

CITIZENS' ADVISORY BUDGET COMMITTEE (CABC)

Meeting Minutes

Meeting Date: May 2, 2023 Time: 6:30PM Location: Hybrid In-Person (AMC) and Teams Virtual Meeting
 Next Meeting: June 6, 2023 Time: 6:30PM Location: To be confirmed

MISSION STATEMENT: *The mission of the Citizens' Advisory Budget Committee (CABC) is to study all phases of the budget of the City of Aurora and to make recommendations to City Council in regard to any and all budget matters.*

The CABC accomplishes the mission by examining and evaluating needs and priorities as they relate to the budget and by making recommendations for action to the City Council.

ATTENDANCE

Name		Name		Name		Name
Mustafa Abdullah	A	Max Gimelshteyn	P	Michael Senich	P	COA Staff
Ericka Alfonso	P	Debra Johnson	P	JulieMarie Shepherd Macklin	P	Greg Hays
Sunny Banka	P	Danielle Lammon	P	Janet Marlow	P	Laura Perry
Tikneshia L. Beauford	E	Jim Mattson	P	Katrice Traylor	A	Guests
Andris Berzins	P	Omar Montgomery	E	Katrina Zerilli	P	Brian Lewandowski
Marsha Berzins	P	George Peck	P			Robert McNown
Reno Carollo	P	David Rich	P			Richard Wobbekind
Gretchen Dirks	P	Jonathan Scott	P ⁺			

Key: P=Present; P⁺ Present after roll call; E=Excused; A=Absent; R=Resigned; *New Member

HANDOUTS

(Emailed to committee)

April Meeting Minutes <i>(Sent April 28, 2023, via email)</i> Map Meeting Agenda <i>(Sent April 28, 2023, via email)</i>

MEETING MINUTES

1. Call to Order	Chair Danielle Lammon called the meeting to order at 6:34pm	
2. Roll Call/ Establishment of Quorum	Roll call was taken by and a quorum was established with 12 members present in-person and 4 members joining virtually.	
3. Approval of May Agenda	Chair Lammon introduced the May agenda for consideration. <ul style="list-style-type: none"> • With no changes or additions, the May agenda stands approved as presented. 	
4. CIMP Update	Deputy City Manager Laura Perry provided the Committee with an overview of the most current CIMP (capital improvement master plan) <i>see attachment</i>	
5. Budget Presentation from Leeds	Brian Lewandowski, Robert McNown, and Richard Wobbekind from CU Leeds School of Business joined to provide a budget overview including discussion of macro/national economic trends, statewide implications, and details of the budget forecast. <i>See attachment</i>	
6. Approval of March and April Minutes	Chair Lammon introduced the March meeting minutes (tabled from last month) along with April minutes. <ul style="list-style-type: none"> • George Peck moved to adopt the March and April minutes as presented and the motion carried unanimously 	
7. Revenue and Budget Updates	Greg Hays provided a brief monthly budget update: <ul style="list-style-type: none"> • This was another strong month – once again, beating inflation at 15.2% growth • Furniture, home furnishing, department stores, electronics all down – this is consistent with the last several months and likely to continue. 	
8. Housekeeping	Future meeting dates are listed on the agenda and the July budget workshop has been confirmed for 7/25 and 7/26 at 5:30pm.	
9. Meeting Adjourned	With no further business, Chair Lammon adjourned the meeting at 8:40pm.	



Capital Improvement Master Plan Update

CABC May Meeting
May 2, 2023



Agenda

Recap of Winter/Spring Council Workshop and CIMP

Infrastructure Grant Opportunities

Capital Funding/Financing Next Steps

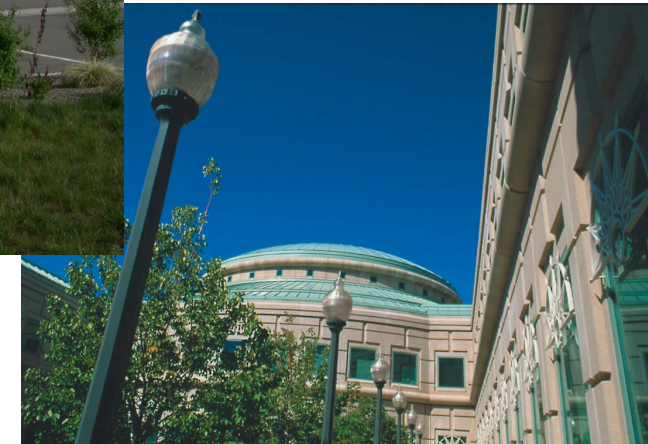
Arts and Entertainment Venue Study Update

Aurora's Capital Assets



Assets the city owns and maintains

- More than 140 city facilities
- 99 developed parks
- 6 recreation centers
- 6 libraries
- 17 fire stations
- 3 police districts, 2 substations
- 4,313 lane miles
- 380 traffic signals
- 98 bridges/large box culverts



**Does not include Aurora Water assets*



Annual and multi-year balancing of operating, capital and financial reserve demands with revenue performance is required.

To this end, the City will:

- Balance its budget every year.
- Use resources from taxpayers as efficiently and effectively as possible.
- Employ innovative ways to serve residents.
- Provide value in all programs and services we offer.
- Be good stewards of taxpayers' dollars.
- Pursue all existing financial options to address infrastructure priorities and offset the need for referring measures to voters.

Capital Funding and Financing



City is taking a holistic approach to solve capital infrastructure funding needs. Included in our current toolbox:

- Annual Budget - Capital Projects Fund
- Federal and State Grants
- Certificates of Participation (COP)
- Partnerships which offset costs, capitalize on economy of scale and create shared assets to benefit of the community
- Development Impact Fees

Recent Actions for Covering Our Infrastructure Needs



- New Transportation Maintenance Fund
- Residential streets paving in process
 - Funded via COP financing
- Pursuit of infrastructure grant funding
 - Successful DRCOG TIP application process
- Impact fees were increased in 2018-2020 to keep pace with the cost of construction
 - Transportation impact fees were not increased
- Recent policy directives push \$4.0 million in additional funds available to capital if available
 - General Fund Revenues appear to be coming in over projection and expenditures are close

June 2022 Spring Workshop Outcomes



Pursuit of capital grant funding opportunities with regular updates to City Council

Development of phase communications and public engagement plans

- Phase 1 – COPS \$35M Roadway Maintenance Projects
- Phase 2 – Education and public input on city needs and bonding as a solution

Develop plan for potential 2024 bond and associated financial options for Council's consideration.

CIMP Overview



- Draft capital plan summarizes city's prioritized infrastructure needs, from larger needs list, which address deferred maintenance, operational needs, and growing city
- Plan is iterative process to reflect Council priorities and community input
- Projects are classified into categories

Assessment of Capital Needs

**5-year+
Implementati
on Schedule**

**Address
Current and/or
Future Needs**

**Improve
Existing
Assets**

**Enhance
Accessibility**

**Conform with
Aurora Places
Comprehensive
Plan**

**Support
Economic
Development**

Tier 1,2,3 Total Cost Estimates



CIMP

Tier 1:
\$189,689,000

Tier 2:
\$146,495,000

Tier 3:
\$375,660,300

Total*:
\$711,844,300

Revised Tiering of Projects Includes:

- Added third tier with tier 1 reflecting departments' top priorities
- Updated project costing which includes inflation/escalation
- Removed priority projects funded by ARPA and roadway maintenance

Project tiers are informed by:

- Inquiries presented by council and community
- Existing plans
- Geographic distribution
- Asset condition
- Initial feedback from poll completed December 2021
- Project status
- 5- to 7-year implementation feasibility

**All project costs based on best available information in 2022 and subject to change.*

Tier 1 Projects



Project	Ward	2024 Cost Estimate**
Transportation		
Peoria Bridge Reconstruction over Sand Creek*	Ward I	\$31,653,000
Gun Club Road Multimodal Gap Project (Quincy to Aurora Parkway)*	Ward VI	\$29,858,000
Traffic Management Center (Fiber Optic Communications)*	Various	\$23,720,000
ADA compliance: Sidewalk gaps and/or Sidewalk Widening*	\$3m/Ward	\$18,000,000
Public Safety Facilities		
Fire Station 8 Replacement	Ward III	\$21,105,000
New Police Evidence Storage Warehouse	TBD	\$53,467,000

Project	Ward	2024 Cost Estimate**
Parks, Recreation and Open Space		
Park Renovations by Ward	Various	\$ 9,000,000
Libraries		
Martin Luther King Jr. Library Renovations (Phase 2) ***	Ward I	\$ 2,886,000
City Facilities		
City Facility ADA Improvements	Various	TBD
Tier 1 Total		\$ 189,689,000 (plus TBD)

***Projects eligible for state or federal grant funding**

****All project costs based on best available information in 2022 and subject to change.**

***** Net Portion covered by Congressional Earmark**



Tier 2 Projects



Project	Ward	2024 Cost Estimate**
Transportation		
Bridge Widening: Alameda Over I-225*	Ward III	\$34,776,000
Public Safety Facilities		
Station 4 Property Acquisition	Ward IV	\$4,356,000
District Police Building Improvements	Various	\$10,000,000

Project	Ward	2024 Cost Estimate**
Parks, Recreation and Open Space		
Utah Pool/Rec Center	Ward IV	\$46,282,000
Beck Pool - Aquatics Renovation/Repair	Ward II	\$33,556,000
Libraries		
Central Library Renovations	Ward III	\$17,525,000
Tier 2 Total		\$ 164,495,000

**Projects eligible for state or federal grant funding*

***All project costs based on best available information in 2022 and subject to change.*

Tier 3 Projects



Project	Ward	2024 Cost Estimate**
Transportation		
Arterial Construction: Tower 6th to Colfax*	Ward II	\$39,899,000
Buckley Over Toll Gate Creek*	Ward V	\$31,781,000
Quincy - Gun Club to Powhaton*	Ward VI	\$14,503,800***
ADA compliance: Arterial Sidewalks*	Various	\$6,600,000
Grade Separated Crossing of Rail Tracks Chambers North of Smith*	Wards I/II	\$61,957,000
DRCOG TIP Grant Implementation-Havana Corridor*	Wards III/IV	\$8,500,000
Public Safety		
City of Aurora Public Safety Training Center (CAPSTC) Phase II Expansion	Ward VI	\$47,806,000
Station 4 Replacement	Ward IV	\$15,660,000
City Facilities		
New Animal Shelter Satellite Facility	Ward VI	\$24,898,400

Project	Ward	2024 Cost Estimate**
Parks, Recreation and Open Space		
Court/Pickle Ball Special Use Park (Quincy and Buckley)	Ward V?	\$17,245,000
Signature Park (Phase 1) (Alameda and Airport)	Ward II	\$50,000,000
Aurora Reservoir Improvements	Ward VI	\$20,257,000
Libraries		
Northeast Library	Ward II	\$27,124,400
Mission Viejo Library Renovations	Ward V	\$4,042,700
Tallyn's Reach Library Renovations	Ward VI	\$5,386,000
Tier 3 Total		\$ 375,660,300

**Projects eligible for state or federal grant funding*

***All project costs based on best available information in 2022 and subject to change.*

****Reflects city share of 50%. Arapahoe County responsible for remainder*



Construction Market Conditions

Front Range continues to experience increases in construction costs due to commodity pricing uncertainty, fuel surcharges, equipment lead times, construction volume, and labor market challenges.



Labor **+4.0%**
(Q3 2022)



Construction Pricing
(Non-Residential) **+24.1%**
(Q3 2022)



Materials Pricing **+14.1%**
(Q3 2022)



Infrastructure Grant Opportunities



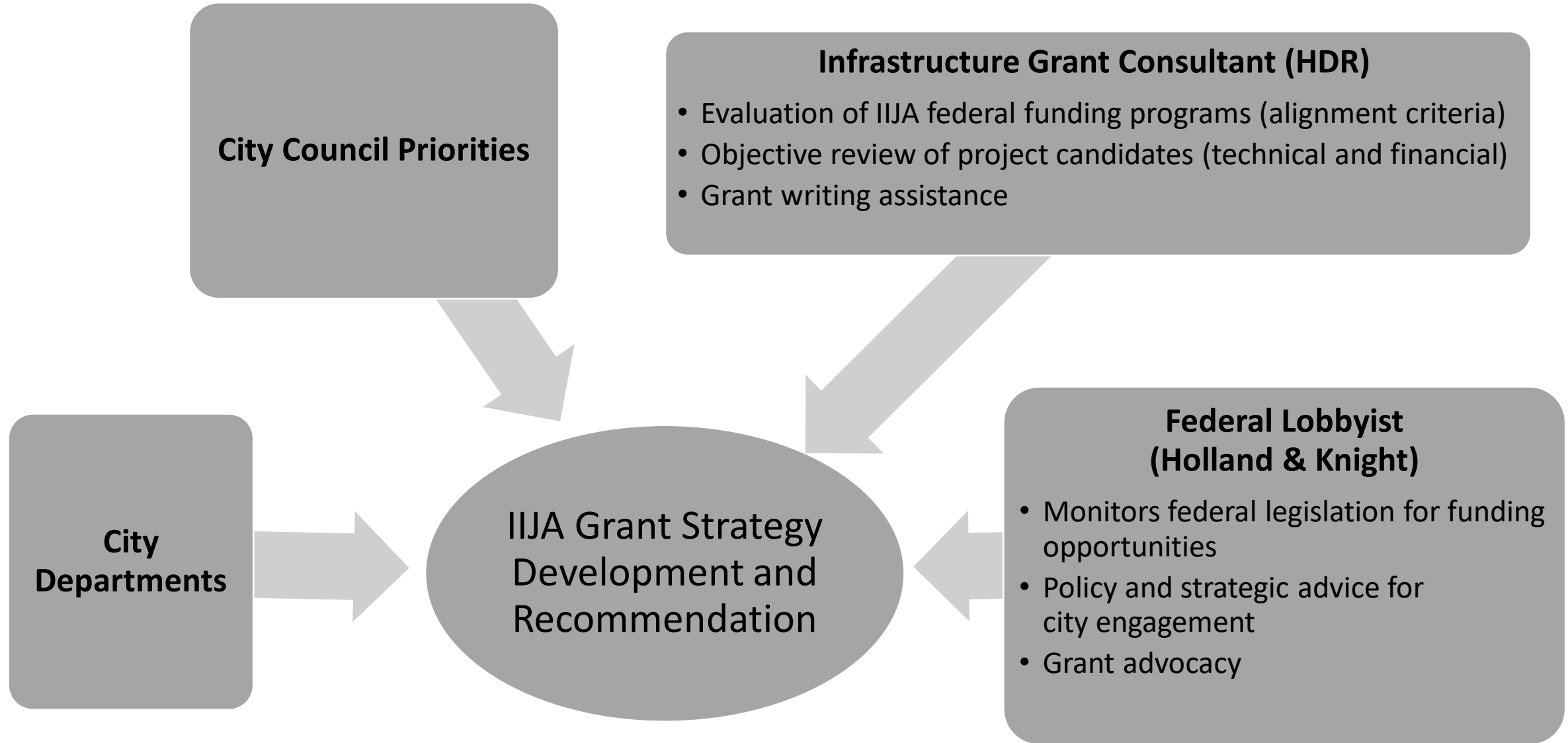
Infrastructure Investment and Jobs Act



- Nov. 15, 2021: President Biden signed bipartisan “Infrastructure Investment and Jobs Act” (H.R. 3684) to invest in nation’s infrastructure (roads and bridges, transit, rail, energy, sustainability, water and broadband, among other priorities)
- Legislation provides \$1.2 trillion total spending over 5 years (including \$550 billion new spending, with several authorizing bills)
 - Bill consists of formula and competitive grant programs.
- Regional coordination and partnerships highly encouraged.
- HDR hired to support the city in reviewing NOFOs, project criteria, and grant writing to position projects for success.



