



2019

CITY OF AURORA, COLORADO  
**COMPREHENSIVE  
ANNUAL FINANCIAL  
REPORT**

For the Year Ended  
December 31, 2019

Prepared by the Controller's Office



## *Aurora, Colorado*

The city of Aurora is located on the eastern slope of the Rocky Mountains and lies in the six county Denver/Aurora metropolitan area (the metro area). The metro area is the economic center of the State of Colorado (the State). Aurora is the third largest city in the State, with an estimated population in 2019 of 381,057 approximately 13.5% of the metro area's population.





**City of Aurora, Colorado for the Year Ended  
December 31, 2019**



# Comprehensive Annual Financial Report

**Prepared by the Controller's Office**



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**Finance Department**

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# City of Aurora, Colorado

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2019 COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

# INTRODUCTORY SECTION

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June 19, 2020

To the Honorable Mayor, City Council, and Citizens of the City of Aurora, Colorado:

We submit, for your information and review, the Comprehensive Annual Financial Report (CAFR) of the City of Aurora, Colorado (the city), for the year ended December 31, 2019.

This report consists of management's representations concerning the finances of the city. Consequently, management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the city. The city has included all disclosures necessary to enable the reader to gain an understanding of the city's financial activities.

The City Charter requires an annual audit by independent auditors selected by the City Council. The goal of the independent audit is to provide reasonable assurance that the financial statements of the city for the fiscal year ended December 31, 2019, are free of material misstatement. The independent auditors, BKD, LLP, concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the city's financial statements for the fiscal year ended December 31, 2019 are fairly presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Independent Auditor's Report on the city's financial statements is included in the Financial Section of this CAFR.

The independent auditor of the financial statements of the city is required to complete the federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The results of the single audit are available in the city's separately issued Single Audit Report.

U.S. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The city's MD&A can be found immediately following the report of the independent auditors.

## **GOVERNMENTAL STRUCTURE**

Aurora is located on the eastern slope of the Rocky Mountains and lies in the ten county Denver-Aurora-Lakewood metropolitan statistical area. The metropolitan area is the economic center of the State of Colorado. Aurora is the third largest city in Colorado with an estimated population in 2019 of 381,057. The city covers 160-square miles in Adams, Arapahoe and Douglas Counties. With 85 square miles of developed land, including parks and open space, and 75 square miles of undeveloped land, the city has room to grow. The city provides general government services including police, fire and emergency medical services, public works, water and wastewater service, parks and recreation facilities, libraries and golf courses.

The city utilizes the Council-Manager form of government, adopted in 1954. In 1961, Aurora became a Home Rule city by adopting its own charter. In 1993, the City Charter was amended to provide for a full-time Mayor, beginning January 1, 1996. The duties of the Mayor and the Council-Manager form of government were not changed. The eleven members of the City Council (including the Mayor, who is elected specifically to that position) are chosen biennially for staggered four-year terms in non-partisan elections. The City Manager is responsible for the administration of city operations and for carrying out policy as set by the City Council. The City Manager serves at the pleasure of the Council. Also serving at the pleasure of the Council are three other appointees: the City Attorney, the Presiding Judge, and the Court Administrator. Each of these appointees is responsible for the administration of his or her respective

operation, although the City Manager has overall responsibility for general management functions such as financial operations and personnel rules and regulations.

## **FINANCIAL CONDITION**

The city has historically managed through economic cycles and is recognized as financially strong by independent bond rating agencies. City leaders manage a budget where revenues equal, if not exceed, expenditures. Aurora's citizens have been supportive of the city's efforts; they have approved bond issues for infrastructure and two ballot questions that have changed the City's Charter to exempt city fees and its main revenue source, sales and use tax, from state constitutional "Taxpayer Bill of Rights" (TABOR) revenue limits. The city also maintains internal and budget controls to ensure adequate oversight of city assets and expenditures.

As expected, 2019 proved to be a year of continued economic growth, translating into moderate revenue growth for the city. For 2019, General Fund revenue, net of transfers, increased 5.6% on a budgetary basis (6.7% per GAAP basis), above the growth experienced in 2018 as the state continued to experience economic expansion after the recession. The combination of sales and use tax is the most significant source of revenue, generating 66.8% of the total General Fund GAAP revenue, net of transfers, but is also the most susceptible to economic changes. Property tax represents an important secondary general revenue source that is typically less impacted than sales and use tax by changing economic conditions. Property tax collections were 10.1% of the total General Fund budgetary and 9.8% of GAAP revenues, net of transfers in 2019.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the city. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time. The city continues to address the situation as it evolves.

In addition to COVID-19, the city anticipates facing budget challenges in the future as expenditures (at current service levels) are projected to grow faster than revenues. In light of these challenges, the city continues to examine options that increase revenues and those that decrease expenditures. The city will continue to adjust revenues and/or expenditures to maintain a balanced budget.

As part of the city's on-going examination, updated capital impact fees were approved by City Council in 2019 and will be phased-in beginning in 2020. Capital impact fees, which are in addition to standard water and sewer development charges, defray the cost of capital needs on new development in order to serve growth and maintain levels of service as the city grows. In 2019, capital impact fees collected were approximately \$2.9 million. The city projects to collect \$5.1 million in 2020 as the new fees begin the phase-in. Once the fees are fully phased-in, the city expects to collect approximately \$12 million annually.

## **GROWTH AND DEVELOPMENT**

While the duration and financial effects of COVID-19 are uncertain, it is anticipated that the local economy will recover and continue to benefit from the state's economic performance and continued population growth. The city anticipates modest General Fund operating revenue growth (not including building materials use tax, which typically is used for capital purposes) for the long-range forecast. The level of development within the city impacts not only the growth of operating revenues, but revenues used for capital purposes including tap fees for new water and sewer connections. While 2019 was another year of moderate increases in operating revenues, the city is planning for modest growth rates in the long term.

With its business-friendly environment, available land and strong infrastructure, the city continues to attract housing and retail development. Major commercial and residential projects, including several transit-oriented developments, were completed in 2019 with others under construction. Current projects include Citadel on Colfax, 2<sup>nd</sup> and Abilene Station, Argenta, Parkside at City Centre, Spur at Iliff Station and The Point at Nine Mile. Master plans have also been approved for the area surrounding the Gaylord Rockies Resort and Conference Center with the first project, Painted Prairie, breaking ground in 2019. These projects encompass a range of development including single-family homes, townhomes, retail, rentals, hotels, senior living facilities as well as parks and open space. Several large commercial/industrial development master plans were approved in 2019 including Majestic Commerce Center II, an expansion of the existing industrial park, Fulenwider Industrial Park and JAG Logistics Center.

Another major project is The Aurora Highlands, a 5,000-acre master planned community just south and west of Denver International Airport (DIA). This project will include homes, shops and restaurants, parks and recreational amenities, office space, commercial/industrial employment centers and medical campuses. This project will be home to more than 23,000 families at complete build out. A regional transportation authority has been formed to construct the regional infrastructure supporting the project.

To help ensure that development does not put undue burdens on the city, before any annexation or development is considered, landowners must agree to build, or arrange construction of, the required infrastructure. These up-front commitments routinely include the construction of water and sewer lines, roads, bridges, and drainage improvements. In many new developments, infrastructure is funded and constructed by special districts, which are local taxing entities formed by the landowners with the approval of the city. Landowners also must dedicate to the city groundwater rights they own, donate parcels for fire stations and schools, and preserve land for parks and open space.

As with almost all other Colorado cities, sales tax is the city's main revenue source. Aurora's retail is well positioned to capture retail sales as the city has a number of regional retail centers, including some on the city's borders. The city maintains a development related retail specialist position to help support and enhance the retail environment.

Colorado voters legalized marijuana in 2013 and on November 4, 2014, Aurora citizens passed a 2.0% sales tax, with the rate being allowed to increase or decrease as long as it does not exceed 10%, on retail marijuana products sold in Aurora and a 5.0% excise tax on bulk, wholesale marijuana. In 2017, City Council approved an increase in the marijuana sales tax rate from 2.0% to 4.0% to support homeless programs. City Council has approved a maximum of 24 store licenses with four in each City Council Ward. As of December 31, 2019, 24 stores, 21 cultivations, 16 marijuana-infused product manufacturers, and one testing facility are open and operating within the city. In November 2018, Aurora citizens passed a measure to allow the licensing and operation of medical marijuana cultivations and product manufacturing facilities. As of December 31, 2019, three medical marijuana cultivations and one medical marijuana product manufacturer are open and operating within the city. In 2019, the city received \$11.7 million in marijuana tax revenue and projected revenues for 2020 are \$10.9 million. Revenues received from marijuana sales fund construction of new recreation facilities, transportation improvements and programs to help address homeless issues.

Aurora continues to make substantial investments in its water system to meet the needs of a growing city. The Prairie Waters reuse system provides additional potable capacity, acting as the cornerstone of a water supply plan that will help meet Aurora's needs for decades. Prairie Waters also generates revenue by providing the backbone for the Water Infrastructure and Supply Efficiency (WISE) Partnership, a regional water supply project with Denver Water and 10 water systems in the south metro area. Aurora Water continues to seek innovative solutions to meet future demand, including a substantial water purchase from the London Mine in Park County which also provides environmental benefits to the area. Other projects expected to come online in the next decade include a maintenance and administrative campus called the Southeast Area Maintenance facility (SEAM), Wild Horse Reservoir, a large storage project that will help with management of transbasin diversion, and an aquifer storage and recovery system that is being pilot tested to provide additional protection from climatic change. Aurora Water prepaid \$45 million in debt in 2019; this resulted in a net present value savings of \$11.8 million over the remaining life of the bonds. Aurora Water is the only water utility in the nation with three water treatment facilities awarded the Phase IV "Excellence in Water Treatment" designation and continues to be nationally recognized having won the U.S. Water Prize and the Platinum Award for Utility Excellence.

The city is committed to providing its citizens high quality parks and recreation options by continuing to make investment in those areas. The city offers two reservoirs, five golf courses, 97 developed parks, six recreation centers, three nature centers, six outdoor pools, four indoor pools, a 27-field sports complex as well as trails and open space to explore. In 2019, the city opened its first new recreation center in 40 years - the Aurora Central Recreation Center at Tower Road and East Vassar Place. Located on 20-acres, the 61,000-square foot two-story facility features an aquatic area, gym, elevated walking/jogging track and fitness area along with a teaching kitchen and multi-purpose rooms. The Center is funded through marijuana tax revenue.

The city is also committed to transportation projects to improve the city's transportation network. The opening of the Stephen D. Hogan Parkway occurred in 2019. The new parkway closes a two-mile gap by connecting East Sixth Avenue to the E-470 Tollway. The parkway provides a continuous east-west connection between the two roads and improves the reliability and efficiency of the transportation system including improved access to residential communities east of E-470 and to Buckley Air Force Base. Another significant project is the I-70/Picadilly Interchange Project. Besides funding from the city and private developers, the city was also awarded a \$25 million U.S. Department of Transportation BUILD grant for this \$56.6 million project. The project will provide infrastructure needed to support the planned population and employment growth in the area, improve safety on Tower Road, replace deficient roadways and connect Picadilly Road between Colfax Avenue and Smith Road to further improve mobility in the area. Construction could start by mid-2021 with completion in 2023.

Aurora has a number of key factors that position it well for continued future economic growth:

*Military Facilities.* Buckley Air Force Base, the city's largest employer and home to the 460th Air Base Wing and the Colorado Air National Guard, is an Air Force Space Command base that employs over 12,000 active duty, National Guard, civilian and contractor personnel. Another 6,000 employees – a third of Colorado's aerospace jobs – support Buckley's mission at over 20 aerospace companies including Raytheon, Boeing, Northrop Grumman and Lockheed Martin making Colorado the second largest aerospace presence in the United States. Buckley Air Force Base provides support for a wide variety of military and satellite-related activities including maintaining air operations, space-based missile warning capabilities, space surveillance operations, and space communications operations. Buckley Air Force Base serves more than 92,000 active duty, National Guard, Reserve and retired personnel throughout the Front Range community and provided a \$1.28 billion annual economic impact in 2019. In 2020, the U.S. Department of Defense will consider Buckley Air Force Base as the possible location for the permanent headquarters for the newly created United States Space Command.

*Transportation, Infrastructure and Light Rail.* Aurora's proximity to DIA and its strong transportation and mobility base provided by I-70, I-225 and E-470 facilitate population growth, and residential and commercial construction activity. In addition to the city's projects discussed previously, other projects have fueled this growth including the Regional Transportation District's (RTD) \$7.4 billion FasTracks program. FasTracks brought to Aurora the University of Colorado A Line, a 22.8-mile commuter transit corridor between Denver Union Station and DIA, and the R line, a 10.5-mile light rail line running virtually the length of I-225 with ten stops in the city, including the Peoria Station junction with the University of Colorado A Line.

*Anschutz Medical Campus and Fitzsimons Innovation Campus.* Located on the 579-acre site of the former Fitzsimons Army Medical Center, the Anschutz Medical Campus and the Fitzsimons Innovation Campus are dedicated to bioscience, biotechnology, healthcare, medical education and advanced research – making it the largest academic health center in the Rocky Mountain region and one of the largest in the country. The Anschutz Medical Campus includes education facilities for physicians and other health professionals, the University of Colorado Hospital and Children's Hospital Colorado and the state-of-the-art Rocky Mountain Regional Veteran's Administration Medical Center. Fitzsimons Innovation Campus, including the highly anticipated Bioscience 3 facility scheduled to open in 2020, is recognized internationally for its medical research and offers opportunities to research and development companies from small start-ups to established industry leaders. While not expected to directly provide major new revenue to the city budget due to its tax exempt and incentivized development, the campus is a major economic engine for the city and surrounding area

*Urban Renewal.* The Aurora Urban Renewal Authority (AURA) Board of Directors expanded in 2018 by four members due to a change in state statute; in addition to the Mayor and City Council having common membership, the Board will also include one appointee from the three counties, one appointee from the five school districts, one appointee from the 100 special districts and one mayoral appointee to ensure an odd number of Board members. The county appointee has been selected; the remaining new seats will remain vacant until appointees have been selected by a majority of the membership of the jurisdiction that they will represent.

The Board actively works with the development community to eliminate blight and stimulate development and investment in the city's 21 urban renewal area (URA) plans, 16 of which are active. Additionally,

AURA's efforts are guided by the goals and objectives identified in the urban renewal plan adopted for each URA. Urban renewal and associated tax increment financing (TIF) areas have been major factors in important developments within each of the city's urban renewal areas. Examples of these efforts include activity within the Fitzsimons Boundary Area II, the Gaylord Rockies Conference Center, the Westerly Creek Village and the Nine Mile Station Urban Renewal Areas.

To stimulate development in the area south of Colfax Avenue across from the Anschutz Medical Campus, City Council created the Fitzsimons Boundary Area II Urban Renewal Area. On this site, the city and Corporex Colorado, LLC constructed a 242-room Hyatt Regency Hotel, the 30,000-square foot Hyatt Aurora-Denver Conference Center and a 506-space parking structure. The hotel is privately owned and the city owns the conference center and parking structure. AURA has also negotiated with Catalina Development Co. for a 397-unit, upscale residential mixed-use project with first floor retail/commercial space at the corner of East Colfax Avenue and Potomac Street called The Forum ~ Fitzsimons. This project, completed in 2018, is the city's first true transit-oriented development. Another project, the Legacy at Fitzsimons Village, recently broke ground and will be a 363-unit, five-story rental project constructed on a 4.5-acre site within Fitzsimons Village. The project plans to include a mix of studios, one and two-bedroom units, three-story rental townhomes, clubhouse and fitness center, courtyards, swimming pool and community rooftop common space.

Opened in late 2018, the \$824 million Gaylord Rockies Resort and Convention Center will enhance the economic vitality of the city by adding an estimated \$273.3 million to Colorado's economy and an estimated 450,000 new visitors to the metro area annually. The highly anticipated hotel and convention center near DIA covers 1.9 million square feet, has over 1,500 hotel rooms and more than 485,000 square feet of meeting and convention space on 85 acres. The project brought in over 10,000 construction jobs to Aurora and over 2,500 permanent jobs once open. Over 1.2 million room nights have been reserved.

The City Council created the Nine Mile Station Urban Renewal Area to stimulate the redevelopment of the 21.5-acre site formerly known as Regatta Plaza. Upon completion, the multi-phased mixed-use transit-oriented development, known now as The Point at Nine Mile Station, will feature more than 500 units of residential, 100,000-square feet of retail space and 250,000-square feet of commercial space. During 2019, the new 78,000-square foot King Soopers opened on the site.

**OTHER INFORMATION**

Awards – The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the city for its comprehensive annual financial report for the year ended December 31, 2018. The Certificate of Achievement is a prestigious national award, which recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year. The city has received the certificate for thirty-two consecutive years. We believe that our current comprehensive annual financial report continues to meet the requirements of the Certificate of Achievement program and we are submitting it to the GFOA.

Acknowledgments – The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the staff of the Finance Department and of other city departmental staff who contributed information in the report. Finally, we wish to thank the Mayor and City Council for their continued support.

Respectfully submitted,

  
James Twombly  
City Manager

  
Terri Velasquez  
Finance Director

# Aurora's Vision Statement



**Aurora will be the best city in Colorado and an innovative leader in the region by:**

*Worth Discovering*  
auroragov.org

- Creating great neighborhoods
- Emphasizing public safety and quality services
- Encouraging a high-quality and high-wage economic environment
- Supporting recreational, cultural, educational and community activities for our citizens

## 2019-2020 Aurora City Council



**Bob LeGare**  
Mayor - Outgoing



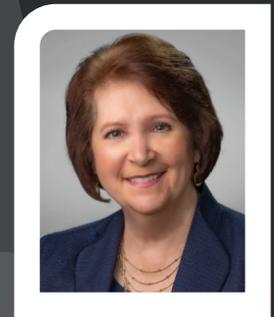
**Mike Coffman**  
Mayor - Incoming



**Nicole Johnston**  
Ward II (Mayor Pro Tem)



**Crystal Murillo**  
Ward I



**Marsha Berzins**  
Ward III



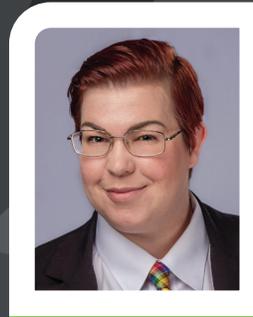
**Charlie Richardson**  
Ward IV - Outgoing



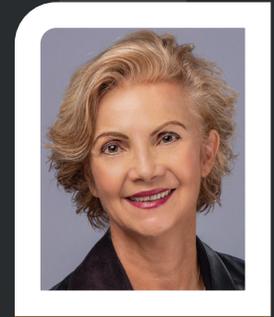
**Juan Marcano**  
Ward IV - Incoming



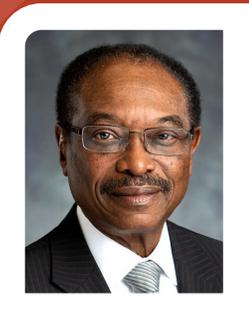
**Bob Roth**  
Ward V (Mayor Pro Tem)  
Outgoing



**Alison Coombs**  
Ward V



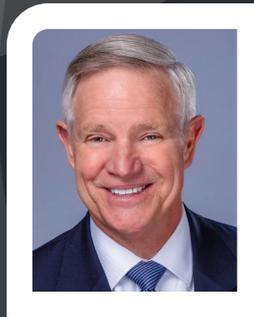
**Françoise Bergan**  
Ward VI



**Johnny Watson**  
At Large - Outgoing



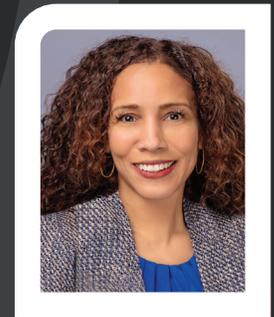
**Curtis Gardner**  
At Large - Incoming



**Dave Gruber**  
At Large



**Allison Hiltz**  
At Large



**Angela Lawson**  
At Large



## Management Officials

City of Aurora, Colorado as of December 31, 2019

### City Manager's Office

Jim Twombly, City Manager (appointed by City Council)	Since 2018
Nancy Freed, Deputy City Manager – Operations	Since 1995
Jason Batchelor, Deputy City Manager - Public Safety	Since 2015
Roberto Venegas, Interim Deputy City Manager – Development	Since 2019
Janice Napper, Assistant City Manager	Since 1998
Roberto Venegas, Assistant City Manager	Since 2013

### Council Appointees

Zelda DeBoyes, Municipal Court Administrator	Since 1992
Dan Brotzman, City Attorney	Since 2018
Shawn Day, Presiding Judge	Since 2016

### Commission Appointees

Matt Cain, Civil Service Administrator	Since 2009
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### Department Directors

Marshall Brown, Aurora Water	Since 2012
Kim Stuart, Communications	Since 2000
Terri Velasquez, Finance	Since 2015
Fernando Gray, Fire Chief	Since 2017
Shelley McKittrick, Homelessness Program	Since 2016
Aleta Jeffress, Information Technology	Since 2015
Dianna Giordano, Human Services	Since 2018
Midori Clark, Library & Cultural Services	Since 2019
Nancy Sheffield, Interim, Neighborhood Services	Since 2019
Brooke Bell, Parks, Recreation & Open Space	Since 2019
George Adams, Planning & Development Services	Since 2016
Nicholas Metz, Police Chief	Since 2015
Cindy Colip, Public Works	Since 2019



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Aurora  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morrill*

Executive Director/CEO

# About the Certificate of Achievement for Excellence in Financial Reporting

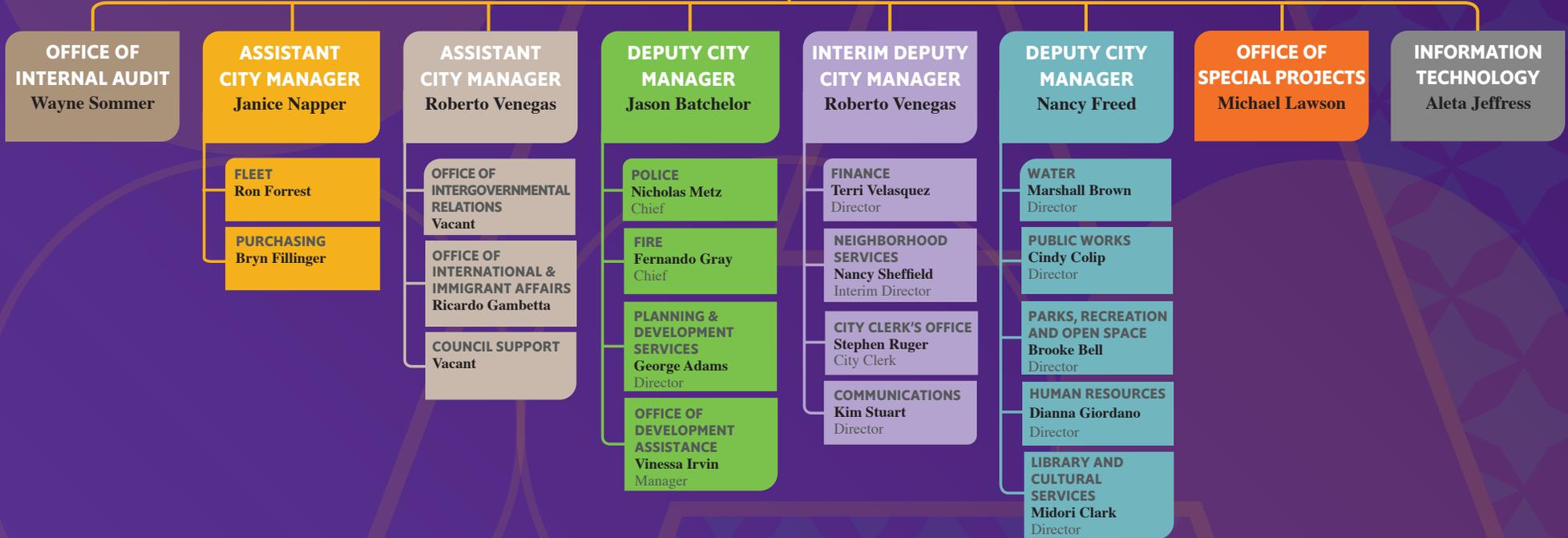
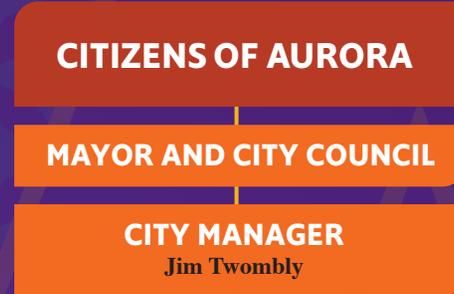
For over a century, the Government Finance Officers Association of the United States and Canada (GFOA) has been dedicated to enhancing the professional management of governments for the public benefit. The GFOA's Certificate of Achievement for Excellence in Financial Reporting Program has been promoting the preparation of high quality financial reports since 1945. More than 4,300 governments of all levels (state and local), types (general-purpose and special-purpose), and sizes were awarded the Certificate of Achievement for fiscal years ended in 2018. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year.

The City of Aurora has received the Certificate for the last thirty-three consecutive years, including this most recent year, 2018 and for forty-three years in total, currently the highest number of certificates for any governmental entity in the State of Colorado. We believe that this, our 2019 comprehensive annual financial report continues to meet the requirements of the Certificate of Achievement Program and are submitting it to the GFOA for its consideration.



# CITY OF AURORA CITY MANAGER ORGANIZATIONAL STRUCTURE

December 2019



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# City of Aurora, Colorado

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2019 COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

## FINANCIAL SECTION

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## Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Aurora (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Havana Business Improvement District or the Parkside City Centre Business Improvement District, which together represent 100% of the assets, net position and revenues of the aggregate discretely presented component units of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Havana Business Improvement District and the Parkside City Centre Business Improvement District, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City, as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules, Local Highway Finance Report, introductory, statistical, and other schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules and the Local Highway Finance Report (supplementary information) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

The introductory, statistical, and other schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

*BKD, LLP*

Denver, Colorado  
June 19, 2020



Management of the city of Aurora, Colorado (the city) offers readers of the city's financial statements this overview and analysis of the basic financial statements of the city as of and for the year ended December 31, 2019. Readers should consider the information presented in this discussion and analysis in conjunction with additional information furnished in our letter of transmittal, which can be found on pages i-v of this report, and the city's financial statements, which begin on page 1.

### Financial Highlights

Financial highlights are presented in this discussion and analysis to help with the assessment of the city's financial activities.

- The city's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources at the end of 2019 by \$5.4 billion (*net position*). Of this amount, \$399.4 million, or 7.4%, was unrestricted and may be used to meet the city's ongoing obligations.
- Citywide net position increased \$344.4 million in 2019.
- At December 31, 2019, the city's governmental funds reported combined ending fund balances of \$354.0 million, an increase of \$22.7 million from the prior year. Approximately 64.7% of the fund balance is not restricted and is available for spending at the government's discretion. The fund balance, exclusive of restricted fund balance, is classified as follows: \$50.6 million committed, \$138.6 million assigned and \$39.8 million unassigned.
- The city's General Fund total revenues were over budget \$20.8 million and total expenditures were under budget by \$12.1 million during 2019.
- Capital improvement and capital outlay activity increased \$298.8 million during 2019.
- The city's total bonded and certificate of participation debt decreased \$59.3 million during the year.

### Overview of the Basic Financial Statements

The basic financial statements consist of a) citywide financial statements, b) fund financial statements and c) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

**Citywide Financial Statements** - The citywide financial statements are designed to provide readers with a broad longer-term overview of the city's finances. While these statements assist in evaluating finances of the city in its entirety, city council and investors refer to the fund financial statements to make spending and borrowing decisions as the availability of resources is controlled at the fund level. The citywide statements use the accrual basis of accounting, which is similar to the accounting used by most private-sector businesses. Certain interfund activities, including interfund balances, transfers, and internal billings, are eliminated in the aggregation of data for the citywide statements. The citywide statements include not only the city itself, but also legally separate component units, entities for which the city is financially accountable. Accordingly, the citywide statements are divided into two groups, the "primary government" and "component units" (discretely presented). The primary government includes all activities of the city (including blended component units) except fiduciary funds. Fiduciary funds are not included in these statements because resources of these funds are not available to support city programs.

Activities of the primary government are aggregated into two activity types: governmental and business-type.

**Governmental Activities** reflect the basic services of the city including: judicial, police, fire, public safety communications, public works (streets), culture and recreation (parks, libraries, recreation services), economic development, community services and general government (administration and other activities). Governmental activities are primarily supported by taxes. Activities of the internal service funds are included in the governmental activities as services provided by these funds predominantly benefit governmental activities.

**Business-type Activities** include functions that are intended to recover all or a significant portion of their costs through user fees and charges. Business-type activities of the city include water, wastewater and golf course operations.

The citywide financial statements consist of a statement of net position and a statement of activities. These statements can be found on pages 1 through 3 of this report.

The *Statement of Net Position* presents information about the city's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the city is improving or deteriorating.

The *Statement of Activities* provides information showing how the city's net position changed during the year. The statement of activities is in a format that presents expenses, revenues and net revenues by "function", a broad grouping of services provided to citizens. The format of this statement shows the extent to which a function is self-financing through user fees and other function-related revenues or if it is supported through taxes and other general revenues of the city.

**Fund Financial Statements** - A fund is a grouping of related accounts that is used to maintain control over resources that are segregated by external and internally adopted laws and agreements for specific activities or objectives. The city uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the city can be divided into three categories: governmental, proprietary and fiduciary.

*Governmental funds* account for essentially the same functions reported as governmental activities in the citywide financial statements. Unlike the citywide statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as balances of resources available at year-end. The governmental fund financial statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the city's programs. Because the fund financial statements do not encompass the long-term focus of the citywide statements, additional information is provided that reconciles the governmental fund financial statements to the citywide statements and explains the differences between them. The city has two major governmental funds: the General Fund and Aurora Urban Renewal Authority (AURA) General Fund. The governmental fund financial statements can be found on pages 5 through 8 of this report.

The city maintains two types of *proprietary funds*: enterprise and internal service. Enterprise funds report the same functions as presented in the business-type activities on the citywide statements. The city has two major proprietary funds: the Water Fund and the Wastewater Fund. The Golf Fund is not a major fund but is presented in a separate column because it is the only nonmajor proprietary fund. Internal service funds are an accounting mechanism used to accumulate and allocate costs internally among the city's various functions. The city uses internal service funds to account for fleet maintenance and risk management. Because these services predominantly benefit government rather than business-type functions, they have been included within governmental activities in the citywide financial statements. The proprietary fund financial statements can be found on pages 10 through 15 of this report.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the city. Fiduciary funds are not reflected in the citywide financial statements because the resources of these funds are not available to support city programs. The fiduciary fund financial statements can be found on pages 17 and 18 of this report.

The *notes to the basic financial statements* provide additional information that is essential to a full understanding of the data provided in the citywide and the fund financial statements. The notes to the basic financial statements begin on page 21 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* highlighting various information for the city's defined benefit pension and other postemployment benefit plans, and a comparison of the General Fund's original and final budget to actual budgetary revenue and expenditures. Required supplementary information begins on page 90 of this report.

### Citywide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the city, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5.4 billion at the close of the fiscal year as shown in Chart 1.

The largest portion of the city's net position, \$4.9 billion, reflects its investment in capital assets less the outstanding portion of the debt that was issued to acquire or construct those assets. The city uses these capital assets to provide services to citizens; consequently, these amounts are not available for future spending. Although the city's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

#### Citywide Net Position December 31, 2019 (in thousands)

	Governmental Activities				Business-type Activities				Citywide Totals			
	2019	2018	Change	%	2019	2018	Change	%	2019	2018	Change	%
Current and other assets	\$ 524,621	\$ 465,675	\$ 58,946	12.7	\$ 308,015	\$ 324,123	\$ (16,108)	(5.0)	\$ 832,636	\$ 789,798	\$ 42,838	5.4
Capital assets, net	3,178,591	2,982,545	196,046	6.6	2,378,568	2,275,850	102,718	4.5	5,557,159	5,258,395	298,764	5.7
Total Assets	3,703,212	3,448,220	254,992	7.4	2,686,583	2,599,973	86,610	3.3	6,389,795	6,048,193	341,602	5.6
Deferred outflows of resources	76,421	37,830	38,591	102.0	21,373	14,784	6,589	44.6	97,794	52,614	45,180	85.9
Current and other liabilities	48,163	29,925	18,238	60.9	44,321	31,853	12,468	39.1	92,484	61,778	30,706	49.7
Noncurrent liabilities	435,048	388,475	46,573	12.0	503,670	545,195	(41,525)	(7.6)	938,718	933,670	5,048	0.5
Total Liabilities	483,211	418,400	64,811	15.5	547,991	577,048	(29,057)	(5.0)	1,031,202	995,448	35,754	3.6
Deferred inflows of resources	91,543	82,009	9,534	11.6	2,094	5,039	(2,945)	(58.4)	93,637	87,048	6,589	7.6
Net Position:												
Net investment in capital assets	2,961,433	2,787,229	174,204	6.3	1,891,385	1,743,971	147,414	8.5	4,852,818	4,531,200	321,618	7.1
Restricted	105,233	97,742	7,491	7.7	5,265	4,514	751	16.6	110,498	102,256	8,242	8.1
Unrestricted	138,213	100,671	37,542	37.3	261,221	284,184	(22,963)	(8.1)	399,434	384,855	14,579	3.8
Total net position	\$ 3,204,879	\$ 2,985,642	\$ 219,237	7.3	\$ 2,157,871	\$ 2,032,669	\$ 125,202	6.2	\$ 5,362,750	\$ 5,018,311	\$ 344,439	6.9

Chart 1

As shown in Chart 1, total restricted net position at the end of 2019 was \$110.5 million. This amount represents net resources where use is constrained by external requirements dictating how the funds are to be used. Restrictions result from grant requirements, legislation, agreements, or other requirements of the specific revenue source. The remaining net position of \$399.4 million is unrestricted. While there were no outside restrictions on these funds, city policies and budget plans limit the use of these amounts. Policy and budget plan limitations include: council policy reserve, enhanced development review program, commitment of surcharges to fund certain public safety programs, payment of long-term liabilities, and project-length appropriations.

Governmental activities net position increased \$219.2 million. Current and other assets increased \$58.9 million due to strong operating performance. Capital assets increased \$196.0 million, which included the addition of developer contributed roads from continued development in the city, as well as construction either completed or in progress including the new Central Recreation Center, the design and rebuild of Fire Station #5, many road and traffic signal projects and other parks and open space improvements. Noncurrent liabilities increased \$64.8 million, primarily due to a net pension liability increase in plans across the City. The increase in net investment in capital assets of \$174.2 million is primarily a result of increases in capital assets offset by the increase in liabilities related to capital assets at year-end.

Business-type activities net position increased \$125.2 million. Current and other assets decreased \$16.1 million, primarily due to the \$45 million prepayment of the 2016 Series First Lien Water Refunding Revenue Bonds. This increase was offset by strong operating performance and the continued development in the city. Capital assets increased \$102.7 million from water rights and land purchases, water and sewer contributed mains and construction either completed or in progress for various water and sewer improvement projects. These projects include the Wemlinger Water Treatment Plant improvements, Fitz-Peoria drainage improvements and other water and sewer improvement projects including the construction of new reservoirs and pump station upgrades. These increases were partially offset by accumulated depreciation. Noncurrent liabilities decreased \$41.5 million, also due to the \$45 million prepayment of the 2016 Series First Lien Water Refunding Revenue Bonds.

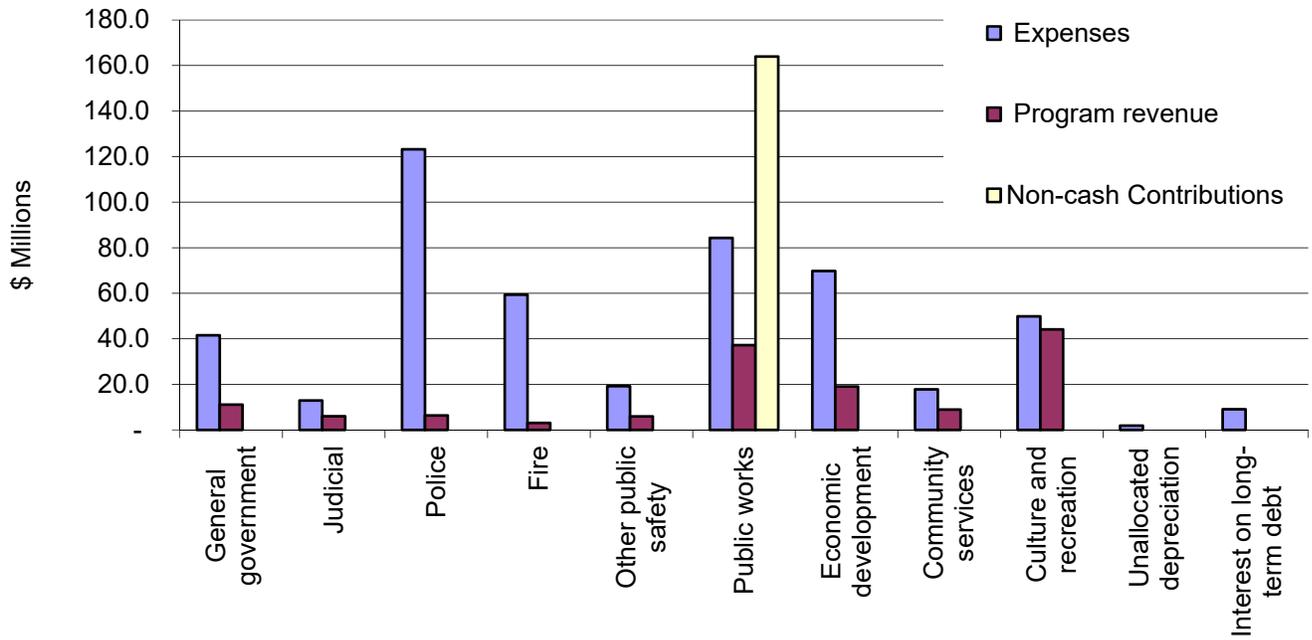
The net investment in capital assets increase corresponds to the increase in capital assets and the portion of the decrease in noncurrent liabilities related to its debt.

### Citywide Changes in Net Position Year Ended December 31, 2019 (in thousands)

	Governmental Activities				Business-type Activities				Citywide Totals			
	2019	2018	Change	%	2019	2018	Change	%	2019	2018	Change	%
<b>REVENUES:</b>												
Program Revenues:												
Charges for services	\$ 53,781	\$ 53,937	\$ (156)	(0.3)	\$ 199,545	\$ 198,747	\$ 798	0.4	\$ 253,326	\$ 252,684	\$ 642	0.3
Operating grants and contributions	46,847	38,875	7,972	20.5	2,215	2,803	(588)	(21.0)	49,062	41,678	7,384	17.7
Capital grants and contributions	205,234	83,552	121,682	145.6	94,229	91,437	2,792	3.1	299,463	174,989	124,474	71.1
General Revenues:												
Taxes												
Sales and use	278,199	251,809	26,390	10.5	-	-	-	-	278,199	251,809	26,390	10.5
Property	62,906	45,532	17,374	38.2	-	-	-	-	62,906	45,532	17,374	38.2
Other	49,024	40,310	8,714	21.6	-	-	-	-	49,024	40,310	8,714	21.6
Grants and contributions not restricted to specific programs	863	817	46	5.6	-	-	-	-	863	817	46	5.6
Gain on sale of asset acquired for resale	566	-	566	100.0	-	-	-	-	566	-	566	100.0
Gain on early extinguishment of debt	-	-	-	-	6,503	-	6,503	100.0	6,503	-	6,503	100.0
Unrestricted investment earnings	11,353	5,822	5,531	95.0	9,622	5,124	4,498	87.8	20,975	10,946	10,029	91.6
<b>Total revenues</b>	<b>708,773</b>	<b>520,654</b>	<b>188,119</b>	<b>36.1</b>	<b>312,114</b>	<b>298,111</b>	<b>14,003</b>	<b>4.7</b>	<b>1,020,887</b>	<b>818,765</b>	<b>202,122</b>	<b>24.7</b>
<b>EXPENSES:</b>												
General government	41,561	28,759	12,802	44.5	-	-	-	-	41,561	28,759	12,802	44.5
Judicial	12,915	11,970	945	7.9	-	-	-	-	12,915	11,970	945	7.9
Police	123,232	118,437	4,795	4.0	-	-	-	-	123,232	118,437	4,795	4.0
Fire	59,358	48,174	11,184	23.2	-	-	-	-	59,358	48,174	11,184	23.2
Other public safety	19,215	17,934	1,281	7.1	-	-	-	-	19,215	17,934	1,281	7.1
Public works	84,317	82,162	2,155	2.6	-	-	-	-	84,317	82,162	2,155	2.6
Economic development	69,802	35,244	34,558	98.1	-	-	-	-	69,802	35,244	34,558	98.1
Community services	17,813	18,996	(1,183)	(6.2)	-	-	-	-	17,813	18,996	(1,183)	(6.2)
Culture and recreation	49,888	47,115	2,773	5.9	-	-	-	-	49,888	47,115	2,773	5.9
Unallocated depreciation	1,900	2,538	(638)	(25.1)	-	-	-	-	1,900	2,538	(638)	(25.1)
Interest on debt	9,086	9,655	(569)	(5.9)	-	-	-	-	9,086	9,655	(569)	(5.9)
Water	-	-	-	-	113,049	114,197	(1,148)	(1.0)	113,049	114,197	(1,148)	(1.0)
Wastewater	-	-	-	-	66,107	64,658	1,449	2.2	66,107	64,658	1,449	2.2
Golf	-	-	-	-	8,205	7,790	415	5.3	8,205	7,790	415	5.3
<b>Total expenses</b>	<b>489,087</b>	<b>420,984</b>	<b>68,103</b>	<b>16.2</b>	<b>187,361</b>	<b>186,645</b>	<b>716</b>	<b>0.4</b>	<b>676,448</b>	<b>607,629</b>	<b>68,819</b>	<b>11.3</b>
Increase in net position before transfers	219,686	99,670	120,016	120.4	124,753	111,466	13,287	11.9	344,439	211,136	133,303	63.1
Transfers	(449)	339	(788)	(232.4)	449	(339)	788	(232.4)	-	-	-	-
<b>Increase in net position</b>	<b>219,237</b>	<b>100,009</b>	<b>119,228</b>	<b>119.2</b>	<b>125,202</b>	<b>111,127</b>	<b>14,075</b>	<b>12.7</b>	<b>344,439</b>	<b>211,136</b>	<b>133,303</b>	<b>63.1</b>
Net position January 1	2,985,642	2,885,633	100,009	3.5	2,032,669	1,921,542	111,127	5.8	5,018,311	4,807,175	211,136	4.4
<b>Net position December 31</b>	<b>\$ 3,204,879</b>	<b>\$ 2,985,642</b>	<b>\$ 219,237</b>	<b>7.3</b>	<b>\$ 2,157,871</b>	<b>\$ 2,032,669</b>	<b>\$ 125,202</b>	<b>6.2</b>	<b>\$ 5,362,750</b>	<b>\$ 5,018,311</b>	<b>\$ 344,439</b>	<b>6.9</b>

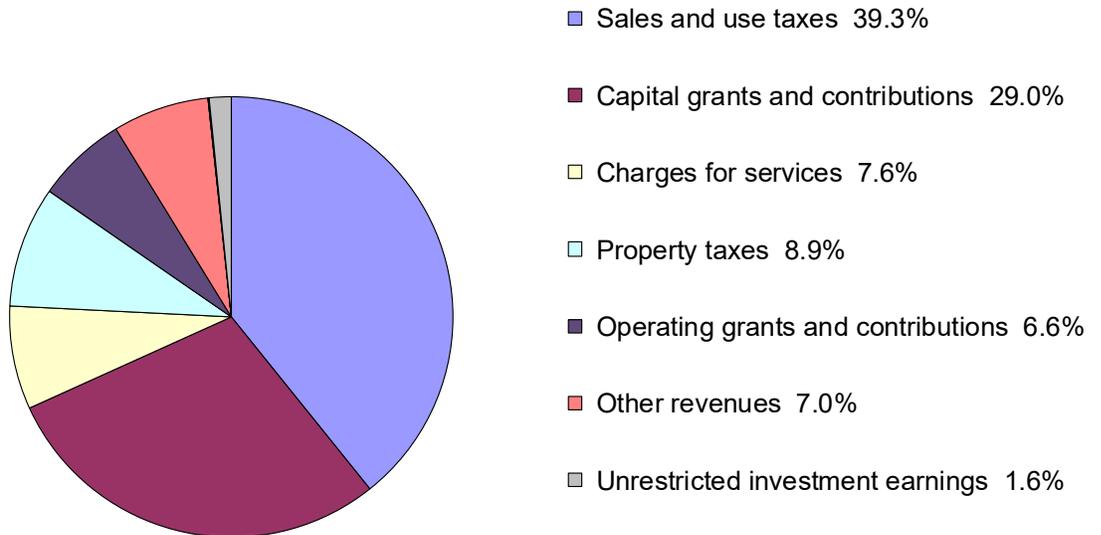
Chart 2

**Expenses Financed through Program Revenues – Governmental Activities**



**Chart 3**

**Revenues by Source – Governmental Activities**



**Chart 4**

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

*Governmental activities changes in net position*

Total revenues increased \$188.1 million or 36.1%. Capital grants and contributions increased \$121.7 million, primarily due to an increase in developer contributions in the form of donated roads during 2019. Sales and use tax increased \$26.4 million and property taxes increased \$17.4 million due to continued growth of the economy and development in the city. Other revenues increased \$8.7 million, largely due to the receipt of lodgers tax on the newly opened Gaylord Convention Center. Grants and contributions increased \$8.0 million primarily due to additional grant funding and intergovernmental agreement revenues for recreation and public works. Unrestricted investment earnings increased \$5.5 million due to the improved market performance of investments and higher pooled cash balances in 2019.

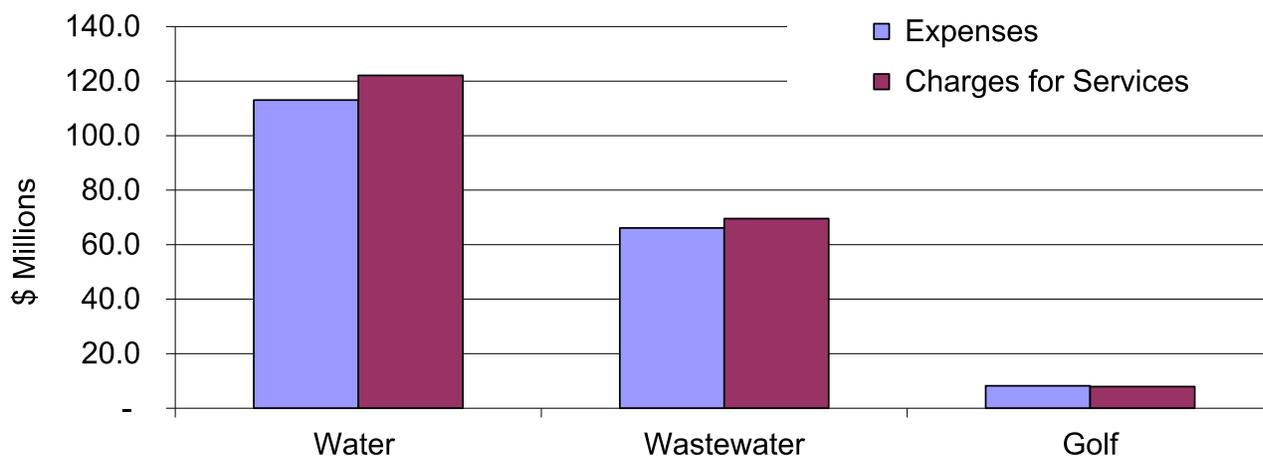
Total governmental activities expenses increased \$68.1 million or 16.2%. While most departmental expenses changed only slightly, there were large increases to economic development, general government and fire. Economic development increased \$34.6 million due to an increase in the amount of development incentives paid in 2019 and the reassessment of the value of an asset held for resale. General government increased \$12.8 million, primarily due to the increases to pay and benefits and an increase in the pension liability. Fire increased \$11.2 million due to the addition of full-time equivalents (FTE) to staff the newly opened Fire Station #17, benefit and pay increases and slight increases in other operating expenses.

*Business-type activities changes in net position*

Total revenues for business-type activities increased \$14.0 million or 4.7%. \$6.5 million of the revenue increase was due to the gain on the early extinguishment of debt related to the \$45 million prepayment on the 2016 Series First Lien Water Refunding Revenue Bonds. Unrestricted investment earnings increased \$4.5 million due to the improved market performance of investments and higher pooled cash balances in 2019. Capital grants and contributions increased \$2.8 million, due to the continued growth and projects across the city, resulting in more contributed mains. Charges for services and operating grants and contributions remained stable and relatively similar to 2018 revenues.

Total business-type activities expenses increased slightly, by less than \$1.0 million. Water operating expenses decreased \$1.1 million and is offset by wastewater expenses that increased \$1.4 million due to a slight increase in overall operating costs and personnel services due to pay and benefits increases.

**Expenses and Charges for Services – Business-type Activities**



**Chart 5**

### Revenues by Source – Business-type Activities

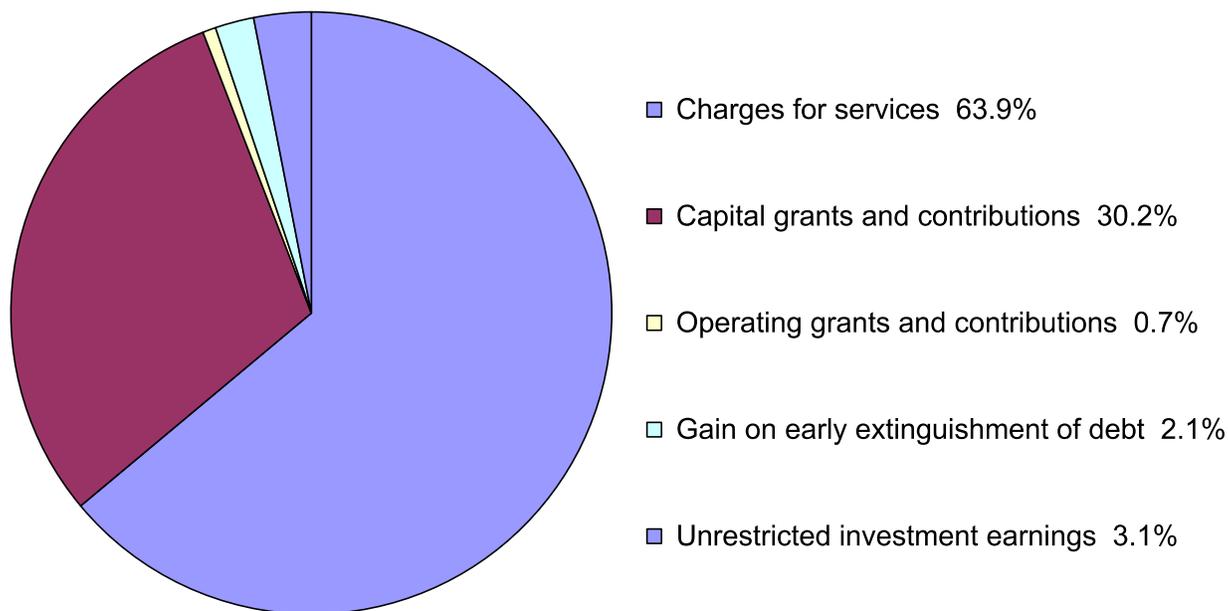


Chart 6

### Financial Analysis of the Government's Funds

#### General Fund

The General Fund is the main operating fund of the city. At the end of 2019, total fund balance for the General Fund was \$122.8 million. This amount includes: \$4.7 million restricted fund balance comprised mainly of the \$2.2 million moral obligation pledge on a Aurora Urban Renewal Authority revenue note's debt service reserve fund and the \$2.1 million "Taxpayer Bill of Rights" (TABOR) cash reserve; \$35.6 million committed fund balance comprised mainly of the \$30.1 million 10% policy reserve; \$42.8 million assigned fund balance comprised of \$30.4 million assigned to payment of long-term liabilities, \$5.5 million assigned to encumbrances, \$4.0 million assigned to economic development and \$2.9 million assigned to development projects; and \$39.8 million for the unassigned fund balance operating reserve.

All of the unassigned General Fund balance is maintained as the "unassigned fund balance Operating Reserve". The Operating Reserve has a minimum target policy range of 1% to 3% of annual budgetary revenues and is intended to be spendable in limited circumstances as determined appropriate and necessary by City Council. City policy provides for restoring the Operating Reserve to those levels as quickly as feasible. The General Fund unassigned fund balance Operating Reserve was \$39.8 million at December 31, 2019 and \$32.3 million at December 31, 2018. The Operating Reserve is 10.7% of 2019 annual budgetary revenues or \$28.6 million above the 3% minimum target range specified by Council. Total General Fund funds available was 21.6% of total General Fund budgetary revenues in 2019, compared to 20.1% in 2018.

It is the city's policy to hold a minimum 10% of the General Fund's adjusted budgetary operating expenditures for the year in the General Fund committed reserves. General Fund adjusted budgetary operating expenditures, for purposes of calculating this 10% Policy Reserve, exclude capital and development related expenditures and expenditures related to funding two police officers per 1,000 citizens, which are funded with voter approved sales and use taxes. At the end of 2019, the 10% Policy Reserve balance meets the minimum 10% policy.

The TABOR Reserve is restricted for emergencies for fund balance purposes. This balance, along with the real property recorded at citywide, accounts for the emergency reserve required by TABOR, a State constitutional amendment (Note 20). TABOR specifies that local governments are permitted to use reserve funds for emergencies with the requirement that the reserve funds be restored to 3% of fiscal year spending in the following fiscal year. The city management believes it is in compliance with the provisions of the TABOR amendment at December 31, 2019.

### ***General Fund Budgetary Highlights***

General Fund revenues for 2019 were greater than budget by \$20.8 million primarily due to growth in sales and use tax revenue resulting from the continued moderate growth in the economy. Other tax revenues were impacted similarly.

For 2019, General Fund revenue, net of transfers, increased 5.6% on a budgetary basis (6.7% per GAAP basis), above the growth experienced in 2018. The combination of sales and use tax is the most significant source of revenue, generating 66.8% of the total General Fund GAAP revenue, net of transfers. Property tax represents an important secondary general revenue source. Property tax collections were 10.1% of the total General Fund budgetary and 9.8% of GAAP revenues, net of transfers, in 2019.

General Fund expenditures were \$12.1 million under budget. Ending 2019 funds available were \$20.2 million higher than original budget and \$32.9 million higher than the final budget. The city expects to maintain its financial condition through continued control over the growth of city expenditures and through evaluation of options for enhancing revenues.

A review of actual expenditures compared to appropriations, as well as original budgets compared to final budgets, yielded no significant increases or decreases with one exception. The original budget for non-departmental was \$61.1 million while the final budget increased to \$71.4 million; actual expenditures were \$64.5 million. The increase in budget was mainly attributable to an additional transfer to the Capital Projects Fund to account for capital-related revenue received in 2019 over the original budget amount.

### ***Capital Assets and Debt Administration***

#### ***Capital Assets***

The city's capital assets for its governmental and business-type activities as of December 31, 2019 were valued at \$5.6 billion (net of accumulated depreciation) and include: land and water rights, buildings and improvements, infrastructure, machinery and equipment and construction in progress. The city uses these assets to provide services to its citizens. Additional information on the city's capital assets can be found in the notes to the basic financial statements (Note 7).

***Comparative Schedule of Capital Assets - net of accumulated depreciation December 31, 2019 and 2018  
(in thousands)***

	Governmental Activities			Business-type Activities			Citywide Totals		
	2019	2018	Change	2019	2018	Change	2019	2018	Change
Land and water rights	\$ 361,110	\$ 331,528	\$ 29,582	\$ 479,938	\$ 465,915	\$ 14,023	\$ 841,048	\$ 797,443	\$ 43,605
Buildings and improvements	228,595	187,410	41,185	417,558	408,202	9,356	646,153	595,612	50,541
Infrastructure	2,477,078	2,351,002	126,076	1,277,113	1,231,885	45,228	3,754,191	3,582,887	171,304
Machinery and equipment	50,415	47,189	3,226	45,154	49,507	(4,353)	95,569	96,696	(1,127)
Construction in progress	61,393	65,416	(4,023)	158,805	120,341	38,464	220,198	185,757	34,441
Totals	\$ 3,178,591	\$ 2,982,545	\$ 196,046	\$ 2,378,568	\$ 2,275,850	\$ 102,718	\$ 5,557,159	\$ 5,258,395	\$ 298,764

**Chart 7**

Major capital asset activity for the year ended December 31, 2019 included the following:

#### ***Governmental Activities Capital Assets***

- Land and water rights increased primarily as a result of the land under 2019 developer contributed roads at \$14.7 million, the Buckley open space land purchase valued at \$12.6 million and commercial easements valued at \$1.6 million.

- Buildings and improvements increased \$41.2 million mostly due to the completion of construction projects in the current year, resulting in \$48.7 million in transfers from construction in progress. The most significant transfers included \$31.8 million for the Central Recreation Center, \$9.3 million for the design and rebuild of Fire Station #5 and \$7.6 million for the design and rebuild of Fire Station #16. This increase was partially offset by the current year additions to accumulated depreciation of \$7.5 million.
- Infrastructure increased as a result of numerous projects and improvements undertaken across the city. The most significant items included \$134.5 million for developer contributed roads and \$24.2 million of completed projects transferred from construction in progress. These projects included \$15.6 million for street overlays, \$1.8 million for traffic signals and over \$6.0 million for various parks and open space improvements. This increase was partially offset by the net current year additions to accumulated depreciation of \$32.6 million.
- Machinery and equipment increased as a result of \$11.3 million in additions, \$8.6 million of which was from the addition of vehicles, dump trucks and trailers. This increase was partially offset by \$3.1 million in disposals and net current year additions to accumulated depreciation of \$5.1 million.
- Construction in progress decreased due to \$72.9 million in completed projects that were transferred to other capital asset categories including machinery and equipment, buildings and infrastructure during 2019. This increase was offset by \$69.1 million in capital project costs incurred in 2019, including \$15.6 million in overlays and improvements, \$12.1 million for Hogan Parkway, \$8.6 million for the design and build of Fire Station #5, \$6.1 million for Westerly Creek Toll Gate Crossing and \$4.7 million for the Central Recreation Center.

#### *Business-type Activities Capital Assets*

- The purchase of \$5.0 million in Godfrey and Union water rights and \$4.4 million in Western Mutual water rights accounted for the majority of the land and water rights increases in 2019. The remainder of the increase was due to a \$3.8 million land purchase for the North Campus and other smaller water purchases.
- The buildings and improvements increased as a result of \$22.2 million in transfers from completed projects, most of which are pump station upgrades. This increase is partially offset by as a result of additions to accumulated depreciation of \$12.8 million.
- Infrastructure increased mainly due to water and sewer mains contributed by developers valued at \$46.5 million. In addition, there was \$24.9 million in transfers from construction in progress for various projects. These projects include \$6.4 million for Box Creek Reservoir, \$5.7 million in raw water rehabilitation, \$5.4 million in storm water rehabilitation, \$3.1 million in transmission main improvements and \$4.3 million for various other water and sewer improvements. This increase is offset by \$26.2 million in additions to accumulated depreciation.
- Machinery and equipment decreased \$4.4 million as a result of additions to accumulated depreciation of \$7.2 million. The decrease was partially offset by additions of \$2.9 million mainly consisting of vehicles and heavy machinery.
- Construction in progress increased primarily due to \$85.6 million in capital project costs incurred in 2019. The most significant items include \$20.5 million for Wemlinger improvements, \$15.5 million for pump station and line upgrades, \$10.0 million for Fitz drainage improvements, \$6.9 million in sewer rehabilitation upgrades, \$5.7 million for raw water rehabilitation, \$4.5 million for Homestake capital projects, \$4.3 million for Easterly Creek Outfall, \$3.6 million for Griswold renovations, \$2.1 million for Toll Gate, \$2.0 million for 1<sup>st</sup> Creek Interceptor, \$1.8 million for Wildhorse Reservoir, \$1.0 million for Binney improvements and \$1.0 million for Heritage Eagle Bend. This increase is partially offset by completed projects of \$47.1 million that were transferred to other capital asset categories including buildings and improvements and infrastructure in 2019.

#### **Debt Administration**

At the end of 2019, the city had total bonded debt of \$420.8 million and \$150.6 million in certificates of participation (COPs). COPs are issued for particular projects and are repaid from lease payments made by the city for use of the acquired property. Aurora Capital Leasing Corporation (ACLC), a blended component unit, issues the COPs. Outstanding debt by activity at December 31, 2019, and 2018 was as follows:

**Comparative Schedule of Outstanding Debt December 31, 2019 and 2018 (in thousands)**

	Primary Government								
	Governmental Activities			Business-type Activities			Citywide Totals		
	2019	2018	Change	2019	2018	Change	2019	2018	Change
General Obligation Bonds	\$ 3,185	\$ 3,390	\$ (205)	\$ -	\$ -	\$ -	\$ 3,185	\$ 3,390	\$ (205)
Revenue Bonds	-	-	-	417,640	462,405	(44,765)	417,640	462,405	(44,765)
Total Bonded Debt	3,185	3,390	(205)	417,640	462,405	(44,765)	420,825	465,795	(44,970)
Certificates of Participation	150,555	164,875	(14,320)	-	-	-	150,555	164,875	(14,320)
Totals	\$ 153,740	\$ 168,265	\$ (14,525)	\$ 417,640	\$ 462,405	\$ (44,765)	\$ 571,380	\$ 630,670	\$ (59,290)

**Chart 8**

Citywide net bonded and COP debt decreased \$59.3 million during 2019, primarily due to the \$45 million prepayment of the 2016 Series First Lien Water Refunding Revenue Bonds. In addition, the Series 2009A Refunding COPs were refinanced, resulting in a \$72.8 million payoff, and the Series 2019 Refunding and Improvement COPs were issued for \$62.9 million. Scheduled principal payments of \$4.5 million in COP payments and \$2.8 million in bonded debt payments were also made, which was offset by \$3.0 million in funding drawn from the 2018 Series First Lien Sewer Improvement Revenue Bonds.

The city's most recent debt ratings for certificates of participation were Aa1 by Moody's Investors Service and AA by Standard & Poor's for the Series 2019 Refunding and Improvement COPs in October, 2019. The city's most recent debt ratings for revenue bonds were AA+ by both Standard & Poor's and Fitch Ratings for the Series 2016A First Lien Water Improvement Revenue Refunding Bonds. Prior to the refunding, and during their normal surveillance, the city's Wastewater Fund's 2006 revenue bonds were upgraded to AAA by Fitch Ratings in July, 2016.

The City Charter imposes a limit upon general obligation debt (other than debt issued for water purposes) of 3% of the assessed value of property subject to city general property tax. Additional information on the city's legal debt margin can be found in the Statistical Section of this report, Exhibit A-16, and additional information on the city's debt can be found in the notes to the basic financial statements (Note 8).

**Economic Factors and Rate Increases**

- For 2019, the average annual local unemployment rate for Denver-Aurora-Lakewood was at 2.7%. This rate compares favorably to the state's average unemployment rate of 2.8% and the national unemployment rate of 3.7%.
- Overall, the number of new residential, multi-family and commercial permits issued for the city in 2019 increased 22.8% over last year.
- Water, wastewater, and storm drain user rates will increase 0.0%, 4.0% and 0.0%, respectively, in 2020 to fund operating expenses and system improvement needs.
- Due to the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the city. While the duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time, the city continues to proactively address the situation through on-going analysis and implementation of various strategies.

**Requests for Information**

This financial report is designed to provide a general overview of the city's finances. Questions concerning the information provided in this report or other financial information should be addressed to the Controller's Office, City of Aurora, Colorado, 15151 East Alameda Parkway, Suite 5700, Aurora, Colorado 80012-1555 or telephone 303-739-7800.

