the Economic Development Rebates Tracking, Visit Aurora and also Mayor and City Council Expenses. So, this is not unusual, and we were able to fit this in because there was an engagement we had on our plan, it was a development assistance process review that we are now removing for the time being because there is a staff initiative internally to look at these processes and potentially make some changes. We didn't think it was a good use of our work to be redundant in that effort that's already going on. And so, we will keep this one on the back burner and take a look at it at some point and decide whether it needs to get included into a future audit plan. And the last item before I conclude is just to let you know that we will be upgrading the current version of our audit software later this fall as it's being sunset, and that will be moving from a hosted version to a cloud version. That concludes my report.

Council Member Gardner: Wayne, I have a question on the Youth Violence audit. So, several of the items that are in here that are outlined are subjective rather than objective. Can you talk a little bit about how you will measure the effectiveness of the program? I mean, because obviously, when you're talking about subjective measures, the goals of the program and how those are interpreted are going to be different to different people.

W. Sommer: Yes. Typically, what we will do is we will look at what the measures or outcomes were established at the beginning, what was trying to be accomplished, and then we'll do a performance approach looking at, this is what you set out to do, here's what's actually been done, this is what we see, and these are our conclusions. You're right, those sometimes can be subjective, especially, if those outcomes weren't clearly established at the very beginning, in which case, our recommendation most likely is you need to clarify these outcomes so that the program can proceed more effectively.

Council Member Gardner: Okay. And then my next question is the Youth Violence Program has, in my opinion, at least, not been stood up long enough, in many cases to evaluate the effectiveness. And so, I'm curious if you all come to the same conclusion, would that be included in the report or is that not something you would make an opinion on?

W. Sommer: That is something we would consider as we go through the report. We have steps in our program that we ask ourselves, “Is there value continuing this engagement?” And that's usually based upon the information that's available for us to audit, and if it's sufficient for us to draw any conclusions going forward, we'll make a professional judgment as to whether or not we think it's worth the effort or if it's even possible to continue the engagement. Then we would make that known as we close the engagement off at that point.

Outcome
Information only.

Follow-up Action
No follow-up needed.

MISCELLANEOUS MATTERS
Summary of Issue and Discussion
The next meeting is on Tuesday, May 24 at 1:00 pm WebEx Meeting.

THESE MINUTES WERE APPROVED AS SUBMITTED

Date

CITY OF AURORA
Council Agenda Commentary

Item Title: April 2022 Sales Tax Chart	
Item Initiator: Greg Hays	
Staff Source/Legal Source: Greg Hays, Hanosky Hernandez, Sr. 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

ITEM DETAILS:

- Agenda long title
- Waiver of reconsideration requested, and if so, why
- Sponsor name
- Staff source name and title / Legal source name and title
- Outside speaker name and organization
- Estimated Presentation/discussion time

April 2022 Sales tax Chart

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

Attached is the April sales tax performance chart. April of 2022 was 10.9 percent higher than April of 2021.

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

☐ Approve Item and Move Forward to Study Session ☐ Approve Item as proposed at Study Session

☐ Approve Item and Move Forward to Regular Meeting ☐ Approve Item as proposed at Regular Meeting

☒ Information Only

☐ Approve Item with Waiver of Reconsideration
Reason for waiver is described in the Item Details field.

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.)***

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 April sales tax performance chart. April of 2022 was 10.9 percent higher than April of 2021.

QUESTIONS FOR COUNCIL

Information 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. This item is informational only. (Aurora City Charter Art. 7-4 (f)). (Hernandez)

PUBLIC FINANCIAL IMPACT

☐ YES ☒ NO

If yes, explain: N/A

PRIVATE FISCAL IMPACT

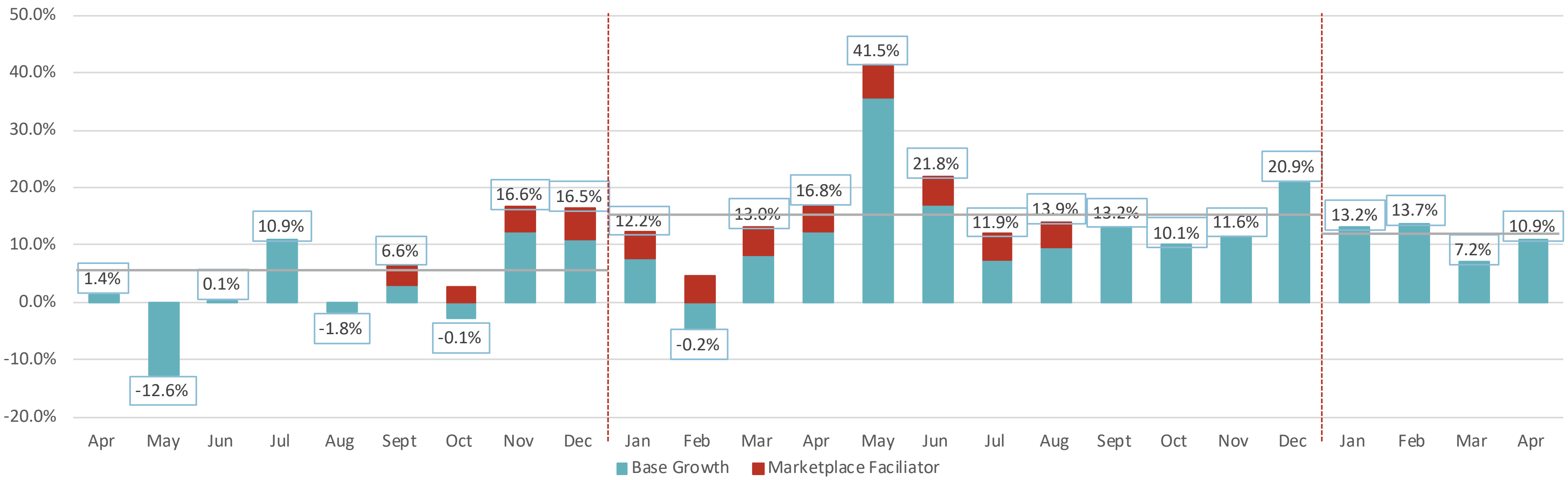
☒ Not Applicable ☐ Significant ☐ Nominal

If Significant or Nominal, explain: N/A

April 2022 Sales Tax Performance

Percent Change from Prior Year By Month

April YTD Variance to
Budget: $11.5M (14.7%)
2021: $9.2M (11.5%)



2020
5.3%

2021
15.3%

2022
11.5%

April 2022 Sales Tax Performance

2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Monthly Sales Tax	29,967,263	18,575,070	16,874,776	24,183,272								
Increase ($)	3,496,907	2,239,154	1,130,484	2,379,878								
Increase (%)	13.2%	13.7%	7.2%	10.9%								
YoY Inflation	7.5%	7.9%	8.5%	8.3%								

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Monthly Sales Tax	26,470,356	16,335,916	15,744,292	21,803,394	18,994,248	19,105,339	24,284,022	19,619,225	20,002,933	22,520,104	19,665,387	21,948,396
Increase ($)	2,879,135	(39,049)	1,812,207	3,130,042	5,569,566	3,415,214	2,584,338	2,389,143	2,338,188	2,062,637	2,043,950	4,527,809
Increase (%)	12.2%	-0.2%	13.0%	16.8%	41.5%	21.8%	11.9%	13.9%	13.2%	10.1%	11.6%	26.0%
YoY Inflation	1.4%	1.7%	2.6%	4.2%	5.0%	5.4%	5.4%	5.3%	5.4%	6.2%	6.8%	7.0%

2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Monthly Sales Tax	23,591,222	16,374,965	13,932,085	18,673,352	13,424,681	15,690,126	21,699,684	17,230,082	17,664,745	20,457,466	17,621,437	17,420,587
Increase ($)	2,329,680	1,993,374	237,150	261,822	(1,942,622)	11,550	2,132,639	(316,295)	1,094,676	(25,201)	2,510,726	2,465,610
Increase (%)	11.0%	13.9%	1.7%	1.4%	-12.6%	0.1%	10.9%	-1.8%	6.6%	-0.1%	16.6%	16.5%
YoY Inflation	2.5%	2.3%	1.5%	0.3%	0.1%	0.6%	1.0%	1.3%	1.4%	1.2%	1.2%	1.4%

CITY OF AURORA
Council Agenda Commentary

Item Title: Aurora Sales and Use Tax Forecast (CU Leeds School of Business)	
Item Initiator: Greg Hays	
Staff Source/Legal Source: Greg Hays, Hanosky Hernandez, Sr. Assistant City Attorney	
Outside Speaker: Brian R. Lewandowski, CU Leeds School of Business	
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City	

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

ITEM DETAILS:

- Agenda long title
- Waiver of reconsideration requested, and if so, why
- Sponsor name
- Staff source name and title / Legal source name and title
- Outside speaker name and organization
- Estimated Presentation/discussion time

Aurora Sales and Use Tax Forecast (CU Leeds School of Business)

Members of the M&F Committee have asked for a presentation from Leeds regarding the latest Aurora Projection.

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

☐ Approve Item and Move Forward to Study Session

☐ Approve Item as proposed at Study Session

☐ Approve Item and Move Forward to Regular Meeting

☐ Approve Item as proposed at Regular Meeting

☒ Information Only

☐ Approve Item with Waiver of Reconsideration
Reason for waiver is described in the Item Details field.

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.)***

Members of the M&F Committee have asked for a presentation from Leeds regarding the latest Aurora Projection.

QUESTIONS FOR COUNCIL

Information 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. This item is informational only. (Aurora City Charter Art. 7-4 (f)). (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

CITY OF AURORA
Council Agenda Commentary

Item Title: Summary of the City's Outstanding Debt as of January 1, 2022	
Item Initiator: Teresa Sedmak, City Treasurer	
Staff Source/Legal Source: Teresa Sedmak, City Treasurer	
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

ITEM DETAILS:

- Agenda long title
- Waiver of reconsideration requested, and if so, why
- Sponsor name
- Staff source name and title / Legal source name and title
- Outside speaker name and organization
- Estimated Presentation/discussion time

Summary of the City's Outstanding Debt as of January 1, 2022

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

☐ Approve Item and Move Forward to Study Session

☐ Approve Item as proposed at Study Session

☐ Approve Item and Move Forward to Regular Meeting

☐ Approve Item as proposed at Regular Meeting

☒ Information Only

☐ Approve Item with Waiver of Reconsideration
Reason for waiver is described in the Item Details field.

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 Policy Committee is provided an overview of the City's outstanding debt, updated annually to reflect activity over the course of the prior year.

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

The attached debt book outlines the City's outstanding debt as of the beginning of 2022. It differs from the prior debt as a result of the amortization of debt and the issuance of new financial obligations and/or refinancings, all as summarized below.

2021 Financing Activity:

$122,760,000 First-Lien Water Revenue Bonds (SEAM Facility), Series 2021

On May 27th 2021, the Water Enterprise issued $122.76 million Series 2021 First-Lien Revenue Bonds to finance the construction of the SEAM facility and other projects. The bonds were underwritten by Morgan Stanley at a "all-in" total interest cost of 2.361% with a final maturity of 2051. The bonds are rated AA+ by Fitch and S&P.

$48,970,000 First-Lien Sewer Revenue Bonds (SEAM Facility), Series 2021

On May 27th 2021, the Wastewater Enterprise issued $48.97 million Series 2021 First-Lien Revenue Bonds to finance the construction of the SEAM facility. The bonds were underwritten by Morgan Stanley at a "all-in" total interest cost of 2.658% with a final maturity of 2051. The bonds are rated AAA by Fitch and AA+ by S&P.

$28,000,000 First-Lien Sewer Revenue Bonds (Outfall), Series 2018A

On August 1st 2021, the Wastewater Enterprise converted the $15 million outstanding floating rate Series 2018B revenue bonds to a fixed-rate obligation (Series 2018B-3). The bonds mature in 2030 at a fixed interest rate of 1.322%. The Series 2018B has now issued the full authorized amount of $28 million, all sub-series mature in 2030. This is an unrated private placement.

$265,230 Taxable First-Lien Water Refunding Revenue Bonds (Green Bonds), Series 2021B

On August 19th 2021, the Water Enterprise issued $265.23 million Series 2021B First-Lien Taxable Refunding Revenue Bonds to partially refinance finance The Series 2016 Water Revenue Bonds. bonds were underwritten by Morgan Stanley at a "All-in" total interest cost of 2.37% with a final maturity of 2046. The bonds are rated AA+ by Fitch and S&P.

$8,303,140 Aurora Capital Leasing Corporation (ACLC) Rolling Stock Lease, Series 2021-A

On November 18th 2021, the City, through ACLC closed the $8.3 million Series 2021-A Heavy Fleet Lease Purchase Financing to facilitate the acquisition of fire trucks, dump trucks, and paving machines.

KeyBank is the lender at a fixed rate of 1.06% with a final maturity of 2028. This is an unrated private placement.

QUESTIONS FOR COUNCIL

Does the Committee have any questions in regard to the 2022 Debt Book?

LEGAL COMMENTS

The city charter requires that the city manager shall keep the council advised of the financial condition, future needs of the city, and the overall general condition of the city, and shall make such recommendations to the council for adoption as deemed necessary or expedient. This item is informational only. (*See*, Aurora City Charter Art. 7-4 (f)). (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

Analysis of Outstanding Debt

City of Aurora, Colorado

As of January 1, 2022

City of Aurora, Colorado

HilltopSecurities
A Hilltop Holdings Company.

CONTACT:

Jason Simmons, Senior Managing Director

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

Phone 303.771.0217

As of January 1, 2022
Analysis of Outstanding Debt

The City of Aurora, Colorado

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First-Lien Sewer Revenue Bonds, Series 2021
First-Lien Sewer Revenue Bonds, Series 2018B
First-Lien Sewer Revenue Bonds, Series 2018A
First-Lien Sewer Refunding Revenue Bonds, Series 2016

Official Statement Cover
Rating Reports

F. Details of Outstanding Golf Enterprise Revenue Debt

Murphy Creek Golf Course Revenue Refunding Note, Series 2017

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GID 2-09 (Pier Point 7) General Obligation Bonds, Series 2011
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GID 1-08 (Peoria Park) General Obligation Bonds, Series 2010
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Official Statement Cover

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I. Details of Outstanding Urban Renewal Authority Debt

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NBH Hyatt Hotel Loan, 2014

J. Details of Outstanding Derivatives

Interest Rate Cap (Hyatt Hotel Loan)

City of Aurora, Colorado

Tab A: Summary of Outstanding Debt

As of January 1, 2022

City of Aurora, Colorado

Outstanding Debt by Purpose

Summary of Outstanding Bond Issues as of January 1, 2022

Issue	Series	Original Principal	Outstanding Principal	Outstanding Coupon Range	Maturity	Call Date	Current Underlying Ratings			Purpose
							Moody's	S&P	Fitch	
Certificates of Participation										
Certificates of Participation	2020	$ 33,770,000	$ 33,030,000	3.000%-4.000%	12/1/2045	12/1/2030	N/A	AA	N/A	New Money
Refunding and Improvement Certificates of Participation	2019	62,935,000	54,955,000	2.000%-5.000%	12/1/2031	12/1/2029	Aa1	AA	N/A	New Money and Refunding
Certificates of Participation	2017B	27,675,000	23,940,000	3.000%-5.000%	12/1/2037	12/1/2027	N/A	AA	AA-	New Money
Certificates of Participation	2017	28,865,000	25,880,000	3.500%-5.000%	12/1/2042	12/1/2026	N/A	AA	AA-	New Money
Certificates of Participation	2015	24,340,000	20,260,000	3.500%-3.750%	12/1/2040	12/1/2025	Aa1	N/A	AA-	New Money
Certificates of Participation	2014	21,775,000	8,005,000	5.000%	12/1/2024	Non-Callable	Aa1	AA	N/A	New Money
		$ 199,360,000	$ 166,070,000							
ACLC Capital Leases										
Rolling Stock	2021-A	$ 8,303,140	$ 8,303,140	1.064%	3/27/2028	Non-Callable		Not Rated		New Money
Rolling Stock	2019-A	3,883,279	2,787,490	1.768%	3/27/2026	Non-Callable		Not Rated		New Money
Rolling Stock	2018-A	1,750,000	992,476	2.880%	3/27/2025	Callable Anytime		Not Rated		New Money
Hogan Parkway	2018	19,000,000	13,048,000	3.050%	2/1/2027	Callable Anytime		Not Rated		New Money
Rolling Stock	2017-C	1,220,000	536,942	1.980%	3/27/2024	Non-Callable		Not Rated		New Money
District II Police Station Phase II	2017-A	10,095,000	7,805,000	2.650%	2/1/2032	6/7/2022		Not Rated		New Money and Refunding
Moorhead Recreation Center	2016-B	8,643,000	2,469,429	1.250%	2/1/2023	Non-Callable		Not Rated		New Money
Rolling Stock	2016-A	2,060,597	605,958	1.460%	3/27/2023	Non-Callable		Not Rated		New Money
Rolling Stock	2015-B	3,182,736	474,553	1.676%	3/27/2022	Non-Callable		Not Rated		New Money
History Museum Expansion	2014-B	1,383,800	453,014	2.560%	12/1/2024	Non-Callable		Not Rated		New Money
		$ 59,521,552	$ 37,476,002							
Internal Leases Due to ACLC										
ACLC Lease Purchase (Police)	2018B	$ 359,677	$ 193,337	2.500%	3/1/2025	Non-Callable		Not Rated		New Money
ACLC Lease Purchase (PROS)	2018A	65,215	26,507	2.500%	3/1/2023	Non-Callable		Not Rated		New Money
		$ 424,892	$ 219,844							
Water Enterprise										
Taxable First-Lien Water Refunding Revenue Bonds (Green Bonds)	2021B	$ 265,230,000	$ 265,230,000	0.174% - 2.720%	8/1/2046	8/1/2031	N/A	AA+	AA+	Advance Refunding
First-Lien Water Revenue Bonds	2021	122,760,000	122,760,000	2.250%	8/1/2051	8/1/2031	N/A	AA+	AA+	New Money
First-Lien Water Refunding Revenue Bonds (Green Bonds)	2016	437,025,000	166,285,000	3.000% - 5.000%	8/1/2046	8/1/2026	N/A	AA+	AA+	Current Refunding and Advance Refunding
		$ 825,015,000	$ 554,275,000							
Sewer Enterprise										
First-Lien Sewer Revenue Bonds	2021	$ 48,970,000	$ 48,970,000	4.000%-5.000%	8/1/2051	8/1/2031	N/A	AA+	AAA	New Money
First-Lien Sewer Revenue Bonds	2018B	28,000,000	26,769,603	1.231% - 1.322%	8/1/2030	Callable Anytime + Breakage		Not Rated		New Money
First-Lien Sewer Revenue Bonds	2018A	2,000,000	1,825,860	3.035%	8/1/2030	Callable Anytime + Breakage		Not Rated		New Money
First-Lien Sewer Refunding Revenue Bonds	2016	28,900,000	14,950,000	1.560%	8/1/2026	Non-Callable		Not Rated		Refunding
		107,870,000	92,515,463							
Golf Course Enterprise										
Murphy Creek Golf Course Note	2017	$ 3,909,000	$ 2,284,000	2.000%	12/1/2026	Any Date		Not Rated		Restructure 2011 Note
		$ 3,909,000	$ 2,284,000							
General Improvement District										
Cobblewood	2017	$ 650,000	$ 285,000	3.270%	11/15/2032	11/16/2022		Not Rated		New Money
Pier Point	2011	2,600,000	1,575,000	4.380%	11/15/2031	Non-Callable		Not Rated		New Money
Meadow Hills	2010	520,000	295,000	4.990%	11/15/2031	Non-Callable		Not Rated		New Money
Peoria Park	2010	375,000	230,000	5.450%	11/15/2031	Non-Callable		Not Rated		New Money
Cherry Creek	2009	700,000	365,000	5.250%	11/15/2029	Non-Callable		Not Rated		New Money
		$ 4,845,000	$ 2,750,000							
Special Improvement District										
Revenue Note (Dam East)	2012	$ 1,230,000	$ 175,000	2.730%	11/15/2022	Any Date		Not Rated		New Money
		$ 1,230,000	$ 175,000							
Urban Renewal Authority										
AURA The Point Loan	2016	$ 21,500,000	$ 19,865,000	1.750%	12/1/2041	Any Date		Not Rated		New Money
NBH Hyatt Hotel Loan	2014	27,750,000	25,955,000	1.91118% (1)	12/1/2024	Any Date		Not Rated		New Money
(1) Variable reset annually		$ 49,250,000	$ 45,820,000							
	TOTAL	**$ 1,251,425,443**	**$ 901,585,310**							
Derivatives										
Interest Rate Cap Notional Amt (NBH Loan)	2015	$ 25,000,000	$ 24,565,000	6.500%	12/1/2024					

Tab B: Details of Outstanding Certificates of Participation Debt

As of January 1, 2022

City of Aurora, Colorado

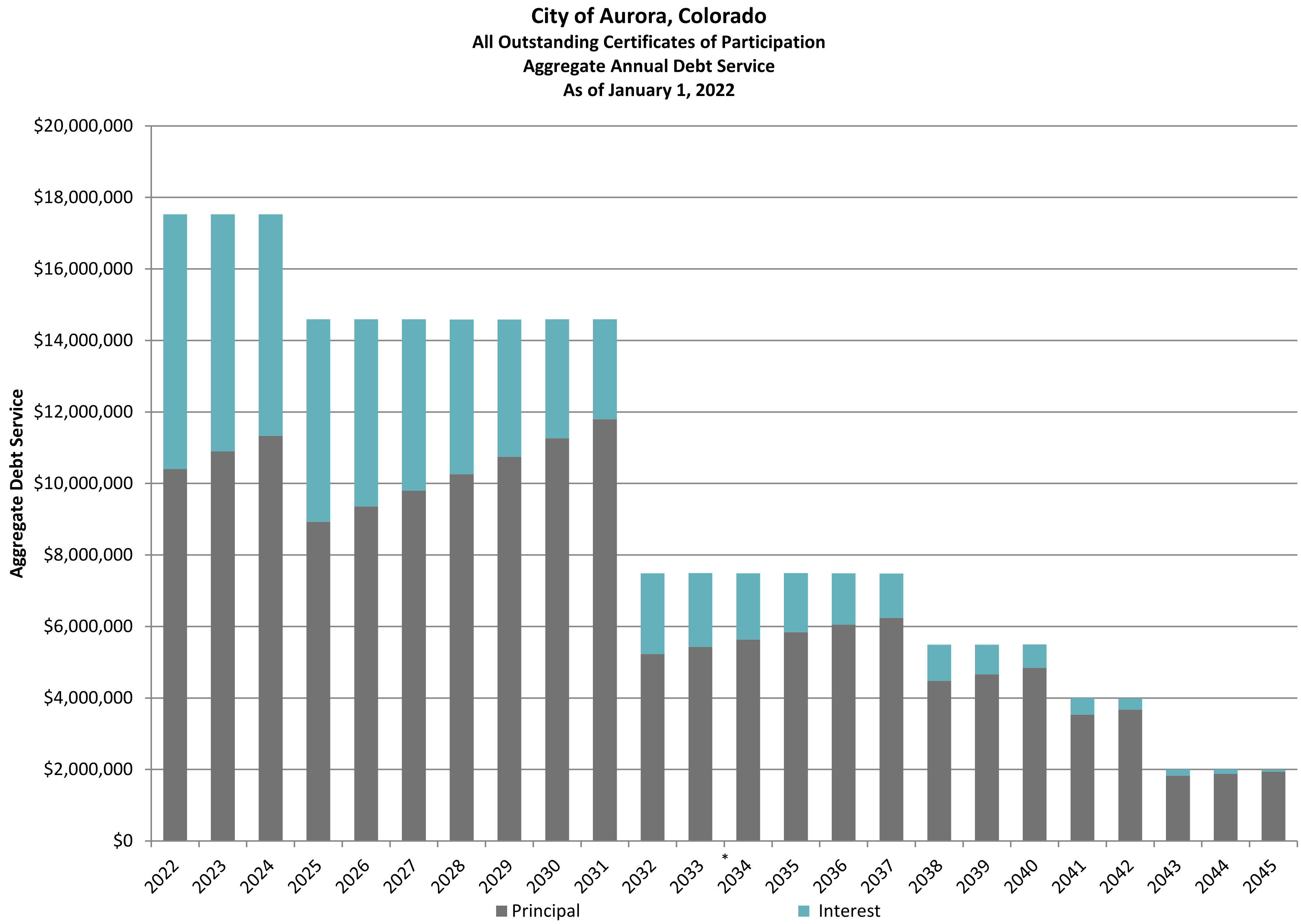
All Outstanding Certificates of Participation
As of January 1, 2022
(000's)

Year Ending December 31	$33,770,000 Certificates of Participation Series 2020		$62,935,000 Refunding and Improvement Certificates of Participation Series 2019		$27,675,000 Certificates of Participation Series 2017B		$28,865,000 Certificates of Participation Series 2017		$24,340,000 Certificates of Participation Series 2015		$21,775,000 Certificates of Participation Series 2014	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2022	875	4.000%	4,430	5.000%	1,045	5.000%	750	4.000%	765	3.500%	2,540	5.000%
2023	910	4.000%	2,650/2,000	2.000%/5.000%	1,095	5.000%	780	4.000%	795	3.500%	2,665	5.000%
2024	945	4.000%	4,805	5.000%	1,150	5.000%	810	4.000%	820	3.500%	2,800	5.000%
2025	985	4.000%	5,045	5.000%	1,210	5.000%	840	5.000%	850	3.500%		
2026	1,025	4.000%	5,295	5.000%	1,270	5.000%	885	5.000%	880	3.500%		
2027	1,065	4.000%	5,560	5.000%	1,335	5.000%	930	5.000%	910	3.500%		
2028	1,105	4.000%	5,840	5.000%	1,400	5.000%	975	5.000%	940	3.500%		
2029	1,150	4.000%	6,130	5.000%	1,470	5.000%	1,025	5.000%	975	3.500%		
2030	1,195	4.000%	6,440	5.000%	1,545	5.000%	1,075	5.000%	1,010	3.500%		
2031	1,245	4.000%	6,760	5.000%	1,620	3.000%	1,130	5.000%	1,045	3.500%		
2032	1,295	4.000%			1,670	3.000%	1,185	5.000%	1,080	3.500%		
2033	1,345	4.000%			1,720	3.000%	1,245	5.000%	1,120	3.625%		
2034	1,400	3.000%			1,770	3.000%	1,305	5.000%	1,160	3.625%		
2035	1,445	3.000%			1,825	3.000%	1,370	5.000%	1,200	3.750%		
2036	1,485	3.000%			1,880	3.125%	1,440	3.500%	1,245	3.750%		
2037	1,530	3.000%			1,935	3.125%	1,490	5.000%	1,290	3.750%		
2038	1,575	3.000%					1,565	5.000%	1,340	3.750%		
2039	1,625	3.000%					1,645	5.000%	1,390	3.750%		
2040	1,675	3.000%					1,725	5.000%	1,445	3.750%		
2041	1,725	3.000%					1,810	5.000%				
2042	1,775	3.000%					1,900	5.000%				
2043	1,830	3.000%										
2044	1,885	3.000%										
2045	1,940	3.000%										
2046												
TOTALS	**$33,030**		**$54,955**		**$23,940**		**$25,880**		**$20,260**		**$8,005**	
Next Call	12/1/2030 @ Par		12/1/2029 @ Par		12/1/2027 @ Par		12/1/2026 @ Par		12/1/2025 @ Par		Non-Callable	
Dated Date	10/28/2020		10/29/2019		8/15/2017		5/2/2017		5/28/2015		12/30/2014	
Coupon Dates	June 1	December 1	June 1	December 1	June 1	December 1	June 1	December 1	June 1	December 1	June 1	December 1
Maturity Dates	December 1		December 1		December 1		December 1		December 1		December 1	
Insurer	None		None		None		None		None		None	
Paying Agent	UMB		UMB		UMB		UMB		US Bank		US Bank	
Purpose	New Money		New Money and Refunding		New Money		New Money		New Money		New Money	

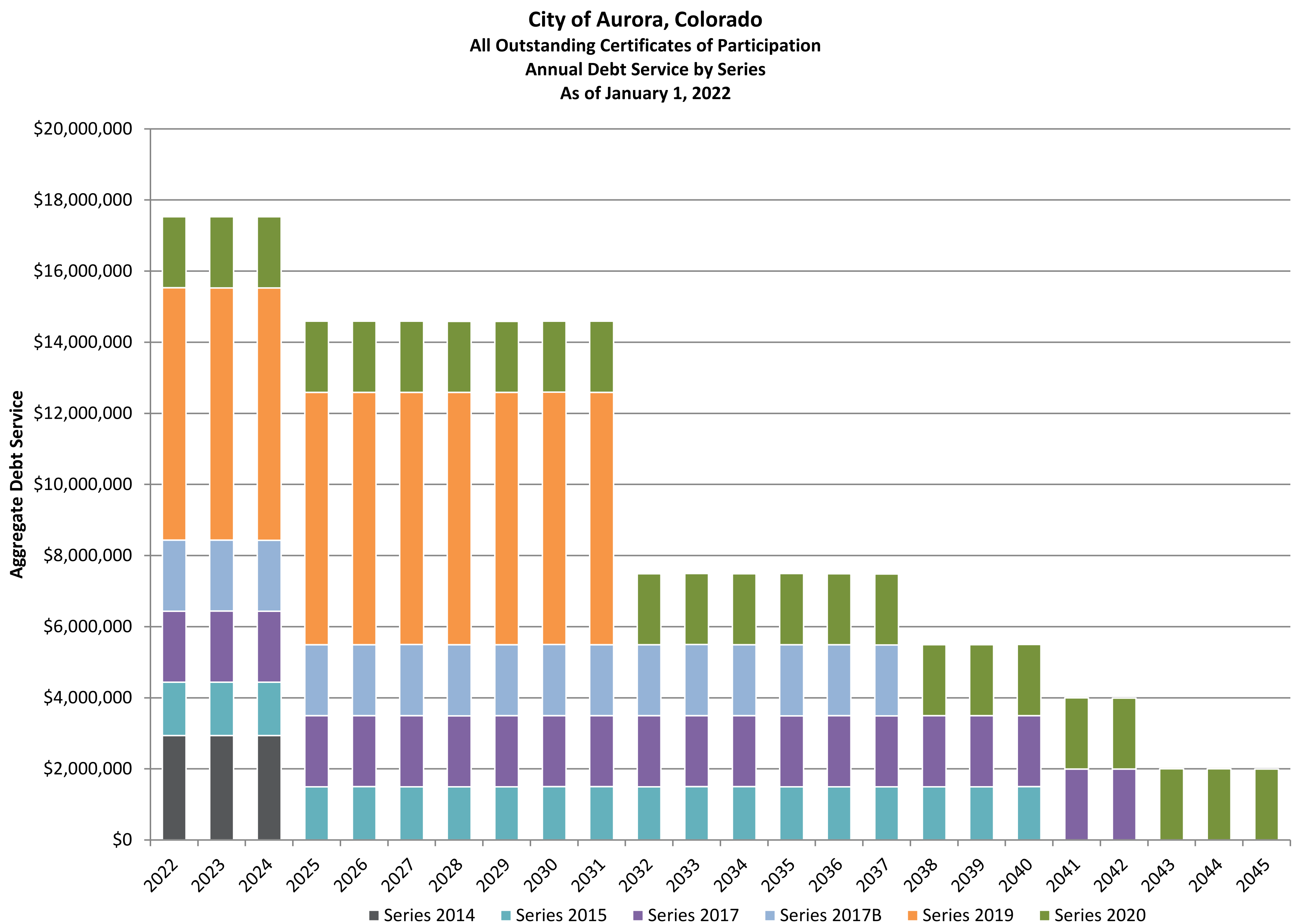
Color Legend	
Callable Bonds	Non-Callable

City of Aurora, Colorado
Certificates of Participation
Summary of Outstanding Obligations as of January 1, 2022

TOTAL ANNUAL DEBT SERVICE							
Year	Series 2014	Series 2015	Series 2017	Series 2017B	Series 2019	Series 2020	Total
2022	2,940,250	1,496,725	1,999,000	1,998,369	7,098,250	1,997,300	17,529,894
2023	2,938,250	1,499,950	1,999,000	1,996,119	7,096,750	1,997,300	17,527,369
2024	2,940,000	1,497,125	1,997,800	1,996,369	7,098,750	1,995,900	17,525,944
2025		1,498,425	1,995,400	1,998,869	7,098,500	1,998,100	14,589,294
2026		1,498,675	1,998,400	1,998,369	7,096,250	1,998,700	14,590,394
2027		1,497,875	1,999,150	1,999,869	7,096,500	1,997,700	14,591,094
2028		1,496,025	1,997,650	1,998,119	7,098,500	1,995,100	14,585,394
2029		1,498,125	1,998,900	1,998,119	7,096,500	1,995,900	14,587,544
2030		1,499,000	1,997,650	1,999,619	7,100,000	1,994,900	14,591,169
2031		1,498,650	1,998,900	1,997,369	7,098,000	1,997,100	14,590,019
2032		1,497,075	1,997,400	1,998,769		1,997,300	7,490,544
2033		1,499,275	1,998,150	1,998,669		1,995,500	7,491,594
2034		1,498,675	1,995,900	1,997,069		1,996,700	7,488,344
2035		1,496,625	1,995,650	1,998,969		1,999,700	7,490,944
2036		1,496,625	1,997,150	1,999,219		1,996,350	7,489,344
2037		1,494,938	1,996,750	1,995,469		1,996,800	7,483,956
2038		1,496,563	1,997,250			1,995,900	5,489,713
2039		1,496,313	1,999,000			1,998,650	5,493,963
2040		1,499,188	1,996,750			1,999,900	5,495,838
2041			1,995,500			1,999,650	3,995,150
2042			1,995,000			1,997,900	3,992,900
2043						1,999,650	1,999,650
2044						1,999,750	1,999,750
2045						1,998,200	1,998,200
Total	8,818,500	28,455,850	41,946,350	31,969,350	70,978,000	47,939,950	230,108,000



HilltopSecurities
A Hilltop Holdings Company.



HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$33,770,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Certificates of Participation, Series 2020**
Registrar/Paying Agent:	UMB Bank, n.a.
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	RBC Capital Markets
Method of Sale:	Negotiated
Arbitrage Yield:	1.9526%
Arbitrage Consultant:	
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	10/28/2025
Arbitrage Liability Calcs:	N/A
Source of Repayment:	General Fund Lease Payments
Bond Covenant:	Annual Appropriation

Purpose: The 2020 COPS were issued for the purpose of financing the design and construction of a community recreation center on an approximately 600-acre site currently owned by the City and designated by the City for future development as a community park as well as related infrastructure. The approximately 72,000 square foot recreation center is expected to include: a lobby/front desk area; locker rooms; fieldhouse, gymnasium and indoor sports spaces; walking/running track; a fitness center; group exercise studio space; a multi-purpose meeting room; child watch; and a natatorium that features a current channel, zero depth entry water play area, lap lanes/teaching area, hot tub and a large water slide. In addition, the Project will include approximately 250 parking spaces. The pledged asset is the 3rd, 4th and 5th floors of the City Municipal Center.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	875,000	4.000%	1,122,300	1,997,300
2023	910,000	4.000%	1,087,300	1,997,300
2024	945,000	4.000%	1,050,900	1,995,900
2025	985,000	4.000%	1,013,100	1,998,100
2026	1,025,000	4.000%	973,700	1,998,700
2027	1,065,000	4.000%	932,700	1,997,700
2028	1,105,000	4.000%	890,100	1,995,100
2029	1,150,000	4.000%	845,900	1,995,900
2030	1,195,000	4.000%	799,900	1,994,900
2031	**1,245,000**	4.000%	752,100	1,997,100
2032	**1,295,000**	4.000%	702,300	1,997,300
2033	**1,345,000**	4.000%	650,500	1,995,500
2034	**1,400,000**	3.000%	596,700	1,996,700
2035	**1,445,000**	3.000%	554,700	1,999,700
2036	**1,485,000**	3.000%	511,350	1,996,350
2037	**1,530,000**	3.000%	466,800	1,996,800
2038	**1,575,000**	3.000%	420,900	1,995,900
2039	**1,625,000**	3.000%	373,650	1,998,650
2040	**1,675,000**	3.000%	324,900	1,999,900
2041	**1,725,000**	3.000%	274,650	1,999,650
2042	**1,775,000**	3.000%	222,900	1,997,900
2043	**1,830,000**	3.000%	169,650	1,999,650
2044	**1,885,000**	3.000%	114,750	1,999,750
2045	**1,940,000**	3.000%	58,200	1,998,200
TOTAL	**33,030,000**		**14,909,950**	**47,939,950**

Redemption Provision:	December 1, 2030 @ 100%
Maturity Dates:	December 1
Interest Payment Dates:	June 1 and December 1

Original Par Amount: **$62,935,000**
Issuer: **City of Aurora, Colorado**

Issue Description: **Refunding and Improvement Certificates of Participation, Series 2019**
Registrar/Paying Agent: UMB Bank, n.a.
Bond Insurer: None
Bond Counsel: Kutak Rock
Underwriter: Stifel
Method of Sale: Negotiated

Arbitrage Yield: 1.6149%
Arbitrage Consultant:
DSRF Status: N/A
Rebateable Funds: N/A
Yield Restricted Funds: N/A
Last Rebate Calc. Date: N/A
Next Rebate Calc. Date: 10/29/2024
Arbitrage Liability Calcs: N/A

Source of Repayment: General Fund Lease Payments
Bond Covenant: Annual Appropriation

Purpose: The Project to be financed with the proceeds of the Series 2019 Certificates consists of refinancing the $72.8 million outstanding Refunding Certificates of Participation, Series 2009A; and a $9.1 million project fund to finance the construction of various capital improvements to the City's Aurora Municipal Center (AMC) campus. Improvements may include, but are not limited to, security additions to the AMC administrative building, repairs to the parking structure, and other items that could extend the useful life of the properties on the AMC campus. The transaction delivered 18.9% NPV savings on the refunded bonds as well as annual debt service savings of over $600,000. Pledged assets are AMC Parking Structure, Municipal Courts building, and Police Headquarters. As a result of the 2009A Refinancing, the AMC itself and several fire stations are no longer pledged assets.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	4,430,000	5.000%	2,668,250	7,098,250
2023	4,650,000	2.000%/5.000%	2,446,750	7,096,750
2024	4,805,000	5.000%	2,293,750	7,098,750
2025	5,045,000	5.000%	2,053,500	7,098,500
2026	5,295,000	5.000%	1,801,250	7,096,250
2027	5,560,000	5.000%	1,536,500	7,096,500
2028	5,840,000	5.000%	1,258,500	7,098,500
2029	6,130,000	5.000%	966,500	7,096,500
2030	**6,440,000**	5.000%	660,000	7,100,000
2031	**6,760,000**	5.000%	338,000	7,098,000
TOTAL	**54,955,000**		**16,023,000**	**70,978,000**

Redemption Provision: December 1, 2029 @ 100%
Maturity Dates: December 1
Interest Payment Dates: June 1 and December 1

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

Purpose: The Project financed with the proceeds of the Series 2017B Certificates consists of the design, construction and equipping (including acquisition of related vehicles) of three new Fire Stations. Opened in July 2018, Fire Station No. 15 is 12,829 sq. ft. and features two bays. Located adjacent to the Gaylord Rockies, Fire Station No. 16 opened in December 2018 at 15,572 sq. ft. with three bays. Opened in December 2019, Fire Station No. 5 is a core station with four bays at 18,732 sq. ft. Finally, COPs proceeds were used to acquire three new E-One Pumpers and one E-One Ladder Truck to be deployed at the new stations.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	1,045,000	5.000%	953,369	1,998,369
2023	1,095,000	5.000%	901,119	1,996,119
2024	1,150,000	5.000%	846,369	1,996,369
2025	1,210,000	5.000%	788,869	1,998,869
2026	1,270,000	5.000%	728,369	1,998,369
2027	1,335,000	5.000%	664,869	1,999,869
2028	**1,400,000**	5.000%	598,119	1,998,119
2029	**1,470,000**	5.000%	528,119	1,998,119
2030	**1,545,000**	5.000%	454,619	1,999,619
2031	**1,620,000**	3.000%	377,369	1,997,369
2032	**1,670,000**	3.000%	328,769	1,998,769
2033	**1,720,000**	3.000%	278,669	1,998,669
2034	**1,770,000**	3.000%	227,069	1,997,069
2035	**1,825,000**	3.000%	173,969	1,998,969
2036	**1,880,000**	3.125%	119,219	1,999,219
2037	**1,935,000**	3.125%	60,469	1,995,469
TOTAL	**23,940,000**		**8,029,350**	**31,969,350**

Redemption Provision:	December 1, 2027 @ 100%
Maturity Dates:	December 1
Interest Payment Dates:	June 1 and December 1

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

Purpose: The Series 2017 Certificates are issued for the purpose of financing the costs of the design and construction of a community recreation center. The Site was previously designated as a community park and community recreation center based on the need for recreation facilities in the area, the size of the parcel, the Site's compatibility with adjacent land uses, the intended connection to the City's regional trail system, and access from nearby arterial roadways. Opened in May 2019, the 55,000-square foot building features an aquatic area, gym, elevated walking/jogging track and fitness area along with a teaching kitchen, party rooms, and multi-purpose rooms. In 2020, the City plans to construct park improvements on the property.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	750,000	4.000%	1,249,000	1,999,000
2023	780,000	4.000%	1,219,000	1,999,000
2024	810,000	4.000%	1,187,800	1,997,800
2025	840,000	5.000%	1,155,400	1,995,400
2026	885,000	5.000%	1,113,400	1,998,400
2027	**930,000**	5.000%	1,069,150	1,999,150
2028	**975,000**	5.000%	1,022,650	1,997,650
2029	**1,025,000**	5.000%	973,900	1,998,900
2030	**1,075,000**	5.000%	922,650	1,997,650
2031	**1,130,000**	5.000%	868,900	1,998,900
2032	**1,185,000**	5.000%	812,400	1,997,400
2033	**1,245,000**	5.000%	753,150	1,998,150
2034	**1,305,000**	5.000%	690,900	1,995,900
2035	**1,370,000**	5.000%	625,650	1,995,650
2036	**1,440,000**	3.500%	557,150	1,997,150
2037	**1,490,000**	5.000%	506,750	1,996,750
2038	**1,565,000**	5.000%	432,250	1,997,250
2039	**1,645,000**	5.000%	354,000	1,999,000
2040	**1,725,000**	5.000%	271,750	1,996,750
2041	**1,810,000**	5.000%	185,500	1,995,500
2042	**1,900,000**	5.000%	95,000	1,995,000
TOTAL	**25,880,000**		**16,066,350**	**41,946,350**

Redemption Provision:	December 1, 2026 @ 100%
Maturity Dates:	December 1
Interest Payment Dates:	June 1 and December 1

Original Par Amount:	**$24,340,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Certificates of Participation, Series 2015**
Registrar/Paying Agent:	US Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	RBC Capital Markets
Method of Sale:	Competitive
Arbitrage Yield:	3.4643%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	5/28/2025
Arbitrage Liability Calcs:	N/A
Source of Repayment:	General Fund Lease Payments
Bond Covenant:	Annual Appropriation

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	765,000	3.500%	731,725	1,496,725
2023	795,000	3.500%	704,950	1,499,950
2024	820,000	3.500%	677,125	1,497,125
2025	850,000	3.500%	648,425	1,498,425
2026	**880,000**	3.500%	618,675	1,498,675
2027	**910,000**	3.500%	587,875	1,497,875
2028	**940,000**	3.500%	556,025	1,496,025
2029	**975,000**	3.500%	523,125	1,498,125
2030	**1,010,000**	3.500%	489,000	1,499,000
2031	**1,045,000**	3.500%	453,650	1,498,650
2032	**1,080,000**	3.500%	417,075	1,497,075
2033	**1,120,000**	3.625%	379,275	1,499,275
2034	**1,160,000**	3.625%	338,675	1,498,675
2035	**1,200,000**	3.750%	296,625	1,496,625
2036	**1,245,000**	3.750%	251,625	1,496,625
2037	**1,290,000**	3.750%	204,938	1,494,938
2038	**1,340,000**	3.750%	156,563	1,496,563
2039	**1,390,000**	3.750%	106,313	1,496,313
2040	**1,445,000**	3.750%	54,188	1,499,188
TOTAL	**20,260,000**		**8,195,850**	**28,455,850**

Redemption Provision:	December 1, 2025 @ 100%
Maturity Dates:	December 1
Interest Payment Dates:	June 1 and December 1

Original Par Amount:	**$21,775,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Certificates of Participation, Series 2014**
Registrar/Paying Agent:	US Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Stifel
Method of Sale:	Negotiated
Arbitrage Yield:	2.0175%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	12/30/2024
Arbitrage Liability Calcs:	N/A
Source of Repayment:	General Fund Lease Payments
Bond Covenant:	Annual Appropriation

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	2,540,000	5.000%	400,250	2,940,250
2023	2,665,000	5.000%	273,250	2,938,250
2024	2,800,000	5.000%	140,000	2,940,000
TOTAL	**8,005,000**		**813,500**	**8,818,500**

Redemption Provision:	Non-Callable
Maturity Dates:	December 1
Interest Payment Dates:	June 1 and December 1

NEW ISSUE **RATING: S&P Global Ratings: "AA"**
BOOK-ENTRY-ONLY **(See "RATING")**

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, the portion of the Base Rentals paid by the City with respect to the Series 2020 Certificates which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2020 Certificates, is excludable from gross income for federal and State of Colorado income tax purposes, is not a specific preference item for purposes of the federal alternative minimum tax and is excludable from the computation of State of Colorado alternative minimum taxable income. For a more detailed description of such opinions of Bond Counsel, see "TAX MATTERS" herein.

$33,770,000
Certificates of Participation, Series 2020
Evidencing Proportionate Undivided Interests in the Right to Receive Certain Revenues pursuant to a Lease Purchase Agreement between Aurora Capital Leasing Corporation and the City of Aurora, Colorado

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

The Certificates of Participation, Series 2020 (the "Series 2020 Certificates") will be issued in book-entry-only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), depository for the Series 2020 Certificates. Individual purchases are to be made in book-entry form in authorized denominations of $5,000 or integral multiples thereof. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2020 Certificates. Interest on the Series 2020 Certificates is payable June 1, 2021 and semiannually thereafter each June 1 and December 1 to and including the maturity dates shown below, unless the Series 2020 Certificates are redeemed earlier.

Year	Amount	Rate	Yield	CUSIP© [1]	Year	Amount	Rate	Yield	CUSIP© [1]
2021	$ 740,000	4.00%	0.27%	051556 KL1	2031	$1,245,000	4.00%	1.51%[2]	051556 KW7
2022	875,000	4.00	0.33	051556 KM9	2032	1,295,000	4.00	1.62[2]	051556 KX5
2023	910,000	4.00	0.39	051556 KN7	2033	1,345,000	4.00	1.74[2]	051556 KY3
2024	945,000	4.00	0.46	051556 KP2	2034	1,400,000	3.00	2.05[2]	051556 KZ0
2025	985,000	4.00	0.59	051556 KQ0	2035	1,445,000	3.00	2.10[2]	051556 LA4
2026	1,025,000	4.00	0.73	051556 KR8	2036	1,485,000	3.00	2.15[2]	051556 LB2
2027	1,065,000	4.00	0.92	051556 KS6	2037	1,530,000	3.00	2.19[2]	051556 LC0
2028	1,105,000	4.00	1.09	051556 KT4	2038	1,575,000	3.00	2.23[2]	051556 LD8
2029	1,150,000	4.00	1.26	051556 KU1	2039	1,625,000	3.00	2.27[2]	051556 LE6
2030	1,195,000	4.00	1.38	051556 KV9	2040	1,675,000	3.00	2.31[2]	051556 LF3

$9,155,000 3.00% Term Certificates due December 1, 2045 – Yield: 2.53%[2] CUSIP© Number: 051556 LG1[1]

The Series 2020 Certificates are subject to optional redemption prior to maturity and also may be redeemed under certain circumstances as described under the caption "THE SERIES 2020 CERTIFICATES—Redemption."

The Series 2020 Certificates are issued for the purpose of (a) financing the costs of the design and construction of a community recreation center and related infrastructure (the "Project") as described under the caption "USE OF PROCEEDS;" and (b) paying expenses of issuance of the Series 2020 Certificates. Certain assets used in the City's operations (collectively, the "Site Leased Property") are to be leased by the City to the Aurora Capital Leasing Corporation ("ACLC") pursuant to a Site Lease dated as of October 1, 2020 (the "Site Lease"). The Site Leased Property and any improvements to the Site Leased Property, whether existing now or in the future (collectively, the "Leased Property") are to be leased back to the City by ACLC pursuant to a Lease Purchase Agreement dated as of October 1, 2020 (the "Lease"). The right, title and interest of ACLC in the revenues to be derived under the Lease has been assigned to UMB Bank, n.a., as Trustee (the "Trustee") pursuant to a Mortgage and Indenture of Trust dated as of October 1, 2020 (the "Indenture") between ACLC and the Trustee. Neither the Lease nor any Series 2020 Certificate constitutes a general obligation or other indebtedness of the City. *Neither the Lease nor any Series 2020 Certificate constitutes a multiple fiscal-year direct or indirect debt or other financial obligation of the City or obligates the City to make any payment beyond those appropriated for any fiscal year in which the Lease is in effect. The Lease is subject to annual renewal by the City.*

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

The Series 2020 Certificates are offered when, as and if issued by the City and accepted by the Underwriter named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney and for the Underwriter by Butler Snow LLP. Hilltop Securities Inc. has acted as financial advisor to the City in connection with the Series 2020 Certificates. Delivery of the Series 2020 Certificates through DTC in New York, New York, is expected on or about October 28, 2020.

RBC Capital Markets

The date of this Official Statement is October 15, 2020.

[1] The City assumes no responsibility for the accuracy of the CUSIP numbers, which are included solely for the convenience of owners of the Series 2020 Certificates.
[2] Priced to yield to the earliest date on which the Certificates may be optionally redeemed at par on December 1, 2030.

NEW ISSUE **RATINGS: S&P: "AA"**
BOOK-ENTRY-ONLY **Moody's: "Aa1"**
(See "RATINGS")

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the City with certain covenants, the portion of the Base Rentals paid by the City with respect to the Series 2019 Certificates which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2019 Certificates, is excludable from gross income for federal and State of Colorado income tax purposes, is not a specific preference item for purposes of the federal alternative minimum tax and is excludable from the computation of State of Colorado alternative minimum taxable income. For a more detailed description of such opinions of Bond Counsel, see "TAX MATTERS" herein.

$62,935,000
Refunding and Improvement
Certificates of Participation, Series 2019
Evidencing Proportionate Undivided Interests in the Right to Receive Certain
Revenues pursuant to a Lease Purchase Agreement between
Aurora Capital Leasing Corporation and the
City of Aurora, Colorado

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

The Refunding and Improvement Certificates of Participation, Series 2019 (the "Series 2019 Certificates") will be issued in book-entry-only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), depository for the Series 2019 Certificates. Individual purchases are to be made in book-entry form in authorized denominations of $5,000 or integral multiples thereof. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2019 Certificates. Interest on the Series 2019 Certificates is payable June 1, 2020 and semiannually thereafter each June 1 and December 1 to and including the maturity dates shown below, unless the Series 2019 Certificates are redeemed earlier.

Year	Amount	Rate	Yield	CUSIP [1, ©]	Year	Amount	Rate	Yield	CUSIP [1, ©]
2020	$3,760,000	5.000%	1.21%	051556 JX7	2026	$5,295,000	5.000%	1.48%	051556 KD9
2021	4,220,000	5.000	1.23	051556 JY5	2027	5,560,000	5.000	1.56	051556 KE7
2022	4,430,000	5.000	1.26	051556 JZ2	2028	5,840,000	5.000	1.65	051556 KF4
2023	2,000,000	5.000	1.30	051556 KA5	2029	6,130,000	5.000	1.73	051556 KG2
2023	2,650,000	2.000	1.30	051556 KK3	2030	6,440,000	5.000	1.80 [2]	051556 KH0
2024	4,805,000	5.000	1.32	051556 KB3	2031	6,760,000	5.000	1.84 [2]	051556 KJ6
2025	5,045,000	5.000	1.40	051556 KC1					

The Series 2019 Certificates are subject to optional redemption prior to maturity and also may be redeemed under certain circumstances as described under the caption "THE SERIES 2019 CERTIFICATES—Redemption."

The Series 2019 Certificates are issued for the purpose of (a) refinancing the outstanding Refunding Certificates of Participation, Series 2009A, (b) financing the construction of various capital improvements to the City's Municipal Center campus, as described under the caption "USE OF PROCEEDS" and (c) paying expenses of issuance of the Series 2019 Certificates. Certain assets used in the City's operations (collectively, the "Site Leased Property") are to be leased by the City to the Aurora Capital Leasing Corporation ("ACLC") pursuant to a Site Lease dated as of October 15, 2019 (the "Site Lease"). The Site Leased Property and any improvements to the Site Leased Property, whether existing now or in the future (collectively, the "Leased Property") are to be leased back to the City by ACLC pursuant to a Lease Purchase Agreement dated as of October 15, 2019 (the "Lease"). The right, title and interest of ACLC in the revenues to be derived under the Lease has been assigned to UMB Bank, n.a., as Trustee (the "Trustee") pursuant to a Mortgage and Indenture of Trust dated as of October 15, 2019 (the "Indenture") between ACLC and the Trustee. Neither the Lease nor any Series 2019 Certificate constitutes a general obligation or other indebtedness of the City. *Neither the Lease nor any Series 2019 Certificate constitutes a multiple fiscal-year direct or indirect debt or other financial obligation of the City or obligates the City to make any payment beyond those appropriated for any fiscal year in which the Lease is in effect. The Lease is subject to annual renewal by the City.*

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

The Series 2019 Certificates are offered when, as and if issued by the City and accepted by the Underwriters named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney and for the Underwriters by Stradling Yocca Carlson & Rauth, P.C. Hilltop Securities Inc. has acted as financial advisor to the City in connection with the Series 2019 Certificates. Delivery of the Series 2019 Certificates through DTC in New York, New York, is expected on or about October 29, 2019.

Stifel KeyBanc Capital Markets

The date of this Official Statement is October 16, 2019

[1] The City assumes no responsibility for the accuracy of the CUSIP numbers, which are included solely for the convenience of owners of the Series 2019 Certificates.
[2] Priced to yield to the earliest call date on which the Series 2019 Certificates may be optionally redeemed at par on December 1, 2029.

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

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

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

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

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

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

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

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

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

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

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

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

Janney Montgomery Scott LLC

The date of this Official Statement is August 1, 2017

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

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

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

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

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

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

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

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

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

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

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

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

STIFEL

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

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

NEW ISSUE—BOOK-ENTRY-ONLY **RATINGS: Moody's: "Aa2"**
Fitch: "AA-"
(See "RATINGS")

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

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

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

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

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

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

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

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

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

RBC Capital Markets

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

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

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

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

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

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

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

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

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

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

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

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

STIFEL

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

RatingsDirect®

Summary:

Aurora, Colorado; Appropriations

Primary Credit Analyst:
Michael Parker, Centennial + 1 (303) 721 4701; michael.parker@spglobal.com

Secondary Contact:
Savannah Gilmore, Centennial (1) 303-721-4656; savannah.gilmore@spglobal.com

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Summary:

Aurora, Colorado; Appropriations

Credit Profile		
US$31.195 mil certs of part ser 2020 due 12/01/2045		
Long Term Rating	AA/Stable	New
Aurora APPROP		
Long Term Rating	AA/Stable	Affirmed

Rating Action

S&P Global Ratings assigned its 'AA' long-term rating to Aurora, Colo.'s series 2020 (estimated par amount: $31.2 million) certificates of participation (COPs). At the same time, S&P Global Ratings affirmed its 'AA' long-term rating on the city's appropriation debt outstanding. The outlook is stable.

The city's series 2020 and existing appropriation obligations represent an interest in lease payments the city makes, as lessee, for the use of city facilities. Payments related to the series 2020 obligations will be for the use and possession of a recreation center that is under construction. Our rating is set one notch below our view of the city's creditworthiness, as obligor, to account for appropriation risk, but we do not consider construction risk material because lease payments are not subject to the project's completion. Lease payments are subject to annual appropriation, and the city does not have the right or obligation to abate lease payments in the event of nonuse of the facilities. Payments are not subject to set-off or counterclaim, and the city is responsible for maintenance, taxes, and utilities. Proceeds from the series 2020 COPs will be used to finance the construction of the new recreation center in the southeast portion of the city.

Credit overview

Despite the national recession brought about through the pandemic, the continued economic development and a strong financial position bolster Aurora's credit stability. The rating reflects the city's large and continually growing tax base in the Denver-Aurora-Lakewood metropolitan statistical area (MSA), as property wealth continues to increase through additional development and valuation increases. Citywide actual property values (market value) have grown an aggregate 117% since 2014. As a result of the growth in recent years, the city has benefitted from strong increases in sales taxes, which are the largest source of general fund revenue. Even with reduced economic activity related to the pandemic-related stay-at-home and social distancing directives, year-to-date sales tax collections in 2020 are up about 3% for the city. City officials made midyear budget adjustments to reflect uncertainty surrounding the pandemic, and in our view, the city currently has the budget flexibility to handle the near-term economic downturn impacts to revenue.

The city's operations have remained strong dating back several years, and general fund reserves have been maintained at a very strong level. Adding to the city's credit strength are management's very strong financial policies, including a broader managerial philosophy of conservative revenue projections even through previous years of economic growth. These budget practices support our belief that the city is in a strong position financially, and overall available reserves should remain near current levels in the near term. Finally, the outlook reflects our view of the city's manageable and relatively low overall debt profile.

For more information on the coronavirus' effect in U.S. public finance, please see our reports titled "The U.S. Faces A Longer And Slower Climb From The Bottom" published June 25, 2020, and "U.S. Real-Time Economic Data Suggests Hopeful Signs Of A Recovery Could Be Short-Lived" published July 16, 2020, on RatingsDirect.

The rating further reflects our opinion of the city's:

- Strong economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Very strong management, with strong financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Adequate budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2019;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2019 of 37% of operating expenditures;
- Very strong liquidity, with total government available cash at 30.1% of total governmental fund expenditures and 7.6x governmental debt service, and access to external liquidity we consider strong;
- Very strong debt and contingent liability profile, with debt service carrying charges at 4.0% of expenditures and net direct debt that is 46.9% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value; and
- Strong institutional framework score.

Environmental, social, and governance (ESG) factors

Our ratings consider the ESG risks relative to Aurora's economic indicators, financial position, and debt levels. The ratings incorporate our view regarding the health and safety risks posed by the pandemic. Overall, we consider the city's ESG risks to be in line with our view of the sector standard.

Stable Outlook

Downside scenario

If the city is unable to achieve operational balance for multiple years, resulting in a decline in overall reserves, we could lower the rating.

Upside scenario

If the city's key economic indicators continue to improve to levels comparable with those of higher-rated peers, and it is able to maintain a strong financial and debt profile through this period of economic uncertainty, we could raise the rating.

Credit Opinion

Strong economy

We consider Aurora's economy strong. The city serves a 160-square-mile area spanning the eastern area of the Denver metropolitan region and is just south of the Denver International Airport. With an estimated population of 381,000, Aurora is located in Adams, Arapahoe, and Douglas counties within the Denver-Aurora-Lakewood MSA, which we consider broad and diverse. The city has a projected per capita effective buying income of 93% of the national level and per capita market value of $130,000. The city's actual property value grew by 22.8% over the past year to $49.4 billion. The average unemployment rate of the counties was 2.7% in 2019, but the unemployment rate of the counties has increased in recent months, largely associated with the COVID-19 pandemic. The unemployment rate from April to June for Douglas, Adams, and Arapahoe counties averaged 9.0%, 11.7%, and 11.6%, respectively.

The city's market value fluctuated before and after the Great Recession, with the largest single-year decline being 10% (2010 collection year), but has grown at an average annual rate of 12.8% since 2014. The majority of the increases occurred in revaluation years, with assessed value (AV) rising by 21.3%, 17.9%, and 21.5% in fiscals 2016, 2018, and 2020, respectively. In addition to the revaluation of property, several large-scale residential, commercial, and industrial projects have come online in recent years. Although their facilities generally do not include taxable property, we believe that the city's economy benefits from the anchoring effect of the University of Colorado Anschutz Medical Campus (21,000 employees consisting of the university operations and those of other entities) and Buckley Air Force Base (approximately 12,000 airmen and staff). We understand that both facilities generate demand for ancillary services across the city. Moreover, the Rocky Mountain Regional Veterans Administration Medical Center opened in August 2018, and has already contributed to significant employment growth in its first two years of operation. Despite the recession, officials anticipate stable AV growth in the near term, given the continued development occurring throughout the city. Although preliminary 2021 AV is not currently available, management expects to see another year of good growth.

The city's property tax base is very diverse, in our view, with the 10 leading property taxpayers accounting for roughly 7.6% of total AV in 2020. Other major developments that have come online in recent years include a 1 million-square-foot Amazon.com distribution center, the Gaylord Rockies Resort and Convention Center complex including 485,000 square feet of meeting and exhibition space and an over 1,500-room hotel, and a new, 10.5-mile Regional Transportation District (RTD) light rail line with 10 stops in the city. The city has secured long-term water supply and conveyance and is positioned well to absorb regional housing, commercial, and industrial demand, with a large footprint of developable land and what management reports are significant infill opportunities. The city has significant transportation infrastructure in place to facilitate access to regional employment centers, including multiple interstate highways and RTD light rail and bus routes.

Very strong management

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

Our assessment of the city's policies and practices reflects its:

- Analytic approach to revenue and cost trends, along with external economic forecasting sources, to build budget assumptions, which are transparently outlined in a comprehensive budget document;

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

Adequate budgetary performance

Aurora's budgetary performance is adequate, in our opinion. The city had operating surpluses of 3.1% of expenditures in the general fund and of 3.1% across all governmental funds in fiscal 2019. General fund operating results of the city have been stable over the last three years, with a result of 3.8% in 2018 and a result of 2.6% in 2017.

Our calculation of the city's financial performance includes adjustments to treat recurring transfers in and out of the general fund as revenue and expenditures, respectively. The city's general fund performances have been strong in recent years, demonstrated by an operating surplus or essentially balanced operations (after net transfers) in every year within the last decade. Management attributes the positive general fund performances in recent years to conservative and comprehensive budgeting, along with robust sales tax revenue growth and cumulative sales and use tax receipt increases of 38% since 2014.

Overall general fund revenue growth followed a similar trend during that time, increasing an aggregate 32% in that five-year span. Sales and use taxes account for the majority of general fund revenue, at roughly 67% in fiscal 2019, followed by property taxes (10%) and charges for services (5%). We note that the city's sales and use tax revenues, along with city fees, have been "de-bruced" for several years, meaning that all revenue and spending restrictions under the Taxpayer Bill of Rights (TABOR) in Colorado are effectively removed; property tax collections are still subject to TABOR revenue limitations.

The city's general fund expenditures have increased approximately 5.4% a year since 2014, and according to management, the increases are largely associated with hiring additional police and fire department staff to handle the large amount of growth occurring within the city, including several new fire stations that have come online in the last four years. In addition, the city has increased employee compensation in recent years as part of an effort to maintain competitiveness in the employment market.

Despite the budgetary impacts related to the COVID-19 pandemic, the city currently anticipates ending fiscal 2020 with a surplus in the general fund, and ultimately adding to available reserves to help offset future budget reductions in fiscal 2021. City officials made midyear budget reductions in 2020 to account for expected revenue declines, such as implementing furlough days, freezing vacant positions, and delaying certain capital projects. However, sales and use tax collections rebounded strongly following the state's stay-at-home order being lifted, which prevented officials from needing to undertake additional expenditure reductions. Year-to-date sales tax collections in 2020 are up about 3% for the city, and only 0.1% less than original budget projections. In our view, Aurora has the ability to create additional expenditure reductions should revenue begin to decline in the second half of the year.

To close the projected budget gap of $33 million in fiscal 2021, the city has identified an additional $22 million in expenditure reductions. For the remaining $11 million deficit, the city intends to utilize Coronavirus Aid, Relief, and Economic Security (CARES) Act funds, and will use a portion of surplus reserves built up over the last several years. While the city expects the expenditure cuts and use of reserves to be enough to address the projected shortfall in fiscal 2021, we note that a prolonged economic recovery could result in the need for further spending cuts or the further use of reserves, which would weaken the city's financial position, in our view. Officials indicated that the city would undertake additional expenditure reductions in the coming months if sales tax collections fall short of projections.

Very strong budgetary flexibility

Aurora's budgetary flexibility is very strong, in our view, with an available fund balance in fiscal 2019 of 37% of operating expenditures, or $112.6 million. We expect the available fund balance to remain above 30% of expenditures for the current and next fiscal years, which we view as a positive credit factor.

Our calculation of available fund balance combines assigned, unassigned, and portions of the city's committed portions of the general fund balance. The city's financial flexibility inclusive of our adjustments has been very stable in recent years, ranging from 33% to 37% of expenditures in 2016 to 2019. While the city is currently projecting a slight drawdown of reserves in fiscal 2021, management anticipates sustaining its fund balance position well above its minimum reserve policy.

Very strong liquidity

In our opinion, Aurora's liquidity is very strong, with total government available cash at 30.1% of total governmental fund expenditures and 7.6x governmental debt service in 2019. In our view, the city has strong access to external liquidity if necessary.

Our calculation of the city's liquidity consists of the city's legally available primary government cash and cash equivalents, as well as our estimate of its U.S. Treasuries and U.S. Agencies maturing in one year or less (pooled for both unrestricted and restricted uses). As of June 2019, the city's largest investments, including those restricted as to use, were U.S. Agency notes (24% of the portfolio), followed by municipal bonds (17%) and treasuries (16%). Our view of access to external liquidity reflects the city's issuance of multiple debt types over the past 20 years. According to fiscal 2020 estimates, the city held about $97.7 million in readily available cash and cash equivalents.

Very strong debt and contingent liability profile

In our view, Aurora's debt and contingent liability profile is very strong. Total governmental fund debt service is 4.0% of total governmental fund expenditures, and net direct debt is 46.9% of total governmental fund revenue. Overall net debt is low at 1.7% of market value, which is in our view a positive credit factor.

We consider amortization slower than average, with officials planning to retire approximately 43% of principal for all debt during the next 10 years. Our view of the city's debt profile has strengthened in recent years as a result of several bond redemptions and refunding obligations, in addition to strong revenue growth having a positive impact on our net direct debt against total governmental fund revenue calculations. Management reports that the city has no official plans to issue general obligation debt or COPs in the next 12 to 18 months.

The city has been an active user of alternative financing in recent years, and management reports that the city uses a request-for-proposal process that lays out the city's proposed terms and conditions, which helps it to avoid considering transactions that include onerous contingent liquidity provisions. We have reviewed the terms and conditions and have not identified any provisions that present contingent liquidity concerns that we find can be associated with alternative financing, such as acceleration provisions, although we consider events of default for many of the city's alternative financing obligations to be nonremote.

Aurora's combined required pension and actual other postemployment benefit (OPEB) contributions totaled 3.8% of total governmental fund expenditures in 2019. The city made 100% of its annual required pension contribution in 2019.

We do not view pension and OPEB liabilities as an immediate source of credit pressure for Aurora, despite an above average discount rate used for pension liabilities which could add to contribution volatility in the long run. The city's required pension contribution is its actuarially determined contribution. The city offers a total of nine pension plans for employees and elected officials, including six defined benefit plans and three defined contribution plans. Of the six defined benefit plans, two are single employer, two agent multiple-employer defined benefit plans, and two are cost-sharing multiple employer. The city's OPEB liability is associated with an implicit subsidy consisting of the ability for retirees to participate in the city's health benefit plans after 19.5 years of service for public safety employees and 10 years for most other employees at age 50 or greater.

The city's four largest defined benefit plans by liability include the following:

- The General Employees' Retirement Plan: $51.5 million in net pension liability, and 90% funded;
- Police Pension Plan: $47.9 million in net pension liability, and 65% funded;
- Fire Pension Plan: $34.7 million in net pension liability, and 67% funded; and
- Fire Statewide Defined Benefit Pension Plan: $5.4 million in net pension liability, and 95% funded.

The OPEB unfunded actuarial accrued liability stood at $18.7 million at the end of 2019, and the city takes a pay-as-you-go approach that, for 2019, resulted in a contribution that was slightly lower than the actuarially calculated annual required contribution.

Strong institutional framework

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

Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020
- 2019 Update Of Institutional Framework For U.S. Local Governments

Ratings Detail (As Of September 1, 2020)		
Aurora certs of part		
Long Term Rating	AA/Stable	Affirmed
Aurora certs of part ser 2017B due 12/01/2037		
Long Term Rating	AA/Stable	Affirmed
Aurora rfdg and imp certs of part		
Long Term Rating	AA/Stable	Affirmed

MOODY'S
INVESTORS SERVICE

CREDIT OPINION
2 October 2019

Rate this Research

Contacts

Grayson Nichols +1.214.979.6851
VP-Senior Analyst
grayson.nichols@moodys.com

Gera M. McGuire +1.214.979.6850
VP-Sr Credit Officer/Manager
gera.mcguire@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
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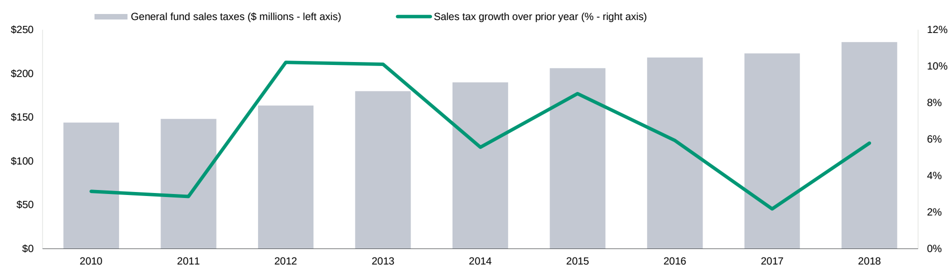
Aurora (City of) CO

Update following upgrade to Aaa

Summary

Aurora, CO's (Aaa stable) strong credit profile benefits from its large, growing and diverse economy with a favorable location in the Denver metropolitan area. The credit profile also benefits from a minimal debt burden and modest unfunded pension liabilities, which leads to a very manageable fixed cost burden. The profile also benefits from strong financial management and the maintenance of healthy operating reserves. The strong credit attributes are weighed against the city's wealth and income indices that trend below that of the nation as well as its heavy reliance on economically sensitive sales tax revenues.