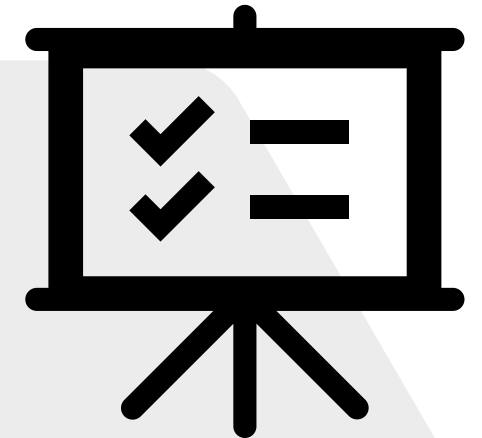
Grant Strategy Development: Key Players



Infrastructure Grant Evaluation Objectives



- Capital Improvement Master Plan as guiding document
- Pursue grant funding for projects best positioned for federal funding identified through objective analysis
 - Federalization pros and cons
 - Status of project development (i.e., design, environmental, etc.)
 - Administrative burden
- Local and regional partnership opportunities
- Understand local match requirements to make projects more competitive to inform financial planning
- Optimize window of opportunity – exhaust all tools available to fund our growing infrastructure needs



Grant Evaluation: Grant and Project Eligibility



IIJA Funding Categories

- \$550 billion in new investments available nationwide over five years

Federal Agency Grant Opportunities (Formula and Competitive)

- Over 400 funding opportunities evaluated
- 37 city eligible competitive grants
 - Majority transportation

CIMP Project Candidates Applicability

Overall IIJA Grant Evaluation: Strongest Transportation Project Candidates

Project	Most Suited Funding Opportunity	2024 Cost Estimate	Local Match Requirement Range
Peoria Bridge Reconstruction over Sand Creek	Bridge Investment Program <i>(small bridge award)</i>	\$31.7M*	\$6 million - \$15 million
Montview Complete Streets (partnership project)	RAISE	\$34.9M	\$7 million - \$17.5 million
Havana Street Corridor	Neighborhood Access & Equity Grants	\$8.5M	\$1.7 million (No match requirement in a disadvantaged community; 20% competitiveness)
ADA Compliance: Sidewalk gaps and/or widening	Neighborhood Access & Equity Grants	\$24.6M	Depends on specific project definition
Bridge Replacement with Multimodal Improvements: Alameda over I-225	Bridge Investment Program <i>(small bridge award)</i>	\$34.78M	\$7 million - \$17 million <i>(Potential CDOT partnership)</i>
Gun Club Road Multimodal Gap Project (Quincy to Aurora Parkway)	RAISE	\$34M	\$7 million - \$17 million <i>(Potential SARIA & Arapahoe County partnership)</i>
	Total	\$168.48M	\$26.7 million - \$75.7 million

**2024 cost estimate includes scope for projects awarded DRCOG funding in recent cycles. Local match estimates may be less.*

Capital Projects Fund – Grant Match Funding



The 2023 budget set forth a plan to earmark funds annually to support opportunities to leverage grant funding for eligible and prioritized infrastructure needs.

	2023 Adopted	2024 Projected	2025 Projected	2026 Projected	2027 Projected	Total Amount Leveraged
CPF Planned	\$9,090,000	\$11,090,000	\$13,850,000	\$14,470,000	\$22,560,000	
DRCOG Awarded	(\$640,000)	(\$1,250,000)	(\$1,803,000)	\$0	\$0	\$14.2M
<i>DRCOG Pending</i>	\$0	(\$375,000)	(\$875,000)	(\$500,000)	(\$160,000)	\$18.35M**
Cumulative Allocation	(\$640,000)	(\$2,265,000)	(\$4,943,000)	(\$5,443,000)	(\$5,603,000)	\$32.55M
Cumulative Unallocated Remainder	\$8,450,000	\$8,825,000	\$8,907,000	\$9,027,000	\$16,957,000	

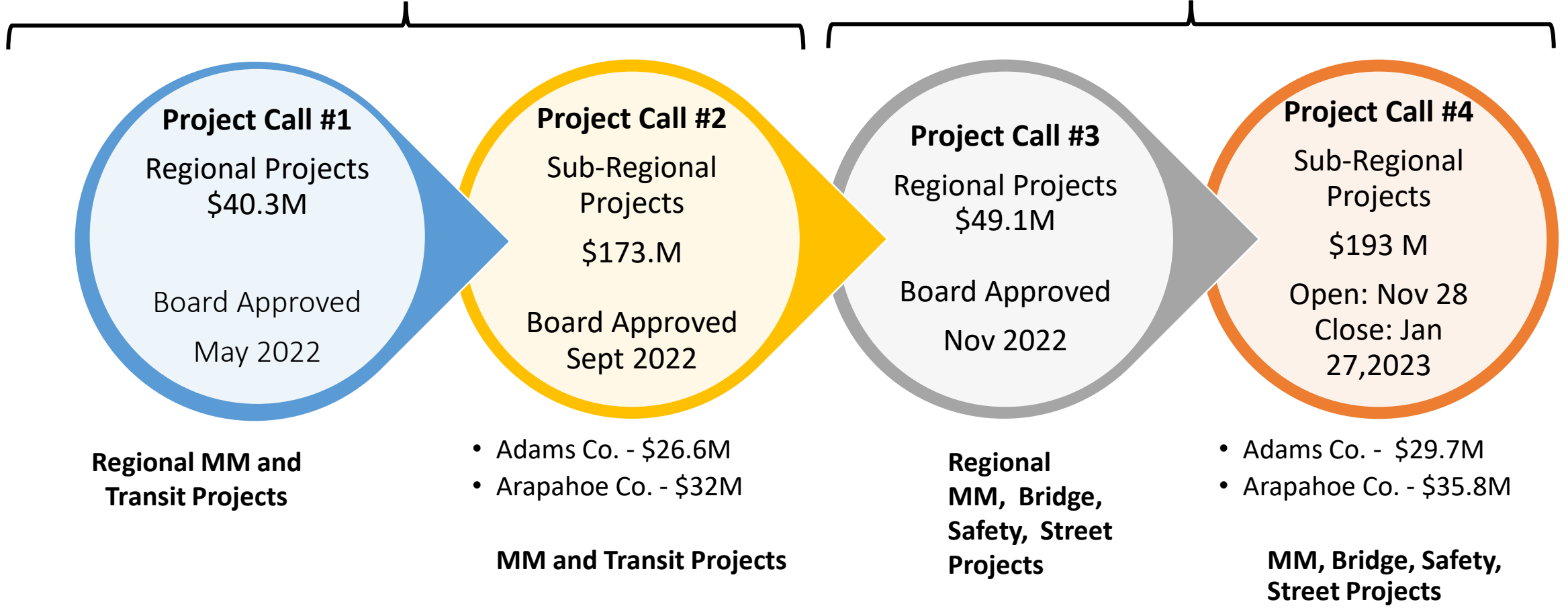
**Includes \$2.95M in partner matching funds

Project Development Efforts: DRCOG FY2022-2027 Transportation Improvement Program (TIP)



2022-2025 TIP

2024-2027 TIP



Project Development Efforts DRCOG TIP 2022-2027 Application Successes to Date



Successful TIP Funding Awards (Project Calls 1-3)

- Citywide Multimodal Transportation Master Plan
- Sidewalk Multimodal Access Improvements (*Final Design and Construction*)
- Smith Road Bicycle/Pedestrian Multi-use Path between Peoria Station and Powhaton (*NEPA and Final Design*)
- Peoria Bridge over Sand Creek Replacement & multimodal improvements (*NEPA and Final Design*)

Pending TIP Funding Applications for Project Call 4

- 13th Avenue Multimodal Improvements (*NEPA and Design*)
- Alameda Bridge Over I-225 Enhanced Bridge Replacement (*NEPA and Final Design*)
- Gun Club Road – Quincy to Aurora Parkway (*NEPA and Final Design*)
- Citywide Safety Action Plan (Partnership - Adams County Submittal)
- High Line Canal Trail Underpass (Partnership - Arapahoe and Adams County Submittal) (*NEPA, Design and Construction Option*)

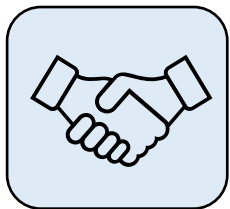
Infrastructure Grant Opportunities Recommendation and Next Steps



- **Focus IIJA grant application efforts on strongest transportation project candidates determined by grant/project evaluation, as presented.**



- **Continue evaluation of digital access and climate/resiliency needs and funding opportunities.**
- **Evaluate city financial capacity for local match funding**



- Prioritize projects for grant applications for review by City Council (additional project phasing/scope refinement may be needed).
- Assess investment needed to make candidate projects more shovel ready/worthy



- **Continue pursuit of other project funding partnerships**

Infrastructure Funding Next Steps



- **“Debt Fund” Creation Analysis (Sponsored by CM Zvonek)**
 - Evaluating adding of ongoing funds to “Debt Fund” over time annually based on affordability
 - Dedication of future retired debt financial capacity
 - Will take fiscal restraint and prioritization
 - Will not cover all the needs, but is a positive step
- **Next Step**
 - Staff to analyze possible ongoing financial options to support a future bond initiative and present options to M&F Policy Committee
 - Pursuit of State and Federal grant opportunities



Capital Planning Inputs

Core Tenets of Capital Planning Process:

1. Project technical evaluation (scope, schedule, cost)
2. Build upon and leverage prior outreach and capital planning processes
3. Stakeholder engagement – City Council, residents, and departments
4. Communication



Build Up Aurora Outreach

- ✓ Launched **Build Up Aurora** Engage Aurora webpage
- ✓ Produced, distributed posted fact sheets
 - ✓ Fiscal Responsibility & Stewardship, Funding Citywide Infrastructure Projects and Street Rehabilitation Treatments)
- ✓ Provided program intro at council town meetings
- ✓ Posted ongoing social media on BUA program and city's fiscal responsibility
- ✓ Promoted program in city newsletters
- ✓ Hosted kick-off media event (Denver 7, CBS4, KDVR, Denver Gazette, Sentinel Colorado and KOA coverage)
- ✓ Began building neighborhood champion relationships
- ✓ Project tracker website launching soon
- ✓ Additional tactics in planning stages
 - ✓ Neighborhood/HOA meetings, ongoing news placements, social media posts, FAQ, web and polling updates)

"Build Up Aurora" program kicks off with eye on streets

BY CBSCOLORADO.COM STAFF
DECEMBER 1, 2022 / 4:49 PM / CBS-COLORADO

"Build Up" Aurora Begins
35 Neighborhoods to Have Their Streets Fixed

Aurora, Colorado City Hall
★ Favorites · 5d · 🌐

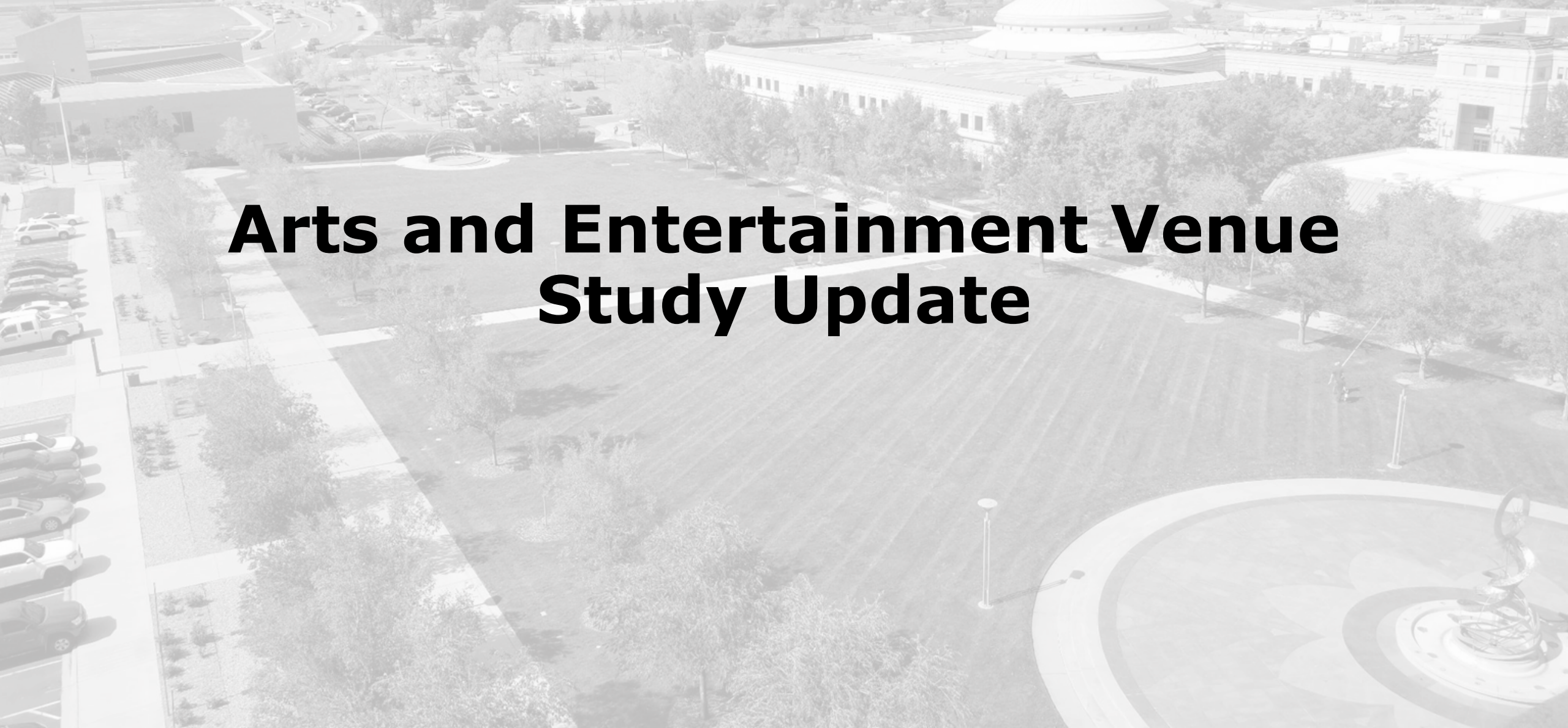
In order to provide the best possible services with the resources available to us and to maintain adequate reserve levels, the city creates and sticks to a tight budget. Learn more: <http://bit.ly/3V1SrZJ> #ResponsibleBudgeting

Responsible Budgeting

Build Up AURORA
Care for What We Have



Arts and Entertainment Venue Study Update





Arts and Entertainment Venue Study Update

Alignment Phase

- Aligned goals and vision
- Needs identification
- Types of venues, audiences it would serve
- Comparable venues
- Definition of envisioned infrastructure
- Includes initial stakeholder input



City Council

Feasibility Analysis (2023-2024)

- Market analysis
- Economic impact
- Funding and financing analysis
- Site analysis
- Business plan
- Community engagement
- “Right Sizing”



City Council



Arts and Entertainment Venue Study Update

Process to Date

- Market demographics review
 - Demand and spending potential
 - Venue and programming inventory (225 – 4,000 targeted)
- City Council Study Session (March 2023)
- Colorado non-profit/municipal venue operator expert panel
- Stakeholder workshop
- Stakeholder alignment session



Arts and Entertainment Venue Study Update



1. Two important cultural, arts, and entertainment needs for Aurora today

Current arts and culture infrastructure needs – cultural equity across all wards

Larger entertainment and events facility (2,000 – 3,000 capacity range)

2. Brand presence and experience for Aurora (large venue as focus)

“Finally bring Aurora out of Denver’s shadow”

Community pride and gathering

Tourism and destination appeal

Combine entertainment and events WITH sports and recreation

Economic engine



Arts and Entertainment Venue Study Update

Alignment Phase

- Aligned goals and vision
- Needs identification
- Types of venues, audiences it would serve
- Comparable venues
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City Council

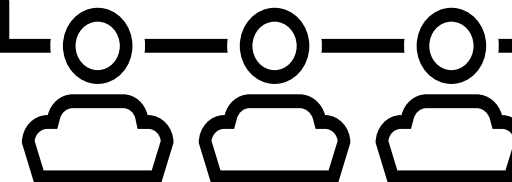
Feasibility Analysis (2023-2024)

- Market analysis
- Economic impact
- Funding and financing analysis
- Site analysis
- Business plan
- Community engagement
- “Right Sizing”



City Council

**Larger entertainment
and events facility
(2,000 – 3,000
capacity range)**



Economic Outlook and Revenue Discussion

Aurora Citizens' Advisory Budget Committee



Robert McNown
Richard Wobbekind
Brian Lewandowski
Adam Illig
Business Research Division
University of Colorado Boulder