\* \* \* \* \*



**Citywide Financial Statements**



**Basic Financial Statements**

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## CITY OF AURORA, COLORADO

CITYWIDE  
STATEMENT OF NET POSITION  
DECEMBER 31, 2019

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,640,188	\$ 11,159,812	\$ 23,800,000	\$ 279,261
Investments	212,949,425	261,292,262	474,241,687	—
<i>Receivables (net of allowance)</i>				
Taxes receivable	78,642,655	—	78,642,655	459,102
Accounts receivable	2,068,173	18,543,678	20,611,851	68,065
Interest receivable	1,798,347	1,548,615	3,346,962	—
Due from other governments	1,298,599	335,105	1,633,704	—
Other receivables	216,381	1,553,876	1,770,257	—
Internal balances	2,371,830	(2,371,830)	—	—
Inventories	1,094,652	172,174	1,266,826	—
Other asset-interest rate cap	1,237	—	1,237	—
<i>Restricted assets</i>				
Cash and cash equivalents	29,771,094	—	29,771,094	6,384,370
Investments	103,252,716	8,225,546	111,478,262	—
Taxes receivable	39,981,228	—	39,981,228	—
Accounts receivable	463,255	—	463,255	—
Interest receivable	40,930	—	40,930	—
Due from other governments	9,292,815	—	9,292,815	—
Other receivables	1,288,423	5,264,868	6,553,291	—
Inventories	151,529	—	151,529	—
Asset acquired for resale	14,165,973	—	14,165,973	—
Notes receivable	9,692,799	—	9,692,799	—
Net pension asset	3,439,147	—	3,439,147	—
Equity in joint venture	—	2,291,327	2,291,327	—
<i>Capital assets (net of accumulated depreciation)</i>				
Land and water rights	361,109,852	479,937,990	841,047,842	—
Buildings and improvements	228,594,685	417,558,191	646,152,876	—
Infrastructure	2,477,078,185	1,277,112,359	3,754,190,544	7,425
Machinery and equipment	50,415,220	45,154,171	95,569,391	31,549
Construction in progress	61,393,536	158,805,175	220,198,711	6,416,855
Total assets	3,703,212,874	2,686,583,319	6,389,796,193	13,646,627
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	76,421,191	21,373,161	97,794,352	—
<b>LIABILITIES</b>				
Accounts payable	35,643,742	24,262,310	59,906,052	92,313
Accrued interest	1,681,113	7,096,271	8,777,384	72,865
Deposits held	8,108,778	7,369,016	15,477,794	—
Unearned revenues	2,729,541	5,593,115	8,322,656	—
<i>Noncurrent liabilities</i>				
Due within one year	27,599,664	6,019,011	33,618,675	—
Due beyond one year	407,448,673	497,651,261	905,099,934	13,990,000
Total liabilities	483,211,511	547,990,984	1,031,202,495	14,155,178
<b>DEFERRED INFLOWS OF RESOURCES</b>	91,543,577	2,094,677	93,638,254	454,890
<b>NET POSITION</b>				
Net investment in capital assets	2,961,432,953	1,891,385,297	4,852,818,250	38,974
Restricted				
Culture, recreation, and open space	38,352,854	—	38,352,854	—
Development	25,117,232	—	25,117,232	—
Gifts and grants	14,270,278	—	14,270,278	—
Public improvement	10,349,588	5,264,868	15,614,456	2,907,597
Emergencies	13,704,215	—	13,704,215	16,877
Pension benefits	3,439,147	—	3,439,147	—
Unrestricted	138,212,710	261,220,654	399,433,364	(3,926,889)
Total net position	\$ 3,204,878,977	\$ 2,157,870,819	\$ 5,362,749,796	\$ (963,441)

See notes to the basic financial statements

CITY OF AURORA, COLORADO  
CITYWIDE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
<b>Primary government</b>								
<i>Governmental activities</i>								
General government	\$ 41,560,939	\$ 6,967,973	\$ 3,919,988	\$ 233,750	\$ (30,439,228)	\$ —	\$ (30,439,228)	
Judicial	12,915,345	5,896,211	107,684	—	(6,911,450)	—	(6,911,450)	
Police	123,232,478	1,865,848	3,666,129	844,865	(116,855,636)	—	(116,855,636)	
Fire	59,357,847	2,036,460	933,670	107,789	(56,279,928)	—	(56,279,928)	
Other public safety	19,214,918	5,635	5,887,924	—	(13,321,359)	—	(13,321,359)	
Public works	84,316,585	2,509,146	6,323,088	192,373,987	116,889,636	—	116,889,636	
Economic development	69,802,422	18,689,490	402,897	—	(50,710,035)	—	(50,710,035)	
Community services	17,813,417	4,964,726	3,922,682	30,050	(8,895,959)	—	(8,895,959)	
Culture and recreation	49,887,703	10,845,857	21,683,192	11,643,110	(5,715,544)	—	(5,715,544)	
Unallocated depreciation, excluding direct program depreciation	1,899,826	—	—	—	(1,899,826)	—	(1,899,826)	
Interest on long-term debt	9,086,189	—	—	—	(9,086,189)	—	(9,086,189)	
Total governmental activities	489,087,669	53,781,346	46,847,254	205,233,551	(183,225,518)	—	(183,225,518)	
<i>Business-type activities</i>								
Water	113,049,281	122,094,491	2,116,543	64,575,661	—	75,737,414	75,737,414	
Wastewater	66,107,021	69,555,133	94,686	29,653,554	—	33,196,352	33,196,352	
Golf	8,204,880	7,895,960	3,388	—	—	(305,532)	(305,532)	
Total business-type activities	187,361,182	199,545,584	2,214,617	94,229,215	—	108,628,234	108,628,234	
Total primary government	\$ 676,448,851	\$ 253,326,930	\$ 49,061,871	\$ 299,462,766	(183,225,518)	108,628,234	(74,597,284)	
Component Units	\$ 1,949,815	\$ 10,000	\$ 29,366	\$ —				\$ (1,910,449)

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	
<b>General Revenues</b>				
Sales and use	278,198,867	—	278,198,867	—
Property taxes	62,905,849	—	62,905,849	473,512
Franchise taxes	14,305,454	—	14,305,454	—
Lodgers taxes	15,978,647	—	15,978,647	—
Occupational privilege taxes	6,351,192	—	6,351,192	—
Other taxes	12,389,056	—	12,389,056	128,412
Grants and contributions not restricted to specific programs	863,209	—	863,209	—
Unrestricted investment earnings	11,353,251	9,622,173	20,975,424	83,174
Gain on sale of asset acquired for resale	565,638	—	565,638	—
Gain on early extinguishment of debt	—	6,502,663	6,502,663	—
<b>Transfers</b>	<b>(448,551)</b>	<b>448,551</b>	<b>—</b>	<b>—</b>
Total general revenues and transfers	<u>402,462,612</u>	<u>16,573,387</u>	<u>419,035,999</u>	<u>685,098</u>
INCREASE IN NET POSITION	219,237,094	125,201,621	344,438,715	(1,225,351)
NET POSITION - January 1	<u>2,985,641,883</u>	<u>2,032,669,198</u>	<u>5,018,311,081</u>	<u>261,910</u>
NET POSITION - December 31	<u><b>\$ 3,204,878,977</b></u>	<u><b>\$ 2,157,870,819</b></u>	<u><b>\$ 5,362,749,796</b></u>	<u><b>\$ (963,441)</b></u>

See notes to the basic financial statements.





## Basic Financial Statements

### **GOVERNMENTAL FUNDS**

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

### **MAJOR GOVERNMENTAL FUNDS**

#### **General Fund**

The General Fund accounts for taxes and other resources traditionally associated with government and the operations of the city that are financed from these resources.

#### **Aurora Urban Renewal Authority (AURA) General Fund**

The AURA General Fund, a blended component unit, accounts for activities related to urban renewal areas that have no debt outstanding. Funding is from tax revenues pledged to redevelopment and fees for services.

#### **Nonmajor governmental funds**

Nonmajor governmental funds are comprised of all nonmajor special revenue funds, debt service funds and capital projects funds.

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CITY OF AURORA, COLORADO

GOVERNMENTAL FUNDS  
BALANCE SHEET  
DECEMBER 31, 2019

	General	AURA General	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,815,362	\$ —	\$ 7,926,488	\$ 11,741,850
Investments	82,061,503	—	110,990,096	193,051,599
<i>Receivables (net of allowance)</i>				
Taxes receivable	77,688,864	—	953,791	78,642,655
Accounts receivable	1,361,183	—	706,990	2,068,173
Interest receivable	1,434,319	—	259,954	1,694,273
Due from other governments	1,288,829	—	9,770	1,298,599
Other receivables	143,204	—	73,178	216,382
Due from other funds	27,716	—	1,994	29,710
Interfund loan receivable	15,989,000	—	—	15,989,000
<i>Restricted assets</i>				
Cash and cash equivalents	222,028	1,478,526	28,070,540	29,771,094
Investments	4,402,003	27,367,500	71,483,213	103,252,716
Taxes receivable	—	37,551,200	2,430,028	39,981,228
Accounts receivable	—	—	463,255	463,255
Interest receivable	40,930	—	—	40,930
Due from other governments	—	—	9,292,815	9,292,815
Other receivables	—	511,008	777,415	1,288,423
Inventory	—	—	151,529	151,529
Asset acquired for resale	212,096	—	13,953,877	14,165,973
Notes receivable	—	—	9,692,799	9,692,799
Total assets	<u>\$ 188,687,037</u>	<u>\$ 66,908,234</u>	<u>\$ 257,237,732</u>	<u>\$ 512,833,003</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 15,223,873	\$ 4,338,773	\$ 16,265,610	\$ 35,828,256
Deposits held	3,573,092	—	4,535,686	8,108,778
Due to other funds	1,946	—	27,764	29,710
Interfund loan payable	—	—	15,989,000	15,989,000
Unearned revenues	804,817	—	1,924,724	2,729,541
Total liabilities	<u>19,603,728</u>	<u>4,338,773</u>	<u>38,742,784</u>	<u>62,685,285</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>46,260,418</u>	<u>37,551,200</u>	<u>12,373,857</u>	<u>96,185,475</u>
<b>FUND BALANCES</b>				
Restricted	4,664,960	25,018,261	95,356,008	125,039,229
Committed	35,632,311	—	14,941,579	50,573,890
Assigned	42,756,673	—	95,823,504	138,580,177
Unassigned	39,768,947	—	—	39,768,947
Total fund balances	<u>122,822,891</u>	<u>25,018,261</u>	<u>206,121,091</u>	<u>353,962,243</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 188,687,037</u>	<u>\$ 66,908,234</u>	<u>\$ 257,237,732</u>	<u>\$ 512,833,003</u>

See notes to the basic financial statements.

**CITY OF AURORA, COLORADO**

**GOVERNMENTAL FUNDS**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE CITYWIDE STATEMENT OF NET POSITION**

**DECEMBER 31, 2019**

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

Total fund balance - governmental funds (see page 5)	\$	353,962,243
The internal balances due to the governmental activities from the business-type activities result from the allocation of the cumulative internal service fund loss.		2,371,830
The Regatta Plaza interfund loan between the General Fund and the AURA Debt Service Fund is eliminated.		
General Fund - asset		15,989,000
AURA Debt Service Fund - liability		(15,989,000)
The net pension asset is not available to pay current period expenditures and, therefore, is not recorded in the funds. (see Note 13)		3,439,147
The interest rate cap asset is not available to pay current period expenditures and, therefore, is not recorded in the funds. (see Note 6)		1,237
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Less \$236,919 internal service fund capital assets.		3,178,354,559
Deferred outflow of resources is amortized over future periods and is not recorded in the funds. (see Note 9)		76,421,191
Pollution remediation obligation is not due and payable with current expendable financial resources and, therefore, is not recorded in the funds. (see Note 19)		(130,312)
Accounts payable are adjusted for interest payable on bonds, which is not paid in the current period and, therefore, not recorded in the funds.		(1,681,113)
Deferred inflow of resources from tax audit receivables, notes receivable, and special assessments have been recognized as revenue at citywide. (see Note 9)		10,803,783
Deferred inflow of resources related to pensions, OPEB, and interest rate cap is amortized over future periods and is not recorded in the funds. (see Note 9)		(6,161,885)
Noncurrent liabilities including bonds, certificates of participation, accrued compensated absences, and the net pension and OPEB liabilities are not due and payable in the current period and therefore, are not recorded in the funds. (see Note 8)		
Due within year -		
Due within one year on citywide statement of net position	27,599,664	
Internal service fund current portion long-term liabilities	(6,392,815)	
Funded portion of accrued compensated absences reclassified from accounts payable in the funds to short term debt at citywide.	<u>(742,751)</u>	(20,464,098)
Due beyond one year -		
Due beyond one year on citywide statement of net position	407,448,673	
Internal service fund due beyond one year	<u>(10,193,478)</u>	(397,255,195)
Internal service funds are used by the city to accumulate and allocate fleet management and risk management costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the citywide statement of net position as they predominately benefit governmental activities.		5,217,590
Net position of governmental activities (see page 1)	<u>\$</u>	<u>3,204,878,977</u>

See notes to the basic financial statements.

CITY OF AURORA, COLORADO

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	General	AURA General	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
<i>Taxes</i>				
Sales and use	\$ 254,451,747	\$ 13,446,860	\$ 10,300,260	\$ 278,198,867
Property	37,279,575	23,634,025	1,992,248	62,905,848
Franchise	14,305,454	—	—	14,305,454
Lodgers	8,324,326	6,994,971	659,350	15,978,647
Occupational privilege	5,634,173	702,730	14,289	6,351,192
Other	10,570,452	—	1,586,884	12,157,336
Charges for services	17,482,869	1,041,782	17,737,830	36,262,481
Licenses and permits	4,883,033	—	13,195,649	18,078,682
Fines and forfeitures	5,945,631	—	248,543	6,194,174
Special assessments	—	—	93,406	93,406
Intergovernmental	16,288,195	—	57,174,685	73,462,880
Surcharges	345,806	—	5,887,924	6,233,730
Miscellaneous	1,613,765	47,808	8,255,033	9,916,606
Investment earnings	3,706,550	901,483	6,537,032	11,145,065
Total revenues	<u>380,831,576</u>	<u>46,769,659</u>	<u>123,683,133</u>	<u>551,284,368</u>
<b>EXPENDITURES</b>				
<i>Current</i>				
General government	36,034,713	952,388	4,333,726	41,320,827
Judicial	12,678,090	—	93,826	12,771,916
Police	117,476,969	—	2,837,192	120,314,161
Fire	57,321,380	—	820,435	58,141,815
Other public safety	8,296,141	—	8,435,089	16,731,230
Public works	29,483,523	167,010	9,154,135	38,804,668
Economic development	5,825,376	40,797,299	22,495,131	69,117,806
Community services	11,253,825	—	6,119,846	17,373,671
Culture and recreation	20,994,935	—	23,981,656	44,976,591
<i>Debt service</i>				
Principal	—	—	11,516,224	11,516,224
Interest	—	—	9,766,962	9,766,962
Capital outlay	6,091,622	10,310	87,636,957	93,738,889
Total expenditures	<u>305,456,574</u>	<u>41,927,007</u>	<u>187,191,179</u>	<u>534,574,760</u>
Excess (deficiency) of revenues over (under) expenditures	<u>75,375,002</u>	<u>4,842,652</u>	<u>(63,508,046)</u>	<u>16,709,608</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,761,128	933,674	86,448,515	90,143,317
Transfers out	(68,702,230)	(402,305)	(22,313,115)	(91,417,650)
Issuance of debt - refunding certificates of participation	—	—	62,935,000	62,935,000
Issuance of debt - capital leases	—	—	3,883,279	3,883,279
Premium on certificates of participation	—	—	13,315,175	13,315,175
Payment to refunded bond escrow agent	—	—	(73,110,269)	(73,110,269)
Disposal of capital assets proceeds	169,793	—	22,203	191,996
Total other financing sources (uses)	<u>(65,771,309)</u>	<u>531,369</u>	<u>71,180,788</u>	<u>5,940,848</u>
NET CHANGE IN FUND BALANCES	9,603,693	5,374,021	7,672,742	22,650,456
FUND BALANCES - January 1	113,219,198	19,644,240	198,448,349	331,311,787
FUND BALANCES - December 31	<u>\$ 122,822,891</u>	<u>\$ 25,018,261</u>	<u>\$ 206,121,091</u>	<u>\$ 353,962,243</u>

See notes to the basic financial statements.

**CITY OF AURORA, COLORADO**

**GOVERNMENTAL FUNDS**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE CITYWIDE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019**

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

Net change in fund balances - total governmental funds (see page 7)	\$ 22,650,456
Sales and use tax audit revenue is recorded at citywide since the receivable amount is known, however it does not provide current financial resources and, therefore, is reported as revenue in the funds when collected. Amounts recognized citywide in the current year were less than amounts collected in the current year.	231,720
Charges for services generated internally are eliminated at citywide.	
Charges for services - revenue	(7,751,485)
Charges for services - expenditures	7,751,485
The change in special assessment revenue, a decrease of \$93,406, and notes receivable, an increase of \$954,485, recognized as deferred inflow of resources in the funds, is recognized as revenue at citywide.	861,079
The change in fines and forfeitures revenue recognized as deferred inflow of resources in the funds, is recognized as revenue at citywide.	41,285
Street infrastructure donated by developers and easement infrastructure are recorded as revenue at citywide, however they are not a current financial source and, therefore, not recorded in the funds.	163,972,667
Certain expenses in the citywide statement of activities do not require the use of current financial resources and, therefore, are not recorded in the funds.	
Change in accrued compensated absences, less internal service funds	(1,009,930)
Change in technical services	128,620
Pension expense is recognized in the fund statements based on employer contributions and in the citywide statement of activities on changes in certain pension deferrals and other pension-related items excluding employer contributions.	(3,788,555)
OPEB expense is recognized in the fund statements based on employer healthcare contributions and in the citywide statement of activities on changes in certain OPEB deferrals and other OPEB-related items.	(661,902)
Debt service payments consume current financial resources and are included as expenditures in the funds. At citywide the payments are recorded as a reduction to long-term liabilities. The accrual adjustment for debt service interest and the amortization of debt discounts, premiums and loss on refunding are made at citywide only.	
Repayment of principal	11,516,224
Accrued interest	(385,464)
Amortization of premium and discount	1,135,091
Amortization of loss on refunding	(475,945)
Capital outlay is reported in the funds as expenditures but are capitalized at citywide. Depreciation does not require the use of current financial resources and, therefore, is not reported in the funds.	
Capital outlay (see Note 7 less roads and easements, donated capital assets and internal service funds)	93,738,889
Depreciation (see Note 7 less internal service funds depreciation)	(61,278,138)
Capital asset transfers from enterprise funds	1,449
Proceeds from capital leases and other debt activity are recorded in the funds but have no affect on net position.	(7,023,185)
Disposal of capital assets proceeds are recorded in the funds while the gain from the disposal is recorded at citywide and includes the write-off of the carrying value of the related capital asset.	(325,755)
Internal service funds are used by the city to accumulate and allocate fleet management and risk management costs to individual funds. The change in net position of the internal service funds are included in governmental activities in the citywide statement of net position as they predominately benefit governmental activities.	
Governmental - type	(412,870)
Business - type	321,358
Increase in net position of governmental activities (see page 3)	<u>\$ 219,237,094</u>

See notes to the basic financial statements.



## Basic Financial Statements

### PROPRIETARY FUNDS

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

Enterprise funds account for operations that are financed and operated in a manner similar to private business where costs are predominantly supported by user charges or where management has decided periodic determination of revenues, expenses, and/or change in net position is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Water Fund and the Wastewater Fund are major proprietary funds.

### MAJOR PROPRIETARY FUNDS

#### Water Fund

The Water Fund accounts for the acquisition of water and water rights and for the operation and maintenance of the water plants and distribution systems.

#### Wastewater Fund

The Wastewater Fund accounts for the systems and operations used in treating and disposing of wastewater from sanitary wastewater and storm drain activities.

### NONMAJOR PROPRIETARY FUND

#### Golf Fund

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

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**CITY OF AURORA, COLORADO**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor	Total	Activities
	Water	Wastewater	Fund	Enterprise	Internal
		Golf	Funds	Service Funds	
<b>ASSETS</b>					
<i>Current assets</i>					
Cash and cash equivalents	\$ 7,762,267	\$ 3,155,076	\$ 242,469	\$ 11,159,812	\$ 898,338
Investments	179,732,665	77,938,438	3,621,159	261,292,262	19,897,826
<i>Receivables (net of allowance)</i>					
Accounts receivable	10,750,824	7,792,854	—	18,543,678	—
Interest receivable	1,099,345	425,779	23,491	1,548,615	104,073
Due from other governments	123,449	211,656	—	335,105	—
Other receivable	1,522,416	31,460	—	1,553,876	—
<i>Restricted assets</i>					
Investments	6,896,137	1,329,409	—	8,225,546	—
Current portion of interfund loans	—	350,000	—	350,000	—
Inventories	—	—	172,174	172,174	1,094,652
Total current assets	207,887,103	91,234,672	4,059,293	303,181,068	21,994,889
<i>Noncurrent assets</i>					
<i>Restricted assets</i>					
Other receivables	—	5,264,868	—	5,264,868	—
Interfund loans	16,000,000	2,659,000	—	18,659,000	—
Equity in joint venture	2,291,327	—	—	2,291,327	—
<i>Capital assets (net of accumulated depreciation)</i>					
Land and water rights	445,396,984	19,571,626	14,969,380	479,937,990	—
Buildings and improvements	363,121,396	52,641,594	1,795,201	417,558,191	—
Infrastructure	786,645,275	482,742,005	7,725,079	1,277,112,359	54,892
Machinery and equipment	39,204,684	5,372,194	577,293	45,154,171	182,027
Construction in progress	121,137,343	37,667,832	—	158,805,175	—
Total capital assets	1,755,505,682	597,995,251	25,066,953	2,378,567,886	236,919
Total noncurrent assets	1,773,797,009	605,919,119	25,066,953	2,404,783,081	236,919
Total assets	1,981,684,112	697,153,791	29,126,246	2,707,964,149	22,231,808
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	16,797,517	3,730,031	845,613	21,373,161	—
<b>LIABILITIES</b>					
<i>Current liabilities</i>					
Accounts payable	12,377,592	11,764,518	120,200	24,262,310	427,925
Accrued interest	6,896,137	195,201	4,933	7,096,271	—
Deposits held	4,373,849	2,995,167	—	7,369,016	—
Unearned revenues	5,000,000	—	593,115	5,593,115	—
Current portion - interfund loans	—	—	350,000	350,000	—
Current portion - long-term liabilities	2,903,374	3,019,923	95,714	6,019,011	6,392,815
Total current liabilities	31,550,952	17,974,809	1,163,962	50,689,723	6,820,740
<i>Noncurrent liabilities</i>					
Interfund loans	—	16,000,000	2,659,000	18,659,000	—
Due beyond one year	467,717,278	28,228,694	1,705,289	497,651,261	10,193,478
Total noncurrent liabilities	467,717,278	44,228,694	4,364,289	516,310,261	10,193,478
Total liabilities	499,268,230	62,203,503	5,528,251	566,999,984	17,014,218
<b>DEFERRED INFLOWS OF RESOURCES</b>	1,098,181	858,470	138,026	2,094,677	—
<b>NET POSITION</b>					
Net investment in capital assets	1,298,929,477	567,388,867	25,066,953	1,891,385,297	236,919
Restricted for public improvement	—	5,264,868	—	5,264,868	—
Unrestricted	199,185,741	65,168,114	(761,371)	263,592,484	4,980,671
Total net position	\$ 1,498,115,218	\$ 637,821,849	\$ 24,305,582	\$ 2,160,242,649	\$ 5,217,590

See notes to the basic financial statements.

**CITY OF AURORA, COLORADO**

**PROPRIETARY FUNDS**

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION TO THE CITYWIDE**

**STATEMENT OF NET POSITION**

**DECEMBER 31, 2019**

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

Total net position - proprietary funds (see page 10)	\$ 2,160,242,649
The current and long-term portions of the Murphy Creek interfund loan between the Wastewater Fund and the Golf Fund are eliminated.	
Wastewater Fund - asset	(3,009,000)
Golf Fund - liability	3,009,000
The Southeast Area Maintenance facility interfund loan between the Water Fund and Wasterwater Fund is eliminated.	
Water Fund - asset	(16,000,000)
Wasterwater Fund - liability	16,000,000
The internal balances due to the governmental activities from the business-type activities result from the allocation of the cumulative internal service fund loss.	(2,371,830)
Net position of business-type activities (see page 1)	<u>\$ 2,157,870,819</u>

See notes to the basic financial statements.

## CITY OF AURORA, COLORADO

**PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor	Total	Activities
	Water	Wastewater	Fund	Enterprise	Internal
		Golf	Funds	Service Funds	
<b>OPERATING REVENUES</b>					
<i>Charges for services</i>					
Customers	\$ 122,094,491	\$ 69,555,133	\$ 7,895,960	\$ 199,545,584	\$ 20,624,914
<b>OPERATING EXPENSES</b>					
Cost of sales and services	61,387,582	51,048,471	6,822,426	119,258,479	13,540,245
Claims losses	—	—	—	—	8,884,636
Administrative expenses	3,047,901	1,477,126	624,325	5,149,352	217,430
Depreciation	32,221,914	13,268,985	738,872	46,229,771	73,759
Total operating expenses	96,657,397	65,794,582	8,185,623	170,637,602	22,716,070
Operating income (loss)	25,437,094	3,760,551	(289,663)	28,907,982	(2,091,156)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment earnings	7,204,507	2,791,095	125,489	10,121,091	615,277
Intergovernmental revenue	552,504	55,077	—	607,581	—
Miscellaneous revenues	1,564,040	39,609	3,388	1,607,037	238,676
Interest expense	(18,266,610)	(844,342)	(66,132)	(19,177,084)	—
Amortization of premiums and (discounts), net	2,063,730	47,558	—	2,111,288	—
Gain on early extinguishment of debt	6,502,663	—	—	6,502,663	—
Gain on disposal of capital assets	37,892	147,193	—	185,085	—
Loss on joint venture	(21,879)	—	—	(21,879)	—
Net nonoperating revenues (expenses)	(363,153)	2,236,190	62,745	1,935,782	853,953
<b>Income (loss) before capital contributions and transfers</b>	25,073,941	5,996,741	(226,918)	30,843,764	(1,237,203)
Capital contributions	64,575,661	29,653,554	—	94,229,215	—
Transfers in	500,000	—	150,000	650,000	824,333
Transfers out	—	—	(200,000)	(200,000)	—
<b>CHANGE IN NET POSITION</b>	90,149,602	35,650,295	(276,918)	125,522,979	(412,870)
<b>NET POSITION - January 1</b>	1,407,965,616	602,171,554	24,582,500	2,034,719,670	5,630,460
<b>NET POSITION - December 31</b>	\$ 1,498,115,218	\$ 637,821,849	\$ 24,305,582	\$ 2,160,242,649	\$ 5,217,590

See notes to the basic financial statements.

**CITY OF AURORA, COLORADO**

**PROPRIETARY FUNDS**

**RECONCILIATION OF THE PROPRIETARY FUNDS ON THE STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION TO THE CITYWIDE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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

Net change in net position - total enterprise funds (see page 12)	\$ 125,522,979
The current year internal service fund operating loss attributable to business-type activities is eliminated for citywide reporting.	(321,358)
Increase in net position of business-type activities (see page 3)	<u>\$ 125,201,621</u>

See notes to the basic financial statements.

CITY OF AURORA, COLORADO

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor	Total	Activities
	Water	Wastewater	Fund	Enterprise	Internal
		Golf	Funds	Service Funds	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<i>Cash received from:</i>					
Customers and others	\$ 128,120,973	\$ 69,758,128	\$ 7,905,086	\$ 205,784,187	\$ 240,403
Interfund services provided and used	—	—	—	—	20,623,190
<i>Cash payments to:</i>					
Employees	(29,344,511)	(14,577,694)	(4,143,694)	(48,065,899)	(5,051,589)
Suppliers for goods and services	(32,359,275)	(36,913,998)	(3,164,942)	(72,438,215)	(14,693,885)
Net cash provided by operating activities	66,417,187	18,266,436	596,450	85,280,073	1,118,119
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Cash transfers in	500,000	—	150,000	650,000	824,333
Cash transfers out	—	—	(200,000)	(200,000)	—
Interfund loan transactions	3,800,000	325,000	—	4,125,000	—
Net cash provided by (used in) noncapital financing activities	4,300,000	325,000	(50,000)	4,575,000	824,333
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
<i>Proceeds from:</i>					
Capital contributions	39,051,211	8,676,115	—	47,727,326	—
Sale of capital assets	43,404	147,193	—	190,597	—
Intergovernmental revenue	552,504	55,077	—	607,581	—
Storm revenue bonds	—	3,000,000	—	3,000,000	—
<i>Payments for:</i>					
Capital assets	(63,121,469)	(25,109,171)	(36,950)	(88,267,590)	(11,134)
Capital assets acquired through construction payables	(4,456,745)	(1,168,248)	—	(5,624,993)	—
Principal on capital debt (golf amount includes interfund loan payment of \$325,000)	—	(2,765,000)	(325,000)	(3,090,000)	—
Interest on capital debt	(19,068,238)	(802,866)	(66,679)	(19,937,783)	—
Prepayment on debt	(45,000,000)	—	—	(45,000,000)	—
Deposits for future construction	(209,415)	(813,263)	—	(1,022,678)	—
Net cash used in capital and related financing activities	(92,208,748)	(18,780,163)	(428,629)	(111,417,540)	(11,134)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Decrease (increase) in equity in pooled investments	13,837,666	(2,237,600)	(319,931)	11,280,135	(2,381,757)
Decrease in investments	925,275	(16,655)	—	908,620	—
Interest received	4,944,621	1,714,529	81,451	6,740,601	369,809
Net cash provided by (used in) investing activities	19,707,562	(539,726)	(238,480)	18,929,356	(2,011,948)

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Nonmajor	Total	Activities
	Water	Wastewater	Fund	Enterprise	Internal
		Golf	Funds	Service Funds	
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,783,999)	(728,453)	(120,659)	(2,633,111)	(80,630)
TOTAL CASH AND CASH EQUIVALENTS, January 1	9,546,266	3,883,529	363,128	13,792,923	978,968
TOTAL CASH AND CASH EQUIVALENTS, December 31	\$ 7,762,267	\$ 3,155,076	\$ 242,469	\$ 11,159,812	\$ 898,338
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>					
OPERATING INCOME (LOSS)	\$ 25,437,094	\$ 3,760,551	\$ (289,663)	\$ 28,907,982	\$ (2,091,156)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Depreciation	32,221,914	13,268,985	738,872	46,229,771	73,759
Nonoperating revenues	1,564,040	39,609	3,388	1,607,037	238,676
<i>Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources</i>					
Receivables	1,398,616	163,386	—	1,562,002	—
Inventories	—	—	(11,362)	(11,362)	(28,242)
Net pension and total OPEB liabilities	1,112,411	553,404	162,933	1,828,748	—
Accounts payable and accrued liabilities	3,683,112	480,501	(13,458)	4,150,155	2,925,082
Unearned revenues	1,000,000	—	5,740	1,005,740	—
Total adjustments	40,980,093	14,505,885	886,113	56,372,091	3,209,275
Net cash provided by operating activities	\$ 66,417,187	\$ 18,266,436	\$ 596,450	\$ 85,280,073	\$ 1,118,119
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>					
Contribution of capital assets	\$ 25,524,450	\$ 20,977,440	\$ —	\$ 46,501,890	\$ —
Capital assets acquired through payables	9,505,646	4,678,282	—	14,183,928	—
Increase in fair value of investments	2,513,508	1,011,009	44,745	3,569,262	241,735
Capital asset transfers to other funds	(1,449)	—	—	(1,449)	—
Amortization of discount (premium) and loss on refunding	2,063,730	47,558	—	2,111,288	—
Gain on early extinguishment of debt	6,502,663	—	—	6,502,663	—
Loss on joint venture	(21,879)	—	—	(21,879)	—

See notes to the basic financial statements.



## Basic Financial Statements



### **FIDUCIARY FUNDS**

Fiduciary funds are used to report assets held for others in a trustee or agency capacity. Fiduciary funds are not available to support city programs and are therefore not included in the citywide financial statements.

### **Pension Trust Funds**

Pension trust funds account for the activities and accumulation of resources to pay retirement benefits for employees, elected officials and council appointees. The pension trust funds are comprised of the General Employees' Retirement Plan Fund (GERP) and the Elected Officials' and Executive Personnel Defined Benefit Plan Fund (EOEP).

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**CITY OF AURORA, COLORADO**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2019**

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	<b>Pension Trust Funds</b>
	<u>                    </u>
<b>ASSETS</b>	
<i>Current assets</i>	
Cash and cash equivalents	\$ 6,130,820
<i>Investments</i>	
Equity securities and funds	224,188,227
U.S. government treasury and U.S. government agency obligations	9,846,589
Corporate bonds and funds	117,656,676
Real estate funds	49,527,751
Alternative investments	123,097,894
<i>Receivables (net of allowance)</i>	
Interest receivable	928,558
Due from other governments	503,975
Prepaid items	<u>31,265</u>
 Total assets	 <u>531,911,755</u>
 <b>LIABILITIES</b>	
<i>Current liabilities</i>	
Accounts payable and other current liabilities	<u>531,113</u>
 Total liabilities	 <u>531,113</u>
 <b>NET POSITION RESTRICTED FOR PENSIONS</b>	 <u><u>\$ 531,380,642</u></u>

See notes to the basic financial statements.

**CITY OF AURORA, COLORADO**  
**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

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	<b>Pension Trust Funds</b>
	<hr/>
<b>ADDITIONS</b>	
<i>Contributions</i>	
City	\$ 8,281,488
Plan members	8,190,368
	<hr/>
Total contributions	16,471,856
	<hr/>
<i>Investment activity</i>	
Investment earnings	89,543,464
Investment expense	(2,384,001)
	<hr/>
Net investment earnings	87,159,463
	<hr/>
Other income	31,834
	<hr/>
Total additions, net	103,663,153
	<hr/>
<b>DEDUCTIONS</b>	
Benefits	28,453,747
Administrative expenses	623,349
	<hr/>
Total deductions	29,077,096
	<hr/>
NET INCREASE IN NET POSITION	74,586,057
	<hr/>
<b>NET POSITION RESTRICTED FOR PENSIONS - January 1</b>	456,794,585
	<hr/>
<b>NET POSITION RESTRICTED FOR PENSIONS - December 31</b>	<u>\$ 531,380,642</u>

See notes to the basic financial statements.

## Basic Financial Statements



### COMPONENT UNITS

Component units are legally separate organizations for which the city is considered financially accountable or whose exclusion would make the city's financial statements misleading or incomplete.

### Havana Business Improvement District (BID)

Havana Business Improvement District (BID), a discretely presented component unit, accounts for activities related to business improvements on the Havana Street corridor. Funding is from special assessments on the related properties.

### Parkside Business Improvement District (BID)

Parkside Business Improvement District (BID), a discretely presented component unit, accounts for activities related to business improvements at the Parkside City Centre. Funding is from special assessments on the related properties.

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**CITY OF AURORA, COLORADO**  
**COMPONENT UNITS**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

	<b>Havana Business Improvement District</b>	<b>Parkside Business Improvement District</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 243,296	\$ 35,965	\$ 279,261
<i>Receivables (net of allowance)</i>			
Taxes receivable	442,570	16,532	459,102
Other receivables	5,221	62,844	68,065
<i>Restricted assets</i>			
Cash and cash equivalents	15,377	6,368,993	6,384,370
<i>Capital assets (net of accumulated depreciation)</i>			
Infrastructure	7,425	—	7,425
Machinery and equipment	31,549	—	31,549
Construction in progress	—	6,416,855	6,416,855
Total assets	<u>745,438</u>	<u>12,901,189</u>	<u>13,646,627</u>
<b>LIABILITIES</b>			
Accounts payable	—	92,313	92,313
Accrued interest	—	72,865	72,865
<i>Noncurrent liabilities</i>			
Due beyond one year	—	13,990,000	13,990,000
Total liabilities	<u>—</u>	<u>14,155,178</u>	<u>14,155,178</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax	439,485	15,405	454,890
Total deferred inflows of resources	<u>439,485</u>	<u>15,405</u>	<u>454,890</u>
<b>NET POSITION</b>			
Net investment in capital assets	38,974	—	38,974
Restricted			
Public improvements	—	2,907,597	2,907,597
Debt service	—	3,396,154	3,396,154
Emergencies	15,377	1,500	16,877
Unrestricted	<u>251,602</u>	<u>(7,574,645)</u>	<u>(7,323,043)</u>
Total net position	<u>\$ 305,953</u>	<u>\$ (1,269,394)</u>	<u>\$ (963,441)</u>

See notes to the basic financial statements.

**CITY OF AURORA, COLORADO**  
**COMPONENT UNITS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

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	<b>Havana Business Improvement District</b>	<b>Parkside Business Improvement District</b>	<b>Total</b>
<b>EXPENSES</b>	\$ 482,365	\$ 1,467,450	\$ 1,949,815
<b>PROGRAM REVENUES</b>			
Charges for services	10,000	—	10,000
Operating grant and contributions	801	28,565	29,366
	<u>10,801</u>	<u>28,565</u>	<u>39,366</u>
Total program revenues	10,801	28,565	39,366
	<u>(471,564)</u>	<u>(1,438,885)</u>	<u>(1,910,449)</u>
Net expenses			
<b>GENERAL REVENUES</b>			
Taxes			
Property taxes	395,908	77,604	473,512
Other taxes	119,699	8,713	128,412
Investment and interest earnings	—	83,174	83,174
	<u>515,607</u>	<u>169,491</u>	<u>685,098</u>
Total general revenues	515,607	169,491	685,098
<b>INCREASE (DECREASE) IN NET POSITION</b>	44,043	(1,269,394)	(1,225,351)
<b>NET POSITION - January 1</b>	<u>261,910</u>	<u>—</u>	<u>261,910</u>
<b>NET POSITION - December 31</b>	<u><u>\$ 305,953</u></u>	<u><u>\$ (1,269,394)</u></u>	<u><u>\$ (963,441)</u></u>

See notes to the basic financial statements.



**Basic Financial Statements**



Notes to the  
Basic Financial Statements

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**A. Financial Reporting Entity**

The City of Aurora (the city) is a home-rule local government governed by an elected eleven-member council. These financial statements include the city and its component units. A component unit is a legally separate organization for which the city is considered financially accountable or whose exclusion would make the city's financial statements misleading or incomplete. Blended component units, although legally separate, are in substance, part of the city's operations. Therefore, data from these organizations are included with data of the primary government. Discrete presentation refers to presenting financial data of the component unit in a column separate from that of the primary government.

**1. Discretely Presented Component Unit**

*Havana Business Improvement District (Havana BID)* – The Havana BID was organized by the City Council on July 21, 2007 for the purpose of enhancing the economic vitality of the Havana Street corridor. It is a quasi-municipal corporation and political subdivision of the State of Colorado with all powers and responsibilities granted to business improvement districts by Title 31, Article 25, Part 12 of the Colorado Revised Statutes. The City Council appointed all the initial members of the Havana BID Board of Directors, which are not substantially the same as the City Council and the BID does not primarily benefit the city government. The city is able to impose its will on the BID as its operating plan and budget are approved by City Council. The Havana BID is a discretely presented component unit of the city. An election was held in November 2007 authorizing the Havana BID to levy property taxes. Separately issued, audited financial statements are available by contacting the Havana BID at 1555 S Havana Street, Suite F303, Aurora, Colorado 80012 or telephone (720) 788-8986. Additional information is available online at [www.onhavanastreet.com](http://www.onhavanastreet.com).

*Parkside City Centre Business Improvement District (Parkside BID)* – The Parkside BID was organized by the City Council on October 28, 2017 for the purpose of enhancing the economic vitality of the Parkside City Centre located at Alameda Avenue and Sable Boulevard. It is a quasi-municipal corporation and political subdivision of the State of Colorado with all powers and responsibilities granted to business improvement districts by Title 31, Article 25, Part 12 of the Colorado Revised Statutes. The City Council appointed all the initial members of the Parkside BID Board of Directors, which are not substantially the same as the City Council and the BID does not primarily benefit the city government. The city is able to impose its will on the BID as its operating plan and budget are approved by City Council. The Parkside BID is a discretely presented component unit of the city. An election was held in November 2017 authorizing the Parkside BID to levy property taxes. In April 2019, the BID issued special revenue and tax supported senior bonds. Separately issued, audited financial statements are available by contacting Simmons & Wheeler, P.C., 304 Inverness Way South, Suite 490, Englewood, Colorado 80112 or telephone (303) 689-0833.

**2. Blended Component Units**

*Aurora Capital Leasing Corporation (ACLCL)* – ACLCL was organized as a not-for-profit corporation in 1992 to finance capital assets of the city. ACLCL is a component unit because the City Council appoints the governing board and ACLCL is fiscally dependent upon the city. ACLCL is a blended component unit because it provides services solely to the city. ACLCL financial statements consist of a debt service fund and a capital projects fund. Capital assets and long-term debt for ACLCL are included in the citywide statement of net position. There are no separately issued financial statements for ACLCL.

*Aurora Urban Renewal Authority (AURA)* – AURA was formed by action of the City Council in 1981, pursuant to Part 1 of Article 25, Title 31, of the Colorado Revised Statutes. AURA has various expressed powers including the power to: undertake urban renewal projects, mortgage, sell or dispose of property, borrow money, accept grants, and issue tax-increment and other forms of securities. From time to time, the City Council has determined the existence of blighted conditions in the city and designated Urban Renewal Areas. AURA is a component unit because its exclusion would make the city's financial statements misleading. AURA is a blended component unit because AURA's governing body consists of the City Council and four additional members representing the following groups: County Government, School Districts, Special Districts and General City appointment to be compliant with current State Law. It provides specific financial benefits solely to the city. AURA financial statements consist of a general fund and a debt service fund. The AURA general fund is presented in these financial statements as a special revenue fund. Noncurrent debt and noncurrent assets of AURA are included in the citywide statement of net position. There are no separately issued financial statements for AURA.

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

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

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

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

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

*Aurora Conference Center General Improvement District (GID)* – Aurora Conference Center GID was formed by action of registered voters in 2011.

*Cobblewood Street General Improvement District (GID)* – Cobblewood Street GID was formed by action of registered voters of the Cobblewood neighborhood in 2016.

### 3. Fiduciary Component Units

*General Employees' Retirement Plan (GERP)* – GERP was created to provide retirement benefits to career service and executive personnel. It has a separate, independent board that administers the plan. Three of the seven board members are appointed by City Council. GERP is a component unit because it is funded by contributions from the city and city employees, thus the city is considered to have a financial burden because it is legally obligated, or has otherwise assumed the obligation, to make such contributions, and its exclusion would make the city's financial statements misleading. GERP is included in this report as a pension trust fund in the fiduciary fund statements. GERP is not included in the citywide statements because its assets are not available to finance city programs. Separately issued, audited financial statements are available online at [www.auroragerp.org](http://www.auroragerp.org) or by contacting GERP at 12100 East Iliff Avenue, Suite 108, Aurora, Colorado 80014 or telephone (303) 368-9160.

*Elected Officials' and Executive Personnel Defined Benefit Plan (EOEP)* –EOEP was created in 2001 to provide retirement benefits to elected officials and executive personnel. As required by city code, a city executive serves as plan trustee and plan administrator. EOEP is a component unit because it is funded solely by contributions from the city, thus the city is considered to have a financial burden because it is legally obligated, or has otherwise assumed the obligation, to make such contributions, and because its exclusion would make the city's financial statements misleading. EOEP is included in this report as a pension trust fund in the fiduciary fund statements. EOEP is not included in the citywide statements because its assets are not available to finance city programs. There are no separately issued financial statements for EOEP.

### 4. Joint Venture

*Aurora-Colorado Springs Joint Water Authority (ACSJWA)* – ACSJWA was formed in 1983, by contract, between the city and the city of Colorado Springs, Colorado, for the purpose of developing water resources, systems, or facilities in whole or in part for the benefit of the two cities. The council of each city appoints three directors to the board. The ACSJWA must obtain approval from both cities before proceeding with any new project. Prior approval is not required for operating and maintenance expenses related to a previously approved project. To date, the cities have approved one project, the construction and operation of a pipeline to transport raw water. Construction was financed through revenue bonds. The city has a 1/3 participation share and Colorado Springs has a 2/3 participation share in the project.

The city's share of the ACSJWA is accounted for in the Water Fund using the equity method. The Water Fund is a major proprietary fund and business-type activity. Separately issued, audited financial statements for ACSJWA are available at Colorado Springs Utilities, P.O. Box 1103, Mail Code 0929, Colorado Springs, Colorado 80947-0929 or telephone (719) 668-8550.

### **B. Citywide and Fund Financial Statements**

The financial statements of the city are prepared in accordance with accounting principles applicable to governments, which are generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing U.S. governmental accounting and financial reporting principles.

The citywide financial statements (i.e., the statement of net position and the statement of activities) provide financial information about the city as a whole (the primary government and its component unit). Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from a legally separate component unit for which the government is financially accountable.

The *statement of activities* demonstrates the extent to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges for services; 2) program-specific operating grants and contributions; and 3) program-specific capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from citywide reporting as the assets are not available to finance city operations.

### **C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The citywide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund, internal service fund, and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. The city considers revenues, other than grants, to be measurable and available if collected within two months after year-end. Grants are considered measurable and available if 1) they are collected within one year after year-end and 2) all eligibility requirements, including incurring allowable costs, have been met. Property taxes are recognized as revenue in the year for which they are levied (the year subsequent to the levy year) and are reported as a receivable and deferred inflow of resources in the year levied, as an enforceable legal claim occurs at this time. Revenues susceptible to accrual under the modified accrual basis include fines, surcharges, intergovernmental grants, interest and the following taxes: property, sales, use, lodgers, occupational privilege, franchise, and specific ownership tax. All other revenues are considered measurable and available only when cash is received. Expenditures are recorded when the related liability is incurred, with the exception of principal and interest on long-term debt and compensated absences, which are recognized when matured.

When both restricted and unrestricted resources are available for use, spending is determined on a case by case basis but it is generally the city's intent to use restricted resources first, then unrestricted resources as needed.

The city reports the following major governmental funds:

The *General Fund* accounts for taxes and other resources traditionally associated with government and the operations of the city that are financed from those resources.

The *Aurora Urban Renewal Authority (AURA) General Fund* accounts for activities related to urban renewal areas that have no debt outstanding; funding is from tax revenues pledged to redevelopment and fees for services.

The city reports the following major proprietary funds:

The *Water Fund* accounts for the acquisition of water and water rights and for the operation and maintenance of reservoirs, wells, water treatment plants and distribution systems.

The *Wastewater Fund* accounts for the systems and operations used in treating and disposing of wastewater from sanitary wastewater and storm drain services.

Additionally, the city reports the following nonmajor funds:

*Special Revenue Funds* account for revenues that are restricted or committed for a specific purpose. The city has seventeen active special revenue funds at December 31, 2019: Gifts and Grants, Development Review, Marijuana Tax Revenue, Community Development, Enhanced E-911, Conservation Trust, Parks Development, Open Space, Recreation Services, Cultural Services, Parking and Mobility, Cherry Creek Fence GID, Meadow Hills Fence GID, Peoria Park Fence GID, Pier Point 7 Sewer GID, Aurora Conference Center GID and Cobblewood Street GID.

*Debt Service Funds* account for the accumulation of resources and payments of principal, interest and fees related to special assessments, revenue bonds and certificates of participation except those accounted for in proprietary funds. The city has three debt service funds: Special Improvement District (SID) Debt Service (includes the 1-10 Dam East Fence special improvement district), AURA Debt Service and ACLC Debt Service.

The *Capital Projects Funds* account for resources allocated for the acquisition or construction of capital projects except those financed by special revenue or proprietary funds. The city has two capital projects funds: City Capital Projects Fund and ACLC Capital Projects Fund.

The *Golf Fund* accounts for the operations and maintenance of city owned or operated golf courses. The Golf Fund is a nonmajor proprietary fund.

*Internal Service Funds* are used to account for resources calculated on a cost recovery basis and provided by other city funds for centralized acquisition of supplies and services. The city has two internal service funds: Fleet Management and Risk Management.

*Pension Trust Funds* account for the accumulation of resources and the payment of retirement benefits to qualified employees. The city has two pension trust funds: the city of Aurora General Employees' Retirement Plan (GERP) and the city of Aurora Elected Officials' and Executive Personnel Defined Benefit Plan (EOEP).

*Program revenues* are those that are derived directly from the program itself. Program revenues are divided into three groups: charges for services, program-specific operating grants and contributions, and program-specific capital grants and contributions. Charges for services are exchange or exchange-like transactions including: fees, licenses, permits, and special assessments. Program-specific grants and contributions include revenues arising from mandatory and voluntary nonexchange transactions with other governments, private organizations or individuals where monies are required by the grantor/contributor to be used for a particular program or activity. Program-specific grants and contributions that are required to be used to purchase or construct capital assets are shown in the capital grants and contributions column. All other program-specific grants and contributions are shown as operating revenues. Water and Wastewater capital grants and contributions include tap and annexation fees, which are required to be used for the construction of water and wastewater capital assets.

*General Revenues* include: all taxes levied by the city regardless of their purpose; unrestricted investment income; and multi-purpose or non-specific grants and contributions.

The proprietary fund statement of revenues, expenses and changes in net position separately presents revenues and expenses that are directly related to the service provided by the fund as "operating." Operating revenues are primarily charges for services (exchange or exchange-like transactions for water, wastewater and golf services). Golf operating revenues also include sales of merchandise. Operating revenues for internal service funds are charges for services provided to other funds and departments. All other revenues in the proprietary funds are reported as nonoperating. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, claims losses, and depreciation on capital assets. All other expenses are reported as nonoperating.

**D. Deferred Inflows and Outflows of Resources**

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

In accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the financial statements of the city include both deferred outflows of resources and deferred inflows of resources. The citywide statements include deferred outflows of resources representing the deferred loss on refunding recorded in the business-type activities column for the Water Fund and in the governmental activities column at citywide related to the ACLC Debt Service Fund, as well as items relating to the city's pension and OPEB obligations in both the business-type and governmental activities columns. The citywide statements include deferred inflows of resources representing a derivative in the governmental activities column at citywide related to the interest rate cap, deferred gain on refunding recorded in the business-type activities column of the Wastewater Fund and items relating to the city's pension and OPEB obligations in both the business-type and governmental activities columns. Property taxes are recorded as a deferred inflow of resources when levied in the fund statements and in the citywide statements. The fund statements include unavailable fund resources that have not met modified accrual revenue recognition criteria. Unavailable fund resources include: special assessment receivables, tax audit receivables and notes receivables that are unavailable in the fund statements but are recognized as revenue in the citywide statements.

**E. Cash and Investments**

The city pools its cash and investments. All temporary cash surpluses are invested. Earnings on pooled investments are allocated among the funds based on an average daily balance of the individual fund's equity in pooled monies. The amounts shown as "cash and cash equivalents" and "investments" in the citywide and proprietary funds statement of net position and the governmental funds balance sheet include both unrestricted equity in the city's pool and unrestricted amounts held in non-pooled accounts. Restricted assets, which may contain pooled and non-pooled amounts, include cash and investments required to be used for specific purposes based on the constraints externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Cash and cash equivalents are carried at fair value and include petty cash, demand deposits and highly liquid investments (readily convertible to known amounts of cash) with maturities of three months or less from purchase date. Investments are stated at fair value based upon quoted market prices in brokerage service reports except for non-negotiable certificates of deposit which are stated at cost and investments in local government investment pools which are measured at the net asset value per share. In regard to pension plan investments, see Note 2 for additional information.

**F. Interfund Transactions**

During the course of operations, transactions occur between individual funds for goods provided or services rendered. Receivables and payables related to these transactions are reported as due from other funds and due to other funds, respectively, in the fund statements. Interfund loans or advances, which are made to provide internal financing, are reported as interfund loans in the fund statements.

In the process of aggregating data for the citywide statement of net position, amounts reported in the funds as interfund receivables and payables are eliminated. The residual amounts due between governmental and business-type activities are shown on a single line as internal balances. Interfund amounts (if any) due between the primary government and a fiduciary fund are shown on the citywide statement as receivable or payable of the fiduciary fund rather than internal balances.

Interfund activities include: transfers, internal billings, and transactions with internal service funds. For fund statement presentation, transfers are shown as "transfers in" and "transfers out." Internal billings, including transactions with internal service funds, are shown as revenues and expenses/expenditures in the respective funds. As a general rule, these revenues/transfers in and expenditures/expenses/transfers out have been eliminated in the aggregation of data for the citywide statement of activities. Exceptions to this rule are charges between the city's water function and various other functions of the city. Elimination of these charges would distort the direct costs and program revenues reported in the various functions concerned.

**G. Inventories**

Inventories are stated at the lower of cost determined using the first-in, first-out basis or market. The cost of inventories in the proprietary fund statements and citywide statements are recorded as an expense when consumed rather than when purchased. Restricted inventories included in the governmental fund statements and citywide statements represent housing purchased, rehabilitated and resold under the Neighborhood Stabilization Program grant for \$151,529.

**H. Asset Acquired for Resale**

Asset acquired for resale reflects properties acquired by the city for the express purpose of resale. Since these assets are intended to be converted to cash rather than used in daily operations, they are reported in governmental fund statements as a financial asset valued at the lesser of cost or net realizable value. The properties are blighted and intended to be sold for economic redevelopment purposes per state redevelopment statutes. The properties are valued at \$14,165,973.

**I. Capital Assets**

The criteria used for capitalizing assets include assets with an estimated useful life of more than one year and an acquisition cost meeting the threshold level on a per unit basis. Capital assets are stated at actual cost for purchased and constructed assets, estimated historical cost for older assets for which actual cost was not determinable, and estimated acquisition value at the time of receipt for donated or contributed items. Street infrastructure recorded from 1973 through 2002 is stated at discounted replacement cost. Expenditures incurred during the construction phase are recorded as construction in progress. These amounts are transferred from construction in progress to the appropriate classification (water rights, buildings and improvements, or infrastructure) upon completion of the project. Land, machinery, and equipment are normally recorded upon receipt. Land includes intangible water rights and easements. Machinery and equipment include both internally developed and externally acquired computer software. Salvage value is not material and is therefore not computed. Accordingly, assets are completely depreciated if retained for their total estimated useful life. Straight-line depreciation is used in all cases over the following estimated useful lives. Threshold levels are approved by City Council; the most recent increases became effective as of fiscal year 2013 and are as follows:

**Estimated Useful Lives Assigned by Individual Items**

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

Assets recorded under capital lease agreements are amortized over either the term of the lease or the estimated useful life of the asset, whichever period is shorter. Amortization expense for capital leases is included in the depreciation line item on the financial statements.

Capital assets purchased by governmental funds are not included as assets in the governmental fund but as expenditures. These expenditures are reclassified on the reconciliation of governmental funds balance sheet to the citywide statement of net position. Interest incurred during construction is not capitalized. Estimated costs for streets constructed by developers and contributed to the city are reported as program revenue for the public works function in the citywide statement of activities and as additions to infrastructure in the citywide statement of net position.

Capital assets purchased by proprietary funds are included on the fund's statement of net position as well as in the business-type activities column of the citywide financial statements. Developers who construct water and wastewater lines for subdivisions are required to furnish cost figures to the city for contributed lines. If cost figures are not provided,

the city estimates the value of the donated asset. Such costs are recorded as capital assets and capital contribution revenues when accepted by the city.

**J. Accounts Payable**

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

	<b>Governmental Activities</b>	<b>Business-type Activities</b>
Vendors	\$ 28,319,029	\$ 23,110,757
Salaries and Benefits	7,324,713	1,151,553
<b>Total</b>	<b>\$ 35,643,742</b>	<b>\$ 24,262,310</b>

**K. Unearned Revenues (Liabilities)**

Unearned revenues reflect amounts that have been received before the city has a legal claim to the funds. In subsequent periods, when revenue recognition criteria are met, or when the city has a legal claim to the resources, the unearned revenue is removed from the statements of net position or governmental funds balance sheet and revenue is recognized.

**L. Noncurrent Liabilities**

Noncurrent liabilities include: bonds, notes, certificates of participation, capital leases, claims payable, earned but not used compensated absences, net pension liability and total OPEB liability. For governmental funds, the liability is recorded when payment is due, or when resources have been accumulated in the debt service fund for payment early in the following year. Proceeds from issuance of debt are reported in the governmental funds as “other financing sources” and payments of principal on debt are shown as expenditures. For the citywide statements, governmental debt issuances are shown as noncurrent liabilities and principal payments are shown as decreases in noncurrent liabilities. Amounts due within the next twelve months are reported as “due within one year” with the remaining amount being reported as “due beyond one year.” For the proprietary and pension trust funds, long-term liabilities are accounted for in the applicable fund. Additionally, proprietary fund long-term liabilities are accounted for in the business-type activities column of the citywide financial statements.

**M. Bond Premiums and Discounts**

In governmental funds, bond premiums and discounts are reported as other financing sources/uses. For the citywide and the proprietary fund statements, bond premiums and discounts are capitalized and amortized over the term of the bonds using the straight-line method. Bond premiums and discounts are presented as a reduction of the face amount of bonds payable.

**N. Compensated Absences**

City policy allows employees to accumulate earned but not used annual leave up to maximum hours as indicated in the table below. Annual leave hours for Fire Civil Service 24-hour shift in excess of the maximum accrual permitted are forfeited on January 1 of the subsequent year. Annual leave hours for all other employees in excess of the maximum accrual permitted are forfeited on February 28 of the subsequent year. Accrued annual leave is payable to the extent earned.

<b>Employees</b>	<b>Maximum Hours</b>
Police and Career Service	260
Fire Civil Service 8-hour shift	256
Fire Civil Service 24-hour shift	288

Generally, Career Service employees may convert sick leave hours accumulated in excess of established minimums annually in January to cash payments at a rate of one hour’s pay for every two hours of sick leave up to the established maximum payment hours. Annually in March, Career Service employees may elect to increase their annual leave balances by up to forty hours per year in exchange for twice the amount of accumulated sick leave over minimum accrual hours. Police and Fire Civil Service may only convert sick leave hours to cash at a rate of one hour’s pay for every two hours of sick leave. At separation, employees may receive payout of accrued sick leave hours up to established maximums at one-half base pay.

<b>Employees</b>	<b>Minimum Accrual Hours</b>	<b>Maximum Payment Hours</b>	<b>Maximum Payout Hours at Separation</b>
Council Appointees	520	120	960
Police and Career Service	720	120	960
Fire Civil Service 8-hour shift	684	120	1368
Fire Civil Service 24-hour shift	960	120	1920

The city records a liability for accrued compensated absences and related payroll taxes. The “vesting method” per GASB Statement No. 16, *Accounting for Compensated Absences*, is followed to estimate the sick leave liability upon termination. Only the portion of compensated absences that is due is reported as a liability in a governmental fund while the entire liability is reflected in the citywide statement of net position as noncurrent liabilities. The liability for compensated absences for employees whose work primarily benefits a proprietary fund is recorded in the respective fund. The portion of amounts anticipated to be paid (in lieu of used) over the next twelve months are reported as “current portion of long-term liabilities” in the proprietary fund statements and as “due within one year” in the business-type activities on the citywide statement of net position.

#### **O. Defined Benefit Pension Plans**

The city participates in two single employer defined benefit pension plans, two agent multiple-employer defined benefit plans and two cost-sharing multiple employer defined benefit pension plans.

For the purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the city of Aurora General Employees’ Retirement Plan (GERP), the city of Aurora Elected Officials’ and Executive Personnel Defined Benefit Plan (EOEP) and the Fire and Police Pension Association of Colorado (FPPA) Plans, including Old Hire-Fire, Old Hire-Police, Statewide Defined Benefit and Statewide Hybrid, and additions to/deductions from each Plan’s fiduciary net position have been determined on the same basis as they are reported by each of the Plans. For this purpose, benefit payments (including refunds on employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GERP is recognized in both governmental activities and business-type activities as employee participation for GERP is citywide. The allocations are based on full-time career salary expenditure/expense for the year for employees that participate in GERP. The remaining Plans are recognized in governmental activities only as they have minimal or no employee participation from business-type activities.

Each Plan has an annual or bi-annual actuarial valuation that is either considered in establishing funding policies or determines the annual required contribution. The contribution rates or annual required contributions are intended to be sufficient to amortize each Plan’s unfunded actuarial accrued liability over a specified period as identified by each Plan.

#### **P. Other Postemployment Benefits (OPEB)**

The city acts in a single employer capacity in providing medical benefits to eligible retirees and their qualifying dependents through the city’s group health insurance plan.

The total OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense are determined by a bi-annual actuarial valuation with a roll-forward done in the off-cycle year. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 as the plan is funded on a pay-as-you-go basis.

OPEB is recognized in both governmental activities and business-type activities as employee participation for OPEB is citywide. The allocations are based on the proportion of health insurance expenditure/expense for the year.

#### **Q. Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions. These assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenditures and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**R. Fund Balances and Net Position**

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

The Financial Policies and Guidelines, as approved by City Council, authorize the assignment of fund balances by informal action of City Council (no ordinance or resolution) or by the City Manager or the Finance Director as long as City Council has been advised of the assignment through either the budget process or some other process. Positive unassigned fund balance is the residual and may only be reported in the General Fund. Negative unassigned fund balance may be reported in any governmental fund other than the General Fund when expenditures incurred for specific purposes exceed amounts restricted, committed or assigned to those purposes.

Net position is assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources and is shown in the citywide, proprietary and fiduciary fund financial statements and is reported in three classifications. Net investment in capital assets reflects capital assets (net of accumulated depreciation) reduced by the outstanding amount of debt, which was issued to acquire or construct the capital assets. Restricted net position report amounts legally segregated for a specific future use. Remaining net position is reported as unrestricted.

At December 31, 2019, the Parkside Business Improvement District (BID) component unit had a deficit net position in the amount of \$1,269,394. The deficit in net position resulted from a portion of the proceeds from the issuance of the 2019A Bonds being used to fund capitalized interest and the cost of issuing the bonds. The Parkside BID will receive future property tax, specific ownership tax and other pledged revenues to fund its deficit net position.

**S. Budgets**

On or before September 1 of each year, a proposed budget is provided by the City Manager to the City Council for review. The City Council holds public hearings and may add to, subtract from, or change the proposed appropriations and associated revenues and reserves. The City Council is required to adopt the budget for the upcoming year by November 30, but typically does so before every November election.

Budgets are legally adopted for all funds which are subject to the budgetary requirements of the Colorado Revised Statutes (C.R.S.). Budgets for the component units: ACLC, AURA, the GIDs, GERP, EOEP, Havana BID and Parkside BID may be subject to the budgetary requirements of the C.R.S. but are not required to be and are not legally adopted by the city, although the city may approve a component unit's budget.

The city adopts both annual operating appropriations and project-length appropriations each year. Operating costs are controlled at the fund and department level for the General Fund and at the fund level for all other funds. Expenditures may not exceed appropriations at those levels. Annual operating appropriations lapse at year-end except for amounts that are encumbered (reserves for encumbrances are commitments on purchase orders that remain open at year-end).

The city adopts all capital projects on a project-length budget. Project-length (continuing appropriations) budgets do not lapse until the project for which the appropriation was made is completed or abandoned. Project expenditures are controlled at the fund, department and project levels. Expenditures may not exceed appropriations at any of those levels.

The following funds have both project-length continuing appropriations and annual operational budgets: City Capital Projects, Water, Wastewater, Golf, Gifts and Grants, Marijuana Tax Revenue, Enhanced E-911, Conservation Trust, Parks Development, Open Space and Recreation Services. The Community Development Fund only adopts project-length budgets.

Since expenditures may not legally exceed budgeted appropriations, appropriation amendments are approved as necessary. Budget amendments require City Council approval by ordinance. The final budget does not always include

budget reductions in expenditures or changes in revenues for amounts approved subsequent to the original budget when legal compliance is already demonstrated.

Budget transfers within a department may be made with administrative approval if the transfer is within the same fund. Transfers between departments within the General Fund require City Council approval by ordinance or resolution. Transfers between funds require City Council approval by ordinance.

### **Basis of Budgeting**

The city budgets on a "funds available" basis (budgetary basis). Budgetary basis revenues and other financing sources are considered increases in funds available, and budgetary basis expenditures and other financing uses are considered uses of funds available. In general, funds available are defined as current assets minus current liabilities. However, certain items that are considered current for GAAP accounting are considered long-term for the city budget. Some examples of these in proprietary funds include the current portion of accrued compensated absences and the current portion of long-term debt.

The city's budget disclosure presents funds available net of restrictions and commitments. While the restrictions and commitments are available to appropriate, funds available after restrictions and commitments represent funds that may be used for general purposes.

The "funds available" basis differs from the U.S. GAAP Basis of Accounting as follows:

#### **1. Governmental Funds**

- a) Encumbrances are treated as expenditures in the year they are encumbered, not when the expenditure occurs.
- b) Grants are considered revenue when awarded, not when earned.
- c) Sales, use and lodgers taxes are considered revenue when received rather than when earned.
- d) Project-length (continuing appropriation) budgets are considered reductions of funds available when appropriated, not when expenditures occur.
- e) Purchases of inventory are considered expenditures when purchased, not when sold or used.
- f) Overspending of project length (continuing appropriation) budgets is considered to reduce funds available.
- g) Close-out of unspent project-length (continuing appropriation) budgets is considered to increase funds available.
- h) Proceeds from capital leases and related capital expenditures are not budgeted.
- i) The value received on the trade-in of capital assets and the related capital expenditures are not budgeted.
- j) Changes in investment income due to recording investments at fair value are not budgeted.
- k) January sick leave buyout is expensed for GAAP but not for budget until the subsequent year.
- l) Transactions related to asset forfeitures are not budgeted.

#### **2. Proprietary Funds**

- a) Capital outlay is budgeted as an expenditure in the year purchased.
- b) Depreciation is not budgeted.
- c) Proceeds from the issuance of debt are considered revenues instead of an increase in liabilities.
- d) Principal payments are shown as expenditures rather than reductions of the liability.
- e) Encumbrances are treated as expenditures in the year they are encumbered, not when the expense occurs.
- f) Grants are considered revenue when awarded, not when earned.
- g) Receipts of long-term receivables are considered revenues, not reductions of the receivable.
- h) Proceeds from the sale of assets are recognized as revenue; however, the related gain or loss is not.
- i) Purchases of inventory are considered expenditures when purchased, not when sold or used.
- j) Gains or losses on refunding and prepayment of debt are considered to increase or decrease the funds available in the year in which they occur and are not capitalized and amortized over the life of the bonds.
- k) January sick leave buyout is expensed for GAAP but not for budget until the subsequent year.
- l) Accrued compensated absences are not considered expenditures until paid.
- m) Interest earned on escrowed cash and investments is not considered revenue for budget purposes.
- n) The gain or loss on the equity in the joint venture is not budgeted, however payments to the joint venture, if any, are budgeted as expenditures.
- o) Project-length (continuing appropriation) budgets are considered reductions of funds available when appropriated, not when expenditures occur.
- p) Overspending of project length budgets is considered to reduce funds available.
- q) Close-out of unspent project length budgets is considered to increase funds available.
- r) Proceeds from capital leases and related capital expenditures are not budgeted.

- s) The value received on the trade-in of capital assets and the related capital expenditures are not budgeted.  
 t) Changes in investment income due to recording investments at fair value are not budgeted.

## 2. CASH AND INVESTMENTS

Cash and investments as of December 31, 2019 are classified in the accompanying financial statements as follows:

<b>Cash and Investments</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Fiduciary Funds</b>	<b>Component Unit</b>	<b>Total</b>
Cash and cash equivalents	\$ 12,640,188	\$ 11,159,812	\$ -	\$ 279,261	\$ 24,079,261
Investments	212,949,425	261,292,262	-	-	474,241,687
Restricted cash and cash equivalents	29,771,094	-	6,130,820	6,384,370	42,286,284
Restricted investments	103,252,716	8,225,546	524,317,137	-	635,795,399
<b>Total</b>	<b>\$ 358,613,423</b>	<b>\$ 280,677,620</b>	<b>\$ 530,447,957</b>	<b>\$ 6,663,631</b>	<b>\$ 1,176,402,631</b>

As a home rule city, the city is allowed by state statute to invest public funds as permitted by charter or ordinance of the city. The city, by resolution, has established an investment policy that does not include the pension funds. All non-pension Plan investments are governed by this policy except for bond proceeds, which are invested in accordance with state statute, terms of the bond indenture or to meet bond insurer requirements. In addition, the Public Deposit Protection Act (PDPA) requires that all deposits exceeding the amount insured by the FDIC be collateralized to 102% of the deposit. The city maintains all cash deposits in PDPA eligible financial institutions. The total bank balance of the city's cash deposits as of December 31, 2019 was \$5,597,475, of which \$250,000 is covered by FDIC insurance. The carrying value of deposits and cash on hand as of December 31, 2019 was \$9,137,768. The city will seek to maintain an investment portfolio which is diversified by maturity, type of security, corporate industry and, except for U.S. government obligations, by issuer. The objectives of the city's investment program, in order of their priority, are:

- *Safety* of principal is the primary objective of city investment activities and is the single most important factor in determining investment decisions.
- *Liquidity* - The investment portfolio will retain sufficient liquidity to meet all reasonably anticipated operating cash needs.
- *Financial Management Goals* - The timing and form of investment purchases and sales will be managed in a manner consistent with the city's financial management goals.
- *Yield* - After the objectives of safety, liquidity and financial management goals are met, the investment portfolio will be managed with the objective of attaining a market rate of return throughout interest rate cycles.