Exhibit 1
Strong sales tax growth indicative of city's vibrant and expanding economy



Source: Aurora, CO's CAFRs

On October 2, 2019, Moody's upgraded the city's issuer rating to Aaa from Aa1 and its outstanding essential lease appropriation debt to Aa1 from Aa2.

Credit strengths

» Large tax base and strong economy that participates in vibrant Denver metropolitan area

» Strong financial management with history of adherence to policies

» Low debt burden with affordable fixed costs

Credit challenges

» Reliance on economically sensitive sales and use tax revenues

» Average wealth and income profile below similarly rated local governments

Rating outlook

The stable outlook reflects Moody's expectation that the city's economy will continue to remain strong as it participates in the vibrant and expanding Denver metropolitan area. The outlook also reflects Moody's anticipation that management will continue to adhere to policies and maintain healthy financial operations and reserve levels.

Factors that could lead to an upgrade

» Not applicable

Factors that could lead to a downgrade

» Sustained economic contractions measured by material declines in taxable values or sales taxes

» Trend of operating deficits that decrease general fund reserves

» Substantial increases in the city's debt burden and fixed costs

Key indicators

Exhibit 2

Aurora (City of) CO	2014	2015	2016	2017	2018
Economy/Tax Base					
Total Full Value ($000)	$22,472,969	$22,695,478	$29,529,555	$29,818,794	$38,919,638
Population	339,480	345,867	351,131	357,323	374,154
Full Value Per Capita	$66,198	$65,619	$84,098	$83,451	$104,020
Median Family Income (% of US Median)	92.2%	92.7%	93.9%	94.3%	94.3%
Finances					
Operating Revenue ($000)	$288,658	$310,269	$329,353	$338,653	$357,308
Fund Balance ($000)	$89,239	$93,457	$101,970	$108,933	$117,778
Cash Balance ($000)	$79,067	$79,629	$60,359	$69,280	$78,594
Fund Balance as a % of Revenues	30.9%	30.1%	31.0%	32.2%	33.0%
Cash Balance as a % of Revenues	27.4%	25.7%	18.3%	20.5%	22.0%
Debt/Pensions					
Net Direct Debt ($000)	$126,759	$168,652	$176,337	$230,837	$241,065
3-Year Average of Moody's ANPL ($000)	$369,523	$388,712	$407,746	$448,873	$473,356
Net Direct Debt / Full Value (%)	0.6%	0.7%	0.6%	0.8%	0.6%
Net Direct Debt / Operating Revenues (x)	0.4x	0.5x	0.5x	0.7x	0.7x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	1.6%	1.7%	1.4%	1.5%	1.2%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	1.3x	1.3x	1.2x	1.3x	1.3x

Operating funds include the General and ACLC Debt Service funds
Source: Aurora, CO's CAFRs; Moody's Investors Service; US Census

Profile

Aurora is located on the front range of the Rocky Mountains in the north-central part of the State of Colorado (Aa1 stable). The city participates in the Denver metropolitan area, which serves as the retail, financial, transportation and distribution center of the Rocky Mountain region. The city encompasses roughly 160 square miles and has an estimated population of 374,154 as of December 31, 2018.

Detailed credit considerations

Economy and tax base: large tax base within Denver metro area

The city's economy and tax base will remain strong over the near term. Given its location along the eastern edge of the City and County of Denver (Aaa stable) and close proximity to Denver International Airport (A1 stable), the city benefits from the economic strength of the vibrant Denver metropolitan statistical area, which continues to experience economic expansion and boasts a highly educated workforce. Along with the greater Denver area, Aurora was only modestly affected by the great recession compared to other large cities, and has now been in a long period of expansion based on growth in healthcare, housing, and other commercial activities.

Aurora's large tax base did decline by roughly 10% following the great recession and remained fairly stagnant through fiscal 2015 given lingering effects, but significant economic growth and activity commenced in fiscal 2014 and was realized in the city's fiscal 2016 full property tax valuation. Moody's notes that the assessment figures lag real market activity by approximately two years. Appreciation of existing property as well as a large number of new commercial and residential developments generated very strong full value growth in the fiscal 2016 and 2018 reevaluation cycles of roughly 30% each to reach a very large $38.9 billion full valuation. Full value for 2019, which was not a reassessment year, shows growth of about 3.4% to roughly $40.2 billion, reflective primarily of new residential construction. Given the lag in assessments and ongoing expansion, the preliminary fiscal 2020 reevaluation is expected to result in another strong 23% growth to roughly $49.4 billion.

Aurora's economic base is expected to continue to benefit from the ongoing development at and around the former Fitzsimons Army Medical Center (now Anschutz Medical Center), which currently houses the University of Colorado Health and Science Center, the University of Colorado Hospital, the Children's Hospital, and a recently opened regional Veterans Administration hospital. The medical campus currently employs 21,000 individuals and is projected to reach over 42,000 by build out. Buckley Air Force Base remains a significant institutional presence and the city's largest single employer with approximately 12,000 employees. Ample developable land, proximity to the airport and other mass transit systems, and new affordable housing opportunities has positioned Aurora favorably to continue to experience growth in the coming years.

The city's population continues to grow, with current estimates of roughly 375,000 people, representing a 15% increase since the 2010 census. The city's resident income levels are slightly below average as measured by median family income at 82.8% of Colorado and 94.3% of the US. Unemployment for the city is very low at just 3.1% as of July 2019, according to data from the Bureau of Labor Statistics.

Financial operations and reserves: healthy reserves levels; heavy reliance on economically sensitive revenues

Aurora's sound fiscal management is expected to continue with support from growing revenues like sales taxes, charges for services and property taxes. Management maintains a reserve target of an unassigned General Fund balance equal to 10% of budgetary operating expenditures. The city also maintains an additional 1-3% General Fund operating reserve as well as the 3% Taxpayer Bill of Rights (TABOR) reserve required by state law. Given favorable operating performance in recent years and strong growth in sales taxes, reserve levels exceed these targets and have afforded additional operating flexibility. At the same time, economically sensitive sales and use taxes make up roughly two-thirds of general fund revenues, which exposes the city to budgetary pressures during economic recessions. Sales taxes declined by roughly 8% following the last recession, but have experienced significant growth since and have averaged 7.5% annually over the last five years.

Indicative of conservative budgeting and growing revenue streams, Aurora has posted 8 general fund surpluses over the last 9 years (fiscal 2010 to 2018), which added roughly $62.6 million to the city's available general fund balance. Audited fiscal 2018 results indicated a favorable $10.9 million operating surplus, which increased the available general fund balance to $109.3 million, or a solid 30.4% of revenues. When including the city's debt service fund, total available reserves were healthy at $117.8 million, or 33% of total revenues. Moody's notes that these levels of reserves far exceed policy levels and give ample cushion for potential declines in sales taxes caused by economic recession.

Management adopted a balanced budget for fiscal 2019, but plans to use roughly $10 million in reserves for one-time capital projects. Officials report that the planned uses of reserves could potentially be less than anticipated given solid budgetary performance year-to-date, including a 8% increase in sales taxes over the prior year. If the draw is fully realized, available reserves are anticipated to remain well above policy levels and still provide ample cushion for potential declines in sales taxes caused by economic recession in the future.

LIQUIDITY

Liquidity maintained in the city's general fund was $70.1 million as of fiscal year end 2018 (a satisfactory 19.5% of revenues). Inclusive of the city's debt service fund, the total operating funds liquidity of $78.6 million equated to an adequate 22% of operating revenues.

Debt and pensions: low debt and modest pension liabilities equates to affordable fixed cost burden

The city's debt burden is expected to remain low given the lack of major debt issuance plans as well as the growing full property tax valuation and operating revenues. Following the Series 2019 issuance, the city will have $149.7 million in outstanding certificates of participation (COP) and $42.7 million in capital leases, equating to a low 0.5% of the fiscal 2019 full valuation and only 0.54 times operating revenues. There are no current major debt issuance plans as the city continues to augment capital spending with annual general fund revenues that are transferred to the city's capital projects fund. At fiscal year-end 2018, the capital projects fund had roughly $80.5 million in reserves that will be used on future capital outlay.

Annual payments on the certificates of participation of roughly $15.5 million is an affordable lease burden of 4.3% of the city's fiscal 2018 operating fund revenues. When including the capital leases, the $21.5 million annual payment remains modest at 6% of operating revenues. Lease payments are subject to annual appropriation; however, we consider the risk of non-payment for Aurora's leases as remote given strong management, the modest appropriation burden, and essential nature of the leased assets.

DEBT STRUCTURE

Principal amortization on the outstanding leases is average at 60.4% repaid in ten years. All COP debt matures in fiscal 2042.

DEBT-RELATED DERIVATIVES

The city is not party to any derivative agreements.

PENSIONS AND OPEB

Although the city's pension burden exceeds bonded debt, it is expected to remain manageable given adequate annual contributions as well as the city's choices to offer certain employees defined contribution retirement plans. The city participates in 6 defined benefit pension plans of which 2 are closed (the old hire fire and police plans). The largest of the 6 plans in terms of participation is the General Employees' Retirement plan, but the two closed public safety plans carry the largest unfunded liabilities. All current police officers participate in one of the city's defined contribution plans and the city's firefighters participate in a statewide cost sharing defined benefit plan.

The aggregated Moody's adjusted net pension liability (ANPL) for the 6 defined benefit plans totals $489.7 million, or roughly 1.4 times the city's operating revenues, or 1.3% of the city's full valuation. The three year average ANPL to operating revenues has remained fairly consistent at 1.4 times operating revenues.

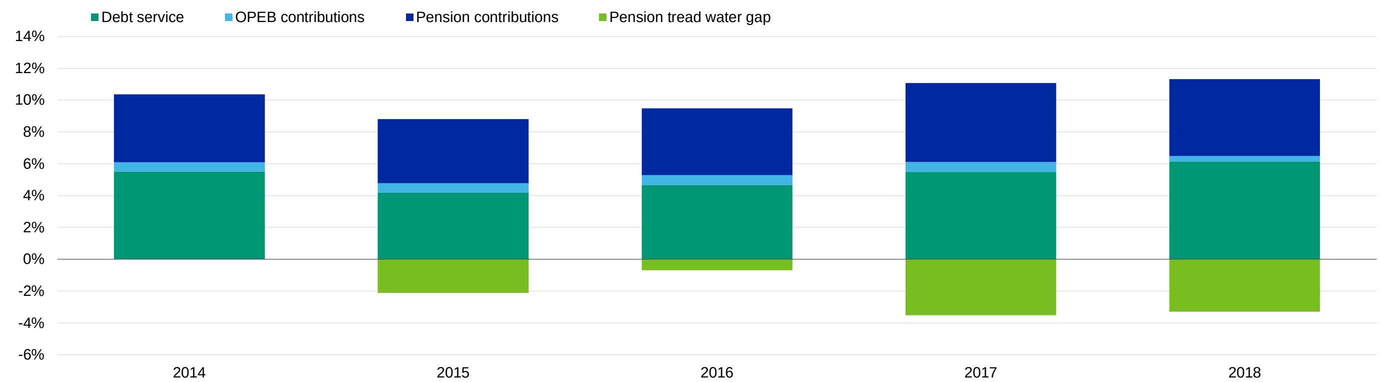
Favorably, annual contributions over the last 4 years into the 6 plans exceed Moody's tread water indicator, which is the amount necessary to keep unfunded liabilities from growing under reported assumptions. In fiscal 2018, the city's annual contributions into the plans of $17.3 million represented 315% of the $5.5 million tread water indicator.

The city does offer other post employment benefits (OPEB) through its group health insurance plan. The Moody's adjusted net OPEB liability is minimal at $15.9 million, or just 4% of operating revenues.

Given the city's low leverage, fixed costs related to debt, OPEB, and pensions remain very affordable and provide the city with operating flexibility (see Exhibit 3). All in fixed costs equated to a very manageable 11% of fiscal 2018 operating revenues, but would fall to just 7.6% when using Moody's tread water indicator instead of the actual pension contributions.

Exhibit 3

Low fixed costs provide the city with ample operating flexibility



Negative tread water gap signals annual pension contributions exceed tread water indicator

Source: Aurora, CO's CAFRs; Moody's Investors Service

Management and governance: strong management team

The city is a home rule city and operates under a council manager form of government. Financial and capital management of the city is conservative and forward looking, evidenced by healthy reserves, detailed financial policies, and continued investment in infrastructure based on long-range planning.

Colorado cities have an Institutional Framework score of "Aa",or strong. Economically sensitive sales taxes, one of the sector's major revenue sources, can be raised incrementally with voter approval, which allows for moderate revenue-raising ability. Unpredictable revenue fluctuations tend to be minor, or under 5% annually. Across the sector, fixed and mandated costs are generally less than 25% of expenditures and are primarily debt service expenditures. Unpredictable expenditure fluctuations tend to be minor, under 5% annually.

Rating methodology and scorecard factors

The US Local Government General Obligation Debt methodology includes a scorecard, a tool providing a composite score of a local government's credit profile based on the weighted factors we consider most important, universal and measurable, as well as possible notching factors dependent on individual credit strengths and weaknesses. Its purpose is not to determine the final rating, but rather to provide a standard platform from which to analyze and compare local government credits.

Exhibit 4

Aurora (City of) CO

Rating Factors	Measure	Score
Economy/Tax Base (30%) [1]		
Tax Base Size: Full Value (in 000s)	$49,400,000	Aaa
Full Value Per Capita	$132,031	Aa
Median Family Income (% of US Median)	94.3%	Aa
Notching Factors:[2]		
Institutional Presence		Up
Finances (30%)		
Fund Balance as a % of Revenues	33.0%	Aaa
5-Year Dollar Change in Fund Balance as % of Revenues	10.4%	Aa
Cash Balance as a % of Revenues	22.0%	Aa
5-Year Dollar Change in Cash Balance as % of Revenues	2.0%	A
Notching Factors:[2]		
Unusually volatile revenue structure		Down
Management (20%)		
Institutional Framework	Aa	Aa
Operating History: 5-Year Average of Operating Revenues / Operating Expenditures	1.0x	A
Debt and Pensions (20%)		
Net Direct Debt / Full Value (%)	0.5%	Aaa
Net Direct Debt / Operating Revenues (x)	0.6x	Aa
3-Year Average of Moody's Adjusted Net Pension Liability / Full Value (%)	1.0%	Aa
3-Year Average of Moody's Adjusted Net Pension Liability / Operating Revenues (x)	1.3x	A
Notching Factors:[2]		
Other Analyst Adjustment to Debt and Pensions Factor (specify): Low fixed costs with pension contributions exceeding tread water indicator		Up
Standardized Adjustments [3]: Unusually strong or weak security features: Secured by statute		Up
	Scorecard-Indicated Outcome	Aaa
	Assigned Rating	Aaa

[1] Economy measures are based on data from the most recent year available.
[2] Notching Factors are specifically defined in the US Local Government General Obligation Debt methodology dated September 27, 2019.
[3] Standardized adjustments are outlined in the GO Methodology Scorecard Inputs Updated for 2019 publication
Source: Aurora, CO's CAFRs; Moody's Investors Service; US Census

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Contacts

Grayson Nichols +1.214.979.6851
VP-Senior Analyst
grayson.nichols@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Aurora, Colorado

New Issue Report

Ratings

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

Rating Outlook

Stable

Related Research

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

Analysts

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

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

New Issue Summary

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

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

Purpose: Design and build a recreation center.

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

Analytical Conclusion

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

Key Rating Drivers

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

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

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

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

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

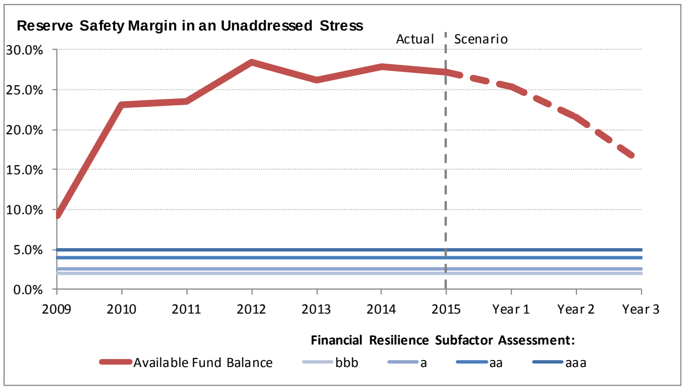
Rating Sensitivities

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

Aurora (CO)

Scenario Analysis

v. 2.0 2017/03/24



Analyst Interpretation of Scenario Results:

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

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

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

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

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

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

Rating History — IDR

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

Rating History — COPs

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

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

Credit Profile

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

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

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

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

Revenue Framework

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

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

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

Expenditure Framework

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

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

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

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

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

Long-Term Liability Burden

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

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

Operating Performance

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

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

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

City of Aurora, Colorado

Tab C: Details of Outstanding ACLC Capital Lease Debt

As of January 1, 2022

City of Aurora, Colorado

All Outstanding ACLC Capital Lease Debt
As of January 1, 2022
(000's)

Year Ending December 31	$8,303,140 Rolling Stock 2021-A		$3,883,279 Rolling Stock 2019-A		$359,677 ACLC Leasing Program 2018B		$65,215 ACLC Leasing Program 2018A		$1,750,000 Rolling Stock 2018-A		$19,000,000 Stephen D. Hogan Parkway 2018	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2022	1,197	1.064%	538	1.768%	47	2.500%	13	2.500%	248	2.880%	2,015	3.050%
2023	1,153	1.064%	548	1.768%	48	2.500%	13	2.500%	255	2.880%	2,076	3.050%
2024	1,165	1.064%	557	1.768%	49	2.500%			263	2.880%	2,139	3.050%
2025	1,178	1.064%	567	1.768%	50	2.500%			226	2.880%	2,205	3.050%
2026	1,190	1.064%	577	1.768%							2,272	3.050%
2027	1,203	1.064%									2,341	3.050%
2028	1,216	1.064%										
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
TOTALS	$8,303		$2,787		$193		$27		$992		$13,048	
Next Call	Non-Callable		Non-Callable		Non-Callable		Non-Callable		Callable Anytime		Callable Anytime	
Dated Date	11/18/2021		12/10/2019		9/17/2018		9/14/2018		8/9/2018		7/17/2018	
Coupon Dates	March 27		March 27		March 1		March 1		March 27		February 1	
Maturity Dates	March 27		March 27		March 1		March 1		March 27		February 1	
Insurer	None		None		None		None		None		None	
Lender	Key Government Finance		JP Morgan		Internal		Internal		ZMFU, Inc. (Vectra Bank)		ZB, N.A.	
Purpose	New Money		New Money		New Money		New Money		New Money		New Money	

Color Legend
Callable — Non-Callable

City of Aurora, Colorado

All Outstanding ACLC Capital Lease Debt
As of January 1, 2022
(000's)

Year Ending December 31	$1,220,000 Rolling Stock 2017-C		$10,095,000 District 2 Police Station (Phase II) 2017-A		$8,643,000 Moorhead Recreation Center 2016-B		$2,060,597 Rolling Stock 2016-A		$3,182,736 Rolling Stock 2015-B		$1,383,000 History Museum Expansion 2014-B	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2022	175	1.980%	620	2.650%	1,235	1.250%	301	1.460%	475	1.676%	147	2.560%
2023	179	1.980%	635	2.650%	1,235	1.250%	305	1.460%			151	2.560%
2024	183	1.980%	655	2.650%							155	2.560%
2025			670	2.650%								
2026			690	2.650%								
2027			705	2.650%								
2028			725	2.650%								
2029			745	2.650%								
2030			765	2.650%								
2031			785	2.650%								
2032			810	2.650%								
2033												
2034												
2035												
2036												
TOTALS	$537		$7,805		$2,469		$606		$475		$453	
Next Call	Non-Callable		6/7/2022 @ Par		Non-Callable		Non-Callable		Non-Callable		Non-Callable	
Dated Date	11/8/2017		6/8/2017		8/4/2016		9/22/2016		8/19/2015		12/4/2014	
Coupon Dates	March 27		February 1	August 1	February 1		March 27		March 27		June 1	December 1
Maturity Dates	March 27		February 1	August 1	February 1		March 27		March 27		June 1	December 1
Insurer	None		None		None		None		None		None	
Lender	Key Government Finance		Key Government Finance		Key Government Finance		Key Government Finance		JPMorgan Chase		Colorado State Bank & Trust	
Purpose	New Money		New Money		New Money		New Money		New Money		New Money	

Color Legend

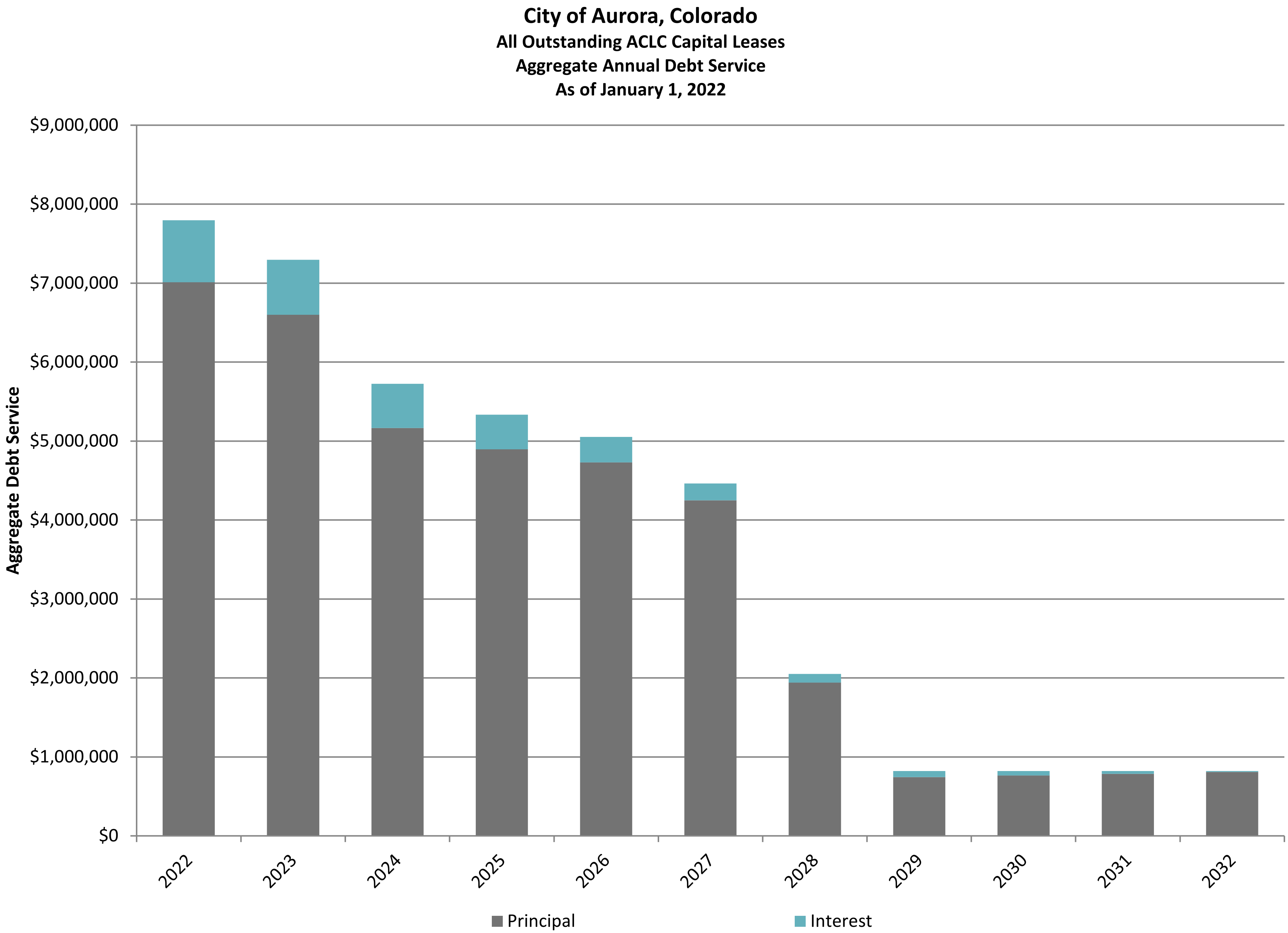
Callable | Non-Callable

City of Aurora, Colorado

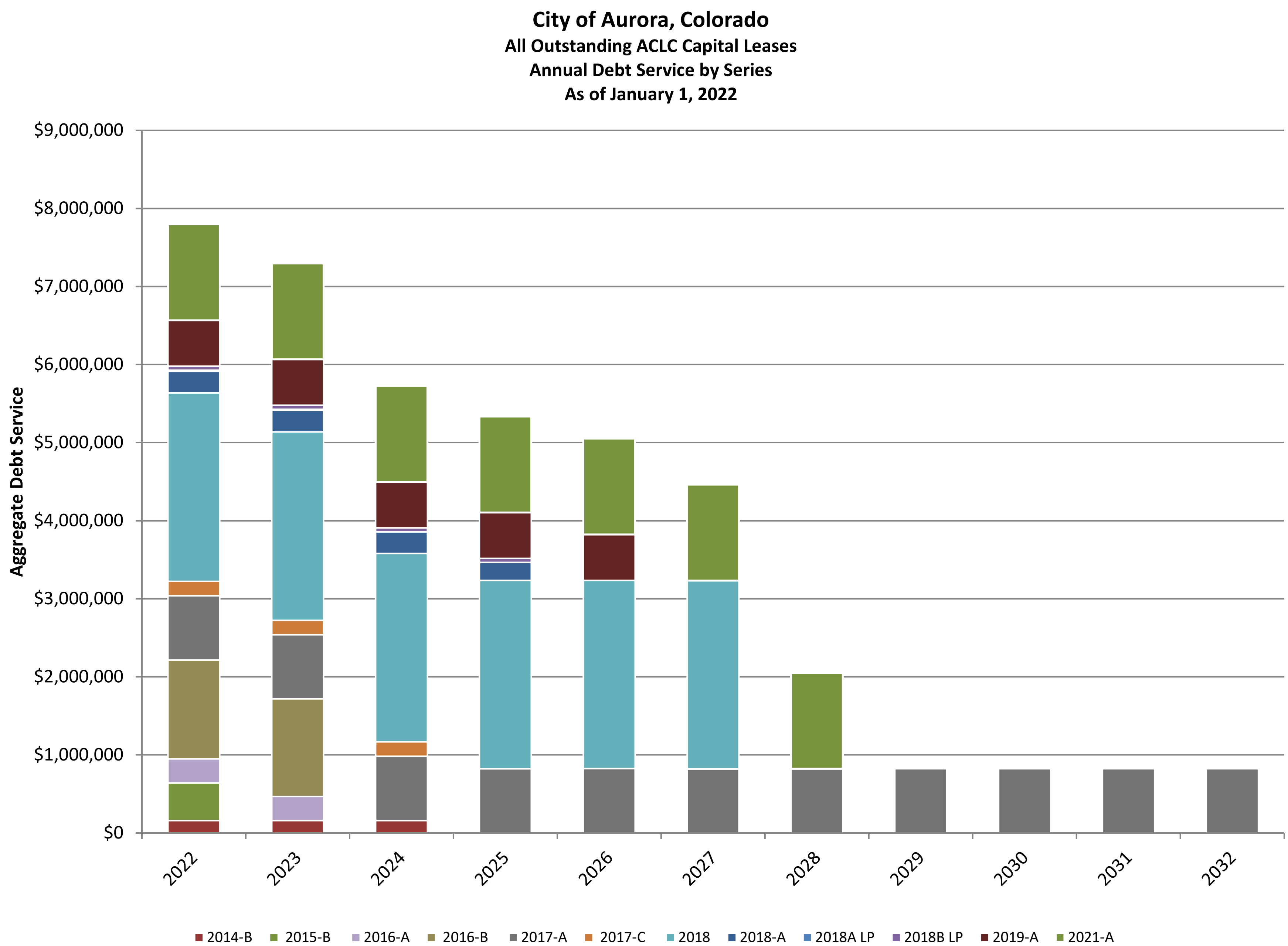
ACLC Capital Leases

Summary of Outstanding Obligations as of January 1, 2022

TOTAL ANNUAL DEBT SERVICE													
Year	**2014-B**	**2015-B**	**2016-A**	**2016-B**	**2017-A**	**2017-C**	**2018**	**2018-A**	**2018A LP**	**2018B LP**	**2019-A**	**2021-A**	**Total**
2022	157,835	482,507	309,630	1,265,582	822,725	186,115	2,412,555	276,747	13,753	51,393	587,413	1,228,822	7,795,077
2023	157,835		309,630	1,250,148	821,163	186,115	2,412,556	276,747	13,752	51,393	587,413	1,228,822	7,295,574
2024	157,835				824,203	186,115	2,412,555	276,747		51,393	587,413	1,228,822	5,725,083
2025					821,779		2,412,556	232,857		51,393	587,413	1,228,822	5,334,819
2026					823,891		2,412,555				587,413	1,228,822	5,052,682
2027					820,474		2,412,555					1,228,822	4,461,851
2028					821,659							1,228,822	2,050,481
2029					822,314								822,314
2030					822,439								822,439
2031					822,034								822,034
2032					820,733								820,733
Total	**473,505**	**482,507**	**619,261**	**2,515,730**	**9,043,411**	**558,344**	**14,475,332**	**1,063,098**	**27,505**	**205,570**	**2,937,066**	**8,601,757**	**41,003,085**



HilltopSecurities
A Hilltop Holdings Company.



HilltopSecurities
A Hilltop Holdings Company.