National Economy Mixed Signals

 GDP growth softened in Q1

 Employment and income up

 ISM slipping

 Confidence mixed

 Consumption up

 Prices improving

 Interest rates expected to move higher

 Business confidence mixed

 Debt recording strong growth

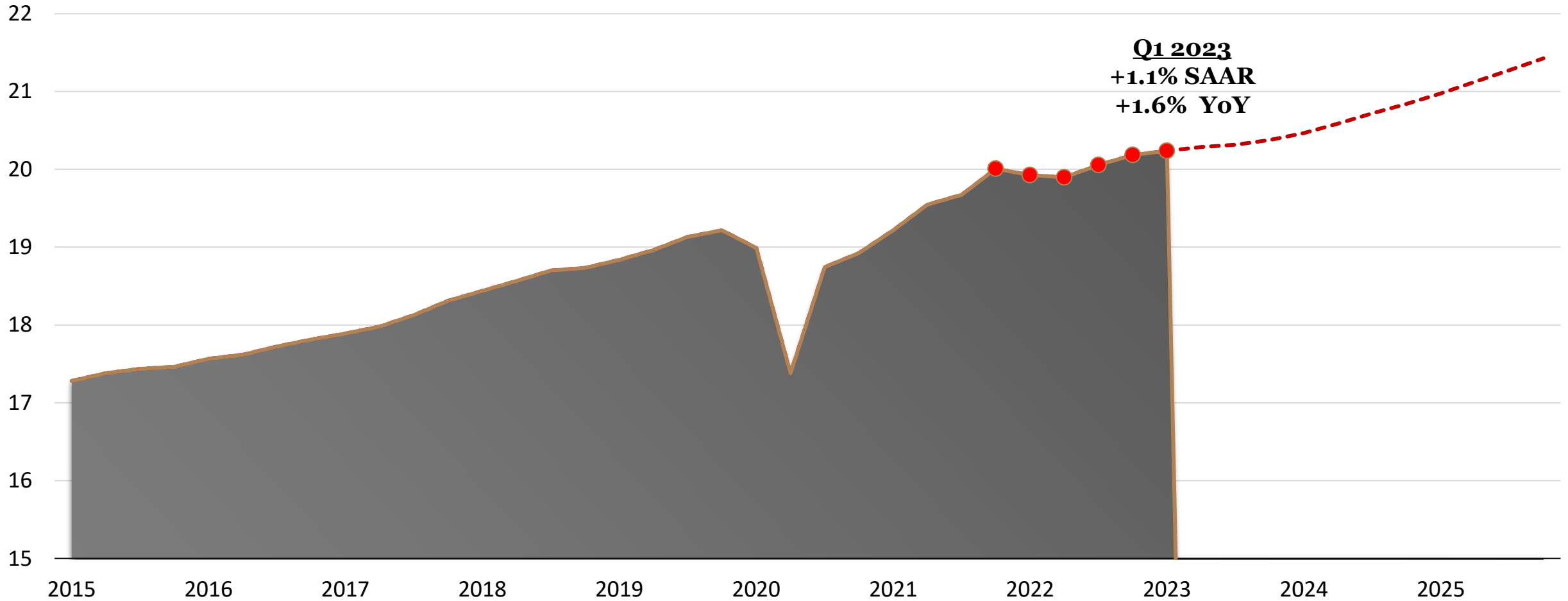
 Industrial production leveling

 Capacity utilization leveling

 Labor force leveling

U.S. Real GDP

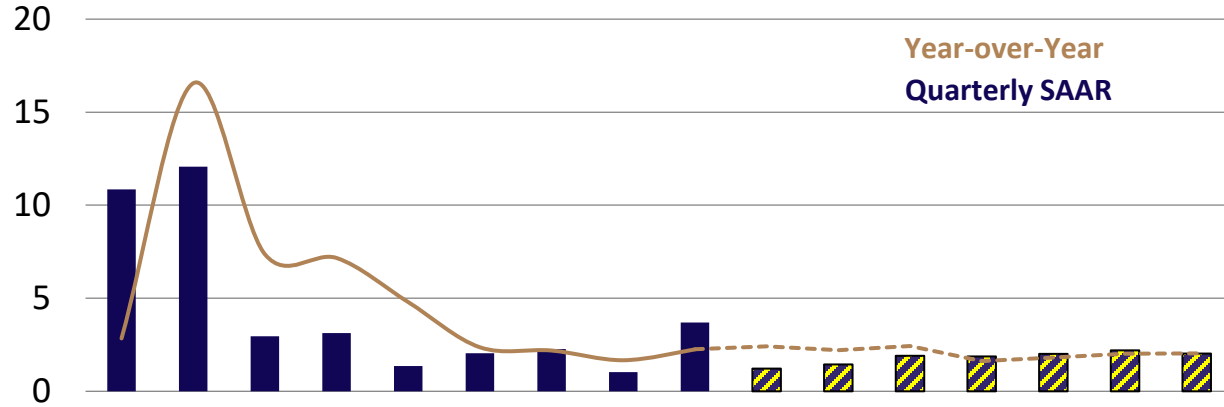
U.S. Quarterly GDP, \$ Trillions



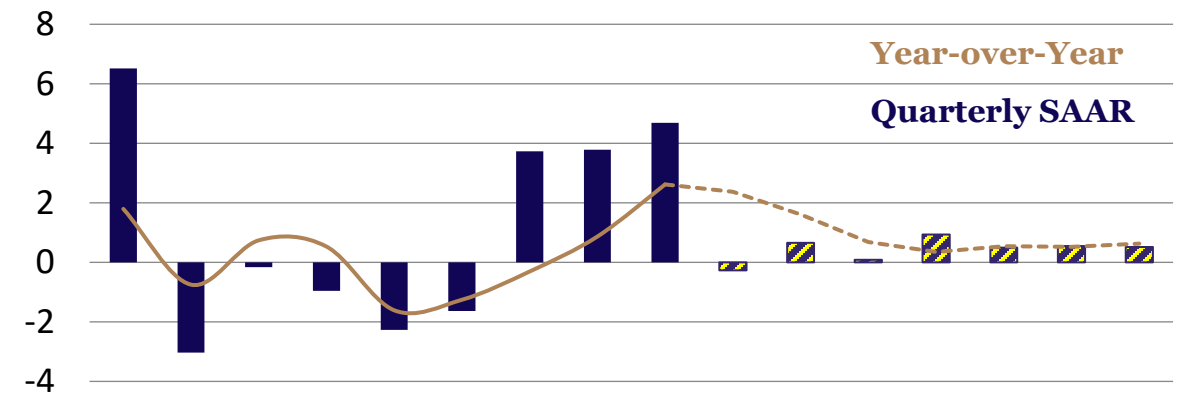
Source: Bureau of Economic Analysis and Moody's Analytics.