### Primary Government Investments

The city held the following investments at December 31, 2019:

<b>Investment</b>	<b>Pooled Investments</b>	<b>Non-pooled Investments</b>	<b>Total Primary Government</b>
PDPA Money Market Fund*	\$ 15,353	\$ -	\$ 15,353
LGIP Money Market Fund*	10,027,332	16,961,444	26,988,776
Govt Money Market Fund*	12,551,018	4,076,313	16,627,331
Certificate of Deposit	-	2,169,520	2,169,520
U.S. Treasury Notes	101,971,390	-	101,971,390
U.S. Agency Notes	148,786,660	-	148,786,660
Municipal Bonds	108,614,000	-	108,614,000
Corporate Notes	98,553,629	-	98,553,629
Foreign Corporate Notes - USD	125,624,750	-	125,624,750
<b>Total</b>	<b>\$ 606,144,132</b>	<b>\$ 23,207,277</b>	<b>\$ 629,351,409</b>

\*Money Market Funds are considered cash equivalents for financial statement presentation.

Reconciliation to the statement of net position:

Reconciliation to the statement of net position:	
Investments in governmental and business type activities	\$ 583,550,429
Cash and cash equivalents	
Money market funds	43,631,460
Pooled and other cash not included above	9,939,634
Certificates of deposit (investment for financial reporting purposes but not for risk evaluation)	2,169,520
<b>Total cash and cash equivalents and investments</b>	<b>\$ 639,291,043</b>
Total Governmental Type Activities	\$ 358,613,423
Total Business Type Activities	280,677,620
<b>Total</b>	<b>\$ 639,291,043</b>

### Primary Government Allowable Investments

*Local Government Investment Pools* – The city may utilize local government investment pools (LGIPs) which provide attractive yields, low credit risk, and a high degree of liquidity. The city is invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST or Trust) Prime Fund. COLOTRUST is a local government investment pool with a stable net asset value measured at fair value per share. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. The Trust may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities and certain obligations of U.S. government agencies. The Trust does not have any limitations or restrictions on participant withdrawals. The city may invest up to 10% of its portfolio in a LGIP to a maximum amount per the investment policy, not to exceed 50% of the portfolio when combined with money market funds.

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

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

*U.S. Treasury Notes* – Maturities may be no more than seven years.

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

*Corporate Notes* – Investments other than commercial paper, issued by domestic corporations, maximums:

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

*Municipal Bonds* – Investment maximums:

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

*Securities of a General Improvement District* – These securities may be purchased only upon recommendation by the Finance Director, approval by the City Manager and a resolution adopted by City Council that the investment is: 1) financially appropriate, including liquidity provisions; 2) consistent with the financial management goals of the city, including, but not limited to, managing variable rate risk; and 3) not made for the purpose of discharging such securities. On December 30, 2015, the city purchased \$9,000,000 of senior taxable special revenue bonds from the Colorado International Center Metropolitan District No. 4 (the District) in relation to the Gaylord Project. The bonds were used to construct infrastructure for access to the District, including the Gaylord. Development within the District allowed for property tax receipts which provided debt service for the bonds. The terms of the transaction required the District to issue new debt to pay off these bonds if net present value savings of any newly issued refunding debt of the District ever exceeded 3%. On April 18, 2019, this metric was met and District refinanced the outstanding bonds. The city received all outstanding principal and interest due on this investment in the amount of \$9,754,878.

*Domestic Corporate Bonds and Foreign Securities* – Domestic corporate bonds must be issued by a corporation or bank organized and operating within the United States. Foreign sovereign, foreign political subdivision and foreign corporate securities issued in foreign markets and under foreign law must be denominated in U.S. dollars. Specific nations whose debt may be purchased shall be approved by council resolution. Currently, the only approved foreign countries are Canada and Australia. Diversification requirements may not exceed the following; 15% of obligations issued in any one authorized foreign country, 30% investment in foreign securities, 30% invested in domestic corporate bonds, or 50% combination in both, foreign and domestic. Securities must be rated by at least two Nationally Recognized Statistical Ratings Organizations (NRSROs). Those with a rating of AA- or the equivalent may be purchased with a maximum maturity of 5 years and up to 10% may be purchased in securities rated A+ or the equivalent with a maximum maturity of 2 years. The aggregate investment in corporate obligations shall not exceed 50% of the portfolio.

#### **Fiduciary Funds Allowable Investments**

**GERP** – GERP contracts with investment managers to manage all of the Plan's investments. Each investment portfolio is managed in accordance with investment guidelines as stated in the Plan's investment policy adopted July 17, 2014. These guidelines are specific to two strategies (core and core plus) within the fixed income asset class.

The *core* portfolio will include the following:

- Debt instruments issued by the U.S. Government, its agencies and instrumentalities.
- Debt instruments that have been issued by domestic entities rated BBB- or Baa3 or above by Standard & Poor's rating service or Moody's Investors Service, respectively.
- Dollar denominated debt of comparable quality issued by non-domestic entities in the United States, including securities issued under U.S. Securities and Exchange Commission rule 144(A); and mortgage backed and asset backed securities of investment grade quality.
- For purposes of diversification, the exposure to any single issuer, other than securities issued by the U.S. Treasury or a Government Sponsored Enterprise, shall not exceed 5% of the fair value of the portfolio. Exposure to any single issue or mortgage pool issued by a Government Sponsored Enterprise shall not exceed 5% of the fair value of the portfolio.
- Securities that derive their returns from factors other than interest rates are not permitted in the fixed income portfolio. Examples of such securities are structured notes whose returns are tied to currencies or commodity prices.

The *core plus* portfolio will follow the above guidelines with the following exceptions:

- While the overall portfolio credit quality will be maintained at investment grade, up to 25 percent of the portfolio at market value may be invested in securities rated below investment grade. Split rated securities will be governed by the lower designation.
- Up to 20 percent of the portfolio at market value may be invested in securities issued by foreign issuers and denominated in foreign currencies.
- The manager has received authorization to use options, forwards and futures to hedge currency exposure.
- For investment in a commingled fund, the manager is authorized full discretion to use derivative instruments, consistent with fund prospectus.

**EOEP** – The plan contracts with investment managers to manage all of the plan’s investments. Assets are diversified and are intended to match, as closely as possible, the investment style, allocation and performance of GERP. Based on GERP’s long-term performance, its relatively conservative investment practices, and the cost effective nature of this practice, the EOEP trustee, the city’s Director of Finance, has determined that it is appropriate for EOEP to mirror GERP’s investment strategy and that GERP’s investment managers should be utilized to the extent practical.

### Investment Risk Review

Investments are subject to many different types of risk including, but not limited to, credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk. Credit risk is the risk of default on a debt that may arise from a borrower failing to make required payments. Concentration of credit risk is the risk of loss attributable to the magnitude of the city’s investment in a single issuer. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the city would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment or deposit. The city has no custodial credit or foreign currency risk except for the fiduciary fund investments, which have foreign currency risk. City policy gives guidance for investment activity to limit risks, as outlined in the following discussion.

### Primary Government Investment Risk

**Credit risk** – Credit ratings are a proxy for credit risk. Ratings on the primary government investments are as follows:

Moody's Rating	Money Market	Certificates of Deposit	U.S. Treasury Notes	U.S. Agency Notes	Municipal Bonds	Corporate Notes	Foreign Securities U.S. Dollars
Aaa	\$ -	\$ -	\$101,971,390	\$148,786,660	\$ 44,793,448	\$ 13,047,980	\$ -
Aa1	-	-	-	-	29,510,474	13,066,300	15,529,600
Aa2	-	-	-	-	21,064,584	29,409,610	61,994,293
Aa3	-	-	-	-	13,245,494	28,648,099	48,100,857
A1	-	-	-	-	-	14,381,640	-
A2	-	-	-	-	-	-	-
A3	-	-	-	-	-	-	-
P-1	-	-	-	-	-	-	-
Aaam	43,616,107	-	-	-	-	-	-
NR	15,353	2,169,520	-	-	-	-	-
<b>Total</b>	<b>\$ 43,631,460</b>	<b>\$ 2,169,520</b>	<b>\$101,971,390</b>	<b>\$148,786,660</b>	<b>\$108,614,000</b>	<b>\$ 98,553,629</b>	<b>\$125,624,750</b>

**Concentration of credit risk** – Concentration risk as defined by the Governmental Accounting Standards Board is any investment that represents 5% or more of the total investments to any one issuer. The city’s pooled fund investments are in compliance with city policy which limits unsecured investments with any single issuer other than the federal government to no more than 3% of its pooled investments at the time securities are purchased to the total portfolio, excluding bond proceeds.

**Interest rate risk** – As a means of limiting its exposure to interest rate risk, it is the city’s policy to invest in a manner that securities can normally be held to maturity, or close to maturity, and to limit the types and maturities of permitted securities. The city manages its exposure by limiting the weighted average maturities of the portfolio to less than 3 years, unless the investments are funded by specifically identified sources such as bond proceeds. Non-pooled investments are invested in accordance with state statute; terms of a bond indenture or to meet bond insurer requirements and may have a weighted average maturity exceeding 2 years.

Investment	Pooled Investments	Weighted Average Maturity (Years)	Non-pooled Investments	Weighted Average Maturity (Years)
PDPA Money Market Fund*	\$ 15,353	—	\$ -	—
LGIP Money Market Fund*	10,027,332	—	16,961,444	—
Govt Money Market Fund*	12,551,018	—	4,076,313	—
Certificate of Deposit	-	—	2,169,520	0.39
U.S. Treasury Notes	101,971,390	1.43	-	—
U.S. Agency Notes	148,786,660	2.26	-	—
Municipal Bonds	108,614,000	2.20	-	—
Corporate Notes	98,553,629	1.45	-	—
Foreign Corporate Notes - USD	125,624,750	1.68	-	—
<b>Total</b>	<b>\$ 606,144,132</b>		<b>\$ 23,207,277</b>	

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

### GERP Investment Risk

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

Moody's Rating	Asset or Mortgage Backed, Corporate and Municipal Bonds	Bond Fund
Aaa	\$ 12,687,148	\$ -
Aa1 to Aa3	8,274,207	-
A1 to A3	13,927,881	-
Baa1 to Baa3	17,414,084	-
NR	-	63,247,855
<b>Total</b>	<b>\$ 52,303,320</b>	<b>\$ 63,247,855</b>

**Concentration of credit risk** – For the fixed income investment manager, the Plan's investment policy states that for purposes of diversification, the exposure to any single issuer, other than securities guaranteed by the U.S. Treasury, may not exceed 5% of the market value of the portfolio. For the domestic equity investment manager, the Plan's investment policy states that the market value of any single security holding should be limited to a weight of 5% of the portfolio, or 150% of the security's weight in the benchmark, whichever is higher. There is no formal policy for concentration of credit risk for the international equity and real estate investment managers. At December 31, 2019, the Plan did not have investments in any one organization representing 5% or more of the Plan's assets other than the following indexed and commingled Funds:

Investment	Value	% of Investments
Blackrock Equity Index Fund A	\$ 93,369,315	17.9%
Western Asset U.S. Core Plus	63,247,855	12.1%
Dodge & Cox International Stock Fund	37,722,025	7.2%
American EuroPacific Growth	33,531,218	6.4%
<b>Total Greater than 5%</b>	<b>\$ 227,870,413</b>	<b>43.6%</b>

**Interest rate risk** – Interest rate risk exposure is dictated by each investment manager's agreement. Each portfolio is managed in accordance with investment guidelines as stated in the Plan's investment policy adopted on July 17, 2014. These guidelines are specific to two strategies (core and core plus) within the fixed income asset class.

- The *core* fixed income portfolio is to maintain duration within plus or minus 25 percent of the duration of the Barclays Capital Government Credit Index.
- The *core plus* portfolio is to maintain duration within plus or minus 25 percent of the duration of the Barclays Capital Aggregate Index.

Colorado Revised Statutes limit investment maturities to five years or less unless formally approved by the Board of Trustees. The Board of Trustees for the Plan has formally adopted an investment policy that allows investment maturities greater than five years.

The GERP had the following investments and maturities at December 31, 2019:

Investment	Fair Value	Investment Maturities (in years)				
		Undetermined	Less than 1	1-5	6-10	>10
Short Term Cash Investments*	\$ 5,867,748	\$ 5,867,748	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Bonds	9,846,589	-	-	520,410	3,268,779	6,057,400
Corporate Bonds	34,240,479	-	1,336,212	15,479,457	8,354,201	9,070,609
Municipal Bonds	5,850,979	-	-	-	135,966	5,715,013
Asset Backed Securities	2,162,914	-	-	2,122,432	-	40,482
Government Mortgage Backed	8,201,069	-	-	-	2,671,588	5,529,481
Collateralized Mortgage Obligation	1,847,880	-	-	1,054,428	402,850	390,602
Bond Fund	63,247,854	63,247,854	-	-	-	-
Equity Securities	220,340,568	220,340,568	-	-	-	-
Real Estate Funds	48,703,007	48,703,007	-	-	-	-
Alternative Investments	122,625,988	122,625,988	-	-	-	-
<b>Total</b>	<b>\$522,935,075</b>	<b>\$ 460,785,165</b>	<b>\$ 1,336,212</b>	<b>\$ 19,176,727</b>	<b>\$ 14,833,384</b>	<b>\$ 26,803,587</b>

\*Short Term Cash Investments are considered cash equivalents for financial statement presentation. Weighted average maturity is 36 days and the average quality rating of the underlying investments is A1+.

**Foreign currency risk** – The Plan’s foreign currency risk exposure resides within investments in international equity mutual funds and one private equity limited partnership. The Plan has no formal policy regarding foreign currency risk. The Plan has delegated responsibility for currency management to its international equity managers. The Plan’s exposure to foreign currency risk as of December 31, 2019 is disclosed by investment type below:

	Fund Valued In	Current Exposure	Value
International equity mutual funds	U.S. dollars	Various currencies worldwide	\$ 88,606,329
Short-term cash investments	Euros	Euros	94,668
HarbourVest International Private Equity Partners VI	Euros	Euros, U.S. dollar, British pound, Swiss franc, Swedish krona, Japanese yen, Australian dollar	4,310,740
			<u>\$ 93,011,737</u>

#### EOEP Investment Risk

**Credit risk** – Exposure is dictated by each manager’s agreement with the Plan or in the fund’s prospectus. The plan invests in Government and Corporate Bond Funds. Although the bond funds themselves are not rated, over 70% of all the underlying assets are rated A or A1 or above.

**Concentration of credit risk** – The Plan does not have a formal policy regarding the concentration of credit risk. At December 31, 2019, the Plan did not have investments in any one organization representing 5% or more of the Plan’s total investments in one issuer other than the following indexed and commingled funds:

Investment	Value	% of Investments
iShares Core S&P 500 ETF	\$ 1,947,521	26.5%
Western Asset Core Plus Bond Fund	1,056,682	14.4%
Segall Bryant & Hamill Plus Bond Fund	1,048,818	14.3%
Heitman America Real Estate Trust	595,260	8.1%
iShares Core S&P Small Cap ETF	549,217	7.5%
Dodge & Cox International Stock Fund	534,923	7.3%
American Funds EuroPacific Growth	488,339	6.6%
Cohen & Steers Global Listed Infrastr	471,906	6.4%
<b>Total Greater than 5%</b>	<b>\$ 6,692,666</b>	<b>91.1%</b>

**Interest rate risk** – Colorado Revised Statutes limit investment maturities to five years or less unless formally approved by the trustee(s). The EOEP trustee has determined that it is appropriate for the Plan to follow the investment guidelines developed by GERP. Those guidelines allow investment maturities greater than five years.

Investments	Fair Value	Average Maturity (Years)
Money Market Funds*	\$ 97,692	0.11
Corporate Bond Funds	2,105,501	11.04
Equity Securities	3,847,659	—
Real Estate Funds	824,744	—
Alternative Investments	471,906	—
<b>Total</b>	<b>\$ 7,347,502</b>	

\*Money Market Funds are considered cash equivalents for financial statement presentation.

### Investment Valuation - Fair Value Recurring Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. Level 3 prices utilize significant unobservable inputs, such as option-adjusted discounted cash flow valuation models.

As a practical expedient, a government can use the Net Asset Value (NAV) per share for investments in a nongovernmental entity that does not have a readily determinable fair value. The NAV is not permitted for valuation if it is probable the government will sell the investment at a different price. Investments measured at NAV would be excluded from the fair value hierarchy (Level 1, 2 or 3). The valuation method for investments, including those measured at the NAV per share (or its equivalent), is presented below.

### Primary Government Fair Value Reporting

**Fair value pricing** – The city's pooled, non-restricted investments are held with the custodian bank, Wells Fargo Institutional Retirement Trust (WIRT). Pricing at WIRT is provided by Interactive Data Pricing and Reference Data, Inc. (IDC). IDC uses market closing price when available. However, evaluators may use additional standard inputs which may influence pricing. The city's interest rate swap agreement fair value is estimated using forward-looking interest rate curves and discounted cash flows that are observable or can be corroborated by observable market data and, therefore, are classified within Level 2 of the valuation hierarchy. The redeemed CIC District #4 Revenue Bonds were analyzed by an independent valuation provider to determine the fair value of this investment using Level 3 inputs. In addition, the city has investments in COLOTRUST of \$26,998,776 at December 31, 2019. COLOTRUST does not have a readily determinable fair value and thus is measured at net asset value per share, which is designed to approximate fair value. Lastly, the city's holdings in non-negotiable certificates of deposit, \$2,169,520, and Money Market Funds, \$16,642,684, are exempt from fair value reporting.

*Current year fair value measurement* – The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2019:

Investments and other assets by fair value level	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury Notes	\$ 101,971,390	\$ -	\$ 101,971,390	\$ -
U.S. Agency Notes	148,786,660	148,786,660	-	-
Municipal Bonds	108,614,000	-	108,614,000	-
Corporate Notes	98,553,629	-	98,553,629	-
Foreign Corporate Notes - USD	125,624,750	-	125,624,750	-
AURA Loan Interest Rate Cap	1,237	-	1,237	-
<b>Total investments and other assets by fair value level</b>	<b>\$ 583,551,666</b>	<b>\$ 148,786,660</b>	<b>\$ 434,765,006</b>	<b>\$ -</b>
Investment measured at net asset value (NAV)	43,631,460			
<b>Total investments and other assets measured at fair value</b>	<b>\$ 627,183,126</b>			

### Fiduciary Funds Fair Value Reporting

*Fair value pricing* – The plan's securities are in the custody of and controlled by Northern Trust Corporation, the master custodian. Short-term investments are carried at cost, which approximates fair value. Securities and funds traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate funds not actively traded on national or international exchanges are valued based upon appraisals of the real estate underlying the investment. Additionally, for alternative investments where no readily ascertainable fair value exists, the general partner of the partnerships, in consultation with investment advisors, determines the fair value.

*GERP current year fair value measurement* – The following table presents the fair value measurements of GERP investments at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2019:

Investments by fair value level	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Short Term Cash Investments	\$ 5,867,748	\$ 5,867,748	\$ -	\$ -
Asset Backed Securities	2,162,914	-	2,162,914	-
Equity Securities	220,340,568	109,618,167	110,722,401	-
Corporate Bonds	36,088,359	-	36,088,359	-
Bond Fund	63,247,854	-	63,247,854	-
U.S. Treasury Bonds	9,846,589	9,846,589	-	-
Government Mortgage Backed	8,201,069	-	8,201,069	-
Municipal Bonds	5,850,979	-	5,850,979	-
Real Estate Funds	11,523,930	-	11,523,930	-
Global Listed Infrastructure	21,309,615	-	21,309,615	-
<b>Total investments by fair value level</b>	<b>\$ 384,439,625</b>	<b>\$ 125,332,504</b>	<b>\$ 259,107,121</b>	<b>\$ -</b>
Investments measured at net asset value (NAV)	138,495,450			
<b>Total investments measured at fair value</b>	<b>\$ 522,935,075</b>			

*GERP investments at NAV* – The valuation method for GERP investments measured at the net asset value (NAV) per share (or its equivalent) and any unfunded commitments is presented below:

Investments Reported at NAV	Value	Unfunded Commitments
Abbott Capital PE Fund V	\$ 2,478,418	\$ 10,000
Abbott Capital PE Fund VI	6,179,838	100,000
Abbott Capital PE Fund VII	22,644,898	600,000
Abbott Capital Private Equity Investors 2016 Lp	3,085,628	2,074,374
CF Heitman America Real Estate Trust Lp Fund	21,409,069	-
CF Morgan Stanley Prime Property Fund	15,770,009	-
Harbourvest Intl Pep VI Pshp Fund	4,310,740	224,300
Harbourvest Partners IX Credit Opportunities Fund	2,309,202	250,000
Harbourvest Partners IX Buyout Fund	627,534	517,500
Harbourvest Partners IX Venture Fund	2,353,785	100,000
Harbourvest Partners VIII Buyout Fund	995,789	180,000
Harbourvest Partners VIII Mezzanine & Distressed Debt	236,665	80,000
Harbourvest Partners VIII Venture Fund	2,005,164	80,000
Harbourvest Partners X Buyout Fund, Lp	3,013,531	4,095,000
Harbourvest Partners X Venture Fund, Lp	2,649,139	1,132,500
Harbourvest Ptrs VII Buyout Pship	126,140	220,000
Harbourvest Ptrs VII Mezzanine Hldg Fund	37,279	120,000
Harbourvest Ptrs VII Vent Pshp Fund	627,204	70,000
Harbourvest Ptrs XI Buyout Pship	204,519	2,820,000
Harbourvest Ptrs XI Micro Buyout Fund	11,132	490,000
Harbourvest Ptrs XI Vent Pshp Fund	108,905	1,395,000
Harvest Mlp Income Fund	-	-
HIPEP VII Partnership Fund Lp	17,550,005	5,650,000
Molpus Woodlands Fund III	12,714,826	-
Molpus Woodlands Fund IV, Lp	12,819,251	1,410,000
Molpus Woodlands Fund V, Lp	4,226,780	800,000
<b>Total Investments at NAV</b>	<b>\$ 138,495,450</b>	<b>\$ 22,418,674</b>

**EOEP current year fair value measurement** – The following table presents the fair value measurements of EOEP investments at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2019:

Investments by Fair Value Level	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Short Term Cash Investments	\$ 97,692	\$ 97,692	\$ -	\$ -
Equity Funds	3,847,659	3,520,000	327,659	-
Corporate Bond Funds	2,105,501	2,105,501	-	-
Alternative Investments	471,906	-	471,906	-
Real Estate Funds	824,744	-	229,484	595,260
<b>Total investments measured at fair value and by fair value level</b>	<b>\$ 7,347,502</b>	<b>\$ 5,723,193</b>	<b>\$ 1,029,049</b>	<b>\$ 595,260</b>

### 3. RECEIVABLES

#### A. Taxes

##### 1. Property Tax

Property tax is levied on December 15 and attaches as a lien on property the following January 1. The tax is payable in full by April 30 or in two equal installments due February 28 and June 15. Each county bills and collects property tax for all taxing entities within the county. Property tax collected by Arapahoe, Adams and Douglas counties for the city are remitted in the subsequent month. Property tax is reported as a receivable and as deferred

inflow of resources when levied in both the funds and for citywide reporting. Revenue is recognized when collected in the following year. Collection begins on January 1 of the year following the levy. Total property tax receivable in the General Fund at December 31, 2019 is \$45,859,055. Based upon experience, approximately one percent of outstanding receivables is recorded as an allowance and is deducted from the deferred inflow of resources and the receivable for reporting purposes. The allowance at December 31, 2019 is \$458,591.

Restricted property tax receivables recorded in the General Improvement Districts (GIDs) represent tax levies collected to specifically repay general obligation bonds and interest. Restricted property tax receivables recorded in the Aurora Urban Renewal Authority (AURA) Debt Service Fund represent tax levies collected pursuant to C.R.S. 31-25 and must be spent on urban renewal within the tax increment district. Total restricted property tax receivables net of allowance at December 31, 2019, for the GIDs, AURA General and AURA Debt Service are \$593,528, \$37,551,200 and \$1,836,500, respectively.

## **2. Sales, Use and Lodgers Taxes**

Sales, use and lodgers taxes are recognized as revenue when earned. Sales tax collected and use tax incurred are due to the city by the 20th day of the following month. Total General Fund sales, use and lodgers tax receivable at December 31, 2019 is \$29,412,084. Total sales and excise tax receivable in the Marijuana Tax Revenue Fund is \$953,791.

## **3. Franchise Taxes**

Franchise taxes such as telephone, cable television, gas and electric, due to the city but not received at year-end, are recorded as receivables. Total franchise tax receivable in the General Fund at December 31, 2019 is \$2,508,682.

## **4. Tax Audits**

Amounts calculated as owed during sales and use tax compliance audits are recorded as receivables and deferred inflow of resources in the General Fund. Tax audit revenue is recognized in subsequent periods when payment is received. For citywide reporting, revenue is recognized when earned. Total sales and use tax audits receivable at December 31, 2019 is \$367,634.

## **B. Accounts**

### **1. City Services**

Amounts billed for court fines, weed cutting, trash removal, demolition, tree trimming and removal, vacant property fees, liens for uncollected city service receivables, overtime inspection fees, recreation registrations and reimbursement for property damages are recorded as receivables and the revenue is recognized when services have been performed. Total accounts receivable for city services at December 31, 2019 is \$2,068,173 for governmental activities and \$1,907,901 for business-type activities.

Restricted accounts receivable primarily represent amounts collected by the county, state or other governments for specific grant-related expenses incurred by the city.

### **2. Utility Billings**

Utility charges, which include water and wastewater usage and storm drainage fees, are billed monthly and are due and payable within 25 days from the billing date. Total billed utility charges at December 31, 2019 are \$10,234,404. Earned but unbilled utility charges at December 31, 2019 is \$6,416,180. Billed and unbilled charges are recorded as revenue when earned. Estimates of uncollectible utility charges, based upon a percentage of aged outstanding receivables, are established in allowance accounts which are deducted from utility receivables for reporting purposes. Total allowance at December 31, 2019 is \$14,807.

## **C. Interest**

Interest receivable includes interest earned but not received on investments and notes receivable.

## **D. Due from Other Governments**

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

**E. Other**

Other receivables include E-911 surcharges, Public, Educational, and Governmental (PEG) access fees, special improvement district assessments, conference center working capital advances, and special district deposits for drainage and flood control improvements.

**F. Notes**

Notes receivable are supported by contracts, which outline the repayment of borrowed funds.

**1. Economic Development**

The city has a participation interest in revolving loans made to various commercial and industrial enterprises. These loans are incentives for the relocation or expansion of these enterprises within the boundaries of the city. There are a total of three loans: two Brownfields loans and one economic development loans. Brownfields loans, with total portfolio balance outstanding of \$999,955, have a 2% interest rate and are interest only for a four-year term with principal and interest due on the outstanding principal for the next six years and the remaining balance due at that point. The maturity dates are 2026 and 2030. Brownfields loans are expected to be collected and are therefore reflected in the city's financial statements. The economic development loan is not expected to be collected and therefore is not reflected in the city's financial statements.

**2. Community Services**

To assist in the redevelopment of low-income areas, the city makes loans from federal funds to assist in the renovation of housing and businesses. There are a total of 758 loans with various maturity dates and interest rates. The balance as of December 31, 2019 is \$17,404,797. The amount expected to be collected, \$8,692,844, represents the net present value of payments for the prior 7 years and is reflected in the city's financial statements. The remaining balance of \$8,711,953 is an allowance.

**G. Component Units - Havana BID and Parkside BID**

Property owners within the boundaries of the Havana Business Improvement District (BID) have been assessed \$439,485 in property taxes for 2019 to be collected in 2020 while property owners within the boundaries of the Parkside City Centre Business Improvement District (BID) have been assessed \$15,405.

**4. RESTRICTED, COMMITTED, ASSIGNED AND UNASSIGNED FUND BALANCES AND RESTRICTED NET POSITION****Order of Spending**

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

**Restricted for Culture, Recreation, and Open Space**

*City Capital Projects Fund*: \$2,426,192 from a capital impact fee for open space development. *Conservation Trust Fund*: \$6,082,124 lottery proceeds share back to be used for park and open space development. *Parks Development Fund*: \$14,741,579 developer contributions required to be used for the creation of city parks. *Open Space Fund*: \$15,012,039 share back of sales and use tax the citizens in Arapahoe and Adams counties approved for parks and open space construction and maintenance in their respective counties. *Cultural Services Fund*: \$90,920 for the SCFD grant. *ACLC Capital Projects*: \$3,930,443 unspent capital lease and debt proceeds for the Moorhead Recreation Center renovation are restricted at the fund level but are included in net investment in capital assets at citywide.

**Restricted for Debt Related**

Amounts held for debt service payments and required reserves include, *General Fund*: \$2,210,449 for a debt service reserve, including interest, for which the city has pledged a moral obligation relating to an AURA revenue note, *SID Debt Service Fund*: \$30,074, *AURA Debt Service Fund*: \$1,519,704, and *ACLC Debt Service Fund*: \$139,862. Debt related restrictions are at the fund level only and are not restricted at citywide.

**Restricted for Development**

Amounts restricted for employee development per retirement plan agreements in the *General Fund* are \$98,971. Amounts restricted for future development projects in urban renewal areas per Colorado Revised Statutes include *AURA General Fund* for \$25,018,261.

**Restricted for Gifts and Grants**

*City Capital Projects Fund*: \$1,012,549 for capital improvement program grants. *Gifts and Grants Fund*: \$1,884,772 of which \$151,529 is for home inventory purchased under the neighborhood stabilization program (NSP). An additional \$9,692,799 is restricted at citywide for loans from federal funds to assist in the renovation of housing and businesses (\$8,692,844) and Brownfields loans (\$999,955) that are reported at the fund level as deferred inflow of resources and not as restricted. *Community Development Fund*: \$1,680,158 for earned program income on community development loans.

**Restricted for Public Improvement**

*General Fund*: \$208,561 restricted for fence maintenance and repair per voter approval. *City Capital Projects Fund*: \$6,792,149 from capital impact fees for transportation development, \$218,344 from Aurora Regional Improvement, \$862,187 from Adams County road and bridge and \$1,206,860 as settlement of a judgment against another jurisdiction for noise violations at Denver International Airport to be used to acquire land and make improvements in the airport vicinity in an effort to mitigate noise in the surrounding communities. *Wastewater Fund*: \$5,264,868 is held in trust by the Urban Drainage and Flood Control District to fund construction of storm drain infrastructure in the city. *Peoria Park Fence GID*: \$81,231, *Meadow Hills Fence GID*: \$78,854, and *Cherry Creek Fence GID*: \$87,817 required by agreement for the purpose of maintaining neighborhood masonry fences. *Aurora Conference Center GID*: \$596,181 required by agreement for the purpose of funding public improvements and off-site infrastructure. *Cobblewood Street GID*: \$68,113 required by agreement for the purpose of funding street improvements. *Pier Point 7 Sewer GID*: \$149,291 required by agreement for the purpose of maintaining sewer line improvements. *ACLCL Capital Projects Fund*: \$17,755,231 unspent note proceeds restricted for purchase of public works equipment at the fund level but are included in net investment in capital assets at citywide.

**Restricted for Emergencies**

*General Fund*: \$2,146,979 for the TABOR State constitutional amendment 3% emergency reserve to be used in rare circumstances resulting from major nonrecurring and not predictable emergencies. Examples of a major emergency may include a tornado requiring extensive additional city operational or capital costs, or a protracted health, civilian or military crisis requiring extensive operational or capital costs. The funds are not to be used to adjust for revenue variances due to the normal variance in the economy. The TABOR reserve amount is adjusted annually in accordance with State constitutional requirements. *City Capital Projects Fund*: \$1,487,224 from capital impact fees for public safety infrastructure. *Gifts and Grants Fund*: \$719,918 of seizure funds from state and federal courts forfeiture actions is used to support activities of the Aurora Police Department. *E-911 Fund*: \$9,350,094 received from a phone surcharge is required by State law to fund E-911 infrastructure development, operations and maintenance. *ACLCL Capital Projects Fund*: \$7,352,098 for unspent debt proceeds related to fire stations and police district headquarters.

**Restricted for Pension Benefits**

The net pension asset of \$3,439,147 is restricted at citywide. It is not restricted in the funds as it does not represent a current financial resource.

**Committed to Culture, Recreation and Open Space**

*General Fund*: per city code \$3,215,900 from fee revenues is committed for the community trees program to fund tree planting in the city. Per city code \$60,455 is committed for various visitor promotion programs. Per city code, \$612,825 is committed for public, educational and governmental television programming. *Cultural Services Fund*: per city code \$1,888,263 generated from the capital project budget is committed to fund the Art in Public Places program.

**Committed to Capital Improvement**

*Capital City Projects Fund*: per section 3.04 of the Dam East Fence SID note ordinance, \$33,579 is committed for debt service reserve.

**Committed to Development**

*Development Review Fund*: by city resolution \$13,019,238 is committed for the Enhanced Development Review program. *Parking and Mobility Fund*: by City Ordinance, \$499 is committed for operating, management and maintenance of the City's Parking and Mobility Program.

**Committed to Emergencies**

*General Fund:* \$1,655,476, per city code court surcharges are committed to fund the DARE, teen court, victim witness and youth programs; traffic fines are committed to fund the photo red light program.

**Committed to Reserves**

*General Fund:* \$30,087,656, financial policies and guidelines adopted by City Council through resolution commit the 10% Policy Reserve. This reserve is to be used only in extremely rare circumstances resulting from major emergencies that are not recurring by nature and, in general, are not predictable. Examples of a major emergency may include a tornado requiring extensive additional city operational or capital costs, or a protracted health, civilian or military crisis requiring extensive operational or capital costs. The funds are not intended to be used to adjust for revenue variances due to the normal variance in the economy. The 10% Policy Reserve is adjusted annually to an amount no less than 10% of adjusted budgetary operating expenditures of the General Fund.

**Assigned to Capital Improvement**

*City Capital Projects Fund:* \$87,535,392 of residual equity is assigned to fund city capital improvements and virtually all has been appropriated to specific projects.

**Assigned to Culture, Recreation and Open Space**

*Recreation Fund:* \$1,922,266 residual fund balance is assigned to Culture and Recreation through the budget process. *Cultural Services:* \$42,047 residual fund balance is assigned to Culture and Recreation through the budget process.

**Assigned to Debt Service**

*ACL Debt Service Fund:* \$1,374,441 is assigned through the budget process to fund future debt payments.

**Assigned to Development**

*General Fund:* \$3,991,537 is assigned to fund economic development; \$2,889,000 is assigned to development at Regatta Plaza. *Marijuana Tax Revenue Fund:* by City Ordinance, \$4,949,358 is assigned through sales tax and excise tax on marijuana for public purposes as determined appropriate and authorized by City Council.

**Assigned to Encumbrance**

*General Fund:* \$5,510,262 is assigned to pay commitments on open purchase orders.

**Assigned to Long-term Liabilities**

*General Fund:* \$30,365,874 is assigned by management, with Council review, to pay long-term liabilities.

**Unassigned Fund Balance Operating Reserve (minimum fund balance policy)**

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

**5. JOINT VENTURE**

The Aurora – Colorado Springs Joint Water Authority (ACSJWA) was formed between the city of Aurora and the city of Colorado Springs. ACSJWA is reported in the Water Fund using the equity interest method. ACSJWA charges both cities transmission service fees to pay expenses incurred in the operation and maintenance of the project. The investment on January 1, 2019 was \$2,313,206, plus the city's share of the change in net position of (\$21,879) results in an ending investment on December 31, 2019 of \$2,291,327.

**6. OTHER ASSET - INTEREST RATE CAP**

As of December 31, 2019, the AURA has one derivative instrument outstanding, an interest rate cap purchased in connection with the loan payable from the AURA to NBH Capital Finance for the purpose of financing a public conference center and parking facility. Parties to the derivative agreement are AURA (fixed note payer) and Royal Bank of Canada (floating rate payer or counterparty). The interest rate on the bank note was fixed until November

30, 2017 at which time the rate became variable. On December 1, 2019, the interest rate was set at 3.0465%. This interest rate will remain fixed for one year and will be reset on December 1, 2020. The interest rate cap is a cash flow hedge derivative. The objective of the rate cap is to protect against possible substantial future increases in interest rates which could adversely affect the coverage afforded by pledged revenues for the loan debt service requirements and limit projected revenue available for expenditure on public purposes.

Below is a summary of the terms of the interest rate cap:

<b>Notional Amount</b>	<b>Settlement Date</b>	<b>Effective Date</b>	<b>Maturity Date</b>	<b>Terms</b>	<b>Fair Value</b>	<b>Change in Fair Value</b>
\$25,000,000	9.1.2015	12.1.2017	12.1.2024	70% of sum of 1-year USD-LIBOR-BBA plus 2.40% exceeding strike rate	\$1,237	(\$19,508)

The interest rate cap satisfies the criteria for effectiveness using the dollar offset method. The interest rate cap has a positive fair value at December 31, 2019, and it is recorded as other asset in the governmental activities column on the Citywide statement of net position. The changes in fair value are recorded as a deferred inflow of resources on the Citywide statement of net position. As exchange-traded instruments that have a directly quotable price are not available for over-the-counter derivatives identical to this transaction, the interest rate cap is required to be valued using Level 2 inputs. A pricing service measured the fair value of the interest rate cap using internally developed models that used readily observable market parameters that are actively quoted and can be validated using external sources as their inputs.

Under the terms of the cap agreement, the cap provider will make floating payments to AURA on any floating rate payment dates when 70% of the sum of USD-LIBOR-BBA with a designated maturity of 12 months plus 2.40% exceeds the predetermined strike rates. In exchange for receiving any floating amount payments from the cap provider, the AURA made a one-time fixed payment to the cap provider in an amount of \$195,000 on the trade date September 1, 2015. The AURA has policies in place to evaluate the credit worthiness of a swap counterparty to determine if the counterparty should be required to post collateral for the occurrence of certain events or provide certain credit enhancements prior to executing the agreement. The AURA, in consultation with its Qualified Independent Representative, determined this agreement does not require additional collateral be posted by the counterparty in the event AURA becomes exposed to credit risk. All transactions are in U.S. dollars.

*Hedging Derivative Net Cash Flow* - As interest rates have remained relatively low and there is no indication of significant interest rate increase, management believes the effect on cash flows related to the interest rate cap are de minimis based on rates as of December 31, 2019.

**Risks:**

*Credit Risk.* The fair value represents the AURA's credit exposure to the counterparty as of December 31, 2019. Should the counterparty to this transaction fail to perform according to the terms of the cap agreement, the AURA has a maximum possible loss equivalent to the cap's fair value at that date. The credit ratings of the counterparty are: Moody's Aa2; Standard & Poor's AA-; Fitch AA.

*Interest Rate Risk.* The interest rate is capped at predetermined strike rates.

*Basis Risk.* Basis risk arises from the mismatch between the rate received under the cap and the rate paid on the loan. In this transaction the cap payment calculation is matched with the interest calculation of variable rate on the loan. There is no basis risk.

*Termination Risk.* The AURA or its counterparties may terminate the derivative if the other party fails to perform under the terms of the agreement. Additionally, AURA has the option to terminate the cap agreement at any time, at the then-current market value of the cap agreement. The cap provider shall not have the right to optionally terminate the cap agreement.

*Rollover Risk.* The AURA is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the debt. When the rate cap terminates, the AURA will be re-exposed to the risks being hedged by the cap.

**7. CAPITAL ASSETS**

*Governmental Activities* - Capital asset activity for the year ended December 31, 2019, is shown below.

	January 1	Additions	Disposals	Transfers	December 31
<b>Capital assets not depreciated</b>					
Land	\$ 331,527,738	\$ 29,582,114	\$ -	\$ -	\$ 361,109,852
Construction in progress	65,415,910	69,065,160	(200,000)	(72,887,534)	61,393,536
<b>Total capital assets not depreciated</b>	<b>396,943,648</b>	<b>98,647,274</b>	<b>(200,000)</b>	<b>(72,887,534)</b>	<b>422,503,388</b>
<b>Capital assets being depreciated</b>					
Buildings and improvements	286,174,886	86,013	-	48,650,527	334,911,426
Infrastructure	3,033,858,901	147,713,455	(13,148,823)	24,171,007	3,192,594,540
Machinery and equipment	109,352,314	11,275,948	(3,053,795)	76,230	117,650,697
<b>Total capital assets being depreciated</b>	<b>3,429,386,101</b>	<b>159,075,416</b>	<b>(16,202,618)</b>	<b>72,897,764</b>	<b>3,645,156,663</b>
<b>Less accumulated depreciation</b>					
Buildings and improvements	(98,764,812)	(7,551,929)	-	-	(106,316,741)
Infrastructure	(682,856,850)	(45,798,317)	13,138,812	-	(715,516,355)
Machinery and equipment	(62,163,096)	(8,001,651)	2,938,051	(8,781)	(67,235,477)
<b>Total accumulated depreciation</b>	<b>(843,784,758)</b>	<b>(61,351,897)</b>	<b>16,076,863</b>	<b>(8,781)</b>	<b>(889,068,573)</b>
<b>Total capital assets being depreciated, net</b>	<b>2,585,601,343</b>	<b>97,723,519</b>	<b>(125,755)</b>	<b>72,888,983</b>	<b>2,756,088,090</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 2,982,544,991</b>	<b>\$ 196,370,793</b>	<b>\$ (325,755)</b>	<b>\$ 1,449</b>	<b>\$ 3,178,591,478</b>

Depreciation expense that was charged to governmental activities' functions is shown below. Unallocated depreciation represents depreciation on multi-use city office buildings such as the Aurora Municipal Center. Depreciation of all other facilities is included in the function that uses the facility.

General Government	\$ 1,573,463
Judicial	100,377
Police	1,690,956
Fire	2,097,066
Other public safety	2,461,477
Public works	45,274,155
Economic development	846,523
Community services	414,718
Culture and recreation	4,993,336
Unallocated	1,899,826
<b>Depreciation expense governmental activities</b>	<b>\$ 61,351,897</b>

*Business-type Activities* - Capital asset activity for the year ended December 31, 2019, is shown below.

	January 1	Additions	Disposals	Transfers	December 31
<b>Capital assets not depreciated</b>					
Land and water rights	\$ 465,914,586	\$ 14,023,404	\$ -	\$ -	\$ 479,937,990
Construction in progress	120,341,144	85,566,224	-	(47,102,193)	158,805,175
<b>Total capital assets not depreciated</b>	<b>586,255,730</b>	<b>99,589,628</b>	<b>-</b>	<b>(47,102,193)</b>	<b>638,743,165</b>
<b>Capital assets being depreciated</b>					
Buildings and improvements	536,037,124	-	-	22,182,511	558,219,635
Infrastructure	1,574,871,790	46,501,891	-	24,919,682	1,646,293,363
Machinery and equipment	112,243,500	2,861,890	(886,020)	(10,230)	114,209,140
<b>Total capital assets being depreciated</b>	<b>2,223,152,414</b>	<b>49,363,781</b>	<b>(886,020)</b>	<b>47,091,963</b>	<b>2,318,722,138</b>
<b>Less accumulated depreciation</b>					
Buildings and improvements	(127,835,191)	(12,826,253)	-	-	(140,661,444)
Infrastructure	(342,986,347)	(26,194,657)	-	-	(369,181,004)
Machinery and equipment	(62,736,845)	(7,208,861)	881,956	8,781	(69,054,969)
<b>Total accumulated depreciation</b>	<b>(533,558,383)</b>	<b>(46,229,771)</b>	<b>881,956</b>	<b>8,781</b>	<b>(578,897,417)</b>
<b>Total capital assets being depreciated, net</b>	<b>1,689,594,031</b>	<b>3,134,010</b>	<b>(4,064)</b>	<b>47,100,744</b>	<b>1,739,824,721</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 2,275,849,761</b>	<b>\$ 102,723,638</b>	<b>\$ (4,064)</b>	<b>\$ (1,449)</b>	<b>\$ 2,378,567,886</b>

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

Water	\$ 32,221,914
Wastewater	13,268,985
Golf	738,872
Depreciation expense business-type activities	<u>\$ 46,229,771</u>

*Component Units* - Capital asset activity for the year ended December 31, 2019, is shown below:

	January 1	Additions	Disposals	Transfers	December 31
<b>Capital assets not depreciated</b>					
Construction in progress	\$ -	\$ 6,416,855	\$ -	\$ -	\$ 6,416,855
<b>Total capital assets not depreciated</b>	<b>-</b>	<b>6,416,855</b>	<b>-</b>	<b>-</b>	<b>6,416,855</b>
<b>Capital assets being depreciated</b>					
Infrastructure	90,910	-	-	-	90,910
Machinery and equipment	97,671	-	-	-	97,671
<b>Total capital assets being depreciated</b>	<b>188,581</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>188,581</b>
<b>Less accumulated depreciation</b>					
Infrastructure	(81,274)	(2,211)	-	-	(83,485)
Machinery and equipment	(59,757)	(6,365)	-	-	(66,122)
<b>Total accumulated depreciation</b>	<b>(141,031)</b>	<b>(8,576)</b>	<b>-</b>	<b>-</b>	<b>(149,607)</b>
<b>Total capital assets being depreciated, net</b>	<b>47,550</b>	<b>(8,576)</b>	<b>-</b>	<b>-</b>	<b>38,974</b>
<b>Component units activities capital assets, net</b>	<b>\$ 47,550</b>	<b>\$ 6,408,279</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,455,829</b>

**8. NONCURRENT LIABILITIES****A. General Obligation Bonds**

The city has issued governmental general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds pledge the full faith and credit of the city. The General Improvement Districts pledge the full faith and credit of the properties within the district.

*Governmental Activities* - The General Improvement Districts have five outstanding issuances of general obligation bonds. Amounts originally issued and amounts outstanding at December 31, 2019, respectively, were: 2009 Cherry Creek Fence \$700,000 and \$435,000; 2010 Meadow Hills Fence \$520,000 and \$340,000; 2010 Peoria Park Fence \$375,000 and \$263,000; 2011 Pier Point Sewer \$2,600,000 and \$1,820,000; and 2017 Cobblewood Street Improvement \$650,000 and \$327,000.

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

Year Ending December 31	<u>Governmental Activities</u>		
	Principal	Interest	Total
2020	\$ 212,000	\$ 144,546	\$ 356,546
2021	223,000	134,896	357,896
2022	235,000	124,722	359,722
2023	242,000	113,980	355,980
2024	248,000	102,933	350,933
2025-2029	1,442,000	332,437	1,774,437
2030-2032	583,000	40,155	623,155
<b>Total</b>	<b>\$ 3,185,000</b>	<b>\$ 993,669</b>	<b>\$ 4,178,669</b>

**B. Revenue Bonds**

*Business-type Activities* – Water Fund has one outstanding issuance of revenue bonds. Amounts originally issued and amounts outstanding at December 31, 2019, respectively, were: 2016 First Lien Water Refunding \$437,025,000 and \$392,025,000. In September 2019, Aurora Water exercised the first available period of optional redemption of the Series 2016 Step Coupon Term Bonds due August 1, 2046 at \$45 million principal amount. The bonds were redeemed with cash resulting in a significant economic gain (net present value savings) of \$11,848,074 or 26.3% savings for Aurora ratepayers and a \$6,502,663 gain on early extinguishment of debt.

Wastewater Fund has two outstanding issuance of revenue bonds. Amounts originally issued and amounts outstanding at December 31, 2019, respectively, were: 2016 First Lien Sewer Refunding \$28,900,000 and \$20,615,000; and 2018 First Lien Sewer Improvement \$5,000,000 and \$5,000,000 with an authorized amount of \$30,000,000. Proceeds from the 2018 revenue bonds provided financing for the Fitzsimons – Peoria Stormwater Outfall project that will allow for improvements and modernization of the current in-place water drainage system and also in support of the projected development activities in the area. The project will have increased water runoff in excess of the area's current drainage system capacity. At the closing of the financial transaction, the funds for the \$2,000,000 tranche were received as a fixed rate obligation with an interest rate of 3.04% payable semi-annually through August 2030. Also, as part of the transaction, an additional \$28,000,000 was committed and will be made available to be drawn upon for the duration of the project which is expected to last through 2021. Likewise, the city has the right but not the obligation to draw from this line of credit. To maintain the availability of the line of credit, the city is charged a cost of 12 basis points payable in arrears quarterly. If drawn upon, the interest rate for the drawn portion will be calculated on a monthly variable interest rate with the city having a right each August through 2021 to fix the term of any drawn amount variable portion to a fixed interest rate obligation. The city has drawn from this line of credit in 2019 and anticipates drawing potentially through 2021.

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

Year Ending December 31	<b>Business-Type Activities</b>		
	1.50-5.00%		
	Principal	Interest	Total
2020	\$ 5,160,000	\$ 18,481,841	\$ 23,641,841
2021	7,884,140	18,399,393	26,283,533
2022	10,639,434	18,106,820	28,746,254
2023	13,539,889	17,677,962	31,217,851
2024	14,110,509	17,106,073	31,216,582
2025-2029	68,498,020	76,498,900	144,996,920
2030-2034	78,523,008	59,518,412	138,041,420
2035-2039	94,360,000	39,515,100	133,875,100
2040-2044	90,375,000	18,393,350	108,768,350
2045-2046	34,550,000	2,262,600	36,812,600
<b>Total</b>	<b>\$ 417,640,000</b>	<b>\$ 285,960,451</b>	<b>\$ 703,600,451</b>

### C. Certificates of Participation

*Governmental Activities* - Certificates of Participation (COPs) are issued by Aurora Capital Leasing Corporation (ACLC) and represent participation in a capital lease financing. The COPs are payable from the city's lease payments to ACLC, which are assigned to the trustee for the COPs debt service. There are five outstanding COPs issues. Amounts originally issued and amounts outstanding at December 31, 2019, respectively were: 2014 Public Safety and Sports Park \$21,775,000 and \$12,725,000; 2015 Public Safety Training Facility \$24,340,000 and \$21,715,000; 2017 Central Recreation Center \$28,865,000 and \$27,300,000; 2017 Three Fire Stations and Equipment \$27,675,000 and \$25,880,000; and 2019 Refunding and Improvement Series (2009A refunding and 2019 Municipal Campus Capital Improvements) \$62,935,000 and \$62,935,000.

ACLC issued the Series 2019 COPs to refinance the \$72.8 million outstanding Refunding Certificates of Participation, Series 2009A, and to finance \$9.1 million capital improvement projects that may include, but are not limited to, security additions to the Aurora Municipal Center (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 provided an economic gain (net present value savings) of \$13,759,635 or 18.9% savings on refunded bonds as well as annual debt service savings of over \$600,000 and a deferred loss of \$2,560,725.

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

Year Ending December 31	<b>Governmental Activities</b>		
	2.00-5.00%		
	Principal	Interest	Total
2020	\$ 8,420,000	\$ 7,107,963	\$ 15,527,963
2021	9,095,000	6,439,044	15,534,044
2022	9,530,000	6,002,594	15,532,594
2023	9,985,000	5,545,069	15,530,069
2024	10,385,000	5,145,044	15,530,044
2025-2029	43,765,000	19,193,219	62,958,219
2030-2034	32,880,000	8,790,169	41,670,169
2035-2039	19,615,000	3,845,518	23,460,518
2040-2042	6,880,000	606,437	7,486,437
<b>Total</b>	<b>\$ 150,555,000</b>	<b>\$ 62,675,057</b>	<b>\$ 213,230,057</b>

**D. Notes Payable**

*Governmental Activities* – The city has one Special Improvement District Revenue Note for expenditures made by the city to construct certain masonry fences in the district payable from special assessments levied on the neighborhoods. Amounts originally issued and amounts outstanding at December 31, 2019, respectively were: Dam East Neighborhood \$1,230,000 and \$270,000.

The city also has one E-470 Public Highway Authority Note to help finance the extension of the Stephen D. Hogan Parkway (formerly 6<sup>th</sup> Avenue) east to E-470 payable from capital impact fee revenues. The proceeds were in addition to the 2018 Stephen D. Hogan Parkway capitalized lease purchased by a third party. Amounts originally issued and amounts outstanding at December 31, 2019, respectively were: Hogan Parkway Extension \$2,000,000 and \$1,821,343. The city has restricted \$2,228,500 in the Capital Projects Fund for the repayment of principal and interest for this note.

The Aurora Urban Renewal Authority (AURA) issued \$27,750,000 NBH Capital Finance note for the purpose of financing the construction of a public conference center and a parking facility in the Fitzsimons Urban Renewal Area (URA) and will be repaid by tax increment revenues of the URA. AURA has fully drawn on this note as of December 31, 2016. Repayment of the principal amount began on December 1, 2019 and matures on December 1, 2024. Interest payments on the note are due quarterly beginning June 1, 2015 at the rate of 2.40% per annum through November 30, 2017. On December 1, 2017 and annually thereafter, the rate of interest on the outstanding principal balance of the note shall be reset to a rate equal to the 12-month LIBOR rate in effect as of such date, which was 1.95169%, plus 2.40%, times a tax-exempt factor of 0.70. The 12-month LIBOR rate on December 1, 2018 was 3.1203 and on December 1, 2019 was 1.95213. The maximum interest rate is set at 12% per annum. The amount outstanding on the note at December 31, 2019 is \$27,315,000. As required by the AURA and the Public Finance and Redevelopment Agreement (PFRA), the city has a moral obligation pledge on this revenue note's debt service reserve fund in the amount of \$2,120,000 (see Note 11.F for additional information).

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

Year Ending	Governmental Activities		
	Principal	Interest	Total
December 31		2.50-3.0774%*	
2020	\$ 837,966	\$ 899,384	\$ 1,737,350
2021	912,541	880,131	1,792,672
2022	1,212,229	852,860	2,065,089
2023	1,032,035	817,273	1,849,308
2024	24,551,961	788,375	25,340,336
2025-2028	859,611	54,389	914,000
<b>Total</b>	<b>\$ 29,406,343</b>	<b>\$ 4,292,412</b>	<b>\$ 33,698,755</b>

\*\*12-month LIBOR rate at December 31, 2019 per Wall Street Journal is 1.99625%.

**E. Capitalized Leases**

*Governmental Activities* – The city has entered into leases for eleven fire apparatus, six construction/work equipment, seventeen transportation equipment, three buildings and improvements, and one infrastructure project. All leases are funded from the General Fund. During 2017, a portion of the land in the 2015 District II Police Station Phase I lease was conveyed for the RTD 2<sup>nd</sup> Avenue and Abilene light rail station project. Six of the eight heavy fleet equipment in the 2019 lease will be purchased in 2020. The leases have been capitalized for financial statement purposes. Capitalized amount includes a portion of the proceeds from E-470 Hogan Parkway Note and from some grant funding on the Moorhead Recreation Center renovation. Upon final payment, the equipment and site leased will transfer to the city's ownership. The gross amount of the machinery and equipment acquired, and the cost of buildings and improvements under each lease are \$3,923,248, \$1,112,768, \$3,493,837, \$20,343,387 and \$19,517,153, respectively. Accumulated amortization on these leases is \$2,885,291 as of December 31, 2019. Specific assets are pledged under the capital leases.

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

Year Ending December 31	Governmental Activities		
	Principal	1.25-3.05% Interest	Total
2020	\$ 5,582,073	\$ 951,704	\$ 6,533,777
2021	5,642,336	875,306	6,517,642
2022	5,752,482	748,628	6,501,110
2023	5,382,661	618,945	6,001,606
2024	3,950,526	494,342	4,444,868
2025-2029	11,766,014	1,033,340	12,799,354
2030-2032	2,360,000	105,205	2,465,205
<b>Total</b>	<b>\$ 40,436,092</b>	<b>\$ 4,827,470</b>	<b>\$ 45,263,562</b>

#### F. Pledged Revenue

*Governmental Activities* - The city has pledged any special assessments levied and collected on the respective neighborhood to repay \$270,000 current principal outstanding, in Special Improvement District Revenue Note issued in 2012. Proceeds from the note provided for the construction of one masonry fence. The note is payable solely from special assessments levied and collected on the respective neighborhood and is payable through 2022.

- *Dam East Neighborhood* - Annual principal and interest payments on the note are expected to require approximately 100% of net revenues as the city is expected to pay out all of the special assessments collected. The total principal and interest remaining to be paid on the note is \$291,089. Principal and interest paid for the current year and total special assessments levied and collected on the neighborhood were \$104,350 and \$103,040, respectively.

The AURA has pledged incremental increases in property, sales tax, lodger tax, and use tax on construction materials, as well as net revenues from the operation of the conference center and parking facility, to the payment of the NBH Capital Finance note. Annual principal and interest payments on the note are expected to require 100% of pledged revenues based on the NBH Capital Finance Debt Service Amortization Schedule. Total principal and interest paid for the current year and total pledged revenues collected were \$1,522,212 and \$1,513,211, respectively. Based on the terms of the agreement when in any fiscal year the actual debt service requirements of the debt are less than the amount assumed for such fiscal year in the base case bond amortization, the difference shall be remitted to AURA to be used for debt service payments and working capital in the operations of the conference center and parking facility.

*Business-type Activities* - The city has pledged future water system revenues, net of specified operating expenses, to repay \$392,025,000 principal currently outstanding, in water system refunding revenue bonds issued in 2016. Proceeds from the bonds provided financing for the acquisition and construction of water facilities and additions and improvements to the water system, including funding the Prairie Waters Project. The bonds are payable solely from water system net revenues and are payable through 2046. Annual principal and interest payments on the bonds are expected to require approximately 18.64% of net revenues. The total principal and interest remaining to be paid on the bonds is \$675,629,450. Principal and interest paid for the current year and total water system net revenues were \$64,068,238 and \$102,955,602, respectively. Of the total principal and interest paid, \$19,191,886 was scheduled debt service and \$44,876,352 was the prepayment of the series 2016 bonds.

The city has pledged future wastewater system revenues, net of specified operating expenses, to repay \$25,615,000 principal currently outstanding, in wastewater system revenue bonds issued in 2016 and 2018. Proceeds from the bonds provided financing for the acquisition and construction of additions, improvements and modernization to the wastewater utility system. The bonds are payable solely from wastewater system net revenues and are payable through 2026 and 2030, respectively. Annual principal and interest payments on the bonds are expected to require approximately 12.08% of net revenues. The total principal and interest remaining to be paid on the bonds is \$27,971,001. Principal and interest paid for the current year and total system net revenues were \$3,168,340 and \$26,233,081, respectively.

#### G. Accrued Compensated Absences

Accrued compensated absences recorded in governmental activities are generally paid from the General Fund. Amounts outstanding at December 31, 2019 are \$32,409,410 for governmental activities and \$5,317,045 for business-type activities.

**H. Legal Debt Limit**

The city's legal debt limit is 3% of the assessed valuation of taxable property. After certain deductions allowed by law, the legal debt margin as of December 31, 2019 is \$159,880,492. In 1992, Colorado voters approved an amendment to the state constitution (TABOR), which requires multiple-fiscal year debt and certain other financial obligations to be authorized by voters, regardless of whether or not the city is at its legal debt margin. Voter approval of additional debt typically includes a provision exempting the new debt from the debt margin. Consequently, the computation of the city's legal debt margin has little real significance.

**I. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2019, was as follows:

<b>Governmental Activities</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Bonds Payable:</b>					
General obligation bonds	\$ 3,390,000	\$ -	\$ (205,000)	\$ 3,185,000	\$ 212,000
Certificates of participation	164,875,000	62,935,000	(77,255,000)	150,555,000	8,420,000
<b>Less adjustments:</b>					
Unamortized premium	12,622,387	13,315,175	(4,768,136)	21,169,426	-
<b>Total bonds and COPs</b>	<b>180,887,387</b>	<b>76,250,175</b>	<b>(82,228,136)</b>	<b>174,909,426</b>	<b>8,632,000</b>
Notes payable	30,115,000	-	(708,657)	29,406,343	837,966
Capitalized leases	42,685,380	3,883,279	(6,132,567)	40,436,092	5,582,073
Accrued compensated absences	31,516,276	952,267	(59,133)	32,409,410	5,485,514
Accrued claims payable	13,242,143	9,134,037	(6,277,731)	16,098,449	6,277,731
<b>Total OPEB liability</b>	<b>16,108,624</b>	<b>15,757,173</b>	<b>(16,108,624)</b>	<b>15,757,173</b>	<b>784,380</b>
Net pension liability	73,919,850	126,031,444	(73,919,850)	126,031,444	-
<b>Total Governmental Activities</b>	<b>\$ 388,474,660</b>	<b>\$ 232,008,375</b>	<b>\$ (185,434,698)</b>	<b>\$ 435,048,337</b>	<b>\$ 27,599,664</b>

<b>Business-type Activities</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Bonds Payable:</b>					
Revenue bonds	\$ 462,405,000	\$ 3,000,000	\$ (47,765,000)	\$ 417,640,000	\$ 5,160,000
<b>Less adjustments:</b>					
Unamortized premium	74,414,739	-	(10,049,923)	64,364,816	-
<b>Total bonds</b>	<b>536,819,739</b>	<b>3,000,000</b>	<b>(57,814,923)</b>	<b>482,004,816</b>	<b>5,160,000</b>
Accrued compensated absences	4,907,382	592,824	(183,161)	5,317,045	710,474
<b>Total OPEB liability</b>	<b>3,050,470</b>	<b>2,983,916</b>	<b>(3,050,470)</b>	<b>2,983,916</b>	<b>148,537</b>
Net pension liability	416,979	13,364,495	(416,979)	13,364,495	-
<b>Total Business-type Activities</b>	<b>\$ 545,194,570</b>	<b>\$ 19,941,235</b>	<b>\$ (61,465,533)</b>	<b>\$ 503,670,272</b>	<b>\$ 6,019,011</b>

**9. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES**

The components of deferred outflows of resources and deferred inflows of resources reported in the government-wide financial statements as of December 31, 2019, are as follows:

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Deferred Outflows of Resources</b>			
Pensions	\$ 71,603,611	\$ 11,621,803	\$ 83,225,414
OPEB	2,281,798	432,101	2,713,899
Loss on refunding	2,535,782	9,319,257	11,855,039
<b>Total Deferred Outflows of Resources</b>	<b>\$ 76,421,191</b>	<b>\$ 21,373,161</b>	<b>\$ 97,794,352</b>
<b>Deferred Inflows of Resources</b>			
Pensions	\$ 4,394,681	\$ 1,447,158	\$ 5,841,839
OPEB	1,765,967	334,416	2,100,383
Interest rate cap	1,237	-	1,237
Property taxes	85,381,692	-	85,381,692
Gain on refunding	-	313,103	313,103
<b>Total Deferred Inflows of Resources</b>	<b>\$ 91,543,577</b>	<b>\$ 2,094,677</b>	<b>\$ 93,638,254</b>

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

The components of the deferred inflows of resources reported in the fund statements as of December 31, 2019, are as follows:

	<b>General Fund</b>	<b>AURA General Fund</b>	<b>Non-Major Governmental Funds</b>	<b>Total</b>	<b>Component Units</b>
<b>Deferred Inflows of Resources</b>					
Property tax	\$ 45,400,464	\$ 37,551,200	\$ 2,430,028	\$ 85,381,692	\$ 454,890
Unavailable fund resources	859,954	-	9,943,829	10,803,783	-
<b>Total Deferred Inflows of Resources</b>	<b>\$ 46,260,418</b>	<b>\$ 37,551,200</b>	<b>\$ 12,373,857</b>	<b>\$ 96,185,475</b>	<b>\$ 454,890</b>

**10. INTERFUND TRANSACTIONS**

The balance between the Wastewater Fund and the Water Fund is an interfund loan for the design, engineering and construction of the South East Maintenance Facility. The balance between the General Fund and the Nonmajor Governmental Funds results from a loan to the AURA Debt Service Fund to temporarily fund the purchase and improvements of the Regatta Plaza Property until external financing is obtained. The balance between the Wastewater Fund and the Nonmajor Business-type Funds results from the interfund loan between the Wastewater Fund and the Golf Fund for the construction of the Murphy Creek Golf Course. The small balances between General Fund and Nonmajor Governmental Funds and the Nonmajor Governmental Funds and the Nonmajor Governmental Funds results from a year-end due to/due from.

Interfund Receivable	Interfund Payable				Total
	General Fund	Wastewater Fund	Nonmajor Governmental Funds	Nonmajor Business-type Funds	
General Fund	\$ -	\$ -	\$ 16,016,716	\$ -	16,016,716
Water Fund	-	16,000,000	-	-	16,000,000
Wastewater Fund	-	-	-	3,009,000	3,009,000
Nonmajor Governmental Funds	1,946	-	48	-	1,994
<b>Total</b>	<b>\$ 1,946</b>	<b>\$ 16,000,000</b>	<b>\$ 16,016,764</b>	<b>\$ 3,009,000</b>	<b>\$ 35,027,710</b>

Transfers are used to move revenues from the fund in which the city budget requires collection to the fund required to expend the monies, and to move unrestricted revenues collected in the General Fund to finance various activities accounted for in other funds.