Original Lease Amount:	**$8,303,140**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Rolling Stock**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2021-A
Dated:	11/18/2021
Lender:	Key Government Finance
Equipment/Purpose:	Six Dump Trucks, Six Fire Pumper & Equipment Vehicles, Large Paving Machine, Small Paving Machine, and Fire Laddder Truck & Equipment

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	1,197,165	1.064%	31,657	1,228,822
2023	1,153,215	1.064%	75,608	1,228,822
2024	1,165,485	1.064%	63,337	1,228,822
2025	1,177,886	1.064%	50,937	1,228,822
2026	1,190,419	1.064%	38,404	1,228,822
2027	1,203,085	1.064%	25,738	1,228,822
2028	1,215,885	1.064%	12,937	1,228,822
TOTAL	**8,303,140**		**298,617**	**8,601,757**

Redemption Provision:	Non-Callable
Maturity Dates:	March 27
Interest Payment Dates:	March 27

Original Lease Amount:	**$3,883,279**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Rolling Stock**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2019-A
Dated:	12/10/2019
Lender:	JPM Equipment Finance
Equipment/Purpose:	Two E-One Fire Pumpers, E-One Type VI Brush Truck, E-One Fire Heavy Rescue, E-One Type III Wildland Truck, Fire Truck Equipment (Hoses, SCBAs, etc), Freightliner Class 6 Dumptruck, Freightliner Class 6 Dumptruck, Altec Forestry Bucket Truck

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	538,130	1.768%	49,283	587,413
2023	547,645	1.768%	39,769	587,413
2024	557,327	1.768%	30,086	587,413
2025	567,180	1.768%	20,233	587,413
2026	577,208	1.768%	10,205	587,413
TOTAL	**2,787,490**		**149,576**	**2,937,066**

Redemption Provision:	Non-Callable
Maturity Dates:	March 27
Interest Payment Dates:	March 27

Original Lease Amount:	**$359,677**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**ACLC Leasing Program**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2018B-LP
Dated:	
Lender:	Internal
Equipment/Purpose:	Internal lease from ACLC to the Police department to acquire Forensic Crime Lab Equipment.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	46,559	2.500%	4,833	51,393
2023	47,723	2.500%	3,669	51,393
2024	48,916	2.500%	2,476	51,393
2025	50,139	2.500%	1,253	51,393
TOTAL	**193,337**		**12,233**	**205,570**

Redemption Provision: Non-Callable
Maturity Dates: March 1
Interest Payment Dates: March 1

Original Lease Amount:	**$65,215**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**ACLC Leasing Program**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2018A-LP
Dated:	
Lender:	Internal
Equipment/Purpose:	Internal lease from ACLC to Parks, Recreation, and Open Space (PROS) department to acquire Recreation Center Equipment

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	13,090	2.500%	663	13,753
2023	13,417	2.500%	335	13,752
TOTAL	**26,507**		**998**	**27,505**

Redemption Provision:	Non-Callable
Maturity Dates:	March 1
Interest Payment Dates:	March 1

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	**248,179**	2.880%	28,568	276,747
2023	**255,327**	2.880%	21,420	276,747
2024	**262,680**	2.880%	14,067	276,747
2025	**225,748**	2.880%	6,502	232,249
TOTAL	**991,935**		**70,556**	**1,062,490**

Redemption Provision:	Any date
Maturity Dates:	March 27
Interest Payment Dates:	March 27

Original Lease Amount:	**$19,000,000**
Issuer:	**City of Aurora, Colorado**
Issue Description:	**Stephen D. Hogan Parkway Extension**
Lessor:	Aurora Capital Leasing Corp.
Lease Purchase No.	2018
Dated:	7/17/2018
Lender:	ZB, N.A. (Vectra Bank)
Purpose:	Proceeds used to finance the construction of the Stephen D. Hogan Parkway (formerly 6th Avenue) from Tower Road east to E-470. The Leased Property is the Tallyn's Reach Campus. The project received additional funding from Arapahoe County, E-470 Authority, and Aurora Water. The Parkway opened in September 2019.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	**2,014,602**	3.050%	397,953	2,412,555
2023	**2,076,048**	3.050%	336,508	2,412,556
2024	**2,139,367**	3.050%	273,188	2,412,555
2025	**2,204,618**	3.050%	207,938	2,412,556
2026	**2,271,858**	3.050%	140,697	2,412,555
2027	**2,341,150**	3.050%	71,405	2,412,555
TOTAL	**13,047,643**		**1,427,689**	**14,475,332**

Redemption Provision:	Any date
Maturity Dates:	February 1
Interest Payment Dates:	February 1

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	175,483	1.980%	10,631	186,115
2023	178,958	1.980%	7,157	186,115
2024	182,501	1.980%	3,614	186,115
TOTAL	**536,942**		**21,402**	**558,344**

Redemption Provision:	Non-Callable
Maturity Dates:	March 27
Interest Payment Dates:	March 27

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	620,000	2.650%	202,725	822,725
2023	**635,000**	2.650%	186,163	821,163
2024	**655,000**	2.650%	169,203	824,203
2025	**670,000**	2.650%	151,779	821,779
2026	**690,000**	2.650%	133,891	823,891
2027	**705,000**	2.650%	115,474	820,474
2028	**725,000**	2.650%	96,659	821,659
2029	**745,000**	2.650%	77,314	822,314
2030	**765,000**	2.650%	57,439	822,439
2031	**785,000**	2.650%	37,034	822,034
2032	**810,000**	2.650%	10,733	820,733
TOTAL	**7,805,000**		**1,238,411**	**9,043,411**

Redemption Provision:	Callable 6/7/2022 @ Par
Maturity Dates:	February 1 and August 1
Interest Payment Dates:	February 1 and August 1

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

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

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

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	1,234,714	1.250%	30,868	1,265,582
2023	1,234,714	1.250%	15,434	1,250,148
TOTAL	2,469,429		46,302	2,515,730

Redemption Provision: Non-Callable
Maturity Dates: February 1
Interest Payment Dates: February 1

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	300,783	1.460%	8,847	309,630
2023	305,175	1.460%	4,456	309,630
TOTAL	**605,958**		**13,303**	**619,261**

Redemption Provision:	Non-Callable
Maturity Dates:	March 27
Interest Payment Dates:	March 27

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	474,553	1.676%	7,954	482,507
TOTAL	**474,553**		**7,954**	**482,507**

Redemption Provision:	Non-Callable
Maturity Dates:	March 27
Interest Payment Dates:	March 27

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	147,180	2.560%	10,655	157,835
2023	150,972	2.560%	6,863	157,835
2024	154,862	2.560%	2,973	157,835
TOTAL	453,013		20,492	473,505

Redemption Provision:	Non-Callable
Maturity Dates:	June 1 and December 1
Interest Payment Dates:	June 1 and December 1

City of Aurora, Colorado

Tab D: Details of Outstanding Water Enterprise Revenue Debt

As of January 1, 2022

City of Aurora, Colorado

All Outstanding Water Enterprise Revenue Bond Debt
As of January 1, 2022
(000's)

Year Ending December 31	$265,230,000 Taxable First-Lien Water Refunding Revenue Bonds (Green Bonds) Series 2021B		$122,760,000 First-Lien Water Revenue Bonds (SEAM Facility) Series 2021		$437,025,000 First-Lien Water Refunding Revenue Bonds (Green Bonds) Series 2016	
	Principal	Coupon	Principal	Coupon	Principal	Coupon
2022	4,355	0.174%			7,565	5.000%
2023	3,585	0.224%			10,410	5.000%
2024	3,595	0.488%			1,625/9,305	3.000%/5.000%
2025	3,610	0.773%			11,445	5.000%
2026	3,640	0.923%			4,000/8,015	4.000%/5.000%
2027	3,675	1.140%			12,015	5.000%
2028	3,715	1.290%			12,615	5.000%
2029	3,760	1.448%			13,245	5.000%
2030	17,720	1.548%				
2031	17,995	1.698%				
2032	11,805	1.848%			6,045	4.000%
2033	18,315	1.998%				
2034	18,680	2.098%				
2035	19,070	2.198%				
2036	19,490	2.348%				
2037	12,415	2.626%			7,535	3.000%
2038	12,740	2.626%			7,760	3.000%
2039	13,070	2.626%			7,995	3.000%
2040	13,420	2.626%			8,230	3.000%
2041	13,770	2.626%			8,480	3.000%
2042	8,865	2.720%	2,390	2.250%	4,710/920	3.000%/4.000%
2043	9,110	2.720%	2,445	2.250%	4,850/960	3.000%/4.000%
2044	9,350	2.720%	2,505	2.250%	4,995/1,000	3.000%/4.000%
2045	9,610	2.720%	2,555	2.250%	5,145/1,040	3.000%/4.000%
2046	9,870	2.720%	2,615	2.250%	5,300/1,080	3.000%/4.000%
2047			21,080	2.250%		
2048			21,555	2.250%		
2049			22,040	2.250%		
2050			22,535	2.250%		
2051			23,040	2.250%		
TOTALS	$265,230		$122,760		$166,285	
Next Call	8/1/2031 @ Par		8/1/2031 @ Par		8/1/2026 @ Par	
Dated Date	9/9/2021		5/27/2021		8/16/2016	
Coupon Dates	February 1	August 1	February 1	August 1	February 1	August 1
Maturity Dates	August 1		August 1		August 1	
Insurer	None		None		None	
Paying Agent	UMB Bank		UMB Bank		UMB Bank	
Purpose	Advance Refund Select Maturities of Series 2016 Bonds		New Money		Currently Refund CWCB Loan and Advance Refund Series 2007A and Series 2008A Bonds	

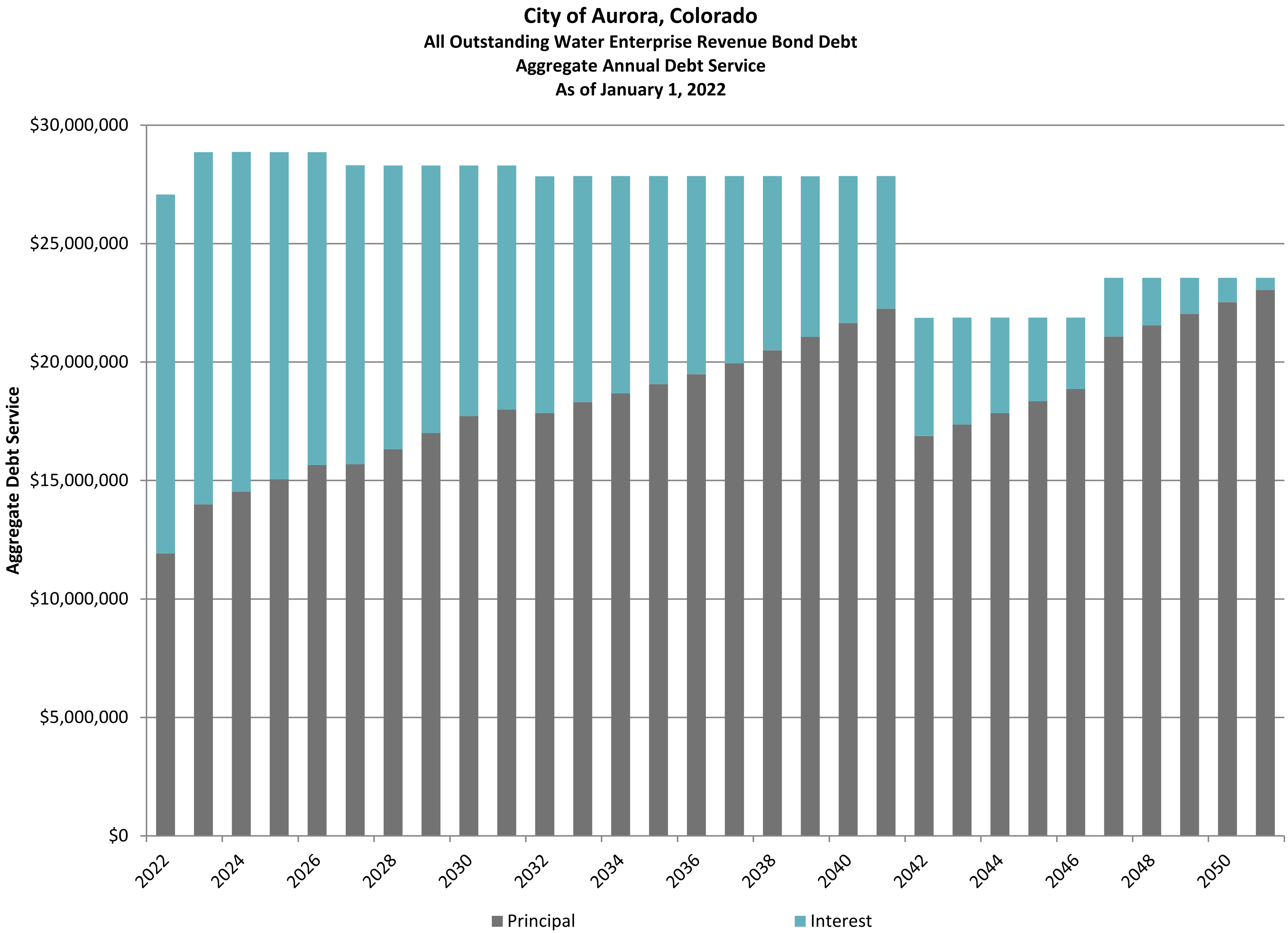
Color Legend

Callable | Non-Callable

City of Aurora, Colorado
Water Debt
Summary of Outstanding Obligations as of January 1, 2022

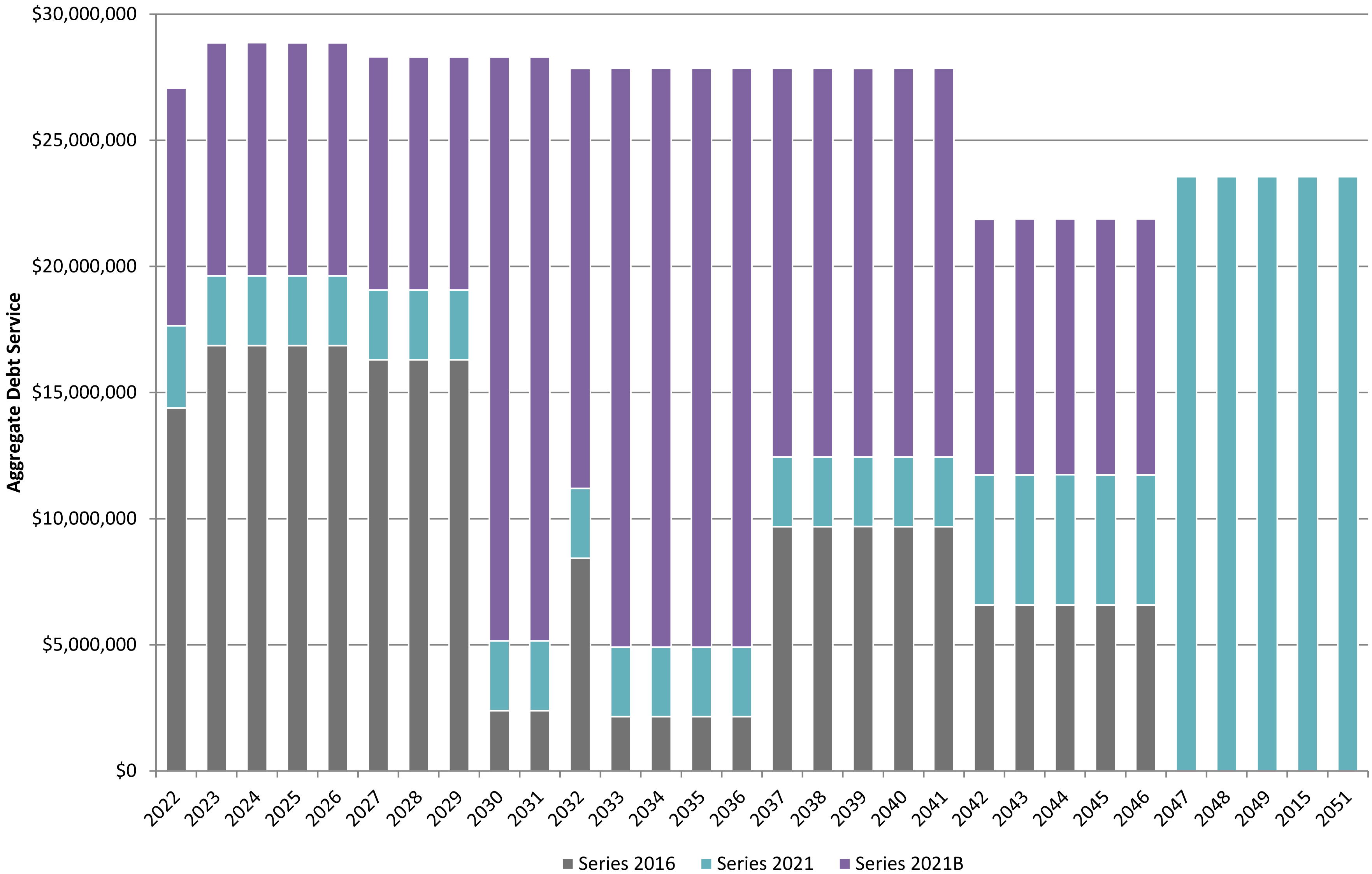
Year	Series 2016*	Series 2021	Series 2021B	Total
2022	14,396,300	3,253,140	9,419,749	27,069,189
2023	16,863,050	2,762,100	9,239,875	28,865,025
2024	16,862,550	2,762,100	9,241,844	28,866,494
2025	16,863,550	2,762,100	9,239,301	28,864,951
2026	16,861,300	2,762,100	9,241,395	28,864,795
2027	16,300,550	2,762,100	9,242,798	28,305,448
2028	16,299,800	2,762,100	9,240,903	28,302,803
2029	16,299,050	2,762,100	9,237,980	28,299,130
2030	2,391,800	2,762,100	23,143,535	28,297,435
2031	2,391,800	2,762,100	23,144,229	28,298,129
2032	8,436,800	2,762,100	16,648,674	27,847,574
2033	2,150,000	2,762,100	22,940,518	27,852,618
2034	2,150,000	2,762,100	22,939,584	27,851,684
2035	2,150,000	2,762,100	22,937,678	27,849,778
2036	2,150,000	2,762,100	22,938,519	27,850,619
2037	9,685,000	2,762,100	15,405,894	27,852,994
2038	9,683,950	2,762,100	15,404,876	27,850,926
2039	9,686,150	2,762,100	15,400,324	27,848,574
2040	9,681,300	2,762,100	15,407,105	27,850,505
2041	9,684,400	2,762,100	15,404,696	27,851,196
2042	6,580,000	5,152,100	10,138,096	21,870,196
2043	6,581,900	5,153,325	10,141,968	21,877,193
2044	6,583,000	5,158,313	10,134,176	21,875,489
2045	6,583,150	5,151,950	10,139,856	21,874,956
2046	6,582,200	5,154,463	10,138,464	21,875,127
2047		23,560,625		23,560,625
2048		23,561,325		23,561,325
2049		23,561,338		23,561,338
2015		23,560,438		23,560,438
2051		23,558,400		23,558,400
Total	**233,897,600**	**199,305,315**	**356,512,037**	**789,714,952**

*Reflects the currently outstanding debt service for the Series 2016 Bonds after pre-payment of the step coupon term bond in 2019 and advance refunding of other select maturities in 2021.


City of Aurora, Colorado
All Outstanding Water Enterprise Revenue Bond Debt
Aggregate Annual Debt Service
As of January 1, 2022
Aggregate Debt Service
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
2022
2024
2026
2028
2030
2032
2034
2036
2038
2040
2042
2044
2046
2048
2050
Principal
Interest

City of Aurora, Colorado

All Outstanding Water Enterprise Revenue Bond Debt
Annual Debt Service by Series
As of January 1, 2022



HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$265,230,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**First-Lien Water Improvement Revenue Refunding Bonds, Series 2021B (Green Bonds)**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Morgan Stanley
Method of Sale:	Negotiated
Arbitrage Yield:	2.3446%
Arbitrage Consultant:	
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	9/9/2026
Arbitrage Liability Calc:	N/A
Source of Repayment:	Water Revenue
Bond Covenant:	1) 1.20x Debt Service Coverage for Senior Debt 2) 1.05x Debt Service Coverage for Total Debt

Purpose: The Series 2021B Bonds were issued for the purposes of advance refunding, paying and discharging select maturities of the City's outstanding First Lien Water Improvement Revenue Refunding Bonds, Series 2016 (Callable 8/1/2026). The Series 2021B Bonds refunded $218,535,000 of par and resulted in a net present value (NPV) savings of $31.9 million (14.6%). The City has designated the bonds as "Green Bonds," in accordance with Green Bond Principles promulgated by the International Capital Markets Association.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	4,355,000	0.174%	5,064,749	9,419,749
2023	3,585,000	0.224%	5,654,875	9,239,875
2024	3,595,000	0.488%	5,646,844	9,241,844
2025	3,610,000	0.773%	5,629,301	9,239,301
2026	3,640,000	0.923%	5,601,395	9,241,395
2027	3,675,000	1.140%	5,567,798	9,242,798
2028	3,715,000	1.290%	5,525,903	9,240,903
2029	3,760,000	1.448%	5,477,980	9,237,980
2030	17,720,000	1.548%	5,423,535	23,143,535
2031	17,995,000	1.698%	5,149,229	23,144,229
2032	**11,805,000**	1.848%	4,843,674	16,648,674
2033	**18,315,000**	1.998%	4,625,518	22,940,518
2034	**18,680,000**	2.098%	4,259,584	22,939,584
2035	**19,070,000**	2.198%	3,867,678	22,937,678
2036	**19,490,000**	2.348%	3,448,519	22,938,519
2037	**12,415,000**	2.626%	2,990,894	15,405,894
2038	**12,740,000**	2.626%	2,664,876	15,404,876
2039	**13,070,000**	2.626%	2,330,324	15,400,324
2040	**13,420,000**	2.626%	1,987,105	15,407,105
2041	**13,770,000**	2.626%	1,634,696	15,404,696
2042	**8,865,000**	2.720%	1,273,096	10,138,096
2043	**9,110,000**	2.720%	1,031,968	10,141,968
2044	**9,350,000**	2.720%	784,176	10,134,176
2045	**9,610,000**	2.720%	529,856	10,139,856
2046	**9,870,000**	2.720%	268,464	10,138,464
TOTAL	**265,230,000**		**91,282,037**	**356,512,037**

Redemption Provision:	August 1, 2031 @ 100% (Make Whole Call Provision prior to Call Date)
Maturity Dates:	August 1
Interest Payment Dates:	February 1 and August 1

Original Par Amount:	**$122,760,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**First-Lien Water Revenue Bonds, Series 2021**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Morgan Stanley
Method of Sale:	Negotiated
Arbitrage Yield:	2.3397%
Arbitrage Consultant:	
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	5/27/2026
Arbitrage Liability Calc:	N/A
Source of Repayment:	Water Revenue
Bond Covenant:	1) 1.20x Debt Service Coverage for Senior Debt
	2) 1.05x Debt Service Coverage for Total Debt

Purpose: The Series 2021 Bonds were issued for the purpose of financing the Water Enterprise's share of the Southeast Area Maintenance ("SEAM") Facility. The total facility is expected to cost approximately $117 million to construct, and the Water Enterprise's share is approximately 60% of the total construction cost. The remaining cost of the project was financed by the Sewer Enterprise's Series 2021 Bonds.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022			3,253,140	3,253,140
2023			2,762,100	2,762,100
2024			2,762,100	2,762,100
2025			2,762,100	2,762,100
2026			2,762,100	2,762,100
2027			2,762,100	2,762,100
2028			2,762,100	2,762,100
2029			2,762,100	2,762,100
2030			2,762,100	2,762,100
2031			2,762,100	2,762,100
2032			2,762,100	2,762,100
2033			2,762,100	2,762,100
2034			2,762,100	2,762,100
2035			2,762,100	2,762,100
2036			2,762,100	2,762,100
2037			2,762,100	2,762,100
2038			2,762,100	2,762,100
2039			2,762,100	2,762,100
2040			2,762,100	2,762,100
2041			2,762,100	2,762,100
2042	**2,390,000**	2.250%	2,762,100	5,152,100
2043	**2,445,000**	2.250%	2,708,325	5,153,325
2044	**2,505,000**	2.250%	2,653,313	5,158,313
2045	**2,555,000**	2.250%	2,596,950	5,151,950
2046	**2,615,000**	2.250%	2,539,463	5,154,463
2047	**21,080,000**	2.250%	2,480,625	23,560,625
2048	**21,555,000**	2.250%	2,006,325	23,561,325
2049	**22,040,000**	2.250%	1,521,338	23,561,338
2050	**22,535,000**	2.250%	1,025,438	23,560,438
2051	**23,040,000**	2.250%	518,400	23,558,400
TOTAL	**122,760,000**		**76,545,315**	**199,305,315**

Redemption Provision:	August 1, 2031 @ 100%
Maturity Dates:	August 1
Interest Payment Dates:	February 1 and August 1

Original Par Amount:	**$437,025,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**First-Lien Water Improvement Revenue Refunding Bonds, Series 2016 (Green Bonds)**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Morgan Stanley
Method of Sale:	Negotiated
Arbitrage Yield:	2.3156%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	8/16/2021
Next Rebate Calc. Date:	8/16/2026
Arbitrage Liability Calc:	N/A
Source of Repayment:	Water Revenue
Bond Covenant:	1) 1.20x Debt Service Coverage for Senior Debt
	2) 1.05x Debt Service Coverage for Total Debt
Purpose:	The Series 2016 Bonds were issued for the purposes of refunding, paying and discharging all of the City's outstanding First Lien Water Improvement Revenue Bonds, as well as refinancing the City's Colorado Water Conservation Board Loan. The City has designated the bonds as "Green Bonds," in accordance with Green Bond Principles promulgated by the International Capital Markets Association, resulting in a net present value (NPV) savings of $69 million (13%).
2019 Redemption	In September 2019 Aurora Water voluntarily redeemed 100% of CUSIP 051595BB1, $45 million Step Coupon Term Bonds due to mature from 2042 to 2046. The bonds were redeemed with cash resulting in significant NPV savings of 26.3% for Aurora ratepayers.
2021 Advance Refunding	In September 2021 Aurora Water executed a taxable advance refunding of select maturities of the 2016 Bonds. In total, $218,535,000 of par value was refunded for savings including all maturities with a 5% coupon in years 2030 through 2046. The refunding resulted in NPV savings of $31.9 million, or 14.6%, for Aurora ratepayers.

Amortization:

	Principal	Coupon	Interest	Total P&I	
2022	7,565,000	5.000%	6,831,300	14,396,300	
2023	10,410,000	5.000%	6,453,050	16,863,050	
2024	10,930,000	3.00%-5.00%*	5,932,550	16,862,550	
2025	11,445,000	5.000%	5,418,550	16,863,550	
2026	12,015,000	4.00%-5.00%*	4,846,300	16,861,300	
2027	**12,015,000**	5.000%	4,285,550	16,300,550	
2028	**12,615,000**	5.000%	3,684,800	16,299,800	
2029	**13,245,000**	5.000%	3,054,050	16,299,050	
2030	-		2,391,800	2,391,800	**
2031	-		2,391,800	2,391,800	**
2032	**6,045,000**	4.000%	2,391,800	8,436,800	**
2033	-		2,150,000	2,150,000	**
2034	-		2,150,000	2,150,000	**
2035	-		2,150,000	2,150,000	**
2036	-		2,150,000	2,150,000	**
2037	**7,535,000**	3.000%	2,150,000	9,685,000	**
2038	**7,760,000**	3.000%	1,923,950	9,683,950	**
2039	**7,995,000**	3.000%	1,691,150	9,686,150	**
2040	**8,230,000**	3.000%	1,451,300	9,681,300	**
2041	**8,480,000**	3.000%	1,204,400	9,684,400	**
2042	**5,630,000**	3.00%-4.00%*	950,000	6,580,000	**
2043	**5,810,000**	3.00%-4.00%*	771,900	6,581,900	**
2044	**5,995,000**	3.00%-4.00%*	588,000	6,583,000	**
2045	**6,185,000**	3.00%-4.00%*	398,150	6,583,150	**
2046	**6,380,000**	3.00%-4.00%*	202,200	6,582,200	**
TOTAL	**166,285,000**		**67,612,600**	**233,897,600**	

Redemption Provision:	August 1, 2026 @ 100%
Maturity Dates:	August 1
Interest Payment Dates:	February 1 and August 1

*Bifurcated maturities

**CUSIP 051595BB1 $45 Million Step Coupon Bonds Defeased in 2019, with scheduled maturities from 2042-2046. All maturities with a 5% coupon in years 2030 through 2046 were advance refunded in 2021 ($218,535,000 of par value).

NEW ISSUE
BOOK-ENTRY-ONLY

RATINGS: S&P Global Ratings: "AA+"
Fitch: "AA+"
(See "RATINGS")

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2021B Bonds is included in gross income for federal income tax purposes. Bond Counsel is also of the opinion that, under existing State of Colorado statutes, interest on the Series 2021B Bonds is exempt from taxation, except inheritance, estate and transfer taxes. For a more detailed description of such opinions of Bond Counsel, see "TAX MATTERS" herein.

$265,230,000
CITY OF AURORA, COLORADO
acting by and through its
Utility Enterprise
First-Lien Water Refunding Revenue Bonds
Federally Taxable Series 2021B
(Green Bonds)

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

The First-Lien Water Refunding Revenue Bonds, Series 2021B (the "Series 2021B Bonds") will be issued in fully registered book-entry form in denominations of $5,000 or integral multiples thereof. The Series 2021B Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), securities depository for the Series 2021B Bonds. UMB Bank, n.a. will act as Paying Agent, Registrar and Transfer Agent for the Series 2021B Bonds. Individual purchases are to be made in book-entry-only form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2021B Bonds. Interest is payable February 1, 2022 and semiannually thereafter each February 1 and August 1 to and including the maturity dates shown below, unless the Series 2021B Bonds are redeemed earlier.

MATURITY SCHEDULE
(CUSIP© 051595 [1])

Maturity Date (August 1)	Principal Amount	Interest Rate	Price	CUSIP ©, 1	Maturity Date (August 1)	Principal Amount	Interest Rate	Price	CUSIP ©, 1
2022	$4,355,000	0.174%	100.00%	BQ8	2030	$17,720,000	1.548%	100.00%	BY1
2023	3,585,000	0.224	100.00	BR6	2031	17,995,000	1.698	100.00	BZ8
2024	3,595,000	0.488	100.00	BS4	2032	11,805,000	1.848	100.00	CA2
2025	3,610,000	0.773	100.00	BT2	2033	18,315,000	1.998	100.00	CB0
2026	3,640,000	0.923	100.00	BU9	2034	18,680,000	2.098	100.00	CC8
2027	3,675,000	1.140	100.00	BV7	2035	19,070,000	2.198	100.00	CD6
2028	3,715,000	1.290	100.00	BW5	2036	19,490,000	2.348	100.00	CE4
2029	3,760,000	1.448	100.00	BX3					

$65,415,000 2.626% Term Bond due August 1, 2041 – Price: 100.00% CUSIP © Number: 051595 CF1 [1]
$46,805,000 2.720% Term Bond due August 1, 2046 – Price: 100.00% CUSIP © Number: 051595 CG9 [1]

The Series 2021B Bonds are issued for the purpose of refinancing obligations originally incurred to refinance additions and improvements to the Water System operated by the Utility Enterprise of the City, as described herein, and paying the costs of issuance. The Series 2021B Bonds are special, limited obligations of the City, acting by and through its Utility Enterprise, and are payable solely from and secured by a first (but not necessarily exclusively first) lien upon certain net pledged revenues, consisting of the net revenues of the System of the City remaining after the payment of operation and maintenance expenses. See "THE SERIES 2021B BONDS—Security and Flow of Funds."

The Series 2021B Bonds are not a debt or indebtedness or a multiple-fiscal year debt or other financial obligation of the City under the Constitution and laws of the State of Colorado. The Series 2021B Bonds are not payable from the proceeds of general property taxes or any other form of taxation, and the full faith and credit of the City is not pledged for their payment.

The Series 2021B Bonds are subject to redemption as described under the caption "THE SERIES 2021B BONDS—Redemption."

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

The Series 2021B Bonds are offered when, as and if issued by the City and accepted by the Underwriters named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney and for the Underwriters by Sherman & Howard L.L.C. Hilltop Securities Inc. has acted as financial advisor to the City in connection with the Series 2021B Bonds. Delivery of the Series 2021B Bonds through DTC in New York, New York, is expected on or about September 9, 2021.

Morgan Stanley

RBC Capital Markets **Stifel**

The date of this Official Statement is August 19, 2021.

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[1] The City takes no responsibility for the accuracy of CUSIP numbers, which are included solely for the convenience of owners of the Series 2021B Bonds.

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

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2021 Bonds (including any original issue discount properly allocable to the owner of a Series 2021 Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that, under existing State of Colorado statutes, to the extent interest on the Series 2021 Bonds is excludable from gross income for federal income tax purposes, such interest is excludable from gross income for Colorado income tax purposes and from the calculation of Colorado alternative minimum taxable income. For a more detailed description of such opinions of Bond Counsel, see "TAX MATTERS" herein.

$122,760,000
City of Aurora, Colorado
acting by and through its
Utility Enterprise
First-Lien Water Revenue Bonds
(SEAM Facility & Other System Improvements Project)
Series 2021

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

The First-Lien Water Revenue Bonds, Series 2021 (the "Series 2021 Bonds") will be issued in fully registered book-entry form in denominations of $5,000 or integral multiples thereof. The Series 2021 Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), securities depository for the Series 2021 Bonds. UMB Bank, n.a. will act as Paying Agent, Registrar and Transfer Agent for the Series 2021 Bonds. Individual purchases are to be made in book-entry-only form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2021 Bonds. Interest is payable February 1, 2022 and semiannually thereafter each February 1 and August 1 to and including the maturity dates shown below, unless the Series 2021 Bonds are redeemed earlier.

$12,510,000 2.25% Term Bond due August 1, 2046 – Yield: 2.29% [2] CUSIP© Number: 051595 BN5 [1]
$110,250,000 2.25% Term Bond due August 1, 2051 – Yield: 2.34% [2] CUSIP© Number: 051595 BP0 [1]

The Series 2021 Bonds are issued for the purpose of (a) financing, in part, the cost of additions and improvements to the System operated by the Utility Enterprise of the City and (b) paying expenses of issuance of the Series 2021 Bonds. The Series 2021 Bonds are special, limited obligations of the City, acting by and through its Utility Enterprise, and are payable solely from and secured by a first (but not necessarily exclusively first) lien upon certain net pledged revenues, consisting of the net revenues of the System of the City remaining after the payment of operation and maintenance expenses. See "THE SERIES 2021 BONDS—Security and Flow of Funds."

The Series 2021 Bonds are not a debt or indebtedness or a multiple-fiscal year debt or other financial obligation of the City under the Constitution and laws of the State of Colorado. The Series 2021 Bonds are not payable from the proceeds of general property taxes or any other form of taxation, and the full faith and credit of the City is not pledged for their payment.

The Series 2021 Bonds are subject to redemption as described under the caption "THE SERIES 2021 BONDS—Redemption."

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

The Series 2021 Bonds are offered when, as and if issued by the City and accepted by the Underwriters named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney and for the Underwriters by Sherman & Howard L.L.C. Hilltop Securities Inc. has acted as financial advisor to the City in connection with the Series 2021 Bonds. Delivery of the Series 2021 Bonds through DTC in New York, New York, is expected on or about May 27, 2021.

Morgan Stanley

KeyBanc Capital Markets RBC Capital Markets Stifel

The date of this Official Statement is May 18, 2021.

[1] The City assumes no responsibility for the accuracy of the CUSIP numbers, which are included solely for the convenience of owners of the Series 2021 Bonds.

[2] Priced to yield to the earliest call date on which the Bonds may be optionally redeemed at par on August 1, 2031.

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

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

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

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

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

$207,920,000 SERIES 2016 SERIAL BONDS

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

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

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

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

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

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

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

Morgan Stanley RBC Capital Markets

BofA Merrill Lynch **Wells Fargo Securities**

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

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

FitchRatings

Public Finance
Water & Sewer
U.S.A.

Aurora, Colorado

New Issue Summary

Sale Date: The week of Aug. 16, 2021, via negotiation

Series: $252,100,000 First-Lien Water Refunding Revenue Bonds Federally Taxable Series 2021B (Green Bonds)

Purpose: The bond proceeds will be used to refund certain outstanding bonds of Aurora's (the city) water system (the system) and pay issuance costs.

Security: The bonds are payable by a first lien on net system revenues, including connection fees.

The 'AA+' revenue bond rating and the 'aa+' Standalone Credit Profile (SCP) reflect the system's very strong financial profile that anticipates moderately increasing leverage will remain consistent with the 'aa' financial profile assessment. The ratings and SCP also incorporate the system's very strong revenue defensibility and very low operating risk profile, both assessed at 'aa'.

Financial results have improved over the past five years, evidenced by a sustained decline in leverage (net adjusted debt to adjusted funds available for debt service). The system is well positioned to comfortably absorb expected increases in leverage as the city continues to refine capital costs and associated debt plans. The system's liquidity profile is robust and therefore remains neutral to the assessment.

The system's very strong revenue defensibility is grounded in the city's independent rate-raising authority, supported by a primarily residential service area with favorable demographics. The operating cost burden remains very low, and planned capital investment supports a continued low life cycle ratio.

Key Rating Drivers

Revenue Defensibility: 'aa': Very Strong Revenue Defensibility Supported by Very Favorable Demographic Trends: Very strong revenue defensibility reflects the city's autonomy to adjust rates, monopolistic service provision and affordable rates. The service area exhibits very favorable demographics, further supporting the assessment.

Operating Risk: 'aa': Very Low Operating Cost Burden; Robust Capital Investment: The system's operating cost burden of $5,018 per million gallons (mg) of water production is very low and should remain so even with projected increases in operating expenses. Planned capital investment will continue to support the low life cycle ratio.

Financial Profile: 'aa': Very Strong Financial Profile Well Positioned for Increasing Leverage, Neutral Liquidity: The system's low leverage ratio is supported by an exceptionally robust liquidity profile. The system's leverage of 2.2x in 2020 leaves it well positioned to absorb anticipated increases in debt to fund the capital improvement plan (CIP). The liquidity profile, while robust, is neutral to the assessment.

Rating Sensitivities

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- Leverage that is sustained below 5.0x in Fitch's base and stress cases when incorporating a more definitive funding plan for the CIP.

Assessment

Standalone Credit Profile	aa+

Ratings

New Issue	
$252,100,000 First-Lien Water Refunding Revenue Bonds Federally Taxable Series 2021B	AA+
Outstanding Debt	
First Lien Water Refunding Revenue Bonds	AA+

Rating Outlook

Stable

Applicable Criteria

U.S. Water and Sewer Rating Criteria (March 2021)

Public Sector, Revenue-Supported Entities Rating Criteria (February 2021)

Related Research

Fitch Rates Aurora, CO's Water Revs 'AA+'; Outlook Stable (August 2021)

Analysts

Kristen Reifsnyder
+1 646 582-3448
kristen.reifsnyder@fitchratings.com

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

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- A sustained increase in leverage to or above 7.0x in Fitch's base and stress cases.
- Increased operating cost burden above $6,500 per mg resulting in a downward revision of the operating risk assessment.
- A material decline in the city's credit quality could have a negative impact on the bond rating.

Credit Profile

The city of Aurora is located adjacent to and directly east of Denver and, with a population of approximately 380,000, is the third largest city in Colorado. The city is in close proximity to downtown Denver and the Denver International Airport and its location has contributed to a strong and growing employment base.

The city operates a municipal water system, sanitary sewer system and stormwater system. The water system, which serves approximately 90,000 customers, separately secures debt from that of the sanitary sewer and stormwater systems.

The city's surface water is derived from three major watersheds, and about 95% of the city's water is from renewable surface water supplies. Raw water obtained through the city's water rights is stored in various reservoirs. The city estimates it can annually deliver 35,000 acre-feet (af) over a four-year period under severe drought conditions. There is also approximately 155,644 af of storage available, of which 67% was filled as of December 2020 relative to the city's 61% target and was 83% full in mid-July. The city has three water treatment plants that have a combined capacity of 210 million gallons per day; expansion is under way to increase treatment capacity.