Economic Growth: C+I+G+X

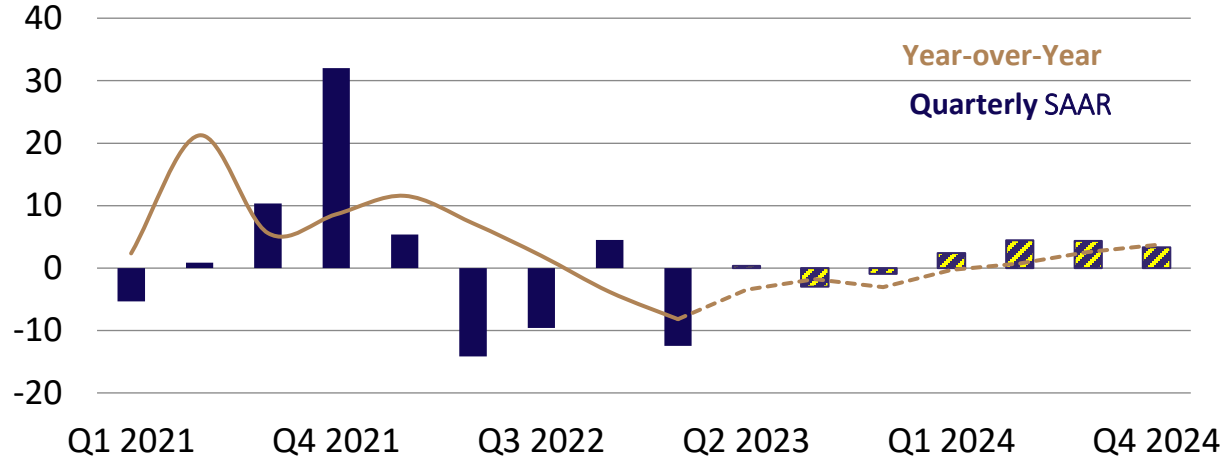
Personal Consumption Expenditures



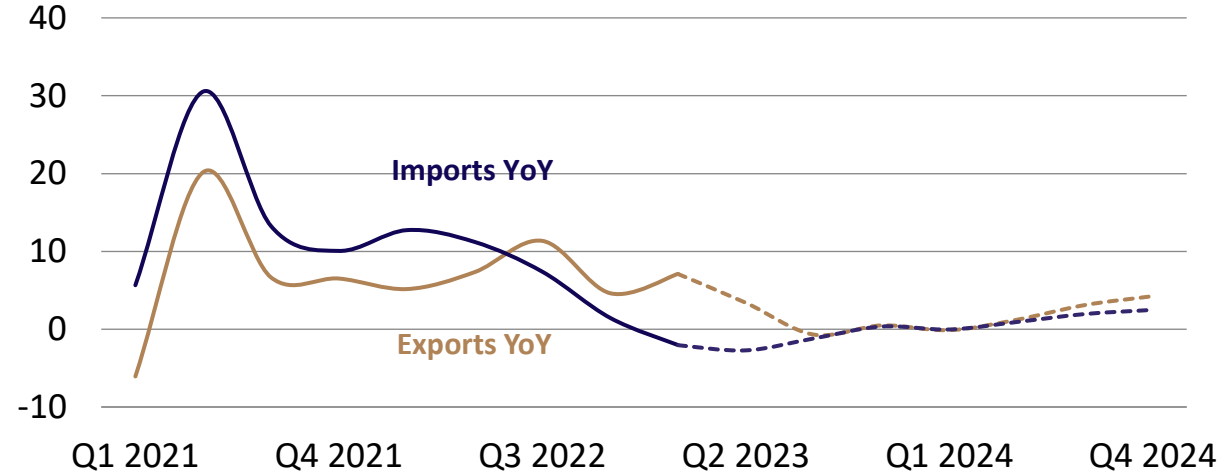
Government Spending



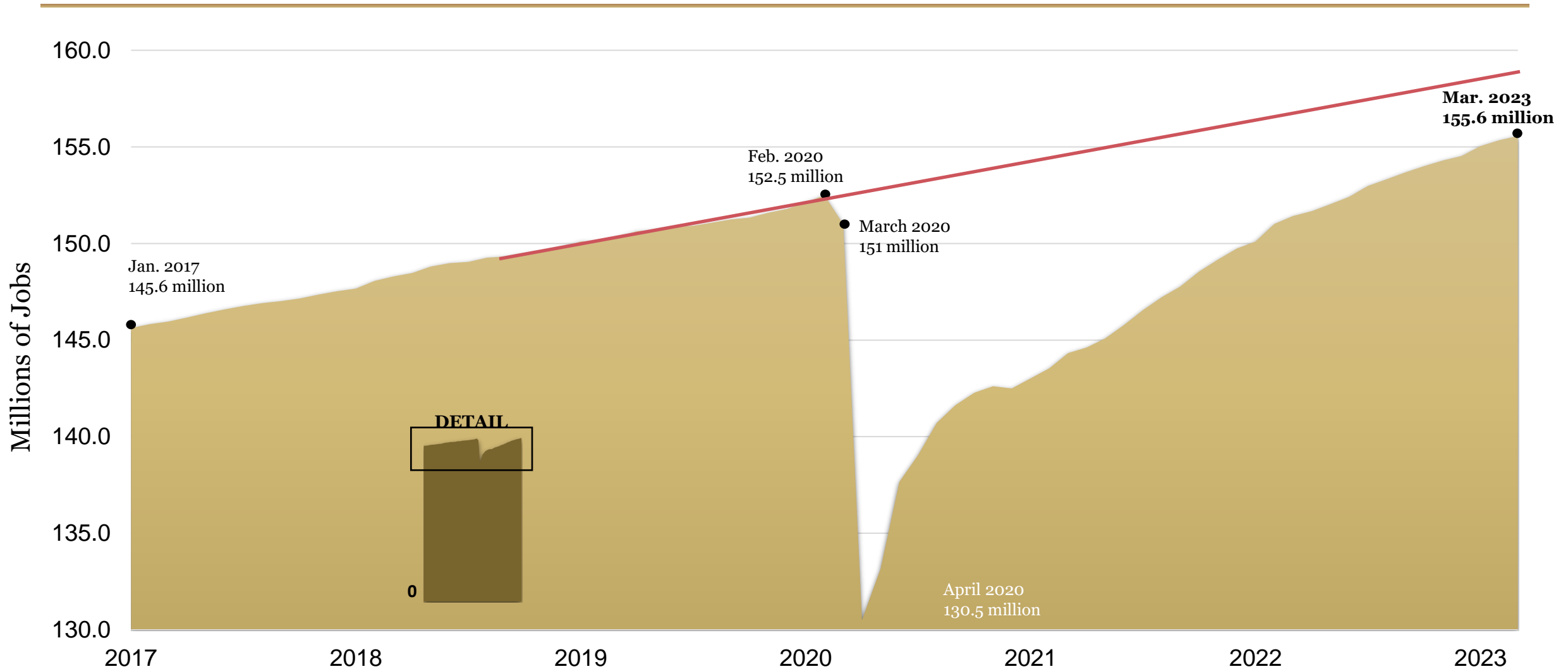
Gross Private Domestic Investment



Net Exports

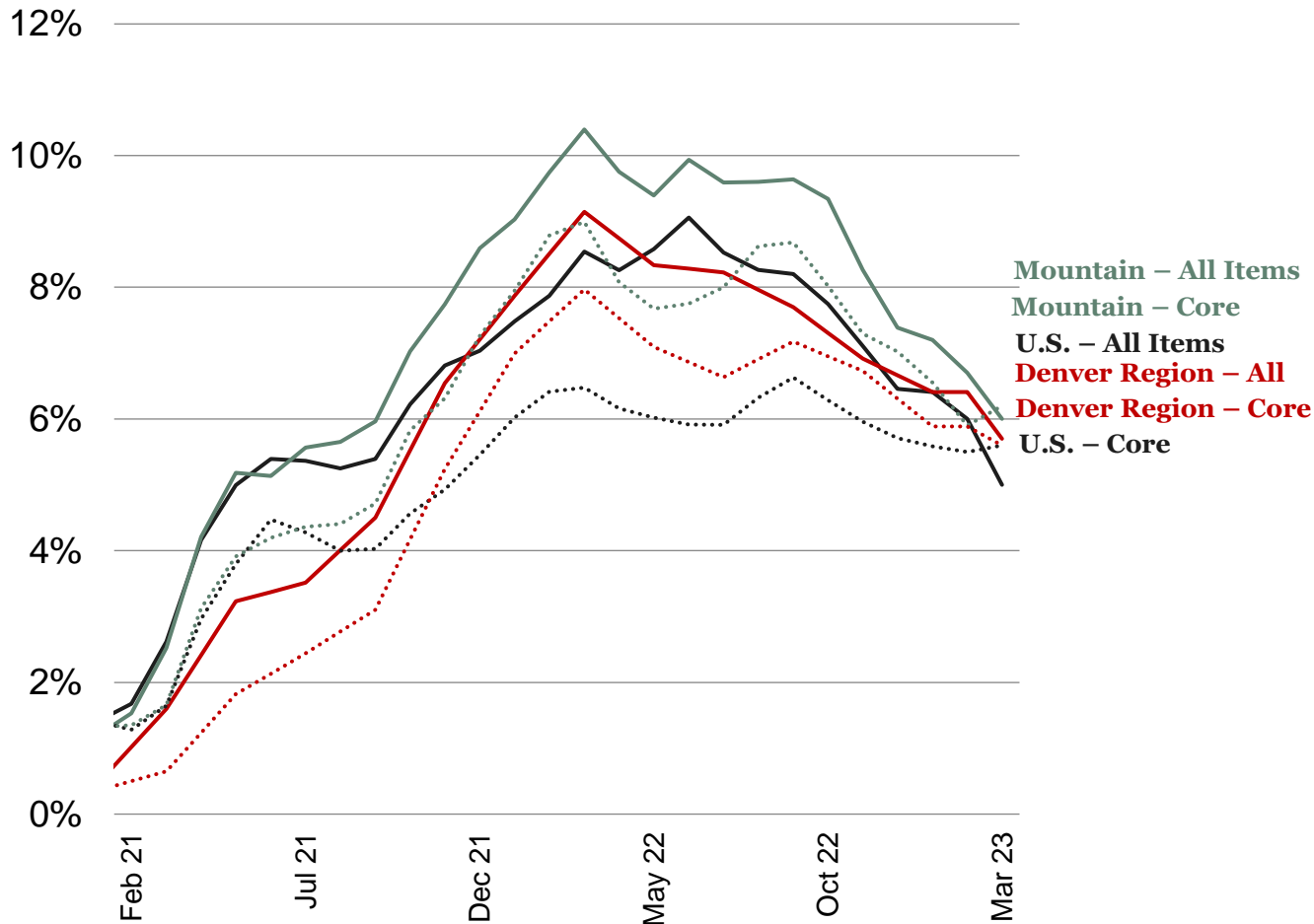


U.S Nonfarm Employment



Inflation

Consumer Price Index, Percent Change Year-Over-Year



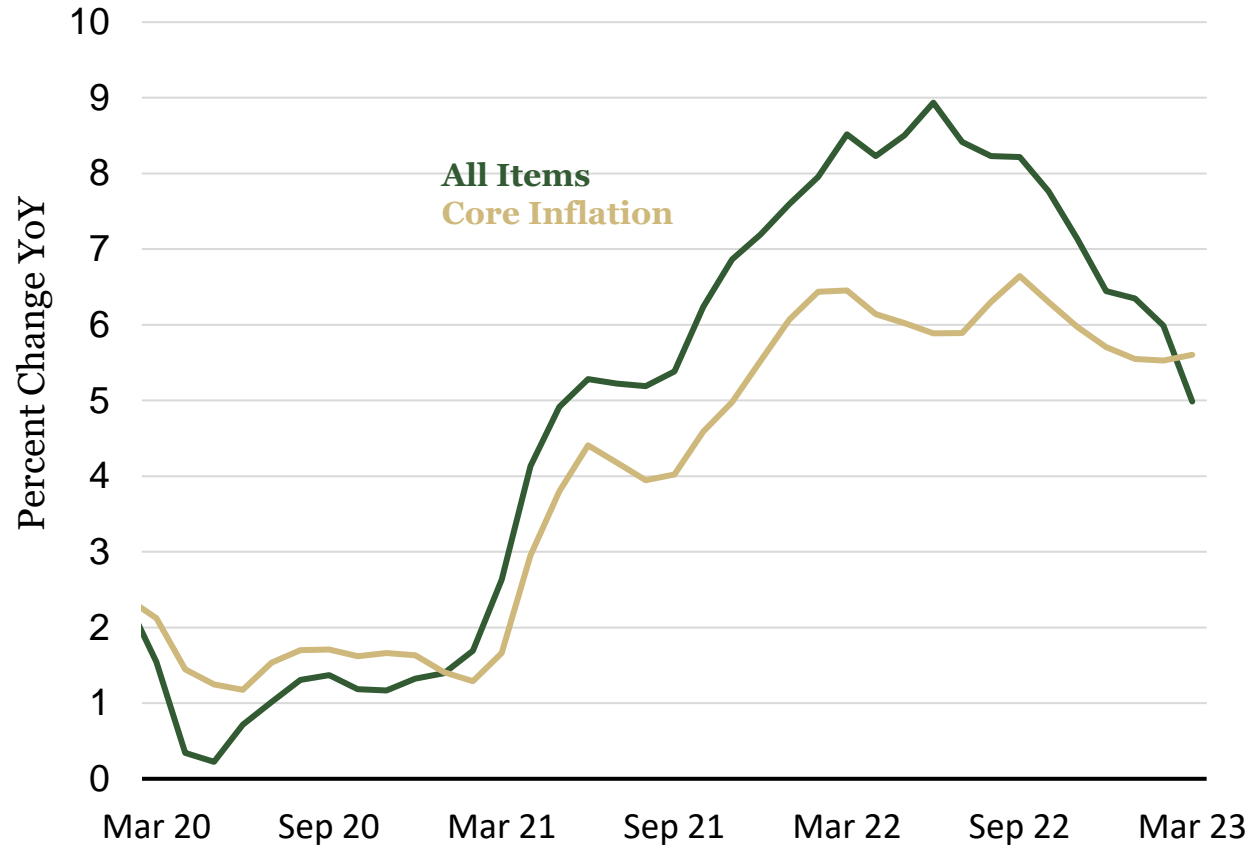
Items	U.S. City Average	Denver-Aurora-Lakewood	Item Weights
All items	5.0%	6.0%	100.0%
Food and beverages	8.3%	9.6%	14.4%
Housing	7.8%	10.2%	44.4%
Apparel	3.3%	3.1%	2.5%
Transportation	-1.0%	-0.5%	16.7%
Medical care	1.5%	-1.5%	8.1%
Recreation	4.8%	5.3%	5.4%
Education and Comm.	1.4%	1.6%	5.8%
Other goods and services	6.1%	3.8%	2.7%
Core Inflation	5.6%	6.2%	5.6%

Source: Bureau of Labor Statistics, CPI for All Urban Consumers (CPI-U), Not Seasonally Adjusted.

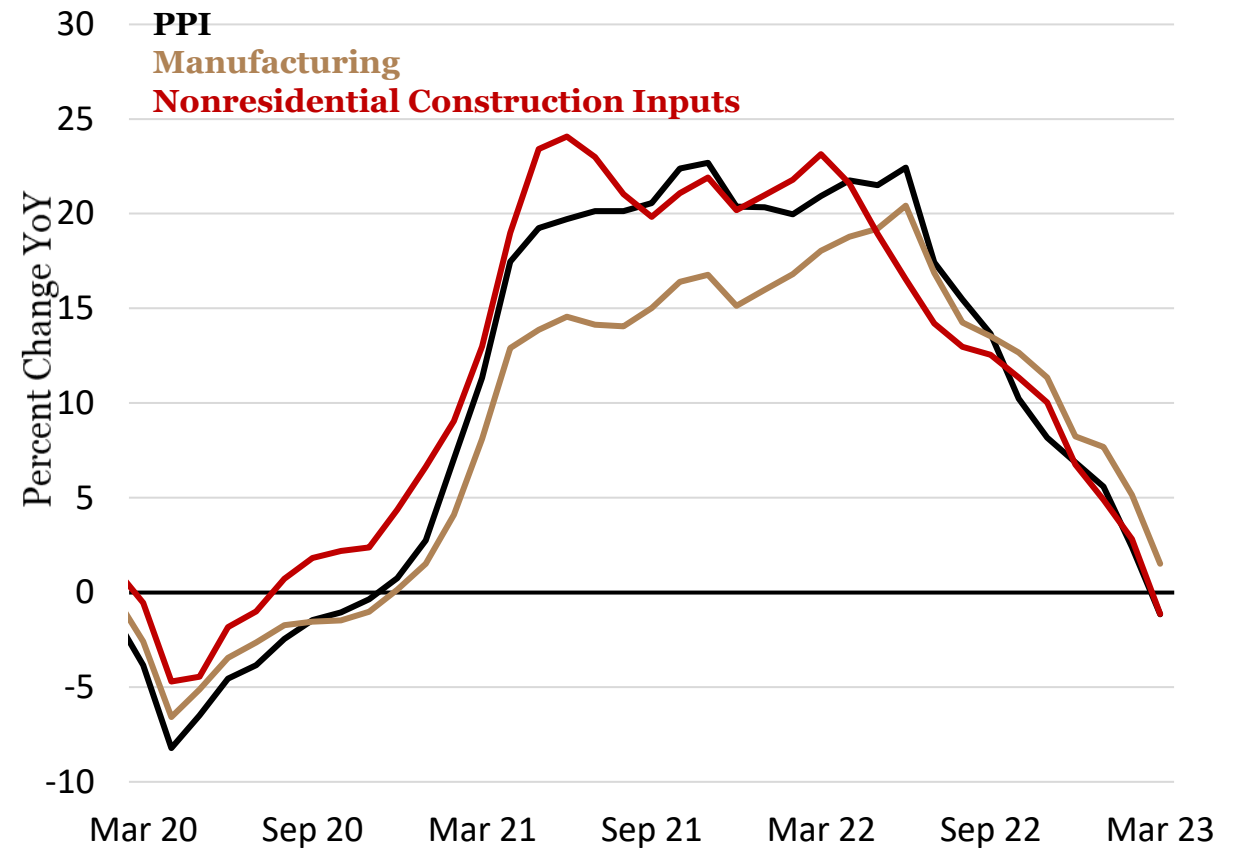
Note: Denver-Aurora-Lakewood values as of Jan. 2023, Mountain and U.S. as of Mar 2023.