Interfund Transfers In	Interfund Transfers Out				Total
	General Fund	AURA General Fund	Nonmajor Governmental Funds	Nonmajor Business-type Funds	
General Fund	\$ -	\$ 402,120	\$ 2,359,008	\$ -	\$ 2,761,128
AURA General Fund	-	-	933,674	-	933,674
Water Fund	500,000	-	-	-	500,000
Nonmajor Governmental Funds	67,377,897	185	18,870,433	200,000	86,448,515
Nonmajor Business-type Funds	-	-	150,000	-	150,000
Internal Service Funds	824,333	-	-	-	824,333
<b>Total</b>	<b>\$ 68,702,230</b>	<b>\$ 402,305</b>	<b>\$ 22,313,115</b>	<b>\$ 200,000</b>	<b>\$ 91,617,650</b>

Transfers between General Fund and Water Fund	500,000
Transfers between Nonmajor Governmental Funds and Nonmajor Business-type Funds	(50,000)
Total transfers between Governmental-type Activities and Business-type Activities	450,000
Capital asset transfers:	
From Business-type Activities to Governmental-type Activities, including Internal Service Funds	(1,449)
Net capital asset transfers, excluding Internal Service Funds	(1,449)
Total transfers between Governmental-type Activities and Business-type Activities	<u>\$ 448,551</u>

**11. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

**A. Continuing Appropriations**

The city stipulates that appropriations for capital projects do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned. Additionally, any project is deemed abandoned if three years have elapsed without expenditure or encumbrance to the project. As of December 31, 2019, the city had various unspent appropriations for the acquisition and construction of projects which totaled \$302,619,322.

**B. Encumbrances**

Encumbrance commitments in the General Fund total \$5,510,262 and in the nonmajor governmental funds in the aggregate total \$5,329,102. The nonmajor governmental funds aggregate includes \$1,644,551 for the nonmajor governmental funds with legally adopted budgets and \$3,684,551 for AURA and ACLC which do not have legally adopted budgets.

**C. Job Related Tax Abatement Agreements**

The city enters into job related tax abatement agreements with local businesses to encourage retail and mixed-use development, and commercial expansion within its borders. The abatement program is approved by City Council via ordinance and the agreements with individual businesses are approved via resolution. The businesses agree to meet

employment requirements as specified in the agreement in order to receive continued payment until maximum employment levels and time requirement are reached. If the business fails to meet agreed upon obligations, the city may impose sanctions including terminating the agreement, reimbursement of taxes rebated with interest, and imposition of liens upon real and personal property. Total potential future abatement is \$18,401,958 and abatements paid or waived to date is \$486,610. No abatements were paid during year 2019 as businesses either did not meet the employment and time requirements or did not submit a rebate request. As part of the agreements, the city may offer one or more of the following incentives:

- Rebate of use tax related to construction materials;
- Rebate of use tax reported or sales tax paid on the purchase of equipment for a period of time;
- Rebate of sales tax collected from customers for a period of time;
- Rebate of personal property tax collected for a period of time.

#### **D. Tax Increment Financing**

At December 31, 2019, the Aurora Urban Renewal Authority had retail, commercial and residential agreements with Cornerstar, Fitzsimons Village, the Colorado Science and Technology Park, Gardens on Havana, Aurora Convention Center Hotel, Stanley JV LLC, Forest City Stapleton and Spur at Iliff Station. Total potential future funding obligation is \$149,560,443 and paid to date is \$39,610,319. Two of the agreements do not have a potential future funding obligation and the paid to date amount is \$48,465,571.

#### **E. Tax Incentive Agreements**

The city enters into tax incentive agreements to encourage retail and mixed-use development, commercial expansion and public infrastructure within its borders. At December 31, 2019, the city had development incentive agreements with Town Center at Aurora and the developers of Pacific Ocean Marketplace Aurora, Serenity Ridge Marketplace and Aurora Crossing. Total potential allocable revenue is \$33,192,665 and paid to date is \$2,968,443.

#### **F. Moral Obligations**

In limited circumstances, the city provides contingent credit support (commonly referred to as a "moral obligation"). As of December 31, 2019, the city has two moral obligations in existence, one for the benefit for the Aurora Urban Renewal Authority (AURA) and the other for the benefit of the Fitzsimons Development Authority (FRA). The moral obligation is given in the form of a resolution of the City Council providing that, in the event that a debt service reserve fund for AURA or FRA bond or note issue is depleted due to insufficient tax increment or tenant rent revenues, the City Manager, or other person responsible for the preparation of the budget, is required to prepare and submit to the City Council a request for an appropriation of sufficient funds to replenish the debt service reserve fund to its required amount. While the obligation of the City Manager or other official to prepare such request is mandatory, the decision whether to appropriate the amount requested is solely within the discretion of City Council. No request was received for either moral obligation during 2019.

The city's moral obligation with AURA pertains to a reserve fund in the amount of \$2,120,000 for a tax increment revenue loan in an aggregate principal amount not to exceed \$27,750,000 contracted by AURA in connection with the construction of the Aurora-Denver Conference Center and parking structure located in the Fitzsimons Boundary Area II Urban Renewal Area. The maximum annual replenishment amount with respect to the reserve fund would never exceed \$2,120,000 in any year.

The FRA is a separate quasi-governmental entity formed in 1998 under an intergovernmental agreement by the city and the University of Colorado pursuant to Section 29-1-203 of the Colorado Revised Statutes. The FRA was organized for the purpose of providing economic development services and improvements at the former Fitzsimons Army Medical Center property and elsewhere within the FRA. The city's moral obligation with FRA pertains to a reserve fund not to exceed \$2.5 million for a revenue construction loan on a construction draw basis to finance the approximate \$43 million Bioscience 3 facility consisting of office and laboratory space on the Fitzsimons campus. The FRA funded a debt service reserve of approximately \$2.5 million. The city provided a moral obligation pledge related to the loan's debt service reserve fund to assist FRA in obtaining financing at more favorable rates. The maximum annual replenishment amount with respect to the reserve fund would never exceed \$2.5 million in any year.

## **12. DEFERRED COMPENSATION PLANS**

The city offers employees the opportunity to voluntarily participate in one of three deferred compensation plans. The City of Aurora 457 Deferred Compensation Plan, administered by Nationwide Retirement Solutions, is open to all employees. The International City Management Association Retirement Corporation (ICMA-RC) administers a plan

open to executive staff. The Fire and Police Pension Association (FPPA) offers an additional 457 plan through Fidelity for Police and Fire civil service employees.

In addition, as a condition of membership of the transfer plan component of the Fire Statewide Defined Benefit Pension Plan, annual contributions are also made to a 457 Deferred Compensation Plan administered by Nationwide Retirement Solutions. In 2019, members of the transfer plan and the city each contributed 0.5% (\$66,324).

All four plans are created in accordance with Internal Revenue Code Section 457. The plans allow employees to defer a portion of their salary until future years. The deferred amounts are not available to the employees until termination, retirement, death or unforeseeable emergency. The amounts in the deferred compensation plans are held in third party trusts for the exclusive benefit of the city's employees and beneficiaries. The trustee of the City of Aurora 457 plan administered through Nationwide is Nationwide Trust Company FSB. The trustee of the plan administered through ICMA-RC is Vantage Trust Company LLC. The FPPA Board is trustee of the FPPA Fidelity plan. The trustees are responsible for evaluating the ongoing appropriateness of investment options and ensuring the plans operate in compliance with the plan documents, and other applicable rules and guidelines. The trustees are obliged to act as a reasonable and prudent person would act in a similar situation.

### 13. PENSION PLANS

The city of Aurora provides the following plans:

Defined Benefit Plans:

- General Employees' Retirement Plan (GERP)
- Elected Officials' and Executive Personnel Defined Benefit Plan (EOEP)
- Fire Pension Plan (Old Hire-Fire)
- Police Pension Plan (Old Hire-Police)
- Fire Statewide Defined Benefit Pension Plan (SWDB)
- Fire Statewide Hybrid Pension Plan (SWH)

Defined Contribution Plans:

- Police Money Purchase Pension Plan (New Hire-Police)
- Fire Money Purchase Pension Plan
- Executive Retirement Plan – Money Purchase Pension Plan (ERP)

#### A. Defined Benefit Plans

The following provides a summary of the net pension liability, net pension asset, deferred outflows of resources, deferred inflows of resources and pension expense for each of the defined benefit plans as of and for the year ended December 31, 2019 (measured as of December 31, 2018):

	Net Pension Liability	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
<b>Single Employer Plans</b>					
GERP	\$ 51,450,686	\$ -	\$ 44,152,475	\$ 5,525,779	\$ 14,530,484
EOEP	-	684,018	620,454	31,070	(41,438)
<b>Agent Multiple Employer Plans</b>					
Old Hire-Fire	34,654,014	-	5,899,766	-	3,551,720
Old Hire-Police	47,914,096	-	7,679,175	-	4,704,953
<b>Cost Sharing Multiple Employer Plans</b>					
SWDB	5,377,143	-	19,775,231	238,093	670,206
SWH	-	2,755,129	5,098,313	46,897	446,144
	<u>\$ 139,395,939</u>	<u>\$ 3,439,147</u>	<u>\$ 83,225,414</u>	<u>\$ 5,841,839</u>	<u>\$ 23,862,069</u>

The net pension liability, net pension asset, deferred outflows of resources, deferred inflows of resources and pension expense are reported in the governmental activities except for the proportion of GERP associated with business-type activities. The following provides a summary of the total GERP net pension liability, the deferred outflows of resources, the deferred inflows of resources and pension expense. The allocation is based on the proportion of full-time career salaries subject to GERP contribution for the year.

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense (Reduction)</u>
Governmental Activities	\$ 38,086,191	\$ 32,530,672	\$ 4,078,621	\$ 10,716,476
Business-Type Activities	13,364,495	11,621,803	1,447,158	3,814,008
	<u>\$ 51,450,686</u>	<u>\$ 44,152,475</u>	<u>\$ 5,525,779</u>	<u>\$ 14,530,484</u>

The net pension liability or asset is the difference between the total pension liability and the fiduciary net position as of the measurement date. If the fiduciary net position exceeds the total pension liability as of the measurement date, there is a net pension asset.

Deferred outflows of resources and deferred inflows of resources related to pensions are the amounts that are required to be deferred and recognized in subsequent periods. These amounts refer to items that are not yet recognized in the net pension liability/asset or pension expense and include:

- Differences between expected and actual experience
- Changes of pension assumptions
- Differences between projected and actual earnings on pension plan investments
- Changes in pension proportionate share
- City contributions made subsequent to the measurement date through the fiscal year end

Deferred outflows of resources and deferred inflows of resources will be recognized as follows:

- Differences in plan experience, changes of assumptions and changes in proportionate share will be amortized over the remaining service lives of current and former employees, and retirees.
- Differences between projected and actual investment earnings will be amortized over a five-year period.
- Contributions made subsequent to the measurement date will be recognized as a reduction (increase) of the net pension liability (asset) in the subsequent year.

## 1. General Employees' Retirement Plan

### General Information about the Pension Plan

*Plan Description.* The city of Aurora General Employees' Retirement Plan (GERP) is a contributory single-employer defined benefit pension plan covering all full-time and part-time city employees except police officers, firefighters, elected officials, contingent employees and executives who have elected to participate in the Executive Retirement Plan. The plan is maintained for the exclusive benefit of the employees of the city and their beneficiaries. Employee contributions are required as a condition of employment and are matched equally by the city. GERP has a separate, independent board that administers the plan with three of the seven board members appointed by City Council. Separately issued audited financial statements are available online at [www.auroragerp.qwestoffice.net](http://www.auroragerp.qwestoffice.net) or by contacting GERP at 12100 E. Iliff Avenue, Suite 108, Aurora, Colorado 80014 or telephone (303) 368-9160.

*Plan Membership.* As of the measurement date, 996 retirees and others were receiving benefits with 1,755 active plan members. There were 255 former employees that were deferred vested and entitled to receive benefits in the future.

*Benefits Provided.* The plan provides retirement benefits, as well as death, disability and supplemental benefits. Chapter 102, Article V of the City Code assigns the authority to establish and amend benefit provisions to City Council.

Normal Retirement - Normal retirement age is 65 for participants in the plan prior to January 1, 2012 (Tier 1) and 67 for participants who first joined the plan after December 31, 2011 (Tier 2). Normal retirement benefits are the greater of 1.75% of final average monthly compensation, multiplied by years of credited service, including fractional years, or the annuitized value of contribution refunds. Final average monthly compensation is the average pay an employee received (excluding overtime and non-regular remuneration) during his/her highest paid 36 consecutive months with the city within the employee's last 10 years of employment. Optional forms of benefit are available in lieu of the single life annuity, in order to provide survivorship benefits.

Tier 1 participants automatically receive annual cost of living adjustments linked to the Consumer Price Index, and limited to 5% per year. Tier 2 participants may be granted cost of living adjustments at the discretion of the Board, at a rate not to exceed the rate of increase given to Tier 1 participants.

A supplemental benefit is provided to all retirees who have five or more years of credited service and is prorated for service of less than 20 years. Periodic cost of living adjustments to the supplemental benefit may be approved by the plan's Board of Trustees and are limited to 5% per year.

Early Retirement - If termination occurs before normal retirement age, participants who are age 50 or older with at least ten years of credited service may elect to begin receiving early retirement benefits. Reductions for early retirement will be applied to the normal retirement benefit if the sum of a participant's years of age and credited service is less than 80 (the Rule of 80). Depending on the participant's age and length of service, the reduction for Tier 1 participants can be up to 6% for each year they are below age 55, plus an additional 2% for each year they are short of attaining the sooner of either the Rule of 80 or normal retirement age. For Tier 2 participants, the reduction is 6% for each year a participant is short of attaining the sooner of normal retirement age or the Rule of 80.

Deferred Vested Benefits - Participants with at least five years of credited service who terminate before normal retirement age may leave their contribution accumulation with the plan and opt to receive an early or normal retirement benefit at a later date.

Disability Retirement Benefits - Participants who meet the eligibility requirements for the city's long-term disability insurance program continue to earn credited service during the period of time they collect disability insurance benefits. Once insurance payments have ended, the plan's disability retirement benefit is calculated in the same manner as the normal retirement benefit, using the higher of the average highest paid 36 consecutive months of compensation or the monthly rate of compensation at the time of disability. Early retirement reductions may apply if benefits begin before normal retirement age.

Death Benefits - The beneficiary of a deceased active employee or deferred vested participant may be eligible to receive a contribution refund or a monthly pension benefit, depending on the age and credited service the participant had earned. At retirement, a participant may designate a joint annuitant to receive pension benefits upon his/her death. The plan also pays a one-time lump sum death benefit of \$6,250 to the beneficiary designated by the retiree. This payment is separate from, and in addition to, any other benefits received.

*Contributions.* City Code establishes contribution requirements for the employees and the employer. Actuarial studies are considered in establishing funding policies. However, contributions are not actuarially determined.

Employee contributions are required as a condition of employment at 7.00% for 2019 and are matched dollar for dollar by the city. Plan administrative costs are financed using contributions and earnings of the plan.

Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Employer contributions recognized by the plan for the year ended December 31, 2019 were \$8,187,470.

### **Net Pension Liability**

At December 31, 2019, the city reported a liability of \$51,450,686 for the plan. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The liability was rolled forward from January 1, 2018 to December 31, 2018 using standard actuarial methods.

*Actuarial Assumptions.* The January 1, 2018 actuarial valuation, based on the most recent experience study completed in 2013, used the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age normal
Amortization method	Level percent of projected payroll - open
Remaining amortization period	20 years
Asset valuation method	3-year smoothed market; 20% corridor
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	Service based
Cost of living increases	Tier 1: Base benefit 2.75%
	Tier 2: Base benefit 0.00%
	Supplemental benefit 0.00%
Inflation	2.75%
Retirement age	Experience based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2009-2013.
Mortality	RP-2000 Combined Healthy Mortality Table, with adjustments

*Changes in Assumptions.* There were no changes in assumptions from the prior valuation.

*Long-Term Expected Return on Plan Assets.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan’s trustees after considering input from the plan’s investment consultant(s) and actuary(s). For each major asset class that is included in the pension plan’s target asset allocation as of January 1, 2018, these best estimates are summarized in the following table:

**Asset Allocation**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Fixed Income	25.00%	1.50%
Domestic Equity	26.00%	4.90%
International Equity	19.00%	4.75%
Private Equity	10.00%	6.25%
Real Estate	10.00%	4.00%
Alternative Investments	10.00%	0.95%
<b>Total</b>	<b>100.00%</b>	

*Discount Rate.* A discount rate of 7.25% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine this discount rate assumed that plan member contributions and city contributions will be made at the current scheduled contribution rates. Based on these assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability.*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
<b>Balances at 1/1/2019</b>	\$ 477,680,135	\$ 475,556,466	\$ 2,123,669
<b>Changes for the year:</b>			
Service Cost	11,350,764	-	11,350,764
Interest	34,591,830	-	34,591,830
Difference Between Expected and Actual Experience	2,545,181	-	2,545,181
Plan Changes	(120,833)	-	(120,833)
Employer Contributions	-	7,632,330	(7,632,330)
Employee Contributions	-	7,638,089	(7,638,089)
Net Investment Income	-	(15,675,274)	15,675,274
Benefit Payments, including refunds	(24,228,316)	(24,228,316)	-
Administrative Expense	-	(555,220)	555,220
<b>Net Changes</b>	<u>24,138,626</u>	<u>(25,188,391)</u>	<u>49,327,017</u>
<b>Balances at 12/31/2019</b>	<u>\$ 501,818,761</u>	<u>\$ 450,368,075</u>	<u>\$ 51,450,686</u>

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the city's net pension liability (asset), calculated using a discount rate of 7.25%, as well as what the city's net pension liability (asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher:

**Sensitivity of Net Pension Liability  
to the Discount Rate Assumption**

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's net pension liability	\$ 111,063,412	\$ 51,450,686	\$ 1,414,506

*Pension Plan Fiduciary Net Position.* Detailed information about the plan's net fiduciary net position is available in GERP's comprehensive annual financial report available online at [www.auroragerp.org](http://www.auroragerp.org) or by contacting GERP at 12100 E. Iliff Avenue, Suite 108, Aurora, Colorado 80014 or telephone (303) 368-9160.

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended December 31, 2019, the city recognized pension expense of \$14,530,484. At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,073,851	\$ 5,490,852
Change in assumptions	3,854,198	-
Net difference between projected and actual earnings on pension plan investments	30,002,029	-
Changes in proportion due to allocation change between fund types	34,927	34,927
City contributions subsequent to the measurement date	8,187,470	-
Total	<u>\$ 44,152,475</u>	<u>\$ 5,525,779</u>

The \$8,187,470 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2020	\$ 9,838,023
2021	4,295,718
2022	5,262,981
2023	10,853,972
2024	188,532
<b>Total</b>	<u>\$ 30,439,226</u>

## 2. Elected Officials' and Executive Personnel Defined Benefit Plan (EOEP)

### Plan Description

*Plan Description.* The city has a non-contributory single-employer defined benefit pension plan that became effective January 1, 2001. Chapter 102, Article VIII of the City Code, which establishes the plan, does not include a provision for a board of directors, but, instead, names the city's Director of Finance as trustee and plan administrator. The plan provides base and supplemental retirement benefits to members of the City Council and a standard retirement benefit to executive personnel who are also members of the Executive Retirement Plan (ERP). The authority to establish and amend benefit provisions is assigned to City Council. The city has entered into a service agreement with the city of Aurora General Employees' Retirement Plan (GERP) to provide administrative services for the plan. No stand-alone financial report is issued for EOEP.

*Plan Membership.* The mayor of the city and all elected city council members are covered under this plan as elected officials. Individuals performing services as executive employees for the city on or after January 1, 2000, are eligible to participate in this plan as executive personnel if they participate in the city's Executive Retirement Plan.

*Benefits Provided.* EOEP provides basic retirement, supplemental retirement and death benefits. Elected official plan members and executive employee plan members are eligible for retirement based on the following period of service:

Service Type	Period of Service	Normal Retirement Age
<b>Elected Official</b>	Covered employment ended on or before December 31, 2000	Later of age 60 or completion of 6 years of service
	Covered employment ended on or after January 1, 2001	If first elected prior to November 5, 2013, then the later of age 56 or completion of 6 years of service
		If first elected on or after November 5, 2013, then the later of age 62 or the completion of 6 years of service
<b>Executive</b>	Covered employment ended between January 1, 2000 and December 31, 2000	Later of age 55 or completion of 3 years of service
	Covered employment ended on or after January 1, 2001	If first entered covered employment on or before November 5, 2013, then the later of age 50 or completion of 3 years of service
		If first entered covered employment after November 5, 2013, then the later of age 62 or completion of 3 years of service

There are no basic retirement benefits for executive employees; they are eligible for benefits from the Executive Retirement Plan. The basic retirement benefits for elected officials per year of service is adjusted annually for increases in the CPI, not to exceed 5% per year. For members in covered employment on or after November 11, 1999, the monthly basic benefit payable for 2019 is \$80.77 per year of service. The basic benefit for members who terminated employment before November 11, 1999 is based on a reduced schedule. For officials who begin a new term on or after November 5, 2013, total years of service is limited to the greater of 12 years or total service earned before November 5, 2013, except an additional 8 years may be earned for service as mayor.

Supplemental retirement benefits for elected officials and standard benefits for executive employees are adjusted annually by the same cost-of-living adjustment determined by the Board of Trustees of GERP applicable to the supplemental benefit provided under that plan, not to exceed 5% per year. The monthly supplemental benefit payable for 2019 is \$244.44. Only elected officials who were in covered employment on or after November 11, 1999 are eligible to receive the supplemental benefit. The maximum standard benefit for executive employees who left service before December 31, 2000 is \$176.00 and \$244.44 for those leaving after 2000. The standard benefit for executive employees is prorated for service less than 6 years.

Death benefits are 100% of the participant’s normal, late or deferred retirement benefits for a participant with service on or after January 1, 2000. For participants who terminated prior to January 1, 2000, the death benefit is 50% of the participant’s normal, late or deferred retirement benefits.

*Contributions.* There are no contributions from participants of the plan. The contribution requirements of the city are established and may be amended by City Council. The city is required to contribute at an actuarially determined amount. Administrative costs are financed using contributions and earnings of the plan. Employer contributions are recognized as revenues when due, pursuant to formal commitments and/or statutory or contractual requirements. For the year ended December 31, 2019, the city’s average contribution rate was 2.14% of annual covered payroll. Employer contributions recognized by the plan for the year ended December 31, 2019 were \$94,018.

Governmental Accounting Standards Board Statement No. 67 *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25* (GASB 67) establishes the requirements for governmental pension plan financial statement reporting, including pension plan financial statements included as a pension trust fund of a government. Accordingly, GASB 67 applies to the city's reporting of EOEP's statement of fiduciary net position, statement of changes in fiduciary net position, certain notes to the financial statements and certain required supplementary information (RSI). GASB 68 sets forth the pension reporting requirements for the city in the statement of net position, statement of activities, certain notes to the financial statements and certain RSI. As no stand-alone financial report is issued for EOEP, all required disclosures for both GASB 67 and GASB 68 are contained in this note.

Because different measurement dates are used for GASB 67 and GASB 68, GASB 68 disclosures will correspond to the city's basic financial statements, except for the fiduciary funds statements reported under GASB 67.

**GASB 67 Disclosures**

*EOEP Financial Statements.*

<b>EOEP</b>	<b>EOEP</b>
<b>Statement of Fiduciary Net Position</b>	<b>Statement of Changes in Fiduciary Net Position</b>
<b>December 31, 2019</b>	<b>For the Year Ended December 31, 2019</b>
<b>ASSETS</b>	<b>ADDITIONS</b>
<i>Current assets</i>	<i>Contributions</i>
Investments	City
Cash and cash equivalents	\$ 94,018
Equity securities and funds	Total contributions
Corporate bond funds	<u>94,018</u>
Real estate funds	<i>Investment activity</i>
Alternative investments	Investment earnings
Interest receivable	Investment expense
Total assets	Net investment earnings
7,355,869	<u>1,225,438</u>
	Total additions
	<u>1,319,456</u>
<b>LIABILITIES</b>	<b>DEDUCTIONS</b>
<i>Current liabilities</i>	Benefits
Accounts payable	373,949
Total liabilities	Administrative expenses
11,700	<u>27,848</u>
	Total deductions
	<u>401,797</u>
	NET INCREASE IN NET POSITION
<b>NET POSITION RESTRICTED</b>	917,659
<b>FOR PENSIONS</b>	<b>NET POSITION RESTRICTED</b>
<u>\$ 7,344,169</u>	<b>FOR PENSIONS - January 1</b>
	<u>6,426,510</u>
	<b>NET POSITION RESTRICTED</b>
	<b>FOR PENSIONS - December 31</b>
	<u>\$ 7,344,169</u>

*Plan Membership.* Current membership in the plan is as follows:

Retirees and beneficiaries	58
Inactive, nonretired members	7
Active members	<u>30</u>
	<u>95</u>

**Investments**

*Investment Policy.* At December 31, 2019, the plan's securities are in the custody of and controlled by Northern Trust Corporation, the master custodian. The plan contracts with investment managers to manage all of the plan's investments. Assets are diversified and are intended to match, as closely as possible, the investment style, allocation and performance of GERP. Based on GERP's long-term performance, its relatively conservative investment practices, and the cost-effective nature of this practice, the EOEP trustee, the city's Director of Finance, has determined that it is appropriate for EOEP to mirror GERP's investment strategy and that GERP's investment managers should be utilized to the extent practical.

Plan investments are reported at fair value. Short-term investments are carried at cost, which approximates fair value. Securities and funds traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate funds, not actively traded on a national or international exchange, are valued based upon periodic appraisals of the real estate underlying the investment units held by the plan. Alternative investments represent investments in funds composed of master limited partnerships which invest in securities traded in public markets and, therefore, have readily determined market values.

The plan includes, in the statement of changes in fiduciary net position, the net appreciation (depreciation) in the fair value of its investments, which consists of the realized gains and losses and the unrealized appreciation and depreciation on those investments. Purchases and sales are recorded on the trade date. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date.

*Long-Term Expected Return on Plan Assets.* The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the plan's trustee after considering input from the plan's actuary. The estimates for each major asset class that is included in the plan's target asset allocation as of January 1, 2019 were as follows:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic Fixed Income	30%	0.50%
Domestic Equity	32%	4.90%
International Equity	20%	4.75%
Real Estate	12%	4.00%
Real Return	6%	4.25%
<b>Total</b>	<b>100%</b>	

*Investment Concentrations.* Investment concentrations, as defined by the Governmental Accounting Standards Board, is any investment in any one organization (other than those issued or explicitly guaranteed by the U.S. government) that represents 5% or more of EOEP's fiduciary net position. EOEP held the following investments at December 31, 2019, that meet this criteria:

<b>Investment</b>	<b>Value</b>	<b>% of Investments</b>
iShares Core S&P 500 ETF	\$1,947,521	26.5%
Western Asset Core Plus Bond Fund	1,056,682	14.4%
Segall Bryant & Hamill Plus Bond Fund	1,048,818	14.3%
Heitman America Real Estate Trust	595,260	8.1%
iShares Core S&P Small Cap ETF	549,217	7.5%
Dodge & Cox International Stock Fund	534,923	7.3%
American Funds EuroPacific Growth	488,339	6.6%
Cohen & Steers Global Listed Infrastr	471,906	6.4%

*Investment Rate of Return.* For the year ended, December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 19.40%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Asset**

The components of the net pension asset of the city at December 31, 2019, were as follows:

Total pension liability	\$ 6,083,095
EOEP fiduciary net position	(7,344,169)
City's net pension liability (asset)	<u>\$ (1,261,074)</u>
EOEP fiduciary net position as a percentage of the total pension liability	120.73%

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation as of January 1, 2019, rolled forward to December 31, 2019, using standard actuarial methods. The actuarial assumptions and other inputs used were:

Actuarial cost method	Entry age normal
Amortization method	Level dollar - open
Remaining amortization period	15 years (only surplus over 110% funding is amortized)
Asset valuation method	3-year smoothing
Actuarial assumptions:	
Investment rate of return	7.00% net of investment expenses
Inflation	2.50%
Cost of living adjustments	2.50% on Base 0.00% on Supplemental
Expenses	\$21,000 per annum
Retirement age	Elected Officials: after 3 terms (or age 56, if later); immediate if age 75 or older Executive Personnel: graded rates by age from 50 to 65
Mortality	Pre-retirement: Pub 2010 General employees mortality table fully generational using scale MP-2018 Post-retirement (healthy): Pub 2010 General employees mortality table fully generational using scale MP-2018

*Changes in Assumptions.* As of the 2019 actuarial valuation, the investment rate of return changed from 7.25% to 7.00% net of investment expenses, inflation decreased from 2.75% to 2.50%, expenses decreased from \$21,500 per annum to \$21,000 per annum and the mortality tables were updated from the RP-2000 Mortality Table to the Pub-2010 General Employees/Retiree Mortality Tables.

*Changes in Benefit Terms.* The base benefit for an Elected Official was increased from \$78.42 per year of service to \$80.77 per year of service.

Actuarial assumptions and methods are set by the Board of Trustees, based upon recommendations made by EOEP's actuary. The assumptions and methods generally follow those used by the city of Aurora General Employee's Retirement Plan (GERP). These assumptions are internally consistent and reasonably based on the actual and expected experience of the plan.

*Discount Rate.* The discount rate used to measure the total pension liability as of December 31, 2019, was 7.00%. Based on the projection of cash flows, EOEP's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on EOEP investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Net Pension Asset to Changes in the Discount Rate.* The following presents the sensitivity of the net pension asset to changes in the discount rate. The table presents the city's net pension asset if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	<b>Sensitivity of Net Pension Asset to the Discount Rate Assumption</b>		
	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase <u>(8.00%)</u></b>
City's net pension asset	\$ (604,103)	\$ (1,261,074)	\$ (1,812,773)

**GASB 68 Disclosures**

*Plan Membership.* Membership of the plan, as of the measurement date, was as follows:

Retirees and beneficiaries	52
Inactive, nonretired members	7
Active members	<u>33</u>
	<u>92</u>

*Long-Term Expected Return on Plan Assets.* The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustee after considering input from the plan's actuary. The estimates for each major asset class that is included in the plan's target asset allocation as of January 1, 2018 were as follows:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic Fixed Income	30%	1.50%
Domestic Equity	32%	4.90%
International Equity	20%	4.75%
Real Estate	12%	4.00%
Real Return	6%	0.95%
<b>Total</b>	<u>100%</u>	

**Net Pension Asset**

At December 31, 2019, the city reported an asset of \$684,018 for the plan. The net pension asset was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2019 which was unchanged from December 31, 2018 after excluding the 2019 actuarial assumption changes which were effective January 1, 2019 and used in the GASB 67 valuation.

*Actuarial Assumptions.* The January 1, 2019 actuarial valuation, based on the most recent experience study completed in 2013 for GERP as no separate study is performed for EOEP, used the following assumptions and other inputs:

Actuarial cost method	Entry age normal
Amortization method	Level dollar - open
Remaining amortization period	15 years (only surplus over 110% funding is amortized)
Asset valuation method	3-year smoothing
Actuarial assumptions:	
Investment rate of return	7.25% net of investment expenses
Inflation	2.75%
Cost of living adjustments	2.75% on Base 0.00% on Supplemental
Expenses	\$21,500 per annum
Retirement age	Elected Officials: after 3 terms (or age 56, if later); immediate if age 75 or older Executive Personnel: graded rates by age from 50 to 65 Pre-retirement: RP-2000 Non-Annuitant Mortality Table
Mortality	Post-retirement (healthy): RP-2000 Combined Healthy Mortality Tables project to 2020 using Scale BB; males set forward 1 year, females with 85% multiplier

*Changes in Assumptions.* There were no changes in assumptions from the prior valuation.

*Changes in Benefit Terms.* The base benefit for an Elected Official was increased from \$76.88 per year of service to \$78.42 per year of service.

*Discount Rate.* The discount rate used to measure the total pension liability as of December 31, 2018, was 7.25%. Based on the projection of cash flows, EOEP's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on EOEP investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Asset.*

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a)-(b)
<b>Balances at 1/1/2019</b>	\$ 5,455,394	\$ 7,046,808	\$ (1,591,414)
<b>Changes for the year:</b>			
Service Cost	144,252	-	144,252
Interest	393,850	-	393,850
Difference Between Expected and Actual Experience	89,397	-	89,397
Employer Contributions	-	74,288	(74,288)
Net Investment Income	-	(336,300)	336,300
Benefit Payments	(340,401)	(340,401)	-
Administrative Expense	-	(17,885)	17,885
<b>Net Changes</b>	<u>287,098</u>	<u>(620,298)</u>	<u>907,396</u>
<b>Balances at 12/31/2019</b>	<u>\$ 5,742,492</u>	<u>\$ 6,426,510</u>	<u>\$ (684,018)</u>

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the sensitivity of the city's net pension liability (asset) to changes in the discount rate. The table presents the city's net pension liability (asset) if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

**Sensitivity of Net Pension Liability (Asset)  
to the Discount Rate Assumption**

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
City's net pension asset	\$ (80,326)	\$ (684,018)	\$ (1,194,120)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended December 31, 2019, the city recognized a reduction to pension expense of \$41,438. At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 48,762	\$ 28,019
Change in assumptions	-	3,051
Net difference between projected and actual earnings on pension plan investments	477,674	-
City contributions subsequent to the measurement date	94,018	-
<b>Total</b>	<b>\$ 620,454</b>	<b>\$ 31,070</b>

The \$94,018 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending December 31</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2020	\$ 176,154
2021	72,923
2022	78,874
2023	167,415
<b>Total</b>	<b>\$ 495,366</b>

### 3. Fire and Police Pension Plans – Old Hire

#### **Old Hire Plan Description – Fire and Police**

*Plan Description.* The Old Hire Plans are closed, non-contributory agent multiple-employer defined benefit plans covering all full-time police officers or fire fighters hired before April 8, 1978 and provide normal, delayed, vested or deferred retirement benefits to plan participants. The Old Hire Plans are a part of the statewide multiple agent employer public employee retirement system and are administered by the Fire and Police Pension Association of Colorado (FPPA). The FPPA follows the Colorado Revised Statutes for plan contribution requirements and benefits. Both plans are included in the FPPA's annual separately issued audited financial statements. This report is available online at [www.fppaco.org](http://www.fppaco.org) by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

**Old Hire Fire**

*Benefits Provided.* The plan provides normal, delayed, vested, disability and severance retirements including death benefits.

Normal Retirement – For those firefighters who were initially hired by the city prior to January 1, 1976, the normal retirement requirement is 20 years of credited service and attainment of age 50. For those firefighters hired subsequent to January 1, 1976, the requirement is 25 years of credited service and attainment of age 50. Each firefighter shall be eligible to receive a service retirement monthly pension equal to one-half of the current (rank escalation) highest monthly base salary paid for the rank held by such former member at the time of termination of employment with the department thereafter, so long as the member is in retirement, plus one-half of the annual longevity pay and longevity credit earned by the member prior to January 1, 2005. Such monthly pension shall be paid regardless of income or earnings which the retirant receives from any other source. Separate provisions for normal retirement survivor benefits for spouses and children are included in the plan documents.

Delayed Retirement – Generally, any member who has met the eligibility requirement as defined in the plan documents will be eligible for a delayed retirement benefit for each full year of additional active service up to ten years of additional service. This benefit shall be an additional two percent of the current (rank escalation) highest monthly base salary paid for the rank held by such former member at the time of termination of employment with the department for each additional full year of active service plus the annual longevity pay and longevity credit earned by the member prior to January 1, 2005. For each additional full year of active service, the rank escalator benefit and longevity pay and longevity credit shall be increased by two percent. The delayed retirement benefit shall be available to members retiring on or after January 1, 1986. In no case shall the accumulation of additional active service through the delayed retirement benefit program result in a service retirement monthly pension in excess of 70 percent of the current (rank escalation) highest monthly base salary, plus longevity pay and longevity credit, paid for the rank held by such former member at the time of termination of employment with the department. For retirements occurring after May 1, 1991, the additional percent shall be four percent up to six years of additional service for a maximum of 74 percent of the current (rank escalation) highest monthly base salary, plus longevity pay and longevity credit, paid for the rank held by such former member at the time of termination of employment with the department. This modification effective on May 1, 1991, shall not be applicable to anyone who has retired prior to such date. Commencing with retirements occurring on or after January 1, 1993, the delayed retirement benefit shall be calculated on a pro rata basis using full months of additional service. Separate provisions for delayed retirement survivor benefits for spouses and children are included in the plan documents.

Vested Retirement – Any plan member who shall leave the service of the city prior to becoming eligible to receive a pension for any reason, the member having accumulated less than five years of credited service at the time of termination, shall be entitled to receive a refund of the member's total contribution to the fund, without interest, theretofore made to the fund. If the member has accumulated five or more years of credited service at the time of termination, the member may elect to receive deferred monthly pension benefits, payable at such time as the member would have been eligible to receive pension benefits for longevity of service and age (normal retirement), if employment had not been terminated. Members electing to receive vested monthly pension benefits must make a written application to the board within 60 days after termination. Absent such application, it shall be presumed that the terminated member has elected to have his or her contribution refunded. Receipt of funds pursuant to this provision shall be conditioned upon the signing of a statement to be filed with the city evidencing such an election and acknowledging that the member has no further rights to any other benefits provided for by either the city or the retirement fund. Such vested pension benefit shall be a sum of money equal to the number of years of credited service or fractional portion thereof, multiplied by two percent and the product thereof multiplied by the current (rank escalation) highest monthly base salary paid for that rank or grade held by such former member at the time of termination of employment plus the proportional annual longevity pay and longevity credit earned by the member prior to January 1, 2005; provided, however, that such vested pension benefit sum shall in no event exceed 40 percent of the current (rank escalation) highest monthly base salary, plus longevity pay and longevity credit, paid for the rank held by such former member at the time of termination of employment with the department. Separate provisions for vested retirement survivor benefits for spouses and children, as well as vested interest death benefits, are included in the plan documents.

Severance Benefit - Effective September 30, 1989, any member who shall leave the service of the city through other than a disability, after meeting the 20-year service requirement, regardless of age, shall be entitled to receive a monthly benefit equal to 49 percent of the current (rank escalation) highest monthly base salary paid for the rank held by such former member at the time of termination of employment with the department plus 49 percent of the annual longevity pay and longevity credit earned by the member prior to January 1, 2005. This benefit is to commence upon leaving active duty and is in lieu of any other retirement benefits as described in this article.

Such monthly pension shall be paid regardless of income or earnings which the retirant receives from any other source. Separate provisions for survivor benefits for spouses and children are included in the plan documents.

*Plan Membership.* As of the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	132
Inactive, nonretired members	0
Active members	0
	132

*Contributions.* The city is required to contribute at an actuarially determined rate. Modification of the Old Hire Plans is regulated by state law and by FPPA Rules and Regulations as authorized by state law. Changes to contribution requirements require an affirmative vote of 65% of active members and City Council ordinance. Employer contributions recognized by the plan for the year ended December 31, 2019 were \$3,033,111.

**Net Pension Liability**

At December 31, 2019, the city reported a liability of \$34,654,014 for the plan. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The liability was rolled forward from January 1, 2018 to December 31, 2018 using standard actuarial methods.

*Actuarial Assumptions.* The January 1, 2018 actuarial valuation, based on the most recent experience study completed in 2015, used the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age normal
Asset valuation method	5-year smoothed fair value
Actuarial assumptions:	
Investment rate of return	7.50%
Inflation	2.50%
Salary increases	1.50%
Benefit escalation	3.50%
Retirement age	Any remaining actives are assumed to retire immediately
Mortality	Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.  Disabled (pre-1980): RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

*Changes in Assumptions.* There were no changes in assumptions from the prior valuation.

*Long-Term Expected Return on Plan Assets.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plan’s target asset allocation as of December 31, 2018, are summarized in the following table:

<b>Asset Allocation</b>		
<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Global Equity	37.00%	8.03%
Private Markets	24.00%	10.00%
Fixed Income	15.00%	2.90%
Equity Long/Short	9.00%	6.45%
Absolute Return	9.00%	5.08%
Managed Futures	4.00%	5.35%
Cash	2.00%	2.52%
<b>Total</b>	<b>100.00%</b>	

*Discount Rate.* A discount rate of 7.50% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 7.50%. The projection of cash flows used to determine this discount rate assumed that all actuarially determined contributions will be made and that the plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability.*

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a)-(b)</b>
<b>Balances at 1/1/2019</b>	<b>\$ 106,740,683</b>	<b>\$ 76,561,985</b>	<b>\$ 30,178,698</b>
<b>Changes for the year:</b>			
Interest	7,688,994	-	7,688,994
Employer Contributions	-	3,184,594	(3,184,594)
Net Investment Income	-	71,304	(71,304)
Benefit Payments	(8,596,950)	(8,596,950)	-
Administrative Expense	-	(42,220)	42,220
<b>Net Changes</b>	<b>(907,956)</b>	<b>(5,383,272)</b>	<b>4,475,316</b>
<b>Balances at 12/31/2019</b>	<b>\$ 105,832,727</b>	<b>\$ 71,178,713</b>	<b>\$ 34,654,014</b>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the city's net pension liability, calculated using a discount rate of 7.50%, as well as what the city's net pension liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

**Sensitivity of Net Pension Liability  
to the Discount Rate Assumption**

	<b>1% Decrease (6.50%)</b>	<b>Current Discount Rate (7.50%)</b>	<b>1% Increase (8.50%)</b>
City's net pension liability	\$ 44,487,134	\$ 34,654,014	\$ 26,187,159

*Pension Plan Fiduciary Net Position.* Detailed information about the plan's net fiduciary net position is available in FPPA's comprehensive annual financial report available online at [www.fppaco.org](http://www.fppaco.org) or by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

*Pension Expense and Deferred Outflows of Resources Related to Pensions.* For the year ended December 31, 2019, the city recognized pension expense of \$3,551,720. At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual earnings on pension plan investments	\$ 2,866,655	\$ -
City contributions subsequent to the measurement date	3,033,111	-
<b>Total</b>	<b>\$ 5,899,766</b>	<b>\$ -</b>

The \$3,033,111 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending December 31</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2020	\$ 1,260,146
2021	411,893
2022	100,616
2023	1,094,000
<b>Total</b>	<b>\$ 2,866,655</b>

**Old Hire Police**

*Benefits Provided.* The plan provides normal, delayed, vested, disability and severance retirements including death benefits.

Normal Retirement – Any member of the police department other than a new hire police officer, as defined in section 101.27 of the FPPA rules and regulations, who has met the eligibility requirement for normal retirement, e.g., 20 years of credited service regardless of age, shall be eligible to receive a service retirement monthly pension equal to 40 percent of the current (rank escalation) highest salary paid for that rank or grade held at the time of retirement. Members retiring for the first time after May 1, 1991, shall receive 45 percent instead.

Delayed Retirement –

Members retiring prior to May 1, 1991. In addition to normal retirement benefits, any member who elects to remain on active service past 20 years shall receive two percent for each year of service calculated fractionally in

accordance with section 102-246 to a maximum of 30 years and 60 percent of the highest current salary paid for that rank or grade held at the time of retirement. Thereafter and so long as the member is in retirement there shall be added to the amount of pension, as stated above, a rank escalator. This rank escalator shall consist of multiplying the percentage, which may include additional increases of two percent up to 60 percent, by any increase in the highest current salary earned for the retiree's grade or rank and by one-half of any longevity pay granted or paid to the rank or grade last occupied by the retirant immediately prior to retirement.

Members retiring after *May 1, 1991*. For members who receive delayed retirement benefits for the first time after *May 1, 1991*, the following apply: Any member who reaches 20 years of service prior to *January 1, 1990*, shall receive two percent per year from the member's 20th year of service until *January 1, 1990*; subsequent to *January 1, 1990*, members shall receive four percent per year to a maximum of 74 percent, regardless of years of service. Any member who reaches 20 years of service after *January 1, 1990*, shall receive four percent per year for each year over 20 years to a maximum of 74 percent, regardless of years of service. These percentages shall be subject to the same qualifying language regarding fractional and rank escalation calculation methodology.

Vested Retirement – If the member has accumulated five or more years of credited service with the city at the time of termination, the member may elect to receive deferred monthly pension benefits, payable at such time as he or she would have been eligible to receive pension benefits for longevity of service (normal retirement) had employment not been terminated. Such vested pension benefit shall be a sum of money equal to the total number of years of credited service or fractional portion thereof, multiplied by two percent and the product thereof multiplied by the monthly salary paid for that rank or grade held by such former member at the time of his or her termination of employment, plus one-half the applicable longevity credit. Anyone who receives a vested benefit for the first time after *May 1, 1991*, other than those receiving a disability from FPPA as of *May 1, 1991*, shall receive a multiplier of 2.25 instead of two. The rank escalator benefit is applicable to vested pension benefits for members who started receiving the vested pension benefit before *March 5, 1993*.

Death Benefits –

*Death and survivor benefits for active members.* The extent and amount of death and survivor benefits are dependent upon the work status of the member. If the member dies during active or temporary disability status before eligibility for normal or delayed pension benefits, the death and survivor benefits are to be determined by the retirement association in accordance with state law. If an active member is eligible for a normal pension benefit and the member dies, the pension benefit for the survivor shall be determined in accordance with the provisions of this article which govern benefits payable to the survivor of retirees receiving normal or delayed pension benefits. If a member is retired from active service, the death and survivor benefits are determined by the plan.

*Death of a member who retired prior to May 1, 1991.* When any retirant or member eligible to retire shall die and leave an alternate payee, spouse, dependent mother or father, or child or children under the age of 18 years surviving, such beneficiaries shall receive monthly payments as authorized by the board, of an amount equal to one-fourth of the current (rank escalation) highest monthly salary paid that rank or grade plus longevity which such deceased retirant or deceased member held, multiplied by a fraction with the numerator being the total years of active service, up to a maximum of 30, and the denominator being 20 regardless of whether retirant worked more than 20 years; however, in no case shall the numerator be less than 20.

*Death of member who retired after May 1, 1991.* When any retirant or member eligible to retire shall die and leave an alternate payee, spouse, dependent mother or father, or child or children under the age of 18 years, or child or children under the age of 24 years, if a full-time student as defined by the IRS code, surviving, such beneficiaries shall receive a monthly payment, as authorized by the board, of an amount equal to 75 percent or 100 percent if the surviving spouse has a child under 18 years, or under 24 years, if a full-time student as defined by the IRS code of the benefit, which includes rank escalation, paid the deceased.

*Plan Membership.* As of the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	146
Inactive, nonretired members	0
Active members	1
	<u>147</u>

*Contributions.* The city is required to contribute at an actuarially determined rate. Modification of the Old Hire Plans is regulated by state law and by FPPA Rules and Regulations as authorized by state law. Changes to contribution requirements require an affirmative vote of 65% of active members and City Council ordinance. Employer contributions recognized by the plan for the year ended December 31, 2019 were \$4,164,773.

**Net Pension Liability**

At December 31, 2019, the city reported a liability of \$47,914,096 for the plan. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The liability was rolled forward from January 1, 2018 to December 31, 2018 using standard actuarial methods.

*Actuarial Assumptions.* The January 1, 2018 actuarial valuation, based on the most recent experience study completed in 2015, used the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age normal
Asset valuation method	5-year smoothed fair value
Actuarial assumptions:	
Investment rate of return	7.50%
Inflation	2.50%
Salary increases	1.50%
Benefit escalation	3.50%
Retirement age	Any remaining actives are assumed to retire immediately
Mortality	Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.  Disabled (pre-1980): RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

*Changes in Assumptions.* There were no changes in assumptions from the prior valuation.

*Long-Term Expected Return on Plan Assets.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plan’s target asset allocation as of December 31, 2018, are summarized in the following table:

<b>Asset Allocation</b>		
<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Global Equity	37.00%	8.03%
Private Markets	24.00%	10.00%
Fixed Income	15.00%	2.90%
Equity Long/Short	9.00%	6.45%
Absolute Return	9.00%	5.08%
Managed Futures	4.00%	5.35%
Cash	2.00%	2.52%
<b>Total</b>	<b>100.00%</b>	

*Discount Rate.* A discount rate of 7.50% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 7.50%. The projection of cash flows used to determine this discount rate assumed that all actuarial contributions will be made and that the plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability.*

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a)-(b)</b>
<b>Balances at 1/1/2019</b>	\$ 135,680,618	\$ 93,646,156	\$ 42,034,462
<b>Changes for the year:</b>			
Interest	9,813,624	-	9,813,624
Employer Contributions	-	3,906,280	(3,906,280)
Net Investment Income	-	76,779	(76,779)
Benefit Payments	(9,842,538)	(9,842,538)	-
Administrative Expense	-	(49,069)	49,069
<b>Net Changes</b>	<b>(28,914)</b>	<b>(5,908,548)</b>	<b>5,879,634</b>
<b>Balances at 12/31/2019</b>	<b>\$ 135,651,704</b>	<b>\$ 87,737,608</b>	<b>\$ 47,914,096</b>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the city's net pension liability, calculated using a discount rate of 7.50%, as well as what the city's net pension liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	<b>Sensitivity of Net Pension Liability to the Discount Rate Assumption</b>		
	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>(6.50%)</b>	<b>Rate (7.50%)</b>	<b>(8.50%)</b>
City's net pension liability	\$ 61,884,539	\$ 47,914,096	\$ 36,061,213

*Pension Plan Fiduciary Net Position.* Detailed information about the plan’s net fiduciary net position is available in FPPA’s comprehensive annual financial report available online at [www.fppaco.org](http://www.fppaco.org) or by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

*Pension Expense and Deferred Outflows of Resources Related to Pensions.* For the year ended December 31, 2019, the city recognized pension expense of \$4,704,953. At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 3,514,402	\$ -
City contributions subsequent to the measurement date	4,164,773	-
Total	<u>\$ 7,679,175</u>	<u>\$ -</u>

The \$4,164,773 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2020	\$ 1,525,370
2021	509,681
2022	134,092
2023	1,345,259
<b>Total</b>	<u>\$ 3,514,402</u>

**4. Statewide Defined Benefit Plan – Fire New Hire Pension Plan**

**Plan Description**

*Plan Description.* The Fire Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). The plan provides retirement and death benefits to firefighters hired on or after April 8, 1978. In addition to the initial transfer plan implemented at that time, an updated plan was instituted in 2011 for firefighters hired on or after October 1, 2011. State statute assigns authority to establish and amend benefit provisions to the FPPA. This plan is included in the FPPA’s annual separately issued audited financial statements. This report is available online at [www.fppaco.org](http://www.fppaco.org) by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

*Benefits Provided.* A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. The annual normal retirement benefit is 2 percent of the average of the member’s highest three years’ base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. Benefits paid to retired members are evaluated and may be re-determined every October 1<sup>st</sup>. The amount of any increase is based on the FPPA Board’s discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the plan and

remain eligible for a retirement pension at age 55 equal to 2 percent of the member’s average highest three years’ base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

*Contributions.* The city is required to contribute at a statutorily determined rate. The FPPA Board sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute while member contribution rates can be amended by state statute or election of the membership and City Council ordinance. Currently, 149 city firefighters are active members of the transfer plan and 9 are inactive, nonretired members of the transfer plan. In 2019, members of the transfer plan contributed and the city contributed 12.0% (\$1,660,532) and 10.0% (\$1,328,502), respectively. Contribution rates for members of the transfer plan will increase 0.5% annually through 2022 for a total combined member and employer contribution rate of 24.0% in 2022. In 2011, an updated plan was instituted for firefighters hired on or after October 1, 2011. Currently, 261 city firefighters are members of this plan. In 2019, plan members and the city contributed 10.5% (\$1,620,473) and 8.0% (\$1,234,803), respectively. Member contribution rates for this plan are scheduled to increase 0.5% annually through 2022 to a total of 12.0% of base salary. Employer contributions are scheduled to remain at 8.0% resulting in a combined contribution rate of 20.0% in 2022.

**Net Pension Liability**

At December 31, 2019, the city reported a liability of \$5,377,143 for its proportionate share of the net pension liability for the plan. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019, which was unchanged from December 31, 2018. The city’s portion of the net pension liability was based on the city’s contributions to the SWDB plan for the calendar year 2018 relative to the total contributions of participating employers to the plan.

At December 31, 2018, the city’s proportion in the net pension liability was 4.25%, a decrease from its 4.41% proportion of net liability measured as of December 31, 2017.

*Actuarial Assumptions.* The January 1, 2019 actuarial valuation, based on the most recent experience study completed in 2018, used the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age normal
Actuarial assumptions:	
Long term investment rate of return*	7.00%
Projected salary increases*	4.25%-11.25%
Cost of living adjustments	0.00%
* Includes inflation at	2.50%
Mortality	In determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales and then projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

*Changes in Assumptions.* As of the 2019 actuarial valuation, the investment rate of return decreased from 7.50% to 7.00% and the projected salary increases changed from 4.00% - 14.00% to 4.25% - 11.25%. The total pension liability mortality assumption changed from RP-2014 Table for Blue Collar Employees projected with Scale BB and 55 percent off-duty mortality multiplier to RP-2014 Table projected to 2018 using MP-2017 scales with 2006 central rates and a 50 percent off-duty mortality multiplier. On-duty related mortality for purposes of the pension liability changed from 0.00020 to 0.00015.

*Changes in Benefit Terms.* No changes to benefit provisions occurred since the prior valuation.

*Long-Term Expected Return on Plan Assets.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of December 31, 2018, are summarized in the following table:

<b>Asset Allocation</b>		
<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Global Equity	37.00%	8.03%
Equity Long/Short	9.00%	6.45%
Private Markets	24.00%	10.00%
Fixed Income	15.00%	2.90%
Absolute Return	9.00%	5.08%
Managed Futures	4.00%	5.35%
Cash	2.00%	2.52%
<b>Total</b>	<b>100.00%</b>	

*Discount Rate.* A discount rate of 7.00% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this discount rate assumed contributions from participating employers will be made based on statutorily required rates and that the plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the city's proportionate share of the net pension liability (asset), calculated using a discount rate of 7.00%, as well as what the city's proportionate share of the plan's net pension liability (asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher:

<b>Sensitivity of Net Pension Liability (Asset) to the Discount Rate Assumption</b>			
	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
City's net pension liability (asset)	\$ 20,851,913	\$ 5,377,143	\$ (7,458,900)

*Pension Plan Fiduciary Net Position.* Detailed information about the plan's net fiduciary net position is available in FPPA's comprehensive annual financial report available online at [www.fppaco.org](http://www.fppaco.org) or by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended December 31, 2019, the city recognized pension expense of \$670,206. At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 4,229,950	\$ -
Differences between actual and expected experience	6,909,171	57,443
Assumption changes	5,207,589	-
Changes in proportionate share	865,216	180,650
City contributions subsequent to the measurement date	2,563,305	-
Total	<u>\$ 19,775,231</u>	<u>\$ 238,093</u>

The \$2,563,305 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2020	\$ 3,171,216
2021	2,288,187
2022	1,960,711
2023	3,190,873
2024	1,595,259
Thereafter	4,767,587
<b>Total</b>	<u>\$ 16,973,833</u>

## 5. Statewide Hybrid Plan – Fire New Hire Pension Plan

### Plan Description

*Plan Description.* The Statewide Hybrid Fire Pension Plan (SWH) is a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). This plan contains a defined benefit component and a money purchase component. State statute assigns authority to establish and amend benefit provision to the FPPA. This plan is included in the FPPA's annual separately issued audited financial statements. This report is available online at [www.fppaco.org](http://www.fppaco.org) by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

*Benefits Provided.* A member is eligible for a normal retirement pension at any time after age 55 if the member has at least 25 years of service. The annual normal pension of the defined benefit component is 1.5 percent of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members of the defined benefit component are evaluated and may be re-determined annually on October 1<sup>st</sup>. The amount of any increase is based on the FPPA Board's discretion and can range from 0 to 3 percent.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution from the defined benefit component. Alternatively, a member with at least five years of accredited service may

leave contributions with the defined benefit component of the plan and remain eligible for a retirement pension at age 55 equal to 1.5 percent of the average of the member’s highest three years’ base salary for each year of credited service.

*Contributions.* The city is required to contribute at a statutorily determined rate. The FPPA Board sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWH plan are set by each individual employer; however, the rate for both employer and members must be at least 8 percent of the member’s base salary. Currently, 34 city firefighters are members of this plan and 3 are inactive, nonretired members of the plan. In 2019, plan members and the city each contributed 10.5%, \$318,581. The percentage split is recalculated each year.

**Net Pension Asset**

At December 31, 2019, the city reported an asset of \$2,755,129 for its proportionate share of the net pension asset for the plan. The net pension asset was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2019, which was unchanged from December 31, 2018. The city’s portion of the net pension asset was based on the city’s contributions to the SWH plan for the calendar year 2018 relative to the total contributions of participating employers to the plan.

At December 31, 2018, the city’s proportion was 19.96%, a decrease from its proportion of 21.68% measured as of December 31, 2017.

*Actuarial Assumptions.* The January 1, 2019 actuarial valuation, based on the most recent experience study completed in 2018, used the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age normal
Actuarial assumptions:	
Long term investment rate of return*	7.00%
Projected salary increases*	4.25%-11.25%
Cost of living adjustments	0.00%
* Includes inflation at	2.50%
Mortality	In determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales and then projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

*Changes in Assumptions.* As of the 2019 actuarial valuation, the investment rate of return decreased from 7.50% to 7.00% and the projected salary increases changed from 4.00% - 14.00% to 4.25% - 11.25%. The total pension liability mortality assumption changed from RP-2014 Table for Blue Collar Employees projected with Scale BB and 55 percent off-duty mortality multiplier to RP-2014 Table projected to 2018 using MP-2017 scales with 2006 central rates and a 50 percent off-duty mortality multiplier. On-duty related mortality for purposes of the pension liability changed from 0.00020 to 0.00015.

*Changes in Benefit Terms.* No changes to benefit provisions occurred since the prior valuation.

*Long-Term Expected Return on Plan Assets.* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best

estimates of arithmetic real rates of return for each major asset class included in the plan’s target asset allocation as of December 31, 2018, are summarized in the following table:

<b>Asset Allocation</b>		
<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Global Equity	37.00%	8.03%
Equity Long/Short	9.00%	6.45%
Private Markets	24.00%	10.00%
Fixed Income	15.00%	2.90%
Absolute Return	9.00%	5.08%
Managed Futures	4.00%	5.35%
Cash	2.00%	2.52%
<b>Total</b>	<b>100.00%</b>	

*Discount Rate.* A discount rate of 7.00% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this discount rate assumed that contributions from participating employers will be made based on statutorily required rates and that the plan’s fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the City’s Proportionate Share of the Net Pension Asset to Changes in the Discount Rate.* The following presents the city’s proportionate share of the net pension asset, calculated using a discount rate of 7.00%, as well as what the city’s proportionate share of the plan’s net pension asset would be if it were calculated using a discount rate that is one percent lower or one percent higher:

**Sensitivity of Net Pension Asset to the Discount Rate Assumption**

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
City's net pension asset	\$ (1,350,952)	\$ (2,755,129)	\$ (3,932,298)

*Pension Plan Fiduciary Net Position.* Detailed information about the plan’s net fiduciary net position is available in FPPA’s comprehensive annual financial report available online at [www.fppaco.org](http://www.fppaco.org) or by contacting the Fire and Police Pension Association, 5290 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111-2721 or telephone (303) 770-3772.

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended December 31, 2019, the city recognized pension expense of \$446,144. At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 588,284	\$ -
Differences between actual and expected experience	1,938,091	-
Assumption changes	401,108	-
Changes in proportionate share	1,852,249	46,897
City contributions subsequent to the measurement date	318,581	-
Total	<u>\$ 5,098,313</u>	<u>\$ 46,897</u>

The \$318,581 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2020	\$ 1,010,785
2021	907,923
2022	869,171
2023	1,021,523
2024	738,174
Thereafter	185,259
<b>Total</b>	<u>\$ 4,732,835</u>

## B. Defined Contribution Plans

### 1. Police Money Purchase Pension Plan – New Hire

The Police New Hire Plan is an open defined contribution money purchase plan established by agreement to provide retirement benefits for full time police hired on or after April 8, 1978. The plan is administered by a board established by the agreement. Plan provisions and contribution requirements are amended by an affirmative vote of 65% of the members as well as a City Council resolution. Normal retirement age is 50. The member is 100% vested at 5 years of service and 0% vested until that time. At December 31, 2019, there were 798 plan members. Plan members and the city are both required to contribute 10.5%. In 2019, plan members and the city each contributed \$7,233,828.

### 2. Fire Money Purchase Pension Plan

The Fire Money Purchase Pension Plan is a closed defined contribution money purchase plan established by City Ordinance to provide retirement benefits for city firefighters hired on or after April 8, 1978 and is administered by the Fire and Police Pension Association of Colorado. Plan provisions and contribution requirements are established and may be amended by City Council. Normal retirement age is 50. All members are fully vested. At December 31, 2019, there were 10 plan members. Plan members and the city are both required to contribute 10.5%. In 2019, plan members and the city each contributed \$99,380.

**3. Executive Retirement Plan (ERP)**

ERP is an open defined contribution money purchase plan established by City Ordinance to provide retirement benefits for city executive personnel and is administered by ICMA-RC. Plan provisions and contribution requirements are established and may be amended by City Council. Normal retirement age is age 50 for plan members hired before November 5, 2013, and age 62 for plan members hired on or after November 5, 2013. Members vest at 33 1/3% each year and are fully vested at 3 years. At December 31, 2019, there were 24 plan members. In 2019, plan members and the city both contributed 10.0% or \$391,686.

**14. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

The city offers other postemployment benefits (OPEB) through the city’s group health insurance plan. The following provides a summary of the total OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense by governmental activities and business-type activities. The allocation is based on the proportion of health insurance expense incurred by the city.

	<b>Total OPEB Liability</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>OPEB Expense</b>
Governmental Activities	\$ 15,757,173	\$ 2,281,798	\$ 1,765,967	\$ 1,446,311
Business-Type Activities	2,983,916	432,101	334,416	273,850
	<b>\$ 18,741,089</b>	<b>\$ 2,713,899</b>	<b>\$ 2,100,383</b>	<b>\$ 1,720,161</b>

**General Information about the OPEB Plan**

*Plan Description.* In addition to pension benefits, the city acts in a single-employer capacity in providing medical benefits to eligible retirees and their qualifying dependents through the city’s group health insurance plan. OPEB eligibility criteria mirrors each respective retirement plan’s eligibility criteria. Benefit provisions are determined by the city and may be amended by the city as appropriate. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 as the plan is funded on a pay-as-you-go basis.

Based on city practice, eligible retirees are allowed to participate in the health benefit program up to Medicare age. Employees are eligible for benefits based on the following period of service:

<b>Employee Type</b>	<b>Date of Hire</b>	<b>Criteria</b>
<b>General Employees</b>	Before January 1, 2012	Age 65 or at least age 50 with completion of 10 years of service
	On or after January 1, 2012	Age 67 or at least age 50 with completion of 10 years of service
<b>Civil Service - Police</b>	Before April 8, 1978	Completion of 19.5 years of service
	On or after April 8, 1978	Age 50 and completion of 19.5 years of service
<b>Civil Service - Fire</b>	Before April 8, 1978	Completion of 19.5 years of service
	On or after April 8, 1978	Age 55 and completion of 19.5 years of service
<b>Executive Personnel</b>	Before November 5, 2013	Age 50 with completion of 3 years of service
	On or after November 5, 2013	Age 62 with completion of 3 years of service
<b>Elected Officials</b>	Before November 5, 2013	Age 56 with completion of 6 years of service
	On or after November 5, 2013	Age 62 with completion of 6 years of service

As of the December 31, 2017 actuarial valuation there were 2,845 active employees eligible to be covered under the city’s health insurance plan. Of these, 647 were fully eligible for the plan. In addition, there were 404 retired employees who received medical coverage under this program.

*Benefits Provided.* Eligible retirees and their qualifying dependents may elect to participate in OPEB through one of the five fully insured medical plans offered through Kaiser Permanente. Once retirees reach Medicare eligibility, they are required to switch their coverage to a fully insured Medicare supplement plan.

**Total OPEB Liability**

At December 31, 2019, the city reported a liability of \$18,741,089 for the plan of which \$932,917 is considered current. The total OPEB liability was measured as of December 31, 2018 and was determined by an actuarial valuation as of December 31, 2017 rolled forward using standard actuarial methods.

*Actuarial Assumptions.* The December 31, 2017 actuarial valuation used the following actuarial assumptions and other inputs:

Actuarial valuation date	12/31/2017
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Discount rate (1)	3.44%
Medical CPI trend	3.00%
Projected salary increases	3.50%
Inflation	2.50%
Health care cost trend rates	7.00% to 4.50%, grading down by 0.5% annually
Mortality	RP-2014 Generational Mortality Table projected using Scale MP-16, applied on a gender-specific basis

The revised assumptions shown below were reflected in the roll-forward calculation of the total OPEB liability from December 31, 2017 to December 31, 2018:

Discount rate (1)	4.10%
Trend rate	6.50% to 4.50%, grading down by 0.5% annually

(1) The discount rate is based on the index rate for 20-year tax-exempt general obligation bonds with an average rating of AA/Aa or higher (Bond Buyer 20-Bond GO Index as of December 31).

*Changes in Assumptions.* As of the 2018 roll-forward of the 2017 actuarial valuation, the discount rate assumption changed from 3.44% to 4.10%.

*Changes in Total OPEB Liability.*

	<b>Total OPEB Liability</b>
<b>Balances at 1/1/2019</b>	<u>\$ 19,159,094</u>
<b>Changes for the year:</b>	
Service Cost	1,073,971
Interest	675,782
Assumption Changes	(991,260)
Benefit Payments	(1,176,498)
<b>Net Changes</b>	<u>(418,005)</u>
<b>Balances at 12/31/2019</b>	<u><u>\$ 18,741,089</u></u>

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the city's total OPEB liability, calculated using a discount rate of 4.10%, as well as what the city's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

**Sensitivity of Total OPEB Liability  
to the Discount Rate Assumption**

	<b>1% Decrease (3.10%)</b>	<b>Current Discount Rate (4.10%)</b>	<b>1% Increase (5.10%)</b>
City's total OPEB liability	\$ 20,513,000	\$ 18,741,089	\$ 16,245,000

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the city's total OPEB liability calculated using healthcare cost trend rates that are one percent lower or one percent higher than the current healthcare cost trend rates:

**Sensitivity of Total OPEB Liability  
to Changes in the Healthcare Cost Trend Rate**

	<b>1% Decrease (5.5% decreasing to 3.50%)</b>	<b>Current Health Care Cost Trend Rate (6.5% decreasing to 4.50%)</b>	<b>1% Increase (7.5% decreasing to 5.50%)</b>
City's total OPEB liability	\$ 16,332,000	\$ 18,741,089	\$ 20,355,000

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended December 31, 2019, the city recognized OPEB expense of \$1,720,161. At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 1,217,799
Change of assumptions	1,780,982	882,584
Benefit payments subsequent to the measurement date	932,917	-
<b>Total</b>	<b>\$ 2,713,899</b>	<b>\$ 2,100,383</b>

The \$932,917 reported as deferred outflows of resources related to OPEB resulting from benefit payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<b>Year Ending December 31</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2020	\$ (29,591)
2021	(29,591)
2022	(29,591)
2023	(29,591)
2024	(29,591)
Thereafter	(171,446)
<b>Total</b>	<b>\$ (319,401)</b>

## 15. OPERATING LEASES

The city has entered into various leases for buildings, office and storage space, and equipment. All leases are cancelable and must be reappropriated annually. Total costs for such leases were \$1,298,397 for the year ended December 31, 2019. The future minimum lease payments for these leases are as follows:

<b>Year Ending December 31</b>	<b>Amount</b>
2020	\$ 1,038,553
2021	432,235
2022	326,463
2023	134,118
<b>Total</b>	<b>\$ 1,931,369</b>

## 16. RISK MANAGEMENT

The city is exposed to various risks and losses related to torts, theft, damage or destruction of assets, errors and omissions, natural disasters, property damage, worker's compensation, auto liability, and unemployment. In addition, the city is party to various pending or potential lawsuits, under which it may be required to pay certain amounts upon final disposition of these matters.

