



City of Aurora

# 2022

Annual Comprehensive  
Financial Report

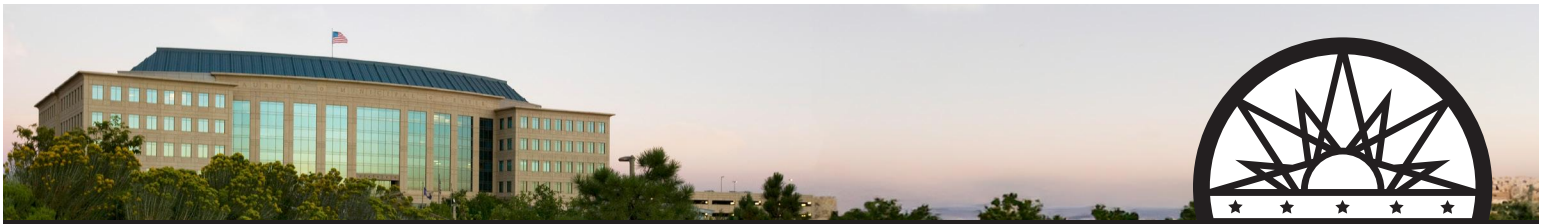
**For the Year Ended  
December 31, 2022**

Prepared by the  
Controller's Office



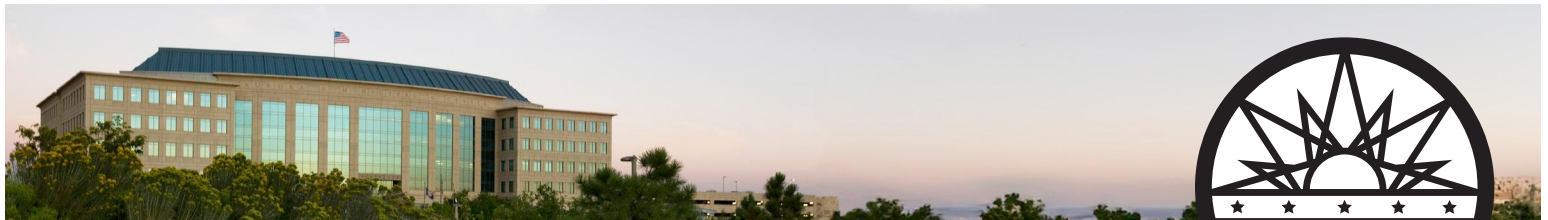
## Aurora, Colorado

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 2022 of 398,018 approximately 13.3% of the metro area's population.



**City of Aurora, Colorado for the Year Ended  
December 31, 2022**

**Annual Comprehensive  
Financial Report**



## Prepared by the Controller's Office

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# City of Aurora, Colorado

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2022 ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

## INTRODUCTORY SECTION

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Aurora, Colorado 80012  
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June 30, 2023

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

We submit, for your information and review, the Annual Comprehensive Financial Report (Financial Report) of the City of Aurora, Colorado (the city), for the year ended December 31, 2022.

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, 2022, are free of material misstatement. The independent auditors, FORVIS, 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, 2022 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 Financial Report.

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 in the ten county Denver-Aurora-Lakewood metropolitan statistical area. The metropolitan area is the economic center of the State of Colorado. With an estimated population of 398,018 in 2022, Aurora is the third largest city in Colorado and the 51<sup>st</sup> largest in the country. The city covers 163.2 square miles in Adams, Arapahoe and Douglas Counties, the second largest city area in the State. With 100.2 square miles of developed land, including parks and open space, and 63.0 square miles of undeveloped land, the city has room to grow. The city provides general government services including police, fire and other public safety services, public works, water and wastewater service, parks and recreation facilities including golf courses, libraries, cultural events, planning and development services as well as housing and community services.

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 their respective

operations, 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.

For 2022, General Fund revenue, net of transfers, increased 8.9% on a budgetary basis (10.7% per GAAP basis), above the growth experienced in 2021 as the city continued to experience economic expansion. The combination of sales and use tax is the most significant source of revenue, generating 70.2% 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 9.8% of the total General Fund budgetary and 9.5% of GAAP revenues, net of transfers in 2022.

As noted above, sales and use tax as well as city fees are exempt from the TABOR revenue limits; however, the city's property tax revenues are not exempt from the TABOR limits. As a result of strong growth in property values, the city's property tax revenue exceeded the TABOR limit in 2020, 2021 and 2022, \$2.9 million, \$3.2 million and \$4.9 million respectively. To refund these overages, the city enacted a temporary property tax reduction in 2021, 2022 and 2023 which reduced the mill levy to compensate for each year's overage. Given the projection that property tax revenues will continue to grow at a pace that exceeds what is allowed by the TABOR limit, the city will likely need to continue using the temporary property tax reduction in future years property tax certifications. The city budget estimates future property tax revenues at the projected TABOR limit amounts.

Recent revenue growth has allowed the city to begin addressing some of the significant competing priorities that need to be addressed; however, concerns related to inflation and the possibility of an economic recession, worker shortages, supply chain disruptions, COVID-19 variants and the war in Ukraine have the potential to significantly impact the city's future plans. Of particular concern is the extent to which inflation will continue to rise and its ultimate bottom line effect in decreasing the city's purchasing power due to increased prices for goods and services especially as it relates to construction and maintenance projects; this is especially impactful on significant projects like the I-70/Picadilly Interchange Project.

Several decisions have been made by City Council in 2022 which will affect the General Fund and the ability to balance into the future, both positive and negative. One positive decision was to strengthen funds available set aside specifically for a possible recession from 3 percent to 5 percent. This was accomplished due to better revenue generation in 2022. This recession set aside would have been enough to get the city through two of the last three recessions. This direction was requested in the fourth quarter of 2022.

One decision with a negative budgetary impact is the elimination of an existing tax stream known as Occupational Privilege Tax (OPT). This is a \$2 per employer and \$2 per employee tax collected monthly. The elimination of this tax, which goes into effect in 2025, will result in the elimination of approximately \$6.1 million annually. By 2025, the budget will be adjusted accordingly to cover this decrease in revenue.

The city anticipates future budget challenges as expenditures (at current service levels) are projected to outpace revenues. In light of these challenges, the city continues to examine options that increase revenues and decrease expenditures. The city will continue to adjust revenues and/or expenditures to maintain a balanced budget.

As part of the city's continuing self-examination of fees and services, updated capital impact fees were approved by the City Council in 2019 with a three year phase-in that began 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 while maintaining levels of service. In 2022, the first year of fully phased in fees, capital impact fees collected were \$17.4 million. The city projects to collect \$17.7 million in 2023. Given the city's conservative approach to budgeting coupled with the uncertainties of the

current economic environment, the fees are estimated to remain at \$17.7 million throughout the city's five-year plan.

### **COVID-19**

While COVID-19 variants continue to be a concern, the pandemic provided the city with an opportunity to evaluate and elevate its business processes to achieve long-term efficiencies in providing services. A significant increase in teleworking occurred that is expected to continue even after the pandemic is over. In addition, more robust online services continue to be put in place to be able to fulfill customer needs remotely. The city regularly assesses city operations and will continue to make improvements to not only ensure the safety of the community and city staff but to continue to improve operations.

On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) was signed into law and provided additional funding to state, local and tribal governments to aid in the recovery from the budgetary, economic and financial impacts of the pandemic. As part of this legislation, the city will receive a total of \$65.4 million. The city plans to utilize the funding to enhance services provided to residents impacted by COVID-19 and to fund a variety of transformational projects that will have a long-lasting impact on city residents. In addition, \$4.1 million in HOME Investment Partnership program funding was received to address affordable housing and homelessness support related activities.

### **GROWTH AND DEVELOPMENT**

While the city has seen a strong recovery from the impacts of COVID-19, slowing economic growth in combination with high inflation contributes to a more muted revenue projection than seen in recent years. While 2022 was another year of moderate increases in operating revenues, the city anticipates a slowing General Fund operating revenue growth (not including building materials use tax which typically is used for capital purposes) for its 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.

With its business-friendly environment, available land and strong infrastructure, the city continues to attract development and growth in all sectors. Development activity remained strong in 2022. Major commercial and residential projects, including several mixed-use developments, were completed in 2022 with others under construction. Recent notable projects include Montview Plaza Redevelopment, Sun Empire, Aurora Crossroads, Metro Center, and Stanley Residential. Master plans continue to see development for the area surrounding the Gaylord Rockies Resort and Convention Center and along the E-470 corridor south of Denver International Airport (DIA). Painted Prairie, Highpoint, Green Valley Ranch East, Windler Homestead, Aurora One and Horizon Uptown are among the active projects in this area. These projects encompass a range of developments including single-family homes, townhomes, retail, multi-family, hotels, senior living facilities as well as parks and open space.

Several large commercial/industrial development plans were approved and will be under construction in 2023 including Hyde/Highpoint, Sun Empire, Majestic Commerce Center, Porteos, Stafford Logistics Center and JAG Logistics Center. Notable commercial/industrial users include Shamrock Foods, Amazon, Subaru and Kroger. The city foresees continuous growth of the commercial/industrial sector in 2023.

Another major ongoing project is The Aurora Highlands, a 5,000-acre master planned community southwest of 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 full build out.

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, 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.

Colorado voters approved legalization of marijuana in 2012 and, in 2014, Aurora citizens passed an additional 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 the city, 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 and, in 2020, City Council approved an additional 1.0% increase to support community service agencies and programs related to youth violence prevention. In 2021, the City Council approved retail marijuana delivery in the city; the ordinance provides that for the first 36 months only, social equity licensees can apply for a transporter license/delivery permit with a 75% discount on fees. City Council approved a maximum of 24 store licenses with four in each City Council Ward. As of December 31, 2022, 24 stores, 16 cultivations and 15 marijuana-infused product manufacturers were open and operating within the city; this includes four medical marijuana cultivations and six medical product manufacturing facilities.

In 2022, the city received \$13.7 million in marijuana tax revenue, a decrease from \$16.1 million collected in 2021; projected revenues for 2023 are \$14.9 million. 2022 marks the first decline in marijuana revenue collections since its inception. Revenues increased significantly during the pandemic due to federal stimulus efforts and closure of entertainment options. Now, with pandemic restrictions being lifted, inflation impacting discretionary spending and wholesale prices declining, the revenues collected by the city are decreasing. Revenues received from marijuana sales fund the construction of new recreation facilities, transportation improvements and programs to help address homelessness and youth violence prevention.

Aurora continues to make substantial investments in its water system to meet the needs of the city. The Prairie Waters potable reuse system provides additional capacity by recapturing renewable surface water, primarily from the city's mountain system. Reuse is the cornerstone of a water supply plan that will help meet Aurora's needs for decades. System expansion on Prairie Waters is on-going, with radial wells being installed that could double system capacity by 2027. 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 ten water systems in the south metro area. The WISE Partnership is operating under an interim agreement pending completion of necessary infrastructure by the south metro entities. Aurora Water continues to seek innovative solutions to meet future demand, including a recent water purchase from the London Mine in Park County which also provides environmental benefits to the area. Other projects include the Southeast Area Maintenance facility, a consolidation of Aurora Water's operation and administrative functions into a single campus in 2024, Wild Horse Reservoir, a large storage project that will help with management of transbasin diversions, projected for completion by the early 2030s and additional near-city storage to increase system reliability. Aurora Water is the only water utility in the nation with three water treatment facilities to have received the Phase IV "Excellence in Water Treatment" designation and recently received the Partnership's highest distinction for Distribution. Aurora Water continues to be nationally recognized having won the U.S. Water Prize and the Platinum Award for Utility Excellence, as well as being ranked #1 in Customer Satisfaction with Midsize Water Utilities in the West by J.D. Power in 2021.

Aurora residents are active – the city has been rated one of the fittest cities in America – and can embrace the Colorado lifestyle through the city's extensive parks, recreation and open space options. The city has two reservoirs, five award-winning golf courses, 97 parks, six recreation centers, three nature centers, six outdoor pools, four indoor pools, a 27-field sports complex as well as over 5,000 acres of open space and 91 miles of trails to explore. The city opened its newest recreation center - the Southeast Recreation Center and Fieldhouse – in January, 2023. This 77,000-square-foot first-of-its-kind facility in the city includes a 23,000-square-foot fieldhouse, gymnasium and indoor sports areas; elevated walking/running track with grade changes; fitness center; group exercise studio areas; and a natatorium featuring a 125,000-gallon swimming pool, spa pool, leisure pool, lazy river, waterslide and other water features.

The city is committed to continued improvements to the city's transportation network and has made road maintenance a priority; \$35 million in Certificate of Participation financing was approved and issued in 2022 to address various roadway improvements within the city including paving prioritized neighborhood streets in the worst condition. In addition to the on-going maintenance projects, the city's most significant current project is the I-70/Picadilly Interchange Project. Besides funding from the city, the Aerotropolis Regional Transportation Authority and private developers, the city also received a \$25 million U.S. Department of Transportation BUILD grant for this project. The project will provide infrastructure needed for 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 improve mobility in the area. Construction could begin in 2023.

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

***Military Facilities.*** Buckley Space Force Base is the city's largest employer and hosts the Space Base Delta 2 providing support functions for the country's air operations, space-based missile warning efforts, space surveillance and space communications. With an annual economic impact of \$1.38 billion in 2022, the Base supports 15,000 civilian and military personnel and 94,000 servicemembers, retirees, civilians, contractors and families. The Base operates a satellite system that supplies global surveillance and provides missile warning, missile defense and technical intelligence, tracking and targeting. Major base partners include the Colorado Air National Guard, Aerospace Data Facility-Colorado, Navy Operational Support Center, Army Aviation Support Facility and Air Reserve Personnel Center and supports another 84 base partners located on base and in the community. This includes such companies as Raytheon, Boeing, Northrop Grumman and Lockheed Martin making Colorado the second largest aerospace presence in the nation.

***Transportation, Infrastructure and Light Rail.*** Aurora is located in a strategic transportation hub of the central United States. The city's proximity to DIA, recently ranked the third busiest airport in the world, and Colorado Air and Space Port (formerly Front Range Airport) as well as its strong transportation/mobility base provided by I-70, I-225, E-470 and the Regional Transportation District's FasTracks A and R lines facilitates population growth as well as residential and commercial construction activity across the city.

***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 nation. The \$5.4 billion redevelopment project will eventually employ more than 41,000 people and attract more than two million visitors annually. The Anschutz Medical Campus includes education facilities for physicians and health professionals, the University of Colorado Hospital (ranked No. 1 hospital in Colorado in the 2021-22 U. S. News and World Report's Best Hospitals list), Children's Hospital Colorado (ranked No. 6 on Best Children's Hospital Honor Roll and ranked nationally in 10 pediatric specialties by the 2021-22 U. S. News and World Report's Best Children's Hospital list) and the Rocky Mountain Regional Veteran's Administration Medical Center. The Fitzsimons Innovation Campus, the only organization in the Rocky Mountain West that offers specialized life sciences lab and office space for health and life sciences companies from small start-ups to established industry leaders, is recognized internationally for its medical research. While not expected to directly provide major new revenue to the city due to its tax exempt incentivized development, the campus is a major economic engine for the city and surrounding area.

***Urban Renewal.*** Urban renewal revitalizes neighborhoods and spurs economic development, resulting in a diversity of new housing choices, shopping and dining destinations, lodging, commercial office and job creation, and the provision of public gathering places. An identified urban renewal area (URA) has met the criteria as defined by the Colorado State Urban Renewal law.

The Aurora Urban Renewal Authority Board (AURA) works with the development community and other stakeholders to eliminate blight and stimulate development and investment in the city's 21 URA plans, sixteen of which are active. AURA's efforts are guided by the goals and objectives identified in the urban renewal plan adopted for each URA. Urban renewal and the implementation of tax increment financing (TIF) has resulted in the stimulation of key developments within the city, including the Anschutz Medical Campus and Fitzsimons Innovation Campus, the Gaylord Rockies Resort and Convention Center and new development within the Nine Mile Station, Fitzsimons Boundary Area II, Iliff Station and Havana North Urban Renewal Areas.

To stimulate development across from the Anschutz Medical Campus, the City Council created the Fitzsimons Boundary Area II (Fitz II) URA in 2014. This URA has seen the continued development of the southern portion of Fitzsimons Village, beginning with the 364-room full-service Hyatt Regency Hotel and AURA owned 30,000-square foot Conference Center and parking structure. The most recent addition of housing within the Fitz II URA includes the AURA incentivized 363-unit Legacy at Fitzsimons – a five-story multifamily rental project offering studios, one and two-bedroom units, and three-story rental townhomes, with a range of amenities and gathering spaces. A second residential development is currently under construction in this area.

Opened in late 2018, the Gaylord Rockies Resort and Convention Center continues to enhance the economic vitality of the city by adding an estimated \$273 million to Colorado's economy and an estimated 450,000 new visitors to the metro area annually. The hotel and convention center, located near DIA, 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 and 2,500 permanent jobs to Aurora. An \$80 million, 317-room expansion to the resort has been announced and is anticipated to begin post pandemic. The Gaylord is a catalyst for continued development around DIA.

The Nine Mile Station Urban Renewal Area was created to stimulate the redevelopment around the adjacent light rail station, specifically the 21.5-acre site formerly known as Regatta Plaza. The following year, Regatta Plaza was removed from the Nine Mile Station URA to create Plazas I, II, III and IV urban renewal areas. Located at the northeast corner of Parker Road and I-225, the multi-phased mixed-use transit-oriented development, now known as The Point at Nine Mile Station, will feature residential, retail and commercial space upon completion. All original structures within the Plazas have been demolished and a new 78,000-square foot King Soopers and fuel station, as well as 22,000-square feet of retail space have opened on the site. In 2022, construction of market-rate housing was initiated at the site.

Construction has begun on Argenta, the long-awaited redevelopment within the Havana North Urban Renewal Area. Argenta will be an entirely for-sale residential project, with 150 condominium units, 86 four-story townhomes, some 19,000 square feet of neighborhood retail and a 20,000 square foot plaza, providing a central gathering space for residents of the project and the greater community. Construction is underway on the initial phases of the condominium and townhomes projects.

The Colorado Science and Technology Park (CSTP) Urban Renewal Area, created in 2008 to support the development of a state-of-the-art life sciences research park and community, continues its rapid expansion. The initial development of TIF Area 1, in the URA's eastern half, included the 2008 addition of a residential and retail village, as well as academic, office and medical facilities. More recent development includes a 106-room upscale boutique hotel, as well as the first phase of 250 units of the 850-unit Freemont townhome and apartment development. A primary and middle school were also recently constructed. Bioscience 1 and 2 buildings host a variety of incubator, office, and lab space with more than 800 employees contributing to health science research within the TIF area. Construction of three new bioscience buildings, totaling over 300,000 square feet, were also constructed east of TIF Area 1. In July 2022, the City Council created TIF Area 2 in the area's western half to help fund over \$84 million in infrastructure, which will facilitate over 4 million-square feet of new commercial development and an estimated 9,000 new jobs at full build-out.

## **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 annual comprehensive financial report for the year ended December 31, 2021. 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 annual comprehensive 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-six consecutive years. We believe that our current annual comprehensive 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 annual comprehensive 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,



Jason Batchelor  
Interim City Manager

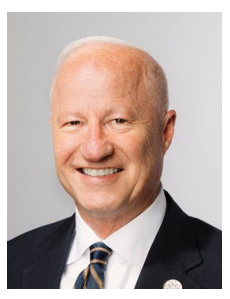


Terri Velasquez  
Finance Director



# 2022 - 2023

## CITY COUNCIL MEMBERS AURORA, COLORADO



**Mike Coffman**  
Mayor



**Curtis Gardner**  
At Large (Mayor Pro Tem)



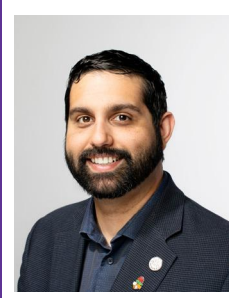
**Crystal Murillo**  
Ward I



**Steve Sundberg**  
Ward II



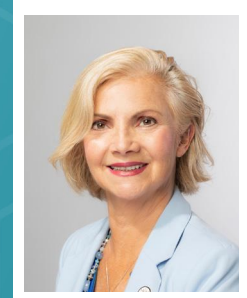
**Ruben Medina**  
Ward III



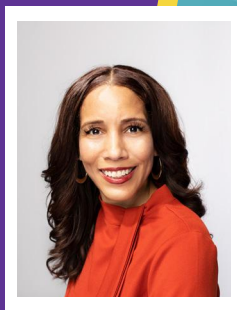
**Juan Marcano**  
Ward IV



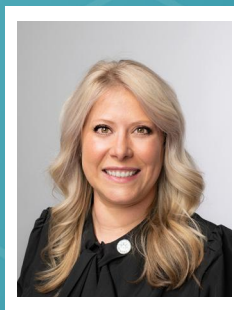
**Alison Coombs**  
Ward V



**Françoise Bergan**  
Ward VI



**Angela Lawson**  
At Large



**Danielle Jurinsky**  
At Large



**Dustin Zvonek**  
At Large

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



Creating great neighborhoods



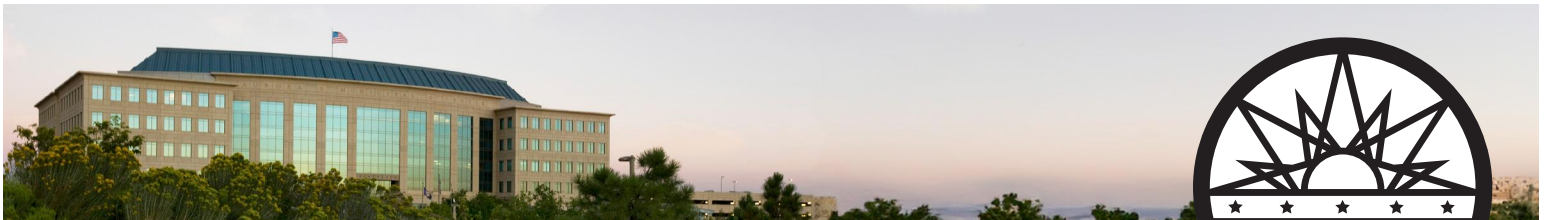
Emphasizing public safety and  
quality services



Encouraging a high-quality and  
high-wage economic environment



Supporting recreational, cultural,  
educational and community  
activities for our citizens



**Management Officials**  
City of Aurora, Colorado as of December 31, 2022

**City Manager’s Office**

|                                                       |            |
|-------------------------------------------------------|------------|
| Jim Twombly, City Manager (appointed by City Council) | Since 2018 |
| Jason Batchelor, Deputy City Manager - Public Safety  | Since 2015 |
| Laura Perry, Deputy City Manager – Development        | Since 2021 |
| Roberto Venegas, Deputy City Manager – Operations     | Since 2019 |

**Council Appointees**

|                                                 |            |
|-------------------------------------------------|------------|
| Candace Atkinson, Municipal Court Administrator | Since 2022 |
| Dan Brotzman, City Attorney                     | Since 2018 |
| Shawn Day, Presiding Judge                      | Since 2016 |

**Commission Appointees**

|                                        |            |
|----------------------------------------|------------|
| Matt Cain, Civil Service Administrator | Since 2009 |
| Douglas Wilson, Chief Public Defender  | Since 2020 |

**Department Directors**

|                                                    |            |
|----------------------------------------------------|------------|
| Tina Buenta, Aurora 911                            | Since 2019 |
| Marshall Brown, Aurora Water                       | Since 2012 |
| Kim Stuart, Communications                         | Since 2000 |
| Terri Velasquez, Finance                           | Since 2015 |
| Allen Robnett, Interim Fire Chief                  | Since 2022 |
| Jessica Prosser, Housing and Community Services    | Since 2020 |
| Scott Newman, Information Technology               | Since 2020 |
| Ryan Lantz, Human Resources                        | Since 2021 |
| Midori Clark, Library and Cultural Services        | Since 2019 |
| Brooke Bell, Parks, Recreation and Open Space      | Since 2019 |
| Jeannine Rustad, Planning and Development Services | Since 2022 |
| Art Acevedo, Interim Police Chief                  | Since 2022 |
| 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 Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morrell*

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 2021. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive 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-six consecutive years, including this most recent year, 2021 and for forty-six years in total, currently the highest number of certificates for any governmental entity in the State of Colorado. We believe that this, our 2022 annual comprehensive financial report continues to meet the requirements of the Certificate of Achievement Program and are submitting it to the GFOA for its consideration.

RESIDENTS OF AURORA

MAYOR AND CITY COUNCIL

CIVIL SERVICE COMMISSION  
Matt Cain - Administrator

OFFICE OF PUBLIC DEFENDERS  
Doug Wilson - Chief Public Defender

BOARDS AND COMMISSIONS

CITY ATTORNEY  
Dan Brotzman

PRESIDING JUDGE  
Shawn Day

CITY MANAGER  
Jim Twombly

COURT ADMINISTRATOR  
Candace Atkinson

OFFICE OF  
INTERNAL AUDIT  
Wayne Sommer

DEPUTY CITY  
MANAGER  
Jason Batchelor

POLICE  
Art Acevedo  
Incoming Interim Chief

FIRE  
Allen Robnett  
Interim Chief

AURORA 911  
Tina Buneta  
Director

PLANNING &  
DEVELOPMENT  
SERVICES  
Jeannine Rustad  
Director

INFORMATION  
TECHNOLOGY  
Scott M. Newman  
Chief Information  
Officer

DEPUTY CITY  
MANAGER  
Roberto Venegas

FINANCE  
Terri Velasquez  
Director

HOUSING AND COMMUNITY  
SERVICES  
Jessica Prosser  
Director

CITY CLERK'S OFFICE  
Kadee Rodriguez  
City Clerk

COMMUNICATIONS  
Kim Stuart  
Director

OFFICE OF  
INTERGOVERNMENTAL  
RELATIONS  
Vacant

OFFICE OF  
INTERNATIONAL &  
IMMIGRANT AFFAIRS  
Ricardo Gambetta

DEPUTY CITY  
MANAGER  
Laura Perry

PUBLIC WORKS  
Cindy Colip  
Director

PARKS, RECREATION  
AND OPEN SPACE  
Brooke Bell  
Director

HUMAN RESOURCES  
Ryan Lantz  
Director

LIBRARY AND CULTURAL  
SERVICES  
Midori Clark  
Director

OFFICE OF  
DEVELOPMENT  
ASSISTANCE  
Jacob Cox  
Manager

OFFICE OF  
SPECIAL PROJECTS  
Kendall Koca

WATER  
Marshall Brown  
General Manager



# CITY OF AURORA ORGANIZATIONAL STRUCTURE

December 2022



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# City of Aurora, Colorado

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2022 ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

## FINANCIAL SECTION

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[forvis.com](http://forvis.com)

## Independent Auditor's Report

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

### ***Opinions***

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying 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, 2022, 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.

We did not audit the financial statements of the Havana Business Improvement District, the Parkside City Centre Business Improvement District, and the Citadel on Colfax Business Improvement District which together represent the aggregate discretely presented component units of the City. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Havana Business Improvement District, the Parkside City Centre Business Improvement District, and the Citadel on Colfax Business Improvement District is based solely on the reports of the other auditors.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Emphasis of Matter***

As described in Note 20 to the financial statements, in 2022, the City adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### ***Supplementary 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 financial statements and the Local Highway Finance Report 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. Such 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. The 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 combining and individual fund statements and schedules and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory, the statistical section and the other schedules as listed in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**FORVIS, LLP**

Denver, Colorado  
June 30, 2023



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, 2022. 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-vi 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 2022 by \$6.6 billion (*net position*). Of this amount, \$484.6 million, or 7.4%, was unrestricted and may be used to meet the city's ongoing obligations.
- Citywide net position increased \$426.3 million in 2022.
- At December 31, 2022, the city's governmental funds reported combined ending fund balances of \$576.3 million, an increase of \$77.1 million from the prior year. Approximately 57.0% 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: \$63.4 million committed, \$228.4 million assigned and \$36.6 million unassigned.
- The city's General Fund total revenues were over budget \$54.6 million and total expenditures were under budget by \$5.0 million during 2022.
- Capital improvement and capital outlay activity increased \$386.6 million during 2022.
- The city's total bonded and certificate of participation debt increased \$3.5 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 three major governmental funds: the General Fund, Gifts and Grants Fund and the City Capital Projects 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 and Gift and Grant Fund's original and final budget to actual budgetary revenue and expenditures. Required supplementary information begins on page 109 of this report.

Condensed financial information for 2021 found in the charts below has not been updated for the city's implementation of GASB Statement No. 87, Leases.

### 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 \$6.6 billion at the close of the fiscal year as shown in Chart 1.

The largest portion of the city's net position, \$5.8 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 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 assets themselves cannot be used to liquidate these liabilities.

### Citywide Net Position December 31, 2022 (in thousands)

|                                  | Governmental Activities |              |            |       | Business-type Activities |              |             |        | Citywide Totals |              |            |       |
|----------------------------------|-------------------------|--------------|------------|-------|--------------------------|--------------|-------------|--------|-----------------|--------------|------------|-------|
|                                  | 2022                    | 2021         | Change     | %     | 2022                     | 2021         | Change      | %      | 2022            | 2021         | Change     | %     |
| Current and other assets         | \$ 889,368              | \$ 737,131   | \$ 152,237 | 20.7  | \$ 433,390               | \$ 504,985   | \$ (71,595) | (14.2) | \$ 1,322,758    | \$ 1,242,116 | \$ 80,642  | 6.5   |
| Capital assets, net              | 3,767,890               | 3,587,208    | 180,682    | 5.0   | 2,873,311                | 2,667,402    | 205,909     | 7.7    | 6,641,201       | 6,254,610    | 386,591    | 6.2   |
| Total Assets                     | 4,657,258               | 4,324,339    | 332,919    | 7.7   | 3,306,701                | 3,172,387    | 134,314     | 4.2    | 7,963,959       | 7,496,726    | 467,233    | 6.2   |
| Deferred outflows of resources   | 60,905                  | 64,080       | (3,175)    | (5.0) | 27,521                   | 29,449       | (1,928)     | (6.5)  | 88,426          | 93,529       | (5,103)    | (5.5) |
| Current and other liabilities    | 110,804                 | 101,465      | 9,339      | 9.2   | 53,249                   | 55,686       | (2,437)     | (4.4)  | 164,053         | 157,151      | 6,902      | 4.4   |
| Noncurrent liabilities           | 423,273                 | 431,957      | (8,684)    | (2.0) | 672,429                  | 694,280      | (21,851)    | (3.1)  | 1,095,702       | 1,126,237    | (30,535)   | (2.7) |
| Total Liabilities                | 534,077                 | 533,422      | 655        | 0.1   | 725,678                  | 749,966      | (24,288)    | (3.2)  | 1,259,755       | 1,283,388    | (23,633)   | (1.8) |
| Deferred inflows of resources    | 179,991                 | 132,920      | 47,071     | 35.4  | 24,437                   | 12,022       | 12,415      | 103.3  | 204,428         | 144,942      | 59,486     | 41.0  |
| Net Position:                    |                         |              |            |       |                          |              |             |        |                 |              |            |       |
| Net investment in capital assets | 3,571,278               | 3,387,724    | 183,554    | 5.4   | 2,235,604                | 2,079,368    | 156,236     | 7.5    | 5,806,882       | 5,467,092    | 339,790    | 6.2   |
| Restricted                       | 265,164                 | 179,321      | 85,843     | 47.9  | 31,606                   | 13,206       | 18,400      | 139.3  | 296,770         | 192,527      | 104,243    | 54.1  |
| Unrestricted                     | 167,653                 | 155,032      | 12,621     | 8.1   | 316,897                  | 347,274      | (30,377)    | (8.7)  | 484,550         | 502,306      | (17,756)   | (3.5) |
| Total net position               | \$ 4,004,095            | \$ 3,722,077 | \$ 282,018 | 7.6   | \$ 2,584,107             | \$ 2,439,848 | \$ 144,259  | 5.9    | \$ 6,588,202    | \$ 6,161,925 | \$ 426,277 | 6.9   |

Chart 1

As shown in Chart 1, total restricted net position at the end of 2022 was \$296.8 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 \$484.6 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 \$282.0 million. Current and other assets increased \$152.2 million due to economic growth in the city resulting in increased sales, property, franchise, use and lodgers tax collections as well as an increase in the General Employee's Retirement Plan (GERP) net pension asset as a result of pension plan investment performance. Capital assets increased \$180.7 million due to the addition of developer contributed roads from continued development in the city as well as capital projects, either completed or in progress, including the Enterprise Resource Planning system implementation project, road overlay and improvement projects, traffic signal improvements and parks and open space projects. Current and other liabilities increased \$9.3 million, primarily due to an increase in construction escrow account deposits; this account fluctuates based on deposits the city collects from developers that do not meet an obligation of an approved development plan and the city refunds the amount collected when the obligation is met. Noncurrent liabilities decreased \$8.7 million primarily due to the decrease in the GERP net pension liability resulting from better than projected earnings on pension plan investments for the measurement period dated December 31, 2021 and reported in the city's December 31, 2022 financial statements, as well as the city's payments on existing debt in 2022. Deferred inflows of resources increased \$47.1 million due to increased performance on pension plan earnings for the measurement period dated December 31, 2021. The net investment in capital assets increase of \$183.6 million is a result of 2022 capital asset purchases and implementation of the lease standard. The increase in restricted net position of \$85.8 million is primarily a result of the net GERP pension asset and the increase in unrestricted net position of \$12.6 million is due to the economic growth across the city resulting in increased tax collections.

Business-type activities net position increased \$144.3 million. Current and other assets decreased 71.6 million, primarily due to the drawdown of funds held in a restricted account to build the Southeast Area Maintenance (SEAM) Facility. Capital assets increased \$205.9 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 continued work on the SEAM Facility and Senac Creek Interceptor along with 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 \$21.9 million due to the paydown of water and sewer revenue bonds from annual principal payments coupled with the decrease in net pension liability resulting from better than projected earnings on pension plan investments for the measurement period. Deferred inflows of resources increased \$12.4 million due to increased performance on pension plan earnings for the measurement period dated December 31, 2021. Net position increased \$144.3 million, with \$156.2 million of the increase from net investment in capital assets resulting from the increase in capital assets of \$205.9 million, decreased unspent bond proceeds of \$71.0 million, offset by the decrease in noncurrent liabilities related to its debt of \$21.9 million. Net position also increased due to a \$18.4 million increase to restricted net position due to pension benefits which is offset by the unrestricted net position decrease of \$30.4 million.