Inflation

Consumer Price Index

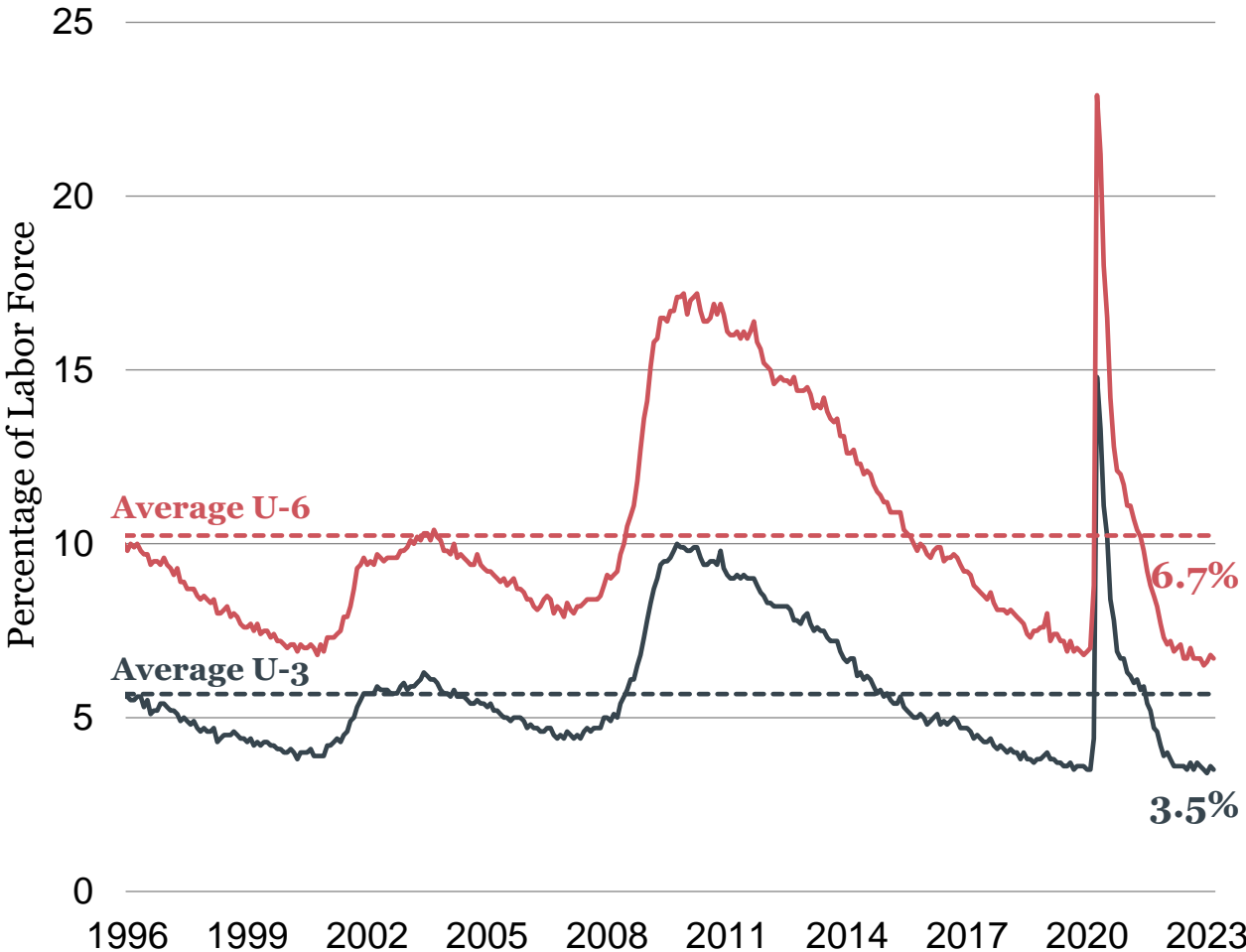


Producer Price Index

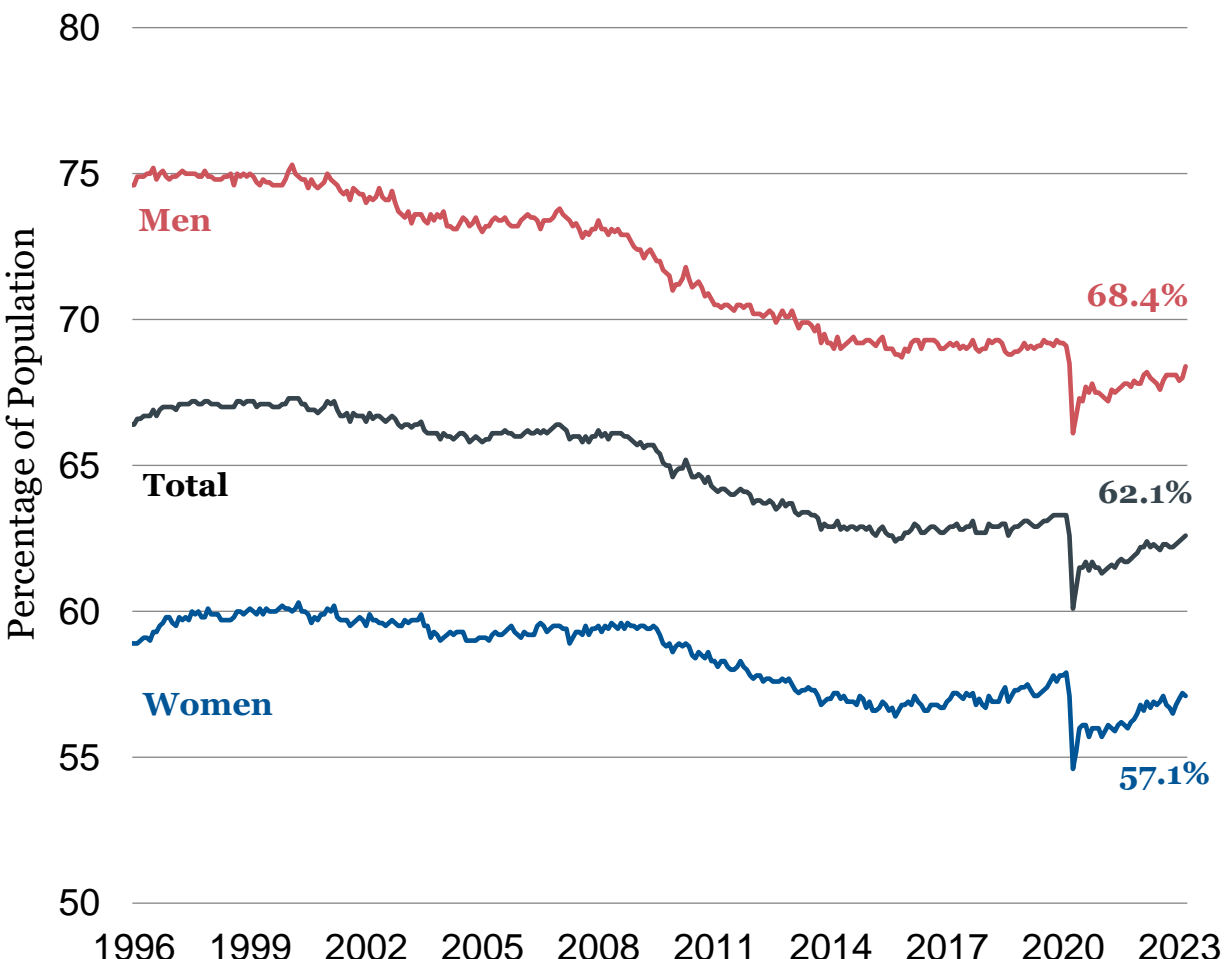


Labor Underutilization and Participation

Unemployment Rate

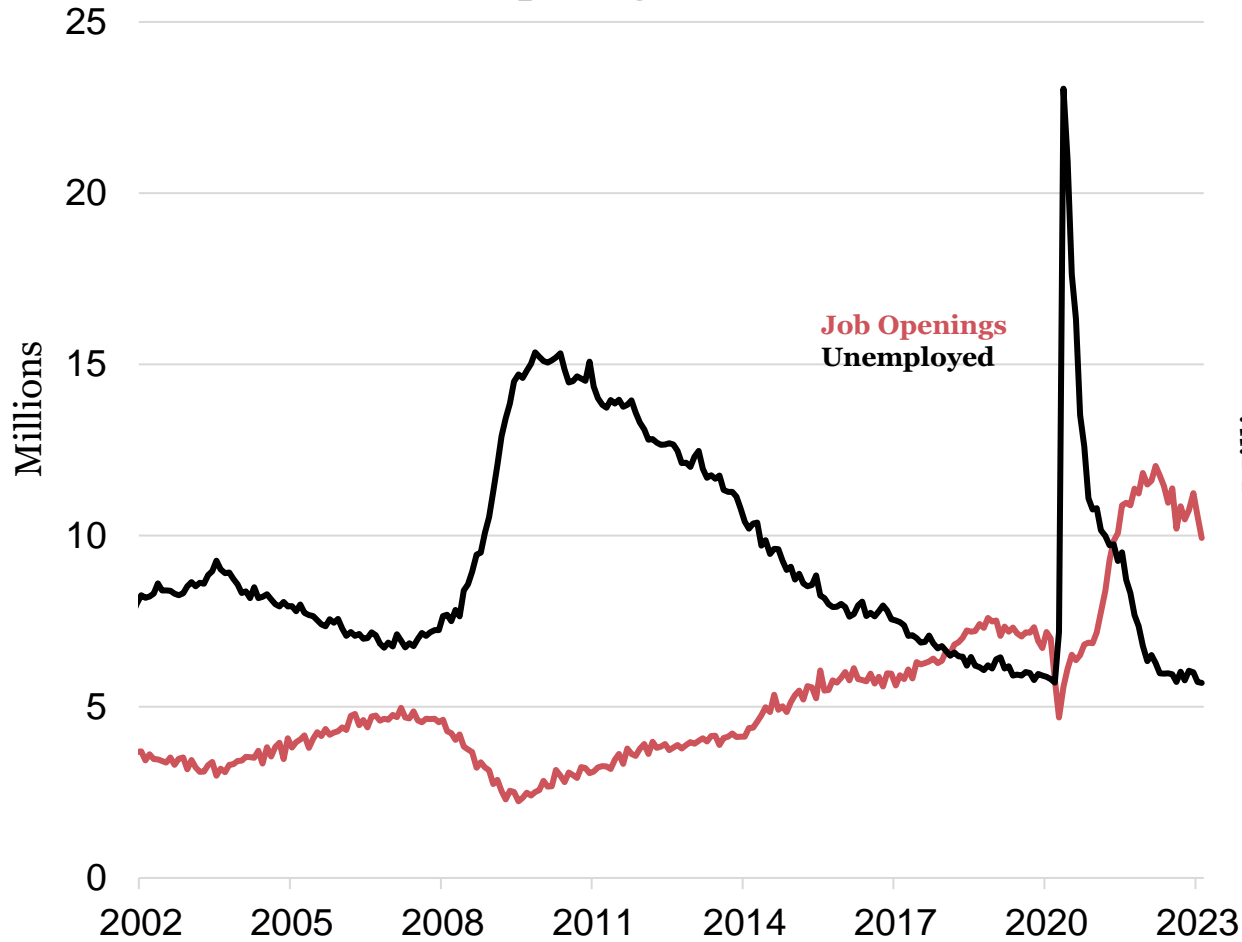


Labor Force Participation Rate

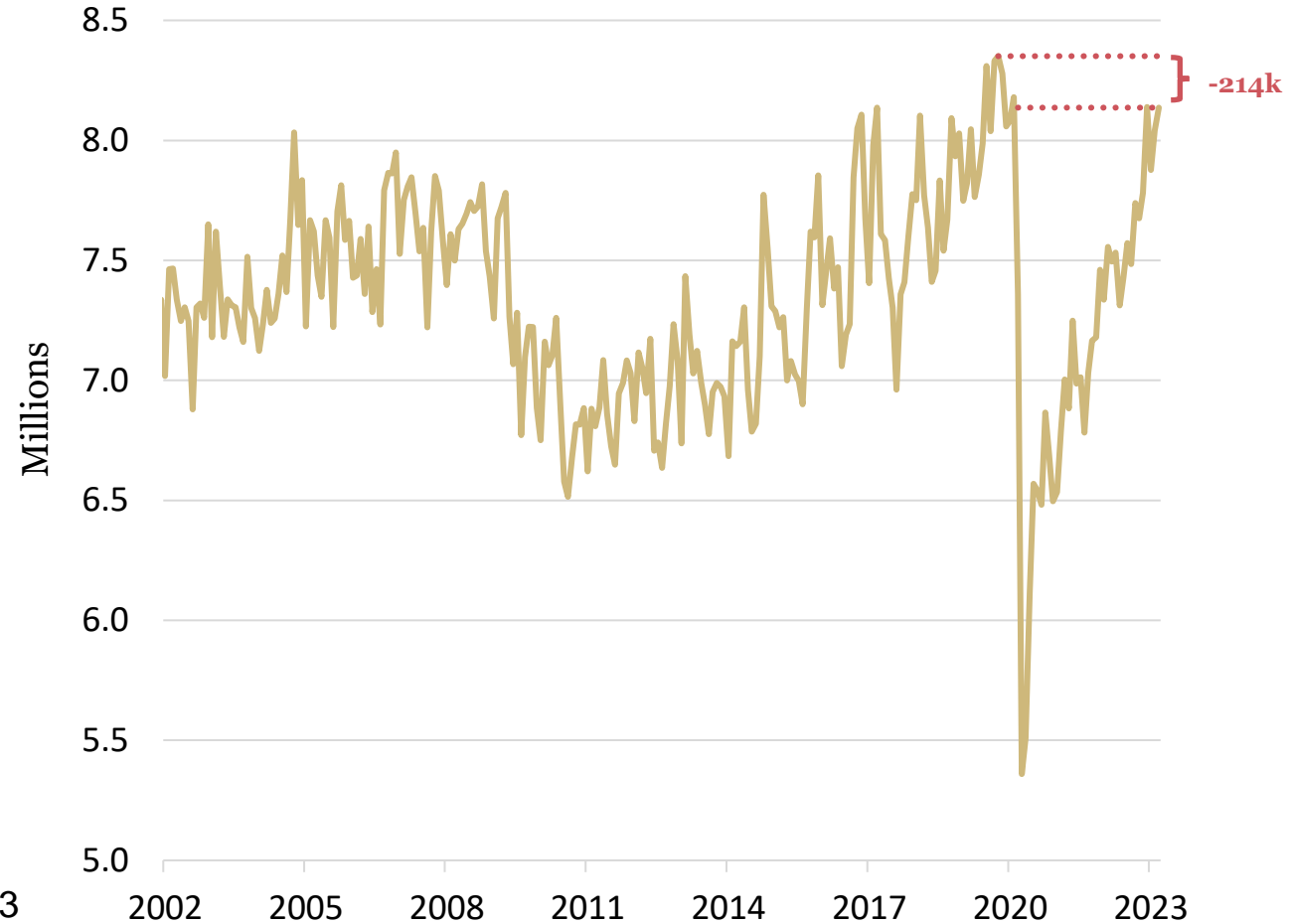


Labor Shortage

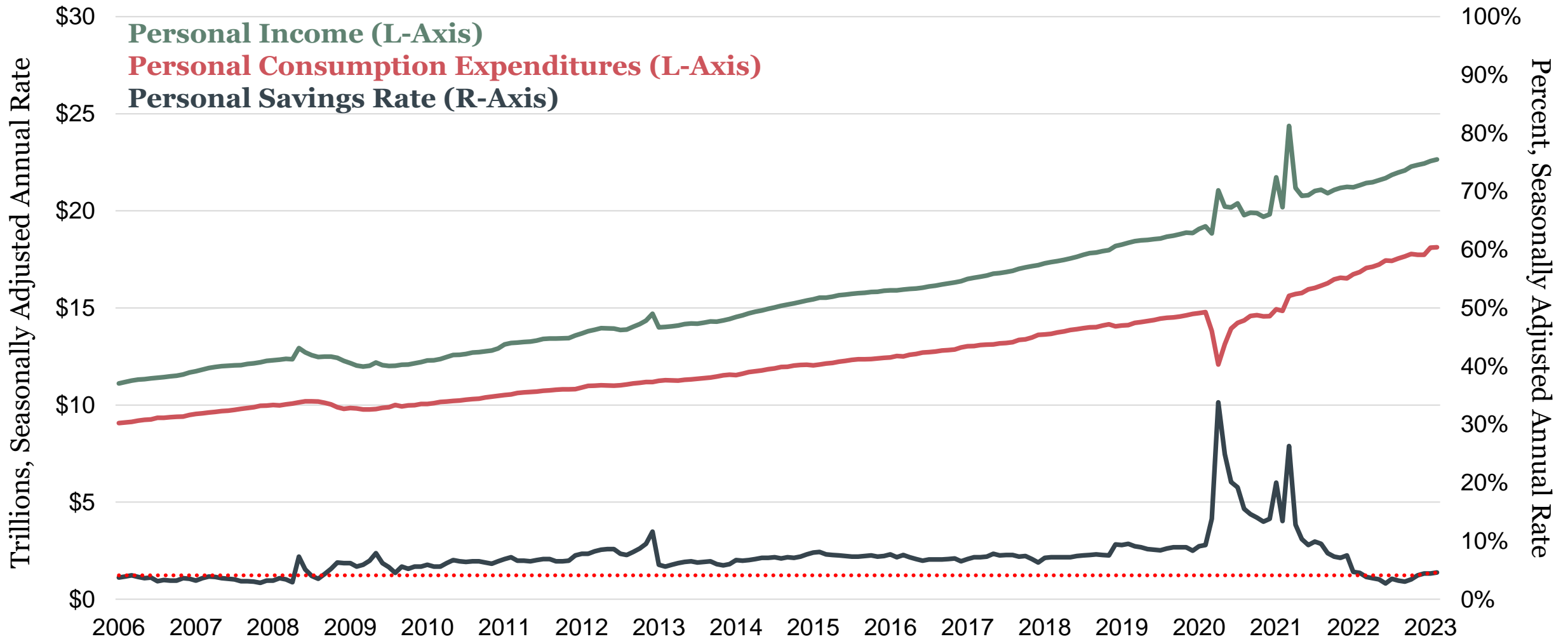
Job Openings and Quits



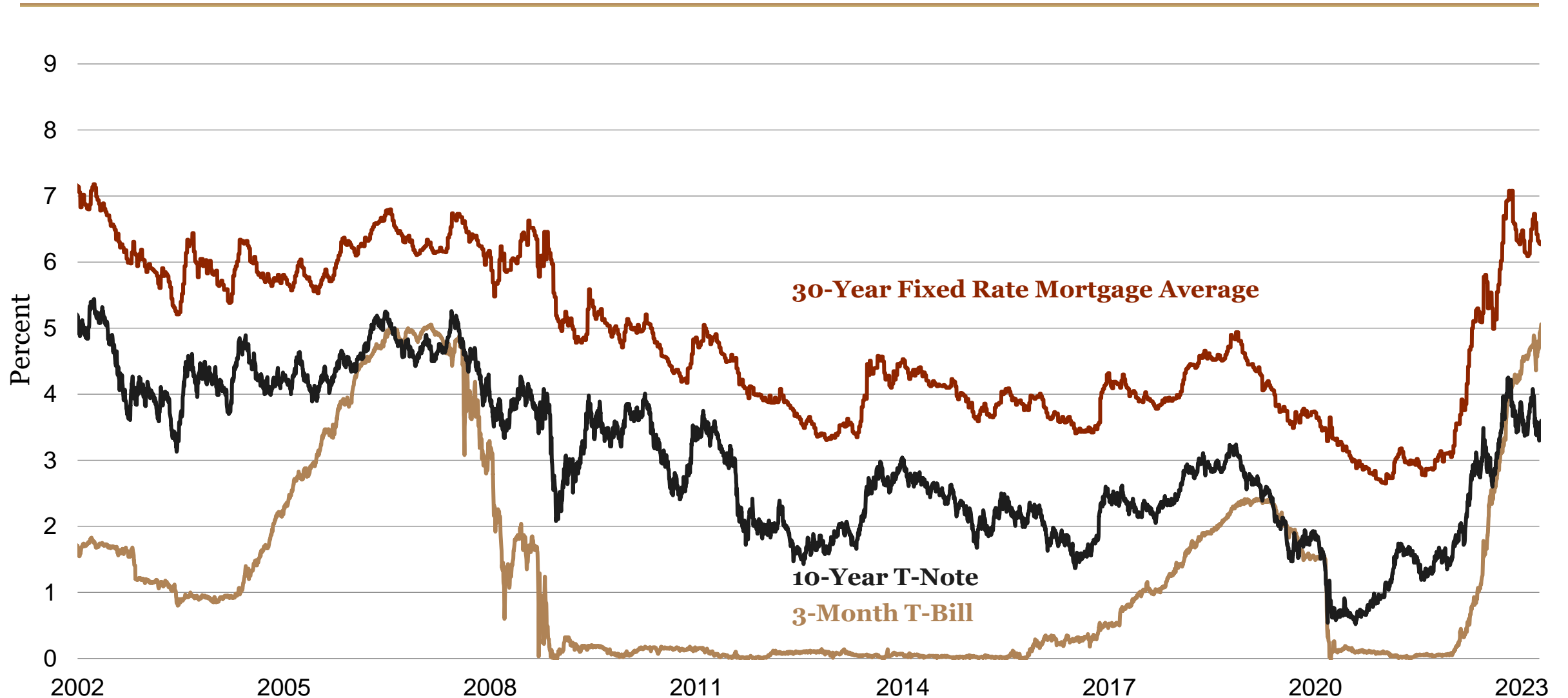
National Multiple Jobholders



Personal Income and Savings



Interest Rates



Colorado Rank Among Other States

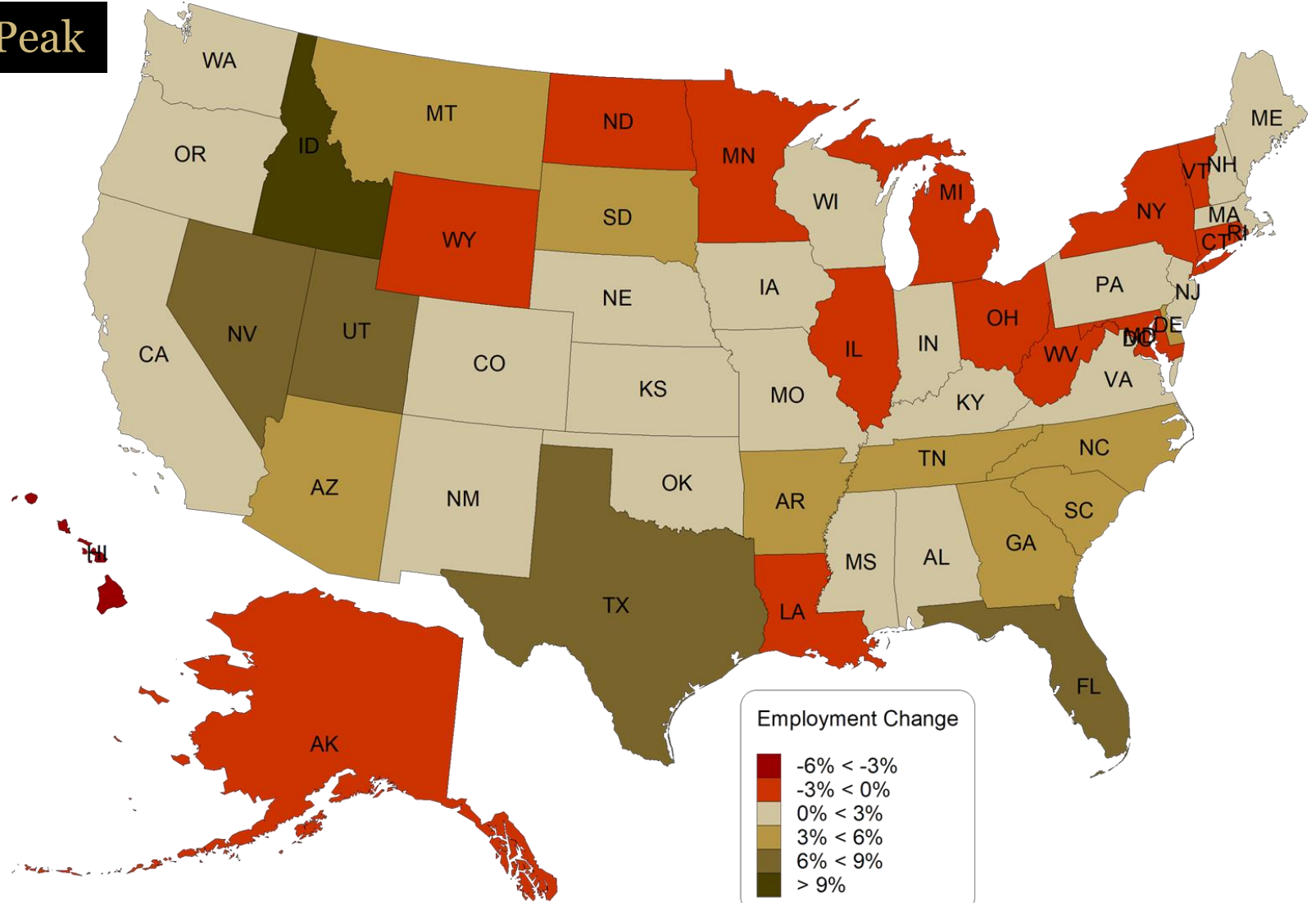
Metric	1-Year Change/ Current Level		1-Year Rank
Real GDP Growth	1-Year Change	1.7%	8
Employment Growth	1-Year Change	1.2%	49
Population Growth	1-Year Change	0.5%	19
Personal Income Growth	1-Year Change	5.9%	27
PCPI Growth	1-Year Change	5.3%	28
PCPI	Current Level	\$75,206	8
Average Hourly Wage % Growth	1-Year Change	5.0%	18
Average Annual Pay % Growth	1-Year Change	8.1%	11
Average Annual Pay	Current Level	\$72,076	8
Unemployment Rate	Current Level	2.8%	15
Labor Force % Growth	1-Year Change	0.7%	18
LFPR	Current Level	68.5%	4
FHFA Home Price Index Growth	1-Year Change	9.0%	39

Data Sources: Bureau of Economic Analysis (2022), Bureau of Labor Statistics (3/23), U.S. Census Bureau (2022), Bureau of Labor Statistics (2022), Federal Housing Finance Agency All Transactions Index (Q4 2022), BRD calculations. *Unemployment rate for the last month.