The city retains risk up to the levels where it has been determined that commercial insurance is more cost beneficial. The insurance companies promise payments of claims in excess of stated deductibles, with variable limits depending upon the specific line of coverage. For payment to be made by the insurance company, the claim must fall under the insuring agreements and coverage, the insured must meet the insurer's conditions, and certain claims are excluded under certain conditions. The Colorado Governmental Immunity Act establishes limits for claims made against governmental entities for injuries which lie in tort or could lie in tort. These limits are \$350,000 per person up to a maximum of \$990,000 for any one event for all claimants as of July 1, 2013. These stated limitations do not apply to federal claims. There were no significant reductions in insurance coverage from the prior year; however, the self-insured retention for police liability claims has increased from \$750,000 to \$1,000,000 as of January 1, 2020. There have been no claim settlements in excess of insurance coverage in the last three years.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Amounts estimated to be paid on known cases are reported as case reserves. Case reserves are estimated through in-house methods and do include incremental claims adjustment expenses.

Total self-insurance reserves are actuarially determined and include estimated costs for incurred but not reported claims (IBNR). The total liability has been recorded using the discounted method with an expected 1.72% interest return over the life of the liabilities. The city reports the current and noncurrent portions of the accrued claims liability and related claim settlements and judgments within the Risk Management Fund. Management believes any resulting judgments would not exceed insurance coverage by a material amount.

**Summary of the Accrued Claims Liability  
December 31, 2019**

Self-Insured Program	Case Reserves	IBNR	Total	Discounted
Worker's compensation	\$ 2,924,424	\$ 5,408,435	\$ 8,332,859	\$ 8,022,048
Multi-line liability	3,130,330	5,193,563	8,323,893	8,076,401
<b>Total</b>	<b>\$ 6,054,754</b>	<b>\$ 10,601,998</b>	<b>\$ 16,656,752</b>	<b>\$ 16,098,449</b>

**Reconciliation of Claims Payable**

Year	Balance January 1	Current Year Accrued Claims	Claim Payments	Recoveries	Balance December 31
2018	\$ 12,040,830	\$ 6,673,390	\$ (5,905,285)	\$ 433,208	\$ 13,242,143
2019	13,242,143	8,735,463	(6,036,719)	157,562	16,098,449

Effective January 1, 2016, the city established a self-funded dental insurance program for employees who choose to participate in the Delta Dental program. The city utilizes a third-party provider to administer the plan. Premiums are paid by the city and each covered employee/retiree and are held in the city's Payroll Clearing Fund as a reserve to pay future claims. Dental claims are limited to \$1,500 per year per individual. Self-insurance liabilities are actuarially determined and include estimated costs for incurred but not reported claims (IBNR). As of December 31, 2019, the amount held in the General Fund of \$681,243 for future self-funded dental claims exceeded the calculated IBNR of \$94,300. Management believes the current amount of reserves is adequate.

## 17. CONTINGENT LIABILITIES

The city is a party to various lawsuits, which may require expenditures of funds upon decision of the courts or in connection with out-of-court settlements. The City Attorney's Office reports several possible contingent liabilities based on damages alleged in various cases. It is the opinion of the city attorney that the city's liability in these cases will be far less than the amounts demanded and/or will be covered by insurance. However, certain claims may be in excess of the amount of coverage. Management of the city considers the amount of liabilities established in the Risk Management Fund to be sufficient to cover any liabilities that may result from the eventual outcome of these matters.

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

## 18. CONDUIT DEBT OBLIGATIONS

From time to time, the city has issued revenue bonds to provide financial assistance to private sector and non-profit entities for the acquisition and construction of industrial, commercial and residential properties deemed to be in the public interest. The bonds are payable solely from payments received on the underlying funding source. The city is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2019, there were two series of revenue bonds outstanding which pertain to the Hospital Revenue Bonds payable from operating revenues. The total aggregate principal amount payable was \$104,785,000.

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**19. POLLUTION REMEDIATION**

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The Highway 30 Landfill Facility operated as a municipal landfill by the city from 1969 to 1975 when it was closed. Because of potential issues related to groundwater contamination and methane gas generation, annual site monitoring is performed. In late 2015, monitoring indicated that methane was above state standards at the property border. As a result, the Colorado Department of Public Health and Environment (CDPHE) issued a compliance advisory in 2016 which requires the city to implement tasks to determine the extent, if any, of any contamination and identify remediation alternatives if contamination is determined. During 2019, the city and CDPHE entered into a Compliance Order of Consent (Order) which requires the city to determine the extent of contamination and make necessary remediation as determined necessary. The investigation activities are on-going and the city is in compliance with the terms of the Order. Through December 31, 2019, the city has entered into contracts, including change orders, for \$785,614 to undertake investigations into the site to see if additional remediation efforts will be necessary and to comply with the Order.

At this stage of the process, it is not possible to estimate costs beyond the contracts entered into to date; therefore, a liability for \$130,312, which represents the balance of the contracts at December 31, 2019, has been accrued at year-end in the citywide financial statements. There are no estimated recoveries anticipated to reduce this liability.

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**20. TAXPAYER BILL OF RIGHTS (TABOR)**

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In November 1992, Colorado voters approved a State constitutional amendment, TABOR, the general purpose of which is to restrain government growth (as measured by revenues and expenditures) without a vote of the local citizens. The key mechanisms for restraining growth without a vote are: 1) the prohibition of revenue and expenditure growth other than for inflation and a component for new construction growth, 2) the prohibition of new taxes or higher tax rates, 3) the prohibition of new debt, and 4) the refunding of any revenues collected in excess of the revenue limitations. In 2019, property tax revenue and general revenue collections were below the limits imposed by the TABOR Amendment.

TABOR further requires emergency reserves of at least 3% of fiscal year revenue as defined by TABOR (excluding bonded debt service). The city maintains the required reserves in the General Fund. TABOR specifies that local governments are permitted to use reserve funds for "emergencies" with the requirement that the reserve funds be restored to 3% of fiscal year spending in the following fiscal year. In accordance with TABOR, the city maintains an emergency reserve of 3% of the fiscal year spending by designating a combination of available cash and real property owned by the city in lieu of cash. Cash and investments of \$2,146,979 is restricted for emergencies in the General Fund at December 31, 2019, and real property of \$10,220,000 is recorded in net investment in capital assets on the citywide statement of net position. The city's management believes the city is in compliance with the provisions of TABOR at December 31, 2019.

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**21. ADOPTION OF ACCOUNTING PRINCIPLES**

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The city implemented Governmental Accounting Standards Board (GASB) Statement No. 95 *Postponement of the Effective Dates of Certain Authoritative Guidance* (GASB 95) in 2019 which postpones the effective dates of certain provisions in Statements and Implementation Guides that first became effective or were scheduled to become effective for periods beginning after June 15, 2018, and later. For 2019, the city delayed implementation of GASB Statement No. 83 *Certain Asset Retirement Obligations*, GASB Statement No. 84 *Fiduciary Activities* and GASB Statement No. 88 *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.

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**22. SUBSEQUENT EVENTS**

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As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the city. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time. The city is proactively addressing this situation through on-going analysis and implementation of strategies relating to revenue shortfalls, grant funding opportunities and cost savings including deferring, downsizing and/or elimination of capital projects. The city was awarded federal funding of approximately \$34 million as a result of the Coronavirus Aid, Relief, and Economic Security (CARES) Act to help mitigate the impact of the COVID-19 pandemic.

The city of Aurora General Employees' Retirement Plan (GERP) invests in various investments securities that are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reports for GERP. There has been significant volatility in the investment markets both nationally and globally since December 31, 2019, resulting in an overall market decline in certain market segments which has resulted in a substantial decline in the value of the GERP investment portfolio. Correspondingly, as the S&P 500 Index decreased more than 20% in the first quarter of 2020, GERP's portfolio decreased more than 10% during the same time period.

On April 1,2020, House Bill 20-1044 was signed into law which includes changes in the Fire and Police Pension Association of Colorado (FPPA) pension plans including plans that the city participates in. For the Statewide Defined Benefit Plan (SWDB), the employer contributions will increase by 4% over an 8-year period (0.50% per year); the increased contribution will begin January 2021 and continue through year 2028. For the Old Hire (OH) Fire and Police Plans, the legislation will allow the FPPA Board of Directors to pursue a more individualized funding approach, including contribution policies, for each OH plan; this becomes effective January 1, 2021.

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**Required Supplementary Information**



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CITY OF AURORA, COLORADO

**GENERAL EMPLOYEES' RETIREMENT DEFINED BENEFIT PLAN (GERP)  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS (UNAUDITED)  
LAST 10 FISCAL YEARS \***

	2019	2018	2017	2016	2015
<b>Total pension liability</b>					
Service cost	\$ 11,350,764	\$ 10,281,602	\$ 10,397,915	\$ 9,614,337	\$ 9,208,869
Interest on the total pension liability	34,591,830	34,837,001	33,149,005	31,821,333	30,291,215
Plan changes	(120,833)	—	—	—	—
Difference between expected and actual experience	2,545,181	(1,438,988)	(9,448,945)	(1,083,775)	—
Assumption changes	—	6,056,598	—	—	—
Benefit payments, including refunds	(24,228,316)	(22,154,949)	(21,163,587)	(20,123,726)	(17,627,436)
<b>Net change in total pension liability</b>	<u>24,138,626</u>	<u>27,581,264</u>	<u>12,934,388</u>	<u>20,228,169</u>	<u>21,872,648</u>
<b>Total pension liability - beginning</b>	<u>477,680,135</u>	<u>450,098,871</u>	<u>437,164,483</u>	<u>416,936,314</u>	<u>395,063,666</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 501,818,761</u>	<u>\$ 477,680,135</u>	<u>\$ 450,098,871</u>	<u>\$ 437,164,483</u>	<u>\$ 416,936,314</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 7,632,330	\$ 7,321,152	\$ 6,703,676	\$ 6,135,777	\$ 5,536,583
Contributions - employee	7,638,089	7,326,872	6,709,396	6,137,147	5,531,417
Net investment income	(15,675,274)	58,406,988	31,024,129	2,970,528	29,167,614
Benefit payments, including refunds	(24,228,316)	(22,154,949)	(21,163,587)	(20,123,726)	(17,627,436)
Administrative expense	(555,220)	(574,823)	(558,960)	(548,813)	(544,961)
<b>Net change in plan fiduciary net position</b>	<u>(25,188,391)</u>	<u>50,325,240</u>	<u>22,714,654</u>	<u>(5,429,087)</u>	<u>22,063,217</u>
<b>Plan fiduciary net position - beginning</b>	<u>475,556,466</u>	<u>425,231,226</u>	<u>402,516,572</u>	<u>407,945,659</u>	<u>385,882,442</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 450,368,075</u>	<u>\$ 475,556,466</u>	<u>\$ 425,231,226</u>	<u>\$ 402,516,572</u>	<u>\$ 407,945,659</u>
<b>City's net pension liability (asset) - ending (a)-(b)</b>	<u>\$ 51,450,686</u>	<u>\$ 2,123,669</u>	<u>\$ 24,867,645</u>	<u>\$ 34,647,911</u>	<u>\$ 8,990,655</u>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	89.75%	99.56%	94.48%	92.07%	97.84%
<b>Covered payroll</b>	\$ 108,311,929	\$ 104,587,886	\$ 99,313,719	\$ 94,369,963	\$ 88,585,328
<b>City's net pension liability (asset) as a percentage of covered payroll</b>	47.50%	2.03%	25.04%	36.71%	10.15%

Source: GERP Actuary, GASB 68 reports (2019, 2018 and 2017: Milliman; 2016 and prior: Gabriel, Roeder, Smith & Company).

Information above is presented as of the measurement date (December 31 of the previous fiscal year-end).

\* Information not currently available for prior years; additional years will be displayed as they become available.

**CITY OF AURORA, COLORADO**

**GENERAL EMPLOYEES' RETIREMENT DEFINED BENEFIT PLAN (GERP)  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)  
 LAST 10 YEARS \***

	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 8,187,470	\$ 7,581,835	\$ 7,321,152	\$ 6,703,676	\$ 6,135,777	\$ 5,536,583
Actual contributions	8,187,470	7,581,835	7,321,152	6,703,676	6,135,777	5,536,583
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered payroll	\$ 116,963,857	\$ 108,311,929	\$ 104,587,886	\$ 99,313,719	\$ 94,369,963	\$ 88,585,328
Contributions as a percentage of covered payroll	7.00%	7.00%	7.00%	6.75%	6.50%	6.25%

Information above is presented as of the city's fiscal year-end.

\* Information not currently available for prior years; additional years will be displayed as they become available.

CITY OF AURORA, COLORADO

**ELECTED OFFICIALS' AND EXECUTIVE PERSONNEL DEFINED BENEFIT PLAN (EOEP)  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS (UNAUDITED)  
LAST 10 FISCAL YEARS \***

	2019	2018	2017	2016	2015	2014	2013
<b>Total pension liability</b>							
Service cost	\$ 154,866	\$ 144,252	\$ 141,013	\$ 136,108	\$ 129,941	\$ 133,761	\$ 133,761
Interest on the total pension liability	414,240	393,850	435,333	413,715	390,913	380,105	357,289
Benefit changes	—	—	—	—	—	(123,776)	—
Difference between expected and actual experience	—	89,397	(588,399)	(14,995)	—	(263,711)	—
Assumption changes	145,446	—	(64,073)	—	—	389,217	—
Benefit payments	(373,949)	(340,401)	(259,153)	(244,108)	(206,268)	(198,390)	(194,971)
<b>Net change in total pension liability</b>	<b>340,603</b>	<b>287,098</b>	<b>(335,279)</b>	<b>290,720</b>	<b>314,586</b>	<b>317,206</b>	<b>296,079</b>
<b>Total pension liability - beginning</b>	<b>5,742,492</b>	<b>5,455,394</b>	<b>5,790,673</b>	<b>5,499,953</b>	<b>5,185,367</b>	<b>4,868,161</b>	<b>4,572,082</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 6,083,095</b>	<b>\$ 5,742,492</b>	<b>\$ 5,455,394</b>	<b>\$ 5,790,673</b>	<b>\$ 5,499,953</b>	<b>\$ 5,185,367</b>	<b>\$ 4,868,161</b>
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 94,018	\$ 74,288	\$ 84,159	\$ 84,159	\$ 117,756	\$ 117,756	\$ 182,057
Net investment income	1,225,438	(336,300)	910,558	513,848	(50,926)	415,245	779,306
Benefit payments	(373,949)	(340,401)	(259,153)	(244,108)	(206,268)	(198,390)	(194,971)
Administrative expense	(27,848)	(17,885)	(24,622)	(18,384)	(23,691)	(20,095)	(17,395)
<b>Net change in plan fiduciary net position</b>	<b>917,659</b>	<b>(620,298)</b>	<b>710,942</b>	<b>335,515</b>	<b>(163,129)</b>	<b>314,516</b>	<b>748,997</b>
<b>Plan fiduciary net position - beginning</b>	<b>6,426,510</b>	<b>7,046,808</b>	<b>6,335,866</b>	<b>6,000,351</b>	<b>6,163,480</b>	<b>5,848,964</b>	<b>5,099,967</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 7,344,169</b>	<b>\$ 6,426,510</b>	<b>\$ 7,046,808</b>	<b>\$ 6,335,866</b>	<b>\$ 6,000,351</b>	<b>\$ 6,163,480</b>	<b>\$ 5,848,964</b>
<b>City's net pension liability (asset) - ending (a)-(b)</b>	<b>\$ (1,261,074)</b>	<b>\$ (684,018)</b>	<b>\$ (1,591,414)</b>	<b>\$ (545,193)</b>	<b>\$ (500,398)</b>	<b>\$ (978,113)</b>	<b>\$ (980,803)</b>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	120.73%	111.91%	129.17%	109.42%	109.10%	118.86%	120.15%
<b>Covered payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>City's net pension liability (asset) as a percentage of covered payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: EOEP Actuary, GASB 67 reports (2019, 2018, 2017 and 2016: Milliman; 2015 and prior: Gabriel, Roeder, Smith & Company)

Information above is presented as of the city's most recent fiscal year-end.

\* Information not currently available for prior years; additional years will be displayed as they become available.

Presentation Note: Because this plan does not issue stand alone financial statements, additional disclosures as required by GASB 67 are presented within this financial report.

**CITY OF AURORA, COLORADO**

**ELECTED OFFICIALS' AND EXECUTIVE PERSONNEL DEFINED BENEFIT PLAN (EOEP)  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)  
LAST 10 YEARS**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 74,288	\$ 74,288	\$ 84,159	\$ 84,159	\$ 117,756	\$ 117,756	\$ 182,057	\$ 182,057	\$ 356,280	\$ 356,280
Actual contributions	94,018	74,288	84,159	84,159	117,756	117,756	182,057	182,057	356,280	356,280
Contribution deficiency (excess)	\$ (19,730)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Actuarial valuations done every odd-numbered year on 1/1/20XX. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017 determine the contribution amounts for 2018 and 2019.

Information above is presented as of the city's most recent fiscal year-end.

**Notes to Schedule**

Valuation date:	January 1, 2017
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method	Level dollar - open
Remaining amortization period	20 years
	Only surplus over 110% as of the 2017 actuarial valuation.
	Decreased from 30 years to 15 years as of the 2011 actuarial valuation.
Asset valuation method	3-year smoothing
Investment rate of return	7.25% net of investment expenses
	Decreased from 7.50% to 7.25% as of the 2017 actuarial valuation and from 7.75% to 7.50% as of the 2015 actuarial valuation.
Expenses (as a percent of actuarial value of assets)	\$21,500 per annum
	Changed from 0.75% to \$21,500 per annum as of the 2017 actuarial valuation.
Cost-of-living adjustments	2.75% on Base, 0% on Supplemental
	Base decreased from 3.25% to 2.75% as of the 2017 actuarial valuation and from 3.50% to 3.25% as of the 2015 actuarial valuation.
	Supplemental decreased from 5.0% to 0% as of the 2011 actuarial valuation.
Mortality	RP-2000 Healthy Mortality Table

Benefit changes effective for 2018: The base benefit for an elected Official increased from \$76.88 per year of service to \$78.42 per year of service.

Benefit changes effective for 2017: The base benefit for an elected Official increased from \$74.26 per year of service to \$76.88 per year of service.

Benefit changes effective for 2015: The age requirement for normal retirement eligibility was increased to age 62 for members who entered the plan after November 5, 2013 and the service credit used in the calculation of the normal retirement benefit for elected officials was also limited.

**CITY OF AURORA, COLORADO**

**ELECTED OFFICIALS' AND EXECUTIVE PERSONNEL DEFINED BENEFIT PLAN (EOEP)  
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN ON PLAN INVESTMENTS (UNAUDITED)  
LAST 10 FISCAL YEARS \***

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	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	19.40%	(4.85)%	14.51%	8.64%	(0.88)%	7.05%

\* Information is not currently available for prior years; additional years will be displayed as they become available.

CITY OF AURORA, COLORADO

FPPA - OLD HIRE FIRE DEFINED BENEFIT PLAN  
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS (UNAUDITED)  
 LAST 10 FISCAL YEARS \*

	2019	2018	2017	2016	2015
<b>Total pension liability</b>					
Service cost	\$ —	\$ —	\$ —	\$ —	\$ —
Interest on the total pension liability	7,688,994	7,828,502	7,862,946	7,308,921	7,359,766
Benefit changes	—	—	—	—	38,309
Difference between expected and actual experience	—	(1,191,584)	—	1,814,304	—
Assumption changes	—	—	—	6,490,739	—
Benefit payments, including refunds	(8,596,950)	(8,400,659)	(8,246,516)	(8,208,101)	(7,948,618)
<b>Net change in total pension liability</b>	<u>(907,956)</u>	<u>(1,763,741)</u>	<u>(383,570)</u>	<u>7,405,863</u>	<u>(550,543)</u>
<b>Total pension liability - beginning</b>	<u>106,740,683</u>	<u>108,504,424</u>	<u>108,887,994</u>	<u>101,482,131</u>	<u>102,032,674</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 105,832,727</u>	<u>\$ 106,740,683</u>	<u>\$ 108,504,424</u>	<u>\$ 108,887,994</u>	<u>\$ 101,482,131</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 3,184,594	\$ 3,184,594	\$ 2,182,774	\$ 2,178,948	\$ 1,963,632
Contributions - employee	—	—	—	—	—
Net investment income	71,304	10,148,446	3,772,216	1,442,505	5,243,318
Benefit payments, including refunds	(8,596,950)	(8,400,659)	(8,246,516)	(8,208,101)	(7,948,618)
Administrative expense	(42,220)	(36,062)	(133,347)	(130,738)	(151,222)
<b>Net change in plan fiduciary net position</b>	<u>(5,383,272)</u>	<u>4,896,319</u>	<u>(2,424,873)</u>	<u>(4,717,386)</u>	<u>(892,890)</u>
<b>Plan fiduciary net position - beginning</b>	<u>76,561,985</u>	<u>71,665,666</u>	<u>74,090,539</u>	<u>78,807,925</u>	<u>79,700,815</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 71,178,713</u>	<u>\$ 76,561,985</u>	<u>\$ 71,665,666</u>	<u>\$ 74,090,539</u>	<u>\$ 78,807,925</u>
<b>City's net pension liability (asset) - ending (a)-(b)</b>	<u>\$ 34,654,014</u>	<u>\$ 30,178,698</u>	<u>\$ 36,838,758</u>	<u>\$ 34,797,455</u>	<u>\$ 22,674,206</u>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	67.26%	71.73%	66.05%	68.04%	77.66%
<b>Covered payroll</b>	N/A	N/A	N/A	N/A	N/A
<b>City's net pension liability (asset) as a percentage of covered payroll</b>	N/A	N/A	N/A	N/A	N/A

Source: Gabriel, Roeder, Smith & Company, FPPA Actuary, GASB 68 reports.

Information above is presented as of the measurement date (December 31 of the previous fiscal year-end).

\* Information not currently available for prior years; additional years will be displayed as they become available.

Changes in Assumptions:

The FPPA's Board of Directors, based upon the actuary's analysis and recommendations resulting from a regularly scheduled experience study in 2015, revised the following assumptions effective in the 2016 valuations: the inflation assumption was reduced from 3.0% to 2.5%, an explicit charge for administrative expenses was added in the actuarial contribution calculation and the mortality tables and associated projection scales were updated to reflect increased longevity.

Discount Rate: 7.50%

**CITY OF AURORA, COLORADO**

**FPPA - OLD HIRE FIRE DEFINED BENEFIT PLAN  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)  
LAST 10 YEARS \***

	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 3,033,111	\$ 3,184,594	\$ 3,184,594	\$ 2,182,774	\$ 2,178,948	\$ 1,963,632
Actual contributions	3,033,111	3,184,594	3,184,594	2,182,774	2,178,948	1,963,632
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

Information above is presented as of the city's fiscal year-end.

\* Information not currently available for prior years; additional years will be displayed as they become available.

**Notes to Schedule**

Valuation date: January 1, 2018

Notes Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2018, determines the contribution amounts for 2019 and 2020.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar - open
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Investment rate of return	7.50%
Inflation	2.50%
Salary increases	N/A
Retirement age	Any remaining actives are assumed to retire immediately.
Mortality	Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB. Disabled (pre-1980): RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

Changes in Benefit Terms:

Benefits were changed effective January 1, 2014, to include a funeral benefit of \$1,000. The previous benefit was \$200.

CITY OF AURORA, COLORADO

FPPA - OLD HIRE POLICE DEFINED BENEFIT PLAN  
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS (UNAUDITED)  
 LAST 10 FISCAL YEARS \*

	2019	2018	2017	2016	2015
<b>Total pension liability</b>					
Service cost	\$ —	\$ —	\$ —	\$ —	\$ —
Interest on the total pension liability	9,813,624	9,542,688	9,526,278	8,715,268	8,713,959
Benefit changes	—	—	—	—	—
Difference between expected and actual experience	—	3,751,460	—	3,936,847	—
Assumption changes	—	—	—	7,157,077	—
Benefit payments, including refunds	(9,842,538)	(9,526,513)	(9,096,225)	(8,898,795)	(8,501,414)
<b>Net change in total pension liability</b>	<u>(28,914)</u>	<u>3,767,635</u>	<u>430,053</u>	<u>10,910,397</u>	<u>212,545</u>
<b>Total pension liability - beginning</b>	<u>135,680,618</u>	<u>131,912,983</u>	<u>131,482,930</u>	<u>120,572,533</u>	<u>120,359,988</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 135,651,704</u>	<u>\$ 135,680,618</u>	<u>\$ 131,912,983</u>	<u>\$ 131,482,930</u>	<u>\$ 120,572,533</u>
<b>Plan fiduciary net position</b>					
Contributions - employer	\$ 3,906,280	\$ 3,906,280	\$ 2,612,565	\$ 2,612,565	\$ 3,367,555
Contributions - employee	—	—	—	—	—
Net investment income	76,779	12,367,767	4,554,153	1,714,996	6,170,082
Benefit payments, including refunds	(9,842,538)	(9,526,513)	(9,096,225)	(8,898,795)	(8,501,414)
Administrative expense	(49,069)	(38,897)	(152,176)	(147,530)	(165,251)
<b>Net change in plan fiduciary net position</b>	<u>(5,908,548)</u>	<u>6,708,637</u>	<u>(2,081,683)</u>	<u>(4,718,764)</u>	<u>870,972</u>
<b>Plan fiduciary net position - beginning</b>	<u>93,646,156</u>	<u>86,937,519</u>	<u>89,019,202</u>	<u>93,737,966</u>	<u>92,866,994</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 87,737,608</u>	<u>\$ 93,646,156</u>	<u>\$ 86,937,519</u>	<u>\$ 89,019,202</u>	<u>\$ 93,737,966</u>
<b>City's net pension liability (asset) - ending (a)-(b)</b>	<u>\$ 47,914,096</u>	<u>\$ 42,034,462</u>	<u>\$ 44,975,464</u>	<u>\$ 42,463,728</u>	<u>\$ 26,834,567</u>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	64.68%	69.02%	65.91%	67.70%	77.74%
<b>Covered payroll</b>	\$ 119,418	\$ 115,659	\$ 110,151	\$ 111,083	\$ 102,328
<b>City's net pension liability (asset) as a percentage of covered payroll</b>	40123.01%	36343.44%	40830.74%	38227.03%	26224.07%

Source: Gabriel, Roeder, Smith & Company, FPPA Actuary, GASB 68 reports.

Information above is presented as of the measurement date (December 31 of the previous fiscal year-end).

\* Information not currently available for prior years; additional years will be displayed as they become available.

Changes in Assumptions:

The FPPA's Board of Directors, based upon the actuary's analysis and recommendations resulting from a regularly scheduled experience study in 2015, revised the following assumptions effective in the 2016 valuations: the inflation assumption was reduced from 3.0% to 2.5%, an explicit charge for administrative expenses was added in the actuarial contribution calculation and the mortality tables and associated projection scales were updated to reflect increased longevity.

Discount Rate: 7.50%

**CITY OF AURORA, COLORADO**

**FPPA - OLD HIRE POLICE DEFINED BENEFIT PLAN  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)  
LAST 10 YEARS**

	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 4,164,773	\$ 3,906,280	\$ 3,906,280	\$ 2,612,565	\$ 2,612,565	\$ 3,367,555
Actual contributions	4,164,773	3,906,280	3,906,280	2,612,565	2,612,565	3,367,555
Contribution deficiency (excess)	<u>\$ —</u>					
Covered payroll	\$ 123,001	\$ 119,418	\$ 115,659	\$ 110,151	\$ 111,083	\$ 102,328
Contributions as a percentage of covered payroll	3385.97%	3271.10%	3377.41%	2371.80%	2351.90%	3290.94%

Actuarial valuations done every even-numbered year.

Information above is presented as of the city's fiscal year-end.

**Notes to Schedule**

Valuation date:

January 1, 2018

Notes

Actuarially determined contribution rates are calculated as of January 1 of even numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2018, determines the contribution amounts for 2019 and 2020.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar - open
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Investment rate of return	7.50%
Inflation	2.50%
Salary increases	N/A
Retirement age	Any remaining actives are assumed to retire immediately.
Mortality	Post-Retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are generationally projected with Scale BB. Disabled Retirees (retired before January 1, 1980): RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

**CITY OF AURORA, COLORADO**

**FPPA - STATEWIDE DEFINED BENEFIT PLAN (SWDB)  
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
 AND RELATED RATIOS (UNAUDITED)  
 LAST 10 FISCAL YEARS \***

	2019	2018	2017	2016	2015	2014
City's % proportion of the net pension liability (asset)	4.25%	4.41%	4.74%	4.80%	4.55%	4.62%
City's proportion of the net pension liability (asset)	\$ 5,377,143	\$ (6,346,723)	\$ 1,711,514	\$ (84,658)	\$ (5,140,256)	\$ (4,134,532)
Covered payroll	\$ 25,292,622	\$ 22,483,227	\$ 20,708,743	\$ 19,546,055	\$ 16,922,352	\$ 16,387,238
City's proportion of the net pension liability (asset) as a percentage of its covered payroll	21.26%	28.23%	8.26%	0.43%	30.38%	25.23%
Plan fiduciary net position as a percentage of the total pension liability	95.23%	106.34%	98.21%	100.10%	106.80%	105.80%

Source: Fire & Police Pension Association of Colorado (FPPA) Schedule of Employer Contributions and Schedule of Collective Pension Amounts

Information above is presented as of the measurement date (December 31 of the previous fiscal year-end).

\* Information not currently available for prior years; additional years will be displayed as they become available.

See accompanying notes to required supplementary information for cost sharing multiple employer plans (page 106).

**CITY OF AURORA, COLORADO**

**FPPA - STATEWIDE DEFINED BENEFIT PLAN (SWDB)  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)  
LAST 10 FISCAL YEARS \***

	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 2,563,305	\$ 2,276,759	\$ 2,063,646	\$ 1,939,286	\$ 1,862,421	\$ 1,638,586
Actual contributions	2,563,305	2,279,200	2,064,361	1,939,286	1,862,421	1,638,586
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ (2,441)</u>	<u>\$ (715)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered payroll	\$ 28,874,495	\$ 25,292,622	\$ 22,483,227	\$ 20,708,743	\$ 19,546,055	\$ 16,922,352
Contributions as a percentage of covered payroll	8.88%	9.01%	9.18%	9.36%	9.53%	9.68%

Information above is presented as of the city's fiscal year-end.

\* Information not currently available for prior years; additional years will be displayed as they become available.

Actuarial valuations done every year. Actuarial assumptions effective for valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018, which represents contributions required in 2019.

See accompanying notes to required supplementary information for cost sharing multiple employer plans (page 106).

**CITY OF AURORA, COLORADO**

**FPPA - STATEWIDE HYBRID PLAN (SWH)  
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
 AND RELATED RATIOS (UNAUDITED)  
 LAST 10 FISCAL YEARS \***

	2019	2018	2017	2016	2015	2014
City's % proportion of the net pension liability (asset)	19.96%	21.68%	30.60%	32.20%	31.55%	31.48%
City's proportion of the net pension liability (asset)	\$ (2,755,129)	\$ (4,239,730)	\$ (3,330,949)	\$ (3,391,938)	\$ (3,741,511)	\$ (3,211,312)
Covered payroll	\$ 3,029,758	\$ 3,157,605	\$ 3,768,817	\$ 4,038,631	\$ 3,719,203	\$ 3,870,544
City's proportion of the net pension liability (asset) as a percentage of its covered payroll	90.94%	134.27%	88.38%	83.99%	100.60%	82.97%
Plan fiduciary net position as a percentage of the total pension liability	123.50%	138.90%	127.50%	129.40%	140.60%	139.00%

Source: Fire & Police Pension Association of Colorado (FPPA) Schedule of Employer Contributions and Schedule of Collective Pension Amounts

Information above is presented as of the measurement date (December 31 of the previous fiscal year-end).

\* Information not currently available for prior years; additional years will be displayed as they become available.

See accompanying notes to required supplementary information for cost sharing multiple employer plans (page 106).

**CITY OF AURORA, COLORADO**

**FPPA - STATEWIDE HYBRID PLAN (SWH)  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)  
LAST 10 FISCAL YEARS \***

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily required contribution	\$ 318,581	\$ 318,114	\$ 331,548	\$ 395,726	\$ 424,084	\$ 390,519
Actual contributions	<u>318,581</u>	<u>318,114</u>	<u>331,548</u>	<u>395,726</u>	<u>424,084</u>	<u>390,519</u>
Contribution deficiency (excess)	<u>\$ —</u>					
Covered payroll	\$ 3,034,117	\$ 3,029,758	\$ 3,157,605	\$ 3,768,817	\$ 4,038,631	\$ 3,719,203
Contributions as a percentage of covered payroll	10.50%	10.50%	10.50%	10.50%	10.50%	10.50%

Information above is presented as of the city's fiscal year-end.

\* Information not currently available for prior years; additional years will be displayed as they become available.

Actuarial valuations done every year. Actuarial assumptions effective for valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018, which represents contributions required in 2019.

See accompanying notes to required supplementary information for cost sharing multiple employer plans (page 106).

CITY OF AURORA, COLORADO

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)  
LAST 10 FISCAL YEARS \***

	2019	2018
<b>Total OPEB liability</b>		
Service cost	\$ 1,073,971	\$ 1,038,255
Interest cost	675,782	766,088
Benefit changes	—	(4,042,714)
Difference between expected and actual experience	—	(1,559,817)
Assumption changes	(991,260)	2,281,170
Benefit payments	(1,176,498)	(1,111,127)
<b>Net change in total OPEB liability</b>	<b>(418,005)</b>	<b>(2,628,145)</b>
<b>Total OPEB liability - beginning</b>	<b>19,159,094</b>	<b>21,787,239</b>
<b>Total OPEB liability - ending</b>	<b>\$ 18,741,089</b>	<b>\$ 19,159,094</b>
<b>Covered employee payroll</b>	<b>\$ 246,766,375</b>	<b>\$ 230,731,040</b>
<b>City's total OPEB liability as a percentage of covered employee payroll</b>	<b>7.59%</b>	<b>8.30%</b>

Source: Arthur J. Gallagher & Co. GASB 75 report

Information above is presented as of the measurement date (December 31 of the previous fiscal year-end).

\* Information not currently available for prior years; additional years will be displayed as they become available.

**Notes to Schedule**

Actuarial valuations done every odd-numbered year on 1/1/20XX with a rollforward done every even-numbered year on 1/1/20XX.

No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

Valuation date: December 31, 2017 rolled forward to December 31, 2018

Methods and assumptions used to determine OPEB liability:

Actuarial cost method	Entry age normal
Discount rate (1)	4.10%
Medical CPI trend	3.00%
Projected salary increases	3.50%
Inflation	2.50%
Health care cost trend	6.50% to 4.50%, grading down by 0.5% annually
Mortality	RP-2014 Generational Mortality Table projected using Scale MP-16, applied on a gender-specific basis

(1) The discount rate is based on the index rate for 20-year tax-exempt general obligation bonds with an average rating of AA/Aa or higher (Bond Buyer 20-Bond GO Index as of December 31, 2018).

Changes in Assumptions:

As of the 2018 rollforward, the discount rate assumption changed from 3.44% to 4.10%.

As of the 2017 actuarial valuation, the discount rate assumption changed from 4.00% to 3.44% and the mortality assumption changed from RP-2014 projected to 2025 using scale MP-14 to RP-2014 Generational Mortality Table projected using scale MP-16.

CITY OF AURORA, COLORADO

GENERAL FUND

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (UNAUDITED)  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	General Fund			
	Budgets		Budgetary Actual	Variance with Final
	Original	Final		
<b>SOURCES</b>				
Taxes				
Property	\$ 36,826,663	\$ 36,826,663	\$ 37,279,575	\$ 452,912
Sales	194,392,489	194,392,489	203,027,321	8,634,832
Use	42,447,558	42,477,558	47,937,003	5,459,445
Lodgers	7,724,512	7,724,512	8,344,032	619,520
Franchise	15,115,321	15,115,321	14,305,454	(809,867)
Other	12,248,916	12,248,916	16,204,625	3,955,709
Total taxes	<u>308,755,459</u>	<u>308,785,459</u>	<u>327,098,010</u>	<u>18,312,551</u>
Intergovernmental	15,339,171	15,454,495	16,096,759	642,264
Licenses and permits	4,091,708	4,091,708	4,883,033	791,325
Charges for services	13,681,474	13,681,474	14,016,676	335,202
Fines and forfeitures	4,925,981	4,927,608	4,470,340	(457,268)
Investment income	1,884,694	1,884,694	2,527,350	642,656
Other revenues	1,189,870	1,292,958	1,470,529	177,571
Proceeds from sale of assets	—	—	169,793	169,793
Transfers in	2,156,909	2,156,909	2,359,008	202,099
TOTAL SOURCES	<u>352,025,266</u>	<u>352,275,305</u>	<u>373,091,498</u>	<u>20,816,193</u>
<b>USES</b>				
<b>Operating Costs</b>				
<i>Municipal Court</i>				
Judicial	2,979,921	3,000,665	2,874,633	126,032
Court Administration	10,000,215	10,263,478	10,114,261	149,217
Public Defender	1,382,466	1,382,466	1,267,711	114,755
Total municipal court	<u>14,362,602</u>	<u>14,646,609</u>	<u>14,256,605</u>	<u>390,004</u>
<i>City Attorney</i>	<u>7,146,897</u>	<u>7,146,897</u>	<u>6,878,367</u>	<u>268,530</u>
<i>General Management Group</i>				
City Council	1,375,797	1,391,463	1,247,949	143,514
Civil Service	997,301	1,175,157	1,175,156	1
General Management	3,640,789	3,936,789	3,879,850	56,939
Total general management group	<u>6,013,887</u>	<u>6,503,409</u>	<u>6,302,955</u>	<u>200,454</u>
<i>Administrative Services Group</i>				
General Management - Fleet and Purchasing	5,178,032	5,178,032	5,150,994	27,038
Communications	3,990,188	3,889,041	3,815,891	73,150
Internal Services	2,562,615	2,450,618	2,306,132	144,486
Finance	7,123,639	7,329,939	6,957,150	372,789
Information Technology	13,519,944	13,339,564	12,586,806	752,758
Public Safety Communications	6,424,095	6,296,602	6,257,743	38,859
Total administrative services group	<u>38,798,513</u>	<u>38,483,796</u>	<u>37,074,716</u>	<u>1,409,080</u>

(continued)

	<b>General Fund</b>			
	<b>Budgets</b>		<b>Budgetary</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>with Final</b>
<i>Operations Group</i>				
General Management - Homelessness	453,547	—	—	—
Library and Cultural Services	6,376,563	6,437,563	6,436,682	881
Public Works	30,627,436	30,088,455	29,012,661	1,075,794
Parks, Recreation and Open Space	14,750,357	14,707,311	14,244,965	462,346
Neighborhood Services	6,936,783	7,288,191	5,981,154	1,307,037
Planning and Development Services	3,299,083	3,186,806	3,071,570	115,236
Total operations group	<u>62,443,769</u>	<u>61,708,326</u>	<u>58,747,032</u>	<u>2,961,294</u>
<i>Police/Fire Group</i>				
Police	114,224,673	116,421,896	116,421,896	—
Fire	58,624,301	59,440,671	59,440,673	(2)
Total police/fire group	<u>172,848,974</u>	<u>175,862,567</u>	<u>175,862,569</u>	<u>(2)</u>
<i>Non-departmental</i>	<u>61,074,794</u>	<u>71,363,873</u>	<u>64,465,604</u>	<u>6,898,269</u>
TOTAL USES	<u>362,689,436</u>	<u>375,715,477</u>	<u>363,587,848</u>	<u>12,127,629</u>
CHANGE IN FUNDS AVAILABLE	(10,664,170)	(23,440,172)	9,503,650	32,943,822
FUNDS AVAILABLE - January 1	<u>71,024,901</u>	<u>71,024,901</u>	<u>71,024,901</u>	—
FUNDS AVAILABLE - December 31	<u>\$ 60,360,731</u>	<u>\$ 47,584,729</u>	80,528,551	<u>\$ 32,943,822</u>
Less: Restricted for emergencies (TABOR)			(2,146,979)	
Committed to reserves (10% Policy)			<u>(30,087,656)</u>	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESTRICTIONS, AND COUNCIL COMMITMENTS - December 31			<u>\$ 48,293,916</u>	
<b>RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE</b>				
FUNDS AVAILABLE (BUDGETARY BASIS) - December 31			\$ 80,528,551	
Assets not available for appropriation			2,210,449	
Sales, use and lodgers tax accrual			29,412,084	
Current year encumbrances			5,510,262	
Adjustment of investments to fair value			472,828	
Asset held for resale value reassessment			(5,511,000)	
Inventories			212,096	
Adjustment for fund perspective difference			<u>9,987,621</u>	
FUND BALANCE (U.S. GAAP BASIS) - DECEMBER 31			<u>\$ 122,822,891</u>	

(concluded)

## 1. COST SHARING MULTIPLE EMPLOYER PLANS

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### **Changes in actuarial assumptions:**

FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions at least every five years.

### **FPPA – Statewide Defined Benefit Plan and Statewide Hybrid Plan**

*Changes in actuarial assumptions effective for 2016:* The inflation assumption was reduced from 3.0% to 2.5% while the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% which is unchanged from the prior year. In addition, an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased.

*Changes in actuarial assumptions effective for 2014:* The married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act.

### **Benefit changes:**

#### **FPPA – Statewide Defined Benefit Plan**

*Benefit changes effective for 2015:* A 0.61% benefit adjustment was granted to all retirees and beneficiaries of the plan who retired on or before October 1, 2014.

#### **FPPA – Statewide Hybrid Plan**

*Benefit changes effective for 2015:* A 3.00% benefit adjustment was granted to all retirees and beneficiaries of the plan who retired on or before October 1, 2014.

## 2. BUDGETARY INFORMATION

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### **General Fund:**

The city adopts annual operating appropriations each year. Operating costs are controlled at the fund and department level for the General Fund. Expenditures may not exceed appropriations at those levels. Annual operating appropriations lapse at year-end except for amounts that are encumbered (encumbrances are commitments on purchase orders that remain open at year-end) while annual project-length budgets are carried forward. Since expenditures may not legally exceed budgeted appropriations, appropriation amendments require City Council approval by ordinance. Budget transfers within a department may be made with administrative approval. Transfers between departments require City Council approval by resolution or ordinance.

The city budgets on a “funds available” basis. Budgetary basis revenues and other financing sources are considered increases in funds available and budgetary basis expenditures and other financing uses are considered uses of funds available. In general, funds available are defined as current assets minus current liabilities. The city's budget disclosure presents funds available, which are available for general purposes. Budgets for the General Fund are reported on the same basis as described above, except as follows:

- a) Assets not available for appropriation, debt service reserves for which the city has pledged a moral obligation, are not considered to be available funds.
- b) Sales, use and lodgers taxes are considered revenue when received rather than when earned.
- c) Encumbrances are treated as expenditures in the year they are encumbered, not when the expenditure occurs.
- d) Changes in investment income due to recording investments at fair value are not budgeted.
- e) Inventory (assets held for resale) are not considered to be available funds.
- f) Reassessment of asset held for resale does not affect funds available as the value will be recouped either through asset sales or tax increment returning to the city.
- g) Adjustment for fund perspective difference results from the Designated Revenue Fund being budgeted as a special revenue fund but it does not qualify as a special revenue fund under GAAP and is, thus, reported as part of the General Fund.

### **Aurora Urban Renewal Authority (AURA) General Fund:**

As a blended component unit, the AURA General Fund budget may be subject to budgetary requirements but is not required to be. A budget for the AURA General Fund is not legally adopted by the city.



## Combining and Individual Fund Statements and Schedules

### **SPECIAL REVENUE FUNDS**

Special revenue funds account for revenues from specific sources that are required legally or by management decision to be used for particular activities other than debt service or capital projects. General funds of blended component units are also considered Special Revenue Funds.

### **Gifts and Grants Fund**

The Gifts and Grants Fund accounts for various gifts and grants where the size or length of time of the funding source does not warrant establishing a separate fund.

### **Development Review Fund**

The Development Review Fund accounts for revenues from development related fees for various plan reviews, inspections/permits and similar services. Expenditures are made to cover the costs of the development review process and to fund organizations that promote economic growth and development within the city.

### **Marijuana Tax Revenue Fund**

The Marijuana Tax Revenue Fund accounts for marijuana-related sales and excise tax. Monies are set aside for Council's determination of use as identified during the annual budget process.

### **Community Development Fund**

The Community Development Fund accounts for revenues and expenditures from grants and other monies received from the United States Department of Housing and Urban Development.

### **Enhanced E-911 Fund**

The Enhanced E-911 Fund accounts for revenues derived from special telephone surcharges. Monies are used to purchase and maintain enhanced E-911 equipment and related activities.

### **Conservation Trust Fund**

The Conservation Trust Fund accounts for lottery proceeds that are received from the State of Colorado. These monies are used for the development and renovation of qualifying parks and recreation facilities and infrastructure.

# Non-Major Governmental Funds



## **Parks Development Fund**

The Parks Development Fund accounts for annexation fees and payments from developers that are required to be used for the creation of city parks.

## **Open Space Fund**

The Open Space Fund accounts for dedicated use tax revenues received from both Arapahoe County and Adams County that are required to be used for parks construction and maintenance and the acquisition of open space within that portion of the city of Aurora located in each of the respective counties.

## **Recreation Services Fund**

The Recreation Services Fund accounts for recreational services provided to citizens. Funding for these services are from user fees and General Fund transfers.

## **Cultural Services Fund**

The Cultural Services Fund accounts for revenues from fees, donations, grant funds from the Scientific and Cultural Facilities District (SCFD) and other grantors, proceeds from the Art in Public Places (AIPP) ordinance and General Fund transfers. Expenditures are made to provide cultural-related services to citizens.

## **Parking and Mobility Fund**

The Parking and Mobility Fund accounts for revenues derived from parking on the RTD "R" line. These monies are used for parking management, safe parking environments, and to support transit oriented developments.

## **Peoria Park Fence General Improvement District (GID)**

The Peoria Park Fence GID, a blended component unit, accounts for debt service and repairs and maintenance related to the masonry fence constructed in this neighborhood. Funding is from property tax assessed on the related properties.

## **Meadow Hills Fence General Improvement District (GID)**

The Meadow Hills Fence GID, a blended component unit, accounts for debt service and repairs and maintenance related to the masonry fence constructed in this neighborhood. Funding is from property tax assessed on the related properties.

## **Cherry Creek Fence General Improvement District (GID)**

The Cherry Creek Fence GID, a blended component unit, accounts for debt service and repairs and maintenance related to the masonry fence constructed in this neighborhood. Funding is from property tax assessed on the related properties.



## **Aurora Conference Center General Improvement District (GID)**

The Aurora Conference Center GID, a blended component unit, accounts for the incentives for a conference center and related improvements. Funding is from property tax assessed on the related properties.

## **Pier Point 7 Sewer General Improvement District (GID)**

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

## **Cobblewood Street General Improvement District (GID)**

The Cobblewood Street GID, a blended component unit, accounts for debt service and street improvements in this neighborhood. Funding is from property tax assessed on the related properties.

## **DEBT SERVICE FUNDS**

Debt service funds account for the accumulation of resources to pay principal, interest and agency fees on governmental long-term debt.

### **Special Improvement District (SID) Debt Service Fund**

The Special Improvement District Debt Service Fund accounts for debt service related to special improvements. Funding is from special assessments on the related properties.

### **Aurora Urban Renewal Authority (AURA) Debt Service Fund**

The city created AURA to redevelop and support areas within the city that are considered blighted. This fund accounts for the payment of principal, interest, and agency fees for the AURA tax increment revenue bonds. Monies in excess of those needed for the repayment of the revenue bonds may be used to pay other obligations of AURA.

## **Aurora Capital Leasing Corporation (ACLC) Debt Service Fund**

ACLC, a blended component unit, is a non-profit corporation established to finance the construction of city facilities, public safety vehicles, public works equipment, and communications systems. This fund accounts for the principal and interest payments on certificates of participation issued by ACLC. Revenues are from lease payments (transfers) from the General Fund.



## **CAPITAL PROJECTS FUNDS**

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

## **City Capital Projects Fund**

The City Capital Projects Fund accounts for financial resources used for the construction and acquisition of major capital projects such as streets, parks, lightrail, information systems, and city facilities. Funding sources include General Fund transfers and participation revenues from outside

## **Aurora Capital Leasing Corporation (ACLC) Capital Projects Fund**

The ACLC Capital Projects Fund accounts for financial resources used by ACLC for the construction of city facilities, public safety vehicles, public works equipment, and communications systems. Funding for these projects is provided by proceeds of certificates of participation issued by ACLC and general revenues of the city.

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2019

	Special Revenue				
	Gifts and Grants	Development Review	Marijuana Tax Revenue	Community Development	Enhanced E-911
<b>ASSETS</b>					
Cash and cash equivalents	\$ —	\$ 579,156	\$ 192,111	\$ —	\$ —
Investments	—	12,828,083	4,255,185	—	—
<i>Receivables (net of allowance)</i>					
Taxes receivable	—	—	953,791	—	—
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	—	—
Other receivables	—	—	—	—	—
Due from other funds	—	—	—	—	—
<i>Restricted assets</i>					
Cash and cash equivalents	1,821,566	—	—	1,639,510	390,318
Investments	—	—	—	—	8,645,391
Taxes receivable	—	—	—	—	—
Accounts receivable	20,110	—	—	—	—
Due from other governments	2,458,036	—	—	257,416	—
Other receivables	—	—	—	—	526,385
Inventory	151,529	—	—	—	—
Asset acquired for resale	—	—	—	—	—
Notes receivable	999,955	—	—	8,692,844	—
Total assets	<u>\$ 5,451,196</u>	<u>\$ 13,407,239</u>	<u>\$ 5,401,087</u>	<u>\$ 10,589,770</u>	<u>\$ 9,562,094</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 517,040	\$ 388,001	\$ 451,729	\$ 216,768	\$ 212,000
Other payables	27,403	—	—	—	—
Due to other funds	—	—	—	—	—
Interfund loan payable	—	—	—	—	—
Unearned revenues	1,302,108	—	—	—	—
Total liabilities	<u>1,846,551</u>	<u>388,001</u>	<u>451,729</u>	<u>216,768</u>	<u>212,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>999,955</u>	<u>—</u>	<u>—</u>	<u>8,692,844</u>	<u>—</u>
<b>FUND BALANCES</b>					
Restricted	2,604,690	—	—	1,680,158	9,350,094
Committed	—	13,019,238	—	—	—
Assigned	—	—	4,949,358	—	—
Total fund balances	<u>2,604,690</u>	<u>13,019,238</u>	<u>4,949,358</u>	<u>1,680,158</u>	<u>9,350,094</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,451,196</u>	<u>\$ 13,407,239</u>	<u>\$ 5,401,087</u>	<u>\$ 10,589,770</u>	<u>\$ 9,562,094</u>

(continued)

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2019

	Special Revenue				
	Conservation Trust	Parks Development	Open Space	Recreation Services	Cultural Services
<b>ASSETS</b>					
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ 1,250,872	\$ 1,960,551
Investments	—	—	—	1,491,566	—
<i>Receivables (net of allowance)</i>					
Taxes receivable	—	—	—	—	—
Accounts receivable	—	—	—	64,790	60,840
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	9,770	—
Other receivables	—	—	—	36,200	—
Due from other funds	—	—	—	—	48
<i>Restricted assets</i>					
Cash and cash equivalents	233,774	637,137	657,265	—	—
Investments	5,178,001	14,112,333	14,558,151	—	—
Taxes receivable	—	—	—	—	—
Accounts receivable	—	—	—	—	—
Due from other governments	840,000	—	—	—	228,943
Other receivables	—	—	—	—	—
Inventory	—	—	—	—	—
Asset acquired for resale	—	—	—	—	—
Notes receivable	—	—	—	—	—
Total assets	<u>\$ 6,251,775</u>	<u>\$ 14,749,470</u>	<u>\$ 15,215,416</u>	<u>\$ 2,853,198</u>	<u>\$ 2,250,382</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 169,651	\$ 7,891	\$ 203,377	\$ 400,551	\$ 130,973
Other payables	—	—	—	5,896	—
Due to other funds	—	—	—	48	—
Interfund loan payable	—	—	—	—	—
Unearned revenues	—	—	—	524,437	98,179
Total liabilities	<u>169,651</u>	<u>7,891</u>	<u>203,377</u>	<u>930,932</u>	<u>229,152</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
	—	—	—	—	—
<b>FUND BALANCES</b>					
Restricted	6,082,124	14,741,579	15,012,039	—	90,920
Committed	—	—	—	—	1,888,263
Assigned	—	—	—	1,922,266	42,047
Total fund balances	<u>6,082,124</u>	<u>14,741,579</u>	<u>15,012,039</u>	<u>1,922,266</u>	<u>2,021,230</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,251,775</u>	<u>\$ 14,749,470</u>	<u>\$ 15,215,416</u>	<u>\$ 2,853,198</u>	<u>\$ 2,250,382</u>

(continued)

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2019

	Special Revenue				
	Parking and Mobility	Peoria Park Fence GID	Meadow Hills Fence GID	Cherry Creek Fence GID	Aurora Conference Center GID
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,551	\$ —	\$ —	\$ —	\$ —
Investments	78,647	—	—	—	—
<i>Receivables (net of allowance)</i>					
Taxes receivable	—	—	—	—	—
Accounts receivable	—	—	—	—	—
Interest receivable	—	—	—	—	—
Due from other governments	—	—	—	—	—
Other receivables	36,978	—	—	—	—
Due from other funds	—	—	—	—	—
<i>Restricted assets</i>					
Cash and cash equivalents	—	81,002	78,552	87,388	565,538
Investments	—	—	—	—	—
Taxes receivable	—	35,069	44,469	63,434	212,781
Accounts receivable	—	—	—	—	—
Due from other governments	—	229	302	429	30,643
Other receivables	—	—	—	—	—
Inventory	—	—	—	—	—
Asset acquired for resale	—	—	—	—	—
Notes receivable	—	—	—	—	—
Total assets	<u>\$ 119,176</u>	<u>\$ 116,300</u>	<u>\$ 123,323</u>	<u>\$ 151,251</u>	<u>\$ 808,962</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 90,961	\$ —	\$ —	\$ —	\$ —
Other payables	—	—	—	—	—
Due to other funds	27,716	—	—	—	—
Interfund loan payable	—	—	—	—	—
Unearned revenues	—	—	—	—	—
Total liabilities	<u>118,677</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>—</u>	<u>35,069</u>	<u>44,469</u>	<u>63,434</u>	<u>212,781</u>
<b>FUND BALANCES</b>					
Restricted	—	81,231	78,854	87,817	596,181
Committed	499	—	—	—	—
Assigned	—	—	—	—	—
Total fund balances	<u>499</u>	<u>81,231</u>	<u>78,854</u>	<u>87,817</u>	<u>596,181</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 119,176</u>	<u>\$ 116,300</u>	<u>\$ 123,323</u>	<u>\$ 151,251</u>	<u>\$ 808,962</u>

(continued)

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2019

	Special Revenue		Debt Service	
	Pier Point 7 Sewer GID	Cobblewood Street GID	SID Debt Service	AURA Debt Service
<b>ASSETS</b>				
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —
Investments	—	—	—	—
<i>Receivables (net of allowance)</i>				
Taxes receivable	—	—	—	—
Accounts receivable	—	—	—	—
Interest receivable	—	—	—	—
Due from other governments	—	—	—	—
Other receivables	—	—	—	—
Due from other funds	—	—	—	—
<i>Restricted assets</i>				
Cash and cash equivalents	147,936	67,889	30,074	226,043
Investments	—	—	—	5,006,753
Taxes receivable	204,919	32,856	—	1,836,500
Accounts receivable	—	—	—	—
Due from other governments	1,355	224	—	—
Other receivables	—	—	251,030	—
Inventory	—	—	—	—
Asset acquired for resale	—	—	—	13,953,877
Notes receivable	—	—	—	—
Total assets	<u>\$ 354,210</u>	<u>\$ 100,969</u>	<u>\$ 281,104</u>	<u>\$ 21,023,173</u>
<b>LIABILITIES</b>				
Accounts payable	\$ —	\$ —	\$ —	\$ 1,677,969
Other payables	—	—	—	—
Due to other funds	—	—	—	—
Interfund loan payable	—	—	—	15,989,000
Unearned revenues	—	—	—	—
Total liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>17,666,969</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>204,919</u>	<u>32,856</u>	<u>251,030</u>	<u>1,836,500</u>
<b>FUND BALANCES</b>				
Restricted	149,291	68,113	30,074	1,519,704
Committed	—	—	—	—
Assigned	—	—	—	—
Total fund balances	<u>149,291</u>	<u>68,113</u>	<u>30,074</u>	<u>1,519,704</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 354,210</u>	<u>\$ 100,969</u>	<u>\$ 281,104</u>	<u>\$ 21,023,173</u>

(continued)

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2019

	Debt Service		Capital Projects		Total Nonmajor Governmental Funds
	ACLIC Debt Service	City Capital Projects	ACLIC Capital Projects		
<b>ASSETS</b>					
Cash and cash equivalents	\$ 59,372	\$ 3,880,875	\$ —	\$ 7,926,488	
Investments	1,315,069	91,021,546	—	110,990,096	
<i>Receivables (net of allowance)</i>					
Taxes receivable	—	—	—	953,791	
Accounts receivable	—	581,360	—	706,990	
Interest receivable	—	259,954	—	259,954	
Due from other governments	—	—	—	9,770	
Other receivables	—	—	—	73,178	
Due from other funds	—	1,946	—	1,994	
<i>Restricted assets</i>					
Cash and cash equivalents	18,920	—	21,387,628	28,070,540	
Investments	120,942	11,821,639	12,040,003	71,483,213	
Taxes receivable	—	—	—	2,430,028	
Accounts receivable	—	443,145	—	463,255	
Due from other governments	—	5,475,238	—	9,292,815	
Other receivables	—	—	—	777,415	
Inventory	—	—	—	151,529	
Asset acquired for resale	—	—	—	13,953,877	
Notes receivable	—	—	—	9,692,799	
Total assets	<u>\$ 1,514,303</u>	<u>\$ 113,485,703</u>	<u>\$ 33,427,631</u>	<u>\$ 257,237,732</u>	
<b>LIABILITIES</b>					
Accounts payable	\$ —	\$ 7,408,840	\$ 4,389,859	\$ 16,265,610	
Other payables	—	4,502,387	—	4,535,686	
Due to other funds	—	—	—	27,764	
Interfund loan payable	—	—	—	15,989,000	
Unearned revenues	—	—	—	1,924,724	
Total liabilities	<u>—</u>	<u>11,911,227</u>	<u>4,389,859</u>	<u>38,742,784</u>	
<b>DEFERRED INFLOWS OF RESOURCES</b>					
	<u>—</u>	<u>—</u>	<u>—</u>	<u>12,373,857</u>	
<b>FUND BALANCES</b>					
Restricted	139,862	14,005,505	29,037,772	95,356,008	
Committed	—	33,579	—	14,941,579	
Assigned	1,374,441	87,535,392	—	95,823,504	
Total fund balances	<u>1,514,303</u>	<u>101,574,476</u>	<u>29,037,772</u>	<u>206,121,091</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,514,303</u>	<u>\$ 113,485,703</u>	<u>\$ 33,427,631</u>	<u>\$ 257,237,732</u>	

(concluded)

## CITY OF AURORA, COLORADO

## NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue				
	Gifts and Grants	Development Review	Marijuana Tax Revenue	Community Development	Enhanced E-911
<b>REVENUES</b>					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ 8,616,197	\$ —	\$ —
Property	—	—	—	—	—
Lodgers	—	—	—	—	—
Occupational privilege	—	—	—	—	—
Other	—	—	1,183,988	—	—
Charges for services	131,964	5,169,435	—	1,235,205	—
Licenses and permits	—	12,099,885	—	—	—
Fines and forfeitures	1,868	—	—	—	—
Special assessments	—	—	—	—	—
Intergovernmental	19,174,681	—	1,671,841	2,891,021	—
Surcharges	—	—	—	—	5,887,924
Miscellaneous	1,344,829	10,382	5,702	—	—
Investment earnings	66,997	474,454	179,218	—	324,227
<b>Total revenues</b>	<b>20,720,339</b>	<b>17,754,156</b>	<b>11,656,946</b>	<b>4,126,226</b>	<b>6,212,151</b>
<b>EXPENDITURES</b>					
<i>Current</i>					
General government	43,107	312,975	—	—	—
Judicial	93,826	—	—	—	—
Police	2,837,192	—	—	—	—
Fire	784,294	—	—	—	—
Other public safety	—	—	—	—	8,435,089
Public works	—	—	—	—	—
Economic development	293,014	14,464,628	—	534,523	—
Community services	511,677	—	2,463,494	3,144,675	—
Culture and recreation	894,252	53,004	—	—	—
<i>Debt service</i>					
Principal	—	—	—	—	—
Interest	—	—	—	—	—
Capital outlay	15,139,430	718,907	—	527,903	—
<b>Total expenditures</b>	<b>20,596,792</b>	<b>15,549,514</b>	<b>2,463,494</b>	<b>4,207,101</b>	<b>8,435,089</b>
Excess (deficiency) of revenues over (under) expenditures	123,547	2,204,642	9,193,452	(80,875)	(2,222,938)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	—	—	—	255,053	4,354,886
Transfers out	—	(2,156,909)	(8,248,810)	—	(1,615,727)
Issuance of debt - refunding certificates of participation	—	—	—	—	—
Issuance of debt - capital leases	—	—	—	—	—
Premium on certificates of participation	—	—	—	—	—
Payment to refunded bond escrow agent	—	—	—	—	—
Sale of capital assets	12,763	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>12,763</b>	<b>(2,156,909)</b>	<b>(8,248,810)</b>	<b>255,053</b>	<b>2,739,159</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>136,310</b>	<b>47,733</b>	<b>944,642</b>	<b>174,178</b>	<b>516,221</b>
FUND BALANCES - January 1	2,468,380	12,971,505	4,004,716	1,505,980	8,833,873
FUND BALANCES - December 31	\$ 2,604,690	\$ 13,019,238	\$ 4,949,358	\$ 1,680,158	\$ 9,350,094

(continued)

**CITY OF AURORA, COLORADO**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Special Revenue				
	Conservation Trust	Parks Development	Open Space	Recreation Services	Cultural Services
<b>REVENUES</b>					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ —	\$ —	\$ —
Property	—	—	—	—	—
Lodgers	—	—	—	—	—
Occupational privilege	—	—	—	—	—
Other	—	—	—	—	—
Charges for services	—	—	—	7,216,823	775,418
Licenses and permits	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—
Special assessments	—	—	—	—	—
Intergovernmental	3,621,991	—	9,306,081	529,077	533,460
Surcharges	—	—	—	—	—
Miscellaneous	—	2,002,064	—	114,067	102,568
Investment earnings	160,225	462,230	501,268	47,333	38,521
<b>Total revenues</b>	<b>3,782,216</b>	<b>2,464,294</b>	<b>9,807,349</b>	<b>7,907,300</b>	<b>1,449,967</b>
<b>EXPENDITURES</b>					
<i>Current</i>					
General government	—	—	—	—	—
Judicial	—	—	—	—	—
Police	—	—	—	—	—
Fire	—	—	—	—	—
Other public safety	—	—	—	—	—
Public works	—	—	—	—	—
Economic development	—	—	—	—	—
Community services	—	—	—	—	—
Culture and recreation	1,238,272	86,030	5,007,900	13,115,110	3,267,836
<i>Debt service</i>					
Principal	—	—	—	—	—
Interest	—	—	—	—	—
Capital outlay	1,071,120	253,904	1,082,052	—	162,961
<b>Total expenditures</b>	<b>2,309,392</b>	<b>339,934</b>	<b>6,089,952</b>	<b>13,115,110</b>	<b>3,430,797</b>
Excess (deficiency) of revenues over (under) expenditures	1,472,824	2,124,360	3,717,397	(5,207,810)	(1,980,830)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	—	—	—	5,939,530	2,397,401
Transfers out	(1,161,146)	(6,266)	(1,431,884)	(13,753)	—
Issuance of debt - refunding certificates of participation	—	—	—	—	—
Issuance of debt - capital leases	—	—	—	—	—
Premium on certificates of participation	—	—	—	—	—
Payment to refunded bond escrow agent	—	—	—	—	—
Sale of capital assets	—	—	—	9,440	—
<b>Total other financing sources (uses)</b>	<b>(1,161,146)</b>	<b>(6,266)</b>	<b>(1,431,884)</b>	<b>5,935,217</b>	<b>2,397,401</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>311,678</b>	<b>2,118,094</b>	<b>2,285,513</b>	<b>727,407</b>	<b>416,571</b>
FUND BALANCES - January 1	5,770,446	12,623,485	12,726,526	1,194,859	1,604,659
FUND BALANCES - December 31	<b>\$ 6,082,124</b>	<b>\$ 14,741,579</b>	<b>\$ 15,012,039</b>	<b>\$ 1,922,266</b>	<b>\$ 2,021,230</b>

(continued)

## CITY OF AURORA, COLORADO

## NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue				
	Parking and Mobility	Peoria Park Fence GID	Meadow Hills Fence GID	Cherry Creek Fence GID	Aurora Conference Center GID
<b>REVENUES</b>					
<i>Taxes</i>					
Sales and use	\$ —	\$ —	\$ —	\$ —	\$ —
Property	—	34,972	46,131	65,642	192,156
Lodgers	—	—	—	—	—
Occupational privilege	—	—	—	—	—
Other	—	2,784	3,697	5,228	372,087
Charges for services	250,188	—	—	—	—
Licenses and permits	—	—	—	—	—
Fines and forfeitures	245,219	—	—	—	—
Special assessments	—	—	—	—	—
Intergovernmental	100,284	—	—	—	—
Surcharges	—	—	—	—	—
Miscellaneous	—	—	—	—	—
Investment earnings	922	27	27	27	195
Total revenues	596,613	37,783	49,855	70,897	564,438
<b>EXPENDITURES</b>					
<i>Current</i>					
General government	—	1,025	943	1,486	135,322
Judicial	—	—	—	—	—
Police	—	—	—	—	—
Fire	—	—	—	—	—
Other public safety	—	—	—	—	—
Public works	1,046,761	—	—	—	—
Economic development	—	—	—	—	—
Community services	—	—	—	—	—
Culture and recreation	—	—	—	—	—
<i>Debt service</i>					
Principal	—	15,000	20,000	35,000	—
Interest	—	15,151	17,964	24,675	—
Capital outlay	—	—	—	—	—
Total expenditures	1,046,761	31,176	38,907	61,161	135,322
Excess (deficiency) of revenues over (under) expenditures	(450,148)	6,607	10,948	9,736	429,116
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	450,255	—	—	—	186
Transfers out	—	—	—	—	—
Issuance of debt - refunding certificates of participation	—	—	—	—	—
Issuance of debt - capital leases	—	—	—	—	—
Premium on certificates of participation	—	—	—	—	—
Payment to refunded bond escrow agent	—	—	—	—	—
Sale of capital assets	—	—	—	—	—
Total other financing sources (uses)	450,255	—	—	—	186
NET CHANGE IN FUND BALANCES	107	6,607	10,948	9,736	429,302
FUND BALANCES - January 1	392	74,624	67,906	78,081	166,879
FUND BALANCES - December 31	\$ 499	\$ 81,231	\$ 78,854	\$ 87,817	\$ 596,181

(continued)

CITY OF AURORA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue		Debt Service	
	Pier Point 7 Sewer GID	Cobblewood Street GID	SID Debt Service	AURA Debt Service
<b>REVENUES</b>				
<i>Taxes</i>				
Sales and use	\$ —	\$ —	\$ —	\$ 1,649,265
Property	207,009	34,202	—	1,412,136
Lodgers	—	—	—	659,350
Occupational privilege	—	—	—	14,289
Other	16,365	2,735	—	—
Charges for services	—	—	—	—
Licenses and permits	—	—	—	—
Fines and forfeitures	—	—	—	—
Special assessments	—	—	93,406	—
Intergovernmental	—	—	—	—
Surcharges	—	—	—	—
Miscellaneous	—	—	—	632,687
Investment earnings	2,216	193	9,854	153,610
Total revenues	225,590	37,130	103,260	4,521,337
<b>EXPENDITURES</b>				
<i>Current</i>				
General government	3,197	514	1,030	—
Judicial	—	—	—	—
Police	—	—	—	—
Fire	—	—	—	—
Other public safety	—	—	—	—
Public works	—	—	—	—
Economic development	—	—	—	7,162,127
Community services	—	—	—	—
Culture and recreation	—	—	—	—
<i>Debt service</i>				
Principal	115,000	20,000	95,000	435,000
Interest	84,753	11,347	9,350	1,534,448
Capital outlay	—	—	—	—
Total expenditures	202,950	31,861	105,380	9,131,575
Excess (deficiency) of revenues over (under) expenditures	22,640	5,269	(2,120)	(4,610,238)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	—	—	—	5,561,000
Transfers out	—	—	—	(1,135,773)
Issuance of debt - refunding certificates of participation	—	—	—	—
Issuance of debt - capital leases	—	—	—	—
Premium on certificates of participation	—	—	—	—
Payment to refunded bond escrow agent	—	—	—	—
Sale of capital assets	—	—	—	—
Total other financing sources (uses)	—	—	—	4,425,227
NET CHANGE IN FUND BALANCES	22,640	5,269	(2,120)	(185,011)
FUND BALANCES - January 1	126,651	62,844	32,194	1,704,715
FUND BALANCES - December 31	\$ 149,291	\$ 68,113	\$ 30,074	\$ 1,519,704

(continued)

CITY OF AURORA, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2019

	Debt Service		Capital Projects		Total Nonmajor Governmental Funds
	ACLIC Debt Service	City Capital Projects	ACLIC Capital Projects		
<b>REVENUES</b>					
<i>Taxes</i>					
Sales and use	\$ —	\$ 34,798	\$ —	\$ 10,300,260	
Property	—	—	—	1,992,248	
Lodgers	—	—	—	659,350	
Occupational privilege	—	—	—	14,289	
Other	—	—	—	1,586,884	
Charges for services	—	2,958,797	—	17,737,830	
Licenses and permits	—	1,095,764	—	13,195,649	
Fines and forfeitures	—	1,456	—	248,543	
Special assessments	—	—	—	93,406	
Intergovernmental	—	17,846,249	1,500,000	57,174,685	
Surcharges	—	—	—	5,887,924	
Miscellaneous	—	4,042,734	—	8,255,033	
Investment earnings	333,172	2,823,039	959,277	6,537,032	
Total revenues	333,172	28,802,837	2,459,277	123,683,133	
<b>EXPENDITURES</b>					
<i>Current</i>					
General government	531,911	3,099,908	202,308	4,333,726	
Judicial	—	—	—	93,826	
Police	—	—	—	2,837,192	
Fire	—	36,141	—	820,435	
Other public safety	—	—	—	8,435,089	
Public works	—	8,099,146	8,228	9,154,135	
Economic development	—	40,839	—	22,495,131	
Community services	—	—	—	6,119,846	
Culture and recreation	—	220,613	98,639	23,981,656	
<i>Debt service</i>					
Principal	10,781,224	—	—	11,516,224	
Interest	8,069,274	—	—	9,766,962	
Capital outlay	—	37,180,231	31,500,449	87,636,957	
Total expenditures	19,382,409	48,676,878	31,809,624	187,191,179	
Excess (deficiency) of revenues over (under) expenditures	(19,049,237)	(19,874,041)	(29,350,347)	(63,508,046)	
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	18,282,195	45,866,488	3,341,521	86,448,515	
Transfers out	(291,188)	(4,922,929)	(1,328,730)	(22,313,115)	
Issuance of debt - refunding certificates of participation	55,418,135	—	7,516,865	62,935,000	
Issuance of debt - capital leases	25,000	—	3,858,279	3,883,279	
Premium on certificates of participation	11,712,530	—	1,602,645	13,315,175	
Payment to refunded bond escrow agent	(73,110,269)	—	—	(73,110,269)	
Sale of capital assets	—	—	—	22,203	
Total other financing sources (uses)	12,036,403	40,943,559	14,990,580	71,180,788	
NET CHANGE IN FUND BALANCES	(7,012,834)	21,069,518	(14,359,767)	7,672,742	
FUND BALANCES - January 1	8,527,137	80,504,958	43,397,539	198,448,349	
FUND BALANCES - December 31	\$ 1,514,303	\$ 101,574,476	\$ 29,037,772	\$ 206,121,091	

(concluded)



## Combining and Individual Fund Statements and Schedules

### **INTERNAL SERVICE FUNDS**

Internal Service Funds account for centralized acquisition of supplies and services. Revenues are from user charges to funds and departments, which are calculated on a cost-reimbursement basis.