Fitch considers the system to be a related entity to the city for rating purposes given the city's oversight of the system, including the authority to establish rates and manage operations. The credit quality of the city does not currently constrain the bond rating. However, as a result of it being a related entity, bond ratings could become constrained by a material decline in the general credit quality of the city.

Coronavirus Considerations

The system's financial and operating performance have not been materially impacted by the coronavirus pandemic and related government containment measures. A previously anticipated rate increase for 2021 (fiscal year ending Dec. 31) is now expected to be implemented in 2022; this postponement is not expected to have a material impact on financial results.

Revenue Defensibility

Revenue defensibility is very strong, as the system derives more than 95% of its revenues from essential services to a primarily residential service area with very favorable demographics. Also, the city has the legal ability to increase rates without external approval.

The water rate structure was recently revised to reduce the volume included in the tier one rate. A rate increase planned for 2022 reflects a delay from 2021 and biennial rate increases are anticipated to resume in 2023. Assuming Fitch's standard 7,500 gallons per month of water usage, monthly bills are affordable for about 80% of the service area population and planned rate increases should not materially affect affordability.

The city participates in the Water Infrastructure and Supply Efficiency (WISE) Partnership, which allows regional sharing of water and infrastructure. Revenues from the WISE Partnership contributed about 6% of 2020 metered water sales and 4% of total operating revenues. The system's rate flexibility and current affordability metric offset the potential for variability in this revenue stream, which is anticipated to remain below 10% of operating revenues for the intermediate term.

The city's proximity to key employment centers has supported strong customer growth, with five-year compound growth approximating 1.9% for the period ending 2020. As the city is reportedly about 60% developed, sustained growth in customers is expected to continue, though at a

Rating History

Rating	Action	Outlook/ Watch	Date
AA+	Affirmed	Stable	8/5/21
AA+	Affirmed	Stable	4/30/21
AA+	Affirmed	Positive	10/8/20
AA+	Upgraded	Stable	7/18/12
AA	Revised	Stable	4/30/10
AA–	Downgraded	Stable	9/7/05
AA	Assigned	Stable	10/3/03

somewhat slower pace than historically. In 2019, the city's median family income was 104% of the national level. The city's unemployment rate was 9% in 2020, 11% higher than that of the nation. Historically, city unemployment rates have been approximately 75% of the national rate.

No asymmetric rating factor considerations affect the revenue defensibility assessment.

Operating Risk

The system's current operating risk profile is very low, averaging $5,317 per mg of water production over the past five years, and was $5,018 in 2020, reflecting increased demand. The city anticipates operating expenses will increase between 2.5% and 5.0% annually, supporting expectations for the operating cost burden to remain very low over the intermediate term.

The CIP for fiscal years 2021 through 2025 approximates $676 million, contributing to a continued low life cycle ratio, which was 19% in 2020. The CIP includes about $260 million for water supply acquisition and storage, including a portion of costs related to the Wild Horse Reservoir. Total reservoir costs continue to be refined, but the city currently estimates a total reservoir costs between $300 million and $320 million, with spending extending beyond the current CIP. Approximately $320 million of debt is anticipated in 2024. The timing and amount of this future debt will be influenced by final costs and timing of Wild Horse Reservoir.

No asymmetric rating factor considerations affected the operating risk assessment.

Financial Profile

A very strong financial profile is characterized by leverage that has been declining and was 2.2x in 2020. System leverage will rise with the implementation of the CIP and associated funding but remain consistent with the current assessment.

The liquidity profile, neutral to the assessment, remains robust. Fitch-calculated coverage of full obligations (COFO) was 6.4x in 2020. Excluding the approximately $57.2 million in connection fee revenue, COFO remained robust at 3.7x. The liquidity cushion has averaged 1,079 days' cash on hand (DCOH) for the past five years and was 991 DCOH in 2020. Fitch-calculated total debt service coverage was 6.4x in 2020.

Fitch Analytical Stress Test (FAST)

The FAST considers the potential trend of key ratios in a base case and stress case over a five-year period. The stress case is designed to impose capital costs 10% above expected base case levels and evaluate potential variability in projected key ratios.

The city's financial forecast through 2025 informed Fitch's base case with respect to revenues, expenditures, capital investment and connection fees. Key assumptions include the resumption of biennial rate increases approximating 3.5%, increases in operating costs of 2% to 3% annually and still robust, though moderating, connections fees. Debt proceeds include approximately $120 million in 2021 (previously issued) and an estimated $320 million in 2024 to fund estimated capex.

The FAST base case indicates leverage will increase over the next several years, reaching 6.1x in 2024, reflective of the additional debt issuance. The stress case follows a similar pattern, with leverage reaching 6.6x in 2024.

The system's capital costs and associated funding continue to be refined, and capital investment will remain robust beyond the horizon of the current CIP. Fitch anticipates leverage is likely to stabilize at a level above 5.0x but remain consistent with the 'aa' financial profile assessment. System connection fees are a key funding source of capital. Should growth rates moderate, Fitch would anticipate the city to adjust its capital plan and/or rates to maintain the leverage profile.

ESG Considerations

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg.

Financial Summary

($000, Audited Years Ended Dec. 31)	2016	2017	2018	2019	2020
Revenue Defensibility					
% of Total Revenues from Monopolistic Services	**100.0**	**100.0**	**100.0**	**100.0**	**96.4**
Service Area Characteristics					
Service Area Population	369,952	373,773	380,645	385,623	387,377
Total Customer Count	**82,782**	**84,342**	**86,153**	**87,635**	**89,568**
Five-Year Total Customer Count CAGR	1.2	1.4	1.6	1.7	1.9
Three-Year Total Customer Count CAGR	—	—	—	—	—
Service Area MHI ($)	55,303	58,343	62,541	65,100	N.A.
Service Area MHI/U.S. MHI (%)	100.0	101.2	103.7	103.6	N.A.
Service Area Unemployment Rate (%)	3.3	2.9	3.3	2.8	9.0
Service Area Unemployment Rate/U.S. Unemployment Rate (%)	67.4	65.9	84.6	75.7	111.1
Rate Flexibility					
Total Monthly Bill (7,500 gallons/6,000 gallons)	**51.59**	**53.24**	**53.24**	**55.04**	**55.04**
% of Population w./Unaffordable Bill	25	24	21	21	N.A.
Operating Risk					
Operating Cost Burden	—	—	—	—	—
Operating Cost Burden ($/mg)	5,243	5,497	5,313	5,511	5,018
Capital Planning and Management (%)					
Life Cycle Ratio	15.6	16.1	16.9	18.2	17.7
Capex/Depreciation	148.0	79.0	237.0	210.0	367.0
Five-Year Average Capital Expenditures/Depreciation	148.0	130.6	160.2	173.8	208.2
Three-Year Average Capital Expenditures/Depreciation	—	—	—	—	—
Financial Profile					
Current Unrestricted Cash/Investments	146,560	201,244	200,603	187,495	178,501
Current Restricted Cash/Investments (Available Liquidity)	—	—	—	—	—
Current Cash Available	146,560	201,244	200,603	187,495	178,501
Noncurrent Unrestricted Cash/Investments	—	—	—	—	—
Noncurrent Restricted Cash/Investments (Available Liquidity)	—	—	—	—	—
Available Cash	**146,560**	**201,244**	**200,603**	**187,495**	**178,501**
Current Restricted Cash/Investments (Debt Service or Debt Service Reserve)	—	—	—	—	—
Noncurrent Restricted Cash/Investments (Debt Service or Debt Service Reserve)	—	—	—	—	—
Funds Restricted for Debt Service	—	—	—	—	—
Total Debt	**521,217**	**518,507**	**517,076**	**462,393**	**458,143**
Capitalized Fixed Charges	—	—	—	—	—
Adjusted Net Pension Liability	20,532	19,575	7,036	20,348	18,417
Available Cash	**146,560**	**201,244**	**200,603**	**187,495**	**178,501**
Funds Restricted for Debt Service	—	—	—	—	—
Net Adjusted Debt	**395,189**	**336,838**	**323,509**	**295,246**	**298,059**
Total Operating Revenues	**115,045**	**116,707**	**123,404**	**122,094**	**135,566**
Purchased Water/Sewer Services	—	—	—	—	—
Operating Leases	—	—	—	—	—
Other Operating Expenses	56,335	58,237	64,757	64,435	65,776
EBITDA	**58,710**	**58,470**	**58,647**	**57,659**	**69,790**
Investment Income/(Loss)	1,906	1,378	4,017	7,205	6,165
Non-Operating Revenues from Taxes	—	—	—	—	—
Other Cash Revenues/(Expenses)	373	106	2,649	1,602	1,680
Build America Bonds Subsidy	—	—	—	—	—

Financial Summary

($000, Audited Years Ended Dec. 31)	2016	2017	2018	2019	2020
Capital Contributions	38,838	38,859	46,330	39,051	57,219
FADS	**99,826**	**98,812**	**111,642**	**105,517**	**134,854**
Fixed Services Expense	—	—	—	—	—
Operating Leases	—	—	—	—	—
Net Transfers In/(Out)	50	—	(50)	500	(40)
Pension Expense	1,603	1,620	488	2,324	2,511
Adjusted FADS	**101,480**	**100,432**	**112,080**	**108,340**	**137,324**
Net Adjusted Debt to Adjusted FADS (x)	3.9	3.4	2.9	2.7	2.2
FADS	**99,826**	**98,812**	**111,642**	**105,517**	**134,854**
Fixed Services Expense	—	—	—	—	—
Net Transfers In/(Out)	50	—	(50)	500	(40)
Adjusted FADS for Coverage of Full Obligations (COFO)	**99,876**	**98,812**	**111,592**	**106,017**	**134,814**
Total Annual Debt Service (Automatic Calculation)	**29,376**	**18,498**	**19,322**	**19,692**	**20,939**
Fixed Services Expense	—	—	—	—	—
Adjusted Debt Service (Including Fixed Services Expense)	**29,376**	**18,498**	**19,322**	**19,692**	**20,939**
COFO (x)	3.40	5.34	5.78	5.38	6.44
COFO Excluding Connection Fees (x)	2.08	3.24	3.38	3.40	3.71
Current Days' Cash on Hand	950	1,261	1,131	1,062	991
Liquidity Cushion Ratio (Days)	950	1,261	1,131	1,062	991
All-in DSC (x)	3.40	5.34	5.78	5.36	6.44

FADS – Funds available for debt service. MHI – Median household income. N.A. – Not available.
Note: Fitch may have reclassified certain financial statement items for analytical purposes.
Source: Fitch Ratings, Fitch Solutions, Aurora.

The ratings above were solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

FitchRatings

RATING ACTION COMMENTARY

Fitch Rates Aurora, CO's Water Revs 'AA+'; Outlook Stable

Thu 05 Aug, 2021 - 8:46 AM ET

Fitch Ratings - New York - 05 Aug 2021: Fitch Ratings has assigned a 'AA+' rating to the following obligations of Aurora, CO (the city):

--Approximately $252.1 million first-lien water revenue bonds federally taxable series 2021B.

Fitch has also affirmed the 'AA+' rating on the following obligations of the city:

--Approximately $552.6 million first-lien water refunding revenue bonds series 2021 and series 2016 (pre-refunding).

Fitch has assessed the water system's (the system) Standalone Credit Profile (SCP) at 'aa+'. The SCP represents the credit profile of the system on a standalone basis irrespective of its relationship with, and the credit quality of, the city (Issuer Default Rating AA/Stable).

The Rating Outlook is Stable.

ANALYTICAL CONCLUSION

The 'AA+' revenue bond rating and the 'aa+' SCP reflect the system's very strong financial profile that anticipates moderately increasing leverage will remain consistent with the 'aa' financial profile assessment. The ratings and SCP also incorporate the system's very strong revenue defensibility and very low operating risk profile, both assessed at 'aa'.

Financial results have improved over the past five years, as evidenced by a sustained decline in leverage (net adjusted debt to adjusted funds available for debt service). The system is well positioned to comfortably absorb expected increases in leverage as the city continues to refine capital costs and associated debt plans. The system's liquidity profile is robust and therefore remains neutral to the assessment.

The system's very strong revenue defensibility is grounded in the city's independent rate raising authority, supported by a primarily residential service area with favorable demographics. The operating cost burden remains very low and planned capital investment supports a continued low life cycle ratio.

CREDIT PROFILE

The city of Aurora is located adjacent to and directly east of Denver and, with a population of approximately 380,000, is the third largest city in Colorado. The city is in close proximity to downtown Denver and the Denver International Airport and its location has contributed to a strong and growing employment base.

The city operates a municipal water system, sanitary sewer system and stormwater system. The water system, which serves approximately 90,000 customers, separately secures debt from that of the sanitary sewer and stormwater systems.

The city's surface water is derived from three major watersheds, and about 95% of the city's water is from renewable surface water supplies. Raw water obtained through the city's water rights is stored in various reservoirs. The city estimates it can annually deliver 35,000 acre-feet (af) over a four-year period under severe drought conditions. There is also approximately 155,644 af of storage available of which 67% was filled as of December 2020 relative to the city's 61% target and was 83% full in mid-July. The city has three water treatment plants that have a combined capacity of 210 million gallons per day; expansion is under way to increase treatment capacity.

Fitch considers the system to be a related entity to the city for rating purposes given the city's oversight of the system, including the authority to establish rates and manage operations. The credit quality of the city does not currently constrain the bond rating.

However, as a result of it being a related entity, bond ratings could become constrained by a material decline in the general credit quality of the city.

Coronavirus Considerations

The system's financial and operating performance have not been materially impacted by the outbreak of coronavirus and related government containment measures. A previously anticipated rate increase for 2021 (fiscal year ending Dec. 31) is now expected to be implemented in 2022, this postponement is not expected to have a material impact on financial results.

KEY RATING DRIVERS

Revenue Defensibility 'aa'

Very Strong Revenue Defensibility Supported by Very Favorable Demographic Trends

Very strong revenue defensibility reflects the city's autonomy to adjust rates, monopolistic service provision and affordable rates. The service area exhibits very favorable demographics, further supporting the assessment.

Operating Risks 'aa'

Very Low Operating Cost Burden; Robust Capital Investment

The system's operating cost burden of $5,018 per million gallons (mg) of water production is very low and should remain so even with projected increases in operating expenses. Planned capital investment will continue to support the low life cycle ratio.

Financial Profile 'aa'

Very Strong Financial Profile Well Positioned for Increasing Leverage, Neutral Liquidity.

The system's low leverage ratio is supported by an exceptionally robust liquidity profile. The system's leverage of 2.2x in 2020 leaves it well positioned to absorb anticipated increases in debt to fund the capital improvement plan (CIP). The liquidity profile, while robust, is neutral to the assessment.

ASYMMETRIC ADDITIVE RISK CONSIDERATIONS

No asymmetric additive risk considerations affected this rating determination.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--Leverage that is sustained below 5.0x in Fitch's base and stress cases when incorporating a more definitive funding plan for the CIP.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--A sustained increase in leverage to or above 7.0x in Fitch's base and stress cases.

--Increased operating cost burden above $6,500 per mg resulting in a downward revision of the operating risk assessment.

--A material decline in the city's credit quality could have a negative impact on the bond rating.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

SECURITY

The bonds are payable by a first lien on the net income of the system, including connection fees.

REVENUE DEFENSIBILITY

Revenue defensibility is very strong as the system derives more than 95% of its revenues from essential services to a primarily residential service area with very favorable demographics. Also, the city has the legal ability to increase rates without external approval.

The water rate structure was recently revised to reduce the volume included in the tier one rate. A rate increase planned for 2022 reflects a delay from 2021 and biennial rate increases are anticipated to resume in 2023. Assuming Fitch's standard 7,500 gallons per month of water usage, monthly bills are affordable for about 80% of the service area population and planned rate increases should not materially affect affordability.

The city participates in the Water Infrastructure and Supply Efficiency (WISE) Partnership, which allows regional sharing of water and infrastructure. Revenues from the WISE Partnership contributed about 6% of 2020 metered water sales and 4% of total operating revenues. The system's rate flexibility and current affordability metric offset the potential for variability in this revenue stream which is anticipated to remain below 10% of operating revenues for the intermediate term.

The city's proximity to key employment centers has supported strong customer growth, with five-year compound growth approximating 1.9% for the period ending 2020. As the city reportedly is about 60% developed, sustained growth in customers is expected to continue, though at a somewhat slower pace than historically. In 2019, the city's median family income was 104% of the national level. The city's unemployment rate was 9% in 2020, 11% higher than that of the nation. Historically, city unemployment rates have been approximately 75% of the national rate.

OPERATING RISKS

The system's current operating risk profile is very low, averaging $5,317 per mg of water production over the past five years, and was $5,018 in 2020, reflecting increased demand. The city anticipates operating expenses will increase between 2.5% and 5.0% annually, supporting expectations for the operating cost burden to remain very low over the intermediate term.

The CIP for fiscal years 2021 through 2025 approximates $676 million, contributing to a continued low life cycle ratio, which was 19% in 2020. The CIP includes approximately $260 million for water supply acquisition and storage, including a portion of costs related to the Wild Horse Reservoir. Total reservoir costs continue to be refined, but the city currently estimates a total reservoir costs between $300 million and $320 million, with spending extending beyond the current CIP. Approximately $320 million of debt is anticipated in 2024. The timing and amount this future debt will be influenced by final costs and timing of Wild Horse Reservoir.

FINANCIAL PROFILE

A very strong financial profile is characterized by leverage that has been declining and was 2.2x in 2020. System leverage will rise with the implementation of the CIP and associated funding, but remain consistent with the current assessment.

The liquidity profile, neutral to the assessment, remains robust. Fitch-calculated coverage of full obligations (COFO) was 6.4x in 2020. Excluding the approximately $57.2 million in connection fee revenue, COFO remained robust at 3.7x. The liquidity cushion has averaged 1,079 days cash on hand (DCOH) for the past five years and was 991 DCOH in 2020. Fitch-calculated total debt service coverage was 6.4x in 2020.

Fitch Analytical Stress Test (FAST)

The FAST considers the potential trend of key ratios in a base case and stress case over a five-year period. The stress case is designed to impose capital costs 10% above expected base case levels and evaluate potential variability in projected key ratios.

The city's financial forecast through 2025 informed Fitch's base case with respect to revenues, expenditures, capital investment and connection fees. Key assumptions include the resumption of biennial rate increases approximating 3.5%, increases in operating costs of 2% to 3% annually, and still robust, though moderating connections fees. Debt proceeds include approximately $120 million in 2021 (previously issued) and an estimated $320 million in 2024 to fund estimated capex.

The FAST base case indicates leverage will increase over the next several years, reaching 6.1x in 2024, reflective of the additional debt issuance. The stress case follows a similar pattern, with leverage reaching 6.6x in 2024.

The system's capital costs and associated funding continue to be refined, and capital investment will remain robust beyond the horizon of the current CIP. Fitch anticipates leverage is likely to stabilize at a level above 5.0x but remain consistent with the 'aa' financial profile assessment. System connection fees are a key funding source of capital. Should growth rates moderate, Fitch would anticipate the city to adjust its capital plan and/or rates to maintain the leverage profile.

SOURCES OF INFORMATION

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg

VIEW ADDITIONAL RATING DETAILS

FITCH RATINGS ANALYSTS

Kristen Reifsnyder
Director
Primary Rating Analyst
+1 646 582 3448
kristen.reifsnyder@fitchratings.com
Fitch Ratings, Inc.
Hearst Tower 300 W. 57th Street New York, NY 10019

Julieta Seebach
Director
Secondary Rating Analyst
+1 512 215 3743
julie.seebach@fitchratings.com

Douglas Scott
Managing Director
Committee Chairperson
+1 512 215 3725
douglas.scott@fitchratings.com

MEDIA CONTACTS

Sandro Scenga
New York
+1 212 908 0278
sandro.scenga@thefitchgroup.com

Additional information is available on www.fitchratings.com

APPLICABLE CRITERIA

Public Sector, Revenue-Supported Entities Rating Criteria (pub. 23 Feb 2021) (including rating assumption sensitivity)

U.S. Water and Sewer Rating Criteria (pub. 18 Mar 2021) (including rating assumption sensitivity)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Aurora (CO)	EU Endorsed, UK Endorsed

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US Public Finance Infrastructure and Project Finance North America United States

S&P Global
Ratings

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Summary:

Aurora, Colorado; Water/Sewer

Primary Credit Analyst:
Malcolm N D'Silva, Centennial + 1 (303) 721 4526; malcolm.dsilva@spglobal.com

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

Table Of Contents

Summary:

Aurora, Colorado; Water/Sewer

Credit Profile		
US$252.06 mil first ln wtr rfdg rev bnds ser 2021B due 08/01/2040		
Long Term Rating	AA+/Positive	New

Rating Action

S&P Global Ratings assigned its 'AA+' long-term rating to Aurora, Colo.'s (acting by and through Aurora Water, its utility enterprise) anticipated $252 million series 2021B first-lien water refunding revenue bonds (taxable). The outlook is positive.

The city water system's net revenues secure the bonds. The series 2021B bonds (self-designated green bonds) will refund a portion of the district's existing series 2016 bonds for economic savings. Post-issuance, the city's water system will have approximately $500 million of outstanding water revenue debt obligations. We view the bond provisions as credit neutral. The bonds are protected by a 1.2x additional bonds test of maximum annual debt service (MADS) and a 1.2x rate covenant of annual debt service (on all outstanding first-lien obligations). While management has chosen not to establish a debt service reserve fund for the series 2021B bonds, the system's financial profile, including very strong liquidity, precludes any credit risk. The system had about $185 million in unrestricted cash and investments at the end of fiscal 2020, equal to slightly over 1,000 days' of operating expenses.

Credit overview

The positive outlook reflects our opinion that there is at least a one-in-three chance that we could take a positive rating action during the two-year outlook period. The positive outlook also reflects our view that the city's water system could sustain its financial risk profile through its ongoing growth cycle, despite plans to use additional debt over the next five years towards financing a portion of its capital plan. Given that the city is nearly 60% built-out, management reports continued growth within the service area. As the area continues to grow, we anticipate the system will likely see steady strengthening in economic and revenue performance, with a need to factor in increasing infrastructure demands into its long-term financial and rate plans. The current five-year capital plan of the water system is well-defined; however, as key to future rating stability, we would look primarily to a financial plan that outlines how long-term resource and capital planning aligns with future growth and infrastructure funding needs without materially affecting the system's financial capacity. The water utility's financial outlook is strong and reasonable, in our view, despite the layering of additional debt needs to fund construction of a reservoir project in 2025 or 2026 (estimated to cost approximately $320 million).

Environmental, social, and governance (ESG) factors

Overall, we believe that management has mitigated most of the water system's ESG-related risk by adopting, adhering to, and adjusting its operating and financial policies and procedures. Aurora has been growing rapidly in recent years. As a result, the utility has a large capital improvement program (CIP) to address long-term planning effort for several projects, which includes enhancing its water supply capacity and storage. Aurora Water has strong financial management practices and policies which, in our view, mitigates governance risks compared to peers. Management regularly provides a framework for making several investments across its facilities and distribution network to reduce the system's environmental risks including planned water rights acquisition and treatment upgrades to meet future growth needs. We view the utility as having rate-making flexibility needed to preserve the system's financial position and maintain affordability within its service area. We understand the utility will continue recommending updates to its future rate plans to meet revenue sufficiency, and we do not believe this will significantly increase affordability pressures or social risks, given the monthly water bill is only 1.3% of local income levels.

Positive Outlook

Upside scenario

We could take a positive rating action, if the water system's financial metrics are maintained at a level that we would consider sustainable as it progresses through its large CIP, such that it overrides our view of risks related to the system's rising operating costs without material erosion in its affordability metrics. Given that there are no disproportionately large programs in its capital budget such as regulatory mandates, and that ongoing growth shares in the cost of related capital investments, we anticipate that the city will adjust its rate plans to take into consideration actual service area growth and service demands.

Return to stable scenario

We anticipate the water system will consider the use of debt toward financing a portion of its capital plan, and near-term risk would be associated with the challenges of maintaining requisite financial capacity for a large but well-defined CIP. Should the size or scope of its long-term CIP become larger than expected--to the point that DSC and cash reserves would likely materially underperform its financial projection--we could revise the outlook to stable.

For more information on Aurora Water, see our report published May 4, 2021, on RatingsDirect.

Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

City of Aurora, Colorado

Tab E: Details of Outstanding Sewer Enterprise Revenue Debt

As of January 1, 2022

Sewer Enterprise Revenue Debt

City of Aurora, Colorado

All Outstanding Sewer Enterprise Revenue Bond Debt
As of January 1, 2022
(000's)

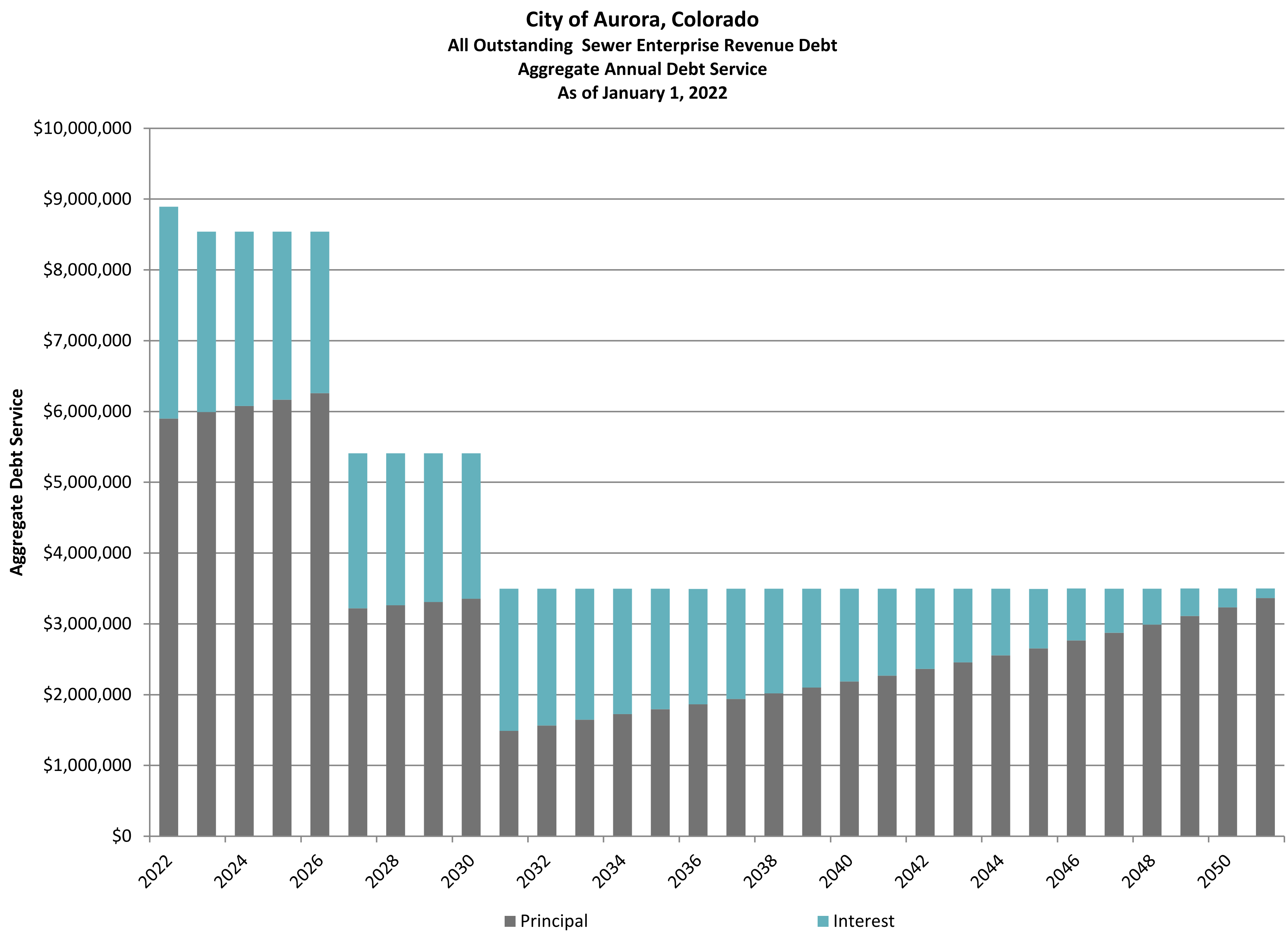
Year Ending December 31	$48,970,000 First-Lien Sewer Revenue Bonds (SEAM Facility) Series 2021		$28,000,000 First-Lien Sewer Revenue Bonds (Outfall) Series 2018B		$2,000,000 First-Lien Sewer Revenue Bonds (Outfall) Series 2018A		$28,900,000 First-Lien Sewer Refunding Revenue Bonds Series 2016	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2022			1,245/1,581	1.231%/1.322%	179	3.035%	2,895	1.560%
2023			1,260/1,601	1.231%/1.322%	185	3.035%	2,945	1.560%
2024			1,275/1,622	1.231%/1.322%	191	3.035%	2,990	1.560%
2025			1,291/1,644	1.231%/1.322%	196	3.035%	3,035	1.560%
2026			1,307/1,666	1.231%/1.322%	202	3.035%	3,085	1.560%
2027			1,323/1,688	1.231%/1.322%	208	3.035%		
2028			1,339/1,710	1.231%/1.322%	215	3.035%		
2029			1,356/1,733	1.231%/1.322%	221	3.035%		
2030			1,373/1,755	1.231%/1.322%	228	3.035%		
2031	1,490	5.000%						
2032	1,565	5.000%						
2033	1,645	5.000%						
2034	1,725	4.000%						
2035	1,795	4.000%						
2036	1,865	4.000%						
2037	1,940	4.000%						
2038	2,020	4.000%						
2039	2,100	4.000%						
2040	2,185	4.000%						
2041	2,270	4.000%						
2042	2,365	4.000%						
2043	2,455	4.000%						
2044	2,555	4.000%						
2045	2,655	4.000%						
2046	2,765	4.000%						
2047	2,875	4.000%						
2048	2,990	4.000%						
2049	3,110	4.000%						
2050	3,235	4.000%						
2051	3,365	4.000%						
TOTALS	$48,970		$26,770		$1,826		$14,950	
Next Call	8/1/2031 @ Par		Callable with Breakage		Callable with Breakage		Non-Callable	
Dated Date	5/27/2021		12/12/2018		12/12/2018		11/4/2016	
Coupon Dates	February 1	August 1	February 1	August 1	February 1	August 1	February 1	August 1
Maturity Dates	August 1		August 1		August 1		August 1	
Insurer	None		None		None		None	
Paying Agent	UMB Bank		PNC Bank		PNC Bank		UMB Bank	
Purpose	New Money		New Money		New Money		Refund Series 2006 Bonds	

Color Legend
Callable — Non-Callable

City of Aurora, Colorado
Sewer Enterprise Debt
Summary of Outstanding Obligations as of January 1, 2022

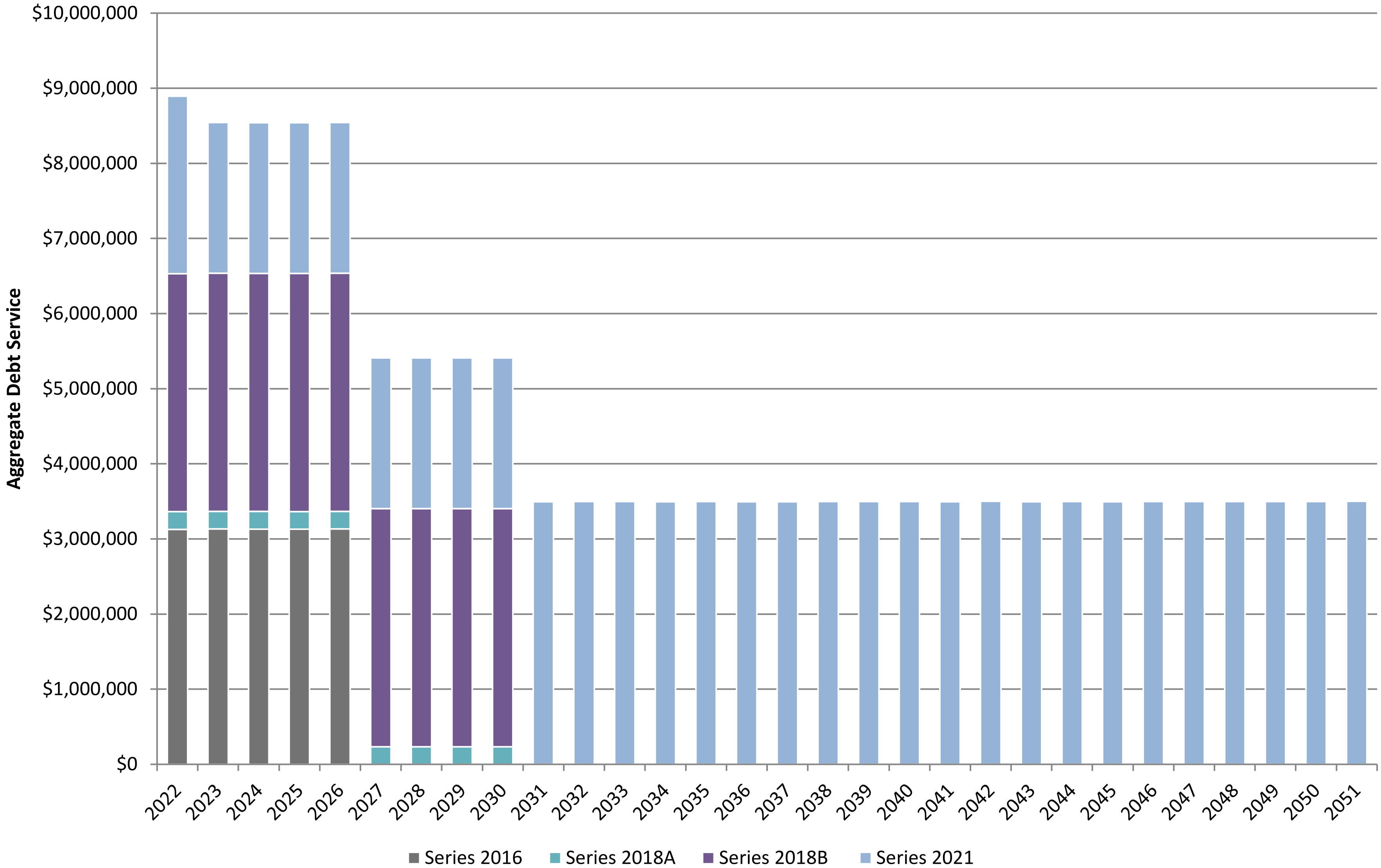
TOTAL ANNUAL DEBT SERVICE

	Series 2016	Series 2018A	Series 2018B	Series 2021	Total
2022	3,128,220	234,849	3,168,235	2,362,387	8,893,690
2023	3,133,058	234,858	3,168,235	2,005,800	8,541,951
2024	3,132,116	234,867	3,168,235	2,005,800	8,541,018
2025	3,130,472	234,876	3,168,235	2,005,800	8,539,383
2026	3,133,126	234,886	3,168,235	2,005,800	8,542,047
2027		234,896	3,168,235	2,005,800	5,408,931
2028		234,907	3,168,235	2,005,800	5,408,942
2029		234,917	3,168,235	2,005,800	5,408,952
2030		234,928	3,168,235	2,005,800	5,408,963
2031				3,495,800	3,495,800
2032				3,496,300	3,496,300
2033				3,498,050	3,498,050
2034				3,495,800	3,495,800
2035				3,496,800	3,496,800
2036				3,495,000	3,495,000
2037				3,495,400	3,495,400
2038				3,497,800	3,497,800
2039				3,497,000	3,497,000
2040				3,498,000	3,498,000
2041				3,495,600	3,495,600
2042				3,499,800	3,499,800
2043				3,495,200	3,495,200
2044				3,497,000	3,497,000
2045				3,494,800	3,494,800
2046				3,498,600	3,498,600
2047				3,498,000	3,498,000
2048				3,498,000	3,498,000
2049				3,498,400	3,498,400
2050				3,499,000	3,499,000
2051				3,499,600	3,499,600
Total	**15,656,992**	**2,113,984**	**28,514,116**	**91,848,737**	**138,133,828**



HilltopSecurities
A Hilltop Holdings Company.