Employment Recovery

Change from Prerecession Peak

Colorado
Recovery: 2.1%
Rank: 19th



Source: Bureau of Labor Statistics, Current Employment Statistics (Seasonally Adjusted), as of March 2023.

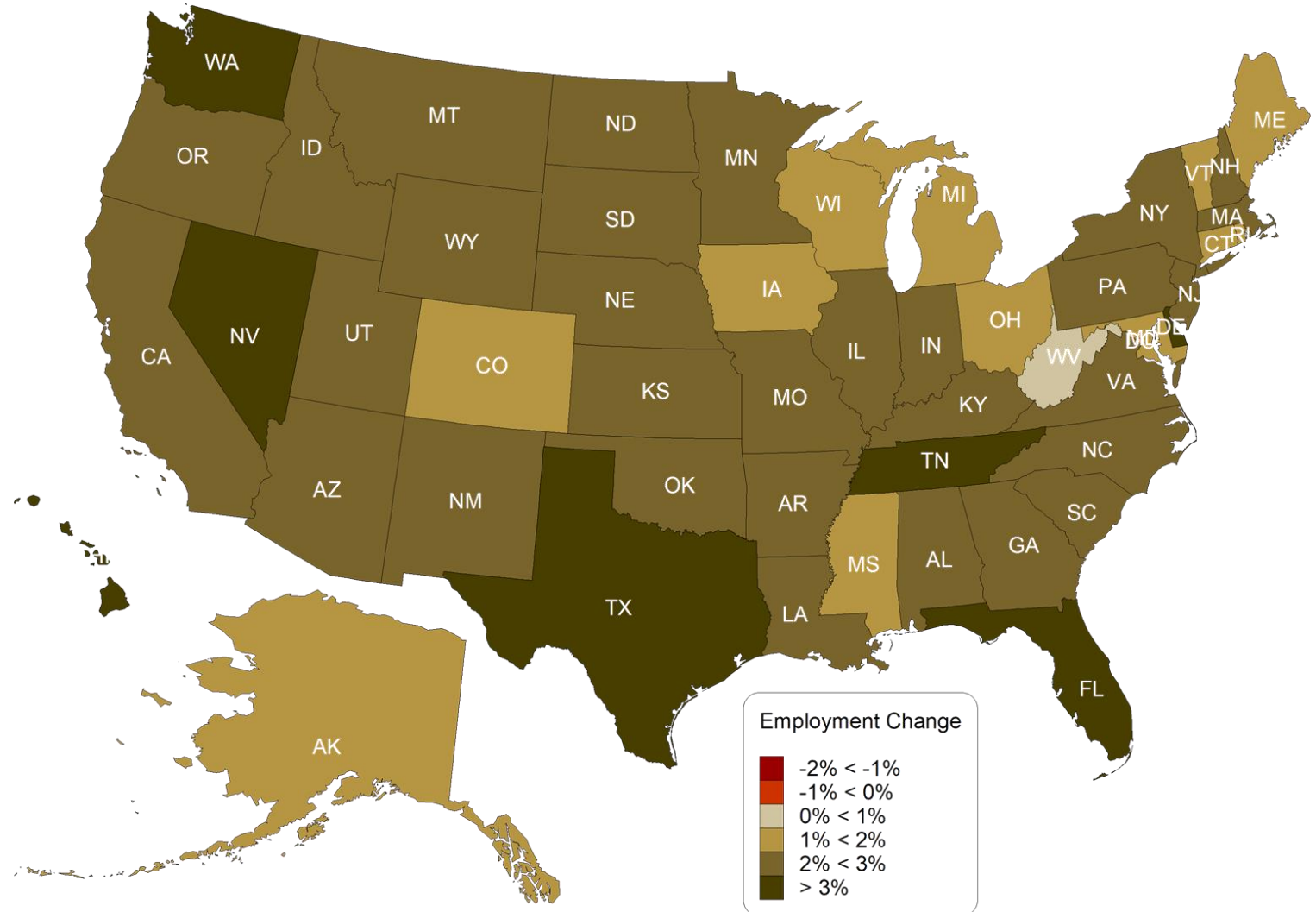
Employment Growth

Year-over-Year

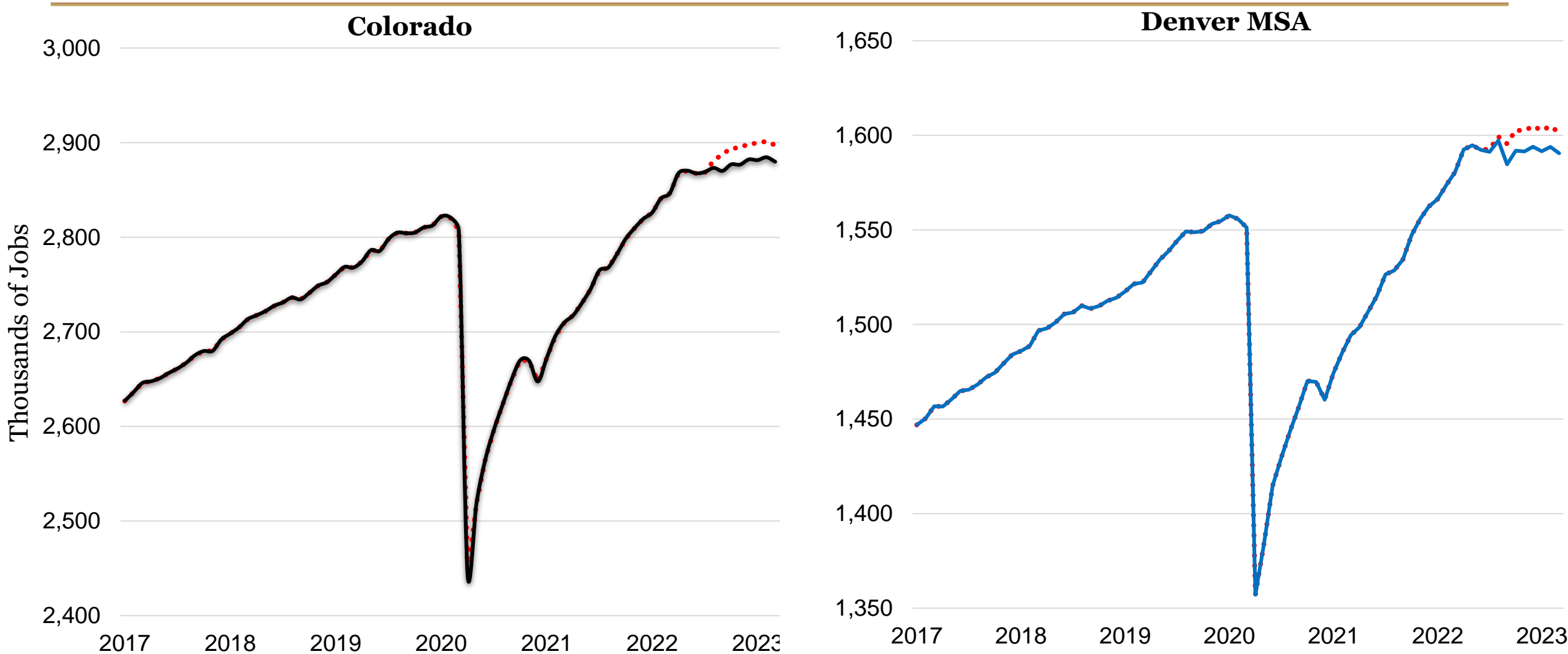
Colorado

Rate: 1.2%

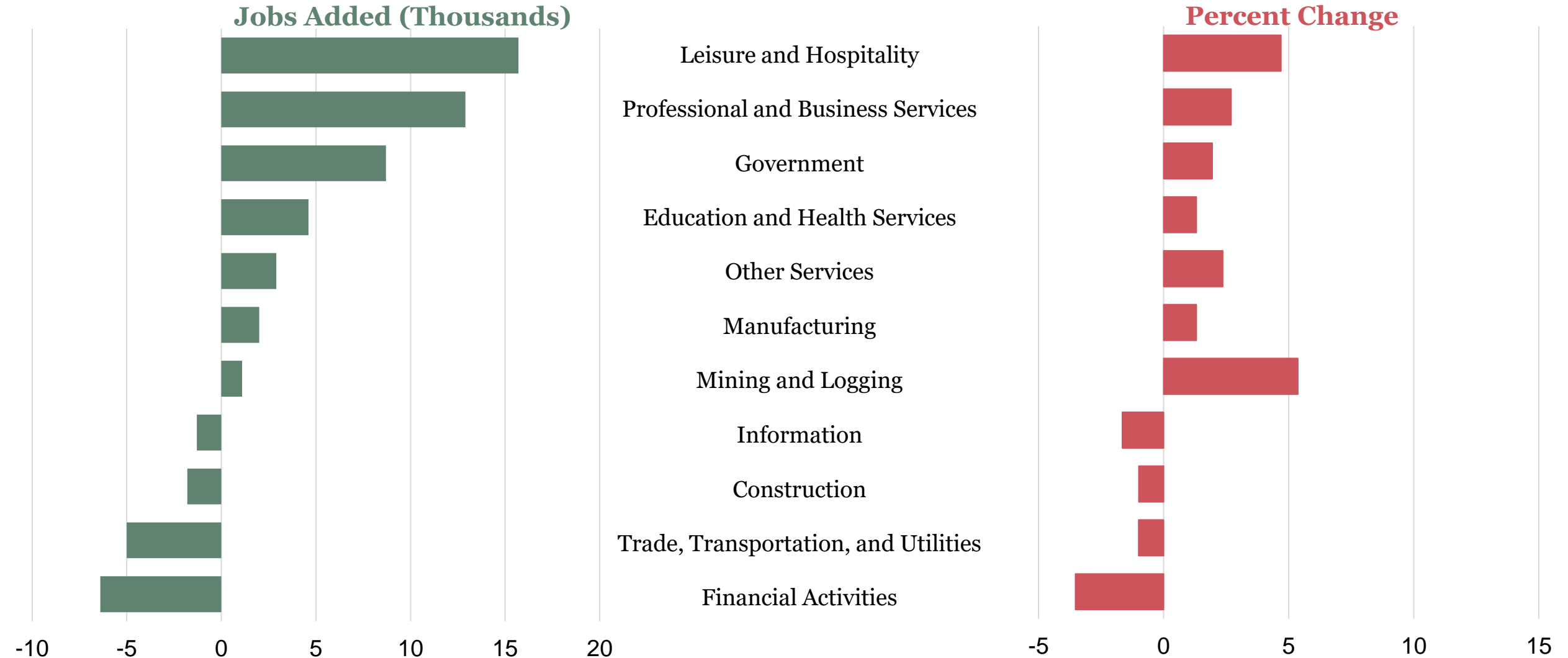
Rank: 49th



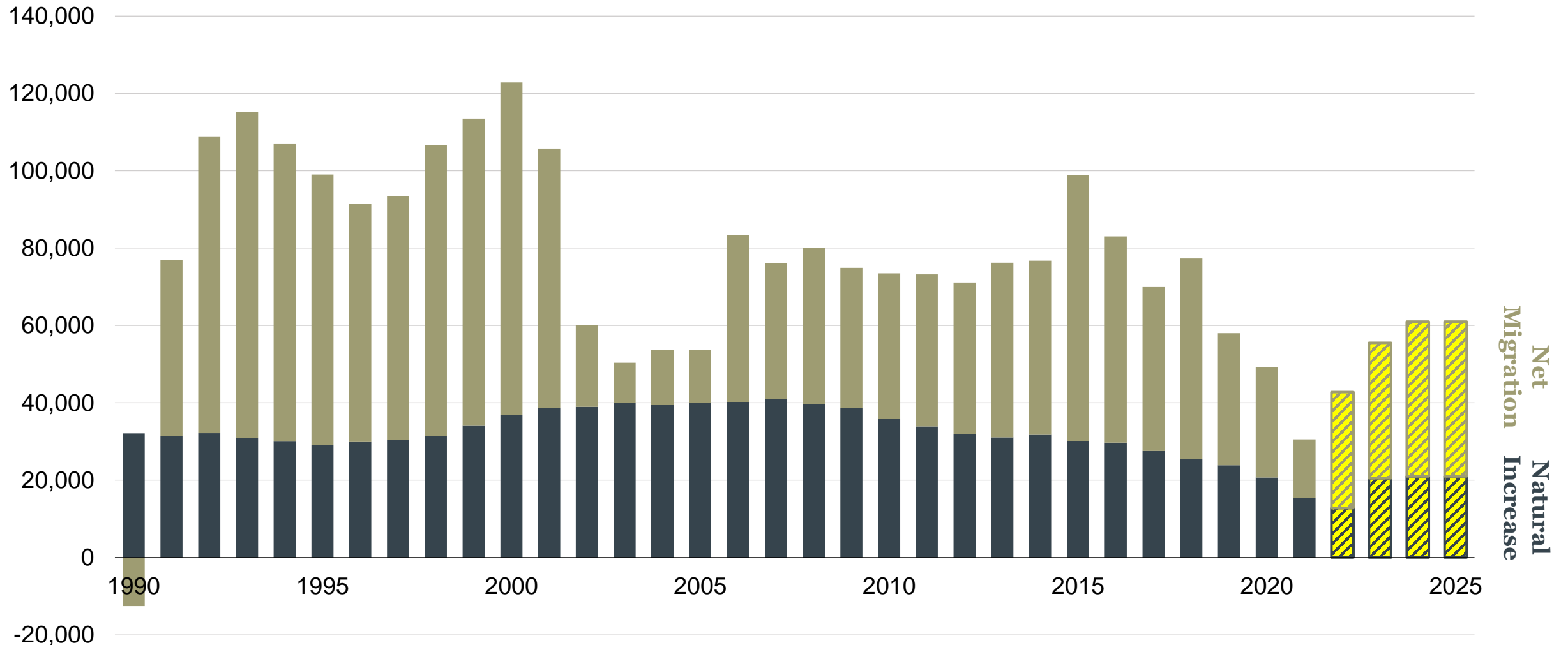
Colorado and Denver MSA Employment



CO Employment Change, March Year-Over-Year

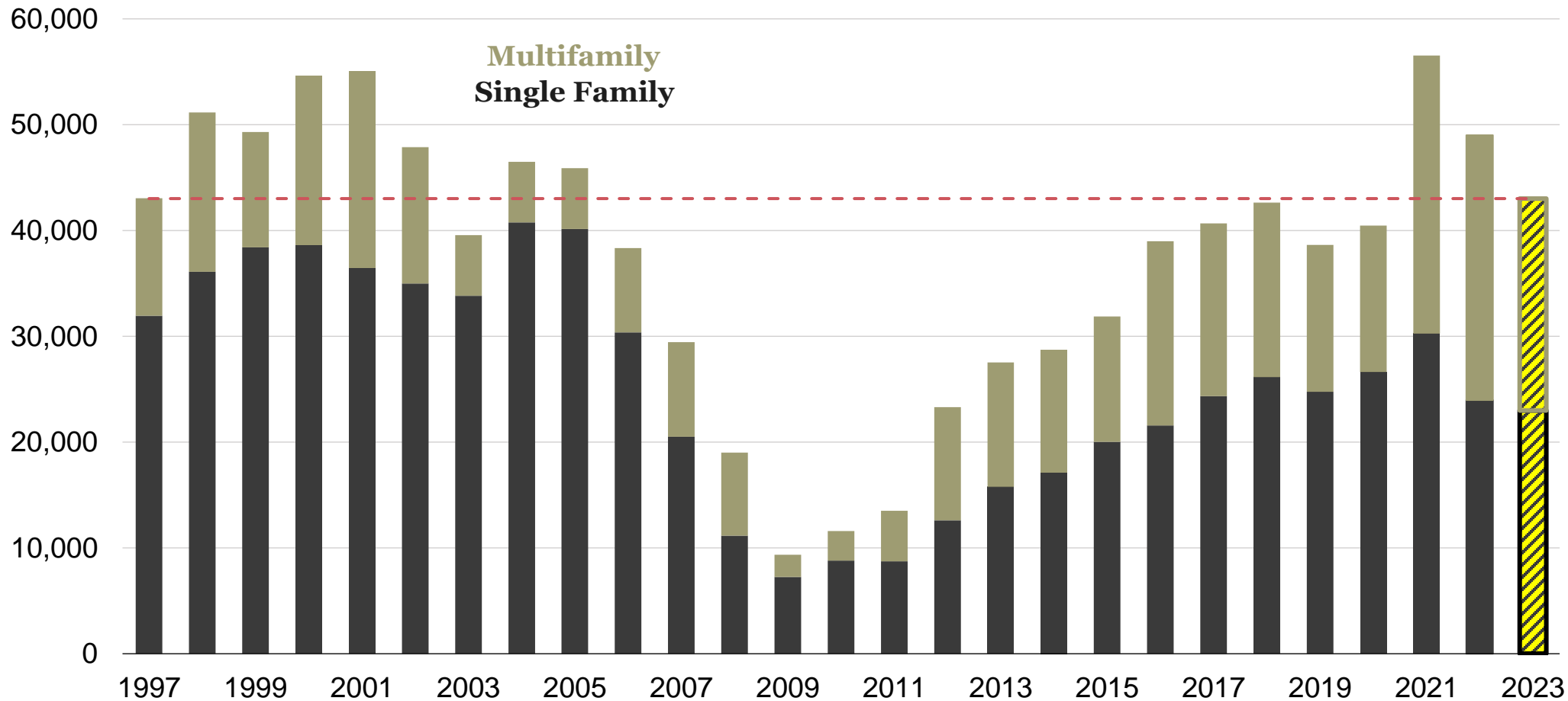


Colorado Change in Population