### Citywide Changes in Net Position Year Ended December 31, 2022 (in thousands)

|                                                              | Governmental Activities |              |            |        | Business-type Activities |              |            |       | Citywide Totals |              |            |        |
|--------------------------------------------------------------|-------------------------|--------------|------------|--------|--------------------------|--------------|------------|-------|-----------------|--------------|------------|--------|
|                                                              | 2022                    | 2021         | Change     | %      | 2022                     | 2021         | Change     | %     | 2022            | 2021         | Change     | %      |
| <b>REVENUES:</b>                                             |                         |              |            |        |                          |              |            |       |                 |              |            |        |
| Program Revenues:                                            |                         |              |            |        |                          |              |            |       |                 |              |            |        |
| Charges for services                                         | \$ 68,446               | \$ 72,367    | \$ (3,921) | (5.4)  | \$ 234,541               | \$ 218,891   | \$ 15,650  | 7.1   | \$ 302,987      | \$ 291,258   | \$ 11,729  | 4.0    |
| Operating grants and contributions                           | 37,025                  | 46,740       | (9,715)    | (20.8) | 4,157                    | 2,678        | 1,479      | 55.2  | 41,182          | 49,418       | (8,236)    | (16.7) |
| Capital grants and contributions                             | 224,956                 | 201,894      | 23,062     | 11.4   | 128,132                  | 117,593      | 10,539     | 9.0   | 353,088         | 319,487      | 33,601     | 10.5   |
| General Revenues:                                            |                         |              |            |        |                          |              |            |       |                 |              |            |        |
| Taxes                                                        |                         |              |            |        |                          |              |            |       |                 |              |            |        |
| Sales and use                                                | 370,722                 | 339,272      | 31,450     | 9.3    | -                        | -            | -          | -     | 370,722         | 339,272      | 31,450     | 9.3    |
| Property                                                     | 82,919                  | 81,688       | 1,231      | 1.5    | -                        | -            | -          | -     | 82,919          | 81,688       | 1,231      | 1.5    |
| Other                                                        | 60,789                  | 50,993       | 9,796      | 19.2   | -                        | -            | -          | -     | 60,789          | 50,993       | 9,796      | 19.2   |
| Grants and contributions not restricted to specific programs | 12,281                  | 2,197        | 10,084     | 459.0  | -                        | -            | -          | -     | 12,281          | 2,197        | 10,084     | 459.0  |
| Gain on sale of asset acquired for resale                    | 1,266                   | 170          | 1,096      | 644.7  | -                        | -            | -          | -     | 1,266           | 170          | 1,096      | 100.0  |
| Unrestricted investment returns                              | (11,811)                | (1,665)      | (10,146)   | 609.4  | (7,291)                  | (2,275)      | (5,016)    | 220.5 | (19,102)        | (3,940)      | (15,162)   | 384.8  |
| Total revenues                                               | 846,593                 | 793,656      | 52,937     | 6.7    | 359,539                  | 336,887      | 22,652     | 6.7   | 1,206,132       | 1,130,543    | 75,589     | 6.7    |
| <b>EXPENSES:</b>                                             |                         |              |            |        |                          |              |            |       |                 |              |            |        |
| General government                                           | 48,177                  | 45,393       | 2,784      | 6.1    | -                        | -            | -          | -     | 48,177          | 45,393       | 2,784      | 6.1    |
| Judicial                                                     | 15,032                  | 13,792       | 1,240      | 9.0    | -                        | -            | -          | -     | 15,032          | 13,792       | 1,240      | 9.0    |
| Police                                                       | 133,096                 | 130,172      | 2,924      | 2.2    | -                        | -            | -          | -     | 133,096         | 130,172      | 2,924      | 2.2    |
| Fire                                                         | 72,050                  | 68,126       | 3,924      | 5.8    | -                        | -            | -          | -     | 72,050          | 68,126       | 3,924      | 5.8    |
| Other public safety                                          | 25,608                  | 21,230       | 4,378      | 20.6   | -                        | -            | -          | -     | 25,608          | 21,230       | 4,378      | 20.6   |
| Public works                                                 | 93,741                  | 90,310       | 3,431      | 3.8    | -                        | -            | -          | -     | 93,741          | 90,310       | 3,431      | 3.8    |
| Economic development                                         | 90,370                  | 73,437       | 16,933     | 23.1   | -                        | -            | -          | -     | 90,370          | 73,437       | 16,933     | 23.1   |
| Community services                                           | 22,629                  | 32,796       | (10,167)   | (31.0) | -                        | -            | -          | -     | 22,629          | 32,796       | (10,167)   | (31.0) |
| Culture and recreation                                       | 54,768                  | 48,391       | 6,377      | 13.2   | -                        | -            | -          | -     | 54,768          | 48,391       | 6,377      | 13.2   |
| Unallocated depreciation                                     | 1,884                   | 1,884        | -          | -      | -                        | -            | -          | -     | 1,884           | 1,884        | -          | -      |
| Interest on debt                                             | 6,970                   | 7,252        | (282)      | (3.9)  | -                        | -            | -          | -     | 6,970           | 7,252        | (282)      | (3.9)  |
| Water                                                        | -                       | -            | -          | -      | 129,709                  | 122,226      | 7,483      | 6.1   | 129,709         | 122,226      | 7,483      | 6.1    |
| Wastewater                                                   | -                       | -            | -          | -      | 76,426                   | 75,033       | 1,393      | 1.9   | 76,426          | 75,033       | 1,393      | 1.9    |
| Golf                                                         | -                       | -            | -          | -      | 9,395                    | 9,248        | 147        | 1.6   | 9,395           | 9,248        | 147        | 1.6    |
| Total expenses                                               | 564,325                 | 532,783      | 31,542     | 5.9    | 215,530                  | 206,507      | 9,023      | 4.4   | 779,855         | 739,290      | 40,565     | 5.5    |
| Increase in net position before transfers                    | 282,268                 | 260,873      | 21,395     | 8.2    | 144,009                  | 130,380      | 13,629     | 10.5  | 426,277         | 391,253      | 35,024     | 9.0    |
| Transfers                                                    | (250)                   | (176)        | (74)       | 42.0   | 250                      | 176          | 74         | 42.0  | -               | -            | -          | -      |
| Increase in net position                                     | 282,018                 | 260,697      | 21,321     | 8.2    | 144,259                  | 130,556      | 13,703     | 10.5  | 426,277         | 391,253      | 35,024     | 9.0    |
| Net position January 1                                       | 3,722,077               | 3,461,380    | 260,697    | 7.5    | 2,439,848                | 2,309,292    | 130,556    | 5.7   | 6,161,925       | 5,770,672    | 391,253    | 6.8    |
| Net position December 31                                     | \$ 4,004,095            | \$ 3,722,077 | \$ 282,018 | 7.6    | \$ 2,584,107             | \$ 2,439,848 | \$ 144,259 | 5.9   | \$ 6,588,202    | \$ 6,161,925 | \$ 426,277 | 6.9    |

Chart 2

### Expenses Financed through Program Revenues – Governmental Activities

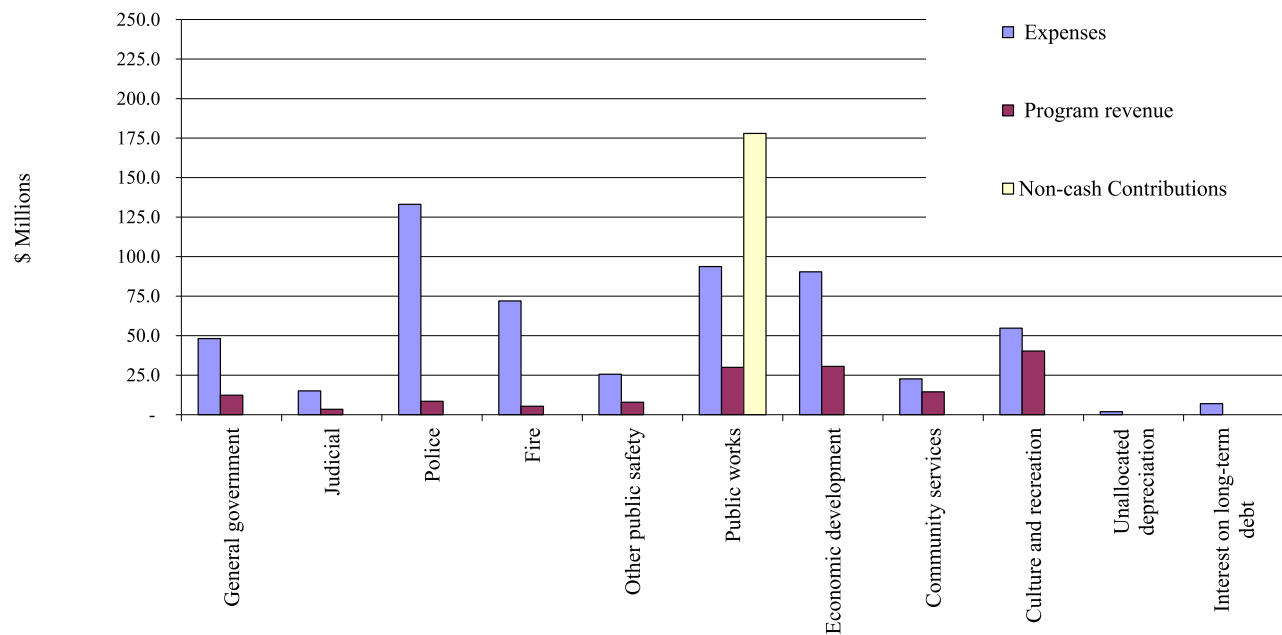
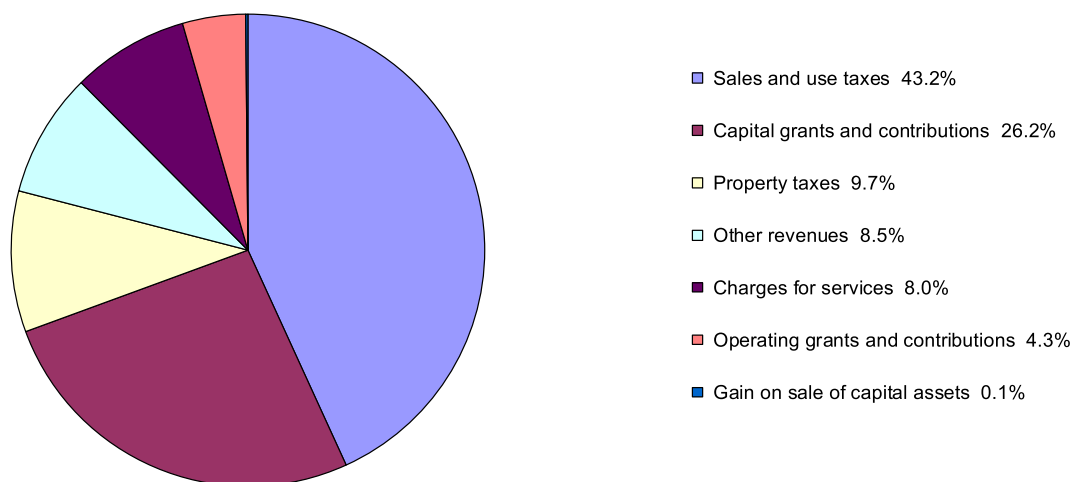


Chart 3

### Revenues by Source – Governmental Activities



**Note:** Investment returns are excluded from this chart since 2022 investment returns are reported as a loss.

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*

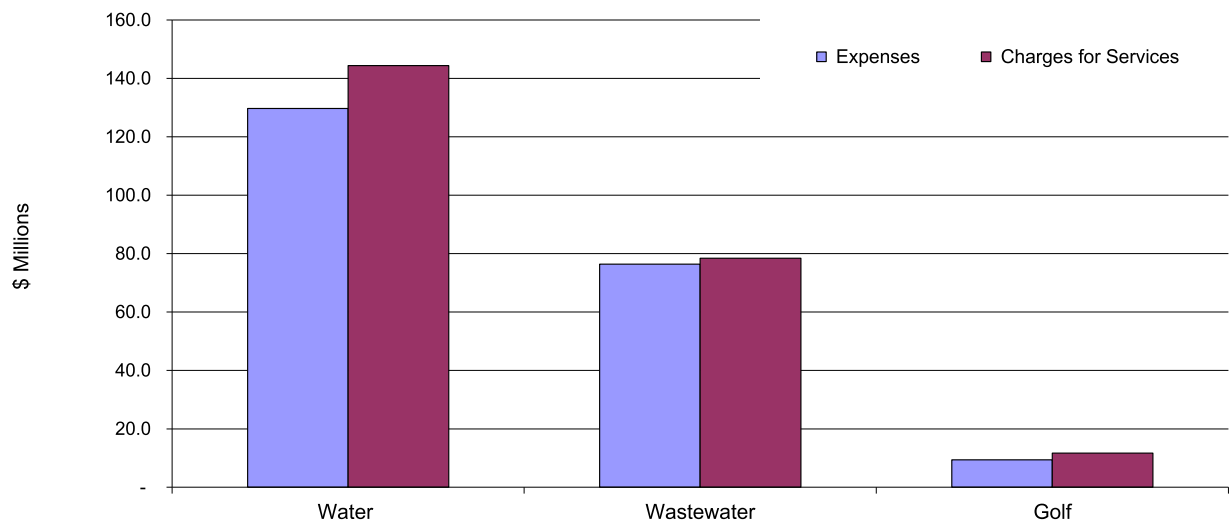
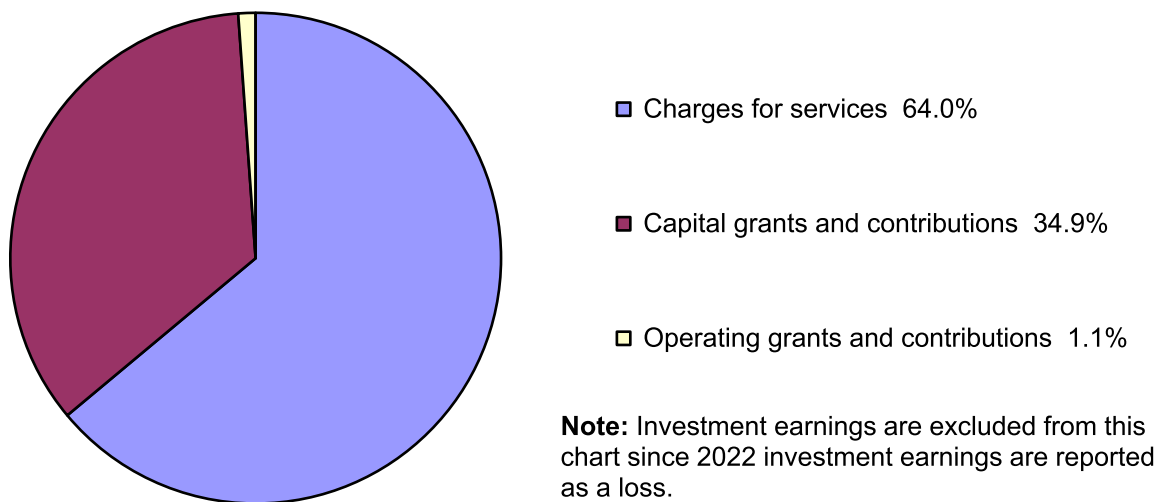
Total revenues increased \$52.9 million or 6.7%. Sales and use tax increased \$31.5 million due to the continued economic growth and development across the city. Other revenues increased \$19.8 million due to the continued development and growth in the city. Capital grants and contributions increased \$23.1 million, primarily due to more developer contributions in the form of donated roads during 2022 when compared to 2021. Donated roads fluctuate based on the amount of development in the city coupled with the timing of project completions. These increases were offset by decreases of \$9.7 million to operating grants due to a decrease in grant funding as the city rebounds from the pandemic and contributions and \$3.9 million in charges to services as a result of normal fluctuations in city operations. Unrestricted investment earnings decreased by \$10.1 million due to 2022 market performance coupled with the reversal of the prior year fair market value gain adjustment and the recognition of the current year's fair market value loss.

Total governmental activities expenses increased \$31.5 million or 5.9%. Most department expenses increased slightly due to an increase in personnel costs from a cost-of-living increase and general operating expenses as a result of city growth and inflation. Economic development increased \$16.9 million, primarily due to an increase in development incentive payments coupled with a \$5.0 million principal payment on the Tax Increment Revenue Refunding Series 2022 loan. Culture and recreation increased \$6.4 million due to an increase in personnel costs and general operating expenses. Public safety increased \$4.4 million from the Computer Aided Dispatch System project that was completed in 2022. General government increased \$2.8 million primarily due to an increase to pension benefit payments. These increases are offset by a decrease of \$10.2 million to Community Services due to a decrease in grant spending; there was an uptick in Community Services spending in 2021 to help the city's residents and businesses rebound from the effects of the pandemic and 2022 returned to pre-pandemic spending levels.

*Business-type activities changes in net position*

Total revenues for business-type activities increased \$22.7 million or 6.7%. Charges for services increased \$15.7 million due to 2022 rate increases of 3.5%, 4% and 3.5% for water, wastewater and storm drain user rates, respectively, to fund operating expenses and system improvement needs. Capital grants and contributions increased \$10.5 million, primarily due to an increase in non-cash contributions from contribution mains as infrastructure is completed by developers throughout the city. This increase is offset by a decrease of \$5.0 million to unrestricted investment returns due to 2022 market performance coupled with the reversal of the prior year fair market value gain adjustment and recognition of the current year's fair market value loss.

Total business-type activities expenses increased \$9.0 million. There were slight increases in operating expenses across all business-type activities. Water increased \$7.5 million primarily due to an increase in professional services and intergovernmental agreements.

**Expenses and Charges for Services – Business-type Activities****Chart 5****Revenues by Source – Business-type Activities****Chart 6**

***Financial Analysis of the Government's Major Funds*****General Fund**

The General Fund is the main operating fund of the city. At the end of 2022, total fund balance for the General Fund was \$154.5 million. This amount includes: \$8.7 million restricted fund balance comprised mainly of the \$6.4 million "Taxpayer Bill of Rights" (TABOR) cash reserve, the \$1.7 million moral obligation pledge on a Aurora Urban Renewal Authority revenue note's debt service reserve fund and several other small restrictions for development and public improvement; \$44.6 million committed fund balance comprised mainly of the \$38.4 million 10% policy reserve and \$3.9 million tree program; \$64.7 million assigned fund balance is primarily comprised of \$44.7 million assigned to payment of long-term liabilities, \$13.8 million assigned to encumbrances and \$5.8 million assigned to economic development; and \$36.6 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 \$36.6 million at December 31, 2022 and \$57.1 million at December 31, 2021. The Operating Reserve is 7.7% of 2022 annual budgetary revenues or \$22.4 million above the 3% minimum target range specified by Council. Total General Fund funds available was 19.4% of total General Fund budgetary revenues in 2022, compared to 23.4% in 2021.

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 2022, 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 19). 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, 2022.

**Gifts and Grants Fund**

The Gifts and Grants Fund is also a major fund within the city which accounts for activities related to various gifts and grants. Funding is primarily from intergovernmental grant funding including federal, state, pass-through and private foundation funding. At the end of 2022, total fund balance for the Gifts and Grants Fund was \$2.6 million, all of which is restricted for specific grant purposes. \$1.6 million of the restricted balance is for the neighborhood stabilization program and \$1.0 million is seizure funds from state and federal court forfeitures used to support activities of the Aurora Police Department. In 2022, Gifts and Grants Fund revenues decreased by \$3.5 million. This is primarily due to the decrease in grant awards during 2022. The city received more grant funding in 2021 than 2022, including the American Rescue Plan Act (ARPA) and Emergency Rental Assistance (ERA) grants. Expenditures, excluding transfers, decreased \$2.5 million as a result of decreased intergovernmental grant revenues awarded in 2022.

**Water Fund**

The Water Fund is a major proprietary fund within the city which accounts for the acquisition of water and water rights and the operation and maintenance of the water plants and distribution systems. Funding is primarily from tap and user fees; the Water Fund receives no funds from taxes or the city's General Fund. Charges for services increased slightly in 2022, by \$10.5 million or 7.8%, primarily as a result of 2022 water rate increases. Operating expenses increased \$10.0 million or 9.6% due to increased operating costs. Net nonoperating expenses remained stable. Net position increased \$97.6 million primarily due to net income of \$13.9 million and capital contributions from developers of \$83.7 million as a result of continued growth within the city.

Wastewater Fund

The Wastewater Fund is also a major proprietary fund within the city which accounts for the systems and operations used in treating and disposing of wastewater from sanitary wastewater and storm drain activities. Wastewater Fund funding, similar to the Water Fund, is primarily from tap and user fees; no funds from taxes or the city's General Fund is received. Charges for services increased slightly in 2022, by \$4.8 million or \$6.6%, as a result of the 2022 rate increases. Operating expenses remained stable, increasing only 1.0%. Net nonoperating expenses increased \$2.0 million primarily from an increase in interest expense as a result of the 2021 debt issuances. Net position increased \$44.8 million due to capital contributions from developers of \$44.4 million resulting from continued growth within the city.

**General Fund Budgetary Highlights**

General Fund revenues for 2022 were greater than budget by \$54.6 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 2022, General Fund revenue, net of transfers, increased 8.9% on a budgetary basis (10.7% per GAAP basis), above the growth experienced in 2021. The combination of sales and use tax is the most significant source of revenue, generating 70.2% of the total General Fund GAAP revenue, net of transfers. Property tax represents an important secondary general revenue source. Property tax collections were 9.8% of the total General Fund budgetary and 9.5% of GAAP revenues, net of transfers, in 2022.

General Fund expenditures were \$5.0 million under budget. Ending 2022 funds available were \$2.4 million lower than original budget and \$59.6 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 \$74.9 million while the final budget increased to \$126.5 million; actual expenditures were \$126.5 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 2022 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, 2022 were valued at \$6.6 billion (net of accumulated depreciation). Asset types 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 6). The city has \$2.9 million of lease assets (net of accumulated amortization) at December 31, 2022 that are not included in the capital asset schedule below (Note 14).

**Comparative Schedule of Capital Assets - net of accumulated depreciation December 31, 2022 and 2021  
(in thousands)**

|                            | Governmental Activities |              |            | Business-type Activities |              |            | Citywide Totals |              |            |
|----------------------------|-------------------------|--------------|------------|--------------------------|--------------|------------|-----------------|--------------|------------|
|                            | 2022                    | 2021         | Change     | 2022                     | 2021         | Change     | 2022            | 2021         | Change     |
| Land and water rights      | \$ 420,698              | \$ 404,247   | \$ 16,451  | \$ 625,332               | \$ 570,409   | \$ 54,923  | \$ 1,046,030    | \$ 974,656   | \$ 71,374  |
| Buildings and improvements | 198,306                 | 206,843      | (8,537)    | 511,686                  | 514,206      | (2,520)    | 709,992         | 721,049      | (11,057)   |
| Infrastructure             | 2,993,639               | 2,848,120    | 145,519    | 1,521,538                | 1,427,806    | 93,732     | 4,515,177       | 4,275,926    | 239,251    |
| Machinery and equipment    | 58,433                  | 49,837       | 8,596      | 33,034                   | 36,786       | (3,752)    | 91,467          | 86,623       | 4,844      |
| Construction in progress   | 96,814                  | 78,161       | 18,653     | 181,721                  | 118,195      | 63,526     | 278,535         | 196,356      | 82,179     |
| Totals                     | \$ 3,767,890            | \$ 3,587,208 | \$ 180,682 | \$ 2,873,311             | \$ 2,667,402 | \$ 205,909 | \$ 6,641,201    | \$ 6,254,610 | \$ 386,591 |

**Chart 7**

Major capital asset activity for the year ended December 31, 2022 included the following:

*Governmental Activities Capital Assets*

- Land and water rights increased primarily as a result of the land under 2022 developer contributed roads valued at \$13.6 million, land purchased for the affordable housing land bank project valued at \$1.7 million and commercial easements valued at \$1.2 million.
- Buildings and improvements decreased due to current year accumulated depreciation of \$8.5 million.
- Infrastructure increased as a result of numerous projects and improvements undertaken across the city. The most significant items included \$163.1 million for developer contributed roads and \$37.7 million of completed projects transferred from construction in progress. These projects included \$21.7 million for street overlays, \$3.4 for Transportation Priority Projects, \$3.1 million for Picadilly Interchange improvements, \$1.6 million for traffic signals, \$1.4 million for highway improvements and over \$6.5 million for various other improvement projects. This increase was partially offset by \$10.6 million of disposals and net additions to accumulated depreciation of \$44.7 million.
- Machinery and equipment increased due to \$12.9 million of additions and \$7.1 million of equipment transferred in, offset by \$7.0 million of disposals and \$4.4 million of net depreciation. Additions included public works equipment, police equipment, vehicles, software, heavy machinery and other equipment. Transfers in included the completion of various software implementation projects, including the Computer Aided Design System. Disposals include equipment that is no longer in use by the city, including several fire trucks, vehicles and other miscellaneous equipment.
- Construction in progress increased due to \$63.5 million of additions offset by \$44.9 million in disposals and completed projects that were transferred to other capital asset categories including machinery and equipment, buildings and infrastructure during 2022. Several significant additions included \$21.7 million in overlays and improvements, \$14.5 million for the Southeast Recreation Center, \$3.4 million for various Transportation Priority Projects, \$3.1 million for the Picadilly Interchange project, \$1.8 million for the Computer Aided Design System, \$1.6 million for traffic signals and many smaller projects. Some significant projects transferred out upon completion include the overlay and improvements, the Highline Canal Trail, the Computer Aided Design System, Picadilly Interchange improvements, Transportation Priority Projects, traffic signals, Canterbury Park and several small parks and recreation projects.

*Business-type Activities Capital Assets*

- Land and water rights increased primarily due to \$54.0 million in purchases and \$960,000 of transfers in. Purchases included \$24.0 million in Platteville Milling and Irrigation land and water rights, \$15.4 million for Castle Pines North Metropolitan District water rights, \$2.5 million for the Clare storage project, \$2.0 for Union Ditch water rights, \$1.9 million in Western Mutual Ditch water rights and several other smaller acquisitions.
- The buildings and improvements decreased as a result of \$3.6 million of additions coupled with \$9.5 million in transfers from completed projects, most of which are water treatment plant and pump station upgrades which were offset by net additions to accumulated depreciation of \$15.7 million.
- Infrastructure increased mainly due to water and sewer mains contributed by developers valued at \$51.6 million. In addition, there was \$73.7 million in transfers from construction in progress for various projects. These projects include \$33.8 million for Fitzsimmons drainage improvements, \$9.5 million for water transmission and distribution mains \$8.2 million in raw water rehabilitation, \$7.0 million for water transmission and distribution mains, \$4.7 million in line replacements, \$3.7 million for interceptor rehabilitation and \$6.6 million for various other water and sewer improvement projects. This increase is offset by net additions to depreciation of \$31.6 million.
- Machinery and equipment decreased \$3.8 million primarily due net additions to depreciation of \$6.1 million and disposals of \$1.0 million. This decrease is partially offset by additions of \$3.3 million.
- Construction in progress increased due to \$147.8 million in new capital project costs incurred in 2022. The most significant items include \$75.3 million for the SEAM Facility, \$9.4 million for water transmission and

distribution mains \$8.6 for Griswold Water Treatment Plant renovations, \$8.2 million for raw water rehabilitation and \$46.3 million split between more than twenty other projects ranging from \$250,000 to \$3.0 million. This increase is offset by \$84.2 million of completed projects that were transferred to other capital asset categories including buildings and improvements and infrastructure in 2022.

### **Debt Administration**

At the end of 2022, the city had total bonded debt of \$631.5 million and \$187.6 million in certificates of participation (COPs). COPs are issued for particular projects and are repaid from financed purchase agreement 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, 2022, and 2021 was as follows:

#### **Comparative Schedule of Outstanding Debt December 31, 2022 and 2021 (in thousands)**

|                               | Primary Government      |            |           |                          |            |             |                 |            |          |
|-------------------------------|-------------------------|------------|-----------|--------------------------|------------|-------------|-----------------|------------|----------|
|                               | Governmental Activities |            |           | Business-type Activities |            |             | Citywide Totals |            |          |
|                               | 2022                    | 2021       | Change    | 2022                     | 2021       | Change      | 2022            | 2021       | Change   |
| General Obligation Bonds      | \$ 2,515                | \$ 2,750   | \$ (235)  | \$ -                     | \$ -       | \$ -        | \$ 2,515        | \$ 2,750   | \$ (235) |
| Revenue Bonds                 | -                       | -          | -         | 628,970                  | 646,790    | (17,820)    | 628,970         | 646,790    | (17,820) |
| Total Bonded Debt             | 2,515                   | 2,750      | (235)     | 628,970                  | 646,790    | (17,820)    | 631,485         | 649,540    | (18,055) |
| Certificates of Participation | 187,640                 | 166,070    | 21,570    | -                        | -          | -           | 187,640         | 166,070    | 21,570   |
| Totals                        | \$ 190,155              | \$ 168,820 | \$ 21,335 | \$ 628,970               | \$ 646,790 | \$ (17,820) | \$ 819,125      | \$ 815,610 | \$ 3,515 |

**Chart 8**

Citywide net bonded and COP debt increased \$3.5 million primarily due to the 2022 ACLC COP issuance of \$32.0 for roadway improvements. This was partially offset by scheduled principal payments of \$10.4 million in COP payments, \$235,000 in bonded debt payments for governmental activities and \$17.8 million in bonded debt payments for business-type activities.

The city's most recent debt ratings for certificates of participation are Aa1 by Moody's Investors Service for the Series 2022 COPs for roadway improvements, AA by Standard & Poor's for the Series 2020 COPs for the Southeast Recreation Center issued in October 2020. The city's most recent debt ratings for revenue bonds were AA+ by both Standard & Poor's and Fitch Ratings for the 2021 First Lien Water Revenue Bonds, AA+ by Standard and Poor's and AAA by Fitch Ratings for the 2021 First Lien Sewer Revenue Bonds and AA+ by both Standard & Poor's and Fitch Ratings for the Series 2016A First Lien Water Improvement Revenue Refunding Bonds.

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 7).

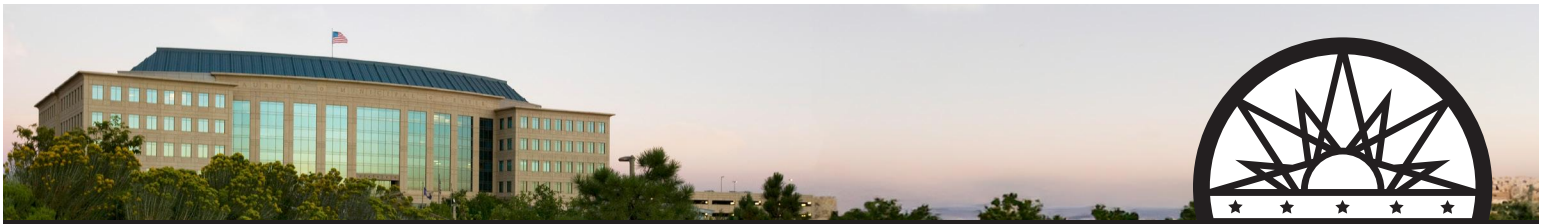
### **Economic Factors and Rate Increases**

- For 2022, the average annual local unemployment rate for Denver-Aurora-Lakewood was at 3.0%. This rate compares to the state's average unemployment rate of 3.0% and the national unemployment rate of 3.6%.
- Overall, the number of new residential, multi-family and commercial permits issued for the city in 2022 decreased 6.7% since last year.
- Water, wastewater and storm drain user rates will increase 4.0%, 5.0% and 3.5%, respectively, in 2023 to fund operating expenses and system improvement needs.
- Due to the lingering concerns of the COVID-19 pandemic as well as the global impacts related to inflation, worker shortages and supply chain disruption issues, 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. In light of these challenges, the city continues to closely monitor the impacts on its operations and will proactively address the situation as these financial uncertainties evolve.

**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, 2022

|                                                         | Primary Government         |                             |                  | Component<br>Units |
|---------------------------------------------------------|----------------------------|-----------------------------|------------------|--------------------|
|                                                         | Governmental<br>Activities | Business-Type<br>Activities | Total            |                    |
| <b>ASSETS</b>                                           |                            |                             |                  |                    |
| Cash and cash equivalents                               | \$ 19,307,602              | \$ 540,989                  | \$ 19,848,591    | \$ 1,198,603       |
| Investments                                             | 315,934,845                | 304,626,117                 | 620,560,962      | —                  |
| <i>Receivables (net of allowance)</i>                   |                            |                             |                  |                    |
| Taxes receivable                                        | 96,088,687                 | —                           | 96,088,687       | 742,708            |
| Accounts receivable                                     | 3,109,467                  | 22,793,192                  | 25,902,659       | —                  |
| Interest receivable                                     | 3,058,135                  | 1,709,890                   | 4,768,025        | —                  |
| Lease receivable, current                               | 7,777                      | 31,806                      | 39,583           | —                  |
| Due from other governments                              | 1,399,452                  | 185,180                     | 1,584,632        | 326,009            |
| Other receivables                                       | 345,512                    | 419,021                     | 764,533          | —                  |
| Prepaid items                                           | —                          | —                           | —                | 12,034             |
| Internal balances                                       | 4,282,763                  | (4,282,763)                 | —                | —                  |
| Inventories                                             | 1,369,949                  | 180,043                     | 1,549,992        | —                  |
| <i>Restricted assets</i>                                |                            |                             |                  |                    |
| Cash and cash equivalents                               | 71,339,406                 | 27,981,303                  | 99,320,709       | 3,699,642          |
| Investments                                             | 229,368,366                | 44,001,902                  | 273,370,268      | —                  |
| Taxes receivable                                        | 29,419,313                 | —                           | 29,419,313       | —                  |
| Accounts receivable                                     | 1,118,159                  | —                           | 1,118,159        | —                  |
| Interest receivable                                     | —                          | 105,335                     | 105,335          | —                  |
| Due from other governments                              | 6,145,026                  | —                           | 6,145,026        | —                  |
| Other receivables                                       | 1,654,128                  | 16,092,418                  | 17,746,546       | —                  |
| Inventories                                             | 151,529                    | —                           | 151,529          | —                  |
| Assets acquired for resale                              | 11,998,468                 | —                           | 11,998,468       | —                  |
| Assets constructed for others                           | —                          | —                           | —                | 19,676,239         |
| Notes receivable                                        | 15,705,740                 | —                           | 15,705,740       | —                  |
| Net pension asset                                       | 74,429,182                 | 15,514,031                  | 89,943,213       | —                  |
| Lease receivable                                        | 268,288                    | 661,388                     | 929,676          | —                  |
| Lease assets, net                                       | 2,648,645                  | 215,721                     | 2,864,366        | —                  |
| Notes receivable                                        | 217,398                    | —                           | 217,398          | —                  |
| Equity in joint venture                                 | —                          | 2,614,120                   | 2,614,120        | —                  |
| <i>Capital assets (net of accumulated depreciation)</i> |                            |                             |                  |                    |
| Land and water rights                                   | 420,697,811                | 625,332,336                 | 1,046,030,147    | —                  |
| Buildings and improvements                              | 198,305,914                | 511,685,796                 | 709,991,710      | —                  |
| Infrastructure                                          | 2,993,638,776              | 1,521,537,761               | 4,515,176,537    | 786                |
| Machinery and equipment                                 | 58,433,691                 | 33,033,798                  | 91,467,489       | —                  |
| Construction in progress                                | 96,814,034                 | 181,721,589                 | 278,535,623      | —                  |
| Total assets                                            | 4,657,258,063              | 3,306,700,973               | 7,963,959,036    | 25,656,021         |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                   | 60,904,507                 | 27,521,267                  | 88,425,774       | —                  |
| <b>LIABILITIES</b>                                      |                            |                             |                  |                    |
| Accounts payable                                        | 37,478,743                 | 31,801,606                  | 69,280,349       | 188,187            |
| Accrued interest                                        | 1,201,868                  | 7,198,651                   | 8,400,519        | 278,865            |
| Due to other governments                                | —                          | —                           | —                | 1,697              |
| Deposits held                                           | 19,136,098                 | 9,061,763                   | 28,197,861       | —                  |
| Unearned revenues                                       | 52,986,974                 | 5,186,789                   | 58,173,763       | —                  |
| <i>Noncurrent liabilities</i>                           |                            |                             |                  |                    |
| Due within one year                                     | 34,939,360                 | 21,391,263                  | 56,330,623       | 220,000            |
| Due beyond one year                                     | 388,333,507                | 651,037,971                 | 1,039,371,478    | 28,083,723         |
| Total liabilities                                       | 534,076,550                | 725,678,043                 | 1,259,754,593    | 28,772,472         |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                    | 179,990,733                | 24,437,051                  | 204,427,784      | 739,420            |
| <b>NET POSITION</b>                                     |                            |                             |                  |                    |
| Net investment in capital assets                        | 3,571,277,664              | 2,235,603,598               | 5,806,881,262    | 786                |
| Restricted                                              |                            |                             |                  |                    |
| Culture, recreation and open space                      | 75,369,267                 | —                           | 75,369,267       | —                  |
| Development                                             | 30,603,485                 | —                           | 30,603,485       | —                  |
| Gifts and grants                                        | 28,047,688                 | —                           | 28,047,688       | —                  |
| Public improvement                                      | 24,650,220                 | 16,092,418                  | 40,742,638       | 312,775            |
| Debt service                                            | —                          | —                           | —                | 3,980,763          |
| Emergencies                                             | 32,064,634                 | —                           | 32,064,634       | 24,044             |
| Pension benefits                                        | 74,429,182                 | 15,514,031                  | 89,943,213       | —                  |
| Unrestricted                                            | 167,653,147                | 316,897,099                 | 484,550,246      | (8,174,239)        |
| Total net position                                      | \$ 4,004,095,287           | \$ 2,584,107,146            | \$ 6,588,202,433 | \$ (3,855,871)     |

See notes to the basic financial statements

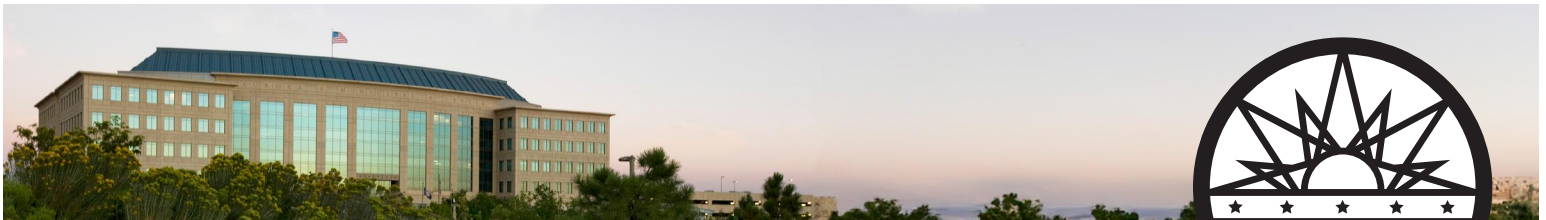
CITY OF AURORA, COLORADO  
CITYWIDE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

| Functions/Programs                                              | Net (Expense) Revenue and Changes in Net Position |                      |                                    |                                  |                 |
|-----------------------------------------------------------------|---------------------------------------------------|----------------------|------------------------------------|----------------------------------|-----------------|
|                                                                 | Primary Government                                |                      |                                    |                                  | Component Units |
|                                                                 | Expenses                                          | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |                 |
| <b>Primary government</b>                                       |                                                   |                      |                                    |                                  |                 |
| <i>Governmental activities</i>                                  |                                                   |                      |                                    |                                  |                 |
| General government                                              | \$ 48,177,036                                     | \$ 7,900,043         | \$ 4,074,999                       | \$ 334,901                       | \$ (35,867,093) |
| Judicial                                                        | 15,031,869                                        | 2,716,476            | 652,355                            | —                                | (11,663,038)    |
| Police                                                          | 133,095,649                                       | 4,473,574            | 3,775,245                          | 150,126                          | (124,696,704)   |
| Fire                                                            | 72,049,319                                        | 3,851,277            | 958,239                            | 464,013                          | (66,775,790)    |
| Other public safety                                             | 25,608,151                                        | 8,965                | 7,866,127                          | —                                | (17,733,059)    |
| Public works                                                    | 93,741,035                                        | 3,025,874            | 3,245,304                          | 201,653,317                      | 114,183,460     |
| Economic development                                            | 90,370,329                                        | 25,919,348           | 913,094                            | 3,695,906                        | (59,841,981)    |
| Community services                                              | 22,629,255                                        | 5,712,571            | 8,634,894                          | 60,998                           | (8,220,792)     |
| Culture and recreation                                          | 54,768,337                                        | 14,838,368           | 6,904,522                          | 18,596,561                       | (14,428,886)    |
| Unallocated depreciation, excluding direct program depreciation | 1,884,147                                         | —                    | —                                  | —                                | (1,884,147)     |
| Interest on long-term debt                                      | 6,970,182                                         | —                    | —                                  | —                                | (6,970,182)     |
| Total governmental activities                                   | 564,325,309                                       | 68,446,496           | 37,024,779                         | 224,955,822                      | (233,898,212)   |
| <i>Business-type activities</i>                                 |                                                   |                      |                                    |                                  |                 |
| Water                                                           | 129,709,453                                       | 144,413,185          | 3,781,787                          | 83,728,351                       | 102,213,870     |
| Wastewater                                                      | 76,426,069                                        | 78,398,295           | 347,231                            | 44,390,662                       | 46,710,119      |
| Golf                                                            | 9,394,652                                         | 11,729,941           | 27,479                             | 13,200                           | 2,375,968       |
| Total business-type activities                                  | 215,530,174                                       | 234,541,421          | 4,156,497                          | 128,132,213                      | 151,299,957     |
| Total primary government                                        | \$ 779,855,483                                    | \$ 302,987,917       | \$ 41,181,276                      | \$ 353,088,035                   | (82,598,255)    |
| <b>Component Units</b>                                          | \$ 2,564,781                                      | \$ —                 | \$ 142,465                         | \$ —                             | \$ (2,422,316)  |

|                                                              | Primary Government         |                             |                  |                    |
|--------------------------------------------------------------|----------------------------|-----------------------------|------------------|--------------------|
|                                                              | Governmental<br>Activities | Business-Type<br>Activities | Total            | Component<br>Units |
| <b>General Revenues</b>                                      |                            |                             |                  |                    |
| Sales and use                                                | 370,722,125                | —                           | 370,722,125      | —                  |
| Property taxes                                               | 82,918,965                 | —                           | 82,918,965       | 782,838            |
| Franchise taxes                                              | 17,871,432                 | —                           | 17,871,432       | —                  |
| Lodgers taxes                                                | 18,169,596                 | —                           | 18,169,596       | —                  |
| Occupational privilege taxes                                 | 6,592,881                  | —                           | 6,592,881        | —                  |
| Other taxes                                                  | 18,155,106                 | —                           | 18,155,106       | 67,709             |
| Grants and contributions not restricted to specific programs | 12,280,764                 | —                           | 12,280,764       | —                  |
| Unrestricted investment returns                              | (11,810,447)               | (7,290,719)                 | (19,101,166)     | 77,589             |
| Gain on sale of asset acquired for resale                    | 1,265,654                  | —                           | 1,265,654        | —                  |
| Miscellaneous revenues                                       | —                          | —                           | —                | 1,297,068          |
| <b>Transfers</b>                                             | (250,000)                  | 250,000                     | —                | —                  |
| Total general revenues and transfers                         | 515,916,076                | (7,040,719)                 | 508,875,357      | 2,225,204          |
| <b>INCREASE IN NET POSITION</b>                              | 282,017,864                | 144,259,238                 | 426,277,102      | (197,112)          |
| <b>NET POSITION - January 1</b>                              | 3,722,077,423              | 2,439,847,908               | 6,161,925,331    | (3,658,759)        |
| <b>NET POSITION - December 31</b>                            | \$ 4,004,095,287           | \$ 2,584,107,146            | \$ 6,588,202,433 | \$ (3,855,871)     |

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, Gifts and Grants Fund, and the City Capital Projects 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.