### **Fleet Management Fund**

The Fleet Management Fund accounts for centralized maintenance of city owned vehicles. Operations are funded by charges to user departments.

### **Risk Management Fund**

The Risk Management Fund accounts for centralized costs of risk retention, risk administration and excess insurance coverage for claims and judgments made against the city. Revenues are from charges to departments.

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**CITY OF AURORA, COLORADO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total Internal Service</u>
<b>ASSETS</b>			
<i>Current assets</i>			
Cash and cash equivalents	\$ 23,430	\$ 874,908	\$ 898,338
Investments	518,970	19,378,856	19,897,826
<i>Receivables (net of allowance)</i>			
Interest receivable	22	104,051	104,073
Inventories	1,094,652	—	1,094,652
Total current assets	<u>1,637,074</u>	<u>20,357,815</u>	<u>21,994,889</u>
<i>Capital assets (net of accumulated depreciation)</i>			
Infrastructure	54,892	—	54,892
Machinery and equipment	182,027	—	182,027
Total capital assets	<u>236,919</u>	<u>—</u>	<u>236,919</u>
Total assets	<u>1,873,993</u>	<u>20,357,815</u>	<u>22,231,808</u>
<b>LIABILITIES</b>			
<i>Current liabilities</i>			
Accounts payable	392,927	34,998	427,925
Current portion - long-term liabilities	99,752	6,293,063	6,392,815
Total current liabilities	<u>492,679</u>	<u>6,328,061</u>	<u>6,820,740</u>
<i>Noncurrent liabilities</i>			
Due beyond one year	292,896	9,900,582	10,193,478
Total liabilities	<u>785,575</u>	<u>16,228,643</u>	<u>17,014,218</u>
<b>NET POSITION</b>			
Net investment in capital assets	236,919	—	236,919
Unrestricted	851,499	4,129,172	4,980,671
Total net position	<u>\$ 1,088,418</u>	<u>\$ 4,129,172</u>	<u>\$ 5,217,590</u>

**CITY OF AURORA, COLORADO**

**INTERNAL SERVICE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total Internal Service</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 9,671,723	\$ 10,953,191	\$ 20,624,914
<b>OPERATING EXPENSES</b>			
Cost of sales and service	10,405,373	3,134,872	13,540,245
Claims losses	—	8,884,636	8,884,636
Administrative expenses	97,064	120,366	217,430
Depreciation	73,759	—	73,759
Total operating expenses	<u>10,576,196</u>	<u>12,139,874</u>	<u>22,716,070</u>
Operating loss	<u>(904,473)</u>	<u>(1,186,683)</u>	<u>(2,091,156)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	7,028	608,249	615,277
Miscellaneous revenues	1,102	237,574	238,676
Net nonoperating revenues	<u>8,130</u>	<u>845,823</u>	<u>853,953</u>
Loss before transfers	(896,343)	(340,860)	(1,237,203)
Transfers in	<u>761,333</u>	<u>63,000</u>	<u>824,333</u>
CHANGE IN NET POSITION	(135,010)	(277,860)	(412,870)
NET POSITION - January 1	<u>1,223,428</u>	<u>4,407,032</u>	<u>5,630,460</u>
NET POSITION - December 31	<u>\$ 1,088,418</u>	<u>\$ 4,129,172</u>	<u>\$ 5,217,590</u>

CITY OF AURORA, COLORADO

INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total Internal Service</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash received from:</i>			
Customers and others	\$ 2,829	\$ 237,574	\$ 240,403
Interfund services provided and used	9,669,999	10,953,191	20,623,190
<i>Cash payments to:</i>			
Employees	(4,071,596)	(979,993)	(5,051,589)
Suppliers of goods and services	(6,330,180)	(8,363,705)	(14,693,885)
Net cash provided by (used in) operating activities	<u>(728,948)</u>	<u>1,847,067</u>	<u>1,118,119</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash transfers in	<u>761,333</u>	<u>63,000</u>	<u>824,333</u>
Net cash provided by noncapital financing activities	<u>761,333</u>	<u>63,000</u>	<u>824,333</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
<i>Payments for:</i>			
Capital assets	<u>(11,134)</u>	<u>—</u>	<u>(11,134)</u>
Net cash used in capital and related financing activities	<u>(11,134)</u>	<u>—</u>	<u>(11,134)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Increase in equity in pooled investments	(27,062)	(2,354,695)	(2,381,757)
Interest received	<u>1,734</u>	<u>368,075</u>	<u>369,809</u>
Net cash used in investing activities	<u>(25,328)</u>	<u>(1,986,620)</u>	<u>(2,011,948)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,077)	(76,553)	(80,630)
TOTAL CASH AND CASH EQUIVALENTS, January 1	<u>27,507</u>	<u>951,461</u>	<u>978,968</u>
TOTAL CASH AND CASH EQUIVALENTS, December 31	<u>\$ 23,430</u>	<u>\$ 874,908</u>	<u>\$ 898,338</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>			
Operating loss	\$ (904,473)	\$ (1,186,683)	\$ (2,091,156)
Adjustments to reconcile operating income (loss) to net cash used in operating activities			
Depreciation	73,759	—	73,759
Miscellaneous nonoperating revenues	1,102	237,574	238,676
<i>Changes in operating assets and liabilities</i>			
Inventories	(28,242)	—	(28,242)
Accounts payable and accrued liabilities	<u>128,906</u>	<u>2,796,176</u>	<u>2,925,082</u>
Total adjustments	<u>175,525</u>	<u>3,033,750</u>	<u>3,209,275</u>
Net cash provided by (used in) operating activities	<u>\$ (728,948)</u>	<u>\$ 1,847,067</u>	<u>\$ 1,118,119</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>			
Increase in fair value of investments	\$ 6,539	\$ 235,196	\$ 241,735





## Combining and Individual Fund Statements and Schedules

### **PENSION TRUST FUNDS**

Pension trust funds account for the activities and accumulation of resources to pay retirement benefits for elected officials, council appointees and employees.

### **General Employees' Retirement Plan Fund (GERP)**

The GERP Fund (component unit) accounts for the accumulation of resources and the payment of retirement benefits to qualified city employees.

### **Elected Officials' and Executive Personnel Defined Benefit Plan Fund (EOEP)**

The EOEP Fund (component unit) accounts for the accumulation of resources and the payment of retirement benefits to qualified elected officials and executive personnel of the city.

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**CITY OF AURORA, COLORADO**  
**PENSION TRUST FUNDS**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2019**

	<u>GERP</u>	<u>EOEP</u>	<u>Total Pension Trust</u>
<b>ASSETS</b>			
<i>Current assets</i>			
Cash and cash equivalents	\$ 6,033,128	\$ 97,692	\$ 6,130,820
<i>Investments</i>			
Equity securities and funds	220,340,568	3,847,659	224,188,227
U.S. government treasury and U.S. government agency obligations	9,846,589	—	9,846,589
Corporate bonds and funds	115,551,175	2,105,501	117,656,676
Real estate funds	48,703,007	824,744	49,527,751
Alternative investments	122,625,988	471,906	123,097,894
<i>Receivables (net of allowance)</i>			
Interest receivable	920,191	8,367	928,558
Due from other governments	503,975	—	503,975
Prepaid items	31,265	—	31,265
	<u>524,555,886</u>	<u>7,355,869</u>	<u>531,911,755</u>
<b>LIABILITIES</b>			
<i>Current Liabilities</i>			
Accounts payable	519,413	11,700	531,113
	<u>519,413</u>	<u>11,700</u>	<u>531,113</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u><u>\$ 524,036,473</u></u>	<u><u>\$ 7,344,169</u></u>	<u><u>\$ 531,380,642</u></u>

CITY OF AURORA, COLORADO

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>GERP</u>	<u>EOEP</u>	<u>Total Pension Trust</u>
<b>ADDITIONS</b>			
<i>Contributions</i>			
City	\$ 8,187,470	\$ 94,018	\$ 8,281,488
Plan members	8,190,368	—	8,190,368
Total contributions	<u>16,377,838</u>	<u>94,018</u>	<u>16,471,856</u>
<i>Investment activity</i>			
Investment earnings	88,304,239	1,239,225	89,543,464
Investment expense	<u>(2,370,214)</u>	<u>(13,787)</u>	<u>(2,384,001)</u>
Net investment earnings	<u>85,934,025</u>	<u>1,225,438</u>	<u>87,159,463</u>
Other income	<u>31,834</u>	—	<u>31,834</u>
Total additions, net	<u>102,343,697</u>	<u>1,319,456</u>	<u>103,663,153</u>
<b>DEDUCTIONS</b>			
Benefits	28,079,798	373,949	28,453,747
Administrative expenses	<u>595,501</u>	<u>27,848</u>	<u>623,349</u>
Total deductions	<u>28,675,299</u>	<u>401,797</u>	<u>29,077,096</u>
NET INCREASE IN NET POSITION	73,668,398	917,659	74,586,057
<b>NET POSITION RESTRICTED FOR PENSIONS - January 1</b>	<u>450,368,075</u>	<u>6,426,510</u>	<u>456,794,585</u>
<b>NET POSITION RESTRICTED FOR PENSIONS - December 31</b>	<u>\$ 524,036,473</u>	<u>\$ 7,344,169</u>	<u>\$ 531,380,642</u>

A U R O R A    M U N I C I P A L

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



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CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Gifts and Grants			Development Review		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use taxes	—	—	—	—	—	—
Sales taxes	—	—	—	—	—	—
Other taxes	—	—	—	—	—	—
Intergovernmental revenues	17,851,014	20,699,281	2,848,267	—	—	—
Licenses and permits	—	—	—	12,747,659	12,099,885	(647,774)
Charges for services	152,673	131,964	(20,709)	3,860,428	5,169,435	1,309,007
Fines and forfeitures	—	—	—	—	—	—
Investment income	8,537	48,882	40,345	210,777	307,666	96,889
Miscellaneous revenues	1,613,764	833,399	(780,365)	—	10,382	10,382
Proceeds from sale of assets	—	2,590	2,590	—	—	—
Transfers in	—	—	—	—	—	—
<b>TOTAL SOURCES</b>	<b>19,625,988</b>	<b>21,716,116</b>	<b>2,090,128</b>	<b>16,818,864</b>	<b>17,587,368</b>	<b>768,504</b>
<b>USES</b>						
<b>Operating Costs</b>						
Municipal Court	160,040	136,932	23,108	—	—	—
General Management Group	63,447	61,787	1,660	782,259	730,958	51,301
Administrative Services Group	—	—	—	883,773	449,268	434,505
Operations Group	1,621,021	1,267,277	353,744	13,830,537	13,813,066	17,471
Police/Fire Group	4,768,381	4,161,937	606,444	—	—	—
Non-Departmental	—	—	—	2,489,064	2,283,547	205,517
<b>Continuing Appropriations</b>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	13,143,800	13,143,800	—	—	—	—
<b>TOTAL USES</b>	<b>19,756,689</b>	<b>18,771,733</b>	<b>984,956</b>	<b>17,985,633</b>	<b>17,276,839</b>	<b>708,794</b>
CHANGE IN FUNDS AVAILABLE	(130,701)	2,944,383	3,075,084	(1,166,769)	310,529	1,477,298
FUNDS AVAILABLE - January 1	2,256,047	2,256,047	—	11,708,717	11,708,717	—
FUNDS AVAILABLE - December 31	<u>\$ 2,125,346</u>	<u>\$ 5,200,430</u>	<u>\$ 3,075,084</u>	<u>\$ 10,541,948</u>	<u>\$ 12,019,246</u>	<u>\$ 1,477,298</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 5,200,430	\$ 12,019,246
Current year operating encumbrances	250,897	918,540
Carryforward of continuing appropriations	2,042,517	—
Assets not available for appropriations	—	—
Inventories	151,529	—
Seizure funds	719,918	—
Adjustment of investments to fair value	—	81,452
Sales, use and lodgers tax accrual	—	—
Unspent grants	(5,760,601)	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 2,604,690</u>	<u>\$ 13,019,238</u>

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Marijuana Tax Revenue			Community Development		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use taxes	—	—	—	—	—	—
Sales taxes	8,124,647	8,327,528	202,881	—	—	—
Other taxes	996,000	1,183,988	187,988	—	—	—
Intergovernmental revenues	1,588,645	1,671,841	83,196	3,986,523	3,986,523	—
Licenses and permits	—	—	—	—	—	—
Charges for services	—	—	—	1,235,206	1,235,206	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	113,916	130,235	16,319	—	—	—
Miscellaneous revenues	—	5,702	5,702	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	—	—	—	255,053	255,053	—
<b>TOTAL SOURCES</b>	<b>10,823,208</b>	<b>11,319,294</b>	<b>496,086</b>	<b>5,476,782</b>	<b>5,476,782</b>	<b>—</b>
<b>USES</b>						
<i>Operating Costs</i>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	4,250,000	4,250,000	—	5,476,782	5,476,780	2
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	4,000,000	3,998,809	1,191	—	—	—
<i>Continuing Appropriations</i>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	3,532,333	3,532,333	—	—	—	—
<b>TOTAL USES</b>	<b>11,782,333</b>	<b>11,781,142</b>	<b>1,191</b>	<b>5,476,782</b>	<b>5,476,780</b>	<b>2</b>
CHANGE IN FUNDS AVAILABLE	(959,125)	(461,848)	497,277	—	2	2
FUNDS AVAILABLE - January 1	2,259,519	2,259,519	—	(2)	(2)	—
FUNDS AVAILABLE - December 31	<u>\$ 1,300,394</u>	<u>\$ 1,797,671</u>	<u>\$ 497,277</u>	<u>\$ (2)</u>	<u>\$ —</u>	<u>\$ 2</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 1,797,671	\$ —
Current year operating encumbrances	—	—
Carryforward of continuing appropriations	2,170,878	6,382,669
Assets not available for appropriations	—	—
Inventories	—	—
Seizure funds	—	—
Adjustment of investments to fair value	27,019	—
Sales, use and lodgers tax accrual	953,790	—
Unspent grants	—	(4,702,511)
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 4,949,358</u>	<u>\$ 1,680,158</u>

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Enhanced E-911			Conservation Trust		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use taxes	—	—	—	—	—	—
Sales taxes	—	—	—	—	—	—
Other taxes	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	3,400,000	3,621,990	221,990
Licenses and permits	—	—	—	—	—	—
Charges for services	5,069,767	5,887,925	818,158	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	127,000	216,245	89,245	44,000	99,175	55,175
Miscellaneous revenues	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	4,354,886	4,354,886	—	—	—	—
<b>TOTAL SOURCES</b>	<b>9,551,653</b>	<b>10,459,056</b>	<b>907,403</b>	<b>3,444,000</b>	<b>3,721,165</b>	<b>277,165</b>
<b>USES</b>						
<b>Operating Costs</b>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	8,521,538	8,477,857	43,681	—	—	—
Operations Group	—	—	—	1,313,850	1,149,092	164,758
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	7,500	—	7,500	—	—	—
<b>Continuing Appropriations</b>						
Administrative Services Group	1,294,551	1,294,551	—	—	—	—
Operations Group	—	—	—	2,652,500	2,652,500	—
<b>TOTAL USES</b>	<b>9,823,589</b>	<b>9,772,408</b>	<b>51,181</b>	<b>3,966,350</b>	<b>3,801,592</b>	<b>164,758</b>
CHANGE IN FUNDS AVAILABLE	(271,936)	686,648	958,584	(522,350)	(80,427)	441,923
FUNDS AVAILABLE - January 1	7,134,988	7,134,988	—	2,277,720	2,277,720	—
FUNDS AVAILABLE - December 31	<u>\$ 6,863,052</u>	<u>\$ 7,821,636</u>	<u>\$ 958,584</u>	<u>\$ 1,755,370</u>	<u>\$ 2,197,293</u>	<u>\$ 441,923</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 7,821,636	\$ 2,197,293
Current year operating encumbrances	289,815	2,303
Carryforward of continuing appropriations	1,183,748	3,849,650
Assets not available for appropriations	—	—
Inventories	—	—
Seizure funds	—	—
Adjustment of investments to fair value	54,895	32,878
Sales, use and lodgers tax accrual	—	—
Unspent grants	—	—
<b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b>	<u><b>\$ 9,350,094</b></u>	<u><b>\$ 6,082,124</b></u>

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Parks Development			Open Space		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use taxes	—	—	—	—	—	—
Sales taxes	—	—	—	—	—	—
Other taxes	—	—	—	—	—	—
Intergovernmental revenues	—	—	—	9,169,589	9,306,080	136,491
Licenses and permits	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	176,750	292,697	115,947	189,880	325,929	136,049
Miscellaneous revenues	1,300,000	2,002,064	702,064	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	—	—	—	—	—	—
<b>TOTAL SOURCES</b>	<b>1,476,750</b>	<b>2,294,761</b>	<b>818,011</b>	<b>9,359,469</b>	<b>9,632,009</b>	<b>272,540</b>
<b>USES</b>						
<b>Operating Costs</b>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	90,281	78,303	11,978	5,162,564	4,905,251	257,313
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	—	—	—	4,904	—	4,904
<b>Continuing Appropriations</b>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	2,279,227	2,279,227	—	5,281,884	5,281,884	—
<b>TOTAL USES</b>	<b>2,369,508</b>	<b>2,357,530</b>	<b>11,978</b>	<b>10,449,352</b>	<b>10,187,135</b>	<b>262,217</b>
CHANGE IN FUNDS AVAILABLE	(892,758)	(62,769)	829,989	(1,089,883)	(555,126)	534,757
FUNDS AVAILABLE - January 1	11,728,472	11,728,472	—	2,804,459	2,804,459	—
FUNDS AVAILABLE - December 31	<u>\$ 10,835,714</u>	<u>\$ 11,665,703</u>	<u>\$ 829,989</u>	<u>\$ 1,714,576</u>	<u>\$ 2,249,333</u>	<u>\$ 534,757</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 11,665,703	\$ 2,249,333
Current year operating encumbrances	—	1,308
Carryforward of continuing appropriations	2,986,270	12,668,961
Assets not available for appropriations	—	—
Inventories	—	—
Seizure funds	—	—
Adjustment of investments to fair value	89,606	92,437
Sales, use and lodgers tax accrual	—	—
Unspent grants	—	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 14,741,579</u>	<u>\$ 15,012,039</u>

## CITY OF AURORA, COLORADO

## SPECIAL REVENUE FUNDS

## SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

## BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

## FOR THE YEAR ENDED DECEMBER 31, 2019

	Recreation Services			Cultural Services		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Use taxes	—	—	—	—	—	—
Sales taxes	—	—	—	—	—	—
Other taxes	—	—	—	—	—	—
Intergovernmental revenues	573,000	539,630	(33,370)	287,500	366,150	78,650
Licenses and permits	—	—	—	—	—	—
Charges for services	6,787,361	7,216,823	429,462	753,000	775,418	22,418
Fines and forfeitures	—	—	—	—	—	—
Investment income	14,000	34,169	20,169	8,850	38,521	29,671
Miscellaneous revenues	74,000	114,067	40,067	71,000	102,549	31,549
Proceeds from sale of assets	—	9,440	9,440	—	—	—
Transfers in	5,939,530	5,939,530	—	2,478,699	2,397,401	(81,298)
<b>TOTAL SOURCES</b>	<b>13,387,891</b>	<b>13,853,659</b>	<b>465,768</b>	<b>3,599,049</b>	<b>3,680,039</b>	<b>80,990</b>
<b>USES</b>						
<b>Operating Costs</b>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	13,852,594	13,141,112	711,482	3,438,295	3,403,469	34,826
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	—	—	—	22,812	—	22,812
<b>Continuing Appropriations</b>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
<b>TOTAL USES</b>	<b>13,852,594</b>	<b>13,141,112</b>	<b>711,482</b>	<b>3,461,107</b>	<b>3,403,469</b>	<b>57,638</b>
CHANGE IN FUNDS AVAILABLE	(464,703)	712,547	1,177,250	137,942	276,570	138,628
FUNDS AVAILABLE - January 1	1,236,618	1,236,618	—	1,779,357	1,779,357	—
FUNDS AVAILABLE - December 31	\$ 771,915	\$ 1,949,165	\$ 1,177,250	\$ 1,917,299	\$ 2,055,927	\$ 138,628

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 1,949,165	\$ 2,055,927
Current year operating encumbrances	15,999	547
Carryforward of continuing appropriations	—	—
Assets not available for appropriations	—	—
Inventories	—	—
Seizure funds	—	—
Adjustment of investments to fair value	9,471	—
Sales, use and lodgers tax accrual	—	—
Unspent grants	(52,369)	(35,244)
FUND BALANCE (U.S. GAAP BASIS) - December 31	\$ 1,922,266	\$ 2,021,230

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Parking and Mobility			Peoria Park - GID		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>						
Property taxes	\$ —	\$ —	\$ —	\$ 41,825	\$ 37,756	\$ (4,069)
Use taxes	—	—	—	—	—	—
Sales taxes	—	—	—	—	—	—
Other taxes	—	—	—	—	—	—
Intergovernmental revenues	94,500	100,284	5,784	—	—	—
Licenses and permits	—	—	—	—	—	—
Charges for services	185,000	250,188	65,188	—	—	—
Fines and forfeitures	215,000	245,219	30,219	—	—	—
Investment income	—	275	275	—	27	27
Miscellaneous revenues	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	552,265	450,255	(102,010)	—	—	—
<b>TOTAL SOURCES</b>	<b>1,046,765</b>	<b>1,046,221</b>	<b>(544)</b>	<b>41,825</b>	<b>37,783</b>	<b>(4,042)</b>
<b>USES</b>						
<b>Operating Costs</b>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	1,046,765	1,046,761	4	—	—	—
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	—	—	—	41,825	31,176	10,649
<b>Continuing Appropriations</b>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
<b>TOTAL USES</b>	<b>1,046,765</b>	<b>1,046,761</b>	<b>4</b>	<b>41,825</b>	<b>31,176</b>	<b>10,649</b>
CHANGE IN FUNDS AVAILABLE	—	(540)	(540)	—	6,607	6,607
FUNDS AVAILABLE - January 1	540	540	—	74,624	74,624	—
FUNDS AVAILABLE - December 31	\$ 540	\$ —	\$ (540)	\$ 74,624	\$ 81,231	\$ 6,607

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ —	\$ 81,231
Current year operating encumbrances	—	—
Carryforward of continuing appropriations	—	—
Assets not available for appropriations	—	—
Inventories	—	—
Seizure funds	—	—
Adjustment of investments to fair value	499	—
Sales, use and lodgers tax accrual	—	—
Unspent grants	—	—
<b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b>	<b>\$ 499</b>	<b>\$ 81,231</b>

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Meadow Hills Fence - GID			Cherry Creek Fence - GID		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>						
Property taxes	\$ 76,060	\$ 46,131	\$ (29,929)	\$ 70,000	\$ 65,642	\$ (4,358)
Use taxes	—	—	—	—	—	—
Sales taxes	—	—	—	—	—	—
Other taxes	—	3,697	3,697	—	5,228	5,228
Intergovernmental revenues	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	—	27	27	—	27	27
Miscellaneous revenues	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	—	—	—	—	—	—
<b>TOTAL SOURCES</b>	<b>76,060</b>	<b>49,855</b>	<b>(26,205)</b>	<b>70,000</b>	<b>70,897</b>	<b>897</b>
<b>USES</b>						
<b>Operating Costs</b>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	76,060	38,907	37,153	70,000	61,161	8,839
<b>Continuing Appropriations</b>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
<b>TOTAL USES</b>	<b>76,060</b>	<b>38,907</b>	<b>37,153</b>	<b>70,000</b>	<b>61,161</b>	<b>8,839</b>
CHANGE IN FUNDS AVAILABLE	—	10,948	10,948	—	9,736	9,736
FUNDS AVAILABLE - January 1	67,906	67,906	—	78,081	78,081	—
FUNDS AVAILABLE - December 31	<u>\$ 67,906</u>	<u>\$ 78,854</u>	<u>\$ 10,948</u>	<u>\$ 78,081</u>	<u>\$ 87,817</u>	<u>\$ 9,736</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 78,854	\$ 87,817
Current year operating encumbrances	—	—
Carryforward of continuing appropriations	—	—
Assets not available for appropriations	—	—
Inventories	—	—
Seizure funds	—	—
Adjustment of investments to fair value	—	—
Sales, use and lodgers tax accrual	—	—
Unspent grants	—	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 78,854</u>	<u>\$ 87,817</u>

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Aurora Conference Center - GID			Pier Point 7 Sewer - GID		
	Final Budget	Budgetary Actual	Variance with Final	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>						
Property taxes	\$ 200,000	\$ 192,156	\$ (7,844)	\$ 371,277	\$ 207,009	\$ (164,268)
Use taxes	—	—	—	—	—	—
Sales taxes	—	—	—	—	—	—
Other taxes	—	372,088	372,088	—	16,365	16,365
Intergovernmental revenues	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—
Charges for services	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	—	194	194	—	2,216	2,216
Miscellaneous revenues	—	—	—	—	—	—
Proceeds from sale of assets	—	—	—	—	—	—
Transfers in	—	186	186	—	—	—
<b>TOTAL SOURCES</b>	<b>200,000</b>	<b>564,624</b>	<b>364,624</b>	<b>371,277</b>	<b>225,590</b>	<b>(145,687)</b>
<b>USES</b>						
<b>Operating Costs</b>						
Municipal Court	—	—	—	—	—	—
General Management Group	—	—	—	—	—	—
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
Police/Fire Group	—	—	—	—	—	—
Non-Departmental	200,000	135,322	64,678	371,277	202,950	168,327
<b>Continuing Appropriations</b>						
Administrative Services Group	—	—	—	—	—	—
Operations Group	—	—	—	—	—	—
<b>TOTAL USES</b>	<b>200,000</b>	<b>135,322</b>	<b>64,678</b>	<b>371,277</b>	<b>202,950</b>	<b>168,327</b>
CHANGE IN FUNDS AVAILABLE	—	429,302	429,302	—	22,640	22,640
FUNDS AVAILABLE - January 1	166,879	166,879	—	66,786	66,786	—
FUNDS AVAILABLE - December 31	<u>\$ 166,879</u>	<u>\$ 596,181</u>	<u>\$ 429,302</u>	<u>\$ 66,786</u>	<u>\$ 89,426</u>	<u>\$ 22,640</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 596,181	\$ 89,426
Current year operating encumbrances	—	—
Carryforward of continuing appropriations	—	—
Assets not available for appropriations	—	59,865
Inventories	—	—
Seizure funds	—	—
Adjustment of investments to fair value	—	—
Sales, use and lodgers tax accrual	—	—
Unspent grants	—	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 596,181</u>	<u>\$ 149,291</u>

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Cobblewood Street GID</b>		
	<b>Final Budget</b>	<b>Budgetary Actual</b>	<b>Variance with Final</b>
<b>SOURCES</b>			
Property taxes	\$ 90,000	\$ 34,202	\$ (55,798)
Use taxes	—	—	—
Sales taxes	—	—	—
Other taxes	—	2,735	2,735
Intergovernmental revenues	—	—	—
Licenses and permits	—	—	—
Charges for services	—	—	—
Fines and forfeitures	—	—	—
Investment income	—	(98)	(98)
Miscellaneous revenues	—	—	—
Proceeds from sale of assets	—	—	—
Transfers in	—	—	—
<b>TOTAL SOURCES</b>	<b>90,000</b>	<b>36,839</b>	<b>(53,161)</b>
<b>USES</b>			
<b>Operating Costs</b>			
Municipal Court	—	—	—
General Management Group	—	—	—
Administrative Services Group	—	—	—
Operations Group	—	—	—
Police/Fire Group	—	—	—
Non-Departmental	90,000	31,861	58,139
<b>Continuing Appropriations</b>			
Administrative Services Group	—	—	—
Operations Group	—	—	—
<b>TOTAL USES</b>	<b>90,000</b>	<b>31,861</b>	<b>58,139</b>
CHANGE IN FUNDS AVAILABLE	—	4,978	4,978
FUNDS AVAILABLE - January 1	6,018	6,018	—
FUNDS AVAILABLE - December 31	<u>\$ 6,018</u>	<u>\$ 10,996</u>	<u>\$ 4,978</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 10,996
Current year operating encumbrances	—
Carryforward of continuing appropriations	—
Assets not available for appropriations	57,117
Inventories	—
Seizure funds	—
Adjustment of investments to fair value	—
Sales, use and lodgers tax accrual	—
Unspent grants	—
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 68,113</u>

CITY OF AURORA, COLORADO  
**SPECIAL REVENUE FUNDS**  
**SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Designated Revenue</b>		
	<b>Final Budget</b>	<b>Budgetary Actual</b>	<b>Variance with Final</b>
<b>SOURCES</b>			
Property taxes	\$ —	\$ —	\$ —
Special assessment taxes	—	—	—
Intergovernmental revenues	429,849	191,435	(238,414)
License and permits	—	—	—
Charges for services	3,717,161	3,812,000	94,839
Fines and forfeitures	4,440,063	1,475,291	(2,964,772)
Investment income	99,409	172,064	72,655
Miscellaneous revenues	103,076	143,236	40,160
Proceeds from sale of assets	—	—	—
Transfers in	711,190	669,447	(41,743)
<b>TOTAL SOURCES</b>	<b>9,500,748</b>	<b>6,463,473</b>	<b>(3,037,275)</b>
<b>USES</b>			
<b>Operating Costs</b>			
Municipal Court	526,009	332,427	193,582
Administrative Services Group	489,462	152,381	337,081
Operations Group	4,069,285	3,975,321	93,964
Police/Fire Group	1,748,044	1,504,014	244,030
Non-Departmental	1,589,544	879,476	710,068
<b>TOTAL USES</b>	<b>8,422,344</b>	<b>6,843,619</b>	<b>1,578,725</b>
CHANGE IN FUNDS AVAILABLE	1,078,404	(380,146)	(1,458,550)
FUNDS AVAILABLE - January 1	10,140,233	10,140,233	—
FUNDS AVAILABLE - December 31	<u>\$ 11,218,637</u>	<u>\$ 9,760,087</u>	<u>\$ (1,458,550)</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 9,760,087
Current year operating encumbrances	165,142
Adjustment of investments to fair value	<u>62,392</u>
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 9,987,621</u>

The Designated Revenue Fund does not meet the criteria for classification as a special revenue fund in accordance with GAAP and is included as part of the General Fund for GAAP basis financial reporting. Because a budget is legally adopted for this fund, a separate schedule of sources, uses and changes in funds available budget and actual (non-GAAP budgetary basis) is included for full disclosure.

CITY OF AURORA, COLORADO  
DEBT SERVICE FUNDS  
SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2019

	SID Debt Service		
	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>			
Property taxes	\$ —	\$ —	\$ —
Special assessment taxes	140,000	93,406	(46,594)
Charges for services	—	—	—
Investment income	8,863	9,854	991
Other revenues	—	—	—
Transfers in	—	—	—
<b>TOTAL SOURCES</b>	<u>148,863</u>	<u>103,260</u>	<u>(45,603)</u>
<b>USES</b>			
<i>Operating Costs</i>			
Planning and development	—	—	—
Non-Departmental	176,086	105,380	70,706
<b>TOTAL USES</b>	<u>176,086</u>	<u>105,380</u>	<u>70,706</u>
CHANGE IN FUNDS AVAILABLE	(27,223)	(2,120)	25,103
FUNDS AVAILABLE - January 1	<u>32,194</u>	<u>32,194</u>	<u>—</u>
FUNDS AVAILABLE - December 31	<u>\$ 4,971</u>	<u>\$ 30,074</u>	<u>\$ 25,103</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 30,074
Assets not available for appropriation	—
Current year operating encumbrances	—
Inventories	—
Adjustment of investments to fair value	<u>—</u>
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 30,074</u>

## CITY OF AURORA, COLORADO

## CAPITAL PROJECTS FUNDS

## SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

## BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

## FOR THE YEAR ENDED DECEMBER 31, 2019

	City Capital Projects		
	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>			
Property taxes	\$ —	\$ —	\$ —
Use taxes	34,798	34,798	—
Intergovernmental revenues	19,438,107	21,905,285	2,467,178
License and permits	350,000	1,095,764	745,764
Charges for services	1,563,325	2,958,797	1,395,472
Fines and forfeitures	—	1,456	1,456
Investment income	660,000	1,630,030	970,030
Miscellaneous revenues	2,201,817	4,042,734	1,840,917
Transfers in	45,870,981	45,866,488	(4,493)
Internal transfer in (out)	25,000	—	(25,000)
<b>TOTAL SOURCES</b>	<b>70,144,028</b>	<b>77,535,352</b>	<b>7,391,324</b>
<b>USES</b>			
<b>Operating Costs</b>			
Administrative Services Group	583,133	583,140	(7)
Operations Group	1,500,000	1,496,263	3,737
Police/Fire Group	2,000,000	1,996,309	—
Non-Departmental	411,759	411,759	—
<b>Continuing Appropriations</b>			
Administrative Services Group	426,000	426,000	—
Operations Group	60,109,194	60,109,194	—
Police/Fire Group	800,000	800,000	—
Non-Departmental	3,165,000	3,165,000	—
<b>TOTAL USES</b>	<b>68,995,086</b>	<b>68,987,665</b>	<b>3,730</b>
CHANGE IN FUNDS AVAILABLE	1,148,942	8,547,687	7,395,054
FUNDS AVAILABLE - January 1	20,171,712	20,171,712	—
FUNDS AVAILABLE - December 31	<u>\$ 21,320,654</u>	<u>\$ 28,719,399</u>	<u>\$ 7,395,054</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 28,719,399
Carry forward of continuing appropriations	78,611,685
Adjustment of investments to fair value	653,005
Unspent grants	<u>(6,409,613)</u>
FUND BALANCE (U.S. GAAP BASIS) - December 31	<u>\$ 101,574,476</u>

## CITY OF AURORA, COLORADO

## ENTERPRISE FUNDS

## SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

## BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

## FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Water</b>		
	<b>Final Budget</b>	<b>Budgetary Actual</b>	<b>Variance with Final</b>
<b>SOURCES</b>			
Charges for services	\$ 120,168,819	\$ 121,710,529	\$ 1,541,710
Intergovernmental	81,335	679,716	598,381
Licenses and permits	311,408	382,761	71,353
Fines and forfeitures	—	1,201	1,201
Investment income	1,138,595	4,691,000	3,552,405
Miscellaneous revenues	41,195,945	44,288,039	3,092,094
Proceeds from sale of assets	24,000	43,404	19,404
Proceeds from long-term borrowings	—	—	—
Transfers in	500,000	500,000	—
TOTAL SOURCES	<u>163,420,102</u>	<u>172,296,650</u>	<u>8,876,548</u>
<b>USES</b>			
<b>Operating Costs</b>			
Operations Group	130,731,596	125,767,595	4,964,001
Non-Departmental	132,413	79,473	52,940
<b>Continuing Appropriations</b>			
Operations Group	<u>75,746,737</u>	<u>75,746,737</u>	<u>—</u>
TOTAL USES	<u>206,610,746</u>	<u>201,593,805</u>	<u>5,016,941</u>
CHANGE IN FUNDS AVAILABLE	(43,190,644)	(29,297,155)	13,893,489
FUNDS AVAILABLE - January 1	<u>83,862,363</u>	<u>83,862,363</u>	<u>—</u>
FUNDS AVAILABLE - December 31	<u>\$ 40,671,719</u>	<u>\$ 54,565,208</u>	<u>\$ 13,893,489</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 54,565,208
Current year operating encumbrances	2,603,384
Carryforward of continuing appropriations	120,763,190
Assets not available for appropriation	—
Interfund receivables	16,000,000
Equity in joint venture	2,291,327
Capital assets net of depreciation	1,755,505,682
Inventories	—
Deferred outflow of resources	16,797,517
Deferred inflow of resources	(1,098,181)
Accrued compensated absence payment in lieu	122,741
Adjustment of investments to fair value	1,185,002
Current portion of long-term liabilities	(2,903,374)
Current portion of interfund loans	—
Long-term debt	(467,717,278)
Long-term interfund payables	—
Available line of credit	—
NET POSITION (U.S. GAAP BASIS) - December 31	<u>\$ 1,498,115,218</u>

CITY OF AURORA, COLORADO

ENTERPRISE FUNDS  
 SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Wastewater</b>		
	<b>Final Budget</b>	<b>Budgetary Actual</b>	<b>Variance with Final</b>
<b>SOURCES</b>			
Charges for services	\$ 70,381,791	\$ 68,917,395	\$ (1,464,396)
Intergovernmental	—	1,081,077	1,081,077
Licenses and permits	280,000	637,738	357,738
Fines and forfeitures	—	—	—
Investment income	706,677	1,693,205	986,528
Miscellaneous revenues	8,832,650	7,614,724	(1,217,926)
Proceeds from sale of assets	6,000	147,193	141,193
Proceeds from long-term borrowings	—	—	—
Transfers in	—	—	—
<b>TOTAL SOURCES</b>	<b>80,207,118</b>	<b>80,091,332</b>	<b>(115,786)</b>
<b>USES</b>			
<b>Operating Costs</b>			
Operations Group	60,181,674	56,702,539	3,479,135
Non-Departmental	56,240	52,481	3,759
<b>Continuing Appropriations</b>			
Operations Group	10,066,112	10,066,112	—
<b>TOTAL USES</b>	<b>70,304,026</b>	<b>66,821,132</b>	<b>3,482,894</b>
CHANGE IN FUNDS AVAILABLE	9,903,092	13,270,200	3,367,108
FUNDS AVAILABLE - January 1	14,315,252	14,315,252	—
<b>FUNDS AVAILABLE - December 31</b>	<b>\$ 24,218,344</b>	<b>\$ 27,585,452</b>	<b>\$ 3,367,108</b>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 27,585,452
Current year operating encumbrances	987,080
Carryforward of continuing appropriations	71,803,460
Assets not available for appropriation	5,264,868
Interfund receivables	3,009,000
Equity in joint venture	—
Capital assets net of depreciation	597,995,251
Inventories	—
Deferred outflow of resources	3,730,031
Deferred inflow of resources	(858,470)
Accrued compensated absence payment in lieu	50,483
Adjustment of investments to fair value	503,311
Current portion of long-term liabilities	(3,019,923)
Current portion of interfund loans	—
Long-term debt	(28,228,694)
Long-term interfund payables	(16,000,000)
Available line of credit	(25,000,000)
<b>NET POSITION (U.S. GAAP BASIS) - December 31</b>	<b>\$ 637,821,849</b>

## CITY OF AURORA, COLORADO

ENTERPRISE FUNDS  
 SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Golf</b>		
	<b>Final Budget</b>	<b>Budgetary Actual</b>	<b>Variance with Final</b>
<b>SOURCES</b>			
Charges for services	\$ 8,149,800	\$ 8,009,410	\$ (140,390)
Intergovernmental	—	—	—
Licenses and permits	—	—	—
Fines and forfeitures	—	—	—
Investment income	35,000	80,743	45,743
Miscellaneous revenues	5,500	(110,063)	(115,563)
Proceeds from sale of assets	—	—	—
Proceeds from long-term borrowings	—	—	—
Transfers in	150,000	150,000	—
TOTAL SOURCES	<u>8,340,300</u>	<u>8,130,090</u>	<u>(210,210)</u>
<b>USES</b>			
<b>Operating Costs</b>			
Operations Group	7,798,027	7,700,900	97,127
Non-Departmental	22,219	—	22,219
<b>Continuing Appropriations</b>			
Operations Group	243,500	243,500	—
TOTAL USES	<u>8,063,746</u>	<u>7,944,400</u>	<u>119,346</u>
CHANGE IN FUNDS AVAILABLE	276,554	185,690	(90,864)
FUNDS AVAILABLE - January 1	2,709,354	2,709,354	—
FUNDS AVAILABLE - December 31	<u>\$ 2,985,908</u>	<u>\$ 2,895,044</u>	<u>\$ (90,864)</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 2,895,044
Current year operating encumbrances	78,792
Carryforward of continuing appropriations	156,296
Assets not available for appropriation	—
Interfund receivables	—
Equity in joint venture	—
Capital assets net of depreciation	25,066,953
Inventories	172,174
Deferred outflow of resources	845,613
Deferred inflow of resources	(138,026)
Accrued compensated absence payment in lieu	15,746
Adjustment of investments to fair value	22,993
Current portion of long-term liabilities	(95,714)
Current portion of interfund loans	(350,000)
Long-term debt	(1,705,289)
Long-term interfund payables	(2,659,000)
Available line of credit	—
NET POSITION (U.S. GAAP BASIS) - December 31	<u>\$ 24,305,582</u>

CITY OF AURORA, COLORADO

INTERNAL SERVICE FUNDS

SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	<b>Fleet Management Fund</b>		
	<b>Final Budget</b>	<b>Budgetary Actual</b>	<b>Variance with Final</b>
<b>SOURCES</b>			
Charges for services	\$ 9,283,891	\$ 9,671,631	\$ 387,740
Fines and Forfeitures	—	92	92
Investment income	6,682	491	(6,191)
Miscellaneous revenues	20,000	1,102	(18,898)
Transfers in	762,000	761,333	(667)
	<u>10,072,573</u>	<u>10,434,649</u>	<u>362,076</u>
<b>TOTAL SOURCES</b>			
<b>USES</b>			
<b>Operating Costs</b>			
Administrative Services Group	10,477,206	10,477,206	—
Non-Departmental	15,213	—	15,213
	<u>10,492,419</u>	<u>10,477,206</u>	<u>15,213</u>
<b>TOTAL USES</b>			
CHANGE IN FUNDS AVAILABLE	(419,846)	(42,557)	377,289
FUNDS AVAILABLE - January 1	115,717	115,717	—
FUNDS AVAILABLE - December 31	<u>\$ (304,129)</u>	<u>\$ 73,160</u>	<u>\$ 377,289</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 73,160
Capital assets net of depreciation	236,919
Inventories	1,094,652
Current year operating encumbrances	67,849
Adjustment of investments to fair value	3,294
Accrued compensated absence payment in lieu	5,192
Current portion of long-term debt	(99,752)
Long-term debt	<u>(292,896)</u>
NET POSITION (U.S. GAAP BASIS) - December 31	<u>\$ 1,088,418</u>

CITY OF AURORA, COLORADO  
INTERNAL SERVICE FUNDS  
SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Risk Management Fund		
	Final Budget	Budgetary Actual	Variance with Final
<b>SOURCES</b>			
Charges for services	\$ 10,946,126	\$ 10,953,191	\$ 7,065
Fines and Forfeitures	—	—	—
Investment income	147,679	373,053	225,374
Miscellaneous revenues	335,630	237,574	(98,056)
Transfers in	63,000	63,000	—
<b>TOTAL SOURCES</b>	<b>11,492,435</b>	<b>11,626,818</b>	<b>134,383</b>
<b>USES</b>			
<i>Operating Costs</i>			
Administrative Services Group	11,626,231	10,181,261	1,444,970
Non-Departmental	3,917	—	3,917
<b>TOTAL USES</b>	<b>11,630,148</b>	<b>10,181,261</b>	<b>1,448,887</b>
CHANGE IN FUNDS AVAILABLE	(137,713)	1,445,557	1,583,270
FUNDS AVAILABLE - January 1	4,204,704	4,204,704	—
FUNDS AVAILABLE - December 31	<u>\$ 4,066,991</u>	<u>\$ 5,650,261</u>	<u>\$ 1,583,270</u>

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

FUNDS AVAILABLE (BUDGETARY BASIS) - December 31	\$ 5,650,261
Capital assets net of depreciation	—
Inventories	—
Current year operating encumbrances	200,046
Adjustment of investments to fair value	123,047
Accrued compensated absence payment in lieu	1,014
Current portion of long-term debt	(14,317) *
Long-term debt	<u>(1,830,879) *</u>
NET POSITION (U.S. GAAP BASIS) - December 31	<u>\$ 4,129,172</u>

\* Does not include non-GAAP reported accrued claims liability of \$14,348,449 (\$16,098,449 total accrued claims payable less GAAP reported accrued claims liability of \$1,750,000)





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# City of Aurora, Colorado

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2019 COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

## STATISTICAL SECTION

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## Statistical Section (unaudited)

### FINANCIAL TRENDS STATISTICS

These schedules provide financial trend information, which shows how the city's financial performance has changed over time.

#### Exhibit A-1

Net Position by Component

#### Exhibit A-2

Changes in Net Position

#### Exhibit A-3

Fund Balances, Governmental Funds

#### Exhibit A-4

Changes in Fund Balances, Governmental Funds

#### Exhibit A-5

Total Sales and Use Tax Revenues

### REVENUE CAPACITY STATISTICS

These schedules provide additional information about sales and use taxes and property taxes, the city's most significant local revenue sources.

#### Exhibit A-6

Sales and Use Tax Receipts by Business Sector (Cash Basis)

#### Exhibit A-7

Direct and Overlapping Sales Tax Rates

#### Exhibit A-8

Top Ten Principal Sales and Use Tax Payers by Industry Group

#### Exhibit A-9

Assessed and Estimated Actual Value of Taxable Property

#### Exhibit A-10

Property Tax Rates – Direct and Primary Overlapping Governments

#### Exhibit A-11

Top Ten Principal Property Tax Payers

#### Exhibit A-12

Property Tax Levies and Collections

### DEBT CAPACITY STATISTICS

These schedules provide detailed information about the city's current levels of outstanding debt, and can help the financial statement user assess the city's ability to issue additional debt in the future.

#### Exhibit A-13

Ratios of Outstanding Debt by Type

#### Exhibit A-14

Ratios of Net General Obligation Bonded Debt Outstanding

#### Exhibit A-15

Direct and Overlapping Governmental Activities Debt

#### Exhibit A-16

Legal Debt Margin Information

#### Exhibit A-17

Schedules of Revenue Bond Coverage – Water, Wastewater and Golf



## Statistical Section (unaudited)

### **DEMOGRAPHIC AND ECONOMIC STATISTICS**

These schedules present demographic and economic indicators to assist the financial statement user in understanding the environment in which the city's financial activities occur.

#### **Exhibit A-18**

Demographic and Economic Statistics

#### **Exhibit A-19**

Top Ten Principal Employers

### **OPERATING STATISTICS**

These schedules contain service and infrastructure data to help the financial statement user understand how the information in the city's financial statements relates to the services the city provides.

#### **Exhibit A-20**

Budgeted Full-time Equivalent City Government Employees by Function

#### **Exhibit A-21**

Operating Indicators by Function

#### **Exhibit A-22**

Capital Asset Statistics by Function

Exhibit A-1

CITY OF AURORA, COLORADO  
NET POSITION BY COMPONENT  
LAST TEN YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 2,793,361,865	\$ 2,820,903,641	\$ 2,416,049,678	\$ 2,412,387,375	\$ 2,412,879,281	\$ 2,461,112,367	\$ 2,590,529,374	\$ 2,734,875,942	\$ 2,787,228,663	\$ 2,961,432,953
Restricted										
Culture, recreation, open space (c)	24,016,520	19,914,957	21,763,041	24,968,445	27,094,730	21,160,590	26,196,210	27,367,540	32,927,674	38,352,854
Emergencies (b)	16,744,958	17,416,827	17,420,382	17,938,257	30,217,306	18,176,280	13,132,527	13,484,289	12,749,846	13,704,215
Gifts and grants (e)	8,092,078	7,774,218	4,088,133	2,207,605	2,071,404	4,136,575	5,423,860	13,371,894	12,031,133	14,270,278
Development (d)	103,070	3,222,327	4,324,316	6,998,948	5,938,541	8,236,594	10,658,960	15,210,077	19,758,507	25,117,232
Public improvement (a)	7,650,316	5,133,731	6,429,349	5,674,665	5,892,392	7,477,210	8,724,714	9,646,092	8,096,924	10,349,588
Pension benefits (h)	—	—	—	—	—	9,859,880	3,976,994	3,876,142	12,177,867	3,439,147
Unrestricted	64,302,977	53,978,502	57,292,872	67,139,597	75,009,126	72,215,695	78,670,392	80,338,486	100,671,269	138,212,710
Total governmental activities net position	\$ 2,914,271,784	\$ 2,928,344,203	\$ 2,527,367,771	\$ 2,537,314,892	\$ 2,559,102,780	\$ 2,602,375,191	\$ 2,737,313,031	\$ 2,898,170,462	\$ 2,985,641,883	\$ 3,204,878,977
Business-type activities										
Net investment in capital assets	\$ 1,159,213,180	\$ 1,288,472,848	\$ 1,365,534,691	\$ 1,398,819,086	\$ 1,454,925,609	\$ 1,539,225,474	\$ 1,629,250,674	\$ 1,652,781,699	\$ 1,743,970,805	\$ 1,891,385,297
Restricted										
Public improvement (f)	3,578,243	6,422,626	7,665,014	7,463,167	5,869,467	5,586,796	3,964,825	4,075,509	4,514,022	5,264,868
Debt related (g)	1,250,000	1,250,000	—	—	—	—	—	—	—	—
Unrestricted	319,401,005	251,213,222	214,919,130	209,223,283	213,426,328	179,878,669	207,012,175	267,050,187	284,184,371	261,220,654
Total business-type activities net position	\$ 1,483,442,428	\$ 1,547,358,696	\$ 1,588,118,835	\$ 1,615,505,536	\$ 1,674,221,404	\$ 1,724,690,939	\$ 1,840,227,674	\$ 1,923,907,395	\$ 2,032,669,198	\$ 2,157,870,819
Primary government										
Net investment in capital assets	\$ 3,952,575,045	\$ 4,109,376,489	\$ 3,781,584,369	\$ 3,811,206,461	\$ 3,867,804,890	\$ 4,000,337,841	\$ 4,219,780,048	\$ 4,387,657,641	\$ 4,531,199,468	\$ 4,852,818,250
Restricted										
Culture, recreation, open space	24,016,520	19,914,957	21,763,041	24,968,445	27,094,730	21,160,590	26,196,210	27,367,540	32,927,674	38,352,854
Emergencies	16,744,958	17,416,827	17,420,382	17,938,257	30,217,306	18,176,280	13,132,527	13,484,289	12,749,846	13,704,215
Gifts and grants	8,092,078	7,774,218	4,088,133	2,207,605	2,071,404	4,136,575	5,423,860	13,371,894	12,031,133	14,270,278
Debt related	1,250,000	1,250,000	—	—	—	—	—	—	—	—
Development	103,070	3,222,327	4,324,316	6,998,948	5,938,541	8,236,594	10,658,960	15,210,077	19,758,507	25,117,232
Public improvement	11,228,559	11,556,357	14,094,363	13,137,832	11,761,859	13,064,006	12,689,539	13,721,601	12,610,946	15,614,456
Pension benefits	—	—	—	—	—	9,859,880	3,976,994	3,876,142	12,177,867	3,439,147
Unrestricted	383,703,982	305,191,724	272,212,002	276,362,880	288,435,454	252,094,364	285,682,567	347,388,673	384,855,640	399,433,364
Total primary government net position	\$ 4,397,714,212	\$ 4,475,702,899	\$ 4,115,486,606	\$ 4,152,820,428	\$ 4,233,324,184	\$ 4,327,066,130	\$ 4,577,540,705	\$ 4,822,077,857	\$ 5,018,311,081	\$ 5,362,749,796

(a) Beginning in 2010, accumulations for construction are shown as Public Improvements, including expenditures for roads and bridges.

(b) Emergencies restricted equity represents seizure funds. Fluctuation in this account is expected. Beginning in 2010 restricted for E-911 Equipment and Services were combined into Emergencies.

(c) Increase in 2013 to 2014 and in 2015 to 2019 represents accumulation of Park Development revenues for future construction.

(d) Increase in Development in 2011 to 2013 and 2015 to 2019 represent Urban Renewal Area revenues restricted for future development of those areas.

(e) In 2010, an increase in grant funded activities and receipt of ARRA stimulus grants. In 2017 to 2019, an increase due to the recognition of collectible loans from federal funds to assist housing and business renovation.

(f) Represents accumulation and spend down of amounts set aside for storm drain projects.

(g) Represents operation and maintenance reserve on Wastewater 1999 CWR&PDA revenue bonds. In 2012, the debt outstanding on these revenue bonds was paid off.

(h) Represents the net pension asset resulting from the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment to GASB Statement No. 27*, in 2015. Decreases in 2016 and 2017 due to the actuarially determined valuation of the net pension asset for the measurement period ended December 31, 2015 for 2016 and December 31, 2016 for 2017. Increase in 2018 of the net pension asset due to the net difference between projected and actual earnings on pension plan investments for the measurement period ended December 31, 2017 for 2018. The decrease in 2019 is due to the actuarially determined valuation of the net pension asset for the measurement period ended December 31, 2018 for 2019.