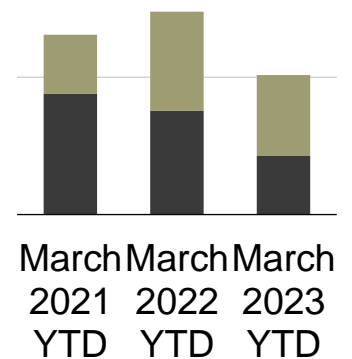
Colorado Residential Building Permits

Permits, 1998-2023



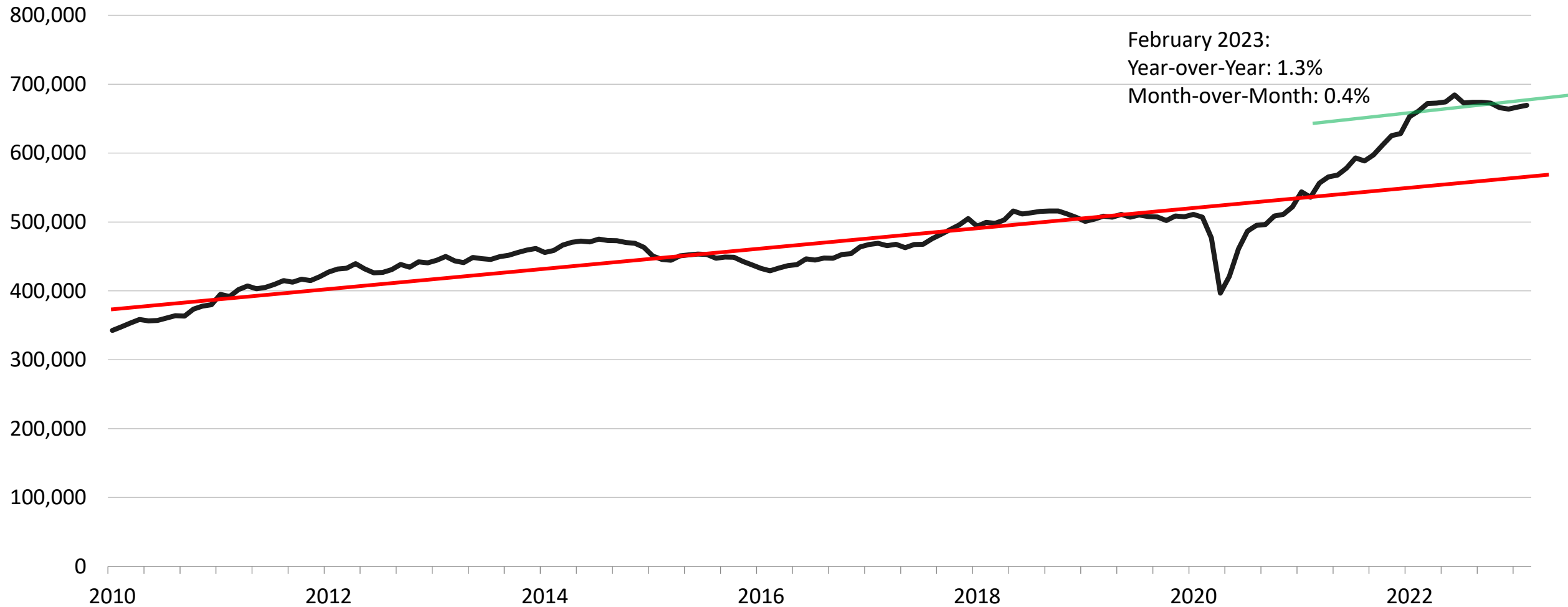
Colorado
2022: -13%
2023 YTD: -31%

Denver MSA
2022: -22%
2023 YTD: -33%

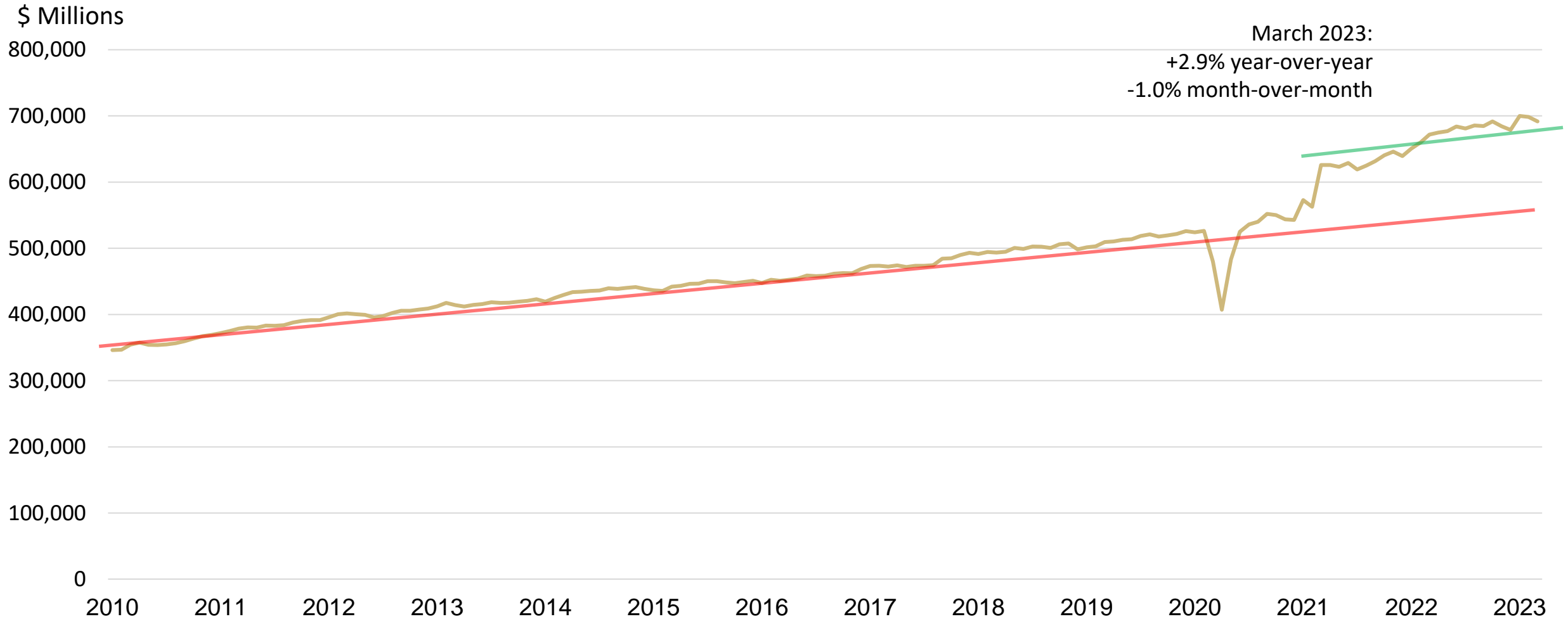


Wholesale Distribution Revenue

\$ Millions, Seasonally Adjusted

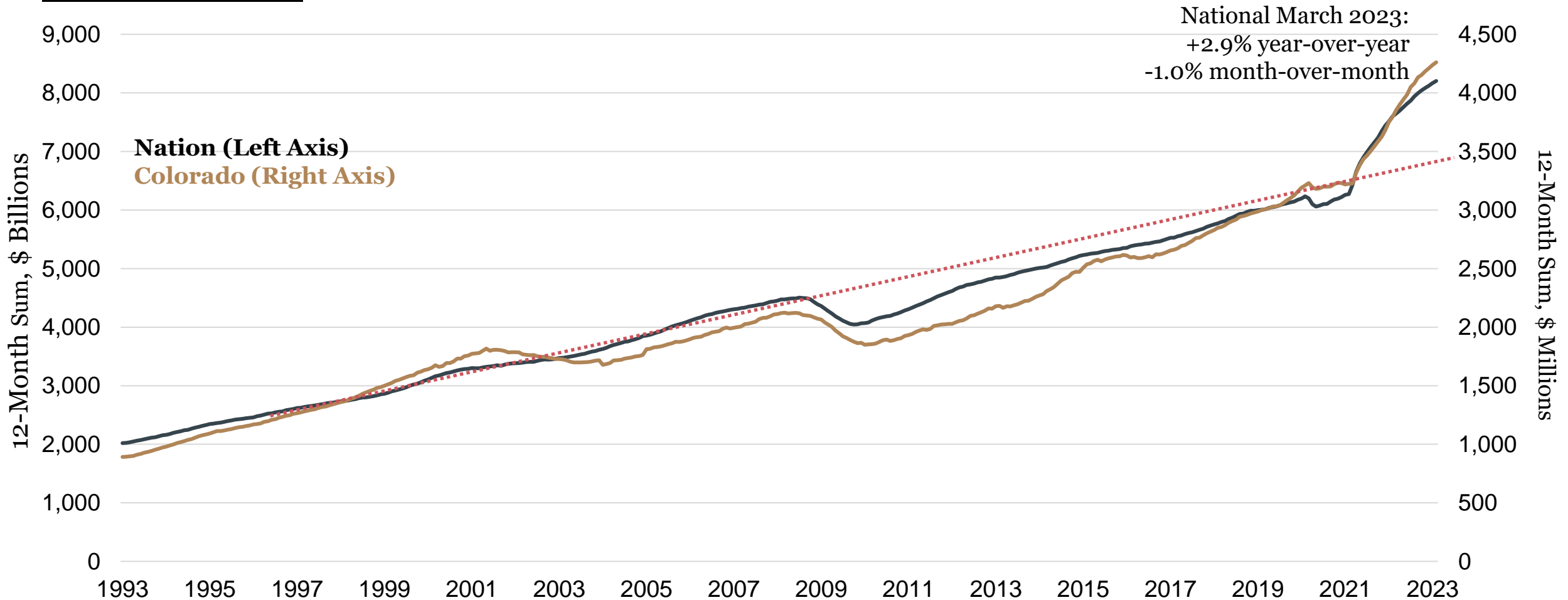


National Retail and Food Services Sales



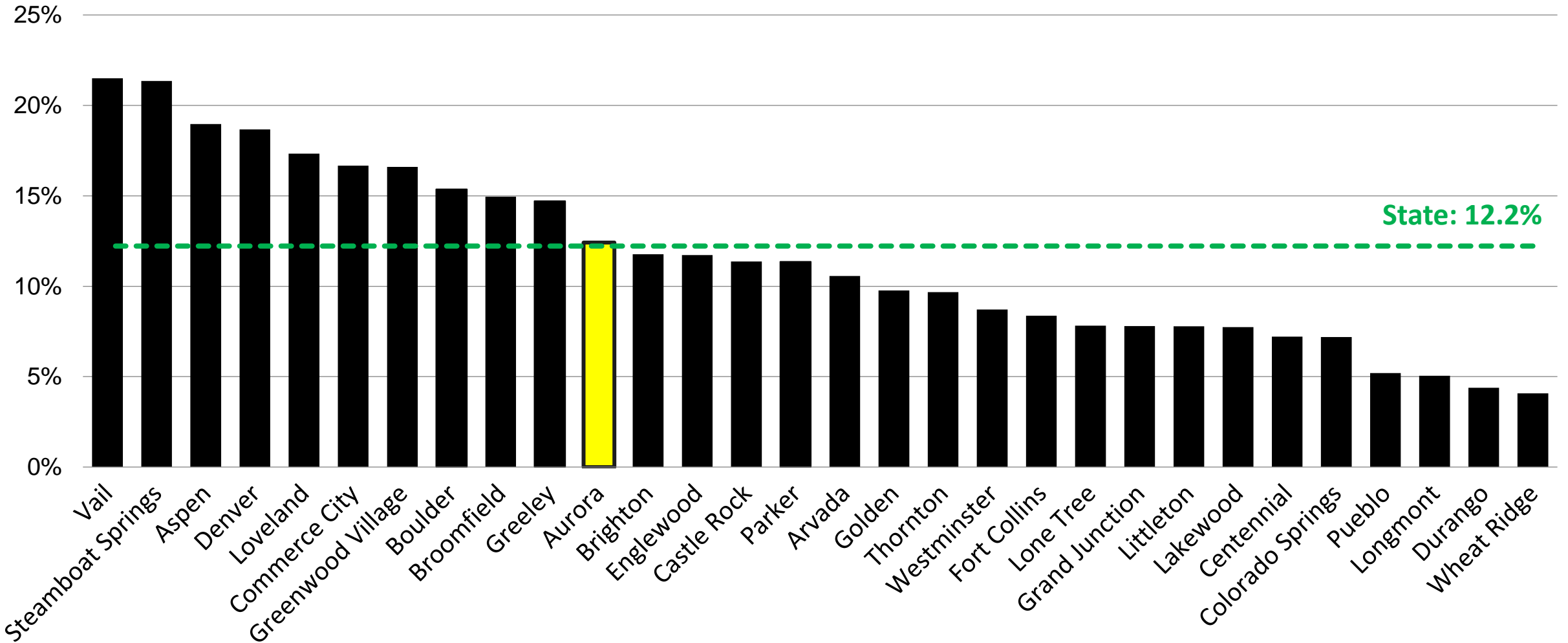
National Retail Sales vs. Colorado Sales Taxes

12-Month Sum



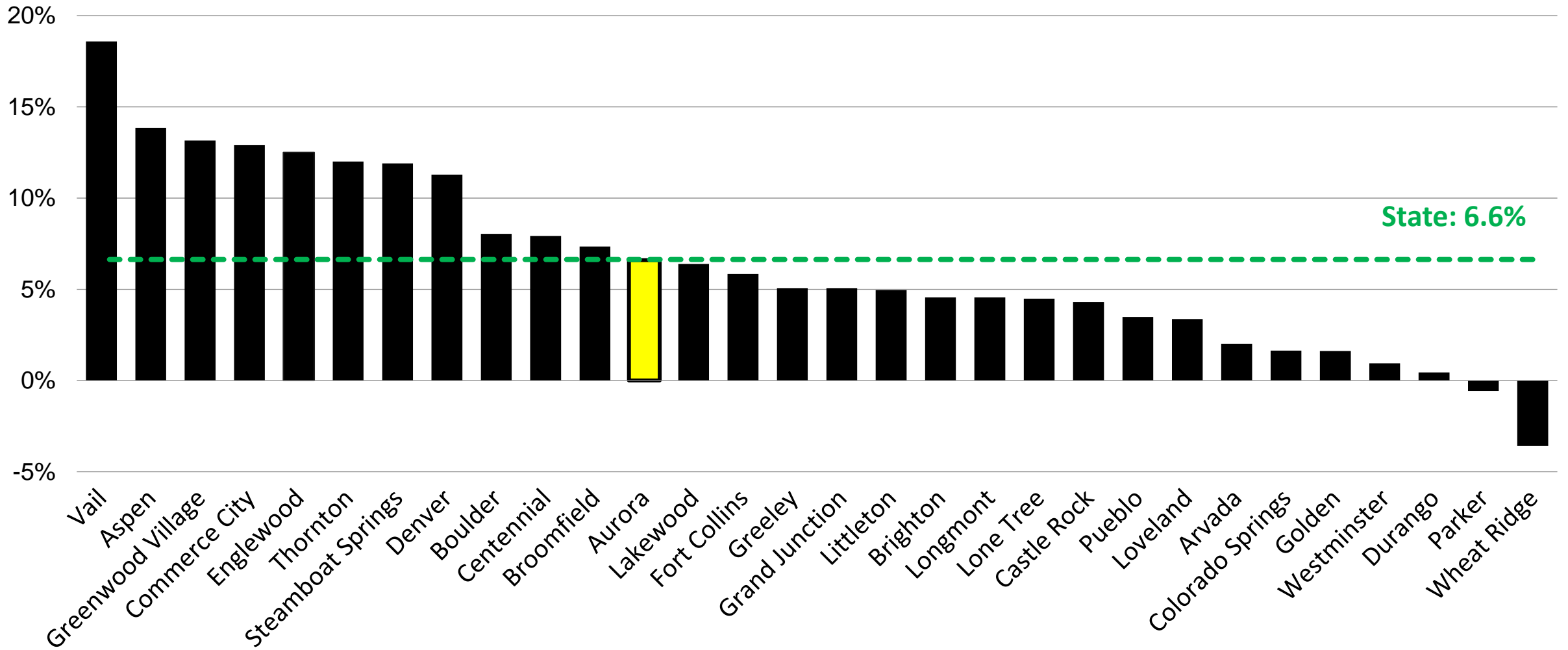
Taxable Sales Growth – 30 Largest City Collections