### 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 a separate fund.

### 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 sources.

### 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, 2022

|                                                                        | General               | Gifts and<br>Grants  | City Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|------------------------------------------------------------------------|-----------------------|----------------------|--------------------------|-----------------------------------|--------------------------------|
| <b>ASSETS</b>                                                          |                       |                      |                          |                                   |                                |
| Cash and cash equivalents                                              | \$ 15,475,423         | \$ —                 | \$ 12,185                | \$ 3,818,238                      | \$ 19,305,846                  |
| Investments                                                            | 100,228,950           | —                    | 159,846,485              | 32,840,002                        | 292,915,437                    |
| <i>Receivables (net of allowance)</i>                                  |                       |                      |                          |                                   |                                |
| Taxes receivable                                                       | 94,966,420            | —                    | —                        | 1,122,267                         | 96,088,687                     |
| Accounts receivable                                                    | 887,567               | —                    | 2,075,935                | 145,965                           | 3,109,467                      |
| Interest receivable                                                    | 2,481,544             | —                    | 470,529                  | —                                 | 2,952,073                      |
| Lease receivable                                                       | 276,065               | —                    | —                        | —                                 | 276,065                        |
| Due from other governments                                             | 1,397,823             | —                    | —                        | 1,629                             | 1,399,452                      |
| Other receivables                                                      | 323,497               | —                    | —                        | 22,015                            | 345,512                        |
| Due from other funds                                                   | 15,893                | —                    | 9,153                    | —                                 | 25,046                         |
| Interfund loan receivable                                              | 13,514,000            | —                    | —                        | —                                 | 13,514,000                     |
| <i>Restricted assets</i>                                               |                       |                      |                          |                                   |                                |
| Cash and cash equivalents                                              | 1,699,660             | 4,563,138            | 7,997,253                | 57,079,355                        | 71,339,406                     |
| Investments                                                            | 6,964,264             | 49,611,355           | 55,161,778               | 117,630,969                       | 229,368,366                    |
| Taxes receivable                                                       | —                     | —                    | —                        | 29,419,313                        | 29,419,313                     |
| Accounts receivable                                                    | 55,188                | 2,731                | 1,060,240                | —                                 | 1,118,159                      |
| Due from other governments                                             | —                     | 1,778,326            | 2,261,757                | 2,104,943                         | 6,145,026                      |
| Other receivables                                                      | —                     | 135,730              | 66,099                   | 1,452,299                         | 1,654,128                      |
| Inventory                                                              | —                     | 151,529              | —                        | —                                 | 151,529                        |
| Assets acquired for resale                                             | 212,096               | —                    | —                        | 11,786,372                        | 11,998,468                     |
| Notes receivable                                                       | —                     | 920,621              | —                        | 14,785,119                        | 15,705,740                     |
| Notes receivable                                                       | —                     | —                    | 217,398                  | —                                 | 217,398                        |
| Total assets                                                           | <u>\$ 238,498,390</u> | <u>\$ 57,163,430</u> | <u>\$ 229,178,812</u>    | <u>\$ 272,208,486</u>             | <u>\$ 797,049,118</u>          |
| <b>LIABILITIES</b>                                                     |                       |                      |                          |                                   |                                |
| Accounts payable                                                       | \$ 20,989,449         | \$ 937,288           | \$ 4,742,278             | \$ 10,875,607                     | \$ 37,544,622                  |
| Accrued interest                                                       | 2,086                 | —                    | —                        | 2,238                             | 4,324                          |
| Deposits held                                                          | 7,563,072             | 14,490               | 11,397,517               | 160,329                           | 19,135,408                     |
| Due to other funds                                                     | 1,681,874             | —                    | —                        | 25,046                            | 1,706,920                      |
| Interfund loan payable                                                 | —                     | —                    | —                        | 13,514,000                        | 13,514,000                     |
| Unearned revenues                                                      | —                     | 52,653,440           | —                        | 333,534                           | 52,986,974                     |
| Total liabilities                                                      | <u>30,236,481</u>     | <u>53,605,218</u>    | <u>16,139,795</u>        | <u>24,910,754</u>                 | <u>124,892,248</u>             |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   | <u>53,742,967</u>     | <u>920,621</u>       | <u>217,398</u>           | <u>41,006,674</u>                 | <u>95,887,660</u>              |
| <b>FUND BALANCES</b>                                                   |                       |                      |                          |                                   |                                |
| Restricted                                                             | 8,719,112             | 2,637,591            | 65,893,109               | 170,636,644                       | 247,886,456                    |
| Committed                                                              | 44,571,073            | —                    | 53,113                   | 18,809,060                        | 63,433,246                     |
| Assigned                                                               | 64,663,710            | —                    | 146,875,397              | 16,845,354                        | 228,384,461                    |
| Unassigned                                                             | 36,565,047            | —                    | —                        | —                                 | 36,565,047                     |
| Total fund balances                                                    | <u>154,518,942</u>    | <u>2,637,591</u>     | <u>212,821,619</u>       | <u>206,291,058</u>                | <u>576,269,210</u>             |
| Total liabilities, deferred inflows of resources,<br>and fund balances | <u>\$ 238,498,390</u> | <u>\$ 57,163,430</u> | <u>\$ 229,178,812</u>    | <u>\$ 272,208,486</u>             | <u>\$ 797,049,118</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, 2022**

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)                                                                                                                                                                                                                                                                                     |                     | \$ | 576,269,210                 |
| The internal balances due to the governmental activities from the business-type activities result from the allocation of the cumulative internal service fund loss.                                                                                                                                                                      |                     |    | 4,282,763                   |
| The Regatta Plaza interfund loan between the General Fund and the AURA Debt Service Fund is eliminated.                                                                                                                                                                                                                                  |                     |    |                             |
| General Fund - asset                                                                                                                                                                                                                                                                                                                     |                     |    | 13,514,000                  |
| AURA Debt Service Fund - liability                                                                                                                                                                                                                                                                                                       |                     |    | (13,514,000)                |
| The net pension asset is not available to pay current period expenditures and, therefore, is not recorded in the funds. (see Note 12)                                                                                                                                                                                                    |                     |    | 74,429,182                  |
| The lease assets are not available to pay current period expenditures and, therefore, are not recorded in the funds. (see Note 14)                                                                                                                                                                                                       |                     |    | 2,648,645                   |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Less \$225,391 internal service fund capital assets.                                                                                                                                              |                     |    | 3,767,664,835               |
| Deferred outflow of resources is amortized over future periods and is not recorded in the funds. (see Note 8)                                                                                                                                                                                                                            |                     |    | 60,904,507                  |
| Pollution remediation obligation is not due and payable with current expendable financial resources and, therefore, is not recorded in the funds. (see Note 18)                                                                                                                                                                          |                     |    | (104,996)                   |
| Accounts payable are adjusted for interest payable on bonds, which is not paid in the current period and, therefore, not recorded in the funds.                                                                                                                                                                                          |                     |    | (1,197,544)                 |
| Deferred inflow of resources from tax audit receivables, notes receivable, and special assessments have been recognized as revenue at citywide. (see Note 8)                                                                                                                                                                             |                     |    | 13,287,548                  |
| Deferred inflow of resources related to pensions, OPEB is amortized over future periods and is not recorded in the funds. (see Note 8)                                                                                                                                                                                                   |                     |    | (97,390,621)                |
| Noncurrent liabilities including bonds, certificates of participation, leases, 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 7)                                                                           |                     |    |                             |
| Due within year -                                                                                                                                                                                                                                                                                                                        |                     |    |                             |
| Due within one year on citywide statement of net position                                                                                                                                                                                                                                                                                | 34,939,360          |    |                             |
| Internal service fund current portion long-term liabilities                                                                                                                                                                                                                                                                              | (7,944,603)         |    |                             |
| Funded portion of accrued compensated absences reclassified from accounts payable in the funds to short term debt at citywide.                                                                                                                                                                                                           | <u>(402,304)</u>    |    | (26,592,453)                |
| Due beyond one year -                                                                                                                                                                                                                                                                                                                    |                     |    |                             |
| Due beyond one year on citywide statement of net position                                                                                                                                                                                                                                                                                | 388,333,507         |    |                             |
| Internal service fund due beyond one year                                                                                                                                                                                                                                                                                                | <u>(14,435,315)</u> |    | (373,898,192)               |
| 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. |                     |    | 3,792,403                   |
| Net position of governmental activities (see page 1)                                                                                                                                                                                                                                                                                     |                     | \$ | <u><u>4,004,095,287</u></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, 2022

|                                                              | General        | Gifts and<br>Grants | City Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------------------------------------|----------------|---------------------|--------------------------|-----------------------------------|--------------------------------|
| <b>REVENUES</b>                                              |                |                     |                          |                                   |                                |
| <i>Taxes</i>                                                 |                |                     |                          |                                   |                                |
| Sales and use                                                | \$ 341,609,866 | \$ —                | \$ 1,938,544             | \$ 27,173,715                     | \$ 370,722,125                 |
| Property                                                     | 46,161,109     | —                   | —                        | 36,757,856                        | 82,918,965                     |
| Franchise                                                    | 17,871,432     | —                   | —                        | —                                 | 17,871,432                     |
| Lodgers                                                      | 8,434,389      | —                   | —                        | 9,735,207                         | 18,169,596                     |
| Occupational privilege                                       | 5,873,097      | —                   | —                        | 719,784                           | 6,592,881                      |
| Other                                                        | 14,928,883     | —                   | —                        | 3,201,844                         | 18,130,727                     |
| Charges for services                                         | 21,475,863     | 104,974             | 18,262,195               | 17,723,318                        | 57,566,350                     |
| Licenses and permits                                         | 4,852,784      | —                   | 1,090,532                | 14,464,099                        | 20,407,415                     |
| Fines and forfeitures                                        | 2,979,080      | —                   | 33                       | 288,976                           | 3,268,089                      |
| Special assessments                                          | —              | —                   | —                        | 78,862                            | 78,862                         |
| Intergovernmental                                            | 20,266,842     | 21,586,522          | 11,859,061               | 24,843,716                        | 78,556,141                     |
| Surcharges                                                   | 265,427        | —                   | —                        | 7,638,602                         | 7,904,029                      |
| Miscellaneous                                                | 2,893,789      | 1,141,854           | 204,341                  | 6,623,096                         | 10,863,080                     |
| Investment return                                            | (1,282,713)    | (1,142,514)         | (5,792,266)              | (2,660,018)                       | (10,877,511)                   |
| Total revenues                                               | 486,329,848    | 21,690,836          | 27,562,440               | 146,589,057                       | 682,172,181                    |
| <b>EXPENDITURES</b>                                          |                |                     |                          |                                   |                                |
| <i>Current</i>                                               |                |                     |                          |                                   |                                |
| General government                                           | 53,322,450     | 11,849,840          | 3,176,054                | 6,519,725                         | 74,868,069                     |
| Judicial                                                     | 14,448,758     | 261,905             | —                        | —                                 | 14,710,663                     |
| Police                                                       | 132,499,942    | 2,798,679           | —                        | —                                 | 135,298,621                    |
| Fire                                                         | 76,880,893     | 699,911             | 492                      | —                                 | 77,581,296                     |
| Other public safety                                          | 10,710,234     | 227,525             | 20,448                   | 11,044,572                        | 22,002,779                     |
| Public works                                                 | 30,349,885     | —                   | 7,062,723                | 1,355,378                         | 38,767,986                     |
| Economic development                                         | 10,569,724     | 504,089             | 350,485                  | 77,319,153                        | 88,743,451                     |
| Community services                                           | 11,015,041     | 4,350,295           | —                        | 6,756,392                         | 22,121,728                     |
| Culture and recreation                                       | 24,161,989     | 672,211             | 406,623                  | 23,618,106                        | 48,858,929                     |
| <i>Debt service</i>                                          |                |                     |                          |                                   |                                |
| Principal                                                    | 383,381        | 5,494               | —                        | 29,004,001                        | 29,392,876                     |
| Interest                                                     | 16,775         | 20                  | —                        | 9,184,674                         | 9,201,469                      |
| Capital outlay                                               | 6,407,547      | 865,690             | 41,645,452               | 29,157,156                        | 78,075,845                     |
| Total expenditures                                           | 370,766,619    | 22,235,659          | 52,662,277               | 193,959,157                       | 639,623,712                    |
| Excess (deficiency) of revenues<br>over (under) expenditures | 115,563,229    | (544,823)           | (25,099,837)             | (47,370,100)                      | 42,548,469                     |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                |                     |                          |                                   |                                |
| Transfers in                                                 | —              | 52,500              | 80,495,985               | 61,061,343                        | 141,609,828                    |
| Transfers out                                                | (116,979,540)  | —                   | (5,354,924)              | (22,340,548)                      | (144,675,012)                  |
| Issuance of debt - certificates of participation             | —              | —                   | —                        | 31,975,000                        | 31,975,000                     |
| Issuance of debt - financed purchase agreements              | —              | —                   | —                        | 6,176,450                         | 6,176,450                      |
| Issuance of debt - notes                                     | —              | —                   | —                        | 20,645,000                        | 20,645,000                     |
| Issuance of leases                                           | 1,085,509      | —                   | —                        | —                                 | 1,085,509                      |
| Premium on certificates of participation                     | —              | —                   | —                        | 3,332,823                         | 3,332,823                      |
| Payment to refunded bond escrow agent                        | (549,587)      | —                   | —                        | (25,435,658)                      | (25,985,245)                   |
| Disposal of capital assets proceeds                          | 383,946        | 19,307              | —                        | —                                 | 403,253                        |
| Total other financing sources (uses)                         | (116,059,672)  | 71,807              | 75,141,061               | 75,414,410                        | 34,567,606                     |
| NET CHANGE IN FUND BALANCES                                  | (496,443)      | (473,016)           | 50,041,224               | 28,044,310                        | 77,116,075                     |
| FUND BALANCES - January 1                                    | 155,015,385    | 3,110,607           | 162,780,395              | 178,246,748                       | 499,153,135                    |
| FUND BALANCES - December 31                                  | \$ 154,518,942 | \$ 2,637,591        | \$ 212,821,619           | \$ 206,291,058                    | \$ 576,269,210                 |

See notes to the basic financial statements.

**CITY OF AURORA, COLORADO**

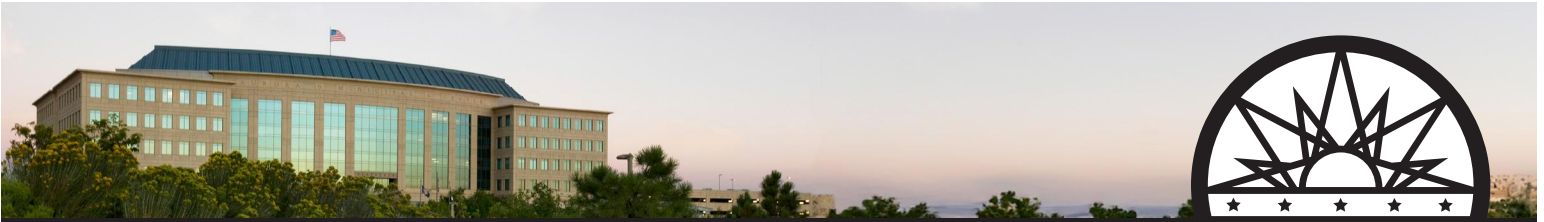
**GOVERNMENTAL FUNDS**

**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, 2022**

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)                                                                                                                                                                                                                                                                         | \$ 77,116,075         |
| 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.                                                                                                                                                                                                                                       | 24,381                |
| Charges for services generated internally are eliminated at citywide.                                                                                                                                                                                                                                                                       |                       |
| Charges for services - revenue                                                                                                                                                                                                                                                                                                              | (12,465,593)          |
| Charges for services - expenditures                                                                                                                                                                                                                                                                                                         | 12,465,593            |
| The change in special assessment revenue, a decrease of \$78,862, and notes receivable, a decrease of \$417,236, recognized as deferred inflow of resources in the funds, is recognized as revenue at citywide.                                                                                                                             | (496,098)             |
| The change in administrative fee revenue, an increase of \$93,324, recognized as deferred inflows of resources in the funds, is recognized as revenue at citywide.                                                                                                                                                                          | 93,324                |
| The change in fines and forfeitures revenue and loan repayments recognized as deferred inflow of resources in the funds is recognized as revenue at citywide.                                                                                                                                                                               | (87,796)              |
| Street infrastructure donated by developers and easement infrastructure are recorded as revenue at citywide, however they are not a current financial resource and, therefore, not recorded in the funds.                                                                                                                                   | 177,921,692           |
| 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                                                                                                                                                                                                                                                                         | (1,824,424)           |
| Change in technical services                                                                                                                                                                                                                                                                                                                | (81,140)              |
| 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.                                                                                                  | 32,882,948            |
| 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.                                                                                                                                 | (695,095)             |
| 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                                                                                                                                                                                                                                                                                                                      | 29,392,876            |
| Accrued interest                                                                                                                                                                                                                                                                                                                            | 59,502                |
| Amortization of premium and discount                                                                                                                                                                                                                                                                                                        | 2,060,907             |
| Amortization of loss on refunding                                                                                                                                                                                                                                                                                                           | (236,759)             |
| Capital outlay is reported in the funds as expenditures but are capitalized at citywide. Depreciation and amortization do not require the use of current financial resources and, therefore, is not reported in the funds.                                                                                                                  |                       |
| Capital asset additions (see Note 6 less roads and easements, donated capital assets and internal service funds)                                                                                                                                                                                                                            | 78,075,845            |
| Lease asset additions (see Note 14)                                                                                                                                                                                                                                                                                                         | 1,085,509             |
| Depreciation (see Note 6 less internal service funds depreciation)                                                                                                                                                                                                                                                                          | (75,039,385)          |
| Amortization of lease asset (see Note 14)                                                                                                                                                                                                                                                                                                   | (498,914)             |
| Proceeds from purchased finance agreements and other debt activity are recorded in the funds but have no effect on net position.                                                                                                                                                                                                            | (37,229,537)          |
| 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.                                                                                                                                       | (214,375)             |
| 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                                                                                                                                                                                                                                                                                                                         | (890,918)             |
| Business - type                                                                                                                                                                                                                                                                                                                             | 599,246               |
| Increase in net position of governmental activities (see page 3)                                                                                                                                                                                                                                                                            | <u>\$ 282,017,864</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, 2022**

|                                                         | Business-type Activities - Enterprise Funds |                |               |                        | Governmental Activities |
|---------------------------------------------------------|---------------------------------------------|----------------|---------------|------------------------|-------------------------|
|                                                         | Major Funds                                 |                | Nonmajor Fund | Total Enterprise Funds | Internal Service Funds  |
|                                                         | Water                                       | Wastewater     | Golf          |                        |                         |
| <b>ASSETS</b>                                           |                                             |                |               |                        |                         |
| <i>Current assets</i>                                   |                                             |                |               |                        |                         |
| Cash and cash equivalents                               | \$ 16,648                                   | \$ 7,126       | \$ 517,215    | \$ 540,989             | \$ 1,756                |
| Investments                                             | 206,152,047                                 | 89,822,877     | 8,651,193     | 304,626,117            | 23,019,408              |
| <i>Receivables (net of allowance)</i>                   |                                             |                |               |                        |                         |
| Accounts receivable                                     | 13,507,915                                  | 9,285,277      | —             | 22,793,192             | —                       |
| Interest receivable                                     | 1,157,437                                   | 504,592        | 47,861        | 1,709,890              | 106,062                 |
| Due from other governments                              | —                                           | 185,180        | —             | 185,180                | —                       |
| Lease receivable                                        | 31,806                                      | —              | —             | 31,806                 | —                       |
| Other receivable                                        | 384,768                                     | 33,563         | —             | 418,331                | —                       |
| <i>Restricted assets</i>                                |                                             |                |               |                        |                         |
| Investments                                             | 11,970,022                                  | 3,548,536      | —             | 15,518,558             | —                       |
| Due from other funds                                    | 690                                         | —              | —             | 690                    | 1,681,184               |
| Current portion of interfund loans                      | —                                           | 425,000        | —             | 425,000                | —                       |
| Inventories                                             | —                                           | —              | 180,043       | 180,043                | 1,369,949               |
| Total current assets                                    | 233,221,333                                 | 103,812,151    | 9,396,312     | 346,429,796            | 26,178,359              |
| <i>Noncurrent assets</i>                                |                                             |                |               |                        |                         |
| <i>Restricted assets</i>                                |                                             |                |               |                        |                         |
| Cash and cash equivalents                               | 20,529,061                                  | 7,452,242      | —             | 27,981,303             | —                       |
| Investments                                             | 19,959,291                                  | 8,524,053      | —             | 28,483,344             | —                       |
| Interest receivable                                     | 68,340                                      | 36,995         | —             | 105,335                | —                       |
| Other receivables                                       | —                                           | 16,092,418     | —             | 16,092,418             | —                       |
| Interfund loans                                         | —                                           | 1,459,000      | —             | 1,459,000              | —                       |
| Equity in joint venture                                 | 2,614,120                                   | —              | —             | 2,614,120              | —                       |
| Net pension asset                                       | 9,680,839                                   | 4,820,939      | 1,012,253     | 15,514,031             | —                       |
| Lease receivable                                        | 661,388                                     | —              | —             | 661,388                | —                       |
| Lease assets, net                                       | 215,721                                     | —              | —             | 215,721                | —                       |
| <i>Capital assets (net of accumulated depreciation)</i> |                                             |                |               |                        |                         |
| Land and water rights                                   | 590,044,326                                 | 20,318,630     | 14,969,380    | 625,332,336            | —                       |
| Buildings and improvements                              | 449,777,663                                 | 60,465,395     | 1,442,738     | 511,685,796            | —                       |
| Infrastructure                                          | 911,793,255                                 | 603,318,781    | 6,425,725     | 1,521,537,761          | 38,404                  |
| Machinery and equipment                                 | 25,251,337                                  | 7,186,791      | 595,670       | 33,033,798             | 186,987                 |
| Construction in progress                                | 124,426,779                                 | 57,294,810     | —             | 181,721,589            | —                       |
| Total capital assets                                    | 2,101,293,360                               | 748,584,407    | 23,433,513    | 2,873,311,280          | 225,391                 |
| Total noncurrent assets                                 | 2,155,022,120                               | 786,970,054    | 24,445,766    | 2,966,437,940          | 225,391                 |
| Total assets                                            | 2,388,243,453                               | 890,782,205    | 33,842,078    | 3,312,867,736          | 26,403,750              |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                   | 23,607,705                                  | 3,178,328      | 735,234       | 27,521,267             | —                       |
| <b>LIABILITIES</b>                                      |                                             |                |               |                        |                         |
| <i>Current liabilities</i>                              |                                             |                |               |                        |                         |
| Accounts payable                                        | 18,153,092                                  | 13,591,216     | 57,298        | 31,801,606             | 231,429                 |
| Accrued interest                                        | 6,141,967                                   | 1,053,587      | 3,097         | 7,198,651              | —                       |
| Deposits held                                           | 3,672,828                                   | 5,265,127      | 123,808       | 9,061,763              | —                       |
| Unearned revenues                                       | 5,000,000                                   | —              | 186,789       | 5,186,789              | —                       |
| Current portion - interfund loans                       | —                                           | —              | 425,000       | 425,000                | —                       |
| Current portion - long-term liabilities                 | 14,889,392                                  | 6,431,647      | 70,224        | 21,391,263             | 7,944,603               |
| Total current liabilities                               | 47,857,279                                  | 26,341,577     | 866,216       | 75,065,072             | 8,176,032               |
| <i>Noncurrent liabilities</i>                           |                                             |                |               |                        |                         |
| Interfund loans                                         | —                                           | —              | 1,459,000     | 1,459,000              | —                       |
| Due beyond one year                                     | 556,387,809                                 | 93,825,486     | 824,676       | 651,037,971            | 14,435,315              |
| Total noncurrent liabilities                            | 556,387,809                                 | 93,825,486     | 2,283,676     | 652,496,971            | 14,435,315              |
| Total liabilities                                       | 604,245,088                                 | 120,167,063    | 3,149,892     | 727,562,043            | 22,611,347              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                    | 15,311,613                                  | 7,470,324      | 1,655,114     | 24,437,051             | —                       |
| <b>NET POSITION</b>                                     |                                             |                |               |                        |                         |
| Net investment in capital assets                        | 1,558,144,979                               | 654,025,105    | 23,433,514    | 2,235,603,598          | 225,391                 |
| Restricted for public improvement                       | —                                           | 16,092,418     | —             | 16,092,418             | —                       |
| Restricted for pension benefits                         | 9,680,839                                   | 4,820,939      | 1,012,253     | 15,514,031             | —                       |
| Unrestricted                                            | 224,468,639                                 | 91,384,684     | 5,326,539     | 321,179,862            | 3,567,012               |
| Total net position                                      | \$ 1,792,294,457                            | \$ 766,323,146 | \$ 29,772,306 | \$ 2,588,389,909       | \$ 3,792,403            |

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, 2022**

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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) | \$ 2,588,389,909 |
|------------------------------------------------------|------------------|

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 | (1,884,000) |
| Golf Fund - liability   | 1,884,000   |

|                                                                                                                                                                     |             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| The internal balances due to the governmental activities from the business-type activities result from the allocation of the cumulative internal service fund loss. | (4,282,763) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|

|                                                       |                         |
|-------------------------------------------------------|-------------------------|
| Net position of business-type activities (see page 1) | <u>\$ 2,584,107,146</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, 2022

|                                                                 | Business-type Activities - Enterprise Funds |                       |                      |                         | Governmental Activities |
|-----------------------------------------------------------------|---------------------------------------------|-----------------------|----------------------|-------------------------|-------------------------|
|                                                                 | Major Funds                                 |                       | Nonmajor Fund        | Total Enterprise Funds  | Internal Service Funds  |
|                                                                 | Water                                       | Wastewater            | Golf                 |                         |                         |
| <b>OPERATING REVENUES</b>                                       |                                             |                       |                      |                         |                         |
| Charges for services                                            |                                             |                       |                      |                         |                         |
| Customers                                                       | \$ 144,413,185                              | \$ 78,398,295         | \$ 11,729,941        | \$ 234,541,421          | \$ 25,032,039           |
| <b>OPERATING EXPENSES</b>                                       |                                             |                       |                      |                         |                         |
| Cost of sales and services                                      | 72,627,396                                  | 56,865,199            | 7,964,958            | 137,457,553             | 16,401,746              |
| Claims losses                                                   | —                                           | —                     | —                    | —                       | 11,954,336              |
| Administrative expenses                                         | 4,007,141                                   | 1,560,393             | 656,884              | 6,224,418               | 119,316                 |
| Depreciation and amortization                                   | 37,618,686                                  | 15,989,148            | 716,229              | 54,324,063              | 61,709                  |
| Total operating expenses                                        | 114,253,223                                 | 74,414,740            | 9,338,071            | 198,006,034             | 28,537,107              |
| Operating income (loss)                                         | 30,159,962                                  | 3,983,555             | 2,391,870            | 36,535,387              | (3,505,068)             |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                         |                                             |                       |                      |                         |                         |
| Investment returns                                              | (4,570,112)                                 | (1,738,111)           | (209,790)            | (6,518,013)             | (585,296)               |
| Intergovernmental revenue                                       | (5,045)                                     | —                     | —                    | (5,045)                 | —                       |
| Miscellaneous revenues                                          | 3,030,696                                   | 102,304               | 27,479               | 3,160,479               | 384,262                 |
| Interest expense                                                | (15,258,734)                                | (2,601,262)           | (45,022)             | (17,905,018)            | —                       |
| Amortization of premiums and (discounts), net                   | 174,001                                     | 422,439               | —                    | 596,440                 | —                       |
| Gain on disposal of capital assets                              | 73,821                                      | 264,840               | —                    | 338,661                 | —                       |
| Gain on joint venture                                           | 273,380                                     | —                     | —                    | 273,380                 | —                       |
| Net nonoperating expenses                                       | (16,281,993)                                | (3,549,790)           | (227,333)            | (20,059,116)            | (201,034)               |
| <b>Income (loss) before capital contributions and transfers</b> | 13,877,969                                  | 433,765               | 2,164,537            | 16,476,271              | (3,706,102)             |
| Capital contributions                                           | 83,728,351                                  | 44,390,662            | 13,200               | 128,132,213             | —                       |
| Transfers in                                                    | —                                           | —                     | 250,000              | 250,000                 | 2,815,184               |
| <b>INCREASE (DECREASE) IN NET POSITION</b>                      | 97,606,320                                  | 44,824,427            | 2,427,737            | 144,858,484             | (890,918)               |
| <b>NET POSITION - January 1</b>                                 | 1,694,688,137                               | 721,498,719           | 27,344,569           | 2,443,531,425           | 4,683,321               |
| <b>NET POSITION - December 31</b>                               | <u>\$ 1,792,294,457</u>                     | <u>\$ 766,323,146</u> | <u>\$ 29,772,306</u> | <u>\$ 2,588,389,909</u> | <u>\$ 3,792,403</u>     |

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, 2022**

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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) | \$ 144,858,484 |
|-------------------------------------------------------------------|----------------|

|                                                                                                                                      |           |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|
| The current year internal service fund operating loss attributable to business-type activities is eliminated for citywide reporting. | (599,246) |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|

|                                                                   |                       |
|-------------------------------------------------------------------|-----------------------|
| Increase in net position of business-type activities (see page 3) | <u>\$ 144,259,238</u> |
|-------------------------------------------------------------------|-----------------------|

See notes to the basic financial statements.

CITY OF AURORA, COLORADO

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

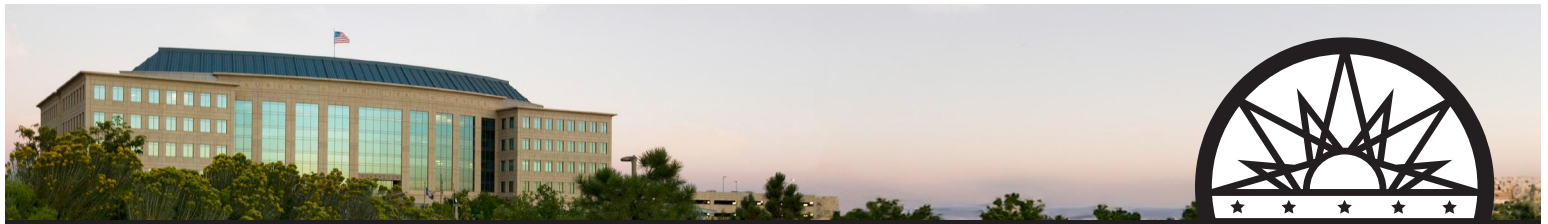
FOR THE YEAR ENDED DECEMBER 31, 2022

|                                                                 | Business-type Activities - Enterprise Funds |               |               |                |                        | Governmental Activities |  |
|-----------------------------------------------------------------|---------------------------------------------|---------------|---------------|----------------|------------------------|-------------------------|--|
|                                                                 | Major Funds                                 |               | Nonmajor Fund |                | Total Enterprise Funds | Internal Service Funds  |  |
|                                                                 | Water                                       | Wastewater    | Golf          |                |                        |                         |  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                                             |               |               |                |                        |                         |  |
| <i>Cash received from:</i>                                      |                                             |               |               |                |                        |                         |  |
| Customers and others                                            | \$ 145,003,981                              | \$ 77,670,018 | \$ 11,654,347 | \$ 234,328,346 | \$ 384,262             |                         |  |
| Interfund services provided and used                            | —                                           | —             | —             | —              | 25,032,039             |                         |  |
| <i>Cash payments to:</i>                                        |                                             |               |               |                |                        |                         |  |
| Employees                                                       | (33,893,981)                                | (16,193,214)  | (5,018,988)   | (55,106,183)   | (5,449,208)            |                         |  |
| Suppliers for goods and services                                | (45,550,110)                                | (44,056,037)  | (3,896,290)   | (93,502,437)   | (20,830,078)           |                         |  |
| Net cash provided by (used in) operating activities             | 65,559,890                                  | 17,420,767    | 2,739,069     | 85,719,726     | (862,985)              |                         |  |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>          |                                             |               |               |                |                        |                         |  |
| Cash transfers in                                               | —                                           | —             | 250,000       | 250,000        | 1,134,000              |                         |  |
| Interfund loan transactions                                     | —                                           | 400,000       | —             | 400,000        | —                      |                         |  |
| Net cash provided by noncapital financing activities            | —                                           | 400,000       | 250,000       | 650,000        | 1,134,000              |                         |  |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b> |                                             |               |               |                |                        |                         |  |
| <i>Proceeds from:</i>                                           |                                             |               |               |                |                        |                         |  |
| Capital contributions                                           | 61,893,769                                  | 14,653,276    | 13,200        | 76,560,245     | —                      |                         |  |
| Sale of capital assets                                          | 104,029                                     | 264,840       | —             | 368,869        | —                      |                         |  |
| Principal payments received on leases receivable                | 34,795                                      | —             | —             | 34,795         | —                      |                         |  |
| Interest payments received on leases receivable                 | 5,638                                       | —             | —             | 5,638          | —                      |                         |  |
| <i>Payments for:</i>                                            |                                             |               |               |                |                        |                         |  |
| Capital assets                                                  | (140,137,892)                               | (47,433,959)  | (15,988)      | (187,587,839)  | —                      |                         |  |
| Capital assets acquired through construction payables           | (17,638,595)                                | (6,233,385)   | —             | (23,871,980)   | —                      |                         |  |
| Principal on capital debt                                       |                                             |               |               |                |                        |                         |  |
| (includes interfund loan payments for Golf - \$400,000)         | (11,920,000)                                | (5,900,036)   | (400,000)     | (18,220,036)   | —                      |                         |  |
| Interest on capital debt                                        | (15,149,188)                                | (2,993,429)   | (45,679)      | (18,188,296)   | —                      |                         |  |
| Deposits for future construction                                | —                                           | (2,886,071)   | —             | (2,886,071)    | —                      |                         |  |
| Principal paid on leases payable                                | (30,001)                                    | —             | —             | (30,001)       | —                      |                         |  |
| Interest paid on leases payable                                 | (2,499)                                     | —             | —             | (2,499)        | —                      |                         |  |
| Lease assets (upfront costs)                                    | (69,400)                                    | —             | —             | (69,400)       | —                      |                         |  |
| Net cash used in capital and related financing activities       | (122,909,344)                               | (50,528,764)  | (448,467)     | (173,886,575)  | —                      |                         |  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                                             |               |               |                |                        |                         |  |
| Decrease (increase) in equity in pooled investments             | 11,414,194                                  | (2,706,207)   | (2,640,034)   | 6,067,953      | (731,045)              |                         |  |
| Decrease in investments                                         | 33,746,243                                  | 35,762,264    | —             | 69,508,507     | —                      |                         |  |
| Interest received                                               | 3,129,046                                   | 1,593,293     | 83,365        | 4,805,704      | 220,140                |                         |  |
| Net cash provided by (used in) investing activities             | 48,289,483                                  | 34,649,350    | (2,556,669)   | 80,382,164     | (510,905)              |                         |  |

|                                                                                                                                 | Business-type Activities - Enterprise Funds |               |               |      |                        | Governmental Activities |             |
|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------|---------------|------|------------------------|-------------------------|-------------|
|                                                                                                                                 | Major Funds                                 |               |               |      | Total Enterprise Funds | Internal Service Funds  |             |
|                                                                                                                                 | Water                                       | Wastewater    | Nonmajor Fund | Golf |                        |                         |             |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS                                                                            | (9,059,971)                                 | 1,941,353     | (16,067)      |      | (7,134,685)            |                         | (239,890)   |
| TOTAL CASH AND CASH EQUIVALENTS, January 1                                                                                      | 29,605,680                                  | 5,518,015     | 533,282       |      | 35,656,977             |                         | 241,646     |
| TOTAL CASH AND CASH EQUIVALENTS, December 31<br>(includes restricted cash of Water - \$20,529,061 and Wastewater - \$7,452,242) | \$ 20,545,709                               | \$ 7,459,368  | \$ 517,215    |      | \$ 28,522,292          | \$                      | 1,756       |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>                         |                                             |               |               |      |                        |                         |             |
| OPERATING INCOME (LOSS)                                                                                                         | \$ 30,159,962                               | \$ 3,983,555  | \$ 2,391,870  |      | \$ 36,535,387          | \$                      | (3,505,068) |
| ADJUSTMENTS TO RECONCILE OPERATING INCOME(LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES                          |                                             |               |               |      |                        |                         |             |
| Depreciation and amortization                                                                                                   | 37,618,686                                  | 15,989,148    | 716,229       |      | 54,324,063             |                         | 61,709      |
| Nonoperating revenues                                                                                                           | 2,988,256                                   | 102,304       | 27,479        |      | 3,118,039              |                         | 384,262     |
| <i>Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources</i>               |                                             |               |               |      |                        |                         |             |
| Receivables                                                                                                                     | (2,584,777)                                 | (830,580)     | 36            |      | (3,415,321)            |                         | —           |
| Inventories                                                                                                                     | —                                           | —             | (46,972)      |      | (46,972)               |                         | (108,795)   |
| Pension and OPEB related items                                                                                                  | (2,793,993)                                 | (1,881,740)   | (349,027)     |      | (5,024,760)            |                         | —           |
| Accounts payable and accrued liabilities                                                                                        | 171,756                                     | 58,080        | 102,563       |      | 332,399                |                         | 2,304,907   |
| Unearned revenues                                                                                                               | —                                           | —             | (103,109)     |      | (103,109)              |                         | —           |
| Total adjustments                                                                                                               | 35,399,928                                  | 13,437,212    | 347,199       |      | 49,184,339             |                         | 2,642,083   |
| Net cash provided by (used in) operating activities                                                                             | \$ 65,559,890                               | \$ 17,420,767 | \$ 2,739,069  |      | \$ 85,719,726          | \$                      | (862,985)   |
| <b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>                                                                      |                                             |               |               |      |                        |                         |             |
| Contribution of capital assets                                                                                                  | \$ 21,834,582                               | \$ 29,737,386 | \$            |      | \$ 51,571,968          | \$                      | —           |
| Capital assets acquired through payables                                                                                        | 15,459,203                                  | 5,583,199     | —             |      | 21,042,402             |                         | —           |
| Decrease in fair value of investments                                                                                           | (7,876,038)                                 | (3,375,104)   | (314,069)     |      | (11,565,211)           |                         | (832,169)   |
| Amortization of discount (premium) and loss on refunding                                                                        | 174,001                                     | 422,439       | —             |      | 596,440                |                         | —           |
| Amortization of deferred inflows - leases                                                                                       | 37,395                                      | —             | —             |      | 37,395                 |                         | —           |
| Gain on joint venture                                                                                                           | 273,380                                     | —             | —             |      | 273,380                |                         | —           |
| Assets acquired under capital lease                                                                                             | 207,955                                     | —             | —             |      | 207,955                |                         | —           |
| Assets leased to others                                                                                                         | (727,989)                                   | —             | —             |      | (727,989)              |                         | —           |

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 custodial 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), the Elected Officials' and Executive Personnel Defined Benefit Plan Fund (EOEP), the Executive Retirement Plan Fund (ERP), the Old Hire Fire Plan Fund, the Old Hire Police Plan Fund and the Police Retirement Plan (PRP).

### Custodial Funds

Custodial funds account for activities and accumulation of resources held in a fiduciary capacity that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The custodial funds are comprised of the Police Evidentiary Fund and the Stanley Film Center Fund.