City of Aurora, Colorado
All Outstanding Sewer Enterprise Revenue Debt
Annual Debt Service by Series
As of January 1, 2022



HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$48,970,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**First-Lien Sewer Revenue Bonds, Series 2021**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	None
Bond Counsel:	Kutak Rock
Underwriter:	Morgan Stanley
Method of Sale:	Negotiated
Arbitrage Yield:	1.6238%
Arbitrage Consultant:	
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	5/27/2026
Arbitrage Liability Calc:	N/A
Source of Repayment:	Sewer Revenue & Storm Drain Revenue
Bond Covenant:	1.2x Debt Service Coverage for Senior Lien Debt

Purpose: The Series 2021 Bonds were issued for the purpose of financing the Sewer Enterprise's share of the Southeast Area Maintenance ("SEAM") Facility. The total facility is expected to cost approximately $117 million to construct, and the Sewer Enterprise's share is approximately 40% of the total construction cost. The remaining cost of the project was financed by the Water Enterprise's Series 2021 Bonds.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	-		2,362,387	2,362,387
2023	-		2,005,800	2,005,800
2024	-		2,005,800	2,005,800
2025	-		2,005,800	2,005,800
2026	-		2,005,800	2,005,800
2027	-		2,005,800	2,005,800
2028	-		2,005,800	2,005,800
2029	-		2,005,800	2,005,800
2030	-		2,005,800	2,005,800
2031	1,490,000	5.000%	2,005,800	3,495,800
2032	**1,565,000**	5.000%	1,931,300	3,496,300
2033	**1,645,000**	5.000%	1,853,050	3,498,050
2034	**1,725,000**	4.000%	1,770,800	3,495,800
2035	**1,795,000**	4.000%	1,701,800	3,496,800
2036	**1,865,000**	4.000%	1,630,000	3,495,000
2037	**1,940,000**	4.000%	1,555,400	3,495,400
2038	**2,020,000**	4.000%	1,477,800	3,497,800
2039	**2,100,000**	4.000%	1,397,000	3,497,000
2040	**2,185,000**	4.000%	1,313,000	3,498,000
2041	**2,270,000**	4.000%	1,225,600	3,495,600
2042	**2,365,000**	4.000%	1,134,800	3,499,800
2043	**2,455,000**	4.000%	1,040,200	3,495,200
2044	**2,555,000**	4.000%	942,000	3,497,000
2045	**2,655,000**	4.000%	839,800	3,494,800
2046	**2,765,000**	4.000%	733,600	3,498,600
2047	**2,875,000**	4.000%	623,000	3,498,000
2048	**2,990,000**	4.000%	508,000	3,498,000
2049	**3,110,000**	4.000%	388,400	3,498,400
2050	**3,235,000**	4.000%	264,000	3,499,000
2051	**3,365,000**	4.000%	134,600	3,499,600
TOTAL	**48,970,000**		**42,878,737**	**91,848,737**

Redemption Provision:	August 1, 2031 @ 100%
Maturity Dates:	August 1
Interest Payment Dates:	February 1 and August 1

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

Note:

The Series 2018B Bonds were executed with a Revolving Drawdown Period through August 1, 2021. In August 2020, $13 million was converted to a fixed rate of 1.231%. In August 2021, the remaining $15 million was converted to a fixed rate of 1.322%. There is no remaining undrawn balance on the bonds.

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

Purpose: The $35 million Fitzsimons Stormwater Outfall Project will construct stormwater infrastructure improvements on the north portion of the Fitzsimons Campus to facilitate development in the surrounding area. Construction is underway with expected completion in Mid-2021.

Amortization:

	Principal	Coupon[1]	Interest	Total P&I
2022	2,825,602	1.231%/1.322%	342,633	3,168,235
2023	2,861,273	1.231%/1.322%	306,962	3,168,235
2024	2,897,953	1.231%/1.322%	270,283	3,168,235
2025	2,935,103	1.231%/1.322%	233,132	3,168,235
2026	2,972,730	1.231%/1.322%	195,505	3,168,235
2027	3,010,840	1.231%/1.322%	157,395	3,168,235
2028	3,049,439	1.231%/1.322%	118,796	3,168,235
2029	3,088,534	1.231%/1.322%	79,701	3,168,235
2030	3,128,130	1.231%/1.322%	40,105	3,168,235
TOTAL	**26,769,603**		**1,744,512**	**28,514,116**

Redemption Provision:	Callable anytime with breakage penalties
Maturity Dates:	August 1
Interest Payment Dates:	February 1 and August 1

Original Par Amount:	**$2,000,000**
Issuer:	**City of Aurora, Colorado**
	Acting by and Through its Utility Enterprise
Issue Description:	**First-Lien Sewer Improvement Revenue Bonds, Series 2018A**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Purchaser	PNC Bank, National Association
Method of Sale:	Placement
Arbitrage Yield:	3.035000%
Arbitrage Consultant:	
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Source of Repayment:	Sewer Revenue & Storm Drain Revenue
Bond Covenant:	1.2x Debt Service Coverage for Senior Lien Debt

Purpose: Initial fixed-rate portion of the loan package to finance the Fitzsimons Stormwater Outfall Project. The $35 million project will construct stormwater infrastructure improvements on the north portion of the Fitzsimons Campus to facilitate development in the surrounding area. Construction is underway with expected completion in Mid-2021.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	179,434	3.035%	55,415	234,849
2023	184,889	3.035%	49,969	234,858
2024	190,509	3.035%	44,358	234,867
2025	196,301	3.035%	38,576	234,876
2026	202,268	3.035%	32,618	234,886
2027	208,417	3.035%	26,479	234,896
2028	214,753	3.035%	20,154	234,907
2029	221,281	3.035%	13,636	234,917
2030	228,008	3.035%	6,920	234,928
TOTAL	**1,825,860**		**288,124**	**2,113,984**

Redemption Provision:	Callable anytime with breakage penalties
Maturity Dates:	August 1
Interest Payment Dates:	February 1 and August 1

Original Par Amount:	**$28,900,000**
Issuer:	**City of Aurora, Colorado** **Acting by and Through its Utility Enterprise**
Issue Description:	**First-Lien Sewer Improvement Revenue Bonds, Series 2016**
Registrar/Paying Agent:	UMB Bank
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Purchaser	Wells Fargo Municipal Capital Strategies, LLC
Method of Sale:	Placement
Arbitrage Yield:	1.560149%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	None
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Source of Repayment:	Sewer Revenue & Storm Drain Revenue
Bond Covenant:	1.2x Debt Service Coverage for Senior Lien Debt

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

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	2,895,000	1.560%	233,220	3,128,220
2023	2,945,000	1.560%	188,058	3,133,058
2024	2,990,000	1.560%	142,116	3,132,116
2025	3,035,000	1.560%	95,472	3,130,472
2026	3,085,000	1.560%	48,126	3,133,126
TOTAL	**14,950,000**		**706,992**	**15,656,992**

Redemption Provision:	Non-Callable
Maturity Dates:	August 1
Interest Payment Dates:	February 1 and August 1

NEW ISSUE—BOOK-ENTRY-ONLY

RATINGS (See "RATINGS"): Fitch: "AAA"
S&P Global Ratings: "AA+"

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2021 Bonds is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that, under existing State of Colorado statutes, to the extent interest on the Series 2021 Bonds is excludable from gross income for federal income tax purposes, such interest is excludable from gross income for Colorado income tax purposes and from the calculation of Colorado alternative minimum taxable income. For a more detailed description of such opinions of Bond Counsel, see "TAX MATTERS" herein.

$48,970,000
City of Aurora, Colorado
acting by and through its
Utility Enterprise
First-Lien Sewer Revenue Bonds
(SEAM Facility & Other System Improvements Project)
Series 2021

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

The First-Lien Sewer Revenue Bonds, (SEAM Facility & Other System Improvements Project) Series 2021 (the "Series 2021 Bonds") will be issued in fully registered book-entry form in denominations of $5,000 or integral multiples thereof. The Series 2021 Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), securities depository for the Series 2021 Bonds. UMB Bank, n.a. will act as Paying Agent, Registrar and Transfer Agent for the Series 2021 Bonds. Individual purchases are to be made in book-entry-only form in authorized denominations. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2021 Bonds. Interest is payable February 1, 2022 and semiannually thereafter each February 1 and August 1 to and including the maturity dates shown below, unless the Series 2021 Bonds are redeemed earlier.

Year	Amount	Rate	Yield	CUSIP©© 1	Year	Amount	Rate	Yield	CUSIP© 1
2031	$1,490,000	5.00%	1.08%	051589 AY5	2037	$1,940,000	4.00%	1.47% 2	051589 BE8
2032	1,565,000	5.00	1.16 2	051589 AZ2	2038	2,020,000	4.00	1.51 2	051589 BF5
2033	1,645,000	5.00	1.23 2	051589 BA6	2039	2,100,000	4.00	1.55 2	051589 BG3
2034	1,725,000	4.00	1.32 2	051589 BB4	2040	2,185,000	4.00	1.59 2	051589 BH1
2035	1,795,000	4.00	1.37 2	051589 BC2	2041	2,270,000	4.00	1.63 2	051589 BJ7
2036	1,865,000	4.00	1.43 2	051589 BD0					

$12,795,000 4.00% Term Bond due August 1, 2046 – Yield: 1.76% [2] CUSIP© Number: 051589 BK4 [1]
$15,575,000 4.00% Term Bond due August 1, 2051 – Yield: 1.80% [2] CUSIP© Number: 051589 BL2 [1]

The Series 2021 Bonds are issued for the purpose of (a) financing, in whole or in part, the cost of additions and improvements to the System operated by the Utility Enterprise of the City and (b) paying expenses of issuance of the Series 2021 Bonds. The Series 2021 Bonds are special, limited obligations of the City, acting by and through its Utility Enterprise, and are payable solely from and secured by a first (but not necessarily exclusively first) lien upon certain net pledged revenues, consisting of the net revenues of the System of the City remaining after the payment of operation and maintenance expenses. See "THE SERIES 2021 BONDS—Security and Flow of Funds."

The Series 2021 Bonds are not a debt or indebtedness or a multiple-fiscal year debt or other financial obligation of the City under the Constitution and laws of the State of Colorado. The Series 2021 Bonds are not payable from the proceeds of general property taxes or any other form of taxation, and the full faith and credit of the City is not pledged for their payment.

The Series 2021 Bonds are subject to redemption as described under the caption "THE SERIES 2021 BONDS—Redemption."

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

The Series 2021 Bonds are offered when, as and if issued by the City and accepted by the Underwriters named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney and for the Underwriters by Sherman & Howard L.L.C. Hilltop Securities Inc. has acted as financial advisor to the City in connection with the Series 2021 Bonds. Delivery of the Series 2021 Bonds through DTC in New York, New York, is expected on or about May 27, 2021.

Morgan Stanley

KeyBanc Capital Markets **RBC Capital Markets** **Stifel**

The date of this Official Statement is May 18, 2021.

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[1] The City assumes no responsibility for the accuracy of the CUSIP numbers, which are included solely for the convenience of owners of the Series 2021 Bonds.

[2] Priced to yield to the earliest call date on which the Bonds may be optionally redeemed at par on August 1, 2031.

FitchRatings

Public Finance
Water & Sewer
U.S.A.

Aurora, Colorado

Rating

Stand-Alone Credit Profile	aaa

New Issue

$65,000,000 (SEAM Facility Improvement Project) 1st Lien Sewer Revenue Bonds, Series 2021	AAA

Rating Outlook

Stable

New Issue Summary

Sale Date: May 18, 2021

Series: First-Lien Sewer Revenue Bonds, Series 2021

Purpose: Pay costs associated with the system's CIP, including the SEAM Facility and costs of issuance.

Security: The bonds are secured by a pledge of net revenues of the sanitary sewer and storm drainage system.

The 'AAA' bond rating and the 'aaa' SCP reflect the extremely strong financial profile of the city's sanitary sewer and storm drainage system, supported by very strong revenue defensibility and low operating risk, both assessed at 'aa'.

With leverage that was 1.1x in 2019 (fiscal year ending Dec. 31), the system is well positioned to absorb the approximately $100 million of debt to be issued through 2024, including the current issue. Leverage is expected to rise but remain below 5.0x beyond 2024. Liquidity of the system is robust and therefore considered neutral to the financial profile assessment.

Revenue defensibility is very strong, anchored in the city's ability to independently increase rates and the monopolistic nature of its services. A very favorable service area with affordable rates also supports the assessment.

Operating risk is very low, with an operating cost burden that has been increasing but remains below the 'aa' threshold of $6,500 per million gallons (mg) of flows treated in 2019. The system's operating costs, driven by the sanitary sewer costs, reflect treatment costs of the Metropolitan Wastewater Reclamation District (Metro) in addition to system managed costs. The life cycle ratio is very low and supported by continued robust capital investment.

Key Rating Drivers

Revenue Defensibility: 'aa'; Very Strong Revenue Defensibility Supported by Very Favorable Demographic Trends.: Very strong revenue defensibility reflects the city's autonomy to adjust rates, monopolistic service provision and very affordable rates. The service area exhibits very favorable demographics, further supporting the assessment.

Operating Risks: 'aa'; Very Low but Rising Operating Costs, Low Life Cycle Ratio: The system's operating cost burden, though rising, was $5,815 per mg of treated flows in 2019. The assessment also incorporates the low life cycle ratio and anticipated capital investment.

Financial Profile: 'aaa'; Extremely Strong Financial Profile Reflects Low Leverage: The system's leverage was 1.1x in 2019 and is expected to remain below 5.0x for at least the next five years. Liquidity is robust and therefore neutral to the assessment. The liquidity profile, while robust, is neutral to the assessment.

Rating Sensitivities

Factors that could, individually or collectively, lead to positive rating action/upgrade:

- Not applicable given the 'AAA' rating.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Leverage increasing to and sustained above 5.0x through Fitch's base and stress scenarios.

Applicable Criteria

Public Sector, Revenue-Supported Entities Rating Criteria (February 2021)

U.S. Water and Sewer Rating Criteria (March 2021)

Related Research

Fitch Rates Aurora, CO's Sewer Revenue Bonds 'AAA'; Outlook Stable (April 2021)

Analysts

Kristen Reifsnyder
+1 646 582 3448
kristen.reifsnyder@fitchratings.com

Julieta Seebach
+1 512 215 3743
julie.seebach@fitchratings.com

- Operating cost burden in excess of $6,500 per mg treated on a persistent basis.
- Deterioration in the city's credit quality could lead to negative action on the system's bond rating.

Credit Profile

The city of Aurora is located adjacent to and directly east of Denver and, with a population of approximately 380,000, is the third largest city in Colorado. The city is in close proximity to downtown Denver and the Denver International Airport, and its location has contributed to a strong and growing employment base.

The city operates a municipal water system, sanitary sewer system and a storm drainage system. The sanitary sewer system and storm drainage revenues are combined to secure the sewer revenue bonds. The system customer base is approaching 90,000 customers, and serves the primarily residential customer base within the city. The system serves some areas outside the city, notably the East Cherry Creek Valley Water and Sanitation District (the district).

Approximately 85% of the wastewater collected by the system is conveyed to a regional sewage treatment plant located northwest of the city and operated by Metro, a separate governmental entity, which provides sewage treatment to many municipalities and a number of special districts in the Denver area. The city treats the remainder of its wastewater in its own 5 million gallons per day plant.

Facilities of the storm drainage system facilities consist of a network of channels and storm drainage pipes, which empty into concrete-lined swales, natural and developed channels, detention ponds or greenbelt areas. The storm drainage system does not contain machinery or mechanical systems.

Fitch considers the system to be a related entity to the city for rating purposes given the city's oversight of the system, including the authority to establish rates and manage operations. The credit quality of the city does not currently constrain the bond rating. However, as a result of being a related entity, the issue ratings could become constrained by a decline in the general credit quality of the city.

Coronavirus Considerations

The system's financial and operating performance have not been materially impacted by the outbreak of coronavirus and related government containment measures. Projected 2020 results indicate limited impact on revenues. A previously anticipated rate increase for 2021 is now expected to be implemented in 2022; this deferral is not expected to have a material impact on system financial performance.

Revenue Defensibility

Revenue defensibility is very strong with the system deriving 100% of its revenue providing essential services to a strong service area with favorable demographics. The city has the legal ability to increase rates without external approval.

The rate structure for the sewer system includes a fixed monthly fee and a volume charge, which reflects average winter months' usage; storm drainage charges are a fixed monthly fee. Utilizing Fitch's standard 6,000 gallons per month of flow, the combined sewer and storm drainage monthly bill is affordable for more than 90% of the service area population. The city currently anticipates sewer rate increases approximating 4% annually and storm drainage rate increases of 3.5% in each of 2022 and 2023, with biennial increases thereafter. These increases should not materially affect affordability.

In 2020, the East Cherry Creek Water and Sanitation District comprised approximately 14% of projected sewer system billing revenues. The system provides service to the district, primarily conveying the district's wastewater to Metro. No other customer of the system accounts for greater than 1.5% of projected 2020 sewer or storm drainage revenues.

The city's proximity to key employment centers has supported strong customer growth, which averaged 1.7% through the past five years. As the city reportedly is about 60% developed, sustained growth in customers is expected to continue, though at a somewhat slower pace than historically. In 2019, the city's median family income was 104% of the national level. The city's

Rating History

Rating	Action	Outlook/ Watch	Date
AAA	Assigned	Stable	4/30/21

unemployment rate was 9% in 2020, 11% higher than that of the nation. Historically, city unemployment rates have been approximately 75% of the national rate.

No asymmetric rating factor considerations affect the revenue defensibility assessment.

Operating Risk

The system's currently very low operating risk profile reflects an operating cost burden of $5,815 per mg of flows in 2019. System costs, including purchased service costs related Metro, are anticipated to increase approximately 2.5% annually. Service area growth should result in greater treated volume, partially mitigating upward pressure on the operating cost burden.

Planned capital spending over the next five years will support a continued low life cycle ratio. The capital improvement plan (CIP), covering years 2021 through 2025, approximates $210 million. A key component of the CIP is the system's proportionate share (approximately $60 million) of the Southeast Area Maintenance (SEAM) Facility, including a new interceptor, which will house water, sewer and storm drainage operations.

The CIP also funds sewer system expansions, rehabilitation of existing infrastructure and upsizing of sewers. Storm drainage system improvements include infrastructure related to flood reduction, detention and water quality projects. Approximately 50% of the plan will be debt funded, including proceeds of the current issue that are primarily for the SEAM Facility.

No asymmetric rating factor considerations affected the operating risk assessment.

Financial Profile

The system's extremely strong financial profile reflects consistently low leverage, which was 1.1x in 2019. Leverage, as measured by net adjusted debt to adjusted funds available for debt service (FADS), is expected to rise with the implementation of the capital plan but remain below 5.0x beyond 2024.

The system's liquidity profile is robust, although neutral to the assessment. Fitch-calculated coverage of full obligations (COFO) has exceeded 2.6x for the past five years. Excluding connection fee revenue, COFO was 2.2x in 2019. The liquidity cushion has been growing and was in excess of 560 days cash on hand in 2019. Fitch-calculated total debt service coverage was 8.0x in 2019.

Fitch Analytical Stress Test (FAST)

The FAST considers the potential trend of key ratios in a base case and stress case over a five-year period. The stress case is designed to impose capital costs 10% above expected base case levels and evaluate potential variability in projected key ratios.

The FAST base case through 2024 was informed by the city's projections, including those with respect to revenues, expenditures and capital investment. The forecast included current projections for debt which, in addition to the current sale, includes an estimated $38 million in 2024 to continue funding the capital plan.

Based on these assumptions, the FAST base case reflects a gradual increase in leverage reaching 3.0x in 2024. The FAST stress case follows a similar pattern, with leverage rising to 3.5x in 2024. With the limited amount of additional debt anticipated after 2024 and expectations for regular rate adjustments, Fitch expects leverage will stabilize and begin to decline after 2024, remaining consistent with the current assessment.

ESG Considerations

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg

Issuer Summary

($000, Audited Years Ended Dec. 31)	2015	2016	2017	2018	2019
Revenue Defensibility					
% of Total Revs from Monopolistic Services	100	100	100	100	100
Service Area Characteristics					
Service Area Population	360,098	363,277	367,574	374,572	379,289
Total Customer Count	80,442	81,612	83,099	84,980	86,413
Five-Year Total Customer Count CAGR	1.2	1.2	1.4	1.6	1.7
Three-Year Total Customer Count CAGR					
Service Area MHI ($)	53,011	55,303	58,343	62,541	65,100
Service Area MHI/US MHI (%)	98	100	101	104	104
Service Area Unemployment Rate (%)	4.2	3.4	3.1	—	—
Service Area Unemployment Rate/US Unemployment Rate (%)	75	67	66	85	76
Rate Flexibility	—	—	—	—	—
Total Monthly Bill (7,500 gallons/6,000 gallons)	31.98	33.97	34.97	36.26	37.32
% of Population w/Unaffordable bill	10	10	10	9	9
Operating Risks					
Operating Cost Burden	—	—	—	—	—
Operating Cost Burden ($/mg)	4,808	4,986	5,552	5,877	5,815
Capital Planning and Management					
Life Cycle Ratio (%)	22	22	22	22	22
CapEx/Depreciation (%)	183	268	118	220	198
Five-Year Average Capital Expenditures/Depreciation (%)	215	222	201	201	197
Three-Year Average Capital Expenditures/Depreciation (%)	—	—	—	—	—
Financial Profile ($000)	—	—	—	—	—
Current Unrestricted Cash/Investments	62,144	54,066	66,044	78,573	81,094
Current Restricted Cash/Invest (Available Liquidity)	—	—	—	—	—
Current Cash Available	62,144	54,066	66,044	78,573	81,094
Noncurrent Unrestricted Cash/Investments	—	—	—	—	—
Noncurrent Restricted Cash/Invest (Available Liquidity)	—	—	—	—	—
Available Cash	62,144	54,066	66,044	78,573	81,094
Current Restricted Cash/Invest (Debt Service or Debt Service Reserve)	—	—	—	—	—
Noncurrent Restricted Cash/Invest (Debt Service or Debt Service Reserve)	—	—	—	—	—
Funds Restricted for Debt Service	—	—	—	—	—
Total Debt	32,295	28,900	26,105	41,380	41,615
Capitalized Fixed Charges	60,664	67,579	54,264	67,712	72,002
Adjusted Net Pension Liability	—	10,332	11,979	4,166	10,217
Available Cash	62,144	54,066	66,044	78,573	81,094
Funds Restricted for Debt Service	—	—	—	—	—
Net Adjusted Debt	30,816	52,745	26,304	34,685	42,740
Total Operating Revs	57,664	61,011	64,039	67,386	69,555
Purchased Water/Sewer Services	24,761	27,583	22,149	27,638	29,389
Operating Leases	—	—	—	—	—
Other Operating Expenses	21,257	19,807	28,876	24,125	23,137
EBITDA	11,647	13,621	13,015	15,623	17,030
Investment Income/(Loss)	913	775	828	1,117	2,791
Non-Operating Revenues from Taxes	—	—	—	—	—
Other Cash Revenues/(Expenses)	179	231	23	22	40
BAB Subsidy	—	—	—	—	—

Issuer Summary

($000, Audited Years Ended Dec. 31)	2015	2016	2017	2018	2019
Capital Contributions	5,965	7,749	7,586	12,756	8,676
FADS	18,703	22,377	21,452	29,518	28,536
Fixed Services Expense	8,666	9,654	7,752	9,673	10,286
Operating Leases	—	—	—	—	—
Net Transfers In/(Out)	—	—	(100)	(33)	—
Pension Expense	—	807	817	289	1,167
Adjusted FADS	27,369	32,838	29,921	39,446	39,989
Net Adjusted Debt to Adjusted FADS (x)	1.1	1.6	0.9	0.9	1.1
FADS	18,703	22,377	21,452	29,518	28,536
Fixed Services Expense	8,666	9,654	7,752	9,673	10,286
Net Transfers In/(Out)	—	—	(100)	(33)	—
Adjusted FADS for COFO	27,369	32,031	29,104	39,157	38,822
Total Annual Debt Service (automatic calculation)	1,719	1,677	3,129	3,132	3,568
Fixed Services Expense	8,666	9,654	7,752	9,673	10,286
Adjusted Debt Service (Including fixed services expense)	10,386	11,331	10,881	12,805	13,854
Coverage of Full Obligations (COFO) (x)	2.64	2.83	2.67	3.06	2.80
COFO exc. connection Fees (x)	2.06	2.14	1.98	2.06	2.18
Current Days Cash on Hand	493	416	472	554	564
Liquidity Cushion Ratio (days)	493	416	472	554	564
All-in DSC (x)	10.88	13.34	6.86	9.42	8.00

Notes: Fitch may have reclassified certain financial statement items for analytical purposes. N.A. – Not Available.
Sources: Fitch Ratings, Fitch Solutions, Aurora (CO)

The ratings above were solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

FitchRatings

30 APR 2021

Fitch Rates Aurora, CO's Sewer Revenue Bonds 'AAA'; Outlook Stable

Fitch Ratings - New York - 30 Apr 2021: Fitch Ratings has assigned a 'AAA' rating to the following obligations of Aurora, CO (the city):

--Approximately $55 million first-lien sewer revenue bonds (SEAM facility improvement project), series 2021.

Fitch has also assessed at 'aaa' the standalone credit profile (SCP) of the sanitary sewer system and storm drainage system (together, the system). The SCP represents the credit profile of the system on a standalone basis irrespective of its relationship with, and the credit quality, the city (Issuer Default Rating AA/Stable).

The Rating Outlook is Stable.

ANALYTICAL CONCLUSION

The 'AAA' bond rating and the 'aaa' SCP reflect the extremely strong financial profile of the city's sanitary sewer and storm drainage system, supported by very strong revenue defensibility and low operating risk, both assessed at 'aa'.

With leverage that was below 1.0x in 2019 (fiscal year ending Dec. 31), the system is well positioned to absorb the approximately $100 million of debt to be issued through 2024, including the current issue. Leverage is expected to rise but remain below 5.0x beyond 2024. Liquidity of the system is robust and therefore considered neutral to the financial profile assessment.

Revenue defensibility is very strong, anchored in the city's ability to independently increase rates and the monopolistic nature of its services. A very favorable service area with affordable rates also support the assessment.

Operating risk is very low, with an operating cost burden that has been increasing but remains below the 'aa' threshold of $6,500 per million gallons (mg) of flows treated in 2019. The system's operating costs, driven by the sanitary sewer costs, reflect treatment costs of the Metropolitan Wastewater Reclamation District (Metro) in addition to system managed costs. The life cycle ratio is very low and supported by continued robust capital investment.

CREDIT PROFILE

The city of Aurora is located adjacent to and directly east of Denver and, with a population of approximately 380,000, is the third largest city in Colorado. The city is in close proximity to downtown Denver and the Denver International Airport and its location has contributed to a strong and growing employment base.

The city operates a municipal water system, sanitary sewer system and a storm drainage system. The sanitary sewer system and storm drainage revenues are combined to secure the sewer revenue bonds. The system customer base is approaching 90,000 customers, and serves the primarily residential customer base within the city. The system serves some areas outside the city, notably the East Cherry Creek Valley Water and Sanitation District (the district).

Approximately 85% of the wastewater collected by the system is conveyed to a regional sewage treatment plant located northwest of the city and operated by Metro, a separate governmental entity, which provides sewage treatment to many municipalities and a number of special districts in the Denver area. The city treats the remainder of its wastewater in its own 5 million gallons per day plant.

Facilities of the storm drainage system facilities consist of a network of channels and storm drainage pipes, which empty into concrete-lined swales, natural and developed channels, detention ponds or greenbelt areas. The storm drainage system does not contain machinery or mechanical systems.

Fitch considers the system to be a related entity to the city for rating purposes given the city's oversight of the system, including the authority to establish rates and manage operations. The credit quality of the city does not currently constrain the bond rating. However, as a result of being a related entity, the issue ratings could become constrained by a decline in the general credit quality of the city.

Coronavirus Considerations

The system's financial and operating performance have not been materially impacted by the outbreak of coronavirus and related government containment measures. Projected 2020 results indicate limited impact on revenues. A previously anticipated rate increase for 2021 is now expected to be implemented in 2022, this deferral is not expected to have a material impact on system financial performance.

Very Strong Revenue Defensibility Supported by Very Favorable Demographic Trends.

Very strong revenue defensibility reflects the city's autonomy to adjust rates, monopolistic service provision and very affordable rates. The service area exhibits very favorable demographics, further supporting the assessment.

Very Low but Rising Operating Costs, Low Life Cycle Ratio

The system's operating cost burden, though rising, was $5,815 per mg of treated flows in 2019. The assessment also incorporates the low life cycle ratio and anticipated capital investment.

Extremely Strong Financial Profile Reflects Low Leverage

The system's leverage was less than 1.0x in 2019 and is expected to remain below 5.0x for at least the next five years. Liquidity is robust and therefore neutral to the assessment. The liquidity profile, while robust, is neutral to the assessment.

Asymmetric Additive Risk Considerations

No asymmetric additive risk considerations affected this rating determination.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--Not applicable given the 'AAA' rating.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Leverage increasing to and sustained above 5.0x through Fitch's base and stress scenarios.

--Operating cost burden in excess of $6,500 per mg treated on a persistent basis.

--Deterioration in the city's credit quality could lead to negative action on the system's bond rating.

Best/Worst Case Rating Scenario

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

SECURITY

The series 2021 bonds are secured by a pledge of net revenues of Aurora's sanitary sewer and storm drainage system. No debt service reserve fund will be established for the series 2021 bonds.

Revenue Defensibility

Revenue defensibility is very strong with the system deriving 100% of its revenue providing essential services to a strong service area with favorable demographics. The city has the legal ability to increase rates without external approval.

The rate structure for the sewer system includes a fixed monthly fee and a volume charge, which reflects average winter months' usage, storm drainage charges are a fixed monthly fee. Utilizing Fitch's standard

6,000 gallons per month of flow, the combined sewer and storm drainage monthly bill is affordable for more than 90% of the service area population. The city currently anticipates sewer rate increases approximating 4% annually and storm drainage rate increases of 3.5% in each of 2022 and 2023, with biennial increases thereafter. These increases should not materially affect affordability.

In 2020, the East Cherry Creek Water and Sanitation District comprised approximately 14% of projected sewer system billing revenues. The system provides service to the district, primarily conveying the district's wastewater to Metro. No other customer of the system accounts for greater than 1.5% of projected 2020 sewer or storm drainage revenues.

The city's proximity to key employment centers has supported strong customer growth, which averaged 1.7% through the past five years. As the city reportedly is about 60% developed, sustained growth in customers is expected to continue, though at a somewhat slower pace than historically. In 2019, the city's median family income was 104% of the national level. The city's unemployment rate was 9% in 2020, 11% higher than that of the nation. Historically, city unemployment rates have been approximately 75% of the national rate.

Operating Risks

The system's currently very low operating risk profile reflects an operating cost burden of $5,815 per mg of flows in 2019. System costs, including purchased service costs related Metro, are anticipated to increase approximately 2.5% annually. Service area growth should result in greater treated volume, partially mitigating upward pressure on the operating cost burden.

Planned capital spending over the next five years will support a continued low life cycle ratio. The capital improvement plan (CIP), covering years 2021 through 2025, approximates $210 million. A key component of the CIP is the system's proportionate share (approximately $60 million) of the Southeast Area Maintenance (SEAM) Facility, including a new interceptor, which will house water, sewer and storm drainage operations.

The CIP also funds sewer system expansions, rehabilitation of existing infrastructure and upsizing of sewers. Storm drainage system improvements include infrastructure related to flood reduction, detention and water quality projects. Approximately 50% of the plan will be debt funded, including proceeds of the current issue that are primarily for the SEAM Facility.

Financial Profile

The system's extremely strong financial profile reflects consistently low leverage, which was below 1.0x in 2019. Leverage, as measured by net adjusted debt to adjusted funds available for debt service (FADS), is expected to rise with the implementation of the capital plan but remain below 5.0x beyond 2024.

The system's liquidity profile is robust, although neutral to the assessment. Fitch-calculated coverage of full obligations (COFO) has exceeded 2.6x for the past five years. Excluding connection fee revenue, COFO was 2.2x in 2019. The liquidity cushion has been growing and was in excess of 560 days cash on hand in 2019. Fitch-calculated total debt service coverage was 8.0x in 2019.

Fitch Analytical Stress Test (FAST)

The FAST considers the potential trend of key ratios in a base case and stress case over a five-year period. The stress case is designed to impose capital costs 10% above expected base case levels and evaluate potential variability in projected key ratios.

The FAST base case through 2024 was informed by the city's projections, including those with respect to revenues, expenditures and capital investment. The forecast included current projections for debt which, in addition to the current sale, includes an estimated $38 million in 2024 to continue funding the capital plan.

Based on these assumptions, the FAST base case reflects a gradual increase in leverage reaching 2.9x in 2024. The FAST stress case follows a similar pattern, with leverage rising to 3.4x in 2024. With the limited amount of additional debt anticipated after 2024 and expectations for regular rate adjustments, Fitch expects leverage will stabilize and begin to decline after 2024, remaining consistent with the current assessment.

Date of Relevant Committee

29 April 2021

Sources of Information

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG Considerations

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg

Fitch Ratings Analysts

Kristen Reifsnyder
Director
Primary Rating Analyst
+1 646 582 3448
Fitch Ratings, Inc. Hearst Tower 300 W. 57th Street New York, NY 10019

Julieta Seebach
Director
Secondary Rating Analyst
+1 512 215 3743

Douglas Scott
Managing Director
Committee Chairperson
+1 512 215 3725

Media Contacts

Sandro Scenga
New York
+1 212 908 0278
sandro.scenga@thefitchgroup.com

Applicable Criteria

Public Sector, Revenue-Supported Entities Rating Criteria (pub.23 Feb 2021) (including rating assumption sensitivity)

U.S. Water and Sewer Rating Criteria (pub.18 Mar 2021) (including rating assumption sensitivity)

Additional Disclosures

Solicitation Status

Endorsement Status

Aurora (CO)	EU Endorsed, UK Endorsed

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RatingsDirect®

Summary:

Aurora, Colorado; Water/Sewer

Primary Credit Analyst:
Malcolm N D'Silva, Centennial + 1 (303) 721 4526; malcolm.dsilva@spglobal.com

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

Table Of Contents

Summary:

Aurora, Colorado; Water/Sewer

Credit Profile		
US$55.135 mil 1st ln swr rev bnds ser 2021 due 12/01/2040		
Long Term Rating	AA+/Stable	New

Rating Action

S&P Global Ratings assigned its 'AA+' long-term rating to Aurora, Colo., acting by and through its utility enterprise (Aurora Water) anticipated $55 million series 2021 first-lien sewer revenue bonds (SEAM facility improvement project). The outlook is stable.