2022 vs. 2021

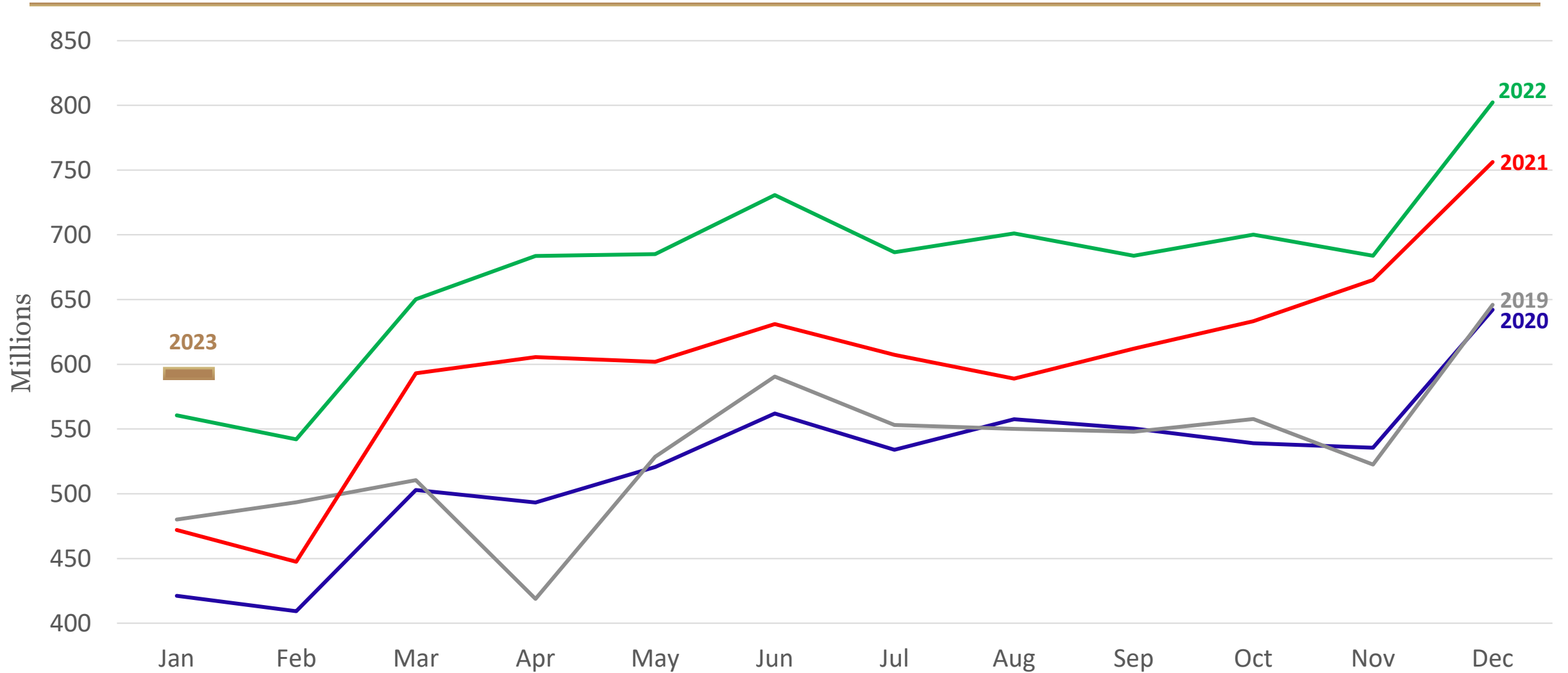


Taxable Sales Growth – 30 Largest City Collections

January 2023 vs. January 2022

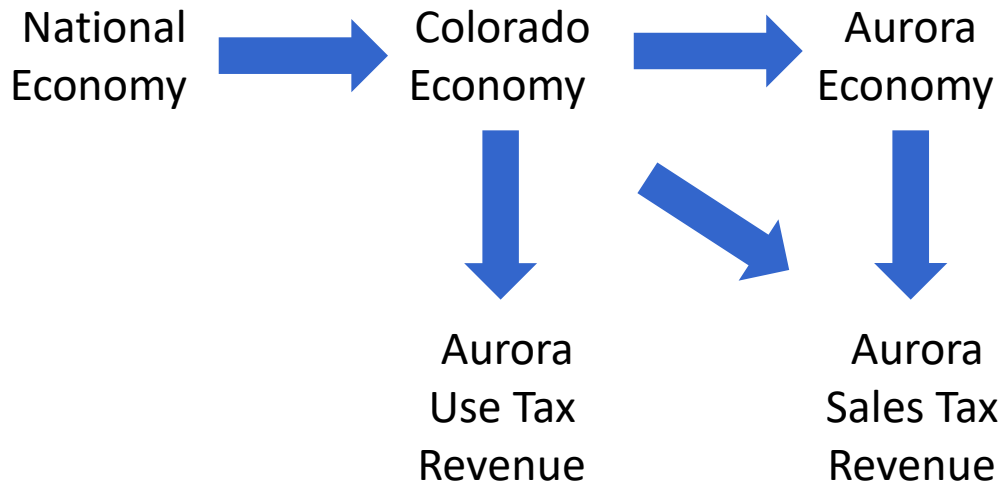


State Taxable Sales: Aurora



City of Aurora Forecast

The Model



Data and Sources

Bureau of Economic Analysis (e.g., personal income, GDP)
Bureau of Labor Statistics (e.g., employment, wages)
U.S. Census Bureau (e.g., retail sales, population)
Colorado State Demography Office (population, migration, age)
Moody's Analytics (macroeconomic variables forecast)
Colorado Department of Revenue (sales taxes)
Office of the State Controller (taxes)
City of Aurora (sales, use, property taxes)

Baseline U.S. Economy

Percent Change, Year-over-Year

YEAR	PERSONAL INCOME	RETAIL TRADE	REAL GDP	EMPLOYMENT	VEHICLE SALES	NONRESIDENTIAL CONSTRUCTION	CONSUMER PRICE INDEX
2018	5.0	4.4	2.9	1.6	1.4	4.6	2.4
2019	5.1	3.1	2.3	1.3	2.7	8.8	1.8
2020	6.7	0.6	-2.8	-5.8	-2.4	2.2	1.3
2021	7.4	19.8	5.9	2.9	22.7	-3.6	4.7
2022	2.4	9.2	2.1	4.3	3.3	7.3	8.0
2023	5.4	3.6	1.9	1.9	3.7	12.3	4.1
2024	4.9	2.8	1.9	0.4	6.2	2.9	2.4
2025	4.4	3.5	2.7	0.6	6.0	2.0	2.1
2026	4.5	3.3	2.6	0.3	4.4	4.1	2.0
2027	4.3	3.2	2.4	0.4	2.8	5.3	2.0
2028	4.2	3.3	2.4	0.5	2.7	5.4	2.1

Baseline Colorado Economy

Percent Change, Year-over-Year

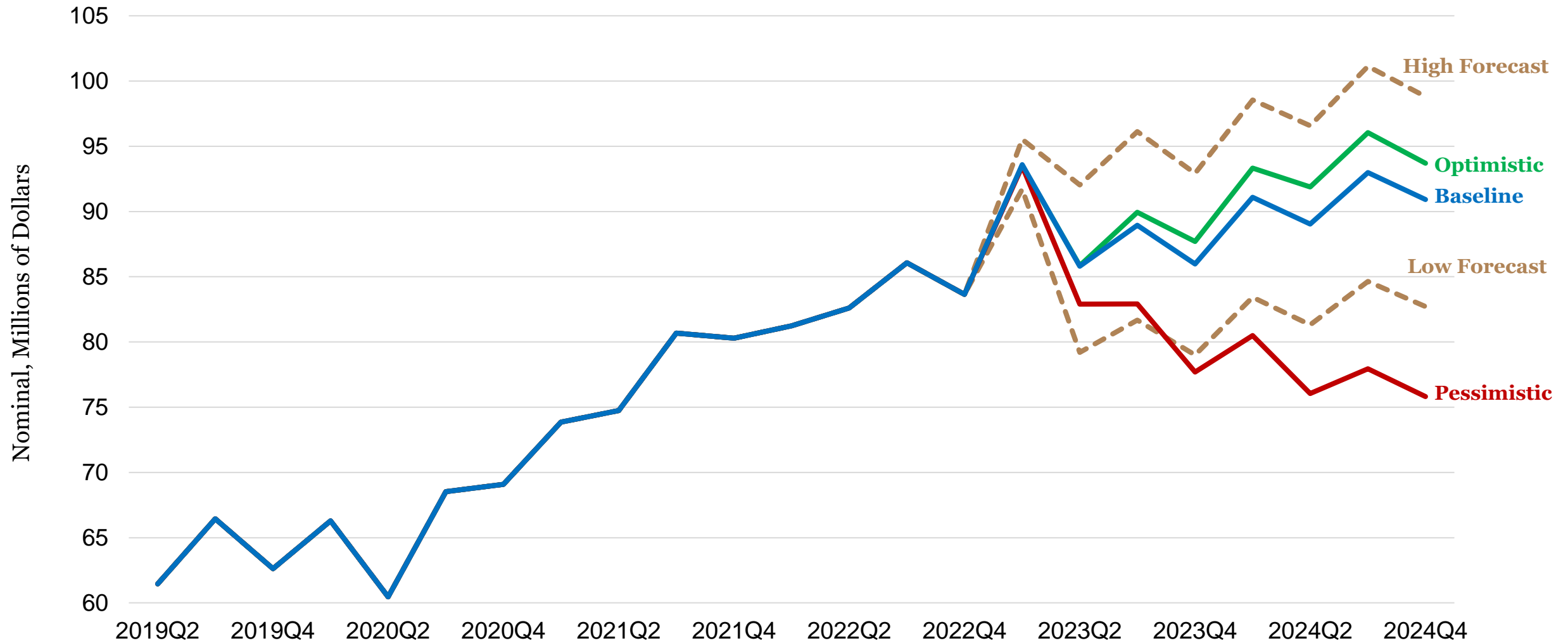
YEAR	PERSONAL INCOME	RETAIL TRADE	EMPLOYMENT	RES. PERMIT VALUE	NONRESIDENTIAL CONSTRUCTION	CONSUMER PRICE INDEX
2018	7.3	6.1	2.5	15.0	32.5	2.7
2019	7.4	3.4	2.3	-3.8	-36.7	1.9
2020	6.1	4.9	-4.9	13.6	8.3	2.0
2021	8.7	17.0	3.7	25.1	2.6	3.5
2022	6.1	9.4	4.1	-11.4	15.8	8.0
2023	6.8	5.1	1.6	-15.6	-4.3	4.3
2024	5.6	4.5	1.5	3.5	14.2	3.1
2025	5.3	4.8	1.3	9.7	3.1	2.7
2026	5.6	4.4	0.6	8.9	4.4	2.6
2027	5.5	4.4	0.8	3.9	8.5	2.6
2028	5.5	4.6	0.9	1.8	4.6	2.6

Baseline Revenue Forecast

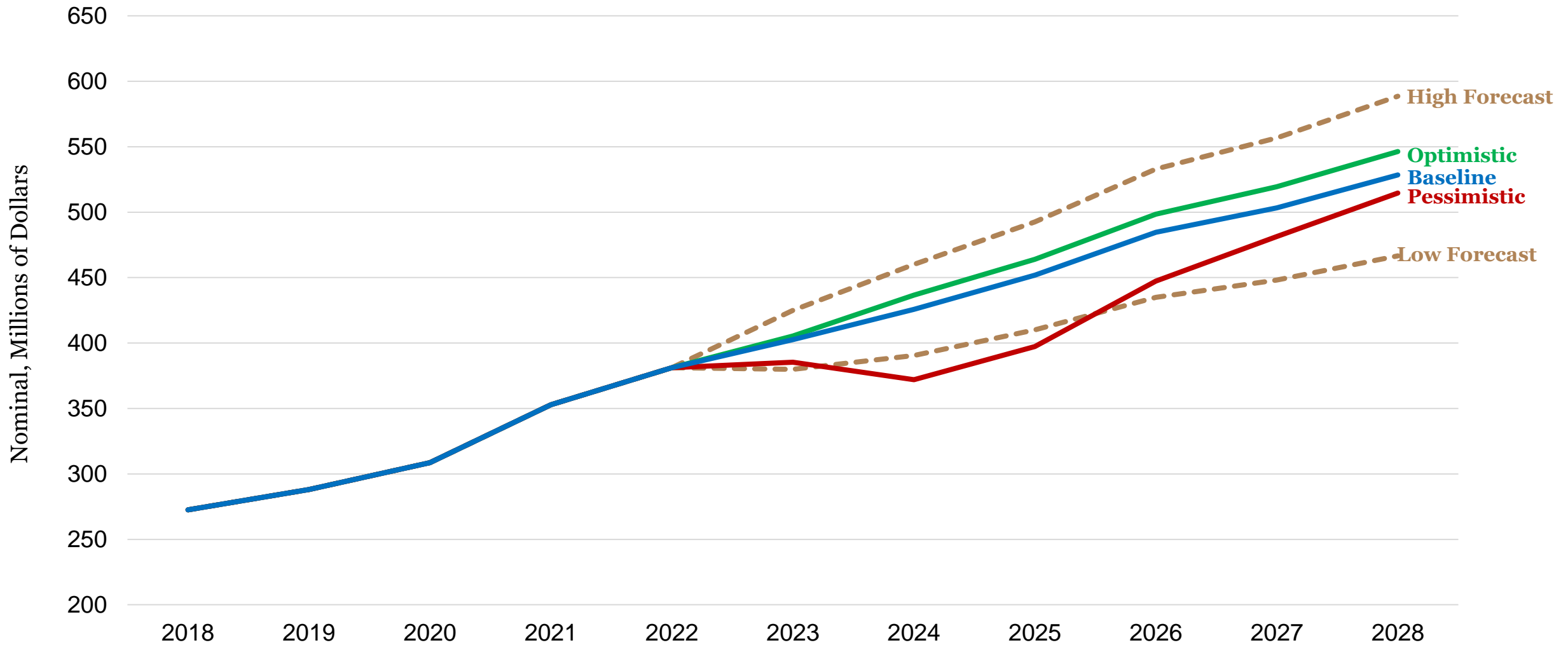
Percent Change, Year-over-Year

YEAR	GROCERY SALES	RESTAURANT SALES	AUTO SALES	MARKETPLACE FACILITATOR ORDINANCE SALES	BUILDING SALES	ALL OTHER SALES	SALES TOTAL	BUILDING MATERIAL USE TAX	AUTO USE	OTHER USE	PROPERTY TAX	TOTAL
2019	7.8	5.7	6.1	0.0	8.7	9.5	8.7	-12.6	8.4	-7.8	2.2	5.8
2020	15.7	-8.5	-7.3	0.0	10.2	6.2	5.3	40.3	-3.9	-20.1	18.9	7.1
2021	0.0	25.2	14.2	267.0	7.9	10.0	14.9	28.4	31.9	9.0	-2.1	14.3
2022	3.1	10.4	19.6	13.0	12.0	8.3	9.4	-11.8	8.0	16.2	9.8	8.0
2023	14.7	9.6	4.2	4.6	-14.0	6.6	5.1	10.3	6.8	21.9	1.7	5.7
2024	5.0	5.4	7.3	6.5	-1.8	4.4	4.3	-25.5	9.1	6.4	27.7	5.7
2025	3.8	5.2	6.8	6.3	15.2	4.3	5.4	15.4	9.7	6.0	4.8	6.1
2026	4.6	4.1	6.0	5.1	11.1	4.1	4.7	11.1	8.1	3.1	18.5	7.2
2027	5.1	4.3	3.2	4.8	4.5	4.0	4.1	4.8	4.7	3.9	2.2	3.9
2028	5.0	4.4	2.9	5.6	0.8	4.2	3.9	0.1	4.2	4.5	11.6	5.0

Short-Term Total Revenue Forecast



Medium-Term Total Revenue Forecast



Integrity of Model Forecasts

Forecasts are updated to reflect the most current economic situation.

Forecasts may be too high or too low, reflecting uncertainty in the economy.

Forecasts are generated from theoretically sound economic relations, modeled with state-of-the-art methods of modern econometric time series analysis.

BRD forecasts do not incorporate “add factors” or other subjective adjustments of model forecasts.

Q&A