## Fund Financial Statements

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**CITY OF AURORA, COLORADO**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2022**

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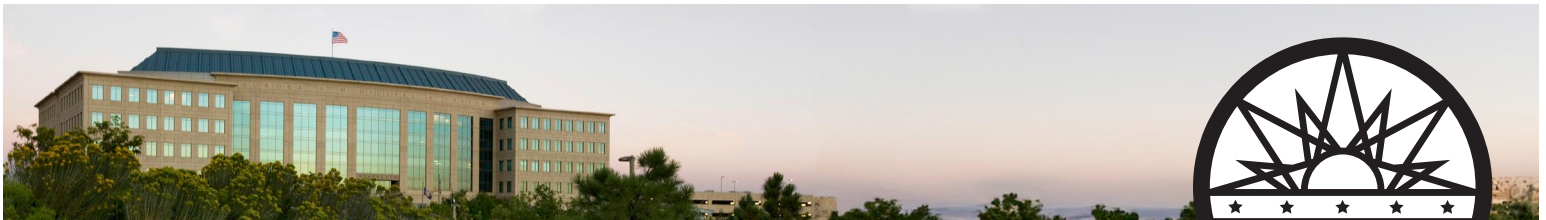
|                                                | <u><b>Total<br/>Pension</b></u> | <u><b>Total<br/>Custodial</b></u> |
|------------------------------------------------|---------------------------------|-----------------------------------|
| <b>ASSETS</b>                                  |                                 |                                   |
| <i>Current assets</i>                          |                                 |                                   |
| Cash and cash equivalents                      | \$ 10,694,765                   | \$ 1,408,828                      |
| <i>Investments</i>                             |                                 |                                   |
| Equity securities and funds                    | 239,266,155                     | —                                 |
| U.S. government treasury and                   |                                 |                                   |
| U.S. government agency obligations             | 15,009,741                      | —                                 |
| Corporate bonds and funds                      | 108,316,206                     | —                                 |
| Real estate funds                              | 59,789,313                      | —                                 |
| Mutual funds                                   | 24,371,629                      | —                                 |
| Affiliated local plan investment pool          | 155,510,220                     | —                                 |
| Alternative investments                        | 152,834,778                     | —                                 |
| <i>Receivables (net of allowance)</i>          |                                 |                                   |
| Interest receivable                            | 807,317                         | —                                 |
| Notes receivable                               | 45,387                          | —                                 |
| Due from other governments                     | 755,863                         | —                                 |
| Prepaid items                                  | 48,453                          | —                                 |
| Lease assets, net                              | 96,226                          | —                                 |
|                                                | <u>767,546,053</u>              | <u>1,408,828</u>                  |
| <b>Total assets</b>                            |                                 |                                   |
|                                                | <u>767,546,053</u>              | <u>1,408,828</u>                  |
| <b>LIABILITIES</b>                             |                                 |                                   |
| <i>Current liabilities</i>                     |                                 |                                   |
| Accounts payable and other current liabilities | 696,994                         | —                                 |
| Leased liability                               | 99,300                          | —                                 |
|                                                | <u>796,294</u>                  | <u>—</u>                          |
| <b>Total liabilities</b>                       |                                 |                                   |
|                                                | <u>796,294</u>                  | <u>—</u>                          |
| <b>NET POSITION RESTRICTED</b>                 | <u><u>\$ 766,749,759</u></u>    | <u><u>\$ 1,408,828</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, 2022**

|                                                  | <u>Total<br/>Pension</u> | <u>Total<br/>Custodial</u> |
|--------------------------------------------------|--------------------------|----------------------------|
| <b>ADDITIONS</b>                                 |                          |                            |
| <i>Contributions</i>                             |                          |                            |
| City                                             | \$ 18,937,920            | \$ —                       |
| Plan members                                     | 10,141,457               | —                          |
|                                                  | <u>29,079,377</u>        | <u>—</u>                   |
| <i>Investment activity</i>                       |                          |                            |
| Investment returns                               | (93,917,720)             | —                          |
| Investment expense                               | (3,676,601)              | —                          |
|                                                  | <u>(97,594,321)</u>      | <u>—</u>                   |
| Deposits to police evidentiary cash              | —                        | 107,469                    |
| Sales tax collected for other entities           | —                        | —                          |
| Other income                                     | 499,090                  | —                          |
|                                                  | <u>(68,015,854)</u>      | <u>107,469</u>             |
| Total additions, net                             |                          |                            |
| <b>DEDUCTIONS</b>                                |                          |                            |
| Benefits                                         | 57,195,758               | —                          |
| Administrative expenses                          | 837,183                  | —                          |
| Release of police evidentiary cash               | —                        | 117,730                    |
| Sales tax distributed to other entities          | —                        | 29,250                     |
|                                                  | <u>58,032,941</u>        | <u>146,980</u>             |
| Total deductions                                 |                          |                            |
| NET DECREASE IN NET POSITION                     | <u>(126,048,795)</u>     | <u>(39,511)</u>            |
| NET POSITION RESTRICTED - January 1              | 892,800,787              | 1,448,339                  |
| Adjustment for change in accounting principle    | (2,233)                  | —                          |
| NET POSITION RESTRICTED - January 1, as restated | <u>892,798,554</u>       | <u>1,448,339</u>           |
| NET POSITION RESTRICTED - December 31            | <u>\$ 766,749,759</u>    | <u>\$ 1,408,828</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.

#### Citadel On Colfax Business Improvement District (BID)

Citadel on Colfax Business Improvement District (BID), a discretely presented component unit, accounts for activities related to business improvements at Colfax Avenue and Sable Boulevard. Funding is from special assessments on the related properties.

## Fund Financial Statements

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**CITY OF AURORA, COLORADO**  
**COMPONENT UNITS**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

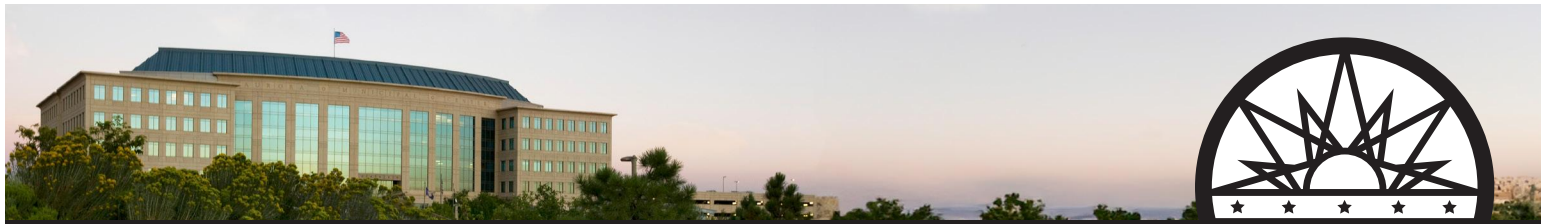
|                                                         | <b>Havana<br/>BID</b> | <b>Parkside<br/>BID</b> | <b>Citadel<br/>on Colfax<br/>BID</b> | <b>Total</b>   |
|---------------------------------------------------------|-----------------------|-------------------------|--------------------------------------|----------------|
| <b>ASSETS</b>                                           |                       |                         |                                      |                |
| Cash and cash equivalents                               | \$ 756,387            | \$ —                    | \$ 442,216                           | \$ 1,198,603   |
| <i>Receivables (net of allowance)</i>                   |                       |                         |                                      |                |
| Taxes receivable                                        | 583,648               | 25,904                  | 133,156                              | 742,708        |
| Due from other governments                              | —                     | 80,036                  | 245,973                              | 326,009        |
| Prepaid items                                           | 9,958                 | 2,076                   | —                                    | 12,034         |
| <i>Restricted assets</i>                                |                       |                         |                                      |                |
| Cash and cash equivalents                               | 17,233                | 2,193,604               | 1,488,805                            | 3,699,642      |
| Assets constructed for others                           | —                     | 10,768,196              | 8,908,043                            | 19,676,239     |
| <i>Capital assets (net of accumulated depreciation)</i> |                       |                         |                                      |                |
| Infrastructure                                          | 786                   | —                       | —                                    | 786            |
| Total assets                                            | 1,368,012             | 13,069,816              | 11,218,193                           | 25,656,021     |
| <b>LIABILITIES</b>                                      |                       |                         |                                      |                |
| Accounts payable                                        | 20,234                | 96,852                  | 71,101                               | 188,187        |
| Accrued interest                                        | —                     | 72,865                  | 206,000                              | 278,865        |
| Due to other governments                                | —                     | —                       | 1,697                                | 1,697          |
| <i>Noncurrent liabilities</i>                           |                       |                         |                                      |                |
| Due within one year                                     | —                     | 220,000                 | —                                    | 220,000        |
| Due beyond one year                                     | —                     | 15,553,723              | 12,530,000                           | 28,083,723     |
| Total liabilities                                       | 20,234                | 15,943,440              | 12,808,798                           | 28,772,472     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                    |                       |                         |                                      |                |
| Deferred property tax                                   | 580,931               | 25,904                  | 132,585                              | 739,420        |
| Total deferred inflows of resources                     | 580,931               | 25,904                  | 132,585                              | 739,420        |
| <b>NET POSITION</b>                                     |                       |                         |                                      |                |
| Net investment in capital assets                        | 786                   | —                       | —                                    | 786            |
| Restricted                                              |                       |                         |                                      |                |
| Public improvements                                     | —                     | —                       | 312,775                              | 312,775        |
| Debt service                                            | —                     | 2,246,469               | 1,734,294                            | 3,980,763      |
| Emergencies                                             | 17,233                | 4,511                   | 2,300                                | 24,044         |
| Unrestricted                                            | 748,828               | (5,150,508)             | (3,772,559)                          | (8,174,239)    |
| Total net position                                      | \$ 766,847            | \$ (2,899,528)          | \$ (1,723,190)                       | \$ (3,855,871) |

See notes to the basic financial statements.

**CITY OF AURORA, COLORADO**  
**COMPONENT UNITS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

|                                     | <b>Havana<br/>BID</b> | <b>Parkside<br/>BID</b> | <b>Citadel<br/>on Colfax<br/>BID</b> | <b>Total</b>   |
|-------------------------------------|-----------------------|-------------------------|--------------------------------------|----------------|
| <b>EXPENSES</b>                     | \$ 512,887            | \$ 1,201,862            | \$ 850,032                           | \$ 2,564,781   |
| <b>PROGRAM REVENUES</b>             |                       |                         |                                      |                |
| Operating grant and contributions   | —                     | —                       | 142,465                              | 142,465        |
| Total program revenues              | —                     | —                       | 142,465                              | 142,465        |
| Net expenses                        | (512,887)             | (1,201,862)             | (707,567)                            | (2,422,316)    |
| <b>GENERAL REVENUES</b>             |                       |                         |                                      |                |
| Taxes                               |                       |                         |                                      |                |
| Property taxes                      | 587,019               | 73,428                  | 122,391                              | 782,838        |
| Other taxes                         | 36,836                | 23,144                  | 7,729                                | 67,709         |
| Miscellaneous revenues              | 369                   | 1,296,699               | —                                    | 1,297,068      |
| Investment and interest earnings    | 9,190                 | 24,081                  | 44,318                               | 77,589         |
| Total general revenues              | 633,414               | 1,417,352               | 174,438                              | 2,225,204      |
| INCREASE (DECREASE) IN NET POSITION | 120,527               | 215,490                 | (533,129)                            | (197,112)      |
| NET POSITION - January 1            | 646,320               | (3,115,018)             | (1,190,061)                          | (3,658,759)    |
| NET POSITION - December 31          | \$ 766,847            | \$ (2,899,528)          | \$ (1,723,190)                       | \$ (3,855,871) |

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

### 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 Units

*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 Parkside 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.

*Citadel on Colfax Business Improvement District (Citadel on Colfax BID)* – The Citadel on Colfax BID was organized by the City Council on October 28, 2017 for the purpose of enhancing the economic vitality of the area located at Colfax 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 Citadel on Colfax 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 Citadel on Colfax BID is a discretely presented component unit of the city. An election was held in November 2017 authorizing the Citadel on Colfax BID to levy property taxes. In November 2020, the Citadel on Colfax BID issued special revenue and tax supported senior bonds. Separately issued, audited financial statements are available by contacting Clifton Larson Allen, 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado 80111, telephone (303) 779-5710.

#### 2. Blended Component Units

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

*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.

*Old Hire Pension Plans – Fire and Police* – The Old Hire Plans are part of the Affiliated Local Plans administered and held in trust by the Fire and Police Pension Association of Colorado (FPPA); the Affiliated Local Plans are plans for which FPPA has been asked to and has undertaken investment and recordkeeping responsibility, but are not plans for which FPPA has determined or set the benefits or funding policy. Plans that affiliate with FPPA are still governed by their local plan document and pension board and the city retains responsibility for administration and liability of the plan. Each Old Hire Plan board is appointed from city employees and it covers all full-time fire fighters and police officers hired before April 8, 1978. Each Old Hire Plan is a component unit for purposes of Governmental Accounting Standards Board (GASB ) Statement No. 84 *Fiduciary Activities* (GASB 84) 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. Each Old Hire Plan is included in this report as a pension trust fund in the fiduciary fund statements. The Old Hire Plans are not included in the citywide statements because their assets are not available to finance city programs. The Old Hire 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) or by contacting the Fire and Police Pension Association, Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237 or telephone (303) 770-3772.

*Executive Retirement Plan* – The Executive Retirement Plan (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 MissionSquare Retirement, formally International City Management Association Retirement Corporation (ICMA-RC). The ERP board is appointed by City Council who has the ability to impose its will as it can modify and approve the contribution rates. The ERP is included in this report as a pension trust fund in the fiduciary fund statements and not included in the citywide statements because its assets are not available to finance city programs. There are no separately issued financial statements for ERP.

*Police Retirement Plan* – The Police Retirement Plan (PRP) is a single employer defined benefit pension plan created by City Council for the exclusive benefit for civil service personnel directly involved with the provision of police protection. The effective date of the plan is January 1, 2022. The Plan Administration Committee, composed of members elected by the Plan's current participants, serves as plan trustee and administrator. PRP is maintained for the exclusive benefit of the employees of the city and their beneficiaries and 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. The PRP is included in this report as a pension trust fund in the fiduciary fund statements and not included in the citywide statements because its assets are not available to finance city programs. There are no separately issued financial statements for PRP.

#### 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 units). 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 *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.

The *City Capital Projects Fund* accounts for financial resources used for construction and acquisition of major capital projects.

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, 2022: Development Review, Marijuana Tax Revenue, Community Development, Enhanced E-911, Conservation Trust, Parks Development, Open Space, Recreation Services, Cultural Services, Parking and Mobility, Peoria Park Fence GID, Meadow Hills Fence GID, Cherry Creek Fence GID, Aurora Conference Center GID, Pier Point 7 Sewer GID, Cobblewood Street GID and AURA General Fund.

*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.

*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 one nonmajor capital projects fund: the 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 six pension trust funds: the City of Aurora General Employees' Retirement Plan (GERP), the City of Aurora Elected Officials' and Executive Personnel Defined Benefit Plan (EOEP), the Old Hire Fire Pension Plan, the Old Hire Police Pension Plan, the Executive Retirement Plan (ERP) and the Police Retirement Plan (PRP).

The city has two *Custodial Funds*. Police Evidentiary Cash represents funds seized from defendants and held by the city until resolution by a judicial court to either return the funds to the defendant, send to a higher court for continued judicial processing or ruled as a forfeiture of funds and the money is retained by the city and/or shared with another judicial court. Stanley Film Center represents the collection, administration and distribution of the state sales tax increment dedicated for the Stanley Film Center project by AURA who serves as the approved financing entity by the Colorado Office of Economic Development and International Trade for this regional tourism project.

*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 assets by the city that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net assets 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. 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*, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* and GASB Statement No. 87, *Leases*, 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, OPEB and lease obligations in both the business-type and governmental activities columns. The citywide statements include deferred inflows of resources representing a 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. The citywide statements also include deferred inflows of resources from leases, where the city is the lessor, and are recognized using the straight line method over the lease term. 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 cost determined using the first-in, first-out basis. 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. Assets Acquired for Resale

Assets 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 market value. The properties are blighted and intended to be sold for economic redevelopment purposes per state redevelopment statutes. The properties are valued at \$11,998,468.

### 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

| Description                         | Estimated Useful Life<br>(Years) | Threshold<br>Levels |
|-------------------------------------|----------------------------------|---------------------|
| Land and water rights               | N/A                              | \$ 50,000           |
| Buildings and improvements          | 20-50                            | 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               |

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. Lease Assets**

As Lessee, the city recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary fund financial statements.

Leases that meet the following threshold for major and nonmajor funds are reported at the present value of lease receipts and lease payments.

| <b>Lease Assets</b>      |                         |
|--------------------------|-------------------------|
| <b>Payment Frequency</b> | <b>Threshold Levels</b> |
| One-Time                 | \$ 5,000                |
| Monthly                  | 250                     |
| As Needed                | 250                     |

At commencement of the lease, the city initially measures the lease liability at the present value of the payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured at the initial amount of the lease liability, adjusted for payments made at or before the lease commencement date, plus certain initial direct costs.

Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or useful life. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculation but are recognized as outflows of resources in the period in which the obligation is incurred.

Key estimates and judgements related to leases include how the city determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

- The city uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the city uses an estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are fixed payments.

The city monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported distinctly and lease liabilities are reported as long-term liabilities on the statement of net position.

#### **K. Lease Receivables**

As Lessor, the city recognizes a lease receivable and a deferred inflow of resources in the government wide, governmental fund and proprietary fund financial statements. Leases are reported at the present value of lease receipts and lease payments.

At the commencement of the lease, the city initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date.

Subsequently, the deferred inflow of resources is recognized as revenue on a straight-line basis over the life of the lease term. Variable lease payments based on future performance of the lessee or the usage of the underlying assets are not included in the lease receivable calculations but are recognized as inflows or resources in the period in which those payments occur.

Key estimates and judgements include how the city determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

- The city uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The city monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### L. Accounts Payable

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

|                       | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> |
|-----------------------|------------------------------------|-------------------------------------|
| Vendors               | \$ 37,112,913                      | \$ 31,801,606                       |
| Salaries and Benefits | 365,830                            | -                                   |
| <b>Total</b>          | <b>\$ 37,478,743</b>               | <b>\$ 31,801,606</b>                |

#### M. 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.

#### N. Noncurrent Liabilities

Noncurrent liabilities include: bonds, notes, certificates of participation, financed purchase agreements, claims payable, earned but not used compensated absences, lease liability, 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 and leases are reported in the governmental funds as "other financing sources" and payments of principal are shown as expenditures. For the citywide statements, governmental debt and lease 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.

#### O. 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.

#### P. 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 Police in excess of the maximum accrual permitted is paid out in the subsequent year. 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 the payroll date of the subsequent year that includes February 28 within the pay period. Accrued annual leave is payable to the extent earned.

| <b>Employee Group</b>            | <b>Maximum Hours - 2022</b> |
|----------------------------------|-----------------------------|
| Police                           | 340                         |
| Fire Civil Service 8-hour shift  | 256                         |
| Fire Civil Service 24-hour shift | 360                         |
| Career Service                   | 260                         |

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<br/>Hours</b> | <b>Maximum<br/>Payment Hours</b> | <b>Maximum Payout<br/>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.

#### **Q. Defined Benefit Pension Plans**

The city participates in three 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), the City of Aurora Police Retirement Plan (PRP) 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.

#### **R. 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.

**S. 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.

**T. 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 and lease assets (net of accumulated depreciation/amortization) reduced by the outstanding amount of debt, which was issued to acquire or construct the assets. Restricted net position report amounts legally segregated for a specific future use. Remaining net position is reported as unrestricted.

At December 31, 2022, the Parkside Business Improvement District (BID) component unit had a deficit net position in the amount of \$2,899,528 and the Citadel on Colfax BID component unit had a deficit net position in the amount of \$1,723,190. The deficit in net position resulted from a portion of their respective debt proceeds being used to fund capitalized interest and the cost of issuing the bonds. The Parkside BID and Citadel on Colfax BID will receive future property tax, specific ownership tax and other pledged revenues to fund their respective deficit net position.

**U. 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, MPPP, Havana BID, Parkside BID and Citadel on Colfax 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 financed purchase agreements 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 and amortization 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 financed purchase agreements 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, 2022, are classified in the accompanying financial statements as follows:

| Cash and Investments                 | Governmental Activities | Business-type Activities | Fiduciary Funds       | Component Unit      | Total                   |
|--------------------------------------|-------------------------|--------------------------|-----------------------|---------------------|-------------------------|
| Cash and cash equivalents            | \$ 19,307,602           | \$ 540,989               | \$ -                  | \$ 1,198,603        | \$ 21,047,194           |
| Investments                          | 315,934,845             | 304,626,117              | -                     | -                   | 620,560,962             |
| Restricted cash and cash equivalents | 71,339,406              | 27,981,303               | 12,103,593            | 3,699,642           | 115,123,944             |
| Restricted investments               | 229,368,366             | 44,001,902               | 755,098,042           | -                   | 1,028,468,310           |
| <b>Total</b>                         | <b>\$ 635,950,219</b>   | <b>\$ 377,150,311</b>    | <b>\$ 767,201,635</b> | <b>\$ 4,898,245</b> | <b>\$ 1,785,200,410</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 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, 2022, was \$8,082,290 of which \$250,000 is covered by FDIC insurance. The carrying value of deposits and cash on hand as of December 31, 2022, was \$15,627,112. 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 on December 31, 2022:

| Investment                    | Pooled Investments    | Non-pooled Investments | Total Primary Government |
|-------------------------------|-----------------------|------------------------|--------------------------|
| PDPA Money Market Fund*       | \$ -                  | \$ 1,699,603           | \$ 1,699,603             |
| LGIP Money Market Fund*       | -                     | 79,214,020             | 79,214,020               |
| Govt Money Market Fund*       | 22,538,336            | 177,604                | 22,715,940               |
| U.S. Treasury Notes           | 281,149,380           | 27,311,742             | 308,461,122              |
| U.S. Agency Notes             | 227,105,072           | 1,171,601              | 228,276,673              |
| Municipal Bonds               | 93,659,525            | -                      | 93,659,525               |
| Corporate Notes               | 204,829,972           | -                      | 204,829,972              |
| Foreign Corporate Notes - USD | 58,703,938            | -                      | 58,703,938               |
| <b>Total</b>                  | <b>\$ 887,986,223</b> | <b>\$ 109,574,570</b>  | <b>\$ 997,560,793</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 | \$ 1,649,029,272        |
| Cash and cash equivalents                                |                         |
| Money market funds                                       | 103,629,563             |
| Pooled and other cash not included above                 | 15,539,737              |
| <b>Total cash and cash equivalents and investments</b>   | <b>\$ 1,768,198,572</b> |
| Total Governmental Activities                            | \$ 635,950,219          |
| Total Business Type Activities                           | 377,150,311             |
| <b>Total</b>                                             | <b>\$ 1,013,100,530</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.

*Municipal Bonds* – General Obligation Bonds and Revenue Bonds of any state of the United States, the District of Columbia, or any political subdivision, institution, department, agency, instrumentality, or authority of such a governmental entity with a maximum maturity not to exceed 5 years. If the debt is an obligation of this state or any political subdivision of this state it must be rated at least A- or the equivalent by at least two NRSROs. If the security is an obligation of any of other state or political subdivision of any other state it must be rated at least AA- or the equivalent by at least two NRSROs, and up to 10% may be held in issues rated at least A- or the equivalent by at least two NRSROs with maturities not to exceed two years. The aggregate investment in municipal bonds may not exceed 30% of the City's total portfolio with no more than 3% held in the obligations of any one general obligation issuer or of any one revenue bond project.

*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.

**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: 10% of obligations issued in any one authorized foreign country, 20% investment in foreign securities, up to 50% invested in domestic corporate bonds, or 50% combination in both, foreign and domestic. Securities must be rated at least A- or the equivalent by at least two Nationally Recognized Statistical Ratings Organizations (NRSROs) with a maximum maturity not to exceed three 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 the Plan's investments. Each investment portfolio is managed in accordance with investment guidelines as stated in the Plan's revised investment policy which became effective on December 1, 2022. 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 fair 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 fair 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 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.

**Executive Retirement Plan (ERP)** – The city offers a 401 defined contribution plan for executive staff managed by MissionSquare Retirement, formerly ICMA-RC, a non-profit retirement firm specializing in public organization retirement plans. Individual participants have control over their respective asset allocations and select from numerous mutual fund options available to them. MissionSquare Retirement employs Certified Financial Planners to assist participants in the selection to meet their individual retirement goals. The following table illustrates the aggregate ERP fund balance by fund as of December 31, 2022:

| Fund                         | Percentage of |                      |
|------------------------------|---------------|----------------------|
|                              | Assets        | Balance              |
| Stable Value/Cash Management | 23.7%         | \$ 5,506,999         |
| Bond                         | 4.7%          | 1,100,821            |
| Guaranteed Lifetime Income   | 5.3%          | 1,224,441            |
| Balanced/Asset Allocation    | 22.7%         | 5,270,101            |
| U.S. Stock                   | 36.9%         | 8,529,393            |
| International/Global Stock   | 4.8%          | 1,117,386            |
| Specialty                    | 1.9%          | 450,474              |
| <b>Total Assets</b>          | <b>100%</b>   | <b>\$ 23,199,615</b> |

ERP investments are not subject to credit risk disclosures as the plan consists of open-ended mutual funds. Concentration of credit risk is represented in the above allocation of summary by fund; the percentage of assets in total is determined by the participants' selected investments and not by a city policy. ERP investments are not subject to interest rate risk disclosures as the investments are controlled by the participants and, as such, no weighted average maturity can be determined. The ERP investment portfolio is reviewed quarterly by an independent investment-related consultant and recommendations are brought forward to the city for consideration.

**Old Hire Fire and Police Plans** – The city participates in the Fire and Police Pension Association of Colorado's (FPPA) closed, non-contributory agent multiple-employer defined benefit plans covering all full-time fire fighters and police officers hired before April 8, 1978. The city's plans are part of the statewide multiple agent employer public employee retirement system and are administered by FPPA through its Affiliated Local Plans. The Affiliated Local Plans are included in FPPA's Fire & Police Members' Benefit Investment Fund and fall under the complete investment authority of the FPPA Board of Directors.

As of December 31, 2022, the Old Hire Fire Plan affiliated local plan investment balance was \$66,987,054 and the Old Hire Police Plan affiliated local plan investment balance was \$88,523,166. The investments are measured at net asset value per share, which is designed to approximate fair value.

Both plans are included in the FPPA's annual separately issued audited financial statements. Additional information regarding the investments and associated risks may be obtained in this report which is available online at [www.fppaco.org](http://www.fppaco.org) or by contacting FPPA at Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237, telephone (303) 770-3772.

**PRP** – The plan contracts with investment managers to manage the plan's investments. Assets are diversified and are intended to match, as closely as possible, the investment style, allocation and performance of the Plan Administration Committee in its capacity as plan trustee and administrator. The Plan Administration Committee conducts an annual review of the plan's funding policy to ensure objectives of the plan are satisfied. The plan's initial 2022 asset allocation study follows the approach used by the Plan Administration Committee to determine the appropriate asset allocation for the Police Money Purchase Pension Plan.

### 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<br>Rating | LGIP / Govt<br>Money Market | PDPA Money<br>Market Fund | U.S. Treasury<br>Notes | U.S. Agency<br>Notes | Municipal<br>Bonds   | Corporate<br>Notes   | Foreign<br>Securities<br>U.S. Dollars |
|-------------------|-----------------------------|---------------------------|------------------------|----------------------|----------------------|----------------------|---------------------------------------|
| Aaa               | \$ -                        | \$ -                      | \$303,893,534          | \$228,276,673        | \$ 48,875,314        | \$ 19,711,261        | \$ -                                  |
| Aa1               | -                           | -                         | -                      | -                    | 11,656,491           | -                    | -                                     |
| Aa2               | -                           | -                         | -                      | -                    | 21,183,982           | 23,368,278           | 17,653,424                            |
| Aa3               | -                           | -                         | -                      | -                    | 11,943,738           | -                    | 4,912,489                             |
| A1                | -                           | -                         | -                      | -                    | -                    | 59,054,468           | 36,138,025                            |
| A2                | -                           | -                         | -                      | -                    | -                    | 95,896,651           | -                                     |
| A3                | -                           | -                         | -                      | -                    | -                    | 6,799,314            | -                                     |
| P-1               | -                           | -                         | 4,567,588              | -                    | -                    | -                    | -                                     |
| Aaam              | 101,929,960                 | -                         | -                      | -                    | -                    | -                    | -                                     |
| NR                | -                           | 1,699,603                 | -                      | -                    | -                    | -                    | -                                     |
| <b>Total</b>      | <b>\$101,929,960</b>        | <b>\$ 1,699,603</b>       | <b>\$308,461,122</b>   | <b>\$228,276,673</b> | <b>\$ 93,659,525</b> | <b>\$204,829,972</b> | <b>\$ 58,703,938</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<br>Investments | Weighted<br>Average<br>Maturity<br>(Years) | Non-pooled<br>Investments | Weighted<br>Average<br>Maturity<br>(Years) |
|-------------------------------|-----------------------|--------------------------------------------|---------------------------|--------------------------------------------|
| PDPA Money Market Fund*       | \$ -                  | —                                          | \$ 1,699,603              | —                                          |
| LGIP Money Market Fund*       | -                     | —                                          | 79,214,020                | —                                          |
| Govt Money Market Fund*       | 22,538,336            | —                                          | 177,604                   | —                                          |
| U.S. Treasury Notes           | 281,149,380           | 2.09                                       | 27,311,742                | 0.19                                       |
| U.S. Agency Notes             | 227,105,072           | 1.54                                       | 1,171,601                 | 0.14                                       |
| Municipal Bonds               | 93,659,525            | 1.15                                       | -                         | —                                          |
| Corporate Notes               | 204,829,972           | 1.55                                       | -                         | —                                          |
| Foreign Corporate Notes - USD | 58,703,938            | 1.38                                       | -                         | —                                          |
| <b>Total</b>                  | <b>\$ 887,986,223</b> |                                            | <b>\$ 109,574,570</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<br>Rating | Asset or<br>Mortgage Backed,<br>Corporate and<br>Municipal Bonds | Bond Fund            |
|-------------------|------------------------------------------------------------------|----------------------|
| Aaa               | \$ 11,374,452                                                    | \$ -                 |
| Aa1 to Aa3        | 5,754,348                                                        | -                    |
| A1 to A3          | 13,468,787                                                       | -                    |
| Baa1 to Baa3      | 14,450,713                                                       | -                    |
| Ba1 to Ba3        | 717,403                                                          | -                    |
| NR                | -                                                                | 60,533,161           |
| <b>Total</b>      | <b>\$ 45,765,703</b>                                             | <b>\$ 60,533,161</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 fair value of the portfolio. For the domestic equity investment manager, the Plan's investment policy states that the fair 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. On December 31, 2022, 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        | \$ 102,043,349        | 17.7%            |
| Western Asset U.S. Core Plus         | 60,533,161            | 10.6%            |
| American EuroPacific Growth          | 34,723,032            | 6.0%             |
| Dodge & Cox International Stock Fund | 41,617,963            | 7.2%             |
| <b>Total Greater than 5%</b>         | <b>\$ 238,917,505</b> | <b>41.5%</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 December 1, 2022. 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.

GERP had the following investments and maturities on December 31, 2022:

| Investment                   | Fair Value            | Investment Maturities (in years) |                     |                      |                      |                      |
|------------------------------|-----------------------|----------------------------------|---------------------|----------------------|----------------------|----------------------|
|                              |                       | Undetermined                     | Less than 1         | 1-5                  | 6-10                 | >10                  |
| Short Term Cash Investments* | \$ 10,359,496         | \$ 10,359,496                    | \$ -                | \$ -                 | \$ -                 | \$ -                 |
| U.S. Treasury Bonds          | 15,009,741            | -                                | 1,474,453           | 6,896,826            | 159,934              | 6,478,528            |
| Corporate Bonds              | 30,537,570            | -                                | 2,708,932           | 11,659,733           | 7,378,742            | 8,790,163            |
| Municipal Bonds              | 5,981,289             | -                                | -                   | 129,233              | 1,405,349            | 4,446,707            |
| Asset Backed Securities      | 2,507,455             | -                                | -                   | 1,852,919            | 554,862              | 99,674               |
| Government Mortgage Backed   | 6,739,389             | -                                | -                   | 1,464,450            | 1,306,157            | 3,968,782            |
| Bond Fund**                  | 60,533,161            | 60,533,161                       | -                   | -                    | -                    | -                    |
| Equity Securities            | 235,181,127           | 235,181,127                      | -                   | -                    | -                    | -                    |
| Real Estate Funds            | 58,838,316            | 58,838,316                       | -                   | -                    | -                    | -                    |
| Alternative Investments      | 152,321,774           | 152,321,774                      | -                   | -                    | -                    | -                    |
| <b>Total</b>                 | <b>\$ 578,009,318</b> | <b>\$ 517,233,874</b>            | <b>\$ 4,183,385</b> | <b>\$ 22,003,161</b> | <b>\$ 10,805,044</b> | <b>\$ 23,783,854</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+.

\*\* Weighted average life for the bond fund is 15.72 years.

**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, 2022, is disclosed by investment type below:

|                                                      | Fund<br>Valued In | Current<br>Exposure                                                                            | Value                |
|------------------------------------------------------|-------------------|------------------------------------------------------------------------------------------------|----------------------|
| International equity mutual funds                    | U.S. dollars      | Various currencies worldwide                                                                   | \$ 92,448,667        |
| Short-term cash investments                          | Euros             | Euros                                                                                          | 162,187              |
| HarbourVest International Private Equity Partners VI | Euros             | Euros, U.S. dollar, British pound, Swiss franc, Swedish krona, Japanese yen, Australian dollar | 2,852,569            |
|                                                      |                   |                                                                                                | <u>\$ 95,463,423</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, 2022, 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              | \$ 2,091,255               | 27.6%               |
| Segall Bryant & Hamill Plus Bond Fund | 1,023,274                  | 13.5%               |
| Western Asset Core Plus Bond Fund     | 994,068                    | 13.1%               |
| Heitman America Real Estate Trust     | 735,584                    | 9.7%                |
| Dodge & Cox International Stock Fund  | 726,601                    | 9.6%                |
| Cohen & Steers Global Listed Infrastr | 513,004                    | 6.8%                |
| American Funds EuroPacific Growth     | 512,272                    | 6.8%                |
| iShares Core S&P Small-Cap ETF        | 507,460                    | 6.7%                |
| <b>Total Greater than 5%</b>          | <u><b>\$ 7,103,518</b></u> | <u><b>93.8%</b></u> |

**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<br>(Years) |
|-------------------------|----------------------------|-----------------------------|
| Money Market Funds*     | \$ 101,398                 | 0.07                        |
| Corporate Bond Funds    | 2,017,342                  | 11.50                       |
| Equity Securities       | 4,085,028                  | -                           |
| Real Estate Funds       | 950,997                    | -                           |
| Alternative Investments | 513,004                    | -                           |
| <b>Total</b>            | <u><b>\$ 7,667,769</b></u> |                             |

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

### PRP Investment Risk

**Credit risk** – The Plan trustees have not adopted a formal policy with regard to credit risk. There are fixed income mutual fund holdings in the portfolio that might represent more than 5% of the overall portfolio; however, there is not one organization that represents more than 5%. The managers of the fixed income mutual funds invest in a variety of

fixed income instruments with goals to maximize current income and provide capital appreciation. The funds are used as diversification tools within the overall portfolio.

**Concentration of credit risk** – The Plan does not have a formal policy regarding the concentration of credit risk. At December 31, 2022, 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 |
|-------------------------------------------|-------------------|------------------|
| Fidelity 500 Index Fund                   | \$ 185,786        | 14.8%            |
| Oakmark International Fund                | 154,246           | 12.3%            |
| American Funds EuroPacific Growth         | 145,876           | 11.6%            |
| Invesco Oppenheimer Developing Markets    | 98,699            | 7.9%             |
| Dodge & Cox International Stock Fund      | 90,559            | 7.2%             |
| Harbor Cap Appreciation Fund              | 88,351            | 7.1%             |
| Vanguard Mid-Cap Growth Index             | 74,173            | 5.9%             |
| PartnerSelect Alternative Strategies Fund | 74,129            | 5.9%             |
| Goldman Sachs Absolute Return             | 66,230            | 5.3%             |
| <b>Total Greater than 5%</b>              | <b>\$ 978,049</b> | <b>72.8%</b>     |

**Interest rate risk** – Colorado Revised Statutes limit investment maturities to five years or less unless formally approved by the trustee(s). The PRP trustees have not adopted a formal policy with regard to interest rate risk. There are fixed income mutual fund holdings in the portfolio with multiple underlying issuers that may have maturities exceeding five years. The managers of the fixed income mutual funds invest in a variety of fixed income instruments with goals to maximize current income and provide capital appreciation. The funds are used as diversification tools within the overall portfolio.

#### 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, Principal Custody Solutions. Pricing at Principal is provided by Interactive Data Pricing and Reference Data, Inc. (IDC). IDC uses market closing prices when available. However, evaluators may use additional standard inputs which may influence pricing. In addition, the city regularly has pooled investments in COLOTRUST; on December 31, 2022, however, the city did not have any pooled investments in COLOTRUST. The city had non-pooled COLOTRUST investments held by trustees in the amount of \$79,214,020 as of December 31, 2022. 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 Money Market Funds in the amount of \$24,415,543 are exempt from fair value reporting.

*Current year fair value measurement* – The following table presents the fair value measurements of assets 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 on December 31, 2022:

| Investments and other assets by fair value level                 | Fair Value            | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|------------------------------------------------------------------|-----------------------|----------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|
| U.S. Treasury Notes                                              | \$ 308,461,122        | \$ 308,461,122                                                             | \$ -                                                      | \$ -                                               |
| U.S. Agency Notes                                                | 228,276,673           | -                                                                          | 228,276,673                                               | -                                                  |
| Municipal Bonds                                                  | 93,659,525            | -                                                                          | 93,659,525                                                | -                                                  |
| Corporate Notes                                                  | 204,829,972           | -                                                                          | 204,829,972                                               | -                                                  |
| Foreign Corporate Notes - USD                                    | 58,703,938            | -                                                                          | 58,703,938                                                | -                                                  |
| <b>Total investments and other assets by fair value level</b>    | <b>\$ 893,931,230</b> | <b>\$ 308,461,122</b>                                                      | <b>\$ 585,470,108</b>                                     | <b>\$ -</b>                                        |
| Investments measured at net asset value (NAV) - LGIP             | 103,629,563           |                                                                            |                                                           |                                                    |
| <b>Total investments and other assets measured at fair value</b> | <b>\$ 997,560,793</b> |                                                                            |                                                           |                                                    |

### Fiduciary Funds Fair Value Reporting

*Fair value pricing* – The GERP and EOEP plan securities are in the custody of and controlled by the master custodian, Northern Trust Corporation, while the PRP plan securities are in the custody and controlled by the master custodian, Charles Schwab Trust Bank. 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. The ERP plan securities are held in the custody of and administered by MissionSquare Retirement. Plan assets held in each investment fund are valued at fair value as determined by active markets. The Old Hire Fire and Police Plans are measured at Net Asset Value (NAV) and are, therefore, exempt from fair value reporting.

*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 on December 31, 2022:

| Investments by fair value level                 | Fair Value            | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|-------------------------------------------------|-----------------------|----------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|
| Short Term Cash Investments                     | \$ 10,359,496         | \$ 10,359,496                                                              | \$ -                                                      | \$ -                                               |
| Asset Backed Securities                         | 2,507,455             | -                                                                          | 2,507,455                                                 | -                                                  |
| Equity Securities                               | 235,181,127           | 117,030,106                                                                | 118,151,021                                               | -                                                  |
| Corporate Bonds                                 | 30,537,570            | -                                                                          | 30,537,570                                                | -                                                  |
| Bond Fund                                       | 60,533,161            | -                                                                          | 60,533,161                                                | -                                                  |
| U.S. Treasury Bonds                             | 15,009,741            | 15,009,741                                                                 | -                                                         | -                                                  |
| Government Mortgage Backed                      | 6,739,389             | -                                                                          | 6,739,389                                                 | -                                                  |
| Municipal Bonds                                 | 5,981,289             | -                                                                          | 5,981,289                                                 | -                                                  |
| Real Estate Funds                               | 10,231,109            | -                                                                          | 10,231,109                                                | -                                                  |
| Global Listed Infrastructure                    | 31,743,640            | -                                                                          | 31,743,640                                                | -                                                  |
| <b>Total investments by fair value level</b>    | <b>\$ 408,823,977</b> | <b>\$ 142,399,343</b>                                                      | <b>\$ 266,424,634</b>                                     | <b>\$ -</b>                                        |
| Investments measured at net asset value (NAV)   | 169,185,341           |                                                                            |                                                           |                                                    |
| <b>Total investments measured at fair value</b> | <b>\$ 578,009,318</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                              | \$ 592,265            | \$ -                 |
| Abbott Capital PE Fund VI                             | 3,836,309             | 50,000               |
| Abbott Capital PE Fund VII                            | 24,897,371            | 200,000              |
| Abbott Capital Private Equity Investors 2016 Lp       | 7,148,448             | 75,624               |
| CF Heitman America Real Estate Trust Lp Fund          | 26,203,141            | -                    |
| CF Morgan Stanley Prime Property Fund                 | 22,404,063            | -                    |
| Harbourvest Intl Pep VI Pshp Fund                     | 2,852,569             | 217,840              |
| Harbourvest Partners IX Credit Opportunities Fund     | 479,340               | 150,000              |
| Harbourvest Partners IX Buyout Fund                   | 1,953,122             | 442,500              |
| Harbourvest Partners IX Venture Fund                  | 2,827,699             | 100,000              |
| Harbourvest Partners VIII Buyout Fund                 | 338,658               | 120,000              |
| Harbourvest Partners VIII Mezzanine & Distressed Debt | 115,249               | 80,000               |
| Harbourvest Partners VIII Venture Fund                | 1,360,738             | 80,000               |
| Harbourvest Partners X Buyout Fund, Lp                | 5,757,671             | 1,190,000            |
| Harbourvest Partners X Venture Fund, Lp               | 5,932,911             | 127,500              |
| Harbourvest Ptrs VII Buyout Pship                     | 10,207                | 220,000              |
| Harbourvest Ptrs VII Mezzanine Hldg Fund              | 14,665                | 120,000              |
| Harbourvest Ptrs VII Vent Pshp Fund                   | 86,541                | 70,000               |
| Harbourvest Ptrs XI Buyout Pship                      | 2,259,789             | 1,110,000            |
| Harbourvest Ptrs XI Micro Buyout Fund                 | 408,605               | 153,500              |
| Harbourvest Ptrs XI Vent Pshp Fund                    | 1,776,219             | 262,500              |
| HIPEP VII Partnership Fund Lp                         | 21,037,948            | 2,350,000            |
| Molpus Woodlands Fund III                             | 14,176,208            | -                    |
| Molpus Woodlands Fund IV, Lp                          | 14,765,753            | 1,410,000            |
| Molpus Woodlands Fund V, Lp                           | 6,385,398             | -                    |
| Pantheon Access (U.S.) L.P.                           | 1,564,454             | 13,387,500           |
| <b>Total Investments at NAV</b>                       | <b>\$ 169,185,341</b> | <b>\$ 21,916,964</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, 2022:

| 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                                             | \$ 101,398          | \$ 101,398                                                     | \$ -                                          | \$ -                                      |
| Equity Funds                                                            | 4,085,028           | 3,837,588                                                      | 247,440                                       | -                                         |
| Corporate Bond Funds                                                    | 2,017,342           | 2,017,342                                                      | -                                             | -                                         |
| Alternative Investments                                                 | 513,004             | -                                                              | 513,004                                       | -                                         |
| Real Estate Funds                                                       | 950,997             | -                                                              | 215,413                                       | 735,584                                   |
| <b>Total investments measured at fair value and by fair value level</b> | <b>\$ 7,667,769</b> | <b>\$ 5,956,328</b>                                            | <b>\$ 975,857</b>                             | <b>\$ 735,584</b>                         |

**ERP current year fair value measurement** – For fair value measurement, all ERP investments fall within Level 1 on December 31, 2022.