The city sewer and storm drainage system's net revenues secure the bonds. The series 2021 bond proceeds will provide approximately $60 million in funds for certain capital improvement projects. This financing includes the wastewater division's share of a new Southeast Area Maintenance (SEAM) facility, which is expected to include facility additions ranging from administrative office space and a water quality lab to a warehouse and trades building. Construction began in early 2021 and is expected to be complete in 2023. Post-issuance, the city's wastewater system will have approximately $103 million of sewer enterprise revenue debt obligations, which includes a final draw of $15 million on a privately placed transaction that is expected to occur in August 2021. We view the bond provisions as credit neutral. The bonds are protected by a 1.2x additional bonds test of maximum annual debt service (MADS) and a 1.2x rate covenant of annual debt service (on all outstanding first-lien obligations). While management has chosen not to establish a debt service reserve fund for the series 2021 bonds, the system's financial profile, including very strong liquidity, precludes any credit risk.

Credit overview

The rating reflects our opinion of the wastewater system's general creditworthiness and a combination of its extremely strong enterprise and financial risk profiles. The strength of the system's financial metrics provides a strong cushion, in our view, to mitigate potential short-term disruptions. While we continue to monitor events related to COVID-19, we do not currently anticipate it to affect the system's ability to maintain budgetary balance and make debt service payments. The city's location in the Denver metropolitan area has brought significant growth to its service area over the past decade. In our view, the systems capital needs are modest, while city income levels are adequate to keep rates relatively affordable in the near future. Approximately 84% of the wastewater collected by the system is conveyed to a regional sewage treatment plant operated by Metropolitan Wastewater Reclamation District (Metro), a separate governmental entity, which provides wholesale treatment and disposal of wastewater for 22 municipalities and 26 special districts in the Denver area. Aurora is the second largest contributor to Metro's system and its share of annual charges paid to Metro has been approximately 22% of Metro's total annual charges. This represents nearly 60% of the wastewater fund's budget and reflects, in our view, a corresponding exposure to Metro's wholesale cost increases in the future as Metro plans to fund a large capital program (approximately $1.25 billion) over a 10-year period to meet its growth and regulatory goals. Management notes that annual sewer rates are projected to increase by 4% annually largely as a pass-through of charges from Metro. The utility's financial outlook is strong and reasonable, in our view, despite the layering of additional debt needs (approximately $38 million) to fund new sewer lines and system expansion in 2024. Moreover, near-term forecasted financial and affordability metrics benchmark well to those of its peers at the 'AA+' rating level.

The enterprise risk profile reflects our view of the wastewater system's:

- Service area participation in the broad and diverse Denver-Aurora metropolitan statistical area (MSA) with what we consider good resident wealth levels. We view the service area's income levels as good based on the city's median household effective buying income (MHHEBI) at 105% of the national level, and the city estimates its population will grow at a rate of approximately 1.7% annually;
- Very low industry risk as a monopolistic service provider of an essential public utility;
- Affordable combined water, sewer, and storm rates in the context of the service area's MHHEBI. The total combined average monthly bill was about $88.84, or 2% of incomes; and
- Operational management assessment (OMA) of good which, in our view, indicates a favorable alignment of operations and management's strategic goals, even if some challenges exist. The system's major capital projects will include expansion of sewer lines and rehabilitation of interceptors, and diversion structures, while storm system improvements include flood reduction, detention, and water quality projects.

The financial risk profile reflects our view of the wastewater system's:

- Very strong history of all-in debt service coverage (DSC) in excess of 2x during the past three fiscal years, and is projected to remain very strong based on management's financial forecast;
- Very strong liquidity position that we believe is sustainable and aligned with the system's robust reserve policy. The system had about $75 million in unrestricted cash and investments at the end of fiscal 2020 (unaudited), equal to 492 days' of operating expenses;
- Modest capital improvement program (CIP) with low leverage based on a pro forma debt-to-capitalization ratio of 12% that we expect to increase given additional debt plans over the next five years; and
- Comprehensive financial management practices and policies that we consider strong under our Financial Management Assessment (FMA) methodology. We view positively the utility's financial policies and capital planning, which ultimately support a stable financial profile.

The stable outlook reflects our expectation that the system will continue to manage expenses and raise rates as need and produce a strong all-in DSC and liquidity position as the system progresses through its CIP.

Environmental, social, and governance (ESG) factors

Overall, we believe that management has mitigated most of the wastewater system's ESG-related risk by adopting, adhering to, and adjusting its operating and financial policies and procedures. Aurora has been growing rapidly in recent years. As a result, the utility has a modest CIP to address long-term planning efforts for several projects, which includes enhancing its collection system capacity, and flood reduction, detention and water quality improvement projects. Aurora Water has strong financial management practices and policies which, in our view, mitigates governance risks compared to peers. Management regularly provides a framework for making a number of investments across its facilities to reduce the system's environmental risks and to meet future growth needs. We view the utility as having rate-making flexibility needed in order to preserve the system's financial position and maintain affordability within its service area. We understand the utility will continue recommending updates to its future rate plans to meet revenue sufficiency in the near future, and we do not believe this will significantly increase affordability pressures or social risks, given the combined monthly utility bill is about 2% of local income levels.

S&P Global Ratings believes there remains high, albeit moderating, uncertainty about the evolution of the coronavirus pandemic and its economic effects. Vaccine production is ramping up and rollouts are gathering pace. Widespread immunization, which will help pave the way for a return to more normal levels of social and economic activity, looks to be achievable by the end of the third quarter. We use these assumptions about vaccine timing in assessing the economic and credit implications associated with the pandemic. As the situation evolves, we will update our assumptions and estimates accordingly.

Stable Outlook

Upside scenario

Any potential for an upgrade in the next two years would be based on significant economic improvements leading to growing incomes that outpace rising costs, combined with the system's maintenance of very strong all-in coverage at levels exceeding current metrics. We could take a positive rating action in the long term, if the system's financial capacity improves to a level that we would consider sustainable as it progresses through its CIP, such that it overrides our view of risks related to the system's rising operating costs without material erosion in its affordability metrics.

Downside scenario

We could take a negative rating action if the wastewater system materially spends down its cash reserves such as from financial performance that significantly and unfavorably deviates from its forecast or if affordability is pressured as rate increases outpace income growth over time. In addition, any unexpected economic or financial shock, which could potentially significantly disrupt the system's operations, or any unanticipated large change in the CIP that could alter related financial metrics, could present downward pressure on the rating at any time.

Credit Opinion

Enterprise risk

Aurora Water (serving a population of approximately 380,000) operates a municipal water system, sanitary sewer system and a storm drainage system. Aurora is the third largest city in Colorado and supports nearly 90,000 active customer accounts as of Dec. 31, 2020. Residential and multi-family customers account for approximately 77% of operating revenues and 95% of total accounts in fiscal 2020. The customer base is stable and is expanding with almost 60% built-out. As the population within the service area continues to grow, the characteristics of the service area are also continually changing. By customer count, the system is predominantly residential and does not have any reliance on any of its principal retail customers for a disproportionately larger share of operating revenues. We note that the largest contract for service outside of the city is a wholesale customer that maintains its own sewage collection but interconnects with the city for delivery to Metro for treatment (accounting for about 14% of total service charges). This wholesale customer is, in essence, a local government agency that provide retail services to mostly residential customer bases. The city is mostly reliant on Metro for treatment services, but also treats a small portion of its wastewater in its own five million gallons per day (mgd) plant.

We benchmark our analysis of the system's strong market position, which is an input to the enterprise risk profile, to both MHHEBI and the area's poverty rate. Residential customers currently pay a fixed monthly charge assessed based on winter usage amounts and size of the water meter and a volumetric component based on water use. Rates are reviewed annually with the last planned rate increase in 2020. Management anticipates annual sewer rates to increase by 4% annually largely as a pass-through of charges from Metro, and projected planned storm rate increases between 3% and 5% biennially starting in 2023 to support rising cost-of-service requirements.

The good OMA includes the wastewater system's role as primarily a collection-only customer of Metro, greatly reducing operating and financial risk to the city. In addition, the general condition of the collection system reflects full environmental compliance and overall good condition.

Financial risk

The wastewater fund's financial performance has been strong in recent years, in our view. The extremely strong financial risk profile benefits from both the solid liquidity position and its all-in DSC that consistently exceeded 2x more recently. Combined total pledged revenue was roughly $87 million for fiscal 2020 (unaudited). All-in DSC provided by wastewater fund net revenues in 2020 is what we consider very strong, at 3x. Connection fee revenue for the wastewater system was approximately $12 million in 2020 (or 14% of total revenues). When excluding growth-related connection fees, all-in DSC drops to 2x in 2020, levels we consider strong. We calculate an "all-in" coverage metric that considers imputed fixed debt service costs that is implicitly passed on to the city based on the contractual relationship with Metro. Based on projections provided by management, we calculate the trend of strong all-in DSC will continue. We performed some stress scenarios, including management's base case and more extreme scenarios that includes a significant decline in connection fees for the forecasted period. For example, under our stress case scenario (including a 5% potential reduced flow and 50% haircut to connection fees), we calculate all-in DSC will exceed 1.6x through 2025, levels we consider strong. In addition to the 2021 debt issuance, the forecast includes approximately $38 million of additional debt anticipated in fiscal 2024.

The wastewater system's five-year CIP totals approximately $209 million. Of that total, sanitary sewer projects account for 78%, and storm drainage projects (22%). Currently, management expects roughly 48% of the CIP to be funded from the 2021 bonds and future debt issuance, while the remaining will be cash-funded. Pro-forma debt-to-capitalization levels are low, in our view, at 12%. Given the additional debt plans, we expect the leverage position to increase in the near future.

Liquidity is a credit strength despite planned cash funded portions of the system's capital plan; we expect liquidity will stay very strong in the near future. Unrestricted cash and investments have been no less than $60 million or 450 days of cash during the past three years. Based on management's financial forecast, we anticipate relatively nominal draws on internal operating cash to fund future capital projects, and we anticipate management will continue to maintain sufficient liquidity to meet operations.

Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Tab F: Details of Outstanding Golf Enterprise Revenue Debt

As of January 1, 2022

City of Aurora, Colorado

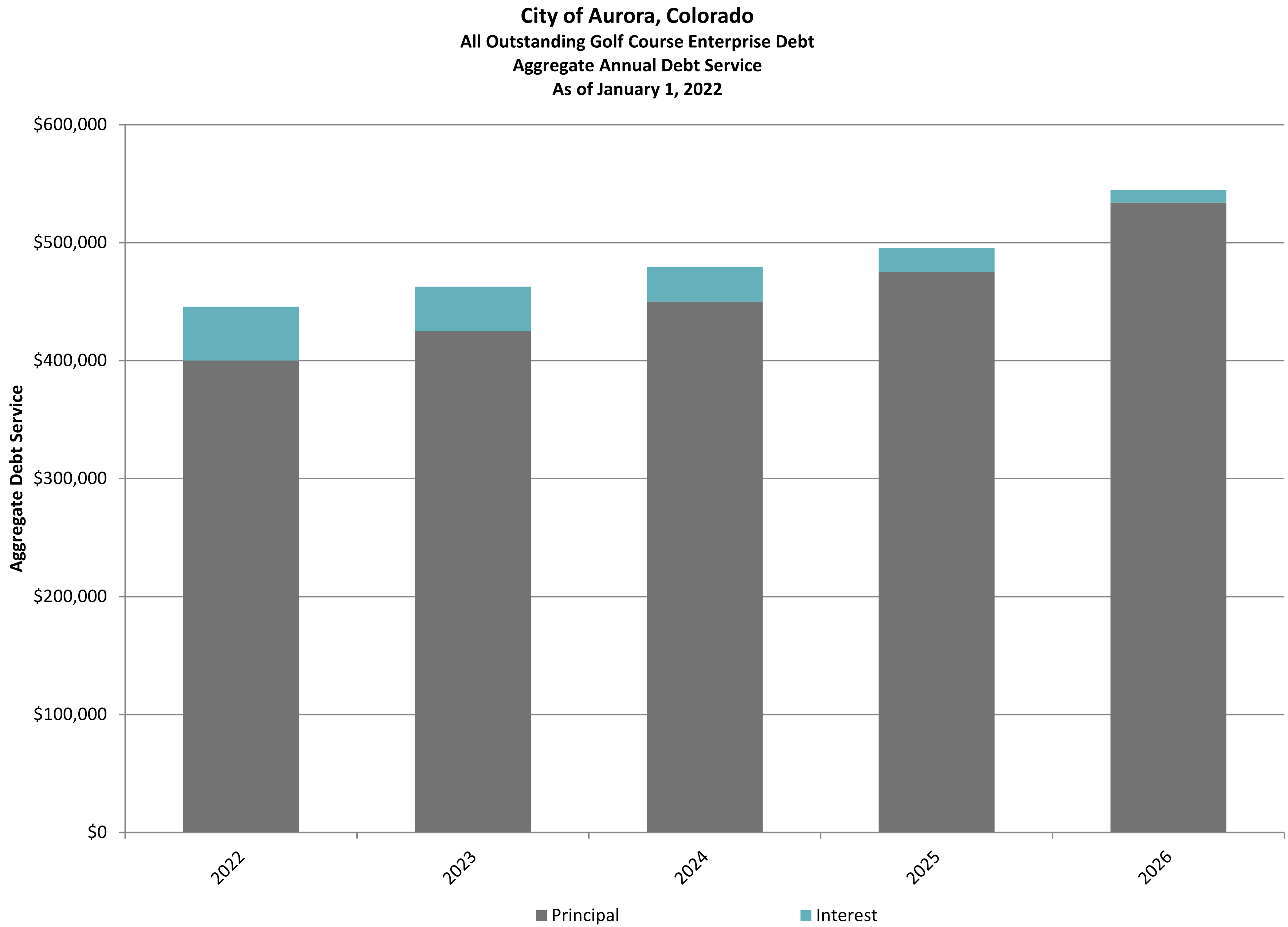
All Outstanding Golf Enterprise Debt
As of January 1, 2022
(000's)

Year Ending December 31	$3,909,000 Murphy Creek Golf Course Revenue Refunding Note Series 2017	
	Principal	Coupon
2022	400	2.000%
2023	425	2.000%
2024	450	2.000%
2025	475	2.000%
2026	534	2.000%
TOTALS	$2,284	
Next Call	Callable At Any Time	
Dated Date	03/2017	
Coupon Dates	December 1	
Maturity Dates	December 1	
Insurer	None	
Paying Agent	Director of Finance	
Purpose	Refinance 2011 Golf Note	

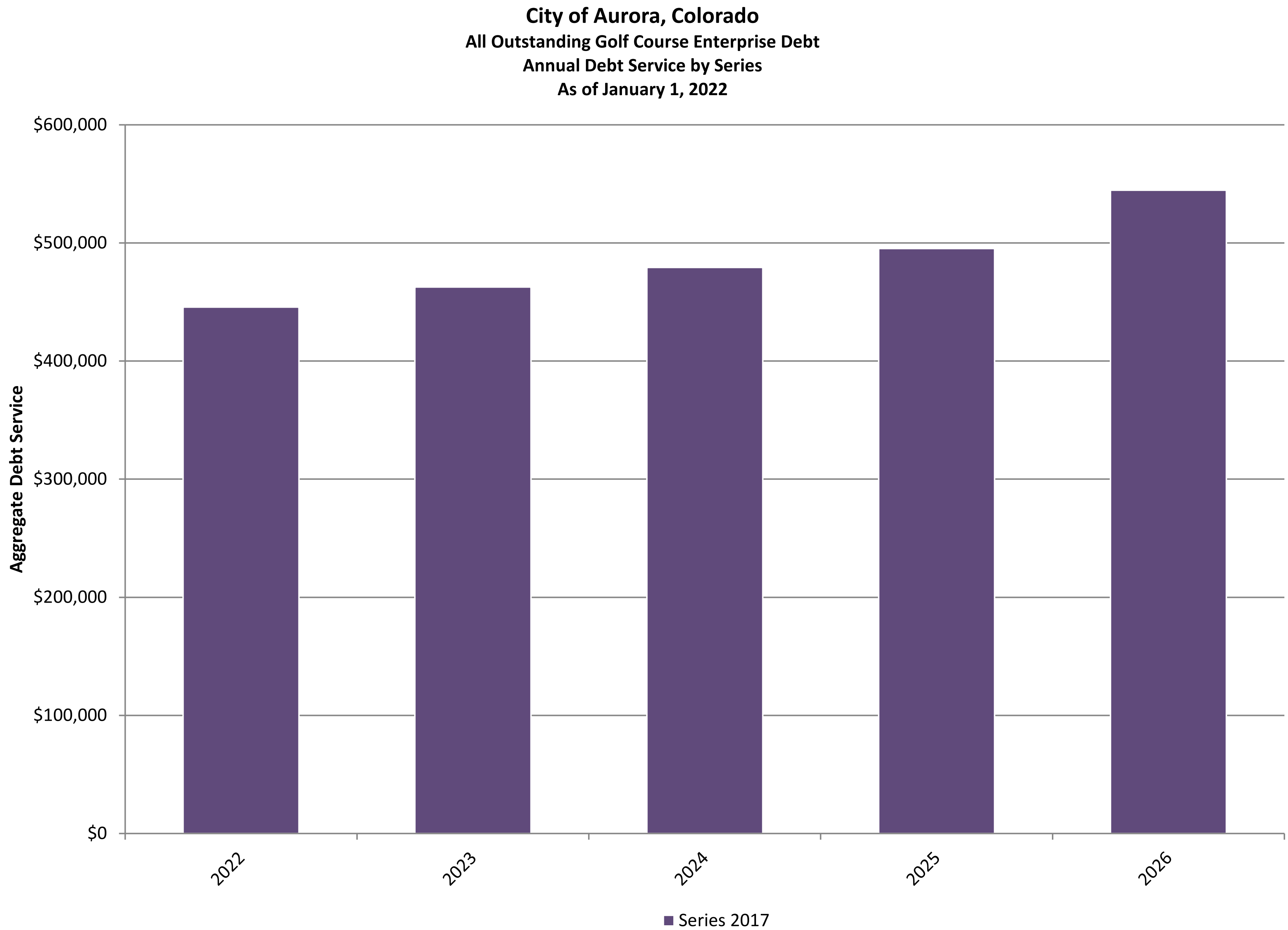
Color Legend	
Callable	Non-Callable

City of Aurora, Colorado
Golf Enterprise Debt
Summary of Outstanding Obligations as of January 1, 2022

TOTAL ANNUAL DEBT SERVICE		
	Series 2017	Total
2022	445,680	445,680
2023	462,680	462,680
2024	479,180	479,180
2025	495,180	495,180
2026	544,680	544,680
Total	2,427,400	2,427,400



HilltopSecurities
A Hilltop Holdings Company.


City of Aurora, Colorado
All Outstanding Golf Course Enterprise Debt
Annual Debt Service by Series
As of January 1, 2022
Aggregate Debt Service
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
2022
2023
2024
2025
2026
Series 2017

Original Par Amount:	**$3,909,000**
Issuer:	**City of Aurora, Colorado**
	Murphy Creek Golf Course Note
Issue Description:	**Series 2017**
Current Bond Rating:	
Registrar/Paying Agent:	Director of Finance of the City
Type:	Interfund Loan
Source of Repayment:	Golf Course Revenues
Bond Covenant:	Covenant Violations Requires Rate Study

Notes: In December of 1995, City Council authorized the Utility Enterprise Wastewater Fund to provide a loan to the Golf Enterprise Fund for the construction of the Murphy Creek Golf Course. The loan between the Utility and Golf is a floating rate note that required annual principal payments of $256,000 through 2012. The loan was scheduled to mature in 2013 with a balloon payment of $3,328,000. Due to uncertainty in performance, the amortization schedule was revised in 2009 to provide immediate relief to the golf course. In November 2011 the loan was renegotiated providing a market interest rate and a final maturity in 2026, with a rate of 4%. In November 2016, given interest rate market conditions at the time, a review of the loan occurred and the rate was adjusted to reflect current market conditions and set at 2% effective March 15, 2017; the new rate will save ~$390k in interest payments.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	**400,000**	2.000%	45,680	445,680
2023	**425,000**	2.000%	37,680	462,680
2024	**450,000**	2.000%	29,180	479,180
2025	**475,000**	2.000%	20,180	495,180
2026	**534,000**	2.000%	10,680	544,680
TOTAL	**2,284,000**		**143,400**	**2,427,400**

Redemption Provision:	Callable at Any Time
Maturity Dates:	December 1
Interest Payment Dates:	December 1

Tab G: Details of Outstanding General Improvement District Debt

As of January 1, 2022

City of Aurora, Colorado

All Outstanding General Improvement District Debt
As of January 1, 2022
(000's)

Year Ending December 31	$650,000 GID 1-16 (Cobblewood) General Obligation Bonds Series 2017		$2,600,000 GID 2-09 (Pier Point 7) General Obligation Bonds Series 2011		$520,000 GID 3-08 (Meadow Hills) General Obligation Bonds Series 2010		$375,000 GID 1-08 (Peoria Park) General Obligation Bonds Series 2010		$700,000 GID 1-07 (Cherry Creek) General Obligation Bonds Series 2009	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2022	22	3.270%	130	4.380%	25	4.990%	18	5.450%	40	5.250%
2023	23	3.270%	135	4.380%	25	4.990%	19	5.450%	40	5.250%
2024	23	3.270%	140	4.380%	25	4.990%	20	5.450%	40	5.250%
2025	24	3.270%	145	4.380%	25	4.990%	21	5.450%	45	5.250%
2026	25	3.270%	155	4.380%	30	4.990%	22	5.450%	45	5.250%
2027	26	3.270%	160	4.380%	30	4.990%	23	5.450%	50	5.250%
2028	27	3.270%	165	4.380%	30	4.990%	25	5.450%	50	5.250%
2029	28	3.270%	175	4.380%	35	4.990%	26	5.450%	55	5.250%
2030	28	3.270%	180	4.380%	35	4.990%	27	5.450%		
2031	29	3.270%	190	4.380%	35	4.990%	29	5.450%		
2032	30	3.270%								
2033										
2034										
2035										
2036										
TOTALS	$285		$1,575		$295		$230		$365	
Next Call	11/16/2022		Non-Callable		Non-Callable		Non-Callable		Non-Callable	
Dated Date	10/3/2017		10/31/2011		12/22/2010		6/1/2010		12/8/2009	
Coupon Dates	May 15	November 15	May 15	November 15	May 15	November 15	May 15	November 15	May 15	November 15
Maturity Dates	November 15		November 15		November 15		November 15		November 15	
Insurer	None		None		None		None		None	
Paying Agent	Director of Finance		Director of Finance		Director of Finance		Director of Finance		Director of Finance	
Purpose	New Money		New Money		New Money		New Money		New Money	

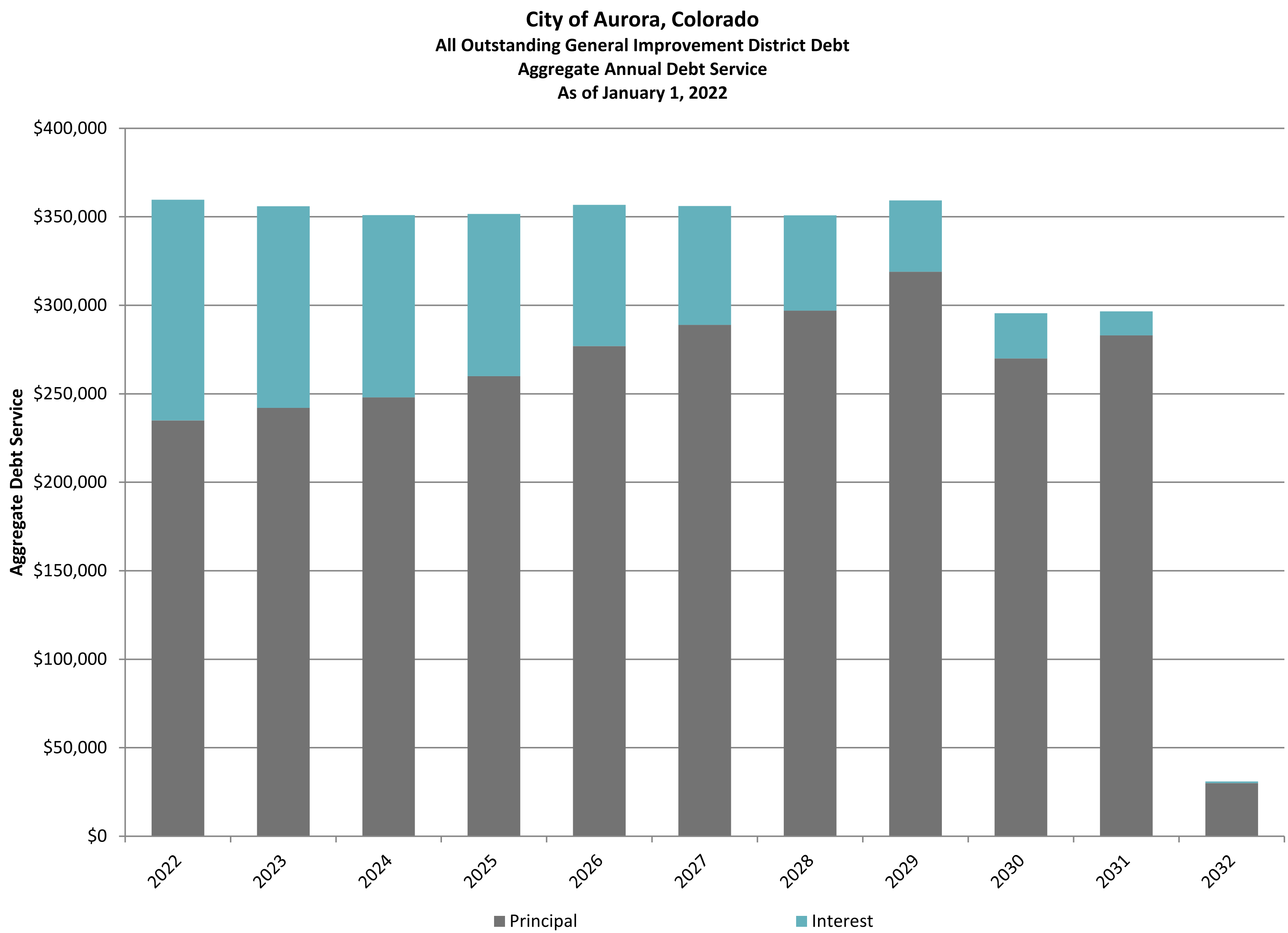
Color Legend
Callable Non-Callable

City of Aurora, Colorado

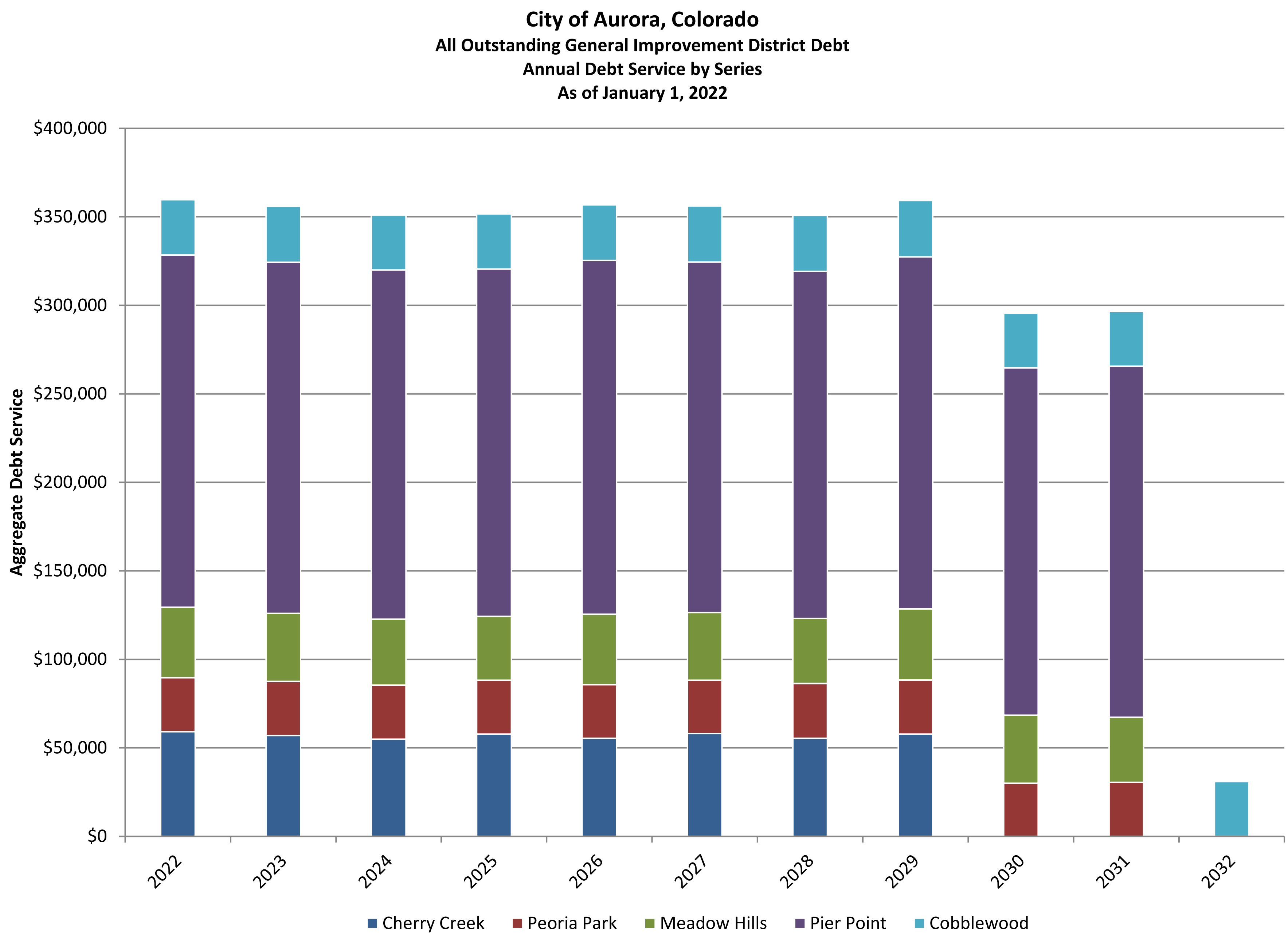
GIDs

Summary of Outstanding Obligations as of January 1, 2022

			TOTAL ANNUAL DEBT SERVICE			
Year	Cherry Creek	Peoria Park	Meadow Hills	Pier Point	Cobblewood	Total
2022	59,163	30,535	39,721	198,985	31,320	359,723
2023	57,063	30,554	38,473	198,291	31,600	355,981
2024	54,963	30,519	37,226	197,378	30,848	350,933
2025	57,863	30,429	35,978	196,246	31,096	351,611
2026	55,500	30,284	39,731	199,895	31,311	356,721
2027	58,138	30,085	38,234	198,106	31,494	356,056
2028	55,513	30,832	36,737	196,098	31,643	350,822
2029	57,888	30,469	40,240	198,871	31,761	359,228
2030	-	30,052	38,493	196,206	30,845	295,596
2031	-	30,581	36,747	198,322	30,929	296,578
2032	-	-	-	-	30,981	30,981
Total	**456,088**	**304,338**	**381,577**	**1,978,398**	**343,827**	**3,464,227**



HilltopSecurities
A Hilltop Holdings Company.



HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$650,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 1-16 (Cobblewood)
Issue Description:	**General Obligation Bonds, Series 2017**
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Underwriter	NBH Bank
Arbitrage Yield:	3.2695%
Arbitrage Consultant:	N/A
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	N/A
Arbitrage Liability Calc:	N/A
Source of Repayment:	Taxes levied by the GID on property within its boundaries.
Bond Covenant:	Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: The Cobblewood community is a group of 43 homes developed in 1973, in an HOA controlled community, where the street, South Kingston Circle, within the Cobblewood community was owned and privately maintained by the community's HOA. In November of 2016, the community voted to form a GID, and based on an election question, the voters elected with a vote of 43-7 to pay for the improvements to the roads through a tax levy, and have subsequently turned the ownership of the roads to the City. The debt incurred was used to bring to code the community's roadways, which included erosion control, excavation, reclamation; design and construction management, and all other necessary improvements. The scope of the project includes 2,188 linear feet of curb and gutter and the removal and/or reclamation of ~5,810 square yards of asphalt and roadway.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	22,000	3.270%	9,320	31,320
2023	**23,000**	3.270%	8,600	31,600
2024	**23,000**	3.270%	7,848	30,848
2025	**24,000**	3.270%	7,096	31,096
2026	**25,000**	3.270%	6,311	31,311
2027	**26,000**	3.270%	5,494	31,494
2028	**27,000**	3.270%	4,643	31,643
2029	**28,000**	3.270%	3,761	31,761
2030	**28,000**	3.270%	2,845	30,845
2031	**29,000**	3.270%	1,929	30,929
2032	**30,000**	3.270%	981	30,981
TOTAL	**285,000**		**58,827**	**343,827**

Redemption Provision:	11/16/2022 @ Par
Maturity Dates:	November 15
Interest Payment Dates:	May 15 and November 15

Original Par Amount:	**$2,600,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 2-09 (Pier Point 7)
Issue Description:	**General Obligation Bonds, Series 2011**
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Underwriter	FirstBank
Arbitrage Yield:	4.3798%
Arbitrage Consultant:	N/A
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	N/A
Arbitrage Liability Calc:	N/A
Source of Repayment:	Taxes levied by the GID on property within its boundaries.
Bond Covenant:	Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: Pier Point 7 is a group of seven communities, comprising 455 residential units, situated along South Parker Road just north of East Quincy Avenue in Aurora, Colorado. The Pier Point 7 sewer system was designed and constructed over a period of approximately 25 years, from the early 1970s to the completion of Village 8 (there is no Village 7) in the mid-1990s. The purpose of the District is to provide essential sanitary sewer system improvements and services within District boundaries, including, but not limited to, collection mains and laterals, transmission lines and related landscaping improvements, together with all necessary, incidental and appurtenant facilities. In the summer of 2009 the Pier Point 7 General Improvement District was created for the purpose of financing the construction/repairs of the system to bring the private system up to City standards, thereby allowing the City to take over ownership and maintenance of the system. The vote was 232 in favor (93%) and 17 opposed.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	130,000	4.380%	68,985	198,985
2023	135,000	4.380%	63,291	198,291
2024	140,000	4.380%	57,378	197,378
2025	145,000	4.380%	51,246	196,246
2026	155,000	4.380%	44,895	199,895
2027	160,000	4.380%	38,106	198,106
2028	165,000	4.380%	31,098	196,098
2029	175,000	4.380%	23,871	198,871
2030	180,000	4.380%	16,206	196,206
2031	190,000	4.380%	8,322	198,322
TOTAL	**1,575,000**		**403,398**	**1,978,398**

Redemption Provision:	Non-Callable
Maturity Dates:	November 15
Interest Payment Dates:	May 15 and November 15

Original Par Amount:	**$520,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 3-08 (Meadow Hills)
Issue Description:	**General Obligation Bonds, Series 2010**
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Underwriter	Colorado State Bank & Trust
Arbitrage Yield:	4.9907%
Arbitrage Consultant:	N/A
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	N/A
Next Rebate Calc. Date:	N/A
Arbitrage Liability Calc:	N/A
Source of Repayment:	Taxes levied by the GID on property within its boundaries.
Bond Covenant:	Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: In the summer of 2008, General Improvement District 3-2008 (Meadow Hills Country Club) was created for the purpose of constructing 1,670 linear feet of masonry wall. Residents within the District agreed to construct and install a masonry fence and assess an annual levy of property taxes to fund debt service on bonds and the maintenance of such fence. The vote was 40 (58.82%) to 28 (41.18%) in favor of organizing a GID to construct a fence, and 37 (54.41%) to 31 (45.59%) in favor of increasing the property tax to pay for the improvement, and a smaller levy to maintain the fence. The properties to be assessed in the District are owned by 46 property owners.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	25,000	4.990%	14,721	39,721
2023	25,000	4.990%	13,473	38,473
2024	25,000	4.990%	12,226	37,226
2025	25,000	4.990%	10,978	35,978
2026	30,000	4.990%	9,731	39,731
2027	30,000	4.990%	8,234	38,234
2028	30,000	4.990%	6,737	36,737
2029	35,000	4.990%	5,240	40,240
2030	35,000	4.990%	3,493	38,493
2031	35,000	4.990%	1,747	36,747
TOTAL	295,000		86,577	381,577

Redemption Provision:	Non-Callable
Maturity Dates:	November 15
Interest Payment Dates:	May 15 and November 15

Original Par Amount:	**$375,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 1-08 (Peoria Park)
Issue Description:	**General Obligation Bonds, Series 2010**
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Lender:	Colorado State Bank and Trust
Method of Sale:	Negotiated
Arbitrage Yield:	5.4502%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	06/01/15
Next Rebate Calc. Date:	06/01/20
Arbitrage Liability Calc:	N/A

Source of Repayment: Taxes levied by the GID on property within its boundaries.