Exhibit A-2

CITY OF AURORA, COLORADO  
CHANGES IN NET POSITION  
LAST TEN YEARS

		Fiscal Year									
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses</b>											
<i>Governmental activities:</i>											
General government	(a)	\$ 30,601,965	\$ 29,246,441	\$ 24,882,606	\$ 24,696,431	\$ 25,063,024	\$ 28,312,124	\$ 30,194,914	\$ 43,224,105	\$ 28,758,823	\$ 41,560,939
Judicial		8,051,966	7,907,221	8,276,167	8,553,513	9,252,901	9,862,201	10,666,097	11,482,721	11,970,393	12,915,345
Police	(b)	82,451,880	87,605,189	90,275,834	93,929,360	96,507,512	101,213,804	115,355,844	110,706,938	118,436,605	123,232,478
Fire		35,807,387	38,807,776	40,041,614	40,882,297	42,765,092	43,162,495	55,311,859	51,584,609	48,173,706	59,357,847
Other public safety		12,964,619	12,665,189	13,179,055	13,209,769	13,307,961	13,977,142	15,877,021	17,833,820	17,934,580	19,214,918
Public works	(c)	47,194,223	46,861,128	68,778,774	68,713,623	70,673,614	74,913,385	77,895,346	80,423,099	82,162,416	84,316,585
Economic development	(d)	15,579,908	15,198,743	15,653,168	17,710,893	19,705,377	25,604,640	29,700,008	28,441,484	35,244,015	69,802,422
Community services		13,099,831	11,918,520	12,355,693	11,094,827	10,162,986	11,336,479	13,847,160	13,779,193	18,995,662	17,813,417
Culture and recreation	(e)	33,602,434	34,851,488	35,839,031	38,521,649	38,384,605	39,979,006	43,545,211	45,459,830	47,114,517	49,887,703
Unallocated depreciation		3,304,110	3,316,281	3,459,130	3,783,709	3,742,609	3,940,098	1,965,914	2,583,881	2,537,873	1,899,826
Interest on long-term debt		6,802,759	6,167,732	5,806,138	5,367,645	5,032,167	6,273,892	6,908,718	8,444,413	9,655,043	9,086,189
<b>Total governmental activities expenses</b>		<b>289,461,082</b>	<b>294,545,708</b>	<b>318,547,210</b>	<b>326,463,716</b>	<b>334,597,848</b>	<b>358,575,266</b>	<b>401,268,092</b>	<b>413,964,093</b>	<b>420,983,633</b>	<b>489,087,669</b>
<i>Business-type activities:</i>											
Water	(f)	63,690,351	70,904,633	107,244,460	102,907,859	106,723,389	105,058,284	107,247,765	106,640,204	114,197,354	113,049,281
Wastewater	(g)	41,985,593	47,040,747	48,157,260	53,493,344	53,567,660	56,643,979	58,212,269	63,883,200	64,658,014	66,107,021
Golf		8,827,535	8,180,888	8,576,468	7,915,159	8,066,797	8,291,834	8,464,065	8,160,363	7,790,380	8,204,880
<b>Total business-type activities expenses</b>		<b>114,503,479</b>	<b>126,126,268</b>	<b>163,978,188</b>	<b>164,316,362</b>	<b>168,357,846</b>	<b>169,994,097</b>	<b>173,924,099</b>	<b>178,683,767</b>	<b>186,645,748</b>	<b>187,361,182</b>
<b>Total primary government expenses</b>		<b>\$ 403,964,561</b>	<b>\$ 420,671,976</b>	<b>\$ 482,525,398</b>	<b>\$ 490,780,078</b>	<b>\$ 502,955,694</b>	<b>\$ 528,569,363</b>	<b>\$ 575,192,191</b>	<b>\$ 592,647,860</b>	<b>\$ 607,629,381</b>	<b>\$ 676,448,851</b>
<b>Program Revenues</b>											
<i>Governmental activities:</i>											
Charges for services											
General government	(h)	\$ 2,531,269	\$ 3,874,729	\$ 4,312,893	\$ 3,298,514	\$ 4,011,611	\$ 6,581,894	\$ 4,589,326	\$ 11,847,835	\$ 6,476,918	\$ 6,967,973
Judicial		8,536,347	8,383,766	8,105,725	8,302,244	8,228,586	7,413,655	6,069,485	5,650,163	7,010,901	5,896,211
Police		2,231,160	3,664,486	4,525,865	4,685,849	4,620,738	4,285,323	4,095,863	3,760,173	3,851,219	1,865,848
Fire		681,758	710,055	978,890	1,061,960	1,209,269	1,349,663	1,995,896	1,923,209	2,200,701	2,036,460
Other public safety		83,849	80,749	38,039	—	—	—	—	—	8,161	5,635
Public works		507,331	300,454	1,278,782	882,032	577,143	713,229	1,685,083	2,080,892	2,795,827	2,509,146
Economic development	(i)	7,497,323	7,332,512	8,559,416	9,827,665	13,707,260	15,443,197	16,257,990	16,748,669	18,853,736	18,689,490
Community services		3,923,228	1,082,000	3,046,322	3,244,069	2,721,134	2,661,456	3,450,536	3,062,986	2,687,343	4,964,726
Culture and recreation		6,913,430	6,389,195	7,418,167	7,888,042	7,346,944	8,158,984	9,001,519	9,609,908	10,052,129	10,845,857
Operating grants & contributions	(j)	30,134,599	32,140,370	27,924,696	25,064,711	22,043,675	25,194,082	24,739,492	27,072,865	38,874,217	46,847,254
Capital grants & contributions	(k)	24,013,441	32,672,171	25,478,846	33,663,333	31,328,367	74,912,038	163,858,968	174,004,370	83,552,097	205,233,551
<b>Total governmental activities program revenues</b>		<b>87,053,735</b>	<b>96,630,487</b>	<b>91,667,641</b>	<b>97,918,419</b>	<b>95,794,727</b>	<b>146,713,521</b>	<b>235,744,158</b>	<b>255,761,687</b>	<b>176,363,249</b>	<b>305,862,151</b>
<i>Business-type activities:</i>											
Charges for services											
Water	(l)	107,032,989	104,941,420	112,405,348	97,187,860	125,028,918	102,488,841	115,044,646	116,707,437	123,403,667	122,094,491
Wastewater	(m)	49,751,109	50,363,242	51,688,341	53,202,354	56,250,431	57,664,236	61,010,961	64,039,032	67,385,881	69,555,133
Golf		8,332,216	7,932,907	8,613,543	8,015,101	8,148,950	8,147,841	8,206,167	8,576,328	7,957,204	7,895,960
Operating grants & contributions	(n)	6,493,005	8,360,688	4,404,161	5,116,536	4,956,898	5,554,549	2,007,384	152,562	2,802,716	2,214,617
Capital grants & contributions	(o)	22,709,393	19,760,493	31,395,313	27,750,147	30,085,317	44,549,145	101,924,500	74,613,684	91,437,659	94,229,215
<b>Total business-type activities program revenues</b>		<b>194,318,712</b>	<b>191,358,750</b>	<b>208,506,706</b>	<b>191,271,998</b>	<b>224,470,514</b>	<b>218,404,612</b>	<b>288,193,658</b>	<b>264,089,043</b>	<b>292,987,127</b>	<b>295,989,416</b>
<b>Total primary government program revenues</b>		<b>\$ 281,372,447</b>	<b>\$ 287,989,237</b>	<b>\$ 300,174,347</b>	<b>\$ 289,190,417</b>	<b>\$ 320,265,241</b>	<b>\$ 365,118,133</b>	<b>\$ 523,937,816</b>	<b>\$ 519,850,730</b>	<b>\$ 469,350,376</b>	<b>\$ 601,851,567</b>
<b>Net (Expense)/Revenue</b>											
Governmental activities		\$ (202,407,347)	\$ (197,915,221)	\$ (226,879,569)	\$ (228,545,297)	\$ (238,803,121)	\$ (211,861,745)	\$ (165,523,934)	\$ (158,202,406)	\$ (244,620,384)	\$ (183,225,518)
Business-type activities		79,815,233	65,232,482	44,528,518	26,955,636	56,112,668	48,410,515	114,269,559	85,405,276	106,341,379	108,628,284
<b>Total primary government net (expense)/revenue</b>		<b>\$ (122,592,114)</b>	<b>\$ (132,682,739)</b>	<b>\$ (182,351,051)</b>	<b>\$ (201,589,661)</b>	<b>\$ (182,690,453)</b>	<b>\$ (163,451,230)</b>	<b>\$ (51,254,375)</b>	<b>\$ (72,797,130)</b>	<b>\$ (138,279,005)</b>	<b>\$ (74,597,234)</b>

(continued)

Exhibit A-2 (continuation)

	Fiscal Year										
General Revenues & Other Changes in Net Position	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
<i>Governmental activities:</i>											
Taxes											
Sales & use taxes	\$ 147,240,243	\$ 150,088,205	\$ 165,356,184	\$ 175,628,735	\$ 192,398,120	\$ 211,785,430	\$ 227,715,206	\$ 234,456,300	\$ 251,809,081	\$ 278,198,867	
Property taxes	32,290,711	32,664,480	33,381,689	33,385,392	33,627,053	30,270,851	36,087,049	38,260,313	45,532,335	62,905,849	
Franchise taxes	13,192,882	13,395,548	13,199,623	14,187,444	14,611,949	14,212,992	14,212,056	14,528,598	14,222,770	14,305,454	
Lodgers taxes	4,138,263	4,520,210	5,051,919	5,523,874	6,572,979	7,643,748	8,364,792	8,720,717	9,041,896	15,978,647	
Occupational privilege taxes	4,162,035	4,274,368	4,370,299	4,496,002	4,701,402	5,259,105	5,528,916	5,662,274	6,022,002	6,351,192	
Other taxes	5,059,070	3,070,765	5,545,015	4,220,881	5,097,920	5,845,172	5,631,678	8,797,959	11,022,763	12,389,056	
Nonspecific grants & contributions	786,119	780,050	884,789	835,737	1,026,619	1,071,238	890,668	812,907	817,254	863,209	
Unrestricted investment earnings	2,048,527	1,045,073	1,234,193	364,353	2,547,655	1,906,294	1,678,673	3,948,918	5,821,449	11,353,251	
Gain on sale of asset acquired for resale	—	—	—	—	—	—	552,736	—	—	565,638	
Transfers in (out)	5,327	2,148,941	(360,626)	(150,000)	7,312	(555,216)	(200,000)	3,871,851	339,345	(448,551)	
Total governmental activities general revenues	208,923,177	211,987,640	228,663,085	238,492,418	260,591,009	277,439,614	300,461,774	300,461,774	344,628,895	402,462,612	
<i>Business-type activities:</i>											
Unrestricted investment earnings	3,811,813	832,727	1,144,911	281,065	2,610,512	1,747,611	1,067,176	2,146,296	5,124,307	9,622,173	
Gain on early extinguishment of debt	—	—	—	—	—	—	—	—	—	6,502,663	
Transfers in (out)	(5,327)	(2,148,941)	360,626	150,000	(7,312)	555,216	200,000	(3,871,851)	(339,345)	448,551	
Total business-type activities general revenues	3,806,486	(1,316,214)	1,505,537	431,065	2,603,200	2,302,827	1,267,176	1,267,176	4,784,962	16,573,387	
Total primary government	\$ 212,729,663	\$ 210,671,426	\$ 230,168,622	\$ 238,923,483	\$ 263,194,209	\$ 279,742,441	\$ 301,728,950	\$ 301,728,950	\$ 349,413,857	\$ 419,035,999	
<b>Change in Net Position</b>											
Governmental activities	\$ 6,370,603	\$ 14,072,419	\$ 1,783,516	\$ 9,947,121	\$ 21,787,888	\$ 65,577,869	\$ 134,937,840	\$ 134,937,840	\$ 100,008,511	\$ 219,237,094	
Business-type activities	83,045,998	63,916,268	46,034,055	27,386,701	58,715,868	50,713,342	115,536,735	115,536,735	111,126,341	125,201,621	
Changes in net position	\$ 89,416,601	\$ 77,988,687	\$ 47,817,571	\$ 37,333,822	\$ 80,503,756	\$ 116,291,211	\$ 250,474,575	\$ 250,474,575	\$ 211,134,852	\$ 344,438,715	

Notes:

- (a) Decreases in 2011 to 2012 resulted from budget reductions in salaries and supplies. In 2015, expenditures increased due to the Smoky Hill/E-470 bridge widening project. In 2017, expenditures increased to support development across the city and new software subscriptions to enhance city operations. In 2018, expenditures decreased again to similar levels prior to 2017. In 2019, expenditures increased due to pay and benefit increases and an increase to the pension liability.
- (b) 2015 and 2016 increase is due to mandated staffing and equipment needs for police. In 2016, the primary driver of the increase was the recognition of pension expense as required by GASB 68. 2018 and 2019 increases are primarily due to an increase in full-time equivalents (FTE).
- (c) Increases in 2012 to 2019 due to an increase in ongoing projects and maintenance as development and growth across the city continues to increase.
- (d) 2015 - 2018 increases due to continued development activity in the urban renewal areas around the city. 2019 increase is also due to the continued increase in economic development activity, specifically the newly opened Gaylord Rockies Resort and Convention Center.
- (e) 2013, 2016, 2017, 2018 and 2019 increase is the result of increased spending on multiple neighborhood park projects. 2016 includes increased utilization of the newly expanded Sports Park and the addition of Ward IV computer lab and median pilot program. 2018 increase is due to new and continued parks projects such as the Highline Canal Trail, Triple Creek, Tollgate Crossing and Olympic Park. 2019 increase is due to the newly opened Central Recreation Center and continued parks projects.
- (f) 2012 increase resulted from lower interest expense capitalization as the Prairie Waters Project was essentially complete. 2018 increase pertains to additional water storage, personnel expenses and increased professional fees associated with water rights acquisitions.
- (g) Increases reflect an increase in sewage treatment and disposal expense and an increase in sewer personnel costs. 2013 increase includes loss on early extinguishment of debt.
- (h) Increase in 2015 represents a developer fee for the Smoky Hill/E470 bridge widening project. Increase in 2017 reflects recognition of collectible loans from federal funds. 2018 and 2019 revenues decrease and return to levels similar to years prior to 2017.
- (i) Fluctuations correspond to changes in development activity.
- (j) 2014 decrease pertains to the completion of several significant parks, recreation and open space projects including the Aurora Animal Shelter outdoor kennel area in 2013. 2018 increase pertains to the contribution of land from other governments to the city for the Triple Creek Greenway. 2019 increase primarily due to increased grant funding and intergovernmental agreements for recreation and public works projects.
- (k) Fluctuation primarily represents fluctuation in developer contributed streets from year to year.
- (l) 2012 represents an increase in customer usage due to a warmer and dryer summer. 2013 decrease due to wet spring and fall floods. 2014 increase due to development and connection fees received from Roxborough Water and Sanitation District. 2016 increase due to water usage and raw water sales. 2018 increase is due to increased water system usage and the reclass of residential and multifamily rate classes.
- (m) Increases are attributable to new rate schedule and volume increases.
- (n) 2011 increase is due to a one-time reimbursement from governmental activities for Pier Point sewer line. Several significant projects such as the Westerly Creek bridge and channel improvement project were completed in 2015 with no similar projects undertaken in 2016 and 2017. 2018 increase pertains to increased developer contributions.
- (o) Amounts represent developer tap fee revenue and developer contributed water and sewer mains. 2010 to 2011 decrease reflects reduced development activity. 2012, 2015 and 2016 saw an increased development activity with a new loan receivable in 2012 from East Cherry Creek Valley Water and Sanitation District. 2016 increase due to a change in the recording process for contributed mains - 2016 included contributed mains for both 2015 and 2016 while 2017 only included contributed mains for 2017. 2018 and 2019 increases are due to continued development activity across the city.

Exhibit A-3

CITY AURORA, COLORADO  
FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund</b>										
Restricted	\$ 9,722,411	\$ 10,036,154	\$ 10,102,612	\$ 10,882,887	\$ 10,948,640	\$ 11,109,504	\$ 2,977,572	\$ 3,363,648	\$ 3,968,588	\$ 4,664,960
Committed	25,759,275	24,141,151	25,206,689	26,753,062	28,197,618	29,802,537	31,469,048	33,579,639	33,892,498	35,632,311
Assigned	18,993,600	20,214,414	21,681,909	22,653,025	24,236,802	26,842,775	39,969,907	42,880,793	43,077,890	42,756,673
Unassigned	8,224,844	11,136,075	22,196,423	20,482,814	26,156,168	26,780,366	20,072,659	22,458,479	32,280,222	39,768,947
<b>Total General Fund</b>	<b>62,700,130</b>	<b>65,527,794</b>	<b>79,187,633</b>	<b>80,771,788</b>	<b>89,539,228</b>	<b>94,535,182</b>	<b>94,489,186</b>	<b>102,282,559</b>	<b>113,219,198</b>	<b>122,822,891</b>
<b>Special revenue funds</b>										
Restricted	36,417,219	31,884,124	31,929,925	32,380,627	30,070,964	30,264,889	47,022,262	54,032,776	64,214,496	75,641,352
Committed	4,082,737	3,302,017	3,382,293	4,653,863	9,058,445	11,992,072	12,624,365	13,203,233	14,446,874	14,908,000
Assigned	887,822	886,783	607,498	306,857	67,046	306,619	931,942	5,858,500	5,264,676	6,913,671
<b>Debt service funds</b>										
Restricted	21,145,940	14,909,050	16,294,762	18,183,388	15,854,209	16,733,019	10,298,305	9,913,646	9,728,648	1,689,640
Committed	—	3,196,082	—	—	—	—	—	—	—	—
Assigned	—	478,860	1,562,337	1,327,169	2,308,049	2,584,305	2,295,028	2,178,759	535,398	1,374,441
<b>Capital projects funds</b>										
Restricted	9,901,591	7,898,264	7,246,723	7,684,995	26,535,292	18,286,152	19,801,650	72,511,684	54,206,482	43,043,277
Committed	1,108,279	1,368,792	883,423	288,597	83,022	33,579	—	33,579	33,579	33,579
Assigned	22,032,405	16,369,760	11,997,039	26,851,848	37,019,600	39,071,977	50,882,721	43,863,073	69,662,436	87,535,392
Unassigned	—	—	—	—	(622,687)	(2,153,291)	—	—	—	—
<b>Total all other governmental funds</b>	<b>95,575,993</b>	<b>80,293,732</b>	<b>73,904,000</b>	<b>91,677,344</b>	<b>120,373,940</b>	<b>117,119,321</b>	<b>143,856,273</b>	<b>201,595,250</b>	<b>218,092,589</b>	<b>231,139,352</b>
<b>Total fund balances</b>	<b>\$ 158,276,123</b>	<b>\$ 145,821,526</b>	<b>\$ 153,091,633</b>	<b>\$ 172,449,132</b>	<b>\$ 209,913,168</b>	<b>\$ 211,654,503</b>	<b>\$ 238,345,459</b>	<b>\$ 303,877,809</b>	<b>\$ 331,311,787</b>	<b>\$ 353,962,243</b>

Exhibit A-4

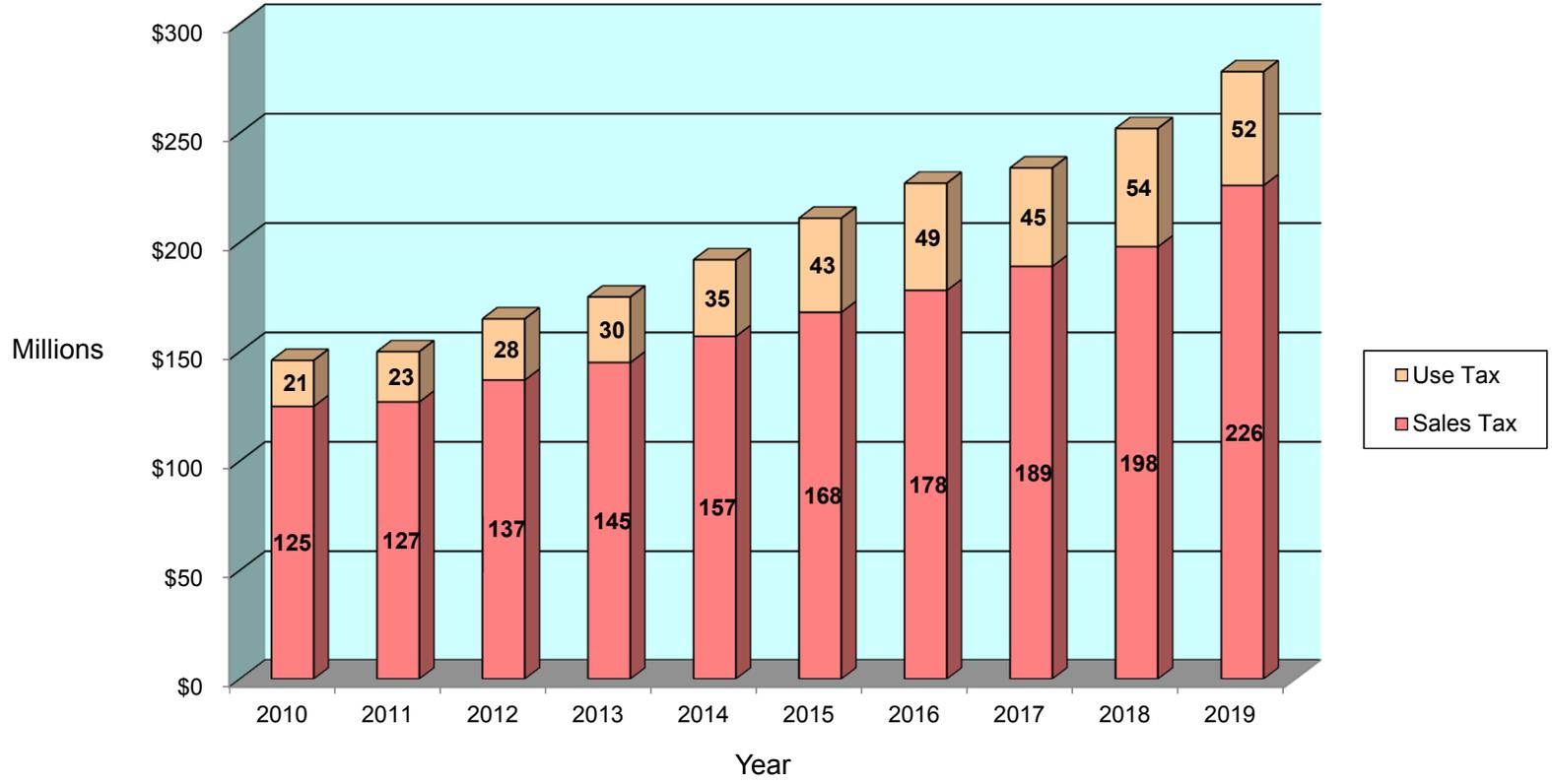
**CITY OF AURORA, COLORADO**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>REVENUES</b>										
<i>Taxes</i>										
Sales and use	\$ 145,984,807	\$ 150,088,204	\$ 165,356,184	\$ 175,628,735	\$ 192,398,120	\$ 211,785,430	\$ 227,715,206	\$ 234,456,300	\$ 251,809,081	\$ 278,198,867
Property	32,290,710	32,664,479	33,381,689	33,385,392	33,627,053	30,270,851	36,087,049	38,260,313	45,532,335	62,905,848
Franchise	13,192,882	13,395,548	13,199,623	14,187,444	14,611,949	14,212,992	14,212,056	14,528,598	14,222,770	14,305,454
Lodgers	4,138,263	4,520,210	5,051,919	5,523,874	6,572,979	7,643,748	8,364,792	8,720,717	9,041,896	15,978,647
Occupational privilege	4,162,035	4,274,368	4,370,299	4,496,002	4,701,402	5,259,105	5,528,916	5,662,274	6,022,002	6,351,192
Other	5,059,070	4,139,057	4,930,278	4,851,264	5,322,321	6,151,132	6,084,678	8,921,290	10,990,076	12,157,336
Charges for services	20,122,179	18,764,627	21,028,520	23,271,792	23,673,922	27,270,717	28,325,295	30,303,788	33,113,627	36,262,481
Licenses and permits	8,219,699	7,431,019	9,142,694	10,126,558	13,867,542	15,659,361	16,719,987	15,944,129	18,281,012	18,078,682
Fines and forfeitures	8,620,118	9,466,314	10,340,311	10,802,774	10,661,569	9,291,996	8,325,257	8,025,932	9,356,860	6,194,174
Special assessments	294,672	302,827	991,478	493,650	351,941	323,586	233,561	206,205	110,235	93,406
Intergovernmental	45,510,442	45,512,041	40,982,459	41,004,598	36,777,634	40,488,484	44,585,769	44,291,557	59,311,197	73,462,880
Surcharges	3,243,446	3,241,299	3,380,121	3,436,042	3,441,206	3,602,702	5,413,794	5,361,606	5,373,406	6,233,730
Miscellaneous	3,616,361	1,988,246	3,463,774	4,859,597	3,729,886	6,050,385	4,489,757	5,918,246	12,150,664	9,916,606
Investment earnings	2,163,109	1,829,230	2,086,487	366,138	2,390,412	1,802,243	1,576,715	3,782,959	5,542,260	11,145,065
<b>Total revenues</b>	<b>296,617,793</b>	<b>297,617,469</b>	<b>317,705,836</b>	<b>332,433,860</b>	<b>352,127,936</b>	<b>379,812,732</b>	<b>407,662,832</b>	<b>424,383,914</b>	<b>480,857,421</b>	<b>551,284,368</b>
<b>EXPENDITURES</b>										
<i>Current</i>										
General government	24,013,123	27,129,870	23,379,915	24,775,973	27,781,408	32,732,484	31,667,076	41,586,343	37,595,338	41,320,827
Judicial	7,986,338	7,772,195	8,110,245	8,449,805	9,119,729	9,787,297	10,535,345	11,369,533	11,869,944	12,771,916
Police	81,520,107	86,158,396	89,012,417	92,566,248	93,874,075	99,441,466	101,598,212	107,925,936	113,431,455	120,314,161
Fire	35,092,746	37,456,976	38,752,666	39,649,756	41,445,885	44,616,032	46,636,047	49,235,873	54,103,899	58,141,815
Other public safety	12,741,196	12,276,468	12,835,793	12,828,450	12,769,696	13,468,991	14,554,865	14,355,885	16,086,490	16,731,230
Public works	33,340,162	32,522,809	30,030,948	29,956,117	31,794,796	35,553,597	37,553,075	37,448,500	38,384,027	38,804,668
Economic development	15,631,491	15,195,774	15,610,010	17,631,117	21,016,105	25,542,325	29,547,656	27,362,069	34,226,664	69,117,806
Community services	12,959,922	11,760,088	12,211,137	10,969,532	9,954,236	11,081,379	13,584,029	13,429,777	18,621,805	17,373,671
Culture and recreation	30,853,656	31,471,486	32,303,139	34,905,177	34,565,842	36,650,167	39,601,248	41,313,611	42,931,624	44,976,591
<i>Debt Service</i>										
Principal	12,194,833	12,666,310	12,612,286	12,634,200	11,763,228	7,425,763	8,755,755	10,955,626	12,521,176	11,516,224
Interest	6,780,668	6,250,720	5,955,638	5,517,580	5,102,439	6,363,895	7,023,567	8,368,185	9,913,962	9,766,962
Capital outlay	24,623,239	33,734,222	32,608,107	25,374,358	48,530,116	103,997,821	57,815,312	68,396,553	86,784,752	93,738,889
<b>Total expenditures</b>	<b>297,737,481</b>	<b>314,395,314</b>	<b>313,422,301</b>	<b>315,258,313</b>	<b>347,717,555</b>	<b>426,661,217</b>	<b>398,872,187</b>	<b>431,747,891</b>	<b>476,471,136</b>	<b>534,574,760</b>
Excess (deficiency) of revenues over (under) expenditures	(1,119,688)	(16,777,845)	4,283,535	17,175,547	4,410,381	(46,848,485)	8,790,645	(7,363,977)	4,386,285	16,709,608
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	36,761,387	34,104,141	35,790,966	50,241,232	50,827,666	58,095,741	91,580,125	71,704,071	93,926,431	90,143,317
Transfers out	(36,711,593)	(32,574,479)	(36,115,966)	(50,891,232)	(51,877,666)	(59,645,741)	(92,100,370)	(71,554,071)	(93,928,434)	(91,417,650)
General obligation bonds issued	—	—	—	—	—	—	—	650,000	—	—
Premium(discount) on debt issues	895,000	—	—	—	3,400,945	449,531	—	—	—	13,315,175
Proceeds from debt issues	23,102,727	2,600,000	—	—	21,775,000	24,340,000	—	56,540,000	—	62,935,000
Payment to refunded bond escrow agent	(22,850,000)	—	—	—	—	—	—	(3,070,392)	—	(73,110,269)
Notes issued	—	—	1,230,000	—	5,646,425	16,366,639	5,736,936	6,755,756	2,000,000	—
Proceeds from capital leases	1,238	—	1,773,430	1,336,997	3,058,587	8,612,436	10,703,597	11,315,000	20,750,000	3,883,279
Proceeds from interfund loan	—	—	60,000	1,231,315	—	—	—	—	—	—
Proceeds from disposal of capital assets	56,999	193,586	248,142	263,640	222,698	371,214	1,980,023	555,963	299,696	191,996
<b>Total other financing sources</b>	<b>1,255,758</b>	<b>4,323,248</b>	<b>2,986,572</b>	<b>2,181,952</b>	<b>33,053,655</b>	<b>48,589,820</b>	<b>17,900,311</b>	<b>72,896,327</b>	<b>23,047,693</b>	<b>5,940,848</b>
<b>Net change in fund balances</b>	<b>\$ 136,070</b>	<b>\$ (12,454,597)</b>	<b>\$ 7,270,107</b>	<b>\$ 19,357,499</b>	<b>\$ 37,464,036</b>	<b>\$ 1,741,335</b>	<b>\$ 26,690,956</b>	<b>\$ 65,532,350</b>	<b>\$ 27,433,978</b>	<b>\$ 22,650,456</b>
Debt service as a percentage of noncapital expenditures (a)	6.95%	6.74%	6.61%	6.26%	5.64%	4.27%	4.63%	5.32%	5.76%	4.83%

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

Exhibit A-5

CITY OF AURORA, COLORADO  
TOTAL SALES AND USE TAX REVENUES  
LAST TEN YEARS



Note: See Exhibit A-4, Revenues, Taxes

**Exhibit A-6**

**CITY OF AURORA, COLORADO  
SALES AND USE TAX RECEIPTS BY BUSINESS SECTOR (CASH BASIS)  
LAST TEN YEARS**

	Fiscal Year									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Sales and Use Tax Receipts by Business Sector										
Retail trade	\$ 68,857,464	\$ 70,688,223	\$ 76,807,781	\$ 81,024,992	\$ 85,188,844	\$ 94,419,905	\$ 102,878,855	\$ 107,624,989	\$ 100,811,055	\$ 103,911,097
Accommodation and food services	17,053,916	17,959,788	19,032,921	20,114,404	21,973,539	24,107,294	25,440,477	27,013,496	28,119,369	35,412,136
Information and media	11,613,776	11,466,736	12,095,162	12,163,863	13,216,681	12,067,715	11,326,996	11,275,261	10,599,960	11,265,098
Utilities	12,016,790	11,749,053	11,223,504	11,995,923	12,593,515	12,251,897	11,512,517	12,189,682	11,571,683	12,461,473
Real estate, rental and leasing	3,564,350	3,690,601	3,985,064	4,733,975	5,498,870	6,026,767	6,416,231	7,657,858	9,031,366	9,758,428
Manufacturing	2,331,064	2,408,912	3,173,881	2,960,101	3,346,753	3,511,313	4,837,069	5,567,901	5,877,582	9,487,282
Wholesale trade	5,932,016	6,006,394	7,234,213	7,619,994	9,481,541	10,508,146	10,041,931	10,766,163	13,813,389	13,628,171
Finance and insurance	806,789	843,281	910,640	874,577	996,354	1,416,247	1,846,591	2,249,360	3,046,382	3,277,082
Health care and social assistance	1,235,574	1,359,860	1,472,308	1,433,102	1,526,721	1,602,940	1,684,927	1,864,752	5,036,865	1,469,016
Arts, entertainment and recreational	935,834	973,437	1,027,757	1,012,590	1,027,051	1,111,911	1,180,457	1,303,375	1,490,804	1,578,889
Professional, scientific and technical	1,263,796	1,748,739	2,090,349	1,994,755	2,112,979	2,263,769	2,425,198	2,738,435	1,806,926	4,373,154
Construction	1,121,618	1,280,502	1,361,843	1,387,115	1,888,278	2,185,427	2,300,016	2,717,200	2,498,665	4,085,460
Other services	4,146,360	3,852,438	4,661,465	5,073,628	5,481,805	6,251,784	6,448,256	7,085,596	6,971,576	11,692,523
Automobile use tax	9,043,526	10,597,687	12,712,981	13,568,059	15,027,985	18,238,347	18,881,119	20,174,565	20,615,416	22,345,412
Building materials use tax	6,494,128	4,889,066	7,071,243	9,190,830	10,516,527	15,338,964	20,379,821	15,952,807	19,606,636	17,084,892
<b>Total Sales and Use Tax Receipts</b>	<b>\$ 146,417,001</b>	<b>\$ 149,514,717</b>	<b>\$ 164,861,112</b>	<b>\$ 175,147,908</b>	<b>\$ 189,877,443</b>	<b>\$ 211,302,426</b>	<b>\$ 227,600,461</b>	<b>\$ 236,181,440</b>	<b>\$ 240,897,674</b>	<b>\$ 261,830,113</b>
City direct sales/use tax rate	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%

Amounts shown on this table from the City Sales Tax Division include taxes received for both the General Fund and AURA. The amounts reflected in this table are gross amounts received and will not necessarily reflect U.S. GAAP as recorded in the financial statements; differences include refunds and accruals.

Exhibit A-7

**CITY OF AURORA, COLORADO  
DIRECT AND OVERLAPPING SALES TAX RATES  
LAST TEN YEARS**

Arapahoe County								Adams County							
Fiscal Year	City Direct Rate	State	RTD	Scientific & Cultural	Sports Stadium District	Open Space	Total Rate	City Direct Rate	State	RTD	Scientific & Cultural	Sports Stadium District	Open Space	Roads & Bridges	Total Rate
2010	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	0.50%	8.60%
2011	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	8.10%	3.75%	2.90%	1.00%	0.10%	0.10%	0.25%	0.50%	8.60%
2012	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%
2013	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%
2014	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%
2015	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%
2016	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%
2017	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%
2018	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%
2019	3.75%	2.90%	1.00%	0.10%	-	0.25%	8.00%	3.75%	2.90%	1.00%	0.10%	-	0.25%	0.50%	8.50%

Douglas County (a)									
Fiscal Year	City Direct Rate	State	RTD	Scientific & Cultural	Sports Stadium District	Open Space	Roads & Bridges	Justice Center	Total Rate
2010	3.75%	2.90%	1.00%	0.10%	0.10%	0.17%	0.40%	0.43%	8.85%
2011	3.75%	2.90%	1.00%	0.10%	0.10%	0.17%	0.40%	0.43%	8.85%
2012	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%
2013	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%
2014	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%
2015	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%
2016	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%
2017	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%
2018	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%
2019	3.75%	2.90%	1.00%	0.10%	-	0.17%	0.40%	0.43%	8.75%

Source: City of Aurora's Tax & Licensing Division

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

**CITY OF AURORA, COLORADO**  
**TOP TEN PRINCIPAL SALES AND USE TAX PAYERS BY INDUSTRY GROUP (CASH BASIS)**  
**CURRENT YEAR AND NINE YEARS AGO**

	2019				2010		
	Sales & Use Tax Receipts	Rank	Percentage of Total City Sales & Use Tax Receipts		Sales & Use Tax Receipts	Rank	Percentage of Total City Sales & Use Tax Receipts
All Other General Merchandise Stores	\$ 25,893,022	1	9.89%	Department stores	\$ 16,435,136	1	11.22%
Full-Service Restaurants	15,220,285	2	5.81%	Full-service restaurants	11,949,613	2	8.16%
Other Electric Power Generation	12,246,033	3	4.68%	Electrical power generation, transmission & Distribution	11,813,694	3	8.07%
Food Service Contractors	12,087,436	4	4.62%	Building materials & supplies stores	7,886,519	4	5.39%
Other Miscellaneous Durable Goods Merchant Wholesalers	11,476,605	5	4.38%	Telecommunications	7,510,190	5	5.13%
Other Building Material Dealers	9,820,758	6	3.75%	Clothing stores	6,318,322	6	4.32%
Electronics Stores	7,506,718	7	2.87%	Electronics and appliance stores	5,082,662	7	3.47%
New Car Dealers	7,059,759	8	2.70%	Other general merchandise stores	4,382,769	8	2.99%
Hotels (except Casino Hotels) and Motels	5,761,308	9	2.20%	Limited-service eating places	4,081,233	9	2.79%
Supermarkets and Other Grocery (except Convenience) Stores	5,729,507	10	2.19%	Automobile dealers	3,976,250	10	2.72%
Total	\$ 112,801,431		43.09%		\$ 79,436,388		54.26%

Source: City of Aurora's Tax & Licensing Division

Note: Total city sales and use tax receipts were \$261,830,113 for 2019 and \$146,417,001 for the year 2010. The 2019 and 2010 Sales and Use Tax receipts are not reported on a GAAP basis. NAICS (North American Industry Classification System) categories changed in 2018 due to a five year review to ensure relevance, accuracy, and timeliness by the OMB (Office of Management and Budget) and the ECPC (Economic Classification Policy Committee).

Exhibit A-9

CITY OF AURORA, COLORADO  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN YEARS

Assessment/ Levy Year	Collection/ Budget Year	Real Property (a)			Total				Percent of Total Assessed Value to Estimated Actual Value	Total Direct Tax Rate (d)
		Assessed Value Adams County (b),(c)	Assessed Value Arapahoe County (b),(c)	Assessed Value Douglas County	Assessed Value	Percentage Change	Estimated Actual Value	Percentage Change		
2010	2011	\$ 568,521,560	\$ 2,430,929,018	\$ 6,906,470	\$ 3,006,357,048	-0.1%	\$ 22,772,370,040	1.9%	13.2%	10.595
2011	2012	571,321,870	2,351,296,661	6,499,400	2,929,117,931	-2.6%	22,127,623,674	-2.8%	13.2%	10.653
2012	2013	584,444,180	2,366,344,788	5,001,200	2,955,790,168	0.9%	22,847,400,813	3.3%	12.9%	10.290
2013	2014	619,957,850	2,334,877,586	7,205,014	2,962,040,450	0.2%	22,472,968,714	-1.6%	13.2%	10.290
2014	2015	639,628,290	2,331,190,549	8,745,190	2,979,564,029	0.6%	22,695,477,810	1.0%	13.1%	8.886
2015	2016	710,621,990	2,891,626,729	11,696,660	3,613,945,379	21.3%	29,529,554,729	30.1%	12.2%	8.569
2016	2017	727,478,690	2,915,255,249	15,926,970	3,658,660,909	1.2%	29,818,794,294	1.0%	12.3%	8.605
2017	2018	885,448,320	3,401,083,054	26,452,980	4,312,984,354	17.9%	38,919,638,135	30.5%	11.1%	8.605
2018	2019	939,940,890	3,423,144,486	31,189,260	4,394,274,636	1.9%	40,229,042,344	3.4%	10.9%	8.605
2019	2020	1,175,312,510	4,105,719,745	48,317,480	5,329,349,735	21.3%	49,350,707,399	22.7%	10.8%	8.605

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Notes: Data obtained from Certifications of Valuation provided by Adams, Arapahoe and Douglas counties. Colorado statutes provide procedures for the valuation of property for assessment purposes. The "Assessment/Levy Year" is the calendar year in which the property value is assessed. It is also the year in which the associated tax is levied. The tax revenue for a "Collection/Budget Year" is based on the assessment and tax levy made in the prior year. Tax revenue collections occur in the budget year.

The County Assessor bases the assessed values on property values as of June 30 of the year prior to the assessment year. Thus the assessed values for the taxes associated with budget year 2020 are based on the 2019 assessment, which itself is based on property values as of June 30, 2018.

The assessed valuation percentage is established each year and was as follows: Residential: 2010 through 2014 - 7.96%, 2015 through 2017 - 8.24% and 2017 through 2018 - 7.20%, 2019 through 2020 - 7.15%.

All other classes of property were assessed at 29% of estimated actual value.

Differences in the percentage change between actual value and assessed value relate to the change in the mix of residential to other property from year to year. Additionally, exempt property is represented in actual value but not in assessed value.

(a) Includes both real and some business personal property.

(b) Does not include tax increment financing district incremental assessed valuation of: \$4,553,030 - 2010; \$8,453,960 - 2011; \$10,009,240 - 2012; \$8,910,730 - 2013; \$8,264,580 - 2014; \$10,280,820 - 2015; \$10,258,070 - 2016; \$29,967,707 - 2017; \$145,169,710 - 2018 and \$252,569,440 - 2019 Adams; \$3,625,080 - 2009; \$10,156,782 - 2010; \$16,694,359 - 2011; \$22,063,692 - 2012; \$20,975,154 - 2013; \$24,997,667 - 2014; \$30,745,586 - 2015, \$39,155,586 - 2016, \$45,379,741 - 2017, \$55,817,358 - 2018 and \$69,559,590 - 2019 Arapahoe. Beginning in the 2017 levy year, Adams County reported new TIF assessments related to the Aurora Conference Center (Gaylord project) and Westerly Creek Village TIF area 1 (Stanley Marketplace project). Beginning in the 2018 levy year, Adams County reported new TIF assessments related to the Westerly Creek Village TIF area 3 & 4.

(c) Does not include General Improvement District (GID) assessed value of: 2010 - \$7,059,720; 2011 - \$10,911,020; 2012 - \$10,997,420; 2013 - \$10,212,781; 2014 - \$10,157,993, 2015 - \$13,949,563, 2016 - \$13,952,766, 2017 - \$19,734,816, 2018 - \$22,017,975 and 2019 - \$25,805,619.

(d) Includes a temporary mill levy rate reduction of 0.036 mills in the 2015 levy year to refund excess property tax revenue collection in 2015. The excess property tax revenue resulted from Series 2010 Bonds being paid in full during 2015.

Exhibit A-10

**CITY OF AURORA, COLORADO  
PROPERTY TAX RATES - DIRECT AND PRIMARY OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUATION)**

**LAST TEN YEARS**

Assessment/ Levy Year	Collection/ Budget Year	City of Aurora			(b) Total Tax Rate - City of Aurora and:				Adams County and Aurora Schools 28J	Arapahoe County and Aurora Schools 28J	Arapahoe County and Cherry Creek Schools
		Operating (a)	Debt Service	Total	Counties		Schools				
					Adams	Arapahoe	Aurora 28J	Cherry Creek			
2010	2011	8.605	1.990	10.595	26.883	15.949	53.919	50.947	91.397	80.463	77.491
2011	2012	8.605	2.048	10.653	26.806	17.316	54.159	54.367	91.618	82.128	82.336
2012	2013	8.605	1.685	10.290	26.903	17.150	63.830	58.037	101.023	91.270	85.477
2013	2014	8.605	1.685	10.290	26.815	17.130	67.323	57.492	104.428	94.743	84.912
2014	2015	8.605	0.281	8.886	27.042	16.950	67.635	56.702	103.563	93.471	82.538
2015	2016	8.569	0.000	8.569	26.817	13.856	66.648	49.703	102.034	89.073	72.128
2016	2017	8.605	0.000	8.605	27.055	14.039	69.685	53.232	105.345	92.329	75.876
2017	2018	8.605	0.000	8.605	26.929	12.817	69.006	49.687	104.540	90.428	71.109
2018	2019	8.605	0.000	8.605	26.864	13.301	82.014	49.995	117.483	103.920	71.901
2019	2020	8.605	0.000	8.605	26.917	14.301	81.275	46.997	116.797	104.181	69.903

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Notes: Data obtained from Certifications of Valuation provided by Adams and Arapahoe Counties. Colorado statutes provide procedures for the valuation of property for assessment purposes. The "Assessment/Levy Year" is the calendar year in which the property value is assessed. It is also the year in which the associated tax is levied. The tax revenue for a "Collection/Budget Year" is based on the assessment and tax levy made in the prior year. Tax revenue collections occur in the budget year.

The County Assessor bases the assessed values on property values as of June 30 of the year prior to the assessment year. Thus the assessed values for the taxes associated with budget year 2020 are based on the 2019 assessment, which itself is based on property values as of June 30, 2018.

- (a) Includes a temporary mill levy rate reduction of 0.036 mills in the 2015 levy year to refund excess property tax revenue collection in 2015. The excess property tax revenue was a result of Series 2010 Bonds being paid in full in 2015.
- (b) The Adams and Arapahoe County Assessor's Offices report that property owners within these counties' boundaries may be subject to a variety of different mill levies depending on the property's location. This schedule presents mill levies for counties and school districts only and may not represent the total tax rate for each property.

Exhibit A-11

**CITY OF AURORA, COLORADO  
TOP TEN PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO**

	2019 (a)			2010		
	Assessed Valuation of Property	Rank	Percentage of Total Assessed Valuation	Assessed Valuation of Property	Rank	Percentage of Total Assessed Valuation
Xcel Energy	\$ 60,857,300	1	1.38%	\$ 61,234,210	1	2.04%
Burlington Resources Oil & Gas	32,663,741	2	0.74%			
Qwest Communications	27,946,000	3	0.64%	42,470,800	2	1.41%
Columbia HealthOne	19,999,778	4	0.46%	17,400,000	4	0.58%
Arapahoe Crossings	19,917,780	5	0.45%	8,946,500	9	0.30%
Town Center at Aurora LLC	16,316,560	6	0.37%	-		0.00%
GDC Aurora LLC	16,178,230	7	0.37%			
Cellco Partnership FKA Verizon Wireless	15,432,780	8	0.35%	17,379,230	5	0.58%
Comcast of Colorado XII Inc	15,371,558	9	0.35%			
Children's Hospital Colorado	9,981,220	10	0.23%			
Blue Spruce Energy Center (a subsidiary of Xcel Energy)				26,276,800	3	0.87%
CPT Operating Partnership				12,328,400	6	0.41%
Weingarten/Miller/Aurora II				12,209,010	7	0.41%
Retail Property Trust				9,569,990	8	0.32%
NRFC Denver Holding LLC				8,634,750	10	0.29%
<b>Total</b>	<b>\$ 234,664,947</b>		<b>5.34%</b>	<b>\$ 216,449,690</b>		<b>7.21%</b>

Source: Data obtained from Certifications of Valuations provided by Adams, Arapahoe and Douglas counties. The Total Assessed Value in assessment year 2019 is \$5,329,349,735 and 2010 was \$3,006,357,048. This total does not include the tax increment financing district assessed valuation for 2019 of \$69,559,590 or 2010 of \$4,553,030. It also does not include General Improvement District (GID) assessed value for 2019 of \$25,805,619 or 2010 of \$7,059,720.

(a) 2019 data includes only Arapahoe County as Adams County data not currently available due to the impacts of the COVID-19 pandemic.

Exhibit A-12

**CITY OF AURORA, COLORADO  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

Assessment/ Levy Year	Collection/ Budget Year	Total Tax Levy (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Collections/ (Refunds) (b)	Total Tax Collections	Collections as % of Current Tax Levy	Tax Increment Collections (c)	General Improvement District Collections	Total Property Tax Revenues
2009	2010	\$ 31,564,907	\$ 31,160,862	98.72%	\$ (204,378)	\$ 30,956,484	98.07%	\$ 1,275,142	\$ 59,084	\$ 32,290,710
2010	2011	31,852,540	31,428,726	98.67%	(347,252)	31,081,474	97.58%	1,448,500	134,505	32,664,479
2011	2012	31,203,894	30,876,610	98.95%	(187,645)	30,688,965	98.35%	2,349,971	342,753	33,381,689
2012	2013	30,415,080	30,091,311	98.94%	(156,016)	29,935,295	98.42%	3,100,413	349,684	33,385,392
2013	2014	30,479,396	30,039,192	98.56%	28,388	30,067,580	98.65%	3,235,743	323,730	33,627,053
2014	2015	26,476,406	26,283,439	99.27%	(4,088)	26,279,351	99.26%	3,659,856	331,644	30,270,851
2015	2016	30,967,898	30,545,217	98.64%	12,923	30,558,140	98.68%	5,182,279	346,630	36,087,049
2016	2017	31,482,777	31,305,350	99.44%	(85,415)	31,219,935	99.17%	6,713,401	326,977	38,260,313
2017	2018	37,113,230	36,448,601	98.21%	15,632	36,464,233	98.25%	8,581,158	486,944	45,532,335
2018	2019	37,812,733	37,279,370	98.59%	205	37,279,575	98.59%	25,046,160	580,113	62,905,848

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Notes: Data obtained from Certifications of Valuation provided by Adams and Arapahoe counties. Colorado statutes provide procedures for the valuation of property for assessment purposes. The "Assessment/Levy Year" is the calendar year in which the property value is assessed. It is also the year in which the associated tax is levied. The tax revenue for a "Collection/Budget Year" is based on the assessment and tax levy made in the prior year. Tax revenue collections occur in the budget year. Component units of the city are included only if they are blended in the city's annual financial report.

The County Assessor bases the assessed values on property values as of June 30 of the year prior to the assessment year. Thus, the assessed values for the taxes associated with budget year 2020 are based on the 2019 assessment, which itself is based on property values as of June 30, 2018.

- (a) Property taxes are assessed by Adams, Arapahoe and Douglas counties and remitted to the city after collection.
- (b) Delinquent tax collections are netted with refunds of appealed assessments. Positive numbers reflect more delinquent tax collections than refunds for the year. Negative numbers reflect refunds of appealed assessments in excess of delinquent collections for the year.
- (c) Tax levies collected pursuant to C.R.S. 31-25 through the Aurora Urban Renewal Authority (AURA), a blended component unit of the city.

**Exhibit A-13**

**CITY OF AURORA, COLORADO  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS**

Year	Governmental Activities						Business-Type Activities					Total Primary Government	Percentage of Personal Income (b)	Per Capita	Population (c)
	General Obligation Bonds	Revenue Bonds	Special Assessments Notes	Certificates of Participation	Capital Leases	Tax Increment Bonds / Notes (a)	General Obligation Bonds	Revenue Bonds	Water Rights Notes	Capital Leases	Revenue Notes				
2010	\$ 24,445,954	\$ 6,414,270	\$ 1,230,000	\$ 102,634,501	\$ 1,694,676	\$ -	\$ 18,824,224	\$ 674,848,990	\$ 2,646,897	\$ 190,886	\$ 75,750,000	\$ 908,680,398	24.4%	\$2,795	325,078
2011	21,617,409	4,812,537	1,010,000	97,871,002	843,366	-	-	633,154,751	2,059,403	72,060	75,750,000	837,190,528	22.7%	2,498	335,105
2012	15,962,863	3,327,667	2,035,000	103,314,388	2,180,510	-	-	581,201,919	1,471,909	-	75,750,000	785,244,256	16.7%	2,339	335,668
2013	11,088,318	1,681,903	1,685,000	97,438,145	2,684,307	-	-	559,829,986	884,415	-	74,174,748	749,466,822	14.5%	2,203	340,269
2014	6,017,774	-	1,240,000	117,592,108	5,261,666	5,646,425	-	534,653,754	707,532	-	72,540,424	743,659,683	12.8%	2,137	347,953
2015	3,549,000	-	970,000	137,917,468	12,605,340	22,013,063	-	503,720,796	530,649	-	70,844,813	752,151,129	12.5%	2,142	351,200
2016	3,386,000	-	705,000	130,994,309	21,211,182	27,750,000	-	545,735,325	353,766	-	-	730,135,582	11.9%	2,054	355,441
2017	3,582,000	-	470,000	186,758,143	25,889,556	27,750,000	-	540,242,532	176,883	-	-	784,869,114	11.2%	2,154	364,328
2018	3,390,000	-	365,000	177,497,387	42,685,380	29,750,000	-	536,819,739	-	-	-	790,507,506	11.0%	2,113	374,154
2019	3,185,000	-	270,000	171,724,426	40,436,092	29,136,343	-	482,004,816	-	-	-	726,756,677	(d)	1,907	381,057

Notes: Schedule includes all city debt including tax increment bonds/notes and General Improvement Districts general obligation bonds. Details regarding the city's outstanding debt can be found in the notes to the financial statements.

- (a) A tax increment revenue note was executed in 2014 with additional draws in 2015 and fully completed draws in 2016. In 2018, a capital impact fee note was executed.
- (b) See Exhibit A-18 (Demographic and Economic) for personal income (based on labor force) totals.
- (c) The population for 2011 through 2012 and 2014 was provided by Clarion Associates. For 2009, 2013, 2015 through 2019, the population was provided by the city's Planning Department. The 2010 population is from the April 2010 federal census population count.
- (d) 2019 Personal Income data is not currently available from the State of Colorado due to the impacts of the COVID-19 pandemic.

Exhibit A-14

**CITY OF AURORA, COLORADO  
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING  
LAST TEN YEARS**

Year	Population (a)	Assessed Value (b)	Debt		Total General Obligation Bonded Debt (d)	Less: Debt Service Funds Available (e)	Net General Obligation Bonded Debt	Net General Obligation Bonded Debt to Assessed Value	Net General Obligation Bonded Debt Per Capita
			Governmental Activities (c)	Business-Type Activities					
2010	325,078	\$ 3,006,357,048	\$ 22,895,954	\$ 18,824,224	\$ 41,720,178	\$ 1,573,343	\$ 40,146,835	1.34%	\$ 123
2011	335,105	2,929,117,931	17,512,409	-	17,512,409	1,474,560	16,037,849	0.55%	48
2012	335,668	2,955,790,168	11,988,863	-	11,988,863	1,545,176	10,443,687	0.35%	31
2013	340,269	2,962,040,450	7,250,318	-	7,250,318	1,526,229	5,724,089	0.19%	17
2014	347,953	2,979,564,029	2,321,774	-	2,321,774	1,527,279	794,495	0.03%	2
2015	351,200	3,613,945,379	-	-	-	-	-	-	-
2016	355,441	3,658,660,909	-	-	-	-	-	-	-
2017	364,328	4,312,984,354	-	-	-	-	-	-	-
2018	374,154	4,394,274,636	-	-	-	-	-	-	-
2019	381,057	5,329,349,735	-	-	-	-	-	-	-

Notes:

- (a) The population count for 2011 through 2012 and 2014 was provided by Clarion Associates. For 2013 and 2015 through 2019, the population count was provided by the city's Planning Department. The 2010 population count is from the April 2010 federal census population count.
- (b) Does not include tax increment financing district incremental assessed valuation of: \$4,553,030 - 2010; \$8,453,960 - 2011; \$10,009,240 - 2012; \$8,910,730 - 2013; \$8,264,580 - 2014; \$10,280,820 - 2015; \$10,258,070 - 2016; \$29,967,070 - 2017; \$145,169,710 - 2018 and \$252,569,440 - 2019 Adams; \$10,156,782 - 2010; \$16,694,359 - 2011; \$22,063,692 - 2012; \$20,975,154 - 2013; \$24,997,667 - 2014; \$30,745,586 - 2015; \$39,155,586 - 2016; \$45,379,741 - 2017; \$55,817,358 - 2018 and \$69,559,590 - 2019 Arapahoe. Does not include General Improvement Districts (GIDs) assessed value of: 2010 - \$7,059,720; 2011 - \$10,911,020; 2012 - \$10,997,420; 2013 - \$10,212,781; 2014 - \$10,157,993; 2015 - \$13,949,563; 2016 - \$13,952,766; 2017 - \$19,734,816; 2018 - \$22,017,975 and 2019 - \$25,805,619. Data obtained from Certifications of Valuation provided by Adams, Arapahoe and Douglas counties.
- (c) Does not include GIDs outstanding debt of: 2010 - \$1,550,000; 2011 - \$4,105,000; 2012 - \$3,974,000; 2013 - \$3,838,000; 2014 - \$3,696,000; 2015 - \$3,549,000; 2016 - \$3,386,000, 2017 - \$3,582,000, 2018 - \$3,390,000 and 2019 - \$3,185,000.
- (d) Gross general obligation bonded debt includes general obligation bonds supported by General Fund revenues and by Water Fund revenues. In 2015, all general obligation bonded debt have been fully paid.
- (e) Beginning in 2011, the City Debt Service Funds Available is used in lieu of the City Debt Service Fund Balance. This is to tie the amount to what is used in Exhibit A- 16, Legal Debt Margin Information. In 2015, since all general obligation bonds have been paid, the residual amount was transferred to the General Fund.

Exhibit A-15

**CITY OF AURORA, COLORADO  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2019**

<u>Jurisdiction</u>	<u>Obligations Outstanding</u>	<u>Estimated Percentage Applicable (c)</u>	<u>Estimated Share of Overlapping Debt</u>
<i>Direct:</i>			
City of Aurora (a)	\$ 223,582,435	100.00%	\$ 223,582,435
<i>Overlapping:</i>			
<b>Debt repaid with property taxes</b>	<b><u>General Obligation</u></b>		
Adams-Arapahoe School District 28J			
General obligation bonds (b)	\$ 380,805,331	100.00%	380,805,331
Cherry Creek School District			
General obligation bonds (b)	550,962,037	38.36%	211,349,037
Arapahoe County			
General obligation bonds (b,c)	21,072,746	34.00%	7,164,734
Total overlapping debt:			599,319,102
Total Direct and Overlapping Debt			<u>\$ 822,901,537</u>

Notes: This schedule demonstrates the city's ability to repay and issue long term debt based on the entire debt burden borne by its residences and businesses. Although more than 235 taxing entities overlap the city in whole or part, very few affect the majority of citizens. Therefore, this schedule excludes debt for overlapping districts that do not impact the debt burden for the average citizen.

- (a) Includes all governmental activities debt of the city of Aurora, such as general obligation bonds, certificates of participation, special assessments and capital leases, net of unamortized premium.
- (b) General obligation debt outstanding is the net of general obligation debt less any monies reserved for the retiring of these general obligation bonds, such as sinking funds or debt service reserve funds.
- (c) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

**Exhibit A-16**

**CITY OF AURORA, COLORADO  
LEGAL DEBT MARGIN INFORMATION  
IN ACCORDANCE WITH AURORA CHARTER ARTICLE XI**

**Legal Debt Margin Calculation for Fiscal Year 2019**

Assessed valuation, all Counties:	\$ 5,329,349,735	
Debt limit - 3% of assessed valuation		\$ 159,880,492
Amount of debt outstanding:		
Total bonded debt	\$ 485,189,816	
Other debt	<u>241,566,861</u>	
Total		\$ 726,756,677
Deductions allowed by law:		
General obligation bonds exempt from limit	3,185,000 (a)	
Revenue bonds	482,004,816 (b)	
Capitalized lease obligations	40,436,092 (b)	
Certificates of participation	171,724,426 (b)	
Revenue notes	<u>29,406,343 (b)</u>	
Total deductions		<u>726,756,677</u>
Amount of debt applicable to debt limit		<u>-</u>
Legal Debt Margin		<u>\$ 159,880,492 (c)</u>

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	<b>Last Ten Fiscal Years</b>									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt limit	\$ 90,190,711	\$ 87,873,538	\$ 88,673,705	\$ 88,861,214	\$ 89,386,921	\$ 108,418,361	\$ 109,759,827	\$ 129,389,531	\$ 131,828,239	\$ 159,880,492
Total net debt applicable to limit	616,657	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 89,574,054	\$ 87,873,538	\$ 88,673,705	\$ 88,861,214	\$ 89,386,921	\$ 108,418,361	\$ 109,759,827	\$ 129,389,531	\$ 131,828,239	\$ 159,880,492
Total net debt applicable to the limit as a percentage of debt limit	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

- (a) The General Improvement District bonds are exempt from the debt limit.
- (b) Revenue bonds and other forms of debt paid from revenues generated are exempt from the debt limit.
- (c) Article X, Section 20(4)(b) of the Colorado Constitution requires the city to receive voter approval in advance for the creation of any multiple fiscal year direct or indirect debt or other financial obligation, regardless of whether or not the city is at its legal debt margin. Typically, voter approval of additional debt includes a provision exempting the new debt from the debt margin. Consequently, the computation of the city's legal debt margin has little real significance.

Enterprises, as defined in Article X, Section 20(2)(d) of the Colorado Constitution, are not required to receive voter approval. An "enterprise" is a city-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenues in grants from all Colorado state and local governments combined.

STATISTICS (UNAUDITED)

Exhibit A-17

CITY OF AURORA, COLORADO  
SCHEDULE OF WATER REVENUE BOND COVERAGE

LAST TEN YEARS

Year	Gross		Net Revenue Available For Debt Service	Debt Service Requirements								Coverage Ratios (g)			
	Revenue (a)	Expenses (b)		First Lien Revenue Obligations (c)		First & Second Lien Revenue Obligations (d)		Debt Secured by Net Pledged Revenues (e)		Debt Payable from System Revenues (f)		(c)	(d)	(e)	(f)
				Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest				
2010	\$ 128,180,345	\$ 45,305,349	\$ 82,874,996	\$ 3,962,238	\$ 29,146,645	\$ 3,962,238	\$ 29,146,645	\$ 4,549,732	\$ 29,308,365	\$ 10,669,732	\$ 30,274,265	2.50	2.50	2.45	2.02
2011	125,130,039	46,573,513	78,556,526	5,300,000	29,365,365	5,300,000	32,205,990	5,887,494	32,367,710	12,252,494	33,104,110	2.27	2.09	2.05	1.73
2012	136,772,241	45,857,363	90,914,878	2,340,000	27,320,125	2,340,000	30,160,750	2,927,494	30,293,095	2,927,494	30,293,095	3.07	2.80	2.74	2.74
2013	124,972,421	46,864,006	78,108,415	-	25,265,338	1,575,252	28,105,963	2,162,746	28,208,933	2,162,746	28,208,933	3.09	2.63	2.57	2.57
2014	150,552,505	51,489,719	99,062,786	-	24,746,935	1,634,324	27,528,487	1,811,207	27,572,708	1,811,207	27,572,708	4.00	3.40	3.37	3.37
2015 (h)	133,797,322	53,355,471	80,441,851	-	24,012,297	1,695,611	26,732,563	1,872,494	26,767,940	1,872,494	26,767,940	3.35	2.83	2.81	2.81
2016 (h)	156,847,578	56,334,540	100,513,038	-	22,931,125	1,759,196	25,587,806	1,936,079	25,614,338	1,936,079	25,614,338	4.38	3.68	3.65	3.65
2017 (h)	157,618,749	58,237,484	99,381,265	-	18,147,048	-	18,147,048	176,883	18,164,736	176,883	18,164,736	5.48	5.48	5.42	5.42
2018 (h)	176,503,787	64,756,975	111,746,812	-	18,936,050	-	18,936,050	176,883	18,944,894	176,883	18,944,894	5.90	5.90	5.84	5.84
2019	167,391,085	64,435,483	102,955,602	-	19,191,886	-	19,191,886	-	19,191,886	-	19,191,886	5.36	5.36	5.36	5.36

Note: Includes long-term debt payable from Water revenues, including General Obligation Bonds, Revenue Bonds, and Water Notes Payable. Debt service requirements represent annual amounts as opposed to the maximum annual amount. Therefore, coverage ratios on this schedule will not match ratios in the Debt Continuing Disclosure section.

- (a) Includes charges for services, intergovernmental revenue and miscellaneous revenues as well as components of capital contributions (tap fees and IGA revenues), investment earnings (interest income) and gain (loss) on disposal of capital assets (proceeds-sales of fixed assets). Excludes fair value adjustment and annexation fees.
- (b) Includes operating expenses such as personal services, supplies and other services and charges. Excludes depreciation expense.
- (c) Includes the city's portion of the Colorado Water Resources and Power Development Authority's (CWRPDA) Drinking Water Bonds Series 1999A and 2005D and the City's First Lien Water Improvement Revenue Bonds Series 2016, 2008, 2007 and 2003A. In 2010, the CWRPDA Drinking Water Bonds Series 1999A was paid off and in 2011, the 2003A 1st Lien Water Improvement Revenue Bonds were defeased. In 2012, 2014 and 2015, the 2005D CWRPDA Bonds were defeased in the amounts of \$41,780,000, \$23,955,000 and \$29,655,000, respectively. In 2016, First Lien Revenue Bonds were issued, fully refunding the 2007 and 2008 Revenue Bonds. Principal amounts of the 2007 and 2008 Bonds defeased in 2016 were \$421,495,000 and 39,995,000, respectively. In 2019, the principal amount of \$45,000,000 of the 2016 First Lien Refunding Revenue Bonds were defeased. The legal covenant for debt service coverage for these obligations is 1.20 except for the CWRPDA Water Bonds which is 1.10.
- (d) Includes (c) above. The legal covenant through 2009 for debt service coverage is 1.05. In 2016, the CWCB note was paid off with proceeds from the Series 2016 Revenue Bonds in the amount of \$69,085,617.
- (e) Includes (d) above and all Water Rights Notes Payable. In 2018, the Water Rights Notes were paid off. The legal covenant for debt service coverage is 1.05.
- (f) Includes (e) above and General Obligation Water Bonds which are payable from revenues of the system but are not secured by the Net Pledged Revenues. In 2011, the General Obligation Water Bonds were paid off. The legal covenant for debt service coverage is 1.00.
- (g) Net Revenue Available for Debt Service divided by Total Debt Service Requirements for "c", "d", "e" and "f", respectively.
- (h) A principal and interest payment of \$176,883 and \$35,377, respectively, was made on the 2004 water rights note payable on December 31, 2015 due January 1, 2016. Also on December 30, 2016, a principal and interest payment of \$176,883 and \$26,532, respectively, was made, due January 1, 2017; on December 29, 2017, a principal and interest payment of \$176,883 and \$17,688, respectively, due January 1, 2018; and on December 28, 2018, a principal and interest payment of \$176,883 and \$8,844, respectively, due January 1, 2019.

(continued)

Exhibit A-17

**CITY OF AURORA, COLORADO  
SCHEDULE OF WASTEWATER REVENUE BOND COVERAGE**

**LAST TEN YEARS**

Year	Gross Revenue (a)	Expenses (b)	Net Revenue Available For Debt Service	Debt Service Requirements (c)			Coverage Ratio (d)
				Principal	Interest	Total	
2010	\$ 57,247,180	\$ 34,139,137	\$ 23,108,043	\$ 2,796,635	\$ 3,074,357	\$ 5,870,992	3.94
2011	56,543,592	36,205,235	20,338,357	2,910,843	2,967,180	5,878,023	3.46
2012	60,984,272	37,298,034	23,686,238	3,004,285	2,869,878	5,874,163	4.03
2013	57,458,337	41,135,927	16,322,410	1,240,000	2,509,013	3,749,013	4.35
2014	61,475,658	43,145,025	18,330,633	-	1,559,813	1,559,813	11.75
2015	66,054,886	46,017,730	20,037,156	-	1,559,813	1,559,813	12.85
2016	68,381,959	47,389,797	20,992,162	-	1,559,813	1,559,813	13.46
2017	71,167,240	51,024,265	20,142,975	2,795,000	334,373	3,129,373	6.44
2018	77,535,338	51,762,847	25,772,491	2,725,000	407,238	3,132,238	8.23
2019	78,758,678	52,525,597	26,233,081	2,765,000	403,340	3,168,340	8.28

Notes: Includes long-term debt payable from Sewer revenues, including revenue bonds.

- (a) Includes charges for services, intergovernmental revenue and miscellaneous revenues as well as components of capital contributions (tap fees and IGA revenues), investment earnings (interest income) and gain (loss) on disposal of capital assets (proceeds-sales of fixed assets). Excludes fair value adjustment and annexation fees.
- (b) Includes operating expenses such as personal services, supplies and other services and charges. Excludes depreciation expense.
- (c) The Debt Service Requirements consist of the First Lien Sewer Improvement Revenue Bonds, Series 2016, Series 2006, and the Colorado Water Resources and Power Development Authority's (CWRPDA) Clean Water Revenue Bonds, Series 1999A. In 2012, the CWRPDA Clean Water Revenue Bonds, Series 1999A was paid off. In 2013, the 2006 1st Lien Sewer Improvement Revenue Bonds were defeased in the amount of \$18,795,000. In 2016, First Lien Wastewater Revenue bonds were issued, fully refunding the 2006 Bonds in the amount of \$32,295,000.
- (d) Net Revenue Available for Debt Service divided by Total Debt Service Requirements. The legal covenant for debt service coverage is 1.20 for the Series 2016 and Series 2006 and 1.10 for the CWRPDA Series 1999A.

(continued)

Exhibit A-17

CITY OF AURORA, COLORADO  
SCHEDULE OF GOLF REVENUE BOND COVERAGE

LAST TEN YEARS

Year	Gross Revenue (b)	Operating & Maintenance Expenses (c)	Net Revenue Available For Debt Service	Senior Debt Service Requirements (a)				Subordinate Debt Service Requirements (a)			
				Principal	Interest	Total	Coverage Ratio (d)	Principal	Interest	Total	Coverage Ratio (e)
2010	\$ 8,408,174	\$ 7,655,245	\$ 752,929	\$ 420,000	\$ 114,925	\$ 534,925	1.41	\$ 56,000	\$ 224,800	\$ 280,800	0.78
2011	7,991,942	7,237,047	754,895	435,000	98,125	533,125	1.42	56,000	222,000	278,000	0.80
2012	8,678,890	7,680,612	998,278	455,000	80,725	535,725	1.86	50,000	175,360	225,360	2.05
2013	8,074,292	7,115,939	958,353	470,000	62,525	532,525	1.80	50,000	173,360	223,360	1.91
2014	8,210,503	7,236,142	974,361	490,000	43,138	533,138	1.83	50,000	171,360	221,360	1.99
2015	8,614,560	7,609,204	1,005,356	510,000	22,313	532,313	1.89	50,000	169,360	219,360	2.16
2016	8,273,524	7,775,293	498,231	-	-	-	n/a	275,000	167,360	442,360	1.13
2017	8,650,563	7,424,094	1,226,469	-	-	-	n/a	275,000	100,983	375,983	3.26
2018	8,059,584	6,989,142	1,070,442	-	-	-	n/a	300,000	72,680	372,680	2.87
2019	7,980,091	7,446,751	533,340	-	-	-	n/a	325,000	66,680	391,680	1.36

Notes: Includes long-term debt payable from Golf revenues, including revenue bonds and long-term interfund payables. Debt service requirements represent annual amounts as opposed to the maximum annual amount. Therefore, coverage's ratios on this schedule will not match ratios in the Debt Continuing Disclosure section.

- (a) The Senior Debt Service Requirement consists of the 1995 Golf Revenue Bonds and, beginning in 2004, the 2004 Golf Revenue Note which was fully paid in 2009. In 2005, the 1995 Golf Revenue Bonds were replaced by the 2005 Golf Revenue Refunding Bonds which were fully paid in 2015. The Subordinate Debt Service Requirement is the 1994 Interfund Loan Payable to the Wastewater Fund which was refinanced in 2008 and was restructured in 2012 and in 2017.
- (b) Includes operating revenues, investment income, miscellaneous non-operating revenues and golf lot premium fees. Excludes fair value adjustment.
- (c) Includes operating expenses such as personal services, supplies, other services and charges and the principal and interest on the golf cart leases. Excludes depreciation expense.
- (d) Net Revenue Available for Debt Service divided by Total Senior Debt Service Requirements. The legal covenant for debt service coverage is 1.35.
- (e) Net Revenue Available for Debt Service less Total Senior Debt Service Requirements, divided by Total Subordinate Debt Service Requirements. The legal covenant for debt service coverage is 1.00. In 2011 and 2010, the ratio dropped below 1.00, as a result, a consultant was hired in accordance with the bond covenants to provide recommendations to bring the ratio to 1.00.