**PRP current year fair value measurement** – For fair value measurement, all PRP investments fall within Level 1 on December 31, 2022.

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**3. RECEIVABLES**

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**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, 2022 is \$48,493,024; the receivable is reduced by \$4,901,909 for the temporary property tax mill levy reduction in 2023 to compensate for the property tax revenue that exceeded the TABOR limit in 2022. 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, 2022 is \$484,930.

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, 2022, for the GIDs, AURA General and AURA Debt Service are \$584,613, \$26,081,700 and \$2,753,000, 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, 2022 is \$43,333,066. Total sales and excise tax receivable in the Marijuana Tax Revenue Fund is \$1,122,267.

**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, 2022 is \$3,242,140.

**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, 2022 is \$383,120.

**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, 2022 is \$3,109,467 for governmental activities and \$2,522,150 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, 2022 are \$13,392,470. Earned but unbilled utility charges at December 31, 2022 is \$6,927,786. 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, 2022 is \$49,214.

**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 two Brownfields loans in the Gifts and Grants Fund. The Brownfields loans, with a total portfolio balance outstanding of \$920,621, 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 2027 and 2030. Brownfields loans are expected to be collected and are, therefore, reflected in the city's financial statements. In addition, there are five loans for small business economic relief in the AURA General Fund with a balance outstanding of \$110,634. These loans are expected to be collected and are, therefore, 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 543 loans with various maturity dates and interest rates. The balance as of December 31, 2022 is \$13,665,201. The amount expected to be collected, \$11,383,403, represents the net present value of payments for the prior 10 years and is reflected in the city's financial statements. The remaining balance of \$2,281,798 is an allowance.

**G. Component Units - Havana BID, Parkside BID and Citadel on Colfax BID**

Property owners within the boundaries of the Havana Business Improvement District (BID) have been assessed \$580,931 in property taxes for 2022 to be collected in 2023 while property owners within the boundaries of the Parkside City Centre Business Improvement District (BID) have been assessed \$25,904 and the property owners within the boundaries of the Citadel on Colfax Business Improvement District (BID) have been assessed \$132,585.

**H. Lease Receivable**

**Governmental Activities** - The city leases land to a third party as part of its' governmental activities, the terms of which expire in 2041. Payments increase at the end of each renewal period (included in the lease term) by a percentage stated in the agreement and this lease was measured at lease commencement based upon the incremental borrowing rate (IBR). Revenue recognized under this lease contract during the year ended December 31, 2022 was \$ 11,154 which includes both lease revenue and interest. For governmental activities, there were no variable payments related to the lease receivable.

**Business-Type Activities** - The city leases a portion of its property to a third party as part of its' business-type activities, the terms of which expire 2028 through 2046. The city also leases a portion of land for cell tower use which expires in 2046. Payments are either set for the entire term or increase at the end of the renewal period by a percentage as stated in the agreement. The leases were measured at lease commencement based upon the IBR. Revenue recognized under these lease contracts during the year ended December 31, 2022 was \$ 40,433 which includes both lease revenue and interest. For business-type activities, there were no variable payments related to the lease receivables.

#### 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*: \$18,392,878 from a capital impact fee for open space development. *Conservation Trust Fund*: \$10,418,342 lottery proceeds share back to be used for park and open space development. *Parks Development Fund*: \$24,318,712 developer contributions required to be used for the creation of city parks. *Open Space Fund*: \$22,059,040 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*: \$180,295 for the SCFD grant. *ACLC Capital Projects*: \$3,529,826 unspent financed purchase agreement proceeds and debt proceeds (\$615,871 for the Central Recreation Center and \$2,913,955 for the Southeast Recreation Center) 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*: \$1,699,603 for a debt service reserve, including interest, for which the city has pledged a moral obligation relating to an AURA revenue note, *AURA Debt Service Fund*: \$4,455,137, and *ACLC Debt Service Fund*: \$20,334. 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 \$55,188. Amounts restricted for future development projects in urban renewal areas per Colorado Revised Statutes include *AURA General Fund* for \$30,437,664. An additional \$110,634 is restricted at citywide for economic relief loans funded by AURA to assist businesses impacted by COVID-19 that are reported at the fund level as deferred inflow of resources and not as restricted.

##### Restricted for Gifts and Grants

*City Capital Projects Fund*: \$8,800,892 for capital improvement program grants. *Gifts and Grants Fund*: \$1,605,231 of which \$151,529 is for home inventory purchased under the neighborhood stabilization program (NSP). *Community Development Fund*: \$5,337,541 for earned program income on community development loans. An additional \$12,304,024 is restricted at citywide for loans from federal funds to assist in the renovation of housing and businesses (\$11,383,403) and Brownfields loans (\$920,621) that are reported at the fund level as deferred inflow of resources and not as restricted.

##### Restricted for Public Improvement

*General Fund*: \$230,434 restricted for fence maintenance and repair per voter approval. *City Capital Projects Fund*: \$66,099 from Dam East Fence SID note, \$17,694,571 from capital impact fees for transportation development, \$396,038 from Aurora Regional Improvement, \$1,860,116 from Adams County road and bridge and \$1,259,030 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*: \$16,092,418 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*: \$99,634, *Meadow Hills Fence GID*: \$96,540, and *Cherry Creek Fence GID*: \$112,362 required by agreement for the purpose of maintaining neighborhood masonry fences. *Aurora Conference Center GID*: \$2,536,789 required by agreement for the purpose of funding public improvements and off-site infrastructure. *Cobblewood Street GID*: \$83,729 required by agreement for the purpose of funding street improvements. *Pier Point 7 Sewer GID*: \$214,875 required by agreement for the purpose of maintaining sewer line improvements. *ACLC Capital Projects Fund*: \$55,854,552 unspent note proceeds restricted for purchase of public works equipment are restricted at the fund level but are included in net investment in capital assets at citywide.

**Restricted for Emergencies**

*General Fund:* \$6,398,922 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. \$334,965 for abatement of the opioid epidemic. *City Capital Projects Fund:* \$17,423,485 from capital impact fees for public safety infrastructure. *Gifts and Grants Fund:* \$1,032,360 of seizure funds from state and federal courts forfeiture actions is used to support activities of the Aurora Police Department. *E-911 Fund:* \$6,874,903 received from a phone surcharge is required by State law to fund E-911 infrastructure development, operations and maintenance. *ACLC Capital Projects Fund:* \$4,006,369 for unspent debt proceeds related to fire stations and police district headquarters are restricted at the fund level but are included in net investment in capital assets at citywide.

**Restricted for Pension Benefits**

For governmental activities, the net pension asset of \$74,429,182 is restricted at citywide; it is not restricted in the funds as it does not represent a current financial resource. For business-type activities, the net pension asset is restricted at citywide and in the funds: *Water Fund:* \$9,680,839 restricted for net pension benefits, *Wastewater Fund:* \$4,820,939 restricted for net pension benefits and *Golf Fund:* \$1,012,253 restricted for net pension benefits.

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

*General Fund:* per city code \$3,882,496 from fee revenues is committed for the community trees program to fund tree planting in the city. Per city code \$228,768 is committed for various visitor promotion programs. Per city code, \$1,179,772 is committed for public, educational and governmental television programming. *Cultural Services Fund:* per city code \$1,779,355 generated from the capital project budget is committed to fund the Art in Public Places program.

**Committed to Development**

*Development Review Fund:* by city resolution \$14,461,164 is committed for the Enhanced Development Review program. *Marijuana Tax Revenue Fund:* by City Ordinance, \$2,568,541 is committed for operating, management and maintenance of the Marijuana Tax Revenue Program. *City Capital Projects Fund:* by City Ordinance, \$53,113 is committed for the restaurant loan program.

**Committed to Emergencies**

*General Fund:* \$855,424, 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:* \$38,424,613, 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:* \$146,875,397 of residual equity is assigned to fund city capital improvements and virtually all has been appropriated to specific projects. *ACLC Capital Projects Fund:* \$269,128.

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

*Recreation Fund:* \$3,068,915 residual fund balance is assigned to Culture and Recreation through the budget process. *Cultural Services Fund:* \$147,210 residual fund balance is assigned to Culture and Recreation through the budget process.

**Assigned to Debt Service**

*ACLC Debt Service Fund:* \$1,623,444 is assigned through the budget process to fund future debt payments.

**Assigned to Development**

*General Fund:* \$5,753,955 is assigned to fund economic development; \$414,000 is assigned to development at Regatta Plaza. *Marijuana Tax Revenue Fund:* by City Ordinance, \$11,736,657 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:* \$13,838,555 is assigned to pay commitments on open purchase orders.

**Assigned to Long-term Liabilities**

*General Fund:* \$44,657,200 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, 2022 was \$2,340,740 plus the city's share of the change in net position of \$273,380 results in an ending investment on December 31, 2022 of \$2,614,120.

**6. CAPITAL ASSETS**

*Governmental Activities* - Capital asset activity for the year ended December 31, 2022, is shown below.

|                                                    | January 1               | Additions             | Disposals           | Transfers           | December 31             |
|----------------------------------------------------|-------------------------|-----------------------|---------------------|---------------------|-------------------------|
| <b>Capital assets not depreciated</b>              |                         |                       |                     |                     |                         |
| Land                                               | \$ 404,246,869          | \$ 16,450,942         | \$ -                | \$ -                | \$ 420,697,811          |
| Construction in progress                           | 78,160,884              | 63,526,093            | (3,975)             | (44,868,968)        | 96,814,034              |
| <b>Total capital assets not depreciated</b>        | <b>482,407,753</b>      | <b>79,977,035</b>     | <b>(3,975)</b>      | <b>(44,868,968)</b> | <b>517,511,845</b>      |
| <b>Capital assets being depreciated</b>            |                         |                       |                     |                     |                         |
| Buildings and improvements                         | 322,000,335             | 12,299                | -                   | -                   | 322,012,634             |
| Infrastructure                                     | 3,647,411,437           | 163,118,245           | (10,563,249)        | 37,742,965          | 3,837,709,398           |
| Machinery and equipment                            | 124,208,410             | 12,889,959            | (7,002,762)         | 7,126,003           | 137,221,610             |
| <b>Total capital assets being depreciated</b>      | <b>4,093,620,182</b>    | <b>176,020,503</b>    | <b>(17,566,011)</b> | <b>44,868,968</b>   | <b>4,296,943,642</b>    |
| <b>Less accumulated depreciation</b>               |                         |                       |                     |                     |                         |
| Buildings and improvements                         | (115,156,930)           | (8,549,790)           | -                   | -                   | (123,706,720)           |
| Infrastructure                                     | (799,291,683)           | (55,342,188)          | 10,563,249          | -                   | (844,070,622)           |
| Machinery and equipment                            | (74,371,165)            | (11,209,116)          | 6,792,362           | -                   | (78,787,919)            |
| <b>Total accumulated depreciation</b>              | <b>(988,819,778)</b>    | <b>(75,101,094)</b>   | <b>17,355,611</b>   | <b>-</b>            | <b>(1,046,565,261)</b>  |
| <b>Total capital assets being depreciated, net</b> | <b>3,104,800,404</b>    | <b>100,919,409</b>    | <b>(210,400)</b>    | <b>44,868,968</b>   | <b>3,250,378,381</b>    |
| <b>Governmental activities capital assets, net</b> | <b>\$ 3,587,208,157</b> | <b>\$ 180,896,444</b> | <b>\$ (214,375)</b> | <b>\$ -</b>         | <b>\$ 3,767,890,226</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                           | \$ 1,172,317         |
| Judicial                                     | 186,400              |
| Police                                       | 1,934,418            |
| Fire                                         | 3,507,239            |
| Other public safety                          | 3,537,709            |
| Public works                                 | 54,847,029           |
| Economic development                         | 1,767,929            |
| Community services                           | 457,420              |
| Culture and recreation                       | 5,806,486            |
| Unallocated                                  | 1,884,147            |
| Depreciation expense governmental activities | <u>\$ 75,101,094</u> |

*Business-type Activities* - Capital asset activity for the year ended December 31, 2022, is shown below.

|                                                     | January 1               | Additions             | Disposals          | Transfers           | December 31             |
|-----------------------------------------------------|-------------------------|-----------------------|--------------------|---------------------|-------------------------|
| <b>Capital assets not depreciated</b>               |                         |                       |                    |                     |                         |
| Land and water rights                               | \$ 570,408,789          | \$ 53,965,749         | \$ (2,267)         | \$ 960,065          | \$ 625,332,336          |
| Construction in progress                            | 118,194,984             | 147,769,107           | -                  | (84,242,502)        | 181,721,589             |
| <b>Total capital assets not depreciated</b>         | <u>688,603,773</u>      | <u>201,734,856</u>    | <u>(2,267)</u>     | <u>(83,282,437)</u> | <u>807,053,925</u>      |
| <b>Capital assets being depreciated</b>             |                         |                       |                    |                     |                         |
| Buildings and improvements                          | 676,562,703             | 3,601,783             | -                  | 9,536,169           | 689,700,655             |
| Infrastructure                                      | 1,853,662,342           | 51,571,968            | -                  | 73,746,268          | 1,978,980,578           |
| Machinery and equipment                             | 111,240,647             | 3,293,600             | (981,025)          | -                   | 113,553,222             |
| <b>Total capital assets being depreciated</b>       | <u>2,641,465,692</u>    | <u>58,467,351</u>     | <u>(981,025)</u>   | <u>83,282,437</u>   | <u>2,782,234,455</u>    |
| <b>Less accumulated depreciation</b>                |                         |                       |                    |                     |                         |
| Buildings and improvements                          | (162,356,947)           | (15,657,912)          | -                  | -                   | (178,014,859)           |
| Infrastructure                                      | (425,856,447)           | (31,586,370)          | -                  | -                   | (457,442,817)           |
| Machinery and equipment                             | (74,454,361)            | (7,018,147)           | 953,084            | -                   | (80,519,424)            |
| <b>Total accumulated depreciation</b>               | <u>(662,667,755)</u>    | <u>(54,262,429)</u>   | <u>953,084</u>     | <u>-</u>            | <u>(715,977,100)</u>    |
| <b>Total capital assets being depreciated, net</b>  | <u>1,978,797,937</u>    | <u>4,204,922</u>      | <u>(27,941)</u>    | <u>83,282,437</u>   | <u>2,066,257,355</u>    |
| <b>Business-type activities capital assets, net</b> | <u>\$ 2,667,401,710</u> | <u>\$ 205,939,778</u> | <u>\$ (30,208)</u> | <u>\$ -</u>         | <u>\$ 2,873,311,280</u> |

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

|                                               |                      |
|-----------------------------------------------|----------------------|
| Water                                         | \$ 37,557,052        |
| Wastewater                                    | 15,989,148           |
| Golf                                          | 716,229              |
| Depreciation expense business-type activities | <u>\$ 54,262,429</u> |

*Component Units* - Capital asset activity for the year ended December 31, 2022, is shown below:

|                                                       | January 1       | Additions         | Disposals   | Transfers   | December 31     |
|-------------------------------------------------------|-----------------|-------------------|-------------|-------------|-----------------|
| <b>Capital assets being depreciated</b>               |                 |                   |             |             |                 |
| Infrastructure                                        | \$ 90,910       | \$ -              | \$ -        | \$ -        | \$ 90,910       |
| Machinery and equipment                               | 6,395           | -                 | -           | -           | 6,395           |
| <b>Total capital assets being depreciated</b>         | <b>97,305</b>   | <b>-</b>          | <b>-</b>    | <b>-</b>    | <b>97,305</b>   |
| <b>Less accumulated depreciation</b>                  |                 |                   |             |             |                 |
| Infrastructure                                        | (87,911)        | (2,213)           | -           | -           | (90,124)        |
| Machinery and equipment                               | (6,395)         | -                 | -           | -           | (6,395)         |
| <b>Total accumulated depreciation</b>                 | <b>(94,306)</b> | <b>(2,213)</b>    | <b>-</b>    | <b>-</b>    | <b>(96,519)</b> |
| <b>Total capital assets being depreciated, net</b>    | <b>2,999</b>    | <b>(2,213)</b>    | <b>-</b>    | <b>-</b>    | <b>786</b>      |
| <b>Component units activities capital assets, net</b> | <b>\$ 2,999</b> | <b>\$ (2,213)</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 786</b>   |

Component Unit capital asset activity does not include assets constructed for others, as those assets are not owned by the Component Unit and will be conveyed to other governments upon completion.

## 7. 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. The bonds contain no provision for acceleration of maturity of the outstanding amounts in the event of a default. As such, the remedies consisting primarily of an action to compel the District and certain public officials to perform the terms of the Bond ordinance may have to be enforced from year to year.

*Governmental Activities* - The General Improvement Districts (GID) have five outstanding issuances of general obligation bonds. All issuances, except for the 2009 Cherry Creek Fence, are direct placements. Amounts originally issued and amounts outstanding at December 31, 2022, respectively, were: 2009 Cherry Creek Fence \$700,000 and \$325,000; 2010 Peoria Park Fence \$375,000 and \$212,000; 2010 Meadow Hills Fence \$520,000 and \$270,000; 2011 Pier Point Sewer \$2,600,000 and \$1,445,000; and 2017 Cobblewood Street Improvement \$650,000 and \$263,000.

The Series 2009 Bonds are not subject to optional redemption by the District but are subject to mandatory sinking fund redemption on dates and amounts indicated below at 100% of principal amount plus accrued interest to the date of redemption.

| <u>Redemption Dates</u>               | <u>Redemption Amount</u> |
|---------------------------------------|--------------------------|
| each November 15 in year 2023 to 2024 | \$40,000                 |
| each November 15 in year 2025 to 2026 | 45,000                   |
| each November 15 in year 2027 to 2028 | 50,000                   |
| November 15, 2029                     | 55,000                   |

Series 2010 Peoria Park Fence term bonds are not subject to redemption prior to maturity at the option of the District. The bonds however are subject to redemption prior to maturity from sinking fund installments on November 15 of the years indicated below at a redemption price equal to principal amount with no redemption premium plus accrued interest to the redemption date.

| <u>Year</u> | <u>Redemption Amount</u> |
|-------------|--------------------------|
| 2023        | \$19,000                 |
| 2024        | 20,000                   |
| 2025        | 21,000                   |
| 2026        | 22,000                   |
| 2027        | 23,000                   |
| 2028        | 25,000                   |
| 2029        | 26,000                   |
| 2030        | 27,000                   |
| 2031        | 29,000                   |

The Series 2010 Meadow Hills Fence term bonds are not subject to optional redemption by the District but are subject to mandatory sinking fund redemption on November 15 of the years indicated below at a redemption price equal to principal amount plus accrued interest to the date of redemption.

| <u>Year</u>  | <u>Redemption Amount</u> |
|--------------|--------------------------|
| 2023 to 2024 | \$25,000                 |
| 2025 to 2027 | 30,000                   |
| 2028 to 2030 | 35,000                   |
| 2031         | 40,000                   |

The Series 2011 and 2017 Bonds are subject to redemption, in whole or in part, prior to maturity at the option of the District. Series 2011 Bonds are also subject to mandatory sinking fund redemption on November 15 of the years indicated below at 100% of principal amount plus accrued interest to the date of redemption.

| <u>Year</u> | <u>Redemption Amount</u> |
|-------------|--------------------------|
| 2023        | \$135,000                |
| 2024        | 140,000                  |
| 2025        | 145,000                  |
| 2026        | 155,000                  |
| 2027        | 160,000                  |
| 2028        | 165,000                  |
| 2029        | 175,000                  |
| 2030        | 180,000                  |
| 2031        | 190,000                  |

The interest rate of the Series 2017 Bonds is subject to adjustment from the initial rate of 3.27% to 6.27% upon occurrence of an Event of Default and for so long as such Event continues. The Bonds are to be redeemed on any date at a redemption price expressed as a percentage of principal amount plus accrued interest to the date of redemption as indicated below.

| <u>Redemption Dates</u> | <u>Redemption Prices</u> |
|-------------------------|--------------------------|
| After November 16, 2022 | 100%                     |

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

| <b>Governmental Activities</b>     |                               |                  |                                                           |                   |              |                  |
|------------------------------------|-------------------------------|------------------|-----------------------------------------------------------|-------------------|--------------|------------------|
| <b>Year Ending<br/>December 31</b> | <b><u>Bonds</u><br/>5.25%</b> |                  | <b><u>Bonds from Direct Placements</u><br/>3.27-5.45%</b> |                   | <b>Total</b> |                  |
|                                    | <b>Principal</b>              | <b>Interest</b>  | <b>Principal</b>                                          | <b>Interest</b>   |              |                  |
| 2023                               | \$ 40,000                     | \$ 17,062        | \$ 202,000                                                | \$ 96,919         | \$           | 355,981          |
| 2024                               | 40,000                        | 14,963           | 208,000                                                   | 87,970            |              | 350,933          |
| 2025                               | 45,000                        | 12,862           | 215,000                                                   | 78,749            |              | 351,611          |
| 2026                               | 45,000                        | 10,500           | 232,000                                                   | 69,221            |              | 356,721          |
| 2027                               | 50,000                        | 8,137            | 239,000                                                   | 58,918            |              | 356,055          |
| 2028-2032                          | 105,000                       | 8,400            | 1,094,000                                                 | 125,804           |              | 1,333,204        |
| <b>Total</b>                       | <b>\$ 325,000</b>             | <b>\$ 71,924</b> | <b>\$ 2,190,000</b>                                       | <b>\$ 517,581</b> | <b>\$</b>    | <b>3,104,505</b> |

**B. Revenue Bonds**

*Business-type Activities* – Water Fund has three outstanding issuances of revenue bonds. Amounts originally issued and amounts outstanding at December 31, 2022, respectively, were: 2016 First Lien Water Refunding \$437,025,000 and \$158,720,000; 2021 First Lien Water Improvement \$122,760,000 and \$122,760,000; and 2021B First Lien Water Refunding \$265,230,000 and \$260,875,000. The Series 2021 bonds were issued to finance the Water Enterprise's share of the Southeast Area Maintenance (SEAM) facility which is 60% of the total construction cost with the remaining cost financed by the Wastewater Enterprise's Series 2021 bonds. The 2021B bonds refunding proceeds advance refunded a portion of the 2016 outstanding revenue bonds. No property of the city or Aurora Water, other than the net pledged revenues discussed in Note 7.F below, is pledged as security for the series bonds. The revenue bonds contain no provision for acceleration of maturity of the outstanding amounts in the event of default. Thus, the remedies consist mainly of a mandatory injunction or as otherwise may be authorized by any statute or other provision of law. In addition, the city, upon the happening of any event of default, agrees to do and perform all proper acts to protect and to preserve the security created for the payment of the affected class or series of obligations and to insure the prompt payment of the debt service requirements as they become due.

The Series 2016 Serial and Term bonds maturing on August 1, 2027 and thereafter, are subject to redemption prior to maturity at the option of the city on August 1, 2026 or any date thereafter, in whole or in part, and if in part, in such order of maturity as the city shall determine at a redemption price of par plus accrued interest to the redemption date, without redemption premium.

The Series 2016 Term Bonds are also subject to mandatory sinking fund redemption as indicated below.

3.000% Series maturing on August 1, 2041 redemption by lot from mandatory sinking fund installments at a redemption price equal to par plus accrued interest only to the redemption date on August 1 of the following years and in the following amounts, such redemption amounts to be subject to proportionate reduction in the event of partial optional redemption:

| <u>Year</u>            | <u>Amount</u> |
|------------------------|---------------|
| 2037                   | \$7,535,000   |
| 2038                   | 7,760,000     |
| 2039                   | 7,995,000     |
| 2040                   | 8,230,000     |
| 2041 (stated maturity) | 8,480,000     |

3.000% Series maturing on August 1, 2046 redemption by lot from mandatory sinking fund installments at a redemption price equal to par plus accrued interest only to the redemption date on August 1 of the following years and in the following amounts, such redemption amounts to be subject to proportionate reduction in the event of partial optional redemption:

| <u>Year</u>            | <u>Amount</u> |
|------------------------|---------------|
| 2042                   | \$4,710,000   |
| 2043                   | 4,850,000     |
| 2044                   | 4,995,000     |
| 2045                   | 5,145,000     |
| 2046 (stated maturity) | 5,300,000     |

4.000% Series maturing on August 1, 2046 redemption by lot from mandatory sinking fund installments at a redemption price equal to par plus accrued interest only to the redemption date on August 1 of the following years and in the following amounts, such redemption amounts to be subject to proportionate reduction in the event of partial optional redemption:

| <u>Year</u>            | <u>Amount</u> |
|------------------------|---------------|
| 2042                   | \$ 920,000    |
| 2043                   | 960,000       |
| 2044                   | 1,000,000     |
| 2045                   | 1,040,000     |
| 2046 (stated maturity) | 1,080,000     |

The Series 2021 bonds maturing on August 1, 2046 and thereafter, are subject to redemption prior to maturity at the option of the city on August 1, 2031 or any date thereafter, in whole or in part, and if in part, in such order of maturity

as the city shall determine and by lot within maturities, at a redemption price of par plus accrued interest to the redemption date, without redemption premium. The bonds are also subject to mandatory sinking fund redemption with such redemption amounts to be subject to proportionate reduction in the event of partial optional redemption as indicated below.

Maturing on August 1, 2046 redemption by lot from mandatory sinking fund installments at a redemption price equal to par plus accrued interest only to the redemption date on August 1 of the following years and in the following amounts:

| <u>Year</u>            | <u>Amount</u> |
|------------------------|---------------|
| 2042                   | \$2,390,000   |
| 2043                   | 2,445,000     |
| 2044                   | 2,505,000     |
| 2045                   | 2,555,000     |
| 2046 (stated maturity) | 2,615,000     |

Maturing on August 1, 2051 redemption by lot from mandatory sinking fund installments at a redemption price equal to par plus accrued interest only to the redemption date on August 1 of the following years and in the following amounts:

| <u>Year</u>            | <u>Amount</u> |
|------------------------|---------------|
| 2047                   | \$21,080,000  |
| 2048                   | 21,555,000    |
| 2049                   | 22,040,000    |
| 2050                   | 22,535,000    |
| 2051 (stated maturity) | 23,040,000    |

The Series 2021B bonds maturing on August 1, 2032 and thereafter are subject to optional redemption prior to maturity on and after August 1, 2031, at a redemption price equal to par plus accrued interest to the date of redemption.

Series 2021B Term Bonds maturing on August 1, 2041 and 2046 are subject to mandatory sinking fund redemption by lot on August 1 of the following years and in the following amounts shown below, provided that in the event of partial redemption, the related mandatory redemption amounts shall be reduced proportionately.

Maturing on August 1, 2041

| <u>Year</u>            | <u>Amount</u> |
|------------------------|---------------|
| 2037                   | \$12,415,000  |
| 2038                   | 12,740,000    |
| 2039                   | 13,070,000    |
| 2040                   | 13,420,000    |
| 2041 (stated maturity) | 13,770,000    |

Maturing on August 1, 2046

| <u>Year</u>            | <u>Amount</u> |
|------------------------|---------------|
| 2042                   | \$8,865,000   |
| 2043                   | 9,110,000     |
| 2044                   | 9,350,000     |
| 2045                   | 9,610,000     |
| 2046 (stated maturity) | 9,870,000     |

Prior to August 1, 2031, the Series 2021B bonds are subject to optional redemption prior to their stated maturity date, in whole or in part, in such amounts as may be designated by the city at the "Make-Whole Redemption Price" plus interest accrued to the redemption date. The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the Series 2021B bonds to be redeemed and (ii) the sum of the present value of the remaining scheduled payments of principal and interest on the Series 2021B bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2021B bonds are to be redeemed, discounted to the date on which the Series 2021B bonds are to be redeemed on a semi-annual basis,

assuming a 360-day year consisting of twelve 30-day months, at the "Treasury Rate" plus 0 basis points on the Series 2021B bonds maturing on August 1, 2022 through August 1, 2025, inclusive; 5 basis points on the Series 2021B bonds maturing on August 1, 2026 through August 1, 2031, inclusive; 10 basis points on the Series 2021B bonds maturing on August 1, 2032 through August 1, 2033, inclusive; and 15 basis points on the Series 2021B bonds maturing on August 1, 2034 through August 1 2046, inclusive. "Treasury Rate" means, with respect to any redemption date for any particular Series 2021B bonds, the yield to maturity as of such redemption date of the United States Treasury securities with a constant maturity most nearly equal to the period from the redemption date to the maturity date of such Series 2021B bonds (taking into account any sinking fund installments for such Series 2021B bonds); however if the period from the redemption date to such maturity date (taking into account any sinking fund installments for such Series 2021B bonds) is less than one year, "Treasury Rate" means the yield to maturity of the United States Treasury securities with a constant maturity of one year, as compiled and published in the most recent Federal Reserve Statistical Release H.15 that has become publicly available at least two business days, but not more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data.

Any Make-Whole Redemption Price of Series 2021B bonds to be redeemed pursuant to the provisions described above will be determined by an independent accounting firm, investment banking firm or municipal advisor retained by the city to calculate such redemption price. The city may conclusively rely on the determination of such redemption price by such independent accounting firm, investment banking firm or municipal advisor and will not be liable for such reliance.

Wastewater Fund has three outstanding issuances of revenue bonds; all except the 2021 issuance are direct placements. Amounts originally issued and amounts outstanding at December 31, 2022, respectively, were: 2016 First Lien Sewer Refunding \$28,900,000 and \$12,055,000; 2018 First Lien Sewer Improvement \$30,000,000 and \$25,590,427; and 2021 First Lien Sewer Improvement \$48,970,000 and \$48,970,000. No property of the city, other than the net pledged revenues discussed in Note 7.F below, is pledged as security for the series bonds. The revenue bonds contain no provision for acceleration of maturity of the outstanding amounts in the event of default. Thus, the remedies consist mainly of a mandatory injunction or by other suit, action or special proceedings in equity or at law in any court of competent jurisdiction. In addition, the city, upon the happening of any event of default, will do and perform all proper acts to protect and to preserve the security created for the payment of the affected class or series of obligations and to ensure the prompt payment of the debt service requirements as they become due. During an event of default, the interest rate is adjusted: (a) for the Series 2016 from the initial rate of 1.56% to 7%, and (b) 5% in the case of the Series 2018A Bonds or Series 2018B Bonds converted to fixed rate obligation, or 10% in the case of Series 2018B Bonds outstanding as variable rate obligation.

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 (Series 2018A) were received as a fixed rate obligation with an interest rate of 3.04% payable semi-annually through August 2030. Part of the transaction was an additional \$28,000,000 (Series 2018B) committed and 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. In August 2020, the \$13,000,000 drawn from the \$28,000,000 available line of credit was converted into a fixed rate of 1.231% (Series 2018B-2) and in August 2021, the remaining \$15,000,000 was drawn and converted into a fixed rate of 1.322% (Series 2018B-3).

Series 2018A bonds are subject to optional redemption prior to maturity, in whole or in part, on any date at a redemption price equal to principal amount so redeemed plus accrued interest to the redemption date plus a premium not to exceed 2% of the principal amount so redeemed. The Series 2018A bonds are also subject to mandatory sinking fund redemption on August 1 in each of the years at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date as indicated below:

| <u>Year</u>            | <u>Principal Amount</u> |
|------------------------|-------------------------|
| 2023                   | \$184,889               |
| 2024                   | 190,509                 |
| 2025                   | 196,301                 |
| 2026                   | 202,268                 |
| 2027                   | 208,417                 |
| 2028                   | 214,753                 |
| 2029                   | 221,281                 |
| 2030 (stated maturity) | 228,008                 |

The Series 2018B-2 bonds are subject to optional redemption prior to maturity, in whole or in part, on any date at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date plus a premium not to exceed 2% of the principal amount so redeemed. Series 2018B-2 bonds are also subject to mandatory sinking fund redemption on the following dates and in the following amounts at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date:

| <u>Redemption Dates</u><br><u>(August 1)</u> | <u>Principal Amount</u> |
|----------------------------------------------|-------------------------|
| 2023                                         | \$1,259,975             |
| 2024                                         | 1,275,486               |
| 2025                                         | 1,291,187               |
| 2026                                         | 1,307,081               |
| 2027                                         | 1,323,172               |
| 2028                                         | 1,339,460               |
| 2029                                         | 1,355,948               |
| 2030 (stated maturity)                       | 1,372,640               |

Series 2018B-3 bonds are subject to optional redemption prior to maturity in whole or in part on any date at a redemption price equal to principal amount so redeemed plus accrued interest to the redemption date plus a premium not to exceed 2% of the principal amount so redeemed. Series 2018B-3 bonds are also subject to mandatory sinking fund redemption on the following dates and in the following amounts at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date:

| <u>Redemption Dates</u><br><u>(August 1)</u> | <u>Principal Amount</u> |
|----------------------------------------------|-------------------------|
| 2023                                         | \$1,601,298             |
| 2024                                         | 1,622,467               |
| 2025                                         | 1,643,916               |
| 2026                                         | 1,665,649               |
| 2027                                         | 1,687,668               |
| 2028                                         | 1,709,979               |
| 2029                                         | 1,732,585               |
| 2030 (stated maturity)                       | 1,755,490               |

The Series 2021 bonds maturing on August 1, 2032 and thereafter, are subject to redemption prior to maturity at the option of the city on August 1, 2031 or any date thereafter, in whole or in part, and if in part, in such order of maturity as the city shall determine and by lot within maturities, at a redemption price of par plus accrued interest to the redemption date, without redemption premium. Series 2021 Term Bonds maturing on August 1, 2046 and 2051 are subject to mandatory sinking fund redemption by lot from mandatory sinking fund installments at a redemption price equal to par plus accrued interest to the redemption date on August 1 of the following years and in the following amounts shown below, such redemption amounts to be subject to proportionate reduction in the event of partial optional redemption.

| <u>Maturing on August 1, 2046</u> |               |
|-----------------------------------|---------------|
| <u>Year</u>                       | <u>Amount</u> |
| 2042                              | \$2,365,000   |
| 2043                              | 2,455,000     |
| 2044                              | 2,555,000     |
| 2045                              | 2,655,000     |
| 2046 (stated maturity)            | 2,765,000     |

Maturing on August 1, 2051

| <u>Year</u>            | <u>Amount</u> |
|------------------------|---------------|
| 2047                   | \$2,875,000   |
| 2048                   | 2,990,000     |
| 2049                   | 3,110,000     |
| 2050                   | 3,235,000     |
| 2051 (stated maturity) | 3,365,000     |

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

| <b>Business-Type Activities</b>    |                                      |                      |                                                             |                     |                       |
|------------------------------------|--------------------------------------|----------------------|-------------------------------------------------------------|---------------------|-----------------------|
| <b>Year Ending<br/>December 31</b> | <b><u>Bonds</u><br/>0.224-5.000%</b> |                      | <b><u>Bonds from Direct Placements</u><br/>1.231-3.035%</b> |                     | <b>Total</b>          |
|                                    | <b>Principal</b>                     | <b>Interest</b>      | <b>Principal</b>                                            | <b>Interest</b>     |                       |
| 2023                               | \$ 13,995,000                        | \$ 16,875,825        | \$ 5,991,162                                                | \$ 544,989          | \$ 37,406,976         |
| 2024                               | 14,525,000                           | 16,347,294           | 6,078,462                                                   | 456,756             | 37,407,512            |
| 2025                               | 15,055,000                           | 15,815,751           | 6,166,403                                                   | 367,180             | 37,404,334            |
| 2026                               | 15,655,000                           | 15,215,595           | 6,259,998                                                   | 276,249             | 37,406,842            |
| 2027                               | 15,690,000                           | 14,621,248           | 3,219,257                                                   | 183,874             | 33,714,379            |
| 2028-2032                          | 89,955,000                           | 64,099,571           | 9,930,145                                                   | 279,312             | 164,264,028           |
| 2033-2037                          | 104,475,000                          | 52,263,743           | -                                                           | -                   | 156,738,743           |
| 2038-2042                          | 113,290,000                          | 37,469,597           | -                                                           | -                   | 150,759,597           |
| 2043-2047                          | 106,815,000                          | 21,731,989           | -                                                           | -                   | 128,546,989           |
| 2048-2051                          | 101,870,000                          | 6,366,500            | -                                                           | -                   | 108,236,500           |
| <b>Total</b>                       | <b>\$591,325,000</b>                 | <b>\$260,807,113</b> | <b>\$ 37,645,427</b>                                        | <b>\$ 2,108,360</b> | <b>\$ 891,885,900</b> |

### C. Certificates of Participation

*Governmental Activities* - Certificates of Participation (COPs) are issued by Aurora Capital Leasing Corporation (ACLC) and represent participation in a financed purchase agreement. The COPs are payable from the city's payments to ACLC, which are assigned to the trustee for the COPs debt service. There are seven outstanding COPs issues. Amounts originally issued and amounts outstanding at December 31, 2022, respectively, were: 2014 Public Safety and Sports Park \$21,775,000 and \$5,465,000; 2015 Public Safety Training Facility \$24,340,000 and \$19,495,000; 2017 Central Recreation Center \$28,865,000 and \$25,130,000; 2017B Three Fire Stations and Equipment \$27,675,000 and \$22,895,000; 2019 Refunding and Improvement Series (2009A refunding and 2019 Municipal Campus Capital Improvements) \$62,935,000 and \$50,525,000; 2020 Southeast Recreation Center \$33,770,000 and \$32,155,000; and 2022 Roadway Improvements \$31,975,000 and \$31,975,000.

Assets pledged as collateral for: 2014 COPs include a portion of the Central Facilities campus and the public safety radio communications system, 2015 COPs include the public safety training facility, 2017 COPs include 20-acre site owned by the city and the central recreation center, 2017B COPs include fire stations no. 5, 15 and 16 and the property on which these fire stations will be built thereon, 2019 COPs include the city's municipal parking garage, police headquarters, municipal courts and detention center, 2020 COPs consist of floors three through five of the Aurora Municipal Center along with an access easement across the public areas of the first floor including the main elevator bank and all public stairways providing access to such floors, and 2022 COPs include Tallyn's Reach complex, north satellite campus and central library. In an event of default or event of non-appropriation, the trustee may take possession or relet all or portions of these assets and the certificates are to be called for redemption in whole with redemption price of the lesser of (a) principal amount plus accrued interest to the redemption date without any premium or (b) sum of amount if any received by the Trustee from the exercise of remedies and other amounts available in the trust estate.