Bond Covenant: Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: In the summer of 2008, General Improvement District 1-2008 (Peoria Park) was created for the purpose of constructing 1,100 linear feet of masonry wall. Residents within the District agreed to construct and install a masonry fence and assess an annual levy of property taxes to fund debt service on bonds and the maintenance of the fence. With 373 registered district voters participating, the ballot question passed with 64% in favor of the District. The District is comprised of 233 single-family homes, primarily constructed from the late-1970's to the mid-1980's.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	18,000	5.450%	12,535	30,535
2023	19,000	5.450%	11,554	30,554
2024	20,000	5.450%	10,519	30,519
2025	21,000	5.450%	9,429	30,429
2026	22,000	5.450%	8,284	30,284
2027	23,000	5.450%	7,085	30,085
2028	25,000	5.450%	5,832	30,832
2029	26,000	5.450%	4,469	30,469
2030	27,000	5.450%	3,052	30,052
2031	29,000	5.450%	1,581	30,581
TOTAL	230,000		74,338	304,338

Redemption Provision:	Non-Callable
Maturity Dates:	November 15
Interest Payment Dates:	May 15 and November 15

Original Par Amount:	**$700,000**
Issuer:	**City of Aurora, Colorado**
	General Improvement District 1-07 (Cherry Creek Racquet Club)
Issue Description:	**General Obligation Bonds, Series 2009**
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	N/A
Bond Counsel:	Kutak Rock
Underwriter	George K. Baum
Method of Sale:	Negotiated
Arbitrage Yield:	5.2504%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	11/15/2014
Next Rebate Calc. Date:	12/8/2019
Arbitrage Liability Calc:	N/A
Source of Repayment:	Taxes levied by the GID on property within its boundaries.
Bond Covenant:	Covenant by the GID to levy property taxes for debt service on its bonds.

Purpose: In the summer of 2007, General Improvement District 1-2007 (Cherry Creek Racquet Club) was created for the purpose of constructing 1,700 linear feet of masonry wall around the District. Residents within the District agreed to construct and install a masonry fence and assess an annual levy of property taxes to fund debt service on bonds and the maintenance of the fence. The properties to be assessed in the District are owned by a total of 91 property owners.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	40,000	5.250%	19,163	59,163
2023	40,000	5.250%	17,063	57,063
2024	40,000	5.250%	14,963	54,963
2025	45,000	5.250%	12,863	57,863
2026	45,000	5.250%	10,500	55,500
2027	50,000	5.250%	8,138	58,138
2028	50,000	5.250%	5,513	55,513
2029	55,000	5.250%	2,888	57,888
TOTAL	**365,000**		**91,088**	**456,088**

Redemption Provision:	Non-Callable
Maturity Dates:	November 15
Interest Payment Dates:	May 15 and November 15

NEW ISSUE-BOOK ENTRY ONLY **NOT RATED**
BANK QUALIFIED

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance by the District with certain covenants, interest on the Series 2009 Bonds is not includible in gross income for federal and State of Colorado income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The District has designated the Series 2009 Bonds as "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See the caption "TAX MATTERS."

$700,000
General Improvement District 1-2007
(In the City of Aurora, Colorado)
General Obligation Bonds
Series 2009

Dated: Date of Delivery **Due: November 15, as shown below**

The General Obligation Bonds, Series 2009 (the "Series 2009 Bonds") are issued in fully registered form in denominations of $100,000 or integral multiples of $5,000 in excess thereof. Interest on the Series 2009 Bonds, at the rate set forth below, is payable semiannually on May 15 and November 15, commencing on May 15, 2010. Purchasers, as Beneficial Owners, will not receive certificates evidencing their ownership interest in the Series 2009 Bonds.

$700,000 5.25% Series 2009 Term Bonds due November 15, 2029 Price @: 100%
CUSIP No. 051555 3W8

The net proceeds of the Series 2009 Bonds will be used for the purpose of reimbursing the City for the costs of constructing and installing a masonry fence. See "USE OF PROCEEDS." The Series 2009 Bonds are limited tax general obligations of the District, secured by its covenant to levy general ad valorem taxes, in limited amounts, to pay the principal of and interest on the Series 2009 Bonds as the same become due. See "SECURITY FOR THE SERIES 2009 BONDS."

The Series 2009 Bonds are subject to mandatory sinking fund redemption prior to their maturity. See "THE SERIES 2009 BONDS—Prior Redemption."

THE SERIES 2009 BONDS ARE OFFERED EXCLUSIVELY TO INVESTORS WHO ARE "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE DISTRICT WILL NOT GIVE ANY UNDERTAKING OR ASSURANCE CONCERNING THE AVAILABILITY OF INFORMATION FOLLOWING THE ISSUANCE OF THE SERIES 2009 BONDS.

The District is a quasi-municipal corporation formed within the City of Aurora, Colorado (the "City") pursuant to a petition of property owners to finance the costs of a masonry fence (the "Project"). ***The Series 2009 Bonds are general obligations of the District and are payable from general ad valorem taxes required to be levied, without limitation as to rate, but subject to an annual limitation as to their dollar amount, on all taxable property within the boundaries of the District, except to the extent that other legally available funds are applied for such purpose. THE SERIES 2009 BONDS ARE NOT OBLIGATIONS OF THE CITY.***

This cover page is not a summary of the issue. Investors should read the Limited Offering Memorandum in its entirety to make an informed investment decision, giving particular attention to the matters referred to under the caption "RISK FACTORS."

The Series 2009 Bonds are offered solely to qualified institutional buyers meeting the requirements described under the caption "LIMITED OFFERING," when, as and if issued, subject to approval of validity by Kutak Rock LLP, Denver, Colorado, Bond Counsel, and certain other conditions. Piper Jaffray & Co. has acted as Financial Advisor to the District in connection with the Series 2009 Bonds. The Series 2009 Bonds are expected to be available for delivery by Wells Fargo Bank, National Association, as paying agent and registrar for the Series 2009 Bonds, through the facilities of The Depository Trust Company, on or about December 8, 2009.

George K. Baum & Co.

The date of this Limited Offering Memorandum is December 2, 2009.

Tab H: Details of Outstanding Special Improvement District Debt

As of January 1, 2022

City of Aurora, Colorado
All Outstanding Special Improvement District Debt
As of January 1, 2022
(000's)

Year Ending December 31	$1,230,000 Special Improvement District SID 1-10 (Dam East) Rev Note Series 2012	
	Principal*	Coupon
2022	175	2.730%
TOTALS	$175	

Next Call	Callable	
Dated Date	11/1/2012	
Coupon Dates	May 15	November 15
Maturity Dates	May 15	November 15
Insurer	None	
Paying Agent	Director of Finance	
Purpose	New Money	

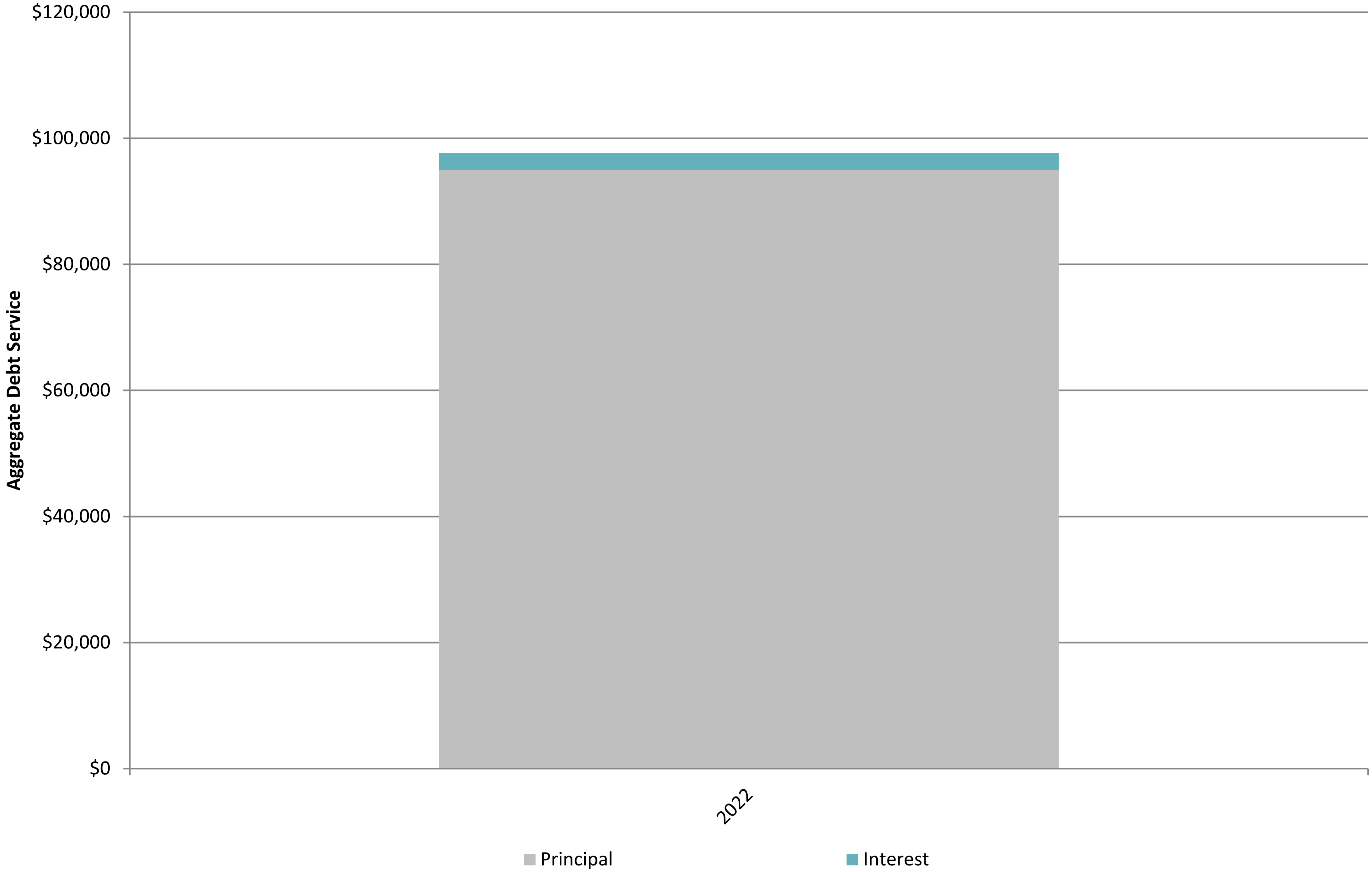
Color Legend	
Callable	Non-Callable

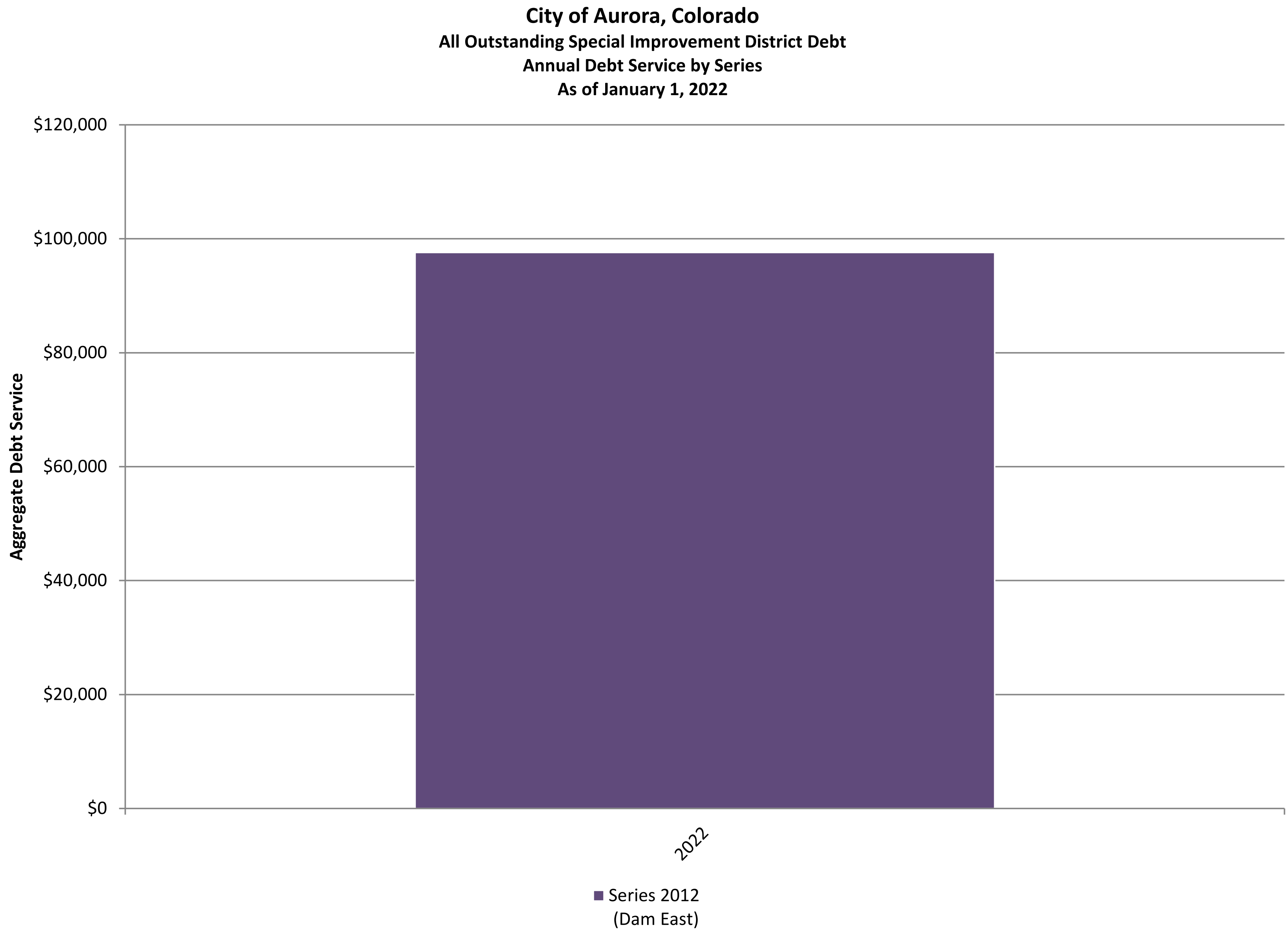
*Principal and interest amounts listed above are projections and are subject to change.

City of Aurora, Colorado
SIDs
Summary of Outstanding Obligations as of January 1, 2022

TOTAL ANNUAL DEBT SERVICE		
Year	Series 2012 (Dam East)	Total
2022	97,594	97,594
Total	**97,594**	**97,594**

City of Aurora, Colorado
All Outstanding Special Improvement District Debt
Aggregate Annual Debt Service
As of January 1, 2022




City of Aurora, Colorado
All Outstanding Special Improvement District Debt
Annual Debt Service by Series
As of January 1, 2022
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$0
Aggregate Debt Service
2022
Series 2012 (Dam East)

Original Par Amount:	**$1,230,000**
Issuer:	**City of Aurora, Colorado**
	Dam East Special Improvement District
Issue Description:	**Series 2012 Revenue Note**
Registrar/Paying Agent:	Director of Finance of the City
Bond Insurer:	
Bond Counsel:	Kutak Rock
Lender:	Colorado Business Bank
Method of Sale:	Private Placement
Arbitrage Yield:	2.7298%
Arbitrage Consultant:	Arbitrage Compliance Specialists, INC
DSRF Status	N/A
Rebateable Funds:	N/A
Yield Restricted Funds:	N/A
Last Rebate Calc. Date:	5/31/2014
Next Rebate Calc. Date:	12/1/2017
Arbitrage Liability Calc:	($4,996.13)
Source of Repayment:	Special Improvement District Revenues
Bond Covenant:	

Purpose: The Series 2012 Note was issued for the purpose of providing funds for costs to be expended or reimbursed for the Dam East Neighborhood Fence Project.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	95,000	2.730%	2,594	97,594
TOTAL	95,000		2,594	97,594

Redemption Provision: Callable at Any Time
Maturity Dates: May 15 and November 15
Interest Payment Dates: May 15 and November 15
**Note: Principal and interest amounts listed above are projections and are subject to change.*

City of Aurora, Colorado

Tab I: Details of Outstanding Urban Renewal Authority Debt

As of January 1, 2022

City of Aurora, Colorado

All Outstanding Urban Renewal Authority Debt
As of January 1, 2022
(000's)

Year Ending December 31	$21,500,000 AURA The Point Loan 2016		$27,750,000 NBH Hyatt Hotel Loan 2014	
	Principal	Coupon	Principal	Coupon*
2022	840	1.750%	770	1.911%
2023	855	1.750%	835	1.911%
2024	865	1.750%	24,350	1.911%
2025	885	1.750%		
2026	900	1.750%		
2027	915	1.750%		
2028	930	1.750%		
2029	945	1.750%		
2030	965	1.750%		
2031	980	1.750%		
2032	995	1.750%		
2033	1,015	1.750%		
2034	1,030	1.750%		
2035	1,050	1.750%		
2036	1,070	1.750%		
2037	1,085	1.750%		
2038	1,105	1.750%		
2039	1,125	1.750%		
2040	1,145	1.750%		
2041	1,165	1.750%		
TOTALS	$19,865		$25,955	
Next Call	Callable At Any Time		Callable At Any Time	
Dated Date	12/22/2016		8/21/2014	
Coupon Dates	December 1		March 1 June 1 Sept 1 Dec 1	
Maturity Dates	December 1		December 1	
Insurer	None		None	
Purpose	New Money		New Money	

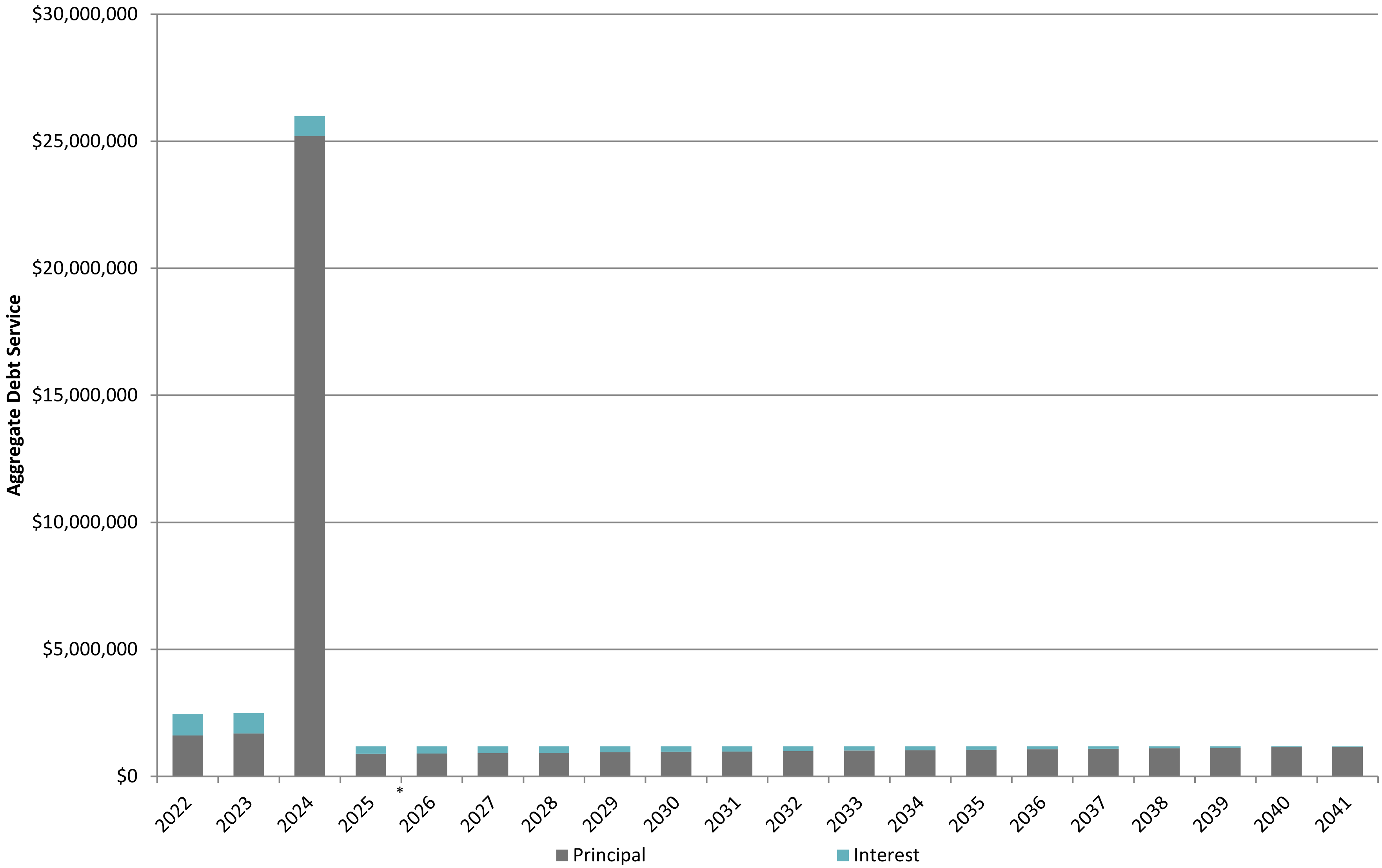
Color Legend
Callable   Non-Callable

** Variable rate is calculated as follows: (12 mos LIBOR + 2.40)*.70. Rate for 2021 is 1.948%*

City of Aurora, Colorado
Urban Renewal Authority
Summary of Outstanding Obligations as of January 1, 2022

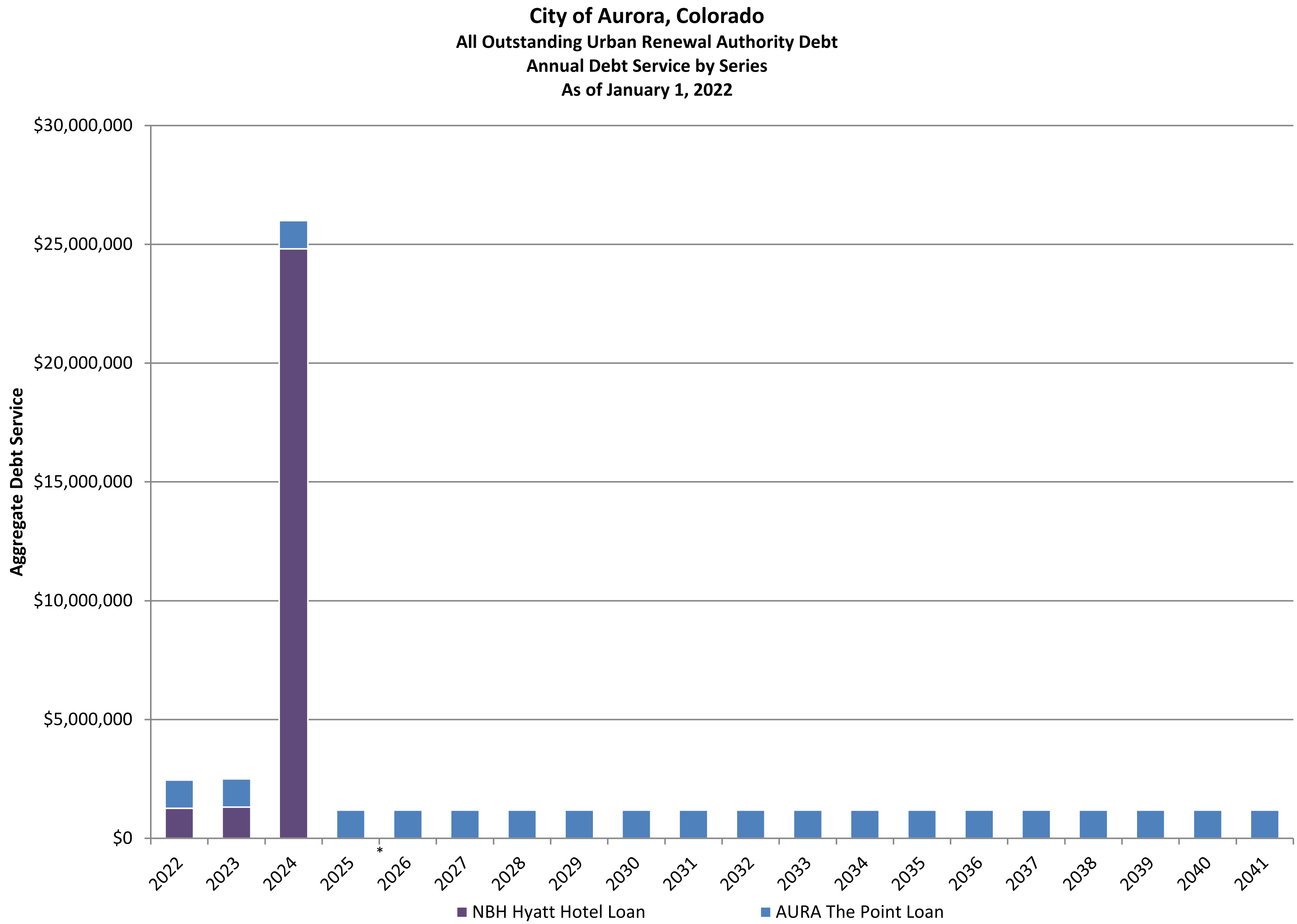
	TOTAL ANNUAL DEBT SERVICE		
	AURA The Point Loan	NBH Hyatt Hotel Loan	Total
2022	1,187,638	1,266,047	2,453,684
2023	1,187,938	1,316,331	2,504,268
2024	1,182,975	24,815,372	25,998,347
2025	1,187,838		1,187,838
2026	1,187,350		1,187,350
2027	1,186,600		1,186,600
2028	1,185,588		1,185,588
2029	1,184,313		1,184,313
2030	1,187,775		1,187,775
2031	1,185,888		1,185,888
2032	1,183,738		1,183,738
2033	1,186,325		1,186,325
2034	1,183,563		1,183,563
2035	1,185,538		1,185,538
2036	1,187,163		1,187,163
2037	1,183,438		1,183,438
2038	1,184,450		1,184,450
2039	1,185,113		1,185,113
2040	1,185,425		1,185,425
2041	1,185,388		1,185,388
Total	23,714,038	27,397,750	51,111,787

City of Aurora, Colorado
All Outstanding Urban Renewal Authority Debt
Aggregate Annual Debt Service
As of January 1, 2022



*2024 Debt service includes Hyatt Hotel $24.35 million balloon payment.

HilltopSecurities
A Hilltop Holdings Company.



*2024 Debt service includes Hyatt Hotel $24.35 million balloon payment.

HilltopSecurities
A Hilltop Holdings Company.

Original Par Amount:	**$21,500,000**
Issuer:	**Aurora Urban Renewal Authority**
Issue Description:	**AURA The Point Loan**
Lender	Aurora General Fund
Closing Date	12/22/2016

Purpose

In 2014, City Council approved the Nine Mile Station Urban Renewal Plan, which includes the 22-acre Regatta Plaza shopping center. The Plan designates the Regatta Plaza property a catalytic project to stimulate redevelopment of the area. An interfund loan of $21.5 million from the City's General Fund to AURA provided cash to fund site acquisition and preparation costs. The loan will be paid back through land sales to the developer and tax increment revenues generated by the property's redevelopment. The sources of the loan funds were $13.4 million from the General Fund and $8.1 million from the TABOR reserve. Loan uses include land acquisition costs of approximately $16.1 million, demolition and land preparation costs of approximately $3.5 million, capitalized interest of approximately $1.1 million, and legal costs of $0.5 million. Additional project costs will be paid back through tax increment revenues. As of 2019, construction of Plaza 1, which includes a King Soopers and retail shopping center, is substantially complete. Planning is underway for the remaining site parcels to include housing, office, retail, and an entertainment venue. Also, in 2019 the City secured a DRCOG grant to build a pedestrian bridge connecting the site to the Nine Mile RTD station.

Amortization:

	Principal	Coupon	Interest	Total P&I
2022	**840,000**	1.750%	347,638	1,187,638
2023	**855,000**	1.750%	332,938	1,187,938
2024	**865,000**	1.750%	317,975	1,182,975
2025	**885,000**	1.750%	302,838	1,187,838
2026	**900,000**	1.750%	287,350	1,187,350
2027	**915,000**	1.750%	271,600	1,186,600
2028	**930,000**	1.750%	255,588	1,185,588
2029	**945,000**	1.750%	239,313	1,184,313
2030	**965,000**	1.750%	222,775	1,187,775
2031	**980,000**	1.750%	205,888	1,185,888
2032	**995,000**	1.750%	188,738	1,183,738
2033	**1,015,000**	1.750%	171,325	1,186,325
2034	**1,030,000**	1.750%	153,563	1,183,563
2035	**1,050,000**	1.750%	135,538	1,185,538
2036	**1,070,000**	1.750%	117,163	1,187,163
2037	**1,085,000**	1.750%	98,438	1,183,438
2038	**1,105,000**	1.750%	79,450	1,184,450
2039	**1,125,000**	1.750%	60,113	1,185,113
2040	**1,145,000**	1.750%	40,425	1,185,425
2041	**1,165,000**	1.750%	20,388	1,185,388
TOTAL	19,865,000		3,849,038	23,714,038

Redemption Provision:	Callable at Any Time
Maturity Dates:	December 1
Interest Payment Dates:	December 1

Original Par Amount:	**$27,750,000**
Issuer:	**Aurora Urban Renewal Authority**
	Loan Agreement with NBH Bank
Issue Description:	**NBH Hyatt Hotel Loan**
Bond Counsel	Kutak Rock
Lender	NBH Capital Finance
Closing Date	8/21/2014

Purpose: Proceeds of the Loan will be used to finance the construction of the conference center and parking garage at the Hyatt Regency Hotel & Conference Center. The developer provided financing and will own the 249 room hotel, restaurant and kitchen. AURA will own the 30,000 sq ft conference center and 510 space garage.

Source of Repayment: TIF revenues of lodge tax, sales & use tax, property tax, net garage revenues and net conference center revenues.

Note: The Loan will bear interest from Closing Date through November 30, 2017 at 2.40% and is variable thereafter. The variable rate is the sum of the 12-month LIBOR rate plus 2.40%, multiplied by 70% (e.g.: [12 mos LIBOR + 2.40]*.70). Rate for 2022 = 1.94766%

RBC executed a rate lock on the loan commencing December 1, 2017 at the following levels to cap interest rate risk:
12/1/2017-12/1/2018: 4.90%
12/1/2018-12/1/2019: 6.50%
12/1/2019-12/1/2020: 6.00%
12/1/2020-12/1/2023: 6.05%
12/1/2023-12/1/2024: 7.20%

Amortization:

	Principal	Coupon [1]	Interest	Total P&I
2022	770,000	1.948%	505,515	1,275,515
2023	835,000	1.948%	490,518	1,325,518
2024*	24,350,000	1.948%	474,255	24,824,255
TOTAL	**25,955,000**		**1,470,289**	**27,425,289**

(1) Assumes 2022 interest rate of 1.948%.

Redemption Provision: Callable at Any Time
Maturity Dates: December 1
Interest Payment Dates: March 1, June 1, September 1 and December 1
*2024 Debt service includes Hyatt Hotel $24.35 million balloon payment.

City of Aurora, Colorado

Tab J: Details of Outstanding Derivatives

As of January 1, 2022

Derivatives

City of Aurora, Colorado

All Outstanding Derivatives
As of January 1, 2022
(000's)

Year Ending December 31	$25,000,000 Interest Rate Cap NBH Hyatt Hotel Loan 2015	
	Notional	Cap Rate
2022	23,205	6.050%
2023	22,435	6.050%
2024	21,600	7.200%
TOTALS		
Trade Date	9/1/2015	
Effective Date	12/1/2017	
Termination Date	12/1/2024	
Purpose	Manage Interest Rate Risk for 2014 TIF Loan for the Hyatt Hotel Conference Center	

Original Par Amount:	**$25,000,000**
Issuer:	**Aurora Urban Renewal Authority**
	Interest Rate Cap
Issue Description:	**NBH Hyatt Hotel Loan**
Bond Counsel	Kutak Rock
Provider	Royal Bank of Canada
Closing Date	8/7/2015

Purpose: To manage interest rate risk on the 2014 Floating Rate Loan with NBH Bank for the Hyatt Hotel Conference Center

Amortization:

	Notional Amount	Cap Rate
2022	**23,205**	**6.050%**
2023	**22,435**	**6.050%**
2024	**21,600**	**7.200%**

Rate Determination Date:	December 1
Trade Date:	September 1, 2015
Effective Date:	December 1, 2017
Termination Date:	December 1, 2024