(concluded)

Exhibit A-18

CITY OF AURORA, COLORADO  
 DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN YEARS

Year	General Population (a)	Personal Income (b)	Aurora Labor Force Population (c)	Personal Income Per Capita (Labor Force)	Unemployment Rate (d)
2010	325,078	\$ 3,725,166,739	173,689	\$ 21,447	10.6%
2011	335,105	3,687,345,727	173,320	21,275	9.3%
2012	335,668	4,689,408,133	175,746	26,683	8.7%
2013	340,269	5,178,824,801	178,150	29,070	7.4%
2014	347,953	5,827,179,739	180,817	32,227	5.6%
2015	351,200	6,008,141,737	181,481	33,106	4.2%
2016	355,441	6,147,862,988	185,752	33,097	3.5%
2017	364,328	7,037,188,989	190,579	36,925	2.9%
2018	374,154	7,205,042,948	196,620	36,645	4.2%
2019	381,057	(e)	200,678	(e)	2.5%

Notes:

- (a) The population for 2011 through 2012 and 2014 was provided by Clarion Associates. For 2013 through 2019, the population was provided by the city's Planning Department. The 2010 population is from the April 2010 federal census population count.
- (b) Data was provided by the city's Planning Department. Personal income totals provided to the city by the State of Colorado, Department of Labor and Employment, Quarterly Census of Employment and Wages. These totals are based on data provided to the State by businesses (for unemployment purposes) and do not include businesses with 3 or less employees.
- (c) Data provided by the United States Department of Labor. Totals include Aurora residents employed or potentially employable, sixteen years of age or older.
- (d) Data was provided by the city's Planning Department. Source - Colorado Department of Labor and Employment.
- (e) 2019 Personal Income data is not currently available from the State of Colorado due to the impacts of the COVID-19 pandemic.

**Exhibit A-19**

**CITY OF AURORA, COLORADO  
TOP TEN PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

Employer	2019 (d)			2010		
	Employees	Rank	(a) Percentage of Total City Employment	Employees	Rank	(a) Percentage of Total City Employment
Buckley Air Force Base	-	1	(d)	12,100	1	7.06%
University of Colorado Anschutz Medical Campus	-	2	(d)	6,360	2	3.71%
University of Colorado Health (UCHealth)	-	3	(d)	4,080	4	2.38%
Aurora Public Schools	-	4	(d)	4,020	5	2.35%
Children's Hospital Colorado	-	5	(d)	4,100	3	2.39%
City of Aurora (c)	4,186	6	(d)	3,740	7	2.18%
Cherry Creek Schools (b)	-	7	(d)	3,820	6	2.23%
Raytheon Company	-	8	(d)	2,200	8	1.28%
Kaiser Permanente	-	9	(d)	1,690	9	0.99%
ADT Security Systems	-	10	(d)	1,600	10	0.93%

Note: Data provided by the Aurora Economic Development Council (AEDC) and the city of Aurora unless otherwise noted.

- (a) Total city employment data for 2009 was 168,996 provided by the United States Department of Labor; 2019 data not currently available.
- (b) Cherry Creek Public Schools includes employees in the cities of Aurora, Centennial, Cherry Hills Village, Englewood, Foxfield, Glendale, and Greenwood Village.
- (c) The city of Aurora employee count includes contingent and seasonal workers.
- (d) 2019 data is not currently available from AEDC due to the impacts of the COVID-19 pandemic.

Exhibit A-20

**CITY OF AURORA, COLORADO**  
**BUDGETED FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Government</b>										
City Council	14.00	14.00	14.00	14.00	14.00	14.00	15.00	15.00	15.00	15.00
Finance	63.50	63.50	60.50	58.50	56.50	56.50	60.50	60.50	60.50	62.00
General Management (includes Civil Service) (d)	96.80	99.50	97.50	102.00	103.00	109.00	111.75	111.75	86.00	88.00
Human Resources (a)	24.00	-	-	-	-	-	-	-	28.50	29.50
Information Technology	42.00	42.00	42.00	43.00	43.00	45.00	48.00	48.00	49.00	55.00
Communications (f)	-	21.30	20.80	21.05	22.86	22.86	25.36	25.36	26.50	29.50
Planning	31.00	31.00	31.00	31.00	35.00	36.00	42.00	42.00	42.50	46.00
<b>Judicial</b>										
City Attorney	49.00	49.00	49.00	50.00	50.80	50.80	53.80	53.80	55.00	60.00
Court Administration (includes Judicial)	120.50	121.50	122.50	122.50	122.50	125.50	125.50	126.50	131.50	133.50
Public Defender	8.50	8.50	8.50	8.50	8.50	9.00	10.00	10.00	11.50	15.50
<b>Police</b>	772.50	786.00	783.00	791.50	794.50	808.50	823.50	837.50	856.50	875.50
<b>Fire</b>	325.00	325.00	323.00	327.00	335.00	346.00	362.00	387.00	404.00	438.50
<b>Other Public Safety</b>	81.00	81.00	81.00	81.00	81.00	81.00	91.00	91.00	91.00	91.00
<b>Public Works (e)</b>	241.00	241.00	241.00	246.00	249.00	258.00	272.00	282.00	285.00	310.00
<b>Community Services</b>										
Neighborhood Services (c)	72.50	72.50	71.60	71.60	76.60	81.00	83.00	83.00	82.50	84.50
<b>Culture and Recreation</b>										
Library and Cultural Services (b)	65.90	67.40	72.40	73.40	76.60	78.60	85.30	85.30	85.50	89.00
Parks, Recreation & Open Space (b)	245.70	237.20	226.20	221.20	251.55	256.55	260.55	267.55	280.00	279.00
<b>Water</b>	270.72	269.40	268.91	273.82	280.23	285.98	286.19	291.20	294.44	306.89
<b>Wastewater</b>	152.28	152.60	153.09	148.18	143.77	143.02	143.81	149.80	150.56	153.61
<b>Total</b>	2,675.90	2,682.40	2,666.00	2,684.25	2,744.41	2,807.31	2,899.26	2,967.26	3,035.50	3,162.00

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

- Notes:
- (a) In 2011-2017, Human Resources became Internal Services and was reported under General Management. In 2018, Human Resources is reported separately.
  - (b) In 2010, approximately 67 Recreation positions were moved from the Library and Cultural Services department to the Parks, Recreation and Open Space department, and another 6 to other city departments. Also, the 2008 recession and resulting budget reductions required four libraries to be closed in 2010 with a corresponding decrease in full time employees (approximately 44 from Library and Cultural Services and 21, mostly Forestry, from Parks, Recreation, and Open Space).
  - (c) In 2010, some Community Services positions were moved to Public Works.
  - (d) In 2010, Facilities Management operations (part of General Management) was moved to Public Works function.
  - (e) In addition to the positions that moved into Public Works from General Management and Community Services, approximately 30 positions were cut from the Public Works function in the 2010 budget.
  - (f) Prior to 2011, Communications was reported as part of General Management.

**Exhibit A-21**

**CITY OF AURORA, COLORADO  
OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS**

Incorporation : May 5, 1903 under the name of Fletcher and later incorporated as the Town of Aurora on February 20, 1907  
 Date First Charter Adopted : 1961  
 Form of Government : Council - Manager

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Government</b>										
<i>Building Permits: Data provided by COA Building Code Division</i>										
Permits Issued (a)	13,729	9,958	12,438	12,186	23,508	23,325	14,340	13,272	15,173	18,058
Value of Buildings (millions \$)	415	327	435	522	614	846	854	1,026	1,545	1,211
<i>Tax &amp; Licensing: Data provided by COA Tax &amp; Licensing Division</i>										
New business licenses (e)	2,014	2,027	2,133	2,370	2,492	2,689	2,301	2,634	2,975	3,667
<b>Police Protection: Data provided by COA Police Department</b>										
Number of Law Violations (Part I Crime) (b)	11,760	11,446	11,667	12,285	11,548	12,230	13,266	13,498	14,064	14,161
Total calls for service requests received	409,955	401,913	427,458	415,995	427,508	462,070	435,239	427,979	431,418	444,227
Total calls dispatched and officer initiated (c)	-	-	-	-	-	235,197	235,188	233,566	286,629	232,403
Total moving violations	47,853	47,920	35,366	39,669	43,879	41,822	26,779	29,087	34,714	37,235
Total parking violations (d)	7,429	7,219	6,474	6,028	6,473	5,550	5,462	16,329	17,075	17,744
<b>Fire Protection: Data provided by COA Fire Department</b>										
Number of fire inspections	9,943	9,546	8,559	7,015	7,195	9,674	10,535	7,542	14,850	15,790
Total Fire calls (Fire, EMS, other)	33,268	35,446	37,830	40,164	42,575	45,013	46,323	49,182	48,480	48,343
Haz Mat calls	7	28	23	17	26	29	39	43	85	70
<b>Community Services: Data provided by COA Neighborhood Services Department</b>										
Total number of Code Enforcement Inspections	87,633	72,012	68,030	70,161	68,516	78,011	74,178	67,353	70,945	65,023
<b>Culture and Recreation: Data provided by COA Parks and Open Space, and Library and Cultural Services Departments</b>										
Library items circulated	764,866	762,302	946,743	1,030,535	1,065,076	1,002,186	1,092,078	1,152,370	1,113,419	1,070,488
Library patron visits	793,355	745,890	872,821	939,805	1,044,711	1,000,119	1,161,139	1,145,179	1,076,803	1,185,328
Recreational classes offered	6,876	7,659	7,945	7,648	5,963	7,103	7,347	7,606	6,382	5,177
Recreational attendance	302,565	330,621	353,994	349,607	359,356	390,437	406,603	388,101	324,101	417,146
Cultural services in house program attendance	151,008	157,958	159,260	152,912	163,133	164,839	176,269	180,166	176,621	93,682

Notes:

- (a) Permits issued includes plumbing, heating, life safety and electrical for existing residential and non-residential structures.
- (b) Part 1 crime includes both violent and property crime.
- (c) Total calls dispatched and officer initiated service data available beginning in 2015.
- (d) In 2017, the city increased enforcement of parking violations for street parking and the Iliff parking garage.
- (e) In 2018, new business licenses were restated for years 2015-2017. In 2019, the increase was due to voluntary compliance to the 2018 Wayfair decision that allows internet sales tax collections; while the decision does not apply to home rule municipalities, many businesses chose to become licensed and started collecting city of Aurora sales tax.

Exhibit A-22

CITY OF AURORA, COLORADO  
 CAPITAL ASSET STATISTICS BY FUNCTION  
 LAST TEN YEARS

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Police Protection: Data provided by COA Police Department</b>										
Patrol Vehicles	151	155	155	165	183	192	197	200	206	212
Detention Facilities	1	1	1	1	1	1	1	1	1	1
<b>Fire Protection: Data provided by COA Fire Department</b>										
Number of Fire Stations	15	15	15	15	15	15	15	15	16	16
<b>Public Works: Data provided by COA Public Works Department</b>										
Miles of Improved Streets (center-line miles)	1,174	1,175	1,185	1,188	1,209	1,220	1,224	1,149	1,151	1,196
Tons of asphalt for patching & overlay (a)	146,331	127,917	116,898	83,406	120,379	125,204	111,332	104,052	121,131	105,725
Square yards of street repair & overlay (a)	2,114,175	1,925,685	1,386,148	1,536,279	1,456,695	1,285,547	1,762,248	1,672,888	1,703,813	1,336,260
<b>Culture and Recreation: Data provided by COA Parks, Recreation, and Open Space, and Library and Cultural Services Departments</b>										
Number of Playgrounds	84	87	88	88	88	88	88	88	88	89
Number of Golf Courses	7	7	7	6	6	6	6	5	5	5
Number of Swimming Pools	7	7	7	9	9	9	9	9	9	10
Parks - Number of Acres (b)	10,677	10,660	12,272	12,272	10,125	10,222	10,336	10,270	10,666	11,119
Number of Libraries (e)	3	4	4	4	4	4	6	6	6	6
Number of Computer Centers (f)	-	-	2	4	4	4	3	3	2	2
<b>Water: Data provided by COA Aurora Water Department</b>										
Number of Water Taps (c)	78,423	79,006	79,723	80,567	81,382	82,309	83,725	85,487	86,153	87,635
Miles of water mains constructed (d)	12	4	5	2	25	13	16	22	19	21
<b>Wastewater: Data provided by COA Aurora Water Department</b>										
Number of Sanitary Sewer Taps (c)	86,268	86,850	87,659	88,470	89,313	90,366	91,686	93,398	84,980	86,413
Miles of Sanitary Sewer constructed (d)	3	3	1	2	11	14	20	8	23	27

- (a) These totals include the following: reconstructive patching, in-place patching, slurry seal, chip seal and reconstructive planning. All work performed through the Capital Projects Fund by contract. In 2010, Public Works efforts were focused on street repair and overlay vs. patching and overlay. Beginning 2012, the numbers have decreased mainly due to increased labor and material price with decreased budgeted amount including a shift of funding to pavement preservation or surface treatment. In 2014, the increase is mainly due to increased street overlay and surface treatment project requirements.
- (b) Includes parks, golf courses and open space. In 2012, new queries were developed and the total includes facility grounds, medians and streetscapes that were completed during the year, also included was the acquisition of open space and trail corridor related to the Triple Creek Greenway Corridor project. The 2014 acreage uses similar method as in year 2011.
- (c) Total includes paid water and irrigation connections. 2013 through 2015 are restated since number of meters was used instead of number of connections.
- (d) Total includes newly constructed mains during the period. Water mains decreased in 2011 and 2013 due to decreased development activity which is also true in 2012 for sewer lines. As a result of the improving economy, there was an increase in water mains and sewer lines constructed in 2014.
- (e) Due to declining General Fund budgets, four libraries were closed in 2010. The Mission Viejo Library was reopened in 2011 but on a limited service hours. In 2012, eight operating hours were added at Tallyn's Reach, Martin Luther King and Central Libraries. In 2016, Hoffman Heights transitioned from a computer center to a full service library. Iliff Square Library was reopened in 2016.
- (f) In 2012, two computer centers opened at the city's Moorhead and Beck Recreation Centers. In 2013, two additional computer centers were opened at Kmart Aurora and at the former Hoffman Heights Library building. In 2016, Hoffman Heights became a full service library and was no longer considered a computer center. In 2018, the computer center at Kmart was closed.





# City of Aurora, Colorado

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2019 COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

## OTHER SCHEDULES

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## Other Schedules

### COMPLIANCE SECTION

#### Exhibit B-1

Local Highway Finance Report

### MISCELLANEOUS SCHEDULES (UNAUDITED)

#### Exhibit B-2

Schedule of Indebtedness – All Funds

#### Exhibit B-3

Schedule of Debt Service Requirements

### DEBT CONTINUING DISCLOSURES (UNAUDITED)

#### Exhibit C-1

Summary of Continuing Disclosures by Issue

#### Exhibit C-2

General Fund – Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance (US GAAP Basis)

#### Exhibit C-3

General Fund – Comparative Schedule of Sources, Uses and Changes in Funds Available, Actual and Budget (Non-GAAP Budgetary Basis)

#### Exhibit C-4

Water Fund - Operating History

#### Exhibit C-5

Water Fund - System Statistics

#### Exhibit C-6

Water Fund - Maximum Annual Debt Service Coverage

#### Exhibit C-7

Wastewater Fund - Operating History

#### Exhibit C-8

Wastewater Fund - System Statistics

#### Exhibit C-9

General Fund - Assessed and Estimated Actual Value of Taxable Property by Class

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**EXHIBIT B-1  
LOCAL HIGHWAY FINANCE REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: City of Aurora, Colorado
	YEAR ENDING : December 2019

This Information From The Records Of: City of Aurora, Colorado	Prepared By: Donna Bates
	Phone: 303-739-7589

**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT
<b>A. Receipts from local sources:</b>	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	38,874,024
4. Miscellaneous local receipts (from page 2)	14,826,721
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	0
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	53,700,745
<b>B. Private Contributions</b>	
<b>C. Receipts from State government</b> (from page 2)	11,016,343
<b>D. Receipts from Federal Government</b> (from page 2)	507,818
<b>E. Total receipts (A.7 + B + C + D)</b>	65,224,906

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT
<b>A. Local highway disbursements:</b>	
1. Capital outlay (from page 2)	14,540,487
2. Maintenance:	22,800,607
3. Road and street services:	
a. Traffic control operations	2,717,252
b. Snow and ice removal	2,950,024
c. Other	4,663,217
d. Total (a. through c.)	10,330,493
4. General administration & miscellaneous	675,481
5. Highway law enforcement and safety	11,800,825
6. Total (1 through 5)	60,147,893
<b>B. Debt service on local obligations:</b>	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
<b>C. Payments to State for highways</b>	5,077,013
<b>D. Payments to toll facilities</b>	
<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	65,224,906

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		65,224,906	65,224,906		0

Notes and Comments:

**EXHIBIT B-1 (continued)**  
**LOCAL HIGHWAY FINANCE REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: City of Aurora, Colorado
	YEAR ENDING : December 2019

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	0	a. Interest on investments	101,555
b. Other local imposts:		b. Traffic Fines & Penalties	4,067,301
1. Sales Taxes	26,450,340	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	4,863,059	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	7,560,625	g. Other Misc. Receipts	
6. Total (1. through 5.)	38,874,024	h. Other	10,657,865
c. Total (a. + b.)	38,874,024	i. Total (a. through h.)	14,826,721
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	9,857,448	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	1,158,895	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	507,818
f. Total (a. through e.)	1,158,895	g. Total (a. through f.)	507,818
4. Total (1. + 2. + 3.f)	11,016,343	3. Total (1. + 2.g)	
			(Carry forward to page 1)

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	0	73,768	73,768
b. Engineering Costs	0	2,916,928	2,916,928
c. Construction:			
(1). New Facilities			
(2). Capacity Improvements	0	4,352,781	4,352,781
(3). System Preservation	0	2,461,859	2,461,859
(4). System Enhancement & Operation	0	4,735,151	4,735,151
(5). Total Construction (1) + (2) + (3) + (4)	0	11,549,791	11,549,791
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	14,540,487	14,540,487
			(Carry forward to page 1)

**Notes and Comments:**

**EXHIBIT B-2**  
**CITY OF AURORA, COLORADO**  
**SCHEDULE OF INDEBTEDNESS - ALL FUNDS**  
**DECEMBER 31, 2019**

	Interest Rates	Dates		Debt			Current Maturities
		Issue	Maturity	Authorized	Issued	Outstanding	
<b>REVENUE BONDS</b>							
Supported by Water Fund revenues							
First-Lien Water Revenue - Refunding	1.50 - 5.00%	8/16/2016	2046	\$ 437,025,000	\$ 437,025,000	\$ 392,025,000	\$ 2,350,000
Unamortized premium				-	-	64,364,816	-
Unamortized loss on refunding				-	-	(9,319,257)	-
Total supported by Water Fund revenues				<u>437,025,000</u>	<u>437,025,000</u>	<u>447,070,559</u>	<u>2,350,000</u>
Supported by Wastewater Fund revenues							
First-Lien Sewer Revenue - Refunding	1.56%	11/4/2016	2026	28,900,000	28,900,000	20,615,000	2,810,000
First-Lien Sewer Revenue	3.035%	12/12/2018	2030	30,000,000	5,000,000	5,000,000	-
Unamortized gain on refunding				-	-	313,103	-
Total supported by Wastewater Fund revenues				<u>58,900,000</u>	<u>33,900,000</u>	<u>25,928,103</u>	<u>2,810,000</u>
<b>NOTES</b>							
Supported by Special Assessments							
Special Improvement District - Dam East	2.73%	11/1/2012	2022	1,230,000	1,230,000	270,000	10,000
Total supported by Special Assessments				<u>1,230,000</u>	<u>1,230,000</u>	<u>270,000</u>	<u>10,000</u>
Supported by Capital Impact Fees							
E-470 - Hogan Parkway Note	2.50%	8/9/2018	2028	2,000,000	2,000,000	1,821,343	182,966
Total supported by Capital Impact Fees				<u>2,000,000</u>	<u>2,000,000</u>	<u>1,821,343</u>	<u>182,966</u>
<b>CAPITAL LEASES WITH THIRD PARTY</b>							
Supported by General Fund revenues							
2014B History Museum Expansion	2.560%	12/4/2014	2024	1,383,800	1,383,800	736,375	139,879
2015B Heavy Fleet Equip (Dump Trucks, Misc)	1.676%	8/19/2015	2022	3,182,736	3,182,736	1,400,322	459,038
2016A Heavy Fleet Equip (Dump/Fire Trucks)	1.460%	9/22/2016	2023	2,060,597	2,060,597	1,194,602	292,189
2016B Moorhead Recreation Center	1.250%	8/4/2016	2023	8,643,000	8,643,000	4,938,857	1,234,714
2017A D2 Police Station Phase I and II	2.650%	6/8/2017	2032	10,095,000	10,095,000	9,000,000	590,000
2017C Heavy Fleet Equip (Aerial, Grader)	1.980%	11/8/2017	2024	1,220,000	1,220,000	877,753	168,735
2018A Heavy Fleet Equip (Dump/Fire Trucks)	2.880%	8/9/2018	2025	1,750,000	1,750,000	1,505,173	233,398
2018 Stephen D Hogan Parkway (6th Ave Ext)	3.050%	7/17/2018	2027	19,000,000	19,000,000	16,899,731	1,897,113
2019A Heavy Fleet Equip (Dump/Fire Trucks)	1.768%	12/10/2019	2026	3,883,279	3,883,279	3,883,279	567,007
Unamortized loss on refunding				-	-	(13,856)	-
Total supported by General Fund revenues				<u>51,218,412</u>	<u>51,218,412</u>	<u>40,422,236</u>	<u>5,582,073</u>
<b>INCLUDABLE ENTITIES</b>							
Supported by Lease Payments							
ACLIC certificates of participation	5.00%	12/30/2014	2024	21,775,000	21,775,000	12,725,000	2,300,000
ACLIC certificates of participation	3.50 - 3.75%	5/28/2015	2040	24,340,000	24,340,000	21,715,000	715,000
ACLIC certificates of participation	3.00 - 5.00%	5/2/2017	2042	28,865,000	28,865,000	27,300,000	700,000
ACLIC certificates of participation	3.00 - 5.00%	8/15/2017	2037	27,675,000	27,675,000	25,880,000	945,000
ACLIC certificates of participation	2.00 - 5.00%	10/29/2019	2031	62,935,000	62,935,000	62,935,000	3,760,000
Unamortized premium				-	-	21,169,426	-
Unamortized loss on refunding				-	-	(2,521,926)	-
Total supported by Lease Payments				<u>165,590,000</u>	<u>165,590,000</u>	<u>169,202,500</u>	<u>8,420,000</u>
Supported by Tax Increment revenues							
NBH Capital Finance Note	3.0465 - 3.0774%	8/21/2014	2024	27,750,000	27,750,000	27,315,000	645,000
Total supported by Tax Increment revenues				<u>27,750,000</u>	<u>27,750,000</u>	<u>27,315,000</u>	<u>645,000</u>
Supported by Property Tax Levies							
GO Bonds - Cherry Creek Fence GID	5.25%	12/8/2009	2029	700,000	700,000	435,000	35,000
GO Bonds - Meadow Hills Fence GID	4.99%	9/16/2010	2031	520,000	520,000	340,000	20,000
GO Bonds - Peoria Park Fence GID	5.45%	6/1/2010	2031	375,000	375,000	263,000	16,000
GO Bonds - Pier Point Sewer GID	4.38%	10/31/2011	2031	2,600,000	2,600,000	1,820,000	120,000
GO Bonds - Cobblewood Street Improvement GID	3.27%	10/3/2017	2032	650,000	650,000	327,000	21,000
Total supported by Property Tax Levies				<u>4,845,000</u>	<u>4,845,000</u>	<u>3,185,000</u>	<u>212,000</u>
Total supported by Includable Entities				<u>198,185,000</u>	<u>198,185,000</u>	<u>199,702,500</u>	<u>9,277,000</u>
<b>TOTAL INDEBTEDNESS</b>				<u>\$ 748,558,412</u>	<u>\$ 723,558,412</u>	<u>\$ 715,214,741</u>	<u>\$ 20,212,039</u>

**EXHIBIT B-3  
CITY OF AURORA, COLORADO  
SCHEDULE OF DEBT SERVICE REQUIREMENTS  
DECEMBER 31, 2019**

Year Due	Governmental Activities							
	General Obligation Bonds Supported by GID Revenues		Certificates of Participation Supported by ACLC Revenues		Notes Payable Supported by SID and AURA Revenues, and Capital Impact Fees		Capital Leases Supported by General Fund Revenues	
	3.27-5.45%		2.00-5.00%		2.50-3.0774%*		1.25-3.05%	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 212,000	\$ 144,546	\$ 8,420,000	\$ 7,107,963	\$ 837,966	\$ 899,384	\$ 5,582,073	\$ 951,704
2021	223,000	134,896	9,095,000	6,439,044	912,541	880,131	5,642,336	875,306
2022	235,000	124,722	9,530,000	6,002,594	1,212,229	852,860	5,752,482	748,628
2023	242,000	113,980	9,985,000	5,545,069	1,032,035	817,273	5,382,661	618,945
2024	248,000	102,933	10,385,000	5,145,044	24,551,961	788,375	3,950,526	494,342
2025-2029	1,442,000	332,437	43,765,000	19,193,219	859,611	54,389	11,766,014	1,033,340
2030-2034	583,000	40,155	32,880,000	8,790,169	-	-	2,360,000	105,205
2035-2039	-	-	19,615,000	3,845,518	-	-	-	-
2040-2044	-	-	6,880,000	606,437	-	-	-	-
Total	\$ 3,185,000	\$ 993,669	\$ 150,555,000	\$ 62,675,057	\$ 29,406,343	\$ 4,292,412	\$ 40,436,092	\$ 4,827,470

Year Due	Business-type Activities			
	Revenue Bonds Supported by Water Revenues		Revenue Bonds Supported by Wastewater Revenues	
	1.50-5.00%		1.56-3.035%*	
	Principal	Interest	Principal	Interest
2020	\$ 2,350,000	\$ 18,036,050	\$ 2,810,000	\$ 445,791
2021	4,855,000	18,000,800	3,029,140	398,593
2022	7,565,000	17,758,050	3,074,434	348,770
2023	10,410,000	17,379,800	3,129,889	298,162
2024	10,930,000	16,859,300	3,180,509	246,773
2025-2029	61,335,000	75,923,000	7,163,020	575,900
2030-2034	75,295,000	59,476,400	3,228,008	42,012
2035-2039	94,360,000	39,515,100	-	-
2040-2044	90,375,000	18,393,350	-	-
2045-2046	34,550,000	2,262,600	-	-
Total	\$ 392,025,000	\$ 283,604,450	\$ 25,615,000	\$ 2,356,001

\* 12-month LIBOR rate at December 31, 2019 per Wall Street Journal is 1.99625%.

**EXHIBIT C-1  
CITY OF AURORA, COLORADO  
SUMMARY OF CONTINUING DISCLOSURES BY ISSUE  
DECEMBER 31, 2019:**

<b>REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2019 CERTIFICATES OF PARTICIPATION, SERIES 2014 CERTIFICATES OF PARTICIPATION, SERIES 2015</b>	<b>CERTIFICATES OF PARTICIPATION, SERIES 2017 CERTIFICATES OF PARTICIPATION, SERIES 2017B</b>
<u>Required Disclosure</u>	<u>Location</u>
General Fund Operating History	Exhibits C-2 and C-3
Primary Sources of Revenue to the General Fund	Governmental Funds, Statement of Revenues, Expenditures and Changes in Fund Balances
Sales, Use and Lodgers Tax Receipts	Statistical Section, Exhibit A-4
Assessed and Estimated Actual Value of Taxable Property	Statistical Section, Exhibit A-9
Property Tax Levies and Collections	Statistical Section, Exhibit A-12
Ten Principal Real Property Taxpayers	Statistical Section, Exhibit A-11
Mill Levies of Direct and Primary Overlapping Governments	Statistical Section, Exhibit A-10
Authorized, Issued and Outstanding Debt	Schedule of Indebtedness, Exhibit B-1
Long-term Debt Schedules	Schedule of Debt Service Requirements, Exhibit B-2
Direct and Overlapping General Obligation Debt	Statistical Section, Exhibit A-15
Historical Summary of Debt Ratios	Statistical Section, Exhibit A-13 and A-14
Legal Debt Margin	Statistical Section, Exhibit A-16
<b>FIRST LIEN WATER IMPROVEMENT REVENUE BONDS, SERIES 2016</b>	
<u>Required Disclosure</u>	<u>Location</u>
Water Fund Operating History	Exhibit C-4
Water System Statistics	Exhibit C-5
Maximum Annual Debt Service Coverage	Exhibit C-6
Historical Water Revenue Bond Coverage	Statistical Section, Exhibit A-17
Debt Supported by Water Fund	Schedule of Indebtedness, Exhibit B-1
<b>METRO WASTEWATER RECLAMATION DISTRICT, COLORADO: FEDERALLY TAXABLE SEWER REFUNDING BONDS, SERIES 2019B SEWER REFUNDING BONDS, SERIES 2019A</b>	
<b>SEWER IMPROVEMENT BONDS, SERIES 2012A SEWER IMPROVEMENT BONDS, SERIES 2009A AND 2009B</b>	
The city of Aurora has no obligation related to payment of the Metro Wastewater Reclamation District Bonds. However, as a significant source of Metro Wastewater Reclamation District revenue, the city voluntarily provides the following continuing disclosures:	
<u>Voluntary Disclosure</u>	<u>Location</u>
Wastewater Fund Operating History	Exhibit C-7 and C-8
General Fund Operating History	Exhibits C-2 and C-3
Assessed & Estimated Actual Value of Taxable Property by Class	Exhibit C-9
Historical Summary of Debt Ratios	Statistical Section, Exhibit A-17
Property Tax Levies and Collections	Statistical Section, Exhibit A-12
Assessed and Estimated Actual Value of Taxable Property	Statistical Section, Exhibit A-9

**EXHIBIT C-2**  
**CITY OF AURORA, COLORADO**  
**GENERAL FUND**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE (US GAAP BASIS)**  
**FOR THE YEARS ENDED DECEMBER 31:**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>REVENUES</b>					
Taxes	\$ 263,839,123	\$ 281,772,828	\$ 289,788,882	\$ 310,049,911	\$ 330,565,727
Charges for services	14,596,052	13,137,540	13,938,776	15,209,691	17,828,675
License and permits	3,853,212	3,636,546	3,943,485	4,330,802	4,883,033
Fines and forfeitures	9,286,892	8,315,589	7,784,636	9,107,809	5,945,631
Intergovernmental	15,307,102	18,719,484	15,376,335	14,659,746	16,288,195
Miscellaneous	1,905,016	1,742,998	2,300,697	1,522,474	1,613,765
Investment earnings	895,724	895,946	1,718,134	1,990,253	3,706,550
Total revenues	<u>309,683,121</u>	<u>328,220,931</u>	<u>334,850,945</u>	<u>356,870,686</u>	<u>380,831,576</u>
<b>EXPENDITURES</b>					
<i>Current</i>					
General government	31,320,749	30,428,256	39,006,832	35,356,544	36,034,713
Judicial	9,670,673	10,477,367	11,333,425	11,869,944	12,678,090
Police	95,207,157	99,286,882	105,542,496	110,985,141	117,476,969
Fire	44,388,776	46,353,191	48,813,401	52,426,062	57,321,380
Other public safety	10,736,034	7,614,275	7,388,216	7,680,700	8,296,141
Public works	27,907,578	27,476,501	26,454,286	27,011,238	29,483,523
Economic development	6,298,208	5,773,989	5,439,559	5,954,698	5,825,376
Community services	5,866,440	7,375,572	8,078,762	8,453,400	11,253,825
Culture and recreation	18,043,809	19,953,695	19,979,924	20,053,181	20,994,935
Capital outlay	3,655,967	4,590,941	2,393,378	2,923,008	6,091,622
Total expenditures	<u>253,095,391</u>	<u>259,330,669</u>	<u>274,430,279</u>	<u>282,713,916</u>	<u>305,456,574</u>
Excess of revenues over expenditures	56,587,730	68,890,262	60,420,666	74,156,770	75,375,002
Net other financing uses (a)	<u>(51,591,776)</u>	<u>(68,936,258)</u>	<u>(52,627,293)</u>	<u>(63,220,131)</u>	<u>(65,771,309)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	4,995,954	(45,996)	7,793,373	10,936,639	9,603,693
FUND BALANCES - January 1	<u>89,539,228</u>	<u>94,535,182</u>	<u>94,489,186</u>	<u>102,282,559</u>	<u>113,219,198</u>
FUND BALANCE - December 31	<u>\$ 94,535,182</u>	<u>\$ 94,489,186</u>	<u>\$ 102,282,559</u>	<u>\$ 113,219,198</u>	<u>\$ 122,822,891</u>

(a) Net other financing uses consist primarily of transfers to other funds.

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

	<u>2015</u>	<u>2015</u>	<u>2016</u>	<u>2016</u>	<u>2017</u>	<u>2017</u>	<u>2018</u>	<u>2018</u>	<u>2019</u>	<u>2019</u>
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
<b>SOURCES</b>										
Taxes	\$ 262,599,347	\$ 243,931,980	\$ 278,680,022	\$ 273,968,137	\$ 290,355,473	\$ 276,845,574	\$ 309,669,906	\$ 300,692,737	\$ 327,098,010	\$ 308,785,459
Licenses and permits	3,799,966	3,330,642	3,636,547	3,837,181	3,935,930	4,051,690	4,330,802	3,972,692	4,883,033	4,091,708
Intergovernmental	15,307,102	13,936,269	16,165,584	15,525,757	15,376,335	15,414,324	14,596,813	15,831,427	16,096,759	15,454,495
Charges for services	11,545,481	11,731,668	12,300,999	12,903,339	12,535,421	13,148,683	14,038,577	13,421,271	14,016,676	13,681,474
Fines and forfeitures	5,088,514	6,234,902	4,634,747	6,192,333	4,417,762	5,005,317	5,409,719	4,060,594	4,470,340	4,927,608
Investment income	911,467	868,621	1,023,083	833,115	1,678,026	1,021,012	1,857,368	1,381,853	2,527,350	1,884,694
Other revenues	1,567,379	1,069,038	1,271,032	1,073,424	1,570,551	910,095	1,253,783	1,075,467	1,470,529	1,292,958
Proceeds from sale of assets	347,419	320,000	680,023	259,000	555,963	260,000	252,079	170,000	169,793	—
Transfers in	1,290,173	1,288,286	1,667,007	1,667,007	1,656,124	1,672,925	1,984,105	1,984,105	2,359,008	2,156,909
Funds from restricted assets	—	—	23,653	—	—	—	—	—	—	—
Total sources	<u>302,456,848</u>	<u>282,711,406</u>	<u>320,082,697</u>	<u>316,259,293</u>	<u>332,081,585</u>	<u>318,329,620</u>	<u>353,393,152</u>	<u>342,590,146</u>	<u>373,091,498</u>	<u>352,275,305</u>
<b>USES</b>										
Municipal Court	11,863,554	12,440,569	13,011,094	13,165,833	12,974,865	13,256,682	13,227,783	13,628,752	14,256,605	14,646,609
City Attorney	5,905,348	5,905,352	6,484,598	6,485,501	6,397,241	6,397,241	6,691,767	6,692,547	6,878,367	7,146,897
General Management	4,713,785	4,799,523	5,163,951	5,363,463	5,854,318	5,924,283	5,846,200	5,928,227	6,302,955	6,503,409
Administrative Services	30,019,702	31,426,132	31,621,685	33,792,149	34,732,338	35,661,468	34,990,492	35,608,878	37,074,716	38,483,796
Operations Group	50,652,417	52,015,359	54,628,437	57,137,959	54,093,518	55,188,948	54,645,222	55,758,707	58,747,032	61,708,326
Police/Fire Group	137,386,265	137,352,683	143,002,563	143,617,172	151,599,131	151,599,934	160,943,872	160,945,845	175,862,569	175,862,567
Non-departmental	58,606,001	59,130,162	70,519,369	71,189,946	61,122,454	61,159,333	66,420,139	67,518,472	64,465,604	71,363,873
Total uses	<u>299,147,072</u>	<u>303,069,780</u>	<u>324,431,697</u>	<u>330,752,023</u>	<u>326,773,865</u>	<u>329,187,889</u>	<u>342,765,475</u>	<u>346,081,428</u>	<u>363,587,848</u>	<u>375,715,477</u>
Excess (deficiency) of revenues over (under) expenditures	3,309,776	(20,358,374)	(4,349,000)	(14,492,730)	5,307,720	(10,858,269)	10,627,677	(3,491,282)	9,503,650	(23,440,172)
FUNDS AVAILABLE - January 1	<u>56,128,728</u>	<u>—</u>	<u>59,438,504</u>	<u>59,438,504</u>	<u>55,089,504</u>	<u>55,089,504</u>	<u>60,397,224</u>	<u>60,397,224</u>	<u>71,024,901</u>	<u>71,024,901</u>
FUNDS AVAILABLE - December 31	<u>59,438,504</u>	<u>\$ (20,358,374)</u>	<u>55,089,504</u>	<u>\$ 44,945,774</u>	<u>60,397,224</u>	<u>\$ 44,231,235</u>	<u>71,024,901</u>	<u>\$ 56,905,942</u>	<u>80,528,551</u>	<u>\$ 47,584,729</u>
Committed for Reserves (10% policy)	(24,488,545)		(26,011,886)		(27,692,910)		(28,142,519)		(30,087,656)	
Restricted for Emergencies (TABOR)	(8,323,923)		(474,660)		(928,276)		(1,495,045)		(2,146,979)	
Funds available - after restrictions, and commitments	<u>\$ 26,626,036</u>		<u>\$ 28,602,958</u>		<u>\$ 31,776,038</u>		<u>\$ 41,387,337</u>		<u>\$ 48,293,916</u>	
<b>Reconciliation to GAAP fund balance</b>										
Funds available - December 31	\$ 59,438,504		\$ 55,089,504		\$ 60,397,224		\$ 71,024,901		\$ 80,528,551	
Current year encumbrances	3,430,358		2,584,851		4,860,211		4,003,180		5,510,262	
Inventories	—		—		—		212,096		212,096	
Sales, use and lodgers tax accrual	23,038,147		26,130,953		25,564,362		25,944,366		29,412,084	
Long-term interfund receivables	225,753		78,251		—		—		—	
Assets not available for appropriation	2,140,340		2,129,932		2,143,773		2,166,257		2,210,449	
Adjust investments to fair value	(106,869)		(278,312)		(330,967)		(362,144)		472,828	
Asset held for resale value reassessment	—		—		—		—		(5,511,000)	
Adjust for fund perspective difference	6,368,949		8,754,007		9,647,956		10,230,542		9,987,621	
FUND BALANCE - December 31	<u>\$ 94,535,182</u>		<u>\$ 94,489,186</u>		<u>\$ 102,282,559</u>		<u>\$ 113,219,198</u>		<u>\$ 122,822,891</u>	

**EXHIBIT C-4**  
**CITY OF AURORA, COLORADO**  
**WATER FUND**  
**OPERATING HISTORY**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED DECEMBER 31:**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>OPERATING REVENUES</b>					
<i>Charges for services</i>					
Customers	\$ 102,488,841	\$ 115,044,646	\$ 116,707,437	\$ 123,403,667	\$ 122,094,491
Total operating revenues	<u>102,488,841</u>	<u>115,044,646</u>	<u>116,707,437</u>	<u>123,403,667</u>	<u>122,094,491</u>
<b>OPERATING EXPENSES</b>					
Cost of sales and services	50,393,700	52,871,359	55,326,527	61,198,052	61,387,582
Administrative expenses	2,961,771	3,463,181	2,910,957	3,558,923	3,047,901
Depreciation	29,472,592	30,024,405	31,255,482	31,385,685	32,221,914
Total operating expenses	<u>82,828,063</u>	<u>86,358,945</u>	<u>89,492,966</u>	<u>96,142,660</u>	<u>96,657,397</u>
Operating income	<u>19,660,778</u>	<u>28,685,701</u>	<u>27,214,471</u>	<u>27,261,007</u>	<u>25,437,094</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income	3,202,708	1,906,106	1,377,681	4,016,839	7,204,507
Intergovernmental revenue	653,591	32,375	7,059	92,941	552,504
Miscellaneous revenue	431,871	372,527	105,619	2,648,700	1,564,040
Interest expense	(22,652,684)	(18,857,258)	(15,873,633)	(18,944,894)	(18,266,610)
Bond issuance expense	—	(2,550,621)	—	—	—
Amortization expense	375,461	1,078,743	2,107,939	2,150,058	2,063,730
Gain (loss) - disposal capital assets	26,070	(433,081)	(3,797,984)	(1,324,384)	37,892
Gain (loss) - early extinguishment of debt	117,614	—	—	—	6,502,663
Gain (loss) - joint venture	32,742	(24,891)	(30,073)	(36,038)	(21,879)
Net non-operating expenses	<u>(17,812,627)</u>	<u>(18,476,100)</u>	<u>(16,103,392)</u>	<u>(11,396,778)</u>	<u>(363,153)</u>
NET INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,848,151	10,209,601	11,111,079	15,864,229	25,073,941
Capital contributions	32,335,016	64,967,312	52,554,562	59,721,658	64,575,661
Transfers In	—	50,000	—	(50,098)	500,000
INCREASE IN NET POSITION	<u>34,183,167</u>	<u>75,226,913</u>	<u>63,665,641</u>	<u>75,535,789</u>	<u>90,149,602</u>
NET POSITION - January 1, as previously reported	1,160,979,875	1,195,006,170	1,270,233,083	1,333,898,724	1,407,965,616
Adjustment for change in accounting principle	<u>(156,872)</u>	<u>—</u>	<u>—</u>	<u>(1,468,897)</u>	<u>—</u>
NET POSITION - January 1, as restated	<u>1,160,823,003</u>	<u>1,195,006,170</u>	<u>1,270,233,083</u>	<u>1,332,429,827</u>	<u>1,407,965,616</u>
NET POSITION - December 31	<u>\$ 1,195,006,170</u>	<u>\$ 1,270,233,083</u>	<u>\$ 1,333,898,724</u>	<u>\$ 1,407,965,616</u>	<u>\$ 1,498,115,218</u>

**EXHIBIT C-4**  
**CITY OF AURORA, COLORADO**  
**WATER FUND**  
**OPERATING HISTORY**  
**SCHEDULE OF SOURCES, USES, AND CHANGES IN FUNDS AVAILABLE (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEARS ENDED DECEMBER 31:**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>SOURCES</b>					
Charges for services	\$ 102,351,506	\$ 114,913,654	\$ 116,363,036	\$ 123,039,021	\$ 121,710,529
Intergovernmental	2,748,403	20,937	237,585	51,264	679,716
Licenses and permits	134,042	128,490	342,916	363,254	382,761
Fines and forfeitures	3,293	2,502	1,486	1,393	1,201
Investment income	3,363,669	2,773,919	1,927,787	3,865,938	4,691,000
Miscellaneous revenues	25,284,973	39,167,995	38,826,672	49,127,429	44,288,039
Proceeds from sale of assets	187,413	105,758	63,536	201,115	43,404
Proceeds from long-term borrowings	—	517,847,922	—	—	—
Transfers in	—	50,000	—	—	500,000
Funds from restricted assets	—	37,830,158	—	374,749	—
Total sources	<u>134,073,299</u>	<u>712,841,335</u>	<u>157,763,018</u>	<u>177,024,163</u>	<u>172,296,650</u>
<b>USES</b>					
<b>Operating Costs</b>					
Operations group	109,933,290	636,062,953	77,848,713	99,996,713	125,847,068
<b>Continuing Appropriations</b>					
Operations group	<u>35,765,778</u>	<u>62,219,271</u>	<u>63,015,632</u>	<u>81,643,772</u>	<u>75,746,737</u>
Total uses	<u>145,699,068</u>	<u>698,282,224</u>	<u>140,864,345</u>	<u>181,640,485</u>	<u>201,593,805</u>
Change in funds available	(11,625,769)	14,559,111	16,898,673	(4,616,322)	(29,297,155)
FUNDS AVAILABLE - January 1	<u>68,646,670</u>	<u>57,020,901</u>	<u>71,580,012</u>	<u>88,478,685</u>	<u>83,862,363</u>
FUNDS AVAILABLE - December 31	<u>\$ 57,020,901</u>	<u>\$ 71,580,012</u>	<u>\$ 88,478,685</u>	<u>\$ 83,862,363</u>	<u>\$ 54,565,208</u>

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

**Water Usage and Billed Revenues by Classification**

Classification	Consumption (thousand gallons)	Percent of Consumption	Billed Revenue	Percent of Billed Revenue
<b>Treated Water</b>				
Residential	6,518,585	40%	\$ 49,148,845	43%
Multi-Family	3,614,770	22%	22,425,464	20%
Commercial	3,540,547	21%	22,057,160	20%
Irrigation	1,415,106	9%	10,716,531	10%
WISE	1,125,175	7%	5,403,066	5%
Hydrant Meters	180,428	1%	1,864,169	2%
<b>Total</b>	<b>16,394,611</b>	<b>100%</b>	<b>\$ 111,615,235</b>	<b>100%</b>
<b>Non-Potable (a)</b>				
Raw	607,898	51%	\$ 2,015,061	73%
Tertiary	382,232	32%	508,088	18%
Well Water/LIRF	203,794	17%	248,293	9%
<b>Total</b>	<b>1,193,924</b>	<b>100%</b>	<b>\$ 2,771,442</b>	<b>100%</b>

(a) Includes non potable customers billed through utility billing system.

**Water System Annual Billed Revenues and Cash Collection (b)**

Classification	2015	2016	2017	2018	2019
Billed revenues	\$ 97,966,627	\$ 107,370,630	\$ 110,280,119	\$ 118,671,115	\$ 117,410,549
Cash collected during year for current and prior year's sales	98,161,298	107,236,053	109,335,836	119,667,342	118,887,060
Percentage of billed revenues collected	100.2%	99.9%	99.1%	100.8%	101.3%

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

**Customers by Class (c)**

Classification	2015	2016	2017	2018(d)	2019
Single Family Residential	75,009	76,176	77,643	78,280	79,614
Multi-Family (2+units)	2,470	2,478	2,470	3,575	3,636
Commercial	2,983	3,006	3,052	3,085	3,124
Irrigation	1,098	1,122	1,177	1,213	1,261
<b>Total</b>	<b>81,560</b>	<b>82,782</b>	<b>84,342</b>	<b>86,153</b>	<b>87,635</b>

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

(d) In 2018 the definition of residential class changed to include only single family residential dwellings. Any residential dwelling with 2 or more units is classified as Multi-Family. 2014 - 2017 reflect previous definition of customer classes.

**Aurora Water Rates History and Average Annual Water Bill**

Single Family Residential	2015	2016	2017	2018	2019
Base charge	\$ 12.06	\$ 12.06	\$ 12.44	\$ 12.44	\$ 12.81
Rates per 1,000 gallons	Tiered Structure				
Average annual bill	\$ 587.40	\$ 625.32	\$ 625.82	\$ 629.48	\$ 617.34

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

The following table sets forth the ten largest consumers of the Water System, which, in aggregate, accounted for 9.9% of the total billed metered treated water sales in 2019.

**Ten Largest Treated Water Customers of Water System - 2019**

Customer	Consumption (a)	Percent of Top Ten Consumption	Billed Revenues	Percent of Top Ten Billed Revenues
City of Aurora	354,620	20%	\$ 2,641,806	23%
University of Colorado Denver	278,927	16%	1,715,519	15%
Aurora Public Schools	254,148	15%	1,606,751	14%
Cherry Creek Schools	189,741	11%	1,190,858	11%
Niagara Bottling LLC	162,780	9%	959,372	9%
Gaylord Rockies Resort	147,351	8%	720,302	7%
Buckley Air Force Base	139,291	8%	829,353	8%
Heather Gardens HOA	101,138	6%	619,682	6%
LIT Gateway Portfolio LLC	65,542	4%	331,745	3%
Tallyn's Reach Metro District	57,344	3%	418,009	4%
Total	<u>1,750,882</u>	<u>100%</u>	<u>\$ 11,033,397</u>	<u>100%</u>

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

**Monthly Service Charge (b)**

Meter Size	2015	2016	2017	2018	2019
5/8" & 3/4"	\$ 12.06	\$ 12.06	\$ 12.44	\$ 12.44	\$ 12.81
1" & 1 1/4"	17.77	17.77	19.02	19.02	19.59
1 1/2"	27.31	27.31	30.00	30.00	30.90
2"	38.74	38.74	43.17	43.17	44.47
3"	69.23	69.23	78.29	78.29	80.64
4"	103.53	103.53	117.80	117.80	121.33
6"	198.81	198.81	227.55	227.55	234.38
8"	465.60	465.60	465.60	465.60	479.57

(b) Monthly fee equals the Monthly Service Charge (based on meter size) plus a charge per 1,000 gallons used

**Average Daily and Peak Day Demand**

In Millions of Gallons	2015	2016	2017	2018	2019
Average Daily Water Treatment Plant Influent	42.3	45.6	44.6	49.6	47.8
Average Daily Distribution	41.5	44.9	44.1	46.9	44.4
Peak Hour Distribution	126.0	138.2	130.7	143.8	144.2
Peak Day Water Treatment Plant Influent	87.0	89.3	90.7	99.5	95.3
Peak Day Distribution	83.0	87.8	89.9	90.9	90.4

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

**Water Service Connection Fee**

<b>Type and Size of Connection</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Single Family Attached (per unit)</b>	\$ 8,814	\$ 8,814	\$ 9,320	\$ 9,320	\$ 9,760
<b>Multi-Family (per unit)</b>	\$ 8,814	\$ 8,814	\$ 9,320	\$ 9,320	\$ 9,760
<b>Commercial</b>					
5/8" & 3/4"	\$ 20,043	\$ 20,043	\$ 21,194	\$ 21,194	\$ 22,195
1"	35,876	35,876	37,937	37,937	39,729
1 1/2"	78,767	78,767	83,292	83,292	87,227
2"	143,104	143,104	151,324	151,324	(b)
3" to 8" (a)	(a)	(a)	(a)	(a)	(a)
<b>Single Family Detached</b>					
Indoor Use:					
1-2 bathrooms	\$ 5,509	\$ 5,509	\$ 5,825	\$ 5,825	\$ 6,100
3-4 bathrooms	8,901	8,901	9,412	9,412	9,857
5+ bathrooms	15,425	15,425	16,311	16,311	17,082
Outdoor Use (Single Family Residential Detached and Single Family Residential Attached-Fee Simple Lots)					
Per Square Foot of Lot Size	0.941	0.941	0.995	0.995	1.042
<b>Irrigation:</b>					
Non-water Conserving (per square foot of landscaped area)	2.75	2.75	2.91	2.91	3.05
Water Conserving (per square foot of landscaped area)	1.47	1.47	1.56	1.56	1.63

(a) Commercial Water Connection fees for meters greater than 2" will be determined on an individual basis and are based on the estimated daily volume of water and assessed at \$63.62 per gallon per day. Consumption beyond initial allocation may be addressed through monthly bill or payment of additional connection fees.

(b) Starting January 2019 2" meters were determined on an individual basis.

**Tap and Development Fee Revenues**

<b>Year</b>	<b>Tap Fee Revenues</b>	<b>Development Fee Revenue</b>	<b>Total Tap and Development Fees</b>
2015	\$ 24,492,259	\$ 100,977	\$ 24,593,236
2016	38,307,283	168,897	38,476,180
2017	38,475,253	194,473	38,669,726
2018	46,086,605	153,557	46,240,162
2019	37,700,200	137,883	37,838,083

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

**Tiered Usage Rates**

Type of Account	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Residential/ Multifamily (less than 5 units)					
Tier 1- (0-20,000 gals)	\$ 5.27	\$ 5.27	\$ 5.44	\$ 5.44	\$ 5.63
Tier 2- (20,001-40,000 gals)	6.00	6.00	6.19	6.19	6.41
Tier 3- (40,001 gals and above)	7.50	7.50	7.74	7.74	8.01
Multifamily (five or more units)					
Tier 1- (up to 100% allocation)	5.60	5.60	5.71	5.71	5.80
Tier 2- (greater than 100%)	6.16	6.16	6.28	6.28	6.38
Commercial					
Tier 1- (up to 100% allocation)	5.67	5.67	5.78	5.78	5.87
Tier 2- (greater than 100%)	6.24	6.24	6.35	6.36	6.46
Irrigation					
Tier 1- (up to 100% allocation)	6.48	6.48	6.77	6.77	7.21
Tier 2- (greater than 100%)	7.13	7.13	7.45	7.45	7.93

Rates for multifamily, commercial and irrigation customers are based on the Annual Block Allocation amounts which are the individualized annual water budgets allocated to each customer for use in each calendar year.

**EXHIBIT C-6**  
**CITY OF AURORA, COLORADO**  
**WATER FUND**  
**MAXIMUM ANNUAL DEBT SERVICE COVERAGE**  
**FOR THE YEARS ENDED DECEMBER 31:**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net Pledged Revenue					
Charges for Services	\$102,488,841	\$115,044,646	\$116,707,437	\$123,403,667	\$122,094,491
Development Fee (a)	26,671,937	38,518,353	38,807,311	46,291,426	38,445,646
Other Non-Operating Revenue (b)	4,636,544	3,284,579	2,104,001	6,808,694	6,850,948
(Less) Operating Expense	(82,828,063)	(86,358,945)	(89,492,966)	(96,142,660)	(96,657,397)
Add: Depreciation	29,472,592	30,024,405	31,255,482	31,385,685	32,221,914
Total	<u>\$80,441,851</u>	<u>\$100,513,038</u>	<u>\$99,381,264</u>	<u>\$111,746,812</u>	<u>\$102,955,602</u>
Maximum Annual Debt Service					
First-Lien Revenue Obligations (c)	\$38,251,750	\$28,802,800	\$28,802,800	\$28,802,800	\$27,790,300
All Obligations Secured by Net Pledged Revenue (d)	42,667,627	28,802,800	28,802,800	28,802,800	27,790,300
Coverage					
First-Lien Revenue Obligations	2.10	3.49	3.45	3.88	3.70
Combined First-Lien Revenue Obligations and All Obligations Secured by Net Pledged Revenues	1.89	3.49	3.45	3.88	3.70

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

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

(c) From 2012 to 2014, first lien maximum annual debt service would have occurred in 2033 and included the city's portion of 2005D (CWR&PDA) and the city's First Lien Water Improvement Revenue Bonds Series 2007A and 2008A. In 2015, the 2005D bonds were fully defeased and as a result, maximum annual debt service decreased and would occur in 2032. In 2016, the Series 2007A and 2008A bonds were defeased with proceeds from the Series 2016 First Lien Revenue Bonds. From 2016 to 2018, the maximum annual debt service would have occurred in 2025 at \$28.8 million. As of 2019, a \$45 million prepayment was made resulting in a decrease to the maximum annual debt service. As of 2019, the maximum annual first lien debt service is approximately \$27.8 million beginning in year 2023 and remains \$27 million through year 2031. Debt services decreases to \$26.7 in years 2032 to 2041 and \$18 million in years 2042 to 2046.

(d) Includes 2007 CWCB note and other water rights notes payable. From 2012 to 2014, maximum annual debt service would have occurred in 2033. In 2015, the 2005D bonds were fully defeased and as a result, maximum annual debt service decreased and would occur in 2032. In 2016, the CWCB note was paid in full with proceeds from the Series 2016 First Lien Revenue Bonds. In 2019, a \$45 million prepayment was made on the Series 2016 First Lien Revenue Bonds.

**EXHIBIT C-7**  
**CITY OF AURORA, COLORADO**  
**OPERATING HISTORY**  
**WASTEWATER FUND**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED DECEMBER 31:**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>OPERATING REVENUES</b>					
Charges for services	\$ 57,664,236	\$ 61,010,961	\$ 64,039,032	\$ 67,385,881	\$ 69,555,133
Total operating revenues	<u>57,664,236</u>	<u>61,010,961</u>	<u>64,039,032</u>	<u>67,385,881</u>	<u>69,555,133</u>
<b>OPERATING EXPENSES</b>					
Cost of sales and services	44,953,375	46,201,755	49,632,079	50,330,286	51,048,471
Administrative expenses	1,064,355	1,188,042	1,392,186	1,432,561	1,477,126
Depreciation	10,133,859	10,848,883	11,696,684	12,558,089	13,268,985
Total operating expenses	<u>56,151,589</u>	<u>58,238,680</u>	<u>62,720,949</u>	<u>64,320,936</u>	<u>65,794,582</u>
Operating income	<u>1,512,647</u>	<u>2,772,281</u>	<u>1,318,083</u>	<u>3,064,945</u>	<u>3,760,551</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income	912,735	775,011	828,282	1,116,554	2,791,095
Intergovernmental revenue	2,131,543	—	—	—	55,077
Miscellaneous revenue	71,244	126,852	23,201	22,240	39,609
Interest expense	(602,477)	—	(230,078)	(394,717)	(844,342)
Bond issuance expense	—	(67,731)	—	—	—
Amortization expense	29,655	31,297	48,644	47,558	47,558
Gain (loss) - disposal capital assets	107,659	104,035	(3,731,753)	(4,072)	147,193
Net non-operating revenues (expenses)	<u>2,650,359</u>	<u>969,464</u>	<u>(3,061,704)</u>	<u>787,563</u>	<u>2,236,190</u>
<b>NET INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	4,163,006	3,741,745	(1,743,621)	3,852,508	5,996,741
Capital contributions	12,203,329	36,928,988	22,041,122	31,716,001	29,653,554
Transfers out	—	—	(100,000)	(33,399)	—
<b>INCREASE IN NET POSITION</b>	<u>16,366,335</u>	<u>40,670,733</u>	<u>20,197,501</u>	<u>35,535,110</u>	<u>35,650,295</u>
NET POSITION - January 1, as previously reported	490,184,991	506,478,286	547,149,019	567,346,520	602,171,554
Adjustment for accounting changes	(73,040)	—	—	(710,076)	—
NET POSITION - January 1, as restated	<u>490,111,951</u>	<u>506,478,286</u>	<u>547,149,019</u>	<u>566,636,444</u>	<u>602,171,554</u>
NET POSITION - December 31	<u>\$ 506,478,286</u>	<u>\$ 547,149,019</u>	<u>\$ 567,346,520</u>	<u>\$ 602,171,554</u>	<u>\$ 637,821,849</u>

## EXHIBIT C-7

## CITY OF AURORA, COLORADO

## OPERATING HISTORY

## WASTEWATER FUND

## SCHEDULE OF SOURCES, USES, AND CHANGES IN FUNDS AVAILABLE (NON-GAAP BUDGETARY BASIS)

## FOR THE YEARS ENDED DECEMBER 31:

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>SOURCES</b>					
Charges for services	\$ 57,598,847	\$ 60,936,669	\$ 63,636,075	\$ 66,768,676	\$ 68,917,395
Intergovernmental revenues	1,122,929	1,002,393	960,207	319,920	1,081,077
Investment income	999,766	953,522	936,014	1,092,907	1,693,205
Other revenues	5,092,160	6,969,944	6,926,692	12,975,304	8,252,462
Proceeds from sale of assets	107,659	104,035	46,045	47,025	147,193
Proceeds from long-term borrowings	—	28,900,000	—	30,000,000	—
Funds from restricted assets	—	3,995,645	—	—	—
Transfers In	—	—	—	16,000,000	—
Total sources	<u>64,921,361</u>	<u>102,862,208</u>	<u>72,505,033</u>	<u>127,203,832</u>	<u>80,091,332</u>
<b>USES</b>					
<b>Operating Costs</b>					
Operations group	47,970,872	80,257,440	53,045,536	54,506,952	56,755,020
<b>Continuing Appropriations</b>					
Operations group	<u>6,167,471</u>	<u>22,824,952</u>	<u>30,379,073</u>	<u>72,634,160</u>	<u>10,066,112</u>
Total uses	<u>54,138,343</u>	<u>103,082,392</u>	<u>83,424,609</u>	<u>127,141,112</u>	<u>66,821,132</u>
Change in funds available	10,783,018	(220,184)	(10,919,576)	62,720	13,270,200
FUNDS AVAILABLE - January 1	<u>14,609,274</u>	<u>25,392,292</u>	<u>25,172,108</u>	<u>14,252,532</u>	<u>14,315,252</u>
FUNDS AVAILABLE- December 31	<u>\$ 25,392,292</u>	<u>\$ 25,172,108</u>	<u>\$ 14,252,532</u>	<u>\$ 14,315,252</u>	<u>\$ 27,585,452</u>

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

**Sanitary Sewer Usage and Revenues by Classification**

<b>Classification</b>	<b>Percent of Consumption</b>	<b>Percent of Revenue</b>
Business	23%	22%
Residential	77%	78%
<b>Totals</b>	<b>100%</b>	<b>100%</b>

**Customers by Class**

<b>Classification</b>	<b>2015</b>	<b>2016 (a)</b>	<b>2017</b>	<b>2018 (b)</b>	<b>2019</b>
Residential (1-4 units)	75,039	76,136	77,524	78,273	79,609
Multi-Family (5+ units)	2,468	2,502	2,535	3,655	3,713
Commercial	2,935	2,974	3,040	3,052	3,091
<b>Total</b>	<b>80,442</b>	<b>81,612</b>	<b>83,099</b>	<b>84,980</b>	<b>86,413</b>

(a) Prior to 2016, all sewer only accounts were added to the Residential customer class. In 2016, these accounts were allocated between Residential, Multi-Family or Commercial customer class accordingly.

(b) In 2018 the definition of residential class changed to include only single family residential dwellings. Any residential dwelling with 2 or more units is classified as Multi-Family.

**Ten Largest Customers of the Sanitary Sewer System**

<b>Customer (c)</b>	<b>Billed Revenues</b>
University of Colorado Denver	\$ 595,926
Niagara Bottling LLC	553,983
Buckley Air Force Base	291,536
Heather Gardens HOA	275,338
Gaylord Rockies Resort	200,840
Aurora Public Schools	193,551
City of Aurora	171,019
Children's Hospital Colorado	149,051
Aurora Owner LLC	145,261
Landings at Buckley	145,075
<b>Total</b>	<b>\$ 2,721,580</b>

(c) These ten customers accounted for 6.7% of the total billed sanitary sewer sales in 2019.

**Sanitary Sewer Monthly Service Charge by Tap Size (d)**

<b>Tap Size</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
5/8" and 3/4"	\$ 3.66	\$ 3.81	\$ 3.81	\$ 3.96	\$ 4.12
1" & 1 1/4"	8.69	9.53	9.53	9.90	10.30
1 1/2"	18.27	19.05	19.05	19.80	20.60
2"	29.21	30.48	30.48	31.72	32.96
3"	63.98	66.68	66.68	69.34	72.10
4"	182.84	190.50	190.50	198.00	206.00
6"	365.71	381.00	381.00	396.00	412.00
Volume Charge per 1,000 gallons (e)	\$ 3.36	\$ 3.50	\$ 3.50	\$ 3.64	\$ 3.79

(d) The total monthly fee includes the monthly service charge plus the volume charge.

(e) Sewer usage is based on the average water use for December, January and February.

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

**Sanitary Sewer Tap Fees by Service Size**

<u>Customer</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Single Family Detached (per unit)	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,700	\$ 2,860
Single Family Attached (per unit)	1,320	1,320	1,320	1,485	1,573
Multi-family (per unit)	1,224	1,224	1,224	1,377	1,459
Commercial (per tap size):					
<sup>3</sup> / <sub>4</sub>	4,560	4,560	4,560	5,400	5,720
1" & 1 <sup>1</sup> / <sub>4</sub> "	10,800	10,800	10,800	12,960	13,728
1 1/2"	26,400	26,400	26,400	29,700	31,460
2	48,000	48,000	48,000	54,000	57,200
3	100,800	100,800	100,800	116,100	122,980
4	182,400	182,400	182,400	232,200	245,960
6 and larger	(a)	(a)	(a)	(a)	(a)

(a) Commercial sanitary sewer fees for meters 6 inch and greater are determined on an individual basis.

**Sanitary Sewer Connection Fee Revenues**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Sanitary Sewer Tap Fees</b>	\$ 4,180,531	\$ 5,184,196	\$ 5,162,741	\$ 8,667,365	\$ 6,242,461

**Storm Drain Rates and Charges (b)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Stormwater Development Fee (Per Acre)	\$ 2,818	\$ 2,818	\$ 2,903	\$ 3,250	\$ 1,242
Residential (c)	8	9	10	10	10
Multifamily 1st Unit (d)	8	9	10	10	10
Additional unit (d)	6	7	8	8	8
Commercial 1st Unit (e)	8	9	10	10	10
Additional Unit (e)	6	7	8	8	8

(b) The city imposes storm drainage fees upon the owners of property served by the System's storm sewer facilities. In addition, developers are charged a \$1,242 per acre storm drainage development fee at the time of subdivision platting and \$0.14 per square feet of impervious area for commercial and multi-family customers. The storm drainage fee is \$10.46 per month for single family detached and individually metered single family attached dwellings. The storm drainage fee is \$10.46 per month for the first multifamily unit and master metered single family attached dwellings plus \$8.24 per month for each additional multifamily unit. For commercial and industrial building, the storm drainage fee is \$10.46 per month for the first 2,500 square feet of gross floor space plus \$8.24 for each additional 2,500 square feet of gross floor space or portion thereof.

(c) Includes single family detached and individually metered single family attached dwellings.

(d) Multifamily units are equal to the number of total dwellings units

(e) For commercial and industrial building, Each unit is equal to 2,500 square feet of gross floor space or portion thereof.

**EXHIBIT C-9**  
**CITY OF AURORA, COLORADO**  
**GENERAL FUND**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY BY CLASS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>Class</b>	<b>Assessed Valuation Adams</b>	<b>Assessed Valuation Douglas</b>	<b>Assessed Valuation Arapahoe</b>	<b>Total Assessed Valuation</b>	<b>Percent of Total Assessed Valuation</b>
Residential	\$ 230,488,450	\$ 32,499,890	\$ 2,666,924,957	\$ 2,929,913,297	54.9%
Commercial	552,217,220	-	1,001,392,073	1,553,609,293	29.2%
Personal Property	206,134,620	301,390	259,304,715	465,740,725	8.8%
State Assessed	2,549,030	100	10,676,530	13,225,660	0.2%
Vacant	47,989,260	15,508,890	120,119,127	183,617,277	3.3%
Industrial	103,327,700	-	799,981	104,127,681	2.0%
Agricultural	1,580,450	6,100	1,590,503	3,177,053	0.1%
Oil and Gas	31,024,110	-	44,879,047	75,903,157	1.4%
Natural Resources	1,670	1,110	32,812	35,592	0.1%
<b>Total</b>	<b>\$ 1,175,312,510</b>	<b>\$ 48,317,480</b>	<b>\$ 4,105,719,745</b>	<b>\$ 5,329,349,735</b>	<b>100.00%</b>

Total assessed valuation excludes various tax increment financing districts located within the City of Aurora.

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## **AuroraGov.Org**

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