Series 2014 COPs are not subject to optional redemption prior to maturity. The Series 2015 COPs are subject to optional redemption in whole or in part upon payment of purchase option price either from moneys derived from a financing or otherwise. Series 2017 COPs maturing in years 2021 to 2026 are not subject to optional redemption prior to maturity. However, those maturing in 2027 and thereafter are subject to redemption at the option of the city on December 1, 2026 and any date thereafter at a redemption price equal to par plus accrued interest to the date of redemption. Series 2017 certificates maturing on December 1, 2042 are subject to mandatory sinking fund redemption prior to maturity in part by lot in such manner as the paying agent shall determine at 100% of principal amount plus accrued interest to the date of redemption without premium on the following dates and in the following principal amounts:

| <u>Redemption Date</u><br><u>(December 1)</u> | <u>Principal</u><br><u>Amount</u> |
|-----------------------------------------------|-----------------------------------|
| 2037                                          | \$ 1,490,000                      |
| 2038                                          | 1,565,000                         |
| 2039                                          | 1,645,000                         |
| 2040                                          | 1,725,000                         |
| 2041                                          | 1,810,000                         |
| 2042 (stated maturity)                        | 1,900,000                         |

Series 2017B COPs maturing in years 2023 to 2027 are not subject to optional redemption prior to maturity. However, those maturing in 2028 and thereafter are subject to redemption at the option of the city on December 1, 2027 and any date thereafter at a redemption price equal to par plus accrued interest to the date of redemption. Series 2017B certificates maturing on December 1, 2032 are subject to mandatory sinking fund redemption prior to maturity in part by lot in such manner as the city may determine at 100% of principal amount plus accrued interest to the date of redemption without premium on the following dates and in the following principal amounts:

| <u>Redemption Date</u><br><u>(December 1)</u> | <u>Principal</u><br><u>Amount</u> |
|-----------------------------------------------|-----------------------------------|
| 2031                                          | \$ 1,620,000                      |
| 2032 (stated maturity)                        | 1,670,000                         |

The Series 2017B certificates maturing on December 1, 2037 are subject to mandatory sinking fund redemption prior to maturity in part by lot in such manner as the city may determine at 100% of principal amount plus accrued interest to the date of redemption without premium on the following dates and in the following principal amounts:

| <u>Redemption Date</u><br><u>(December 1)</u> | <u>Principal</u><br><u>Amount</u> |
|-----------------------------------------------|-----------------------------------|
| 2036                                          | \$ 1,880,000                      |
| 2037 (stated maturity)                        | 1,935,000                         |

Series 2019 certificates maturing in years 2023 to 2029 are not subject to optional redemption prior to maturity. However, those maturing in 2030 and thereafter are subject to redemption at the option of the city on December 1, 2029 and any date thereafter at a redemption price equal to par plus accrued interest to the date of redemption.

The Series 2020 COPs maturing in years 2023 to 2030 are not subject to optional redemption prior to maturity. However, those maturing in 2031 and thereafter are subject to redemption at the option of the city on December 1, 2030 and any date thereafter at a redemption price equal to par plus accrued interest to the date of redemption. Series 2020 certificates maturing on December 1, 2045 are subject to mandatory sinking fund redemption prior to maturity in part by lot in such manner as the paying agent shall determine at 100% of principal amount plus accrued interest to the date of redemption without premium on the following dates and in the following principal amounts:

| Redemption Date<br>(December 1) | Principal<br>Amount |
|---------------------------------|---------------------|
| 2041                            | \$ 1,725,000        |
| 2042                            | 1,775,000           |
| 2043                            | 1,830,000           |
| 2044                            | 1,885,000           |
| 2045 (stated maturity)          | 1,940,000           |

Series 2022 certificates maturing in the years 2023 to 2032 are not subject to optional redemption prior to maturity. However, those maturing in year 2033 and thereafter are subject to redemption at the option of the city on December 1, 2032 and any date thereafter at a redemption price equal to par plus accrued interest to the date of redemption. Series 2022 certificates maturing on December 1, 2042 are subject to mandatory sinking fund redemption in part by lot on the dates set forth below, upon payment of par and accrued interest without redemption premium in the following annual amounts:

| Redemption Date<br>(December 1 of the Year)          | Principal<br>Amount |
|------------------------------------------------------|---------------------|
| 2040                                                 | \$ 2,220,000        |
| 2041                                                 | 2,310,000           |
| 2042 (final maturity, not a sinking fund redemption) | 2,400,000           |

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

| Year Ending<br>December 31 | Governmental Activities |                      |                       |
|----------------------------|-------------------------|----------------------|-----------------------|
|                            | 2.00-5.00%<br>Principal | Interest             | Total                 |
| 2023                       | \$ 11,865,000           | \$ 8,161,819         | \$ 20,026,819         |
| 2024                       | 12,345,000              | 7,676,893            | 20,021,893            |
| 2025                       | 10,000,000              | 7,089,494            | 17,089,494            |
| 2026                       | 10,475,000              | 6,612,094            | 17,087,094            |
| 2027                       | 10,980,000              | 6,111,794            | 17,091,794            |
| 2028-2032                  | 56,140,000              | 22,198,169           | 78,338,169            |
| 2033-2037                  | 37,925,000              | 12,013,681           | 49,938,681            |
| 2038-2042                  | 32,255,000              | 4,700,812            | 36,955,812            |
| 2043-2045                  | 5,655,000               | 342,600              | 5,997,600             |
| <b>Total</b>               | <b>\$ 187,640,000</b>   | <b>\$ 74,907,356</b> | <b>\$ 262,547,356</b> |

#### D. Notes Payable

*Governmental Activities* – The city 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 financed purchase agreement with a third party. The Note contains no collateral. Amount originally issued and amount outstanding at December 31, 2022, respectively were: Hogan Parkway Extension \$2,000,000 and \$1,258,607. The city has restricted \$1,371,000 in the Capital Projects Fund for the repayment of principal and interest for this note.

During 2022, the Aurora Urban Renewal Authority (AURA) issued tax increment revenue refunding note to refinance the \$25.955 million outstanding 2014 NBH Capital Finance note which was used to finance the construction of a public conference center and a parking facility in the Fitzsimons boundary II Tax Increment Area (TIF) No. 1. The AURA Original Fitzsimons urban renewal area contributed \$5 million at closing to reduce the borrowing amount. The transaction resulted in a deferred loss of \$30,245 and an aggregate difference in debt service of \$332,350 between the refunding debt and the refunded debt, with the latter at 12-month LIBOR rate of 5.48214 on December 31, 2022. The refunding note is a direct borrowing and is secured by available taxes derived from incremental increases in property taxes, sales taxes, lodger's taxes, together with the restricted revenues consisting of net revenues from the operation of the conference center and the parking facility, collectively defined as pledged revenues. The note contains no provision for acceleration of maturity of the outstanding amounts in the event of a default. As such, the remedies consist of filing a bill in equity or other commencement of judicial proceedings to enforce the rights of NBH to a receivership of any cash, securities or other instruments constituting the pledged revenues. AURA is likewise

required to immediately notify NBH in writing when the former obtains knowledge of the occurrence of any event of default. During the occurrence of an event of default, the interest rate is adjusted to the current rate as of the date of the occurrence plus 3% per annum to a maximum rate of 6% per annum. Upon not less than 30 days' prior written notice to NBH and on any payment date on and after December 1, 2032, AURA may prepay amounts owing in whole or in part in increments of principal not less than \$100,000 without penalty or prepayment fee at any time and from time to time for a prepayment amount equal to the principal amount plus accrued interest to the date of prepayment. Prior to December 1, 2032 on any payment date and upon not less than 30 days' notice to the bank, AURA may prepay amounts owing in whole or in part in increments of principal not less than \$100,000 for a prepayment amount equal to the principal amount plus accrued interest to the date of prepayment plus any applicable administrative fees and yield maintenance fee. Amount originally issued and amount outstanding at December 31, 2022, respectively were: NBH Capital Finance Refunding \$20,645,000 and \$20,645,000. 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 \$1,699,603. Additional information on the moral obligation pledge can be found in Note 10.F.

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

| Year Ending<br>December 31 | Governmental Activities |            |                              |              |               |  |
|----------------------------|-------------------------|------------|------------------------------|--------------|---------------|--|
|                            | Notes                   |            | Notes from Direct Borrowings |              |               |  |
|                            | 2.50%                   |            | 4.06%                        |              |               |  |
|                            | Principal               | Interest   | Principal                    | Interest     | Total         |  |
| 2023                       | \$ 197,035              | \$ 31,465  | \$ 750,000                   | \$ 966,244   | \$ 1,944,744  |  |
| 2024                       | 201,961                 | 26,539     | 905,000                      | 807,737      | 1,941,237     |  |
| 2025                       | 207,009                 | 21,490     | 945,000                      | 770,994      | 1,944,493     |  |
| 2026                       | 212,186                 | 16,315     | 985,000                      | 732,627      | 1,946,128     |  |
| 2027                       | 217,489                 | 11,011     | 1,020,000                    | 692,636      | 1,941,136     |  |
| 2028-2032                  | 222,927                 | 5,573      | 5,765,000                    | 2,806,475    | 8,799,975     |  |
| 2033-2037                  | -                       | -          | 7,040,000                    | 1,536,710    | 8,576,710     |  |
| 2038-2039                  | -                       | -          | 3,235,000                    | 198,331      | 3,433,331     |  |
| Total                      | \$ 1,258,607            | \$ 112,393 | \$ 20,645,000                | \$ 8,511,754 | \$ 30,527,754 |  |

#### E. Financed Purchase Agreements

*Governmental Activities* - The city has entered into financed purchase agreements for twenty-one fire apparatus, seven construction/work equipment, nineteen transportation equipment and three buildings and improvements. Specific assets are pledged under these purchase agreements. Remedies in any event of default except on agreements involving equipment include terminating the agreement by giving notice to the city to vacate and surrender possession of financed property, proceeding to foreclose or sell or liquidate the city's interest in the financed property in any lawful manner, leasing or subleasing the financed property or any portion thereof or sell any interest in the financed property, recovering from the city's portion and taking whatever action at law or in equity to enforce the rights to the financed property. Remedies in any event of default on agreements involving equipment include (a) with or without terminating the agreement, retake the possession of the equipment and sell, lease or sublease the equipment, (b) require the city to pay all past due amounts, (c) require the city to pay all out-of-pocket costs and expenses incurred as a result of the default, and (d) take whatever action at law or in equity to enforce the rights to the equipment. The agreements on property other than equipment provide an option for the city to purchase the interest in the financed property and terminate the agreement on any date provided that the city is not in default and the city pays any applicable yield maintenance fee for which fee is true only to the 2014 agreement for the History Museum expansion. Agreements involving equipment are non-callable except for: (1) 2018A heavy fleet equipment which grants an option on any date to prepay all or a portion of the obligations, and (2) 2022A heavy fleet equipment which allows: (a) an option on March 27, 2024 or on any scheduled payment date thereafter to prepay all of its obligations, and (b) mandatory prepayment from excess restricted account proceeds upon termination of such account.

All financed purchase agreements are funded by the General Fund. During 2017, a portion of the land in the 2015 District II Police Station Phase I agreement was conveyed for the RTD 2<sup>nd</sup> Avenue and Abilene light rail station project. In January 2022, the General Fund fully funded the prepayment of the outstanding principal and interest on the Stephen D. Hogan Parkway Extension agreement. Ten of the 2022 heavy fleet equipment will be received in 2023 due to manufacturer delays brought about by the COVID pandemic.

Annual debt service requirements to maturity for financed purchase agreements are as follows:

| Year Ending<br>December 31 | Governmental Activities |                     |                      |
|----------------------------|-------------------------|---------------------|----------------------|
|                            | 1.064-2.880%            |                     |                      |
|                            | Principal               | Interest            | Total                |
| 2023                       | \$ 5,324,811            | \$ 460,784          | \$ 5,785,595         |
| 2024                       | 3,807,475               | 421,382             | 4,228,857            |
| 2025                       | 3,492,000               | 345,986             | 3,837,986            |
| 2026                       | 3,330,940               | 276,910             | 3,607,850            |
| 2027                       | 2,804,099               | 212,919             | 3,017,018            |
| 2028-2032                  | 6,908,396               | 365,049             | 7,273,445            |
| <b>Total</b>               | <b>\$ 25,667,721</b>    | <b>\$ 2,083,030</b> | <b>\$ 27,750,751</b> |

#### F. Pledged Revenue

*Governmental Activities* - The AURA has pledged incremental increases in property, sales tax, lodger tax, as well as net revenues from the operation of the conference center and parking facility to the payment of the NBH Capital Finance refunding 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 \$26,358,656 (including accrued interest to date of refunding of \$18,903) and \$1,061,505, respectively. Of the total principal and interest paid, \$384,753 was scheduled debt service and \$25,973,903 was the advance refunding of the series 2014 note. Total pledged revenues available in 2022 is reduced by operating shortfalls at the conference center due to the COVID-19 pandemic. 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 \$542,355,000 principal currently outstanding, in water system revenue bonds issued in 2016 and 2021. 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 and 2051. Annual principal and interest payments on the bonds are expected to require approximately 20% of net revenues. The total principal and interest remaining to be paid on the bonds is \$762,645,763. Principal and interest paid for the current year and total water system net revenues were \$27,069,189 and \$135,196,944, respectively.

The city has pledged future wastewater system revenues, net of specified operating expenses, to repay \$86,615,427 principal currently outstanding, in wastewater system revenue bonds issued in 2016, 2018 and 2021. 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, 2030 and 2051, respectively. Annual principal and interest payments on the bonds are expected to require approximately 29.4% of net revenues. The total principal and interest remaining to be paid on the bonds is \$129,240,137. Principal and interest paid for the current year and total system net revenues were \$8,893,690 and \$30,283,883, respectively.

#### G. Accrued Compensated Absences

Accrued compensated absences recorded in governmental activities are generally paid from the General Fund. Amounts outstanding at December 31, 2022 are \$38,726,412 for governmental activities and \$6,062,556 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, 2022 is \$186,129,825. 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. Component Units – General Obligation Bonds**

*Parkside at City Centre Business Improvement District (Parkside BID)* – On April 9, 2019, the Parkside BID issued \$13,990,000 as Special Revenue and Tax Supported Senior Bonds, Series 2019A (2019A Bonds) for the purposes of financing certain public improvements, funding the Reserve Fund, funding a portion of the interest to accrue on the 2019A Bonds through 2021 and paying the costs of issuing the 2019A Bonds. The 2019A Bonds bear interest at 6.25% with interest payments payable semiannually on each June 1 and December 1, commencing June 1, 2019 and maturing on December 1, 2048. 2019A Bonds are secured by and payable solely from and to the extent of the Pledged Revenue generally consisting of the property tax revenues, portion of the specific ownership tax collected as a result of the imposition of the required mill levy, the Public Finance and Redevelopment Agreement (PFRA) revenues, the Public Improvement Fee (PIF) revenues, Payment In Lieu of Taxes (PILOT) revenues, capital fees and any other legally available moneys that Parkside BID determines in its absolute discretion to transfer to the trustee as Pledged Revenue. The 2019A Bonds are also secured by the Reserve Fund and the Surplus Fund, both established upon the issuance of the bonds. 2019A Bonds contain no provision for acceleration of maturity of the outstanding amounts in the event of a default. As such, the remedies consist of filing a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee to a receivership of any cash, securities or other instruments under the provisions of the Senior Indenture. The amount outstanding for the 2019A Bonds as of December 31, 2022 is \$13,990,000.

The 2019A Bonds are subject to redemption prior to maturity at the option of Parkside BID as a whole or in integral multiples of \$1,000 in any order of maturity and in whole or partial maturities on June 1, 2024 and on any date thereafter at a redemption premium expressed as a percentage of the principal amount so redeemed as follows:

| <u>Date of Redemption</u>    | <u>Redemption Premium</u> |
|------------------------------|---------------------------|
| June 1, 2024 to May 31, 2025 | 3.00%                     |
| June 1, 2025 to May 31, 2026 | 2.00%                     |
| June 1, 2026 to May 31, 2027 | 1.00%                     |
| June 1, 2027 and thereafter  | 0.00%                     |

2019A Bonds are also subject to mandatory sinking fund redemption prior to maturity in part by lot upon payment of par and accrued interest without redemption premium beginning on December 1, 2023 with final maturity amount of \$1,805,000 not considered as a sinking fund redemption.

Annual debt service requirements to maturity for the 2019A Bonds are as follows:

| <b>Year Ending</b> |                      |                      |                      |
|--------------------|----------------------|----------------------|----------------------|
| <b>December 31</b> | <b>Principal</b>     | <b>Interest</b>      | <b>Total</b>         |
| 2023               | \$ 220,000           | \$ 874,375           | \$ 1,094,375         |
| 2024               | 255,000              | 860,625              | 1,115,625            |
| 2025               | 275,000              | 844,688              | 1,119,688            |
| 2026               | 310,000              | 827,500              | 1,137,500            |
| 2027               | 335,000              | 808,125              | 1,143,125            |
| 2028-2032          | 2,215,000            | 3,683,125            | 5,898,125            |
| 2033-2037          | 3,345,000            | 2,858,438            | 6,203,438            |
| 2038-2042          | 3,145,000            | 1,704,375            | 4,849,375            |
| 2043-2047          | 2,085,000            | 974,687              | 3,059,687            |
| 2048-2048          | 1,805,000            | 112,812              | 1,917,812            |
| <b>Total</b>       | <b>\$ 13,990,000</b> | <b>\$ 13,548,750</b> | <b>\$ 27,538,750</b> |

*Citadel on Colfax Business Improvement District (Citadel BID)* – On November 25, 2020, the Citadel BID issued \$11,600,000 as Special Revenue and Tax Supported Senior Bonds, Series 2020A (2020A Bonds) and \$930,000 Special Revenue and Tax Supported Subordinate Bonds, Series 2020B (2020B Bonds). The proceeds from the Series 2020A Bonds were used for paying a portion of the costs of acquiring, constructing and installing certain public improvements, funding the Reserve Fund, funding a portion of the interest to accrue on the 2020A Bonds through 2023 and paying certain costs in connection with the issuance of the 2020A Bonds. Proceeds from the 2020B Bonds were used for paying a portion of the costs of acquiring, constructing and installing certain public improvements and paying the costs of issuing the 2020B Bonds. The amount outstanding for the 2020A Bonds and 2020B Bonds at December 31, 2022, respectively, were \$11,600,000 and \$930,000.

The 2020A Bonds bear interest at 5.35% payable semiannually on each June 1 and December 1. The 2020B Bonds bear interest at 7.875% and are cash flow bonds. Unpaid interest compounds annually on December at the rate of 7.875%. Payments toward interest and principal can be made provided the 2020A Bonds (and any other Senior Bonds outstanding) are current and the Reserve and Surplus Funds for the 2020A Bonds and any other Senior Bonds are full. The 2020A Bonds are secured by and payable solely from and to the extent of the Pledged Revenue generally consisting of property tax revenues, portion of the specific ownership tax collected as a result of the imposition of the required mill levy, the Public Improvement Fee (PIF) revenues, Payment in Lieu of Taxes (PILOT) revenues, capital fees and any other legally available moneys that the Citadel BID determines to transfer to the trustee as Pledged Revenue. The 2020A Bonds are also secured by the Reserve Fund and the Surplus Fund. The 2020B Bonds are secured by the subordinate required mill levy, the portion of the specific ownership tax collected as a result of the subordinate required mill levy, the amounts, if any, in the Senior Surplus Fund after the termination of such fund pursuant to the Senior Indenture and any other legally available moneys as determined by the Citadel BID. 2020A Bonds contain no provision for acceleration of maturity of the outstanding amounts in the event of a default. As such, the remedies consist of filing a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee to a receivership of any cash, securities or other instruments under the provisions of the Senior Indenture or the Pledge Agreement. 2020B Bonds contain no provision for acceleration of maturity of the outstanding amounts in the event of a default. As such, the remedies consist of filing a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee to a receivership of any cash, securities or other instruments under the provisions of the Subordinate Indenture or the Pledge Agreement.

The 2020A Bonds are subject to mandatory sinking fund redemption prior to maturity in part by lot upon payment of par and accrued interest without redemption premium annually beginning December 1, 2025 and are subject to redemption prior to maturity at the option of the Citadel BID as a whole or in integral multiples of \$1,000 in any order of maturity and in whole or partial maturities on December 1, 2025, and on any date thereafter upon payment of par, accrued interest and a redemption premium expressed as a percentage of the principal amount so redeemed as follows:

| <u>Date of Redemption</u>             | <u>Redemption Premium</u> |
|---------------------------------------|---------------------------|
| December 1, 2025 to November 30, 2026 | 3.00%                     |
| December 1, 2026 to November 30, 2027 | 2.00%                     |
| December 1, 2027 to November 30, 2028 | 1.00%                     |
| December 1, 2028 and thereafter       | 0.00%                     |

The 2020B Bonds are subject to mandatory redemption from available subordinate pledged revenue on each December 15 beginning in year 2020 provided that amounts insufficient to redeem at least one Series 2020B Bond in the denomination of \$1,000 will be retained in the Subordinate Bond Fund. 2020B Bonds are also subject to redemption prior to maturity at the option of the Citadel BID as a whole or in integral multiples of \$1,000 in any order of maturity and in whole or partial maturities commencing on December 15 in the following years upon payment of par, accrued interest and a redemption premium expressed as a percentage of the principal amount so redeemed as follows:

| <u>Date of Redemption</u>              | <u>Redemption Premium</u> |
|----------------------------------------|---------------------------|
| December 15, 2025 to December 14, 2026 | 3.00%                     |
| December 15, 2026 to December 14, 2027 | 2.00%                     |
| December 15, 2027 to December 14, 2028 | 1.00%                     |
| December 15, 2028 and thereafter       | 0.00%                     |

Annual debt service requirements to maturity for the 2020A Bonds (no summary is presented on the 2020B Bonds due to the uncertainty in the timing of payments) are as follows:

| Year Ending<br>December 31 | Principal            | Interest             | Total                |
|----------------------------|----------------------|----------------------|----------------------|
| 2023                       | \$ -                 | \$ 620,600           | \$ 620,600           |
| 2024                       | -                    | 620,600              | 620,600              |
| 2025                       | 165,000              | 620,600              | 785,600              |
| 2026                       | 200,000              | 611,773              | 811,773              |
| 2027                       | 215,000              | 601,072              | 816,072              |
| 2028-2032                  | 1,395,000            | 2,809,019            | 4,204,019            |
| 2033-2037                  | 1,845,000            | 2,387,704            | 4,232,704            |
| 2038-2042                  | 2,390,000            | 1,838,528            | 4,228,528            |
| 2043-2047                  | 3,100,000            | 1,126,977            | 4,226,977            |
| 2048-2050                  | 2,290,000            | 249,309              | 2,539,309            |
| <b>Total</b>               | <b>\$ 11,600,000</b> | <b>\$ 11,486,182</b> | <b>\$ 23,086,182</b> |

## J. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2022, was as follows:

| Governmental Activities                             | Beginning<br>Balance<br>(as restated) | Additions             | Reductions              | Ending Balance        | Due Within<br>One Year |
|-----------------------------------------------------|---------------------------------------|-----------------------|-------------------------|-----------------------|------------------------|
| Bonds Payable:                                      |                                       |                       |                         |                       |                        |
| General obligation bonds                            | \$ 365,000                            | \$ -                  | \$ (40,000)             | \$ 325,000            | \$ 40,000              |
| General obligation bonds from direct placements     | 2,385,000                             | -                     | (195,000)               | 2,190,000             | 202,000                |
| Certificates of participation                       | 166,070,000                           | 31,975,000            | (10,405,000)            | 187,640,000           | 11,865,000             |
| Add adjustments:                                    |                                       |                       |                         |                       |                        |
| Unamortized premium                                 | 21,033,337                            | 3,332,824             | (2,060,907)             | 22,305,254            | -                      |
| Total bonds and COPs                                | 189,853,337                           | 35,307,824            | (12,700,907)            | 212,460,254           | 12,107,000             |
| Notes payable                                       | 1,450,836                             | -                     | (192,229)               | 1,258,607             | 197,035                |
| Notes payable from direct borrowings                | 26,050,000                            | 20,645,000            | (26,050,000)            | 20,645,000            | 750,000                |
| Financed purchase agreements from direct borrowings | 37,475,103                            | 6,176,450             | (17,983,832)            | 25,667,721            | 5,324,811              |
| Accrued compensated absences                        | 37,068,465                            | 1,677,708             | (19,761)                | 38,726,412            | 7,050,439              |
| Accrued claims payable                              | 19,046,488                            | 12,011,716            | (9,330,532)             | 21,727,672            | 7,909,113              |
| Total OPEB liability                                | 17,688,273                            | 20,913,957            | (17,688,273)            | 20,913,957            | 1,035,114              |
| Net pension liability                               | 103,324,537                           | 79,207,501            | (103,324,537)           | 79,207,501            | -                      |
| Lease liability                                     | 2,062,049                             | 1,085,509             | (481,815)               | 2,665,743             | 565,848                |
| <b>Total Governmental Activities</b>                | <b>\$ 434,019,088</b>                 | <b>\$ 177,025,665</b> | <b>\$ (187,771,886)</b> | <b>\$ 423,272,867</b> | <b>\$ 34,939,360</b>   |

| Business-type Activities              | Beginning<br>Balance  | Additions           | Reductions             | Ending Balance        | Due Within<br>One Year |
|---------------------------------------|-----------------------|---------------------|------------------------|-----------------------|------------------------|
| Bonds Payable:                        |                       |                     |                        |                       |                        |
| Revenue bonds                         | \$ 603,245,000        | \$ -                | \$ (11,920,000)        | \$ 591,325,000        | \$ 13,995,000          |
| Revenue bonds from direct placements  | 43,545,463            | -                   | (5,900,036)            | 37,645,427            | 5,991,162              |
| Add (deduct) adjustments:             |                       |                     |                        |                       |                        |
| Unamortized premium                   | 36,796,613            | -                   | (1,420,518)            | 35,376,095            | -                      |
| Unamortized discount                  | (2,192,365)           | -                   | 74,115                 | (2,118,250)           | -                      |
| Total bonds                           | 681,394,711           | -                   | (19,166,439)           | 662,228,272           | 19,986,162             |
| Accrued compensated absences          | 6,059,283             | 600,114             | (596,841)              | 6,062,556             | 1,133,764              |
| Total OPEB liability                  | 3,349,607             | 3,960,451           | (3,349,607)            | 3,960,451             | 196,019                |
| Net pension liability                 | 3,476,572             | -                   | (3,476,572)            | -                     | -                      |
| Lease liability                       | -                     | 207,956             | (30,001)               | 177,955               | 75,318                 |
| <b>Total Business-type Activities</b> | <b>\$ 694,280,173</b> | <b>\$ 4,768,521</b> | <b>\$ (26,619,460)</b> | <b>\$ 672,429,234</b> | <b>\$ 21,391,263</b>   |

| Component Units                                     | Beginning Balance    | Additions         | Reductions  | Ending Balance       | Due Within One Year |
|-----------------------------------------------------|----------------------|-------------------|-------------|----------------------|---------------------|
| Parkside City Centre Business Improvement District: |                      |                   |             |                      |                     |
| General obligation bonds - 2019A bonds              | \$ 13,990,000        | \$ -              | \$ -        | \$ 13,990,000        | \$ 220,000          |
| Other - Developer advances                          | 1,664,748            | 118,975           | -           | 1,783,723            | -                   |
| Citadel on Colfax Business Improvement District:    |                      |                   |             |                      |                     |
| General obligation bonds - 2020A bonds              | 11,600,000           | -                 | -           | 11,600,000           | -                   |
| General obligation bonds - 2020B bonds              | 930,000              | -                 | -           | 930,000              | -                   |
| <b>Total Component Units</b>                        | <b>\$ 28,184,748</b> | <b>\$ 118,975</b> | <b>\$ -</b> | <b>\$ 28,303,723</b> | <b>\$ 220,000</b>   |

## 8. 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, 2022, are as follows:

|                                             | Primary Government      |                          |                       |
|---------------------------------------------|-------------------------|--------------------------|-----------------------|
|                                             | Governmental Activities | Business-Type Activities | Total                 |
| <b>Deferred Outflows of Resources</b>       |                         |                          |                       |
| Pensions                                    | \$ 50,995,330           | \$ 8,785,146             | \$ 59,780,476         |
| OPEB                                        | 8,046,799               | 1,523,812                | 9,570,611             |
| Loss on refunding                           | 1,862,378               | 17,212,309               | 19,074,687            |
| <b>Total Deferred Outflows of Resources</b> | <b>\$ 60,904,507</b>    | <b>\$ 27,521,267</b>     | <b>\$ 88,425,774</b>  |
| <b>Deferred Inflows of Resources</b>        |                         |                          |                       |
| Pensions                                    | \$ 93,331,096           | \$ 22,807,285            | \$ 116,138,381        |
| OPEB                                        | 4,059,525               | 768,744                  | 4,828,269             |
| Leases                                      | 270,796                 | 690,594                  | 961,390               |
| Property taxes                              | 82,329,316              | -                        | 82,329,316            |
| Gain on refunding                           | -                       | 170,428                  | 170,428               |
| <b>Total Deferred Inflows of Resources</b>  | <b>\$ 179,990,733</b>   | <b>\$ 24,437,051</b>     | <b>\$ 204,427,784</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, 2022, are as follows:

|                                            | General Fund         | Gifts and Grants Fund | City Capital Projects Fund | Non-Major Governmental Funds | Total                |
|--------------------------------------------|----------------------|-----------------------|----------------------------|------------------------------|----------------------|
| <b>Deferred Inflows of Resources</b>       |                      |                       |                            |                              |                      |
| Property tax                               | \$ 52,910,003        | \$ -                  | \$ -                       | \$ 29,419,313                | \$ 82,329,316        |
| Leases                                     | 270,796              | -                     | -                          | -                            | 270,796              |
| Unavailable fund resources                 | 562,168              | 920,621               | 217,398                    | 11,587,361                   | 13,287,548           |
| <b>Total Deferred Inflows of Resources</b> | <b>\$ 53,742,967</b> | <b>\$ 920,621</b>     | <b>\$ 217,398</b>          | <b>\$ 41,006,674</b>         | <b>\$ 95,887,660</b> |

**9. INTERFUND TRANSACTIONS**

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 and a small balance resulting from a year-end due to/due from. The balance between the Water Fund and the General Fund results from a small reclassification of a lease payment to the appropriate fund. 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 balance between the Risk Management Fund and the General Fund results from a year-end due to/due from to cover claims liability adjustments that were greater than originally projected. The balance between the Nonmajor Governmental Funds is a result of a small year-end transfer from the SID Debt Service Fund to the City Capital Projects Fund.

| <b>Interfund Receivable</b> | <b>Interfund Payable</b> |                                    |                                     | <b>Total</b>         |
|-----------------------------|--------------------------|------------------------------------|-------------------------------------|----------------------|
|                             | <b>General Fund</b>      | <b>Nonmajor Governmental Funds</b> | <b>Nonmajor Business-type Funds</b> |                      |
| General Fund                | \$ -                     | \$ 13,529,893                      | \$ -                                | \$ 13,529,893        |
| Water Fund                  | 690                      | -                                  | -                                   | 690                  |
| Wastewater Fund             | -                        | -                                  | 1,884,000                           | 1,884,000            |
| Internal Service Funds      | 1,681,184                | -                                  | -                                   | 1,681,184            |
| City Capital Projects Fund  | -                        | 9,153                              | -                                   | 9,153                |
| <b>Total</b>                | <b>\$ 1,681,874</b>      | <b>\$ 13,539,046</b>               | <b>\$ 1,884,000</b>                 | <b>\$ 17,104,920</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. The largest transfers in 2022 include \$74,448,632 of transfers from the General Fund to the Capital Projects Fund for building material and other use taxes, capital-related revenues in excess of budget and road maintenance. There was \$23.0 million in transfers from the General Fund to the ACLC Debt Service Fund to cover principal and interest payments, \$13,445,596 of which was used to cover the prepayment of the Hogan Parkway loan. Additionally, an annual transfer of \$7,540,953 from the General Fund to the Recreation Fund was made to cover mandated costs. A transfer of \$6,000,000 was made from the Marijuana Tax Revenue Fund to the Capital Projects Fund for street maintenance while a transfer of \$5,481,976 from the General Fund to the Enhanced E-911 Fund was made to cover costs incurred in the Enhanced E-911 Fund for compensation adjustments to address increased service demands. A transfer of \$5,000,000 was made from the AURA General Fund to the AURA Debt Service Fund to refinance AURA's outstanding Series 2014 Loan.

| <b>Interfund Transfers In</b> | <b>Interfund Transfers Out</b> |                              |                                    | <b>Total</b>          |
|-------------------------------|--------------------------------|------------------------------|------------------------------------|-----------------------|
|                               | <b>General Fund</b>            | <b>Capital Projects Fund</b> | <b>Nonmajor Governmental Funds</b> |                       |
| Gifts and Grants Fund         | \$ 37,500                      | \$ -                         | \$ 15,000                          | \$ 52,500             |
| Capital Projects Fund         | 74,448,632                     | -                            | 6,047,353                          | 80,495,985            |
| Nonmajor Governmental Funds   | 39,678,224                     | 5,354,924                    | 16,028,195                         | 61,061,343            |
| Nonmajor Business-type Funds  | -                              | -                            | 250,000                            | 250,000               |
| Internal Service Funds        | 2,815,184                      | -                            | -                                  | 2,815,184             |
| <b>Total</b>                  | <b>\$ 116,979,540</b>          | <b>\$ 5,354,924</b>          | <b>\$ 22,340,548</b>               | <b>\$ 144,675,012</b> |

|                                                                                |                   |
|--------------------------------------------------------------------------------|-------------------|
| Transfers between Nonmajor Governmental Funds and Nonmajor Business-type Funds | \$ 250,000        |
| Transfers between Nonmajor Business-Type Funds and Nonmajor Governmental Funds | -                 |
| Total transfers between Governmental Activities and Business-type Activities   | <u>\$ 250,000</u> |

**10. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

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**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, 2022, the city had various unspent appropriations for the acquisition and construction of projects which totaled \$490,457,168.

**B. Encumbrances**

Encumbrance commitments in the General Fund total \$13,838,555, the Gifts and Grants Fund total \$873,948 and in the nonmajor governmental funds in the aggregate total \$9,307,259. The nonmajor governmental funds aggregate includes \$4,100,129 for the nonmajor governmental funds with legally adopted budgets and \$5,003,023 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, national and international businesses to encourage capital investment, and commercial and/or industrial 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 as of December 31, 2022, is \$19,260,273 and abatements paid or waived to date on these active agreements is \$5,787,042. During 2022, two abatements were paid for a total of \$5,065,339 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, 2022, 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, Marq Iliff Station, Parkside Aurora, Legacy Fitzsimons, The Forum Fitzsimons, Argenta, and MHK Nine Mile. Total potential future funding obligation is \$223,752,939 which is solely and exclusively payable from the incremental revenues collected on the project except for one agreement that indicates the district mill levy as additional source of revenue; amount to date is \$28,750. Paid to date is \$70,890,456 which includes \$2,359,714 designated to assist the developer and/or the district in its debt issuance directly related to the urban renewal project and for which amount does not reduce the potential future funding obligation. Two of the agreements do not have a potential future funding obligation and the paid to date amount is \$161,421,616 which includes a State sales tax of \$10,787,773.

**E. Tax Incentive Agreements**

The city enters into tax incentive agreements to encourage redevelopment and capital investment on existing developed sites for retail uses located within its borders. At December 31, 2022, the city had development incentive agreements with the developers of Aurora Crossing. Total potential allocable revenue which is solely and exclusively payable from the incremental revenues collected on the project is \$1,060,000 and paid to date is \$386,518.

**F. Moral Obligations**

In limited circumstances, the city provides contingent credit support (commonly referred to as a "moral obligation"). As of December 31, 2022, 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 2022.

The city's moral obligation with AURA pertains to a reserve fund in the amount of \$1,699,827 for a tax increment revenue refunding loan in the original principal amount of \$20,645,000 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 \$1,717,627 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.

## 11. 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. MissionSquare Retirement, formerly 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.

All three 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 MissionSquare Retirement 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.

## 12. 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)
- Police Retirement Plan (PRP)
- 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, 2022 (measured as of December 31, 2021):

|                                             | <u>Net Pension<br/>Liability</u> | <u>Net Pension<br/>Asset</u> | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> | <u>Pension Expense<br/>(Reduction)</u> |
|---------------------------------------------|----------------------------------|------------------------------|-------------------------------------------|------------------------------------------|----------------------------------------|
| <b>Single Employer Plans</b>                |                                  |                              |                                           |                                          |                                        |
| GERP                                        | \$ -                             | \$ 58,569,765                | \$ 33,443,614                             | \$ 86,905,035                            | \$ (11,994,720)                        |
| EOEP                                        | -                                | 2,863,488                    | 370,300                                   | 817,331                                  | (284,631)                              |
| PRP                                         | -                                | 858,101                      | 1,283,997                                 | -                                        | -                                      |
| <b>Agent Multiple Employer Plans</b>        |                                  |                              |                                           |                                          |                                        |
| Old Hire-Fire                               | 35,485,473                       | -                            | 3,399,614                                 | 4,875,792                                | (557,696)                              |
| Old Hire-Police                             | 43,722,028                       | -                            | 4,164,773                                 | 6,248,941                                | (1,370,355)                            |
| <b>Cost Sharing Multiple Employer Plans</b> |                                  |                              |                                           |                                          |                                        |
| SWDB                                        | -                                | 21,866,090                   | 13,962,855                                | 15,392,827                               | (2,309,444)                            |
| SWH                                         | -                                | 6,643,870                    | 3,155,323                                 | 1,898,455                                | 236,701                                |
|                                             | <u>\$ 79,207,501</u>             | <u>\$ 90,801,314</u>         | <u>\$ 59,780,476</u>                      | <u>\$ 116,138,381</u>                    | <u>\$ (16,280,145)</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<br/>Asset</u> | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows<br/>of Resources</u> | <u>Pension Expense</u> |
|--------------------------|------------------------------|-------------------------------------------|------------------------------------------|------------------------|
| Governmental Activities  | \$ 43,055,734                | \$ 24,658,468                             | \$ 64,097,750                            | \$ (6,385,720)         |
| Business-Type Activities | 15,514,031                   | 8,785,146                                 | 22,807,285                               | (5,609,000)            |
|                          | <u>\$ 58,569,765</u>         | <u>\$ 33,443,614</u>                      | <u>\$ 86,905,035</u>                     | <u>\$ (11,994,720)</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.

The net pension liability recorded in governmental activities are generally paid from the General Fund. Water, Wastewater and Golf Funds report a proportionate share of the net pension liability in business-type activities and are generally paid from their respective funds.

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.org](http://www.auroragerp.org) or by contacting GERP at 12100 E. Iliff Avenue, Suite 108, Aurora, Colorado 80014, telephone (303) 368-9160.

*Plan Membership.* As of the measurement date, 1,184 retirees and others were receiving benefits with 1,794 active plan members. There were 250 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 2022 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, 2022 were \$9,393,456.

#### **Net Pension Asset**

At December 31, 2022, the city reported an asset of \$58,569,765 for the plan. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021. The liability was rolled forward from January 1, 2021 to December 31, 2021 using standard actuarial methods.

*Actuarial Assumptions.* The January 1, 2021 actuarial valuation, based on the 2019 experience study for the period January 1, 2014 to December 31, 2018 dated February 17, 2020, 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     | 7.00%                                                                                 |
| Projected salary increases    | Service based                                                                         |
| Cost of living increases      | Tier 1: Base benefit 2.50%                                                            |
|                               | Tier 2: Base benefit 0.00%                                                            |
|                               | Supplemental benefit 0.00%                                                            |
| Inflation                     | 2.50%                                                                                 |
| Retirement age                | Table of rates by tier, age and eligibility                                           |
| Mortality                     | RP-2010 General Employees Mortality Table, projected generationally with scale MP2018 |

*Changes in Assumptions.* No changes to assumptions occurred since the prior evaluation.

*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, 2021, these best estimates are summarized in the following table:

**Asset Allocation**

| <b>Asset Class</b>      | <b>Target Allocation</b> | <b>Long-Term Expected Real Rate of Return</b> |
|-------------------------|--------------------------|-----------------------------------------------|
| Domestic Fixed Income   | 25.00%                   | -0.50%                                        |
| Domestic Equity         | 26.00%                   | 4.35%                                         |
| International Equity    | 19.00%                   | 4.25%                                         |
| Private Equity          | 10.00%                   | 5.75%                                         |
| Real Estate             | 10.00%                   | 3.50%                                         |
| Alternative Investments | 10.00%                   | 7.20%                                         |
| <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 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 (Asset).*

|                                                  | <b>Increase (Decrease)</b>     |                                    |                                      |
|--------------------------------------------------|--------------------------------|------------------------------------|--------------------------------------|
|                                                  | <b>Total Pension Liability</b> | <b>Plan Fiduciary Net Position</b> | <b>Net Pension Liability (Asset)</b> |
|                                                  | <b>(a)</b>                     | <b>(b)</b>                         | <b>(a)-(b)</b>                       |
| <b>Balances at 1/1/2022</b>                      | <u>\$ 590,530,530</u>          | <u>\$ 576,750,526</u>              | <u>\$ 13,780,004</u>                 |
| <b>Changes for the year:</b>                     |                                |                                    |                                      |
| Service Cost                                     | 12,865,163                     | -                                  | 12,865,163                           |
| Interest                                         | 41,132,155                     | -                                  | 41,132,155                           |
| Plan Changes                                     | (2,068,194)                    | -                                  | (2,068,194)                          |
| Effect of economic/demographic (gains) or losses | 4,737,483                      | -                                  | 4,737,483                            |
| Employer Contributions                           | -                              | 8,732,379                          | (8,732,379)                          |
| Employee Contributions                           | -                              | 8,732,412                          | (8,732,412)                          |
| Net Investment Income                            | -                              | 112,106,334                        | (112,106,334)                        |
| Benefit Payments, including refunds              | (32,130,354)                   | (32,130,354)                       | -                                    |
| Administrative Expense                           | -                              | (554,749)                          | 554,749                              |
| <b>Net Changes</b>                               | <u>24,536,253</u>              | <u>96,886,022</u>                  | <u>(72,349,769)</u>                  |
| <b>Balances at 12/31/2022</b>                    | <u><u>\$ 615,066,783</u></u>   | <u><u>\$ 673,636,548</u></u>       | <u><u>\$ (58,569,765)</u></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 7.00%, 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 (Asset)  
to the Discount Rate Assumption**

|                                      | <b>1%<br/>Decrease<br/>(6.00%)</b> | <b>Current<br/>Discount<br/>Rate (7.00%)</b> | <b>1%<br/>Increase<br/>(8.00%)</b> |
|--------------------------------------|------------------------------------|----------------------------------------------|------------------------------------|
| City's net pension liability (asset) | \$ 20,821,883                      | \$(58,569,765)                               | \$(124,350,394)                    |

*Pension Plan Fiduciary Net Position.* Detailed information about the plan's net fiduciary net position is available in GERP's annual comprehensive 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, 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, 2022, the city recognized a reduction to pension expense of \$11,994,720. At December 31, 2022, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|----------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Differences between expected and actual experience                               | \$ 8,512,498                              | \$ 130,818                               |
| Change in assumptions                                                            | 15,537,626                                | -                                        |
| Net difference between projected and actual earnings on pension plan investments | -                                         | 86,774,217                               |
| City contributions subsequent to the measurement date                            | 9,393,490                                 | -                                        |
| Total                                                                            | <u>\$ 33,443,614</u>                      | <u>\$ 86,905,035</u>                     |

The \$9,393,490 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, 2023. 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<br/>December 31</b> | <b>Net Deferred<br/>Outflows (Inflows)<br/>of Resources</b> |
|------------------------------------|-------------------------------------------------------------|
| 2023                               | \$ (10,306,355)                                             |
| 2024                               | (20,971,795)                                                |
| 2025                               | (18,176,407)                                                |
| 2026                               | (13,493,247)                                                |
| 2027                               | 92,893                                                      |
| <b>Total</b>                       | <u>\$ (62,854,911)</u>                                      |

*Significant changes.* The Plan's actuarial equivalence definition was updated effective January 1, 2021. A COLA of 5% was provided to Tier 2 base benefits in pay status effective January 1, 2022. A COLA of 5% was provided to Tier 1 base benefits in pay status effective January 1, 2022, whereas the January 1, 2021, actuarial valuation assumed a COLA of 2.5%.

**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:

| <b>Service Type</b>     | <b>Period of Service</b>                                               | <b>Normal Retirement Age</b>                                                                                                    |
|-------------------------|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| <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 2022 is \$87.37 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 2022 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, 2022, the city's average contribution rate was 7.00% of annual covered payroll. Employer contributions recognized by the plan for the year ended December 31, 2022 were \$370,300.

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, 2022</b>                   |                     | <b>For the Year Ended December 31, 2022</b>           |                     |
| <b>ASSETS</b>                              |                     | <b>ADDITIONS</b>                                      |                     |
| <i>Current assets</i>                      |                     | <i>Contributions</i>                                  |                     |
| Investments                                |                     | City                                                  | \$ 370,300          |
| Cash and cash equivalents                  | \$ 101,398          | Total contributions                                   | 370,300             |
| Equity securities and funds                | 4,085,028           |                                                       |                     |
| Corporate bond funds                       | 2,017,342           | <i>Investment activity</i>                            |                     |
| Real estate funds                          | 950,997             | Investment returns                                    | (1,293,932)         |
| Alternative investments                    | 513,004             | Investment expense                                    | (13,443)            |
| Interest receivable                        | 10,566              | Net investment returns                                | (1,307,375)         |
| Total assets                               | 7,678,335           | Total additions                                       | (937,075)           |
| <b>LIABILITIES</b>                         |                     | <b>DEDUCTIONS</b>                                     |                     |
| <i>Current liabilities</i>                 |                     | Benefits                                              | 455,323             |
| Accounts payable                           | -                   | Administrative expenses                               | 46,636              |
| Total liabilities                          | -                   | Total deductions                                      | 501,959             |
| <b>NET POSITION RESTRICTED</b>             |                     | NET DECREASE IN NET POSITION                          | (1,439,034)         |
| <b>FOR PENSIONS</b>                        | <b>\$ 7,678,335</b> | <b>NET POSITION RESTRICTED</b>                        |                     |
|                                            |                     | <b>FOR PENSIONS - January 1</b>                       | 9,117,369           |
|                                            |                     | <b>NET POSITION RESTRICTED</b>                        |                     |
|                                            |                     | <b>FOR PENSIONS - December 31</b>                     | <b>\$ 7,678,335</b> |

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

|                              |            |
|------------------------------|------------|
| Retirees and beneficiaries   | 65         |
| Inactive, nonretired members | 8          |
| Active members               | 27         |
|                              | <u>100</u> |

### Investments

*Investment Policy.* At December 31, 2022, 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, 2022 were as follows:

| <b>Asset Class</b>    | <b>Target Allocation</b> | <b>Long-Term Expected Real Rate of Return</b> |
|-----------------------|--------------------------|-----------------------------------------------|
| Domestic Fixed Income | 30%                      | 1.75%                                         |
| Domestic Equity       | 32%                      | 4.85%                                         |
| International Equity  | 20%                      | 4.95%                                         |
| Real Estate           | 12%                      | 3.25%                                         |
| Real Return           | 6%                       | 4.43%                                         |
| <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, 2022, that meet this criteria.

| Investment                              | Value       | % of Investments |
|-----------------------------------------|-------------|------------------|
| iShares Core S&P 500 ETF                | \$2,091,255 | 27.6%            |
| Segall Bryant & Hamill Plus Bond Fund   | 1,023,274   | 13.5%            |
| Western Asset Funds Core Plus Bond Fund | 994,068     | 13.1%            |
| Heitman American Real Estate Trust      | 735,584     | 9.7%             |
| Dodge and Cox International Stock Fund  | 726,601     | 9.6%             |
| Cohen & Steers Global Listed Infrastr   | 513,004     | 6.8%             |
| American Europacific Growth             | 512,272     | 6.8%             |
| iShares Core TR Core S&P Small Cap EFT  | 507,460     | 6.7%             |

*Investment Rate of Return.* For the year ended, December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (14.19)%. 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, 2022, were as follows:

|                                      |                       |
|--------------------------------------|-----------------------|
| Total pension liability              | \$ 6,377,103          |
| EOEP fiduciary net position          | (7,678,335)           |
| City's net pension liability (asset) | <u>\$ (1,301,232)</u> |

|                                                                               |         |
|-------------------------------------------------------------------------------|---------|
| EOEP fiduciary net position as a percentage<br>of the total pension liability | 120.40% |
|-------------------------------------------------------------------------------|---------|

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation as of January 1, 2023, which was unchanged from December 31, 2022, 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<br>0.00% on Supplemental                                                                                                                                                                                      |
| Expenses                      | \$21,658 per annum                                                                                                                                                                                                          |
| Retirement age                | Elected Officials: after 3 terms (or age 56, if later);<br>immediate if age 75 or older<br><br>Executive Personnel: graded rates by age from 50 to 65                                                                       |
| Mortality                     | Pre-retirement: Pub 2010 General employees mortality<br>table fully generational using scale MP-2021<br><br>Post-retirement (healthy): Pub 2010 General employees<br>mortality table fully generational using scale MP-2021 |

*Changes in Assumptions.* As of the 2023 actuarial valuation, the mortality tables were updated from the Pub-2010 General Employees/Retiree Mortality Tables using scale MP-2018 to the Pub-2010 General Employees/Retiree Mortality Tables using scale MP-2021.

*Changes in Benefit Terms.* The base benefit for an Elected Official was increased from \$83.21 per year of service to \$87.37 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, 2022, 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<br/>to the Discount Rate Assumption</b> |                                    |                                              |                                    |
|-----------------------------------------------------------------------------|------------------------------------|----------------------------------------------|------------------------------------|
|                                                                             | <b>1%<br/>Decrease<br/>(6.00%)</b> | <b>Current<br/>Discount<br/>Rate (7.00%)</b> | <b>1%<br/>Increase<br/>(8.00%)</b> |
| City's net pension<br>asset                                                 | \$ (629,380)                       | \$ (1,301,232)                               | \$ (1,865,305)                     |

### **GASB 68 Disclosures**

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

|                              |           |
|------------------------------|-----------|
| Retirees and beneficiaries   | 62        |
| Inactive, nonretired members | 8         |
| Active members               | 28        |
|                              | <u>98</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, 2021 were as follows:

| <b>Asset Class</b>    | <b>Target<br/>Allocation</b> | <b>Long-Term Expected<br/>Real Rate of Return</b> |
|-----------------------|------------------------------|---------------------------------------------------|
| Domestic Fixed Income | 30%                          | -0.50%                                            |
| Domestic Equity       | 32%                          | 4.35%                                             |
| International Equity  | 20%                          | 4.25%                                             |
| Real Estate           | 12%                          | 3.50%                                             |
| Real Return           | 6%                           | 4.05%                                             |
| <b>Total</b>          | <b>100%</b>                  |                                                   |

### Net Pension Asset

At December 31, 2022, the city reported an asset of \$2,863,488 for the plan. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021, rolled forward to December 31, 2021 using standard actuarial assumptions.

*Actuarial Assumptions.* The January 1, 2021 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     | 7.00% net of investment expenses                                                                                                                                                                                            |
| Inflation                     | 2.50%                                                                                                                                                                                                                       |
| Cost of living adjustments    | 2.50% on Base<br>0.00% on Supplemental                                                                                                                                                                                      |
| Expenses                      | \$21,658 per annum                                                                                                                                                                                                          |
| Retirement age                | Elected Officials: after 3 terms (or age 56, if later);<br>immediate if age 75 or older<br><br>Executive Personnel: graded rates by age from 50 to 65                                                                       |
| Mortality                     | Pre-retirement: Pub 2010 General employees mortality<br>table fully generational using scale MP-2018<br><br>Post-retirement (healthy): Pub 2010 General employees<br>mortality table fully generational using scale MP-2018 |

*Changes in Assumptions.* As of the 2021 actuarial valuation, expenses increased from \$21,000 per annum to \$21,658 per annum.

*Changes in Benefit Terms.* The base benefit for an Elected Official was increased from \$81.98 per year of service to \$83.21 per year of service.

*Discount Rate.* The discount rate used to measure the total pension liability as of December 31, 2021, 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.

*Changes in the Net Pension Asset.*

|                               | Increase (Decrease)        |                             |                              |
|-------------------------------|----------------------------|-----------------------------|------------------------------|
|                               | Total Pension Liability    | Plan Fiduciary Net Position | Net Pension Asset            |
|                               | (a)                        | (b)                         | (a)-(b)                      |
| <b>Balances at 1/1/2022</b>   | <u>\$ 6,116,050</u>        | <u>\$ 8,100,316</u>         | <u>\$ (1,984,266)</u>        |
| <b>Changes for the year:</b>  |                            |                             |                              |
| Service Cost                  | 134,182                    | -                           | 134,182                      |
| Interest                      | 423,084                    | -                           | 423,084                      |
| Employer Contributions        | -                          | 370,300                     | (370,300)                    |
| Net Investment Income         | -                          | 1,108,978                   | (1,108,978)                  |
| Benefit Payments              | (419,435)                  | (419,435)                   | -                            |
| Administrative Expense        | -                          | (42,790)                    | 42,790                       |
| <b>Net Changes</b>            | <u>137,831</u>             | <u>1,017,053</u>            | <u>(879,222)</u>             |
| <b>Balances at 12/31/2022</b> | <u><u>\$ 6,253,881</u></u> | <u><u>\$ 9,117,369</u></u>  | <u><u>\$ (2,863,488)</u></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 (6.00%) or 1-percentage point higher (8.00%) than the current rate:

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

|                          | 1% Decrease<br>(6.00%) | Current Discount<br>Rate (7.00%) | 1% Increase<br>(8.00%) |
|--------------------------|------------------------|----------------------------------|------------------------|
| City's net pension asset | \$ (2,188,242)         | \$ (2,863,488)                   | \$ (3,428,565)         |

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended December 31, 2022, the city recognized a reduction to pension expense of \$284,631. At December 31, 2022, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|----------------------------------------------------------------------------------|-----------------------------------|----------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ -                              | \$ 817,331                       |
| City contributions subsequent to the measurement date                            | 370,300                           | -                                |
| Total                                                                            | <u><u>\$ 370,300</u></u>          | <u><u>\$ 817,331</u></u>         |

The \$370,300 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending<br>December 31 | Net Deferred<br>Outflows (Inflows)<br>of Resources |
|----------------------------|----------------------------------------------------|
| 2023                       | \$ (175,858)                                       |
| 2024                       | (343,271)                                          |
| 2025                       | (189,179)                                          |
| 2026                       | (109,023)                                          |
| <b>Total</b>               | <b>\$ (817,331)</b>                                |

### 3. Police Retirement Plan (PRP)

#### Plan Description

*Plan Description.* The city's Police Retirement Plan (PRP) is a contributory single-employer defined benefit pension plan that became effective January 1, 2022, for the exclusive benefit for civil service personnel directly involved with the provision of police protection. 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 participation and are matched equally by the city. The Plan Administration Committee, composed of members elected by the Plan's current participants, serves as plan trustee and administrator. No stand-alone financial report is issued for PRP.

*Plan Membership.* A city employee in the Civil Service, paid on a full-time basis, directly involved with the provision of police protection and expected to be credited with at least 1,600 hours of service each plan year may make an irrevocable election to be included in the membership of the plan. Employees that are employed by the City of Aurora Police Department on January 1, 2022, will have until June 30, 2023, to elect to become a member in the plan. New employees hired or former employees rehired after January 1, 2022, will have 36 months from their hire/rehire date to make their election.

*Benefits Provided.* The plan provides the following retirement benefits.

Normal Retirement – The normal retirement age is the first of the month coinciding with or next following the earlier of (1) the later of age 65 or completion of five years of vesting service or (2) the date the member's age is at least 50 and the member's age plus years of credit service is equal to or greater than 80 ("Rule of 80"). Each member who becomes eligible for a normal pension under the plan will be entitled to receive a monthly retirement pension benefit beginning at the member's normal retirement date and payable as a single annuity equal to 2.00% of average monthly compensation multiplied by years of credit service, not to exceed 90% of average monthly compensation.

Early Retirement – If termination occurs before normal retirement age, participants who are age 50 or older with five or more years of vesting service may elect to begin receiving early retirement benefits. The early retirement pension is a monthly pension benefit equal to the normal pension based on average monthly compensation and credited service, at the date of retirement and reduced as follows: (i) 0.292% per month for each month (if any) between the pension commencement date and the earlier of (1) normal retirement date and (2) the first of the month coincident with or next following the member's 55<sup>th</sup> birthday; plus (ii) 0.375% per month for each month (if any) between (a) the later of (1) the pension commencement date and (2) the first of the month coincident with or next following the member's 55<sup>th</sup> birthday, and (b) the earlier of the (1) member's normal retirement date and (2) the first of the month coincident with or next following the member's 60<sup>th</sup> birthday; plus (iii) 0.458% per month for each month (if any) between (a) the later of (1) the pension commencement date and (2) the first of the month coincident with or next following the member's 60<sup>th</sup> birthday, and (b) the member's normal retirement date.

Deferred Vested Benefits – Participants with at least five years of credited service may retire with an early retirement pension any time after age 50 and prior to the member's normal retirement date. In lieu of a monthly pension, the participant may elect to receive a lump sum equal to the participant's contribution accumulation.

Disability Retirement Benefits – Participants may terminate due to disability, as determined by the Fire and Police Pension Association of Colorado (FPPA). For on-duty disability, the benefit is a lump sum payment of the portion of the participant's contribution accumulation equal to the lump sum plan offset amount as determined by FPPA; if a portion of contribution accumulation remains after this payment, the participant can elect to received the excess as a lump sum. For other disabilities, prior to normal retirement age, a lump sum payment of the participant's contribution accumulation will be payable at termination; on or after normal retirement age, a normal pension is payable.

Pre-Retirement Death Benefits – If death occurs in the line of duty, the beneficiary of the deceased participant will receive the lump sum of the participant's contribution accumulation. If death occurs whiles employed but not in the line of duty and the beneficiary is eligible for a death benefit funder C.R.S. Section 31-31-807, a lump sum of the participant's contribution accumulation. If the beneficiary is not eligible for a death benefit under C.R.S. Section 31-31-807, the beneficiary may choose between a lump sum of the member's contribution accumulation and the survivor portion of the monthly benefit payable as if the member elected a joint and 50% survivor annuity.

*Contributions.* Employee contributions are required as a condition of participation at 8.25% and are matched by city contributions of 8.25% in 2022. Once the plan is funded on an actuarially sound basis, the city may adjust its contribution rate to take into account advance funding of the employer contributions. Plan 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. Employer contributions recognized by the plan for the year ended December 31, 2022 were \$1,283,997 - \$1,000,000 advance funding of employer contributions and \$283,997 in matching 2022 employer contributions.

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 PRP'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 PRP in 2022, 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***PRP Financial Statements.*

| PRP<br>Statement of Fiduciary Net Position<br>December 31, 2022 |                     | PRP<br>Statement of Changes in Fiduciary Net Position<br>For the Year Ended December 31, 2022 |              |
|-----------------------------------------------------------------|---------------------|-----------------------------------------------------------------------------------------------|--------------|
| <b>ASSETS</b>                                                   |                     | <b>ADDITIONS</b>                                                                              |              |
| <i>Current assets</i>                                           |                     | <i>Contributions</i>                                                                          |              |
| Investments                                                     |                     | City                                                                                          | \$ 1,283,997 |
| Cash and cash equivalents                                       | \$ 80,303           | Plan members                                                                                  | 283,897      |
| Mutual funds                                                    | 1,172,014           | Total contributions                                                                           | 1,567,894    |
| Total assets                                                    | 1,252,317           |                                                                                               |              |
| <b>LIABILITIES</b>                                              |                     | <i>Investment activity</i>                                                                    |              |
| <i>Current liabilities</i>                                      |                     | Investment returns                                                                            | (122,353)    |
| Accounts payable                                                | -                   | Investment expense                                                                            | (124,088)    |
| Total liabilities                                               | -                   | Net investment returns                                                                        | (246,441)    |
|                                                                 |                     | <i>Other income</i>                                                                           |              |
|                                                                 |                     | -                                                                                             |              |
|                                                                 |                     | Total additions                                                                               | 1,321,453    |
|                                                                 |                     | <b>DEDUCTIONS</b>                                                                             |              |
|                                                                 |                     | Benefits                                                                                      | -            |
|                                                                 |                     | Administrative expenses                                                                       | 69,136       |
|                                                                 |                     | Total deductions                                                                              | 69,136       |
|                                                                 |                     | NET INCREASE IN NET POSITION                                                                  | 1,252,317    |
|                                                                 |                     | <b>NET POSITION RESTRICTED</b>                                                                |              |
|                                                                 |                     | <b>FOR PENSIONS - January 1</b>                                                               |              |
|                                                                 |                     | -                                                                                             |              |
|                                                                 |                     | <b>NET POSITION RESTRICTED</b>                                                                |              |
| <b>NET POSITION RESTRICTED</b>                                  |                     | <b>FOR PENSIONS - December 31</b>                                                             |              |
| <b>FOR PENSIONS</b>                                             | <b>\$ 1,252,317</b> | <b>\$ 1,252,317</b>                                                                           |              |

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

|                              |           |
|------------------------------|-----------|
| Retirees and beneficiaries   | 0         |
| Inactive, nonretired members | 0         |
| Active members               | 45        |
|                              | <u>45</u> |

**Investments**

*Investment Policy.* At December 31, 2022, the plan's securities are in the custody of and controlled by Charles Schwab Trust Bank, the master custodian. The Plan Administration Committee, in its capacity as plan trustee and administrator, will conduct an annual review of the plan's funding policy and methods to ensure the objectives of the plan are satisfied. The plan's initial 2022 asset allocation study follows the approach used to determine the appropriate asset allocation for the Police Money Purchase Pension Plan.

Plan investments are reported at fair value. 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 is selected by the plan trustee, the Plan Administration Committee, after a review of expected inflation and long-term real-returns, reflected expected volatility and correlation. The assumption currently selected is 6.00% per annum, net of investment-related expenses. The estimates for each major asset class that is included in the plan's target asset allocation as of January 1, 2022 were as follows:

| <b>Asset Class</b>     | <b>Target Allocation</b> |
|------------------------|--------------------------|
| Large Cap              | 31.00%                   |
| International Equity   | 25.00%                   |
| Small/Mid Cap          | 13.00%                   |
| Low Correlated Hedge   | 11.00%                   |
| Emerging Market Equity | 8.00%                    |
| Float Rate Corp Loans  | 5.00%                    |
| ORA - Midstream        | 5.00%                    |
| Cash                   | 2.00%                    |
| <b>Total</b>           | <b>100.00%</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 PRP's fiduciary net position. PRP held the following investments at December 31, 2022, that meet this criteria.

| <b>Investment</b>                         | <b>Value</b> | <b>% of Investments</b> |
|-------------------------------------------|--------------|-------------------------|
| Fidelity 500 Index Fund                   | \$ 185,786   | 14.8%                   |
| Oakmark International Fund                | 154,246      | 12.3%                   |
| American Funds EuroPacific Growth         | 145,876      | 11.6%                   |
| Invesco Oppenheimer Developing Markets    | 98,699       | 7.9%                    |
| Dodge & Cox International Stock Fund      | 90,559       | 7.2%                    |
| Harbor Cap Appreciation Fund              | 88,351       | 7.1%                    |
| Vanguard Mid-Cap Growth Index             | 74,173       | 5.9%                    |
| PartnerSelect Alternative Strategies Fund | 74,129       | 5.9%                    |
| Goldman Sachs Absolute Return             | 66,230       | 5.3%                    |

*Investment Rate of Return.* For the year ended, December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was (21.13)%. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period.

### Net Pension Asset

The components of the net pension asset of the city at December 31, 2022, were as follows:

|                                      |                     |
|--------------------------------------|---------------------|
| Total pension liability              | \$ 394,216          |
| PRP fiduciary net position           | (1,252,317)         |
| City's net pension liability (asset) | <u>\$ (858,101)</u> |

|                                                                           |         |
|---------------------------------------------------------------------------|---------|
| PRP fiduciary net position as a percentage of the total pension liability | 317.67% |
|---------------------------------------------------------------------------|---------|

**Actuarial Assumptions.** The total pension liability was determined by an actuarial valuation as of January 1, 2023, which was unchanged from December 31, 2022, using standard actuarial methods. The actuarial assumptions and other inputs used, based on the 2023 actuarial valuation were:

|                                      |                                                                                                                                                                                                                                                                                      |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial cost method                | Entry age normal                                                                                                                                                                                                                                                                     |
| Actuarial assumptions:               |                                                                                                                                                                                                                                                                                      |
| Investment rate of return            | 6.00% net of investment expenses                                                                                                                                                                                                                                                     |
| Inflation                            | 2.50%                                                                                                                                                                                                                                                                                |
| Salary increases including inflation | Service Based                                                                                                                                                                                                                                                                        |
| Expenses                             | 0.35% of payroll, payable mid-year                                                                                                                                                                                                                                                   |
| Mortality                            | Pre-retirement (healthy): Pub 2010 Safety employees mortality table (amount-weighted), projected generationally using scale MP-2021<br>Post-retirement (healthy): Pub 2010 Safety employees retirees mortality table (amount-weighted), projected generationally using scale MP-2021 |

**Changes in Assumptions.** There were no changes in assumptions as this is the first valuation for the plan.

**Discount Rate.** The discount rate used to measure the total pension liability as of December 31, 2022, was 6.00%. Based on the projection of cash flows, PRP'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 PRP 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:

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

|                          | 1%<br>Decrease<br>(5.00%) | Current<br>Discount<br>Rate (6.00%) | 1%<br>Increase<br>(7.00%) |
|--------------------------|---------------------------|-------------------------------------|---------------------------|
| City's net pension asset | \$ (798,805)              | \$ (858,101)                        | \$ (906,736)              |

**GASB 68 Disclosures**

The city's GASB 68 measurement date is one year in arrears, December 31, 2021. The PRP did not have any assets, liabilities or net position as of December 31, 2021 as the plan began January 1, 2022. Hence, the GASB 68 disclosures are limited to the deferred outflow for contributions subsequent to the measurement date.

**Net Pension Asset**

**Deferred Outflows of Resources Related to Pensions.** At December 31, 2022, the city reported deferred outflows of resources related to pensions from the following sources:

|                                                          | <b>Deferred Outflows<br/>of Resources</b> |
|----------------------------------------------------------|-------------------------------------------|
| City contributions subsequent to the<br>measurement date | \$ 1,283,997                              |
| Total                                                    | <u>\$ 1,283,997</u>                       |

The \$1,283,997 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, 2023.

#### 4. 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 and held in trust by the Fire and Police Pension Association of Colorado (FPPA) through its Affiliated Local Plans. 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) or by contacting the Fire and Police Pension Association, Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237, 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 retiree 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   | 126        |
| Inactive, nonretired members | 0          |
| Active members               | 0          |
|                              | <u>126</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, 2022 were \$3,399,614.

#### **Net Pension Liability**

At December 31, 2022, the city reported a liability of \$35,485,473 for the plan. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022 which was unchanged from December 31, 2021.

***Actuarial Assumptions.*** The January 1, 2022 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                                        |
| Asset valuation method    | 5-year smoothed fair value                              |
| Actuarial assumptions:    |                                                         |
| Investment rate of return | 6.50%                                                   |
| Inflation                 | 2.50%                                                   |
| Salary increases          | N/A                                                     |
| Retirement age            | Any remaining actives are assumed to retire immediately |

Mortality

Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Disabled (pre-1980): Post-retirement rates set forward three years.

*Changes in Assumptions.* No changes to assumptions occurred since the prior evaluation.

*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, 2021, are summarized in the following table:

| Asset Allocation      |                   |                                        |
|-----------------------|-------------------|----------------------------------------|
| Asset Class           | Target Allocation | Long-Term Expected Real Rate of Return |
| Global Public Equity  | 17.00%            | 7.80%                                  |
| Private Capital       | 28.00%            | 10.50%                                 |
| Fixed Income - Rates  | 32.00%            | 2.30%                                  |
| Fixed Income - Credit | 6.00%             | 3.50%                                  |
| Absolute Return       | 6.00%             | 5.60%                                  |
| Long Short            | 6.00%             | 6.90%                                  |
| Cash                  | 5.00%             | 0.10%                                  |
| <b>Total</b>          | <b>100.00%</b>    |                                        |

*Discount Rate.* A discount rate of 6.50% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 6.50%. 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.*

|                                                      | Increase (Decrease)               |                                       |                                     |
|------------------------------------------------------|-----------------------------------|---------------------------------------|-------------------------------------|
|                                                      | Total Pension<br>Liability<br>(a) | Plan Fiduciary<br>Net Position<br>(b) | Net Pension<br>Liability<br>(a)-(b) |
| <b>Balances at 1/1/2022</b>                          | <u>\$ 116,286,673</u>             | <u>\$ 74,969,083</u>                  | <u>\$ 41,317,590</u>                |
| <b>Changes for the year:</b>                         |                                   |                                       |                                     |
| Interest                                             | 7,266,859                         | -                                     | 7,266,859                           |
| Difference Between Expected<br>and Actual Experience | (1,298,201)                       | -                                     | (1,298,201)                         |
| Employer Contributions                               | -                                 | 3,399,614                             | (3,399,614)                         |
| Net Investment Income                                | -                                 | 8,442,013                             | (8,442,013)                         |
| Benefit Payments                                     | (9,121,265)                       | (9,121,265)                           | -                                   |
| Administrative Expense                               | -                                 | (40,852)                              | 40,852                              |
| <b>Net Changes</b>                                   | <u>(3,152,607)</u>                | <u>2,679,510</u>                      | <u>(5,832,117)</u>                  |
| <b>Balances at 12/31/2022</b>                        | <u>\$ 113,134,066</u>             | <u>\$ 77,648,593</u>                  | <u>\$ 35,485,473</u>                |

*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 6.50%, 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**

|                              | 1%<br>Decrease<br>(5.50%) | Current<br>Discount<br>Rate (6.50%) | 1%<br>Decrease<br>(7.50%) |
|------------------------------|---------------------------|-------------------------------------|---------------------------|
| City's net pension liability | \$ 45,609,376             | \$ 35,485,473                       | \$ 26,719,153             |

*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, Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237, telephone (303) 770-3772.

*Pension Income and Deferred Outflows of Resources Related to Pensions.* For the year ended December 31, 2022, the city recognized a reduction of pension expense of \$557,696. At December 31, 2022, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|----------------------------------------------------------------------------------|-----------------------------------|----------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ -                              | \$ 4,875,792                     |
| City contributions subsequent to the measurement date                            | 3,399,614                         | -                                |
| Total                                                                            | <u>\$ 3,399,614</u>               | <u>\$ 4,875,792</u>              |

The \$3,399,614 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, 2023. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ending<br/>December 31</b> | <b>Net Deferred<br/>Outflows (Inflows)<br/>of Resources</b> |
|------------------------------------|-------------------------------------------------------------|
| 2023                               | \$ (885,165)                                                |
| 2024                               | (1,979,163)                                                 |
| 2025                               | (1,260,792)                                                 |
| 2026                               | (750,672)                                                   |
| <b>Total</b>                       | <b>\$ (4,875,792)</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   | 141        |
| Inactive, nonretired members | 0          |
| Active members               | 0          |
|                              | <u>141</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, 2022 were \$4,164,773.

### **Net Pension Liability**

At December 31, 2022, the city reported a liability of \$43,722,028 for the plan. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022 which was unchanged from December 31, 2021.

*Actuarial Assumptions.* The January 1, 2022 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                                        |
| Asset valuation method    | 5-year smoothed fair value                              |
| Actuarial assumptions:    |                                                         |
| Investment rate of return | 6.50%                                                   |
| Inflation                 | 2.50%                                                   |
| Salary increases          | N/A                                                     |
| Retirement age            | Any remaining actives are assumed to retire immediately |

Mortality

Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Disabled (pre-1980): Post-retirement rates set forward three years.

*Changes in Assumptions.* No changes to assumptions occurred since the prior evaluation.

*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, 2021, are summarized in the following table:

| Asset Allocation      |                   |                                        |
|-----------------------|-------------------|----------------------------------------|
| Asset Class           | Target Allocation | Long-Term Expected Real Rate of Return |
| Global Public Equity  | 17.00%            | 7.80%                                  |
| Private Capital       | 28.00%            | 10.50%                                 |
| Fixed Income - Rates  | 32.00%            | 2.30%                                  |
| Fixed Income - Credit | 6.00%             | 3.50%                                  |
| Absolute Return       | 6.00%             | 5.60%                                  |
| Long Short            | 6.00%             | 6.90%                                  |
| Cash                  | 5.00%             | 0.10%                                  |
| <b>Total</b>          | <b>100.00%</b>    |                                        |

*Discount Rate.* A discount rate of 6.50% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 6.50%. 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.*

|                                                      | Increase (Decrease)               |                                       |                                     |
|------------------------------------------------------|-----------------------------------|---------------------------------------|-------------------------------------|
|                                                      | Total Pension<br>Liability<br>(a) | Plan Fiduciary<br>Net Position<br>(b) | Net Pension<br>Liability<br>(a)-(b) |
| <b>Balances at 1/1/2022</b>                          | <u>\$ 147,210,945</u>             | <u>\$ 95,507,430</u>                  | <u>\$ 51,703,515</u>                |
| <b>Changes for the year:</b>                         |                                   |                                       |                                     |
| Interest                                             | 9,240,004                         | -                                     | 9,240,004                           |
| Difference Between Expected<br>and Actual Experience | (2,270,605)                       | -                                     | (2,270,605)                         |
| Changes of assumptions                               | -                                 | -                                     | -                                   |
| Employer Contributions                               | -                                 | 4,164,773                             | (4,164,773)                         |
| Net Investment Income                                | -                                 | 10,829,961                            | (10,829,961)                        |
| Benefit Payments                                     | (10,275,826)                      | (10,275,826)                          | -                                   |
| Administrative Expense                               | -                                 | (43,848)                              | 43,848                              |
| <b>Net Changes</b>                                   | <u>(3,306,427)</u>                | <u>4,675,060</u>                      | <u>(7,981,487)</u>                  |
| <b>Balances at 12/31/2022</b>                        | <u><u>\$ 143,904,518</u></u>      | <u><u>\$ 100,182,490</u></u>          | <u><u>\$ 43,722,028</u></u>         |

*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 6.50%, 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**

|                                 | 1%<br>Decrease<br>(5.50%) | Current<br>Discount<br>Rate (6.50%) | 1%<br>Decrease<br>(7.50%) |
|---------------------------------|---------------------------|-------------------------------------|---------------------------|
| City's net pension<br>liability | \$ 58,340,421             | \$ 43,722,028                       | \$ 31,276,633             |

*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, Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237, telephone (303) 770-3772.

*Pension Income and Deferred Outflows of Resources Related to Pensions.* For the year ended December 31, 2022, the city recognized a reduction of pension expense of \$1,370,355. At December 31, 2022, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|----------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ -                                      | \$ 6,248,941                             |
| City contributions subsequent to the measurement date                            | 4,164,773                                 | -                                        |
| Total                                                                            | <u>\$ 4,164,773</u>                       | <u>\$ 6,248,941</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, 2023. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ending<br/>December 31</b> | <b>Net Deferred<br/>Outflows (Inflows)<br/>of Resources</b> |
|------------------------------------|-------------------------------------------------------------|
| 2023                               | \$ (1,161,337)                                              |
| 2024                               | (2,506,598)                                                 |
| 2025                               | (1,617,235)                                                 |
| 2026                               | (963,771)                                                   |
| <b>Total</b>                       | <u>\$ (6,248,941)</u>                                       |

## 5. 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) or by contacting the Fire and Police Pension Association, Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237, 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. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the members combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80). 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 1st. 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 with at least 5 years of service 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, 125 city firefighters are active members of the transfer plan and 8 are inactive, nonretired members of the transfer plan. In 2022, members of the transfer plan and the city contributed 12.0% (\$1,576,986) and 9.2% (\$1,208,460), respectively. The contribution rates decreased in 2022 from the planned rates of 14% and 11%, respectively, as it was determined that both parties were overcontributing to the plan. Contribution rates for members of the transfer plan were to increase 0.5% annually to a total member contribution rate of 14.0% in 2022 prior to being adjusted. Employer contributions were to increase 0.5% annually years to reach a total city contribution rate of 15.0% in 2030 prior to begin adjusted. In 2011, an updated plan was instituted for firefighters hired on or after October 1, 2011. Currently, 332 city firefighters are members of this plan. In 2022, plan members and the city contributed 12.0% (\$2,795,262) and 9.0% (\$2,095,805), respectively. Member contribution rates for this plan increased 0.5% annually through 2022 to a total of 12.0% of base salary. Employer contributions for this plan will increase 0.5% annually beginning January 2021 through 2030, for a total combined member and employer contribution of 25.0% in 2030.

### Net Pension Asset

At December 31, 2022, the city reported an asset of \$21,866,090 for its proportionate share of the net pension asset for the plan. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022, which was unchanged from December 31, 2021. The city's portion of the net pension asset was based on the city's contributions to the SWDB plan for the calendar year 2021 relative to the total contributions of participating employers to the plan.

At December 31, 2021, the city's proportion in the net pension asset was 4.03%, a decrease from its 4.22% proportion of net liability measured as of December 31, 2020.

*Actuarial Assumptions.* The January 1, 2022 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                            | For 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 the projected prospectively using the ultimate rates of the scale for all years. The preretirement 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.* No changes to assumptions occurred since the prior valuation.

*Changes in Benefit Terms.* No changes to benefit terms 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, 2021, 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           | 39.00%                   | 8.23%                                         |
| Equity Long/Short       | 8.00%                    | 6.87%                                         |
| Private Markets         | 26.00%                   | 10.63%                                        |
| Fixed Income - Rates    | 10.00%                   | 4.01%                                         |
| Fixed Income - Credit   | 5.00%                    | 5.25%                                         |
| Absolute Return         | 10.00%                   | 5.60%                                         |
| Cash                    | 2.00%                    | 2.32%                                         |
| <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 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:

| <b>Sensitivity of Net Pension Asset to the Discount Rate Assumption</b> |                                |                                      |                                |
|-------------------------------------------------------------------------|--------------------------------|--------------------------------------|--------------------------------|
|                                                                         | <b>1% Decrease<br/>(6.00%)</b> | <b>Current Discount Rate (7.00%)</b> | <b>1% Increase<br/>(8.00%)</b> |
| City's net pension asset                                                | \$ (3,015,469)                 | \$(21,866,090)                       | \$ (37,482,779)                |

*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, Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237, 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, 2022, the city recognized a reduction to pension expense of \$2,309,444. At December 31, 2022, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|----------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ -                                      | \$ 14,634,020                            |
| Differences between actual and expected experience                               | 6,261,415                                 | 509,979                                  |
| Assumption changes                                                               | 3,118,261                                 | -                                        |
| Changes in proportionate share                                                   | 1,278,914                                 | 248,828                                  |
| City contributions subsequent to the measurement date                            | 3,304,265                                 | -                                        |
| <b>Total</b>                                                                     | <b>\$ 13,962,855</b>                      | <b>\$ 15,392,827</b>                     |

The \$3,304,265 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as an addition of the net pension asset in the year ended December 31, 2023. 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<br/>December 31</b> | <b>Net Deferred<br/>Outflows (Inflows)<br/>of Resources</b> |
|------------------------------------|-------------------------------------------------------------|
| 2023                               | \$ (1,819,910)                                              |
| 2024                               | (3,333,620)                                                 |
| 2025                               | (1,805,557)                                                 |
| 2026                               | (380,400)                                                   |
| 2027                               | 1,452,595                                                   |
| Thereafter                         | 1,152,655                                                   |
| <b>Total</b>                       | <b>\$ (4,734,237)</b>                                       |

*Subsequent Event.* During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The merger will result in increased longer term stability for both plans in addition to simplification of administration, operation and communication of benefits. The financial impact of the merger of plans is being determined.

During 2022, FPPA engaged a firm to complete an actuarial experience study. The FPPA Board of Directors accepted the finding of the study at its July 28, 2022 meeting. These assumptions will be included in the Statewide Retirement Plan valuation as of January 1, 2023.

## 6. 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) or by contacting the Fire and Police Pension Association, Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237, 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 with 5 years of service 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, 25 city firefighters are members of this plan and 2 are inactive, nonretired members of the plan. In 2022, plan members and the city each contributed 10.5%, \$295,398. The percentage split is recalculated each year.

### Net Pension Asset

At December 31, 2022, the city reported an asset of \$6,643,870 for its proportionate share of the net pension asset for the plan. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022, which was unchanged from December 31, 2021. The city's portion of the net pension asset was based on the city's contributions to the SWH plan for the calendar year 2021 relative to the total contributions of participating employers to the plan.

At December 31, 2021, the city's proportion was 17.52%, a decrease from its 18.66% proportion of net liability measured as of December 31, 2020.

**Actuarial Assumptions.** The January 1, 2022 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                            | For 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 the projected prospectively using the ultimate rates of the scale for all years. The preretirement 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.** No changes to assumptions occurred since the prior valuation.

**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, 2021, 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           | 39.00%                   | 8.23%                                         |
| Equity Long/Short       | 8.00%                    | 6.87%                                         |
| Private Markets         | 26.00%                   | 10.63%                                        |
| Fixed Income - Rates    | 10.00%                   | 4.01%                                         |
| Fixed Income - Credit   | 5.00%                    | 5.25%                                         |
| Absolute Return         | 10.00%                   | 5.60%                                         |
| Cash                    | 2.00%                    | 2.32%                                         |
| <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:

| <b>Sensitivity of Net Pension 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 asset                                                | \$ (5,069,562)             | \$ (6,643,870)                       | \$ (7,958,343)             |

*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, Stanford Place II 7979 East Tufts Ave, Suite 900, Denver, Colorado 80237, 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, 2022, the city recognized pension expense of \$236,701. At December 31, 2022, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|----------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ -                                      | \$ 1,882,126                             |
| Differences between actual and expected experience                               | 1,326,896                                 | -                                        |
| Assumption changes                                                               | 163,449                                   | -                                        |
| Changes in proportionate share                                                   | 1,369,580                                 | 16,329                                   |
| City contributions subsequent to the measurement date                            | 295,398                                   | -                                        |
| <b>Total</b>                                                                     | <b>\$ 3,155,323</b>                       | <b>\$ 1,898,455</b>                      |

The \$295,398 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, 2023. 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<br/>December 31</b> | <b>Net Deferred<br/>Outflows (Inflows)<br/>of Resources</b> |
|------------------------------------|-------------------------------------------------------------|
| 2023                               | \$ 557,697                                                  |
| 2024                               | 308,337                                                     |
| 2025                               | (22,293)                                                    |
| 2026                               | (18,268)                                                    |
| 2027                               | 114,823                                                     |
| Thereafter                         | 21,174                                                      |
| <b>Total</b>                       | <b>\$ 961,470</b>                                           |

*Subsequent Event.* During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The merger will result in increased longer term stability for both plans in addition to simplification of administration, operation and communication of benefits. The financial impact of the merger of plans is being determined and will be reported in the December 31, 2022 GASB 68 report. To complete the merger of the plans equitably, the funded status of the Statewide Hybrid Plan will be reduced to match the Statewide Defined Benefit Plan. A one-time benefit adjustment on all service accrued prior to the merger date of January 1, 2023 for current retirees, deferred vested, vested and active members will be applied. Members that have not started to receive a retirement benefit payment will receive a 1.9% benefit factor for service earned prior to January 1, 2023. Service earned after the merger date will continue to earn a 1.5% benefit factor. Retired members receiving benefit payments as of the merger date will receive a one-time benefit increase of 26.66% to implement the increase in the benefit factor. As part of this legislation, effective January 1, 2023 a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (rule of 80). Additionally, the required minimum contributions will increase to 9% for members and 9% for employers. This increase will take effect January 1, 2023 at a rate of .0125% per year through 2030.

During 2022, FPPA engaged a firm to complete an actuarial experience study. The FPPA Board of Directors accepted the finding of the study at its July 28, 2022 meeting. These assumptions will be included in the Statewide Retirement Plan valuation as of January 1, 2023.

**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, 2022, there were 762 plan members. Plan members and the city are both required to contribute 12.0%. In 2022, plan members and the city each contributed \$7,691,432.

**2. Police Money Purchase Hybrid Pension Plan**

The Police Money Purchase Hybrid Plan is a defined contribution plan established by agreement that became effective January 1, 2022, for the exclusive benefit for civil service personnel directly involved with the provision of police protection. Employees that are employed by the City of Aurora Police Department on January 1, 2022, will have until June 30, 2023, to elect to become a member in the plan. New employees hired or former employees rehired after January 1, 2022, will have 36 months from their hire/rehire date to make their election. Normal retirement age is 50. The election to enroll in the plan is a voluntary, one-time and irrevocable election. At December 31, 2022, there were 45 plan members. Plan members and the city are both required to contribute 3.75%. In 2022, plan members and the city each contributed \$129,044.

**3. 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, 2022, there were 7 plan members. Plan members and the city are both required to contribute 10.5%. In 2022, plan members and the city each contributed \$77,187.

**4. 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 MissionSquare Retirement, formerly 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, 2022, there were 19 plan members. In 2022, plan members and the city both contributed 10.0% or \$338,763. Plan members also rolled in an additional \$27,464 in roll-over contributions in 2022.

As ERP meets the definition, criteria and reporting of fiduciary activities as identified in Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, and no stand-alone financial report is issued, ERP's financial statements are presented within this note:

| ERP<br>Statement of Fiduciary Net Position<br>December 31, 2022 |                      | ERP<br>Statement of Changes in Fiduciary Net Position<br>For the Year Ended December 31, 2022 |                      |
|-----------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------|----------------------|
| <b>ASSETS</b>                                                   |                      | <b>ADDITIONS</b>                                                                              |                      |
| <i>Current assets</i>                                           |                      | <i>Contributions</i>                                                                          |                      |
| Investments                                                     |                      | City                                                                                          | \$ 325,780           |
| Mutual funds                                                    | \$ 23,199,615        | Plan members                                                                                  | 353,244              |
| Notes receivable                                                | 45,387               | Total contributions                                                                           | 679,024              |
| Total assets                                                    | 23,245,002           |                                                                                               |                      |
| <b>LIABILITIES</b>                                              |                      | <i>Investment activity</i>                                                                    |                      |
| <i>Current liabilities</i>                                      |                      | Investment returns                                                                            | (4,054,611)          |
| Accounts payable                                                | -                    | Investment expense                                                                            | (4,526)              |
| Total liabilities                                               | -                    | Net investment returns                                                                        | (4,059,137)          |
|                                                                 |                      |                                                                                               |                      |
|                                                                 |                      | <i>Other income</i>                                                                           |                      |
|                                                                 |                      |                                                                                               | 1,546                |
|                                                                 |                      | Total additions                                                                               | (3,378,567)          |
|                                                                 |                      |                                                                                               |                      |
|                                                                 |                      | <b>DEDUCTIONS</b>                                                                             |                      |
|                                                                 |                      | Benefits                                                                                      | 2,076,041            |
|                                                                 |                      | Administrative expenses                                                                       | -                    |
|                                                                 |                      | Total deductions                                                                              | 2,076,041            |
|                                                                 |                      |                                                                                               |                      |
|                                                                 |                      | NET DECREASE IN NET POSITION                                                                  | (5,454,608)          |
|                                                                 |                      | <b>NET POSITION RESTRICTED</b>                                                                |                      |
|                                                                 |                      | <b>FOR PENSIONS - January 1</b>                                                               | 28,699,610           |
|                                                                 |                      | <b>NET POSITION RESTRICTED</b>                                                                |                      |
| <b>NET POSITION RESTRICTED</b>                                  |                      | <b>FOR PENSIONS - December 31</b>                                                             | <b>\$ 23,245,002</b> |
| <b>FOR PENSIONS</b>                                             | <b>\$ 23,245,002</b> |                                                                                               |                      |

### 13. 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<br/>Liability</b> | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> | <b>OPEB Expense</b> |
|--------------------------|---------------------------------|-------------------------------------------|------------------------------------------|---------------------|
| Governmental Activities  | \$ 20,913,957                   | \$ 8,046,799                              | \$ 4,059,525                             | \$ 1,730,210        |
| Business-Type Activities | 3,960,451                       | 1,523,812                                 | 768,744                                  | 327,648             |
|                          | <b>\$ 24,874,408</b>            | <b>\$ 9,570,611</b>                       | <b>\$ 4,828,269</b>                      | <b>\$ 2,057,858</b> |

The total OPEB liability recorded in governmental activities are generally paid from the General Fund. Water, Wastewater and Golf Funds report a proportionate share of the total OPEB liability in business-type activities and are generally paid from their respective funds.

#### 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:

| Employee Type                 | Date of Hire                 | Criteria                                                         |
|-------------------------------|------------------------------|------------------------------------------------------------------|
| <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, 2021 actuarial valuation there were 3,047 active employees eligible to be covered under the city's health insurance plan. Of these, 508 were fully eligible for the plan. In addition, there were 498 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, 2022, the city reported a liability of \$24,874,408 for the plan of which \$1,231,133 is considered current. The total OPEB liability was measured as of December 31, 2021 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The December 31, 2021 actuarial valuation used the following actuarial assumptions and other inputs:

|                              |                                                                                                                                                  |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial valuation date     | 12/31/2021                                                                                                                                       |
| Actuarial cost method        | Entry age normal                                                                                                                                 |
| Actuarial assumptions:       |                                                                                                                                                  |
| Discount rate                | 2.06%                                                                                                                                            |
| Projected salary increases   | 3.50%                                                                                                                                            |
| Health care cost trend rates | 7.25% to 4.00%, grading down by 0.25% annually                                                                                                   |
| Mortality                    | PUB-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis |

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-year GO Index as of December 31, 2021).

*Changes in Assumptions.* As of the 2021 actuarial valuation, the discount rate assumption changed from 2.12% to 2.06%, the health care cost trend rate assumption changed from 6.00% to 4.50% grading down by 0.5% annually to 7.25% to 4.00% grading down by 0.25% annually and the mortality assumption changed from PUB-2010 mortality scaled using MP-19 applied on a gender-specific basis to PUB-2010 headcount weighted base mortality table projected generationally using Scale MP-2021 applied on a gender-specific and job class basis.

*Changes in Total OPEB Liability.*

|                                                       | <b>Total OPEB<br/>Liability</b> |
|-------------------------------------------------------|---------------------------------|
| <b>Balances at 1/1/2022</b>                           | <u>\$ 21,037,880</u>            |
| <b>Changes for the year:</b>                          |                                 |
| Service Cost                                          | 1,201,917                       |
| Interest                                              | 459,867                         |
| Differences Between Expected and<br>Actual Experience | (688,848)                       |
| Assumption Changes                                    | 3,959,489                       |
| Benefit Payments                                      | <u>(1,095,897)</u>              |
| <b>Net Changes</b>                                    | <u>3,836,528</u>                |
| <b>Balances at 12/31/2022</b>                         | <u><u>\$ 24,874,408</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 2.06%, 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:

| <b>Sensitivity of Total OPEB Liability<br/>to the Discount Rate Assumption</b> |                                    |                                                  |                                    |
|--------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------|------------------------------------|
|                                                                                | <b>1%<br/>Decrease<br/>(1.06%)</b> | <b>Current<br/>Discount<br/>Rate<br/>(2.06%)</b> | <b>1%<br/>Increase<br/>(3.06%)</b> |
| City's total OPEB liability                                                    | \$ 27,164,000                      | \$ 24,874,408                                    | \$ 22,810,000                      |

*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:

| <b>Sensitivity of Total OPEB Liability<br/>to Changes in the Healthcare Cost Trend Rate</b> |                                                            |                                                                                        |                                                            |
|---------------------------------------------------------------------------------------------|------------------------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------------------------------|
|                                                                                             | <b>1%<br/>Decrease<br/>(6.25% decreasing<br/>to 3.00%)</b> | <b>Current Health<br/>Care Cost<br/>Trend Rate<br/>(7.25% decreasing<br/>to 4.00%)</b> | <b>1%<br/>Increase<br/>(8.25% decreasing<br/>to 5.00%)</b> |
| City's total OPEB liability                                                                 | \$ 21,987,000                                              | \$ 24,874,408                                                                          | \$ 28,305,000                                              |

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended December 31, 2022, the city recognized OPEB expense of \$2,057,858. At December 31, 2022, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                     | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|-----------------------------------------------------|-------------------------------------------|------------------------------------------|
| Differences between expected and actual experience  | \$ -                                      | \$ 4,271,712                             |
| Change of assumptions                               | 8,339,478                                 | 556,557                                  |
| Benefit payments subsequent to the measurement date | 1,231,133                                 | -                                        |
| <b>Total</b>                                        | <b>\$ 9,570,611</b>                       | <b>\$ 4,828,269</b>                      |

The \$1,231,133 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, 2023. 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<br/>December 31</b> | <b>Net Deferred<br/>Outflows (Inflows)<br/>of Resources</b> |
|------------------------------------|-------------------------------------------------------------|
| 2023                               | \$ 396,074                                                  |
| 2024                               | 396,074                                                     |
| 2025                               | 396,074                                                     |
| 2026                               | 396,074                                                     |
| 2027                               | 326,579                                                     |
| Thereafter                         | 1,600,334                                                   |
| <b>Total</b>                       | <b>\$ 3,511,209</b>                                         |

#### 14. LEASE ASSETS AND LIABILITIES

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The city enters into leases as a lessee within governmental and business-type activities.

*Governmental Activities* - Leased asset activity for the year ended December 31, 2022, is shown below.

|                                                  | <b>January 1<br/>(as restated)</b> | <b>Additions</b>  | <b>Disposals</b> | <b>Transfers</b> | <b>December 31</b>  |
|--------------------------------------------------|------------------------------------|-------------------|------------------|------------------|---------------------|
| <b>Lease assets</b>                              |                                    |                   |                  |                  |                     |
| Buildings                                        | \$ 1,463,597                       | \$ -              | \$ -             | \$ -             | \$ 1,463,597        |
| Equipment                                        | 598,452                            | 1,085,509         |                  | -                | 1,683,961           |
| <b>Total Lease Assets</b>                        | 2,062,049                          | 1,085,509         | -                | -                | 3,147,558           |
| <b>Less accumulated amortization</b>             |                                    |                   |                  |                  |                     |
| Buildings                                        | -                                  | (242,278)         | -                | -                | (242,278)           |
| Equipment                                        | -                                  | (256,635)         | -                | -                | (256,635)           |
| <b>Total accumulated amortization</b>            | -                                  | (498,913)         | -                | -                | (498,913)           |
| <b>Governmental activities lease assets, net</b> | <b>\$ 2,062,049</b>                | <b>\$ 586,596</b> | <b>\$ -</b>      | <b>\$ -</b>      | <b>\$ 2,648,645</b> |

Amortization expense was charged to the governmental activities' function is shown below:

|                                              |                   |
|----------------------------------------------|-------------------|
| General Government                           | \$ 247,965        |
| Police                                       | 8,669             |
| Fire                                         | 67,871            |
| Culture and recreation                       | 174,408           |
| Amortization expense governmental activities | <u>\$ 498,913</u> |

The city, as a lessee, has entered into lease agreements within governmental activities involving equipment, facilities, office space and a vehicle, terms of which expire in various years through 2034. Leases were measured at lease commencement based upon the IBR. Variable payments of certain leases are based upon usage. These variable payments are based upon the use of the underlying assets and are not included in the lease liability because they are not fixed in substance. During the year ended December 31, 2022, the city recognized \$87,157 of rental expense for variable payments not previously included in the measurement of the lease liability. As of December 31, 2022, the city had minimum principal and interest lease payments for leasing activities as follows:

| Governmental Activities    |                     |                   |                     |
|----------------------------|---------------------|-------------------|---------------------|
| Year Ending<br>December 31 | Principal           | Interest          | Total               |
| 2023                       | \$ 565,848          | \$ 32,304         | \$ 598,152          |
| 2024                       | 504,905             | 25,412            | 530,317             |
| 2025                       | 513,870             | 18,476            | 532,346             |
| 2026                       | 474,675             | 11,448            | 486,123             |
| 2027                       | 219,169             | 5,563             | 224,732             |
| 2028-2032                  | 313,016             | 11,984            | 325,000             |
| 2033-2034                  | 74,260              | 740               | 75,000              |
| Total                      | <u>\$ 2,665,743</u> | <u>\$ 105,927</u> | <u>\$ 2,771,670</u> |

*Business-type Activities* - Leased asset activity for the year ended December 31, 2022, is shown below.

|                                                   | January 1   | Additions         | Disposals   | Transfers   | December 31       |
|---------------------------------------------------|-------------|-------------------|-------------|-------------|-------------------|
| <b>Lease assets</b>                               |             |                   |             |             |                   |
| Equipment                                         | \$ -        | \$ 277,346        |             | \$ -        | \$ 277,346        |
| <b>Total lease assets</b>                         | -           | 277,346           | -           | -           | 277,346           |
| <b>Less accumulated amortization</b>              |             |                   |             |             |                   |
| Equipment                                         | -           | (61,635)          | -           | -           | (61,635)          |
| <b>Total accumulated amortization</b>             | -           | (61,635)          | -           | -           | (61,635)          |
| <b>Business-type activities lease assets, net</b> | <u>\$ -</u> | <u>\$ 215,711</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 215,711</u> |

Amortization expense was charged to the business-type activities' function is shown below:

|                                               |                  |
|-----------------------------------------------|------------------|
| Water                                         | <u>\$ 61,635</u> |
| Amortization expense business-type activities | <u>\$ 61,635</u> |

The city, as a lessee, has entered into a lease agreement within business-type activities involving equipment, terms of which expire in 2025. The lease was measured based upon the IBR at lease commencement. For business-type activities, there were no variable payments related to the lease liabilities. As of December 31, 2022, the city had minimum principal and interest lease payments for leasing activities as follows:

**Business-Type Activities**

| <b>Year Ending<br/>December 31</b> | <b>Principal</b> | <b>Interest</b> | <b>Total</b> |
|------------------------------------|------------------|-----------------|--------------|
| 2023                               | \$ 75,318        | \$ 2,682        | \$ 78,000    |
| 2024                               | 76,738           | 1,262           | 78,000       |
| 2025                               | 25,899           | 101             | 26,000       |
| Total                              | \$ 177,955       | \$ 4,045        | \$ 182,000   |

**15. 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 the City has determined that commercial insurance is most beneficial in terms of costs and coverage. The insurance companies are contractually obligated to make payments on claims in excess of stated retentions or deductibles, with various limits depending upon the specific line of coverage. Insurance companies will pay claims which are included in the insuring agreements and endorsements if the insured meets all the insurer's conditions and affirmative obligations. Certain claims are excluded based on certain policy conditions. The Colorado Governmental Immunity Act established statutory caps on liability for tort claims made against governmental entities. As of January 1, 2022, the limits are \$ 424,000 per person up to a maximum of \$1,195,000 for any one event for all claimants. These caps on liability do not apply to federal claims nor do they apply to any claims against law enforcement officers filed under the newly enacted C.R.S. §13-21-131, et seq. In 2021, the City's commercial insurance limits for law enforcement decreased from \$10,000,000 per occurrence to \$8,000,000 per occurrence due to the enactment of C.R.S. §13-21-131, et seq. Additionally, the self-insured retention for all liability claims except law enforcement increased from \$500,000 to \$1,000,000. The self-insured retention for law enforcement liability claims increased from \$1,000,000 to \$3,000,000 for 2021. These insurance limits continued in policy year 2022. There was a settlement in 2021 on a 2019 case which exceeded the limits of the city's insurance coverage; the case settled for \$15,000,000 of which \$5,750,000 was paid out of city funds (including the \$750,000 deductible in effect at that time).

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 3.880% 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, 2022**

| <b>Self-Insured Program</b> | <b>Case Reserves</b> | <b>IBNR</b>   | <b>Total</b>  | <b>Discounted</b> |
|-----------------------------|----------------------|---------------|---------------|-------------------|
| Worker's compensation       | \$ 8,560,489         | \$ 14,910,655 | \$ 23,471,144 | \$ 7,894,376      |
| Multi-line liability        | 4,815,914            | 9,964,618     | 14,780,532    | 13,833,296        |
| Total                       | \$ 13,376,403        | \$ 24,875,273 | \$ 38,251,676 | \$ 21,727,672     |

**Reconciliation of Claims Payable**

| <b>Year</b> | <b>Balance<br/>January 1</b> | <b>Current Year<br/>Accrued<br/>Claims</b> | <b>Claim<br/>Payments</b> | <b>Recoveries</b> | <b>Balance<br/>December 31</b> |
|-------------|------------------------------|--------------------------------------------|---------------------------|-------------------|--------------------------------|
| 2021        | \$ 17,828,652                | \$ 14,049,781                              | \$ (13,868,911)           | \$ 1,036,966      | \$ 19,046,488                  |
| 2022        | 19,046,488                   | 11,682,312                                 | (9,330,532)               | 329,404           | 21,727,672                     |

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 for each covered employee/retiree and are held in the city's General 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, 2022, the amount held in the General Fund of \$1,447,347 for future self-funded dental claims exceeded the calculated IBNR of \$141,450. Management believes the current amount of reserves is adequate.

**16. 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 expects such amounts, if any, to be immaterial.

Economic uncertainties due to concerns related to inflation and the possibility of an economic recession, worker shortages, supply chain disruptions and COVID-19 variants 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 continue to closely monitor the impacts on its operations and will proactively address the situation as these financial uncertainties evolve.

Proceeds of refunded debt were placed in irrevocable refunding escrow accounts. The funds deposited in these accounts are invested in U.S. Treasury obligations that, together with interest earned thereon, are expected to provide amounts sufficient to pay all principal and interest on the following debt issues as they become due. Should these funds be insufficient to pay the maturing bonds and interest, the city would be liable for the deficiency. The likelihood of the earnings and principal maturities of the U.S. Treasury obligations not being sufficient to pay the refunded bond issues is remote. Accordingly, the escrow accounts and the refunded bonds are not included in the city's financial statements. Escrowed debt outstanding at December 31, 2022 is as follows:

| <b>Issue Description</b>   | <b>Date of<br/>Issue</b> | <b>Series</b> | <b>Balance<br/>December 31, 2022</b> |
|----------------------------|--------------------------|---------------|--------------------------------------|
| First-Lien Water Refunding |                          |               |                                      |
| Revenue Bonds Series 2016  | 8/16/2016                | 2016          | \$ 218,535,000                       |
| Total                      |                          |               | \$ 218,535,000                       |

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**17. CONDUIT DEBT OBLIGATIONS**

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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, 2022, there were no revenue bonds outstanding.

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**18. 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, 2022, the city has entered into contracts, including change orders, for \$1,380,135 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 \$104,996, which represents the balance of the contracts at December 31, 2022, 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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**19. 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 2022, general revenue collections were below the limits imposed by the TABOR Amendment while strong growth in property values caused property tax revenue to exceed the TABOR limit in 2022 by \$4.9 million. To refund this overage, the city enacted a temporary property tax reduction in 2023 which reduced the mill levy to compensate for the overage. Given the projection that property tax revenues will continue to grow at a pace that exceeds what is allowed by the TABOR limit, the city will likely need to continue using the temporary property tax reduction in future years property tax certifications. The city's budget estimates future property tax revenues at the projected TABOR limit amounts.

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 \$6,398,922 is restricted for emergencies in the General Fund at December 31, 2022, and real property of \$7,745,000 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, 2022.

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**20. ADOPTION OF ACCOUNTING PRINCIPLES**

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During 2022, the city adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases* (GASB 87). The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. It's implementation establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Additional disclosures required by GASB 87 are included in Notes 3 and 14.

GASB 87 was adopted on January 1, 2022 resulting in the recognition of lease assets and liabilities of \$2,062,049 in governmental activities for contracts entered into as lessee and lease receivables of \$284,559 and \$226,275 in the general fund/governmental activities and water fund/business-type activities, respectively, for contracts entered into as lessor as of January 1, 2022. All contracts entered into as lessee in the water fund/business-type activities occurred during 2022 and therefore did not result in any items recognized as of January 1, 2022. The lease activity was recorded at the present value using the rate defined in the agreement or the City's incremental borrowing rate if no rate was provided for in the agreement.

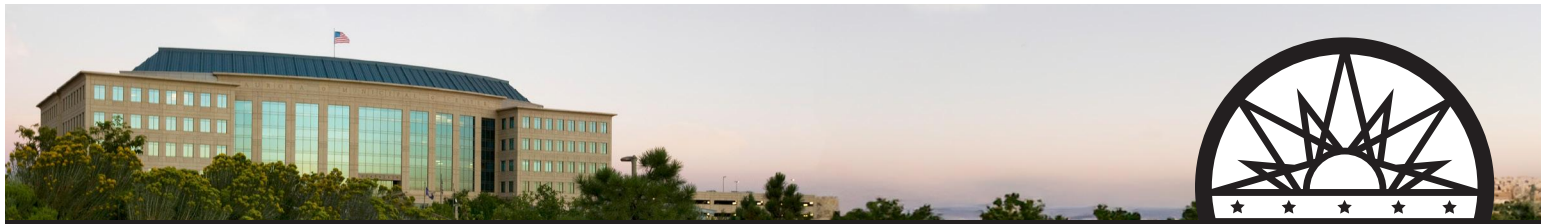
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**21. SUBSEQUENT EVENTS**

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On February 23, 2023, the city's Wastewater Fund issued the First-Lien Sewer Revenue Bonds (Pipeline/Interceptor Project), Series 2023, in the amount of \$43,780,000 for the construction of the First Creek Interceptor and other capital projects.

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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 (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \*

|                                                                                | 2022                   | 2021                  | 2020                  | 2019                  | 2018                  | 2017                  | 2016                  | 2015                  |
|--------------------------------------------------------------------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Total pension liability</b>                                                 |                        |                       |                       |                       |                       |                       |                       |                       |
| Service cost                                                                   | \$ 12,865,163          | \$ 12,833,841         | \$ 11,633,711         | \$ 11,350,764         | \$ 10,281,602         | \$ 10,397,915         | \$ 9,614,337          | \$ 9,208,869          |
| Interest on the total pension liability                                        | 41,132,155             | 39,496,100            | 36,225,221            | 34,591,830            | 34,837,001            | 33,149,005            | 31,821,333            | 30,291,215            |
| Effect of plan changes                                                         | (2,068,194)            | 9,523                 | —                     | (120,833)             | —                     | —                     | —                     | —                     |
| Effect of economic/demographic (gains) or losses                               | 4,737,483              | 1,495,863             | 7,613,137             | 2,545,181             | (1,438,988)           | (9,448,945)           | (1,083,775)           | —                     |
| Effect of assumption changes or inputs                                         | —                      | —                     | 36,397,071            | —                     | 6,056,598             | —                     | —                     | —                     |
| Benefit payments, including refunds                                            | (32,130,354)           | (28,912,900)          | (28,079,798)          | (24,228,316)          | (22,154,949)          | (21,163,587)          | (20,123,726)          | (17,627,436)          |
| <b>Net change in total pension liability</b>                                   | <b>24,536,253</b>      | <b>24,922,427</b>     | <b>63,789,342</b>     | <b>24,138,626</b>     | <b>27,581,264</b>     | <b>12,934,388</b>     | <b>20,228,169</b>     | <b>21,872,648</b>     |
| <b>Total pension liability - beginning</b>                                     | <b>590,530,530</b>     | <b>565,608,103</b>    | <b>501,818,761</b>    | <b>477,680,135</b>    | <b>450,098,871</b>    | <b>437,164,483</b>    | <b>416,936,314</b>    | <b>395,063,666</b>    |
| <b>Total pension liability - ending (a)</b>                                    | <b>\$ 615,066,783</b>  | <b>\$ 590,530,530</b> | <b>\$ 565,608,103</b> | <b>\$ 501,818,761</b> | <b>\$ 477,680,135</b> | <b>\$ 450,098,871</b> | <b>\$ 437,164,483</b> | <b>\$ 416,936,314</b> |
| <b>Plan fiduciary net position</b>                                             |                        |                       |                       |                       |                       |                       |                       |                       |
| Contributions - employer                                                       | \$ 8,732,379           | \$ 8,431,103          | \$ 8,187,470          | \$ 7,632,330          | \$ 7,321,152          | \$ 6,703,676          | \$ 6,135,777          | \$ 5,536,583          |
| Contributions - employee                                                       | 8,732,412              | 8,431,103             | 8,190,368             | 7,638,089             | 7,326,872             | 6,709,396             | 6,137,147             | 5,531,417             |
| Net investment income (loss)                                                   | 112,106,334            | 65,299,862            | 85,965,859            | (15,675,274)          | 58,406,988            | 31,024,129            | 2,970,528             | 29,167,614            |
| Benefit payments, including refunds                                            | (32,130,354)           | (28,912,900)          | (28,079,798)          | (24,228,316)          | (22,154,949)          | (21,163,587)          | (20,123,726)          | (17,627,436)          |
| Administrative expense                                                         | (554,749)              | (535,115)             | (595,501)             | (555,220)             | (574,823)             | (558,960)             | (548,813)             | (544,961)             |
| <b>Net change in plan fiduciary net position</b>                               | <b>96,886,022</b>      | <b>52,714,053</b>     | <b>73,668,398</b>     | <b>(25,188,391)</b>   | <b>50,325,240</b>     | <b>22,714,654</b>     | <b>(5,429,087)</b>    | <b>22,063,217</b>     |
| <b>Plan fiduciary net position - beginning</b>                                 | <b>576,750,526</b>     | <b>524,036,473</b>    | <b>450,368,075</b>    | <b>475,556,466</b>    | <b>425,231,226</b>    | <b>402,516,572</b>    | <b>407,945,659</b>    | <b>385,882,442</b>    |
| <b>Plan fiduciary net position - ending (b)</b>                                | <b>\$ 673,636,548</b>  | <b>\$ 576,750,526</b> | <b>\$ 524,036,473</b> | <b>\$ 450,368,075</b> | <b>\$ 475,556,466</b> | <b>\$ 425,231,226</b> | <b>\$ 402,516,572</b> | <b>\$ 407,945,659</b> |
| <b>City's net pension liability (asset) - ending (a)-(b)</b>                   | <b>\$ (58,569,765)</b> | <b>\$ 13,780,004</b>  | <b>\$ 41,571,630</b>  | <b>\$ 51,450,686</b>  | <b>\$ 2,123,669</b>   | <b>\$ 24,867,645</b>  | <b>\$ 34,647,911</b>  | <b>\$ 8,990,655</b>   |
| <b>Plan fiduciary net position as a percentage of total pension liability</b>  | 109.52%                | 97.67%                | 92.65%                | 89.75%                | 99.56%                | 94.48%                | 92.07%                | 97.84%                |
| <b>Covered payroll</b>                                                         | \$ 124,748,786         | \$ 120,444,329        | \$ 116,963,857        | \$ 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> | -46.95%                | 11.44%                | 35.54%                | 47.50%                | 2.03%                 | 25.04%                | 36.71%                | 10.15%                |

Source: GERP Actuary, GASB 68 reports (2022, 2021, 2020, 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 (not subjected to auditing procedures)

| LAST 10 YEARS *                                  | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016         | 2015         | 2014         |
|--------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|
| Contractually required contribution              | \$ 9,393,456  | \$ 8,732,415  | \$ 8,431,103  | \$ 8,187,470  | \$ 7,581,835  | \$ 7,321,152  | \$ 6,703,676 | \$ 6,135,777 | \$ 5,536,583 |
| Actual contributions                             | 9,393,456     | 8,732,415     | 8,431,103     | 8,187,470     | 7,581,835     | 7,321,152     | 6,703,676    | 6,135,777    | 5,536,583    |
| Contribution deficiency (excess)                 | \$ —          | \$ —          | \$ —          | \$ —          | \$ —          | \$ —          | \$ —         | \$ —         | \$ —         |
| Covered payroll                                  | \$134,192,229 | \$124,748,786 | \$120,444,329 | \$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%         | 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 (not subjected to auditing procedures)**  
**LAST 10 FISCAL YEARS**

|                                                                                | 2022                  | 2021                  | 2020                  | 2019                  | 2018                | 2017                  | 2016                | 2015                | 2014                | 2013                |
|--------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total pension liability</b>                                                 |                       |                       |                       |                       |                     |                       |                     |                     |                     |                     |
| Service cost                                                                   | \$ 138,543            | \$ 134,182            | \$ 163,733            | \$ 154,866            | \$ 144,252          | \$ 141,013            | \$ 136,108          | \$ 129,941          | \$ 133,761          | \$ 133,761          |
| Interest on the total pension liability                                        | 431,803               | 423,084               | 423,016               | 414,240               | 393,850             | 435,333               | 413,715             | 390,913             | 380,105             | 357,289             |
| Effect of plan changes                                                         | —                     | —                     | —                     | —                     | —                   | —                     | —                   | —                   | (123,776)           | —                   |
| Effect of economic/demographic (gains) or losses                               | 66,251                | —                     | (139,303)             | —                     | 89,397              | (588,399)             | (14,995)            | —                   | (263,711)           | —                   |
| Assumption changes                                                             | (58,052)              | —                     | —                     | 145,446               | (340,401)           | (64,073)              | (244,108)           | (206,268)           | 389,217             | —                   |
| Benefit payments                                                               | (455,323)             | (419,435)             | (414,491)             | (373,949)             | 287,098             | (259,153)             | 290,720             | 314,586             | (198,390)           | (194,971)           |
| <b>Net change in total pension liability</b>                                   | <b>123,222</b>        | <b>137,831</b>        | <b>32,955</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>6,253,881</b>      | <b>6,116,050</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>4,572,082</b>    |
| <b>Total pension liability - ending (a)</b>                                    | <b>\$ 6,377,103</b>   | <b>\$ 6,253,881</b>   | <b>\$ 6,116,050</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                                                       | \$ 370,300            | \$ 370,300            | \$ 280,300            | \$ 94,018             | \$ 74,288           | \$ 84,159             | \$ 84,159           | \$ 117,756          | \$ 117,756          | \$ 182,057          |
| Net investment income (loss)                                                   | (1,307,375)           | 1,108,978             | 909,580               | 1,225,438             | (336,300)           | 910,558               | 513,848             | (50,926)            | 415,245             | 779,306             |
| Benefit payments                                                               | (455,323)             | (419,435)             | (414,491)             | (373,949)             | (340,401)           | (259,153)             | (244,108)           | (206,268)           | (198,390)           | (194,971)           |
| Administrative expense                                                         | (46,636)              | (42,790)              | (19,242)              | (27,848)              | (17,885)            | (24,622)              | (18,384)            | (23,691)            | (20,095)            | (17,395)            |
| <b>Net change in plan fiduciary net position</b>                               | <b>(1,439,034)</b>    | <b>1,017,053</b>      | <b>756,147</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>9,117,369</b>      | <b>8,100,316</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>5,099,967</b>    |
| <b>Plan fiduciary net position - ending (b)</b>                                | <b>\$ 7,678,335</b>   | <b>\$ 9,117,369</b>   | <b>\$ 8,100,316</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>\$ (1,301,232)</b> | <b>\$ (2,863,488)</b> | <b>\$ (1,984,266)</b> | <b>\$ (1,261,074)</b> | <b>\$ (684,018)</b> | <b>\$ (1,591,414)</b> | <b>\$ (645,193)</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>  | <b>120.40%</b>        | <b>145.79%</b>        | <b>132.44%</b>        | <b>120.73%</b>        | <b>111.91%</b>      | <b>129.17%</b>        | <b>109.42%</b>      | <b>109.10%</b>      | <b>118.86%</b>      | <b>120.15%</b>      |
| <b>Covered payroll</b>                                                         | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>          | <b>N/A</b>            | <b>N/A</b>          | <b>N/A</b>          | <b>N/A</b>          | <b>N/A</b>          |
| <b>City's net pension liability (asset) as a percentage of covered payroll</b> | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>          | <b>N/A</b>            | <b>N/A</b>          | <b>N/A</b>          | <b>N/A</b>          | <b>N/A</b>          |

Source: EOEP Actuary, GASB 67 reports (2016 through 2022: Milliman; 2015 and prior: Gabriel, Roeder, Smith &amp; Company).

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

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 (not subjected to auditing procedures)  
LAST 10 YEARS

|                                                  | 2022                | 2021                | 2020                | 2019               | 2018        | 2017        | 2016        | 2015        | 2014        | 2013        |
|--------------------------------------------------|---------------------|---------------------|---------------------|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Actuarially determined contribution              | \$ 68,509           | \$ 146,974          | \$ 146,974          | \$ 74,288          | \$ 74,288   | \$ 84,159   | \$ 84,159   | \$ 117,756  | \$ 117,756  | \$ 182,057  |
| Actual contributions                             | 370,300             | 370,300             | 280,300             | 94,018             | 74,288      | 84,159      | 84,159      | 117,756     | 117,756     | 182,057     |
| Contribution deficiency (excess)                 | <u>\$ (301,791)</u> | <u>\$ (223,326)</u> | <u>\$ (133,326)</u> | <u>\$ (19,730)</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ —</u> |
| 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, 2021 determine the contribution amounts for 2022 and 2023.

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

Notes to Schedule

Valuation date:

January 1, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Amortization method

Remaining amortization period

Entry age normal  
Level dollar - open  
15 years

Remaining amortization period changed from 20 years to 15 years as of the 2019 actuarial valuation.  
Only surplus over 110% as of the 2017 actuarial valuation.

Decreased from 30 years to 15 years as of the 2011 actuarial valuation.

3-year smoothing

7.00% net of investment expenses

Decreased from 7.00% from 7.25% as of the 2019 actuarial valuation. 7.50% to 7.25% as of the 2017 actuarial valuation and from 7.75% to 7.50% as of the 2015 actuarial valuation.

\$21,658 per annum

Changed from \$21,500 to \$21,000 per annum as of the 2019 actuarial valuation and 0.75% to \$21,500 per annum as of the 2017 actuarial valuation.

Base decreased from 2.75% to 2.50% as of the 2019 actuarial valuation, 3.25% to 2.75% as of the 2017 actuarial valuation and from 3.50% to 3.25% as of the 2015 actuarial valuation.

Pub-2010 General Employees Mortality Table

Changed from RP-2000 Healthy Mortality Table to Pub-2010 General Employees Mortality Table fully generational using a scale MP-2018 as of the 2019 actuarial valuation

Mortality

Benefit changes effective for 2021: The base benefit for an elected Official increased from \$81.98 per year of service to \$83.21 per year of service.

Benefit changes effective for 2020: The base benefit for an elected Official increased from \$80.77 per year of service to \$81.98 per year of service.

Benefit changes effective for 2019: The base benefit for an elected Official increased from \$78.42 per year of service to \$80.77 per year of service.

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 (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \*

|                                                                    | 2022     | 2021   | 2020   | 2019   | 2018    | 2017   | 2016  | 2015    | 2014  |
|--------------------------------------------------------------------|----------|--------|--------|--------|---------|--------|-------|---------|-------|
| Annual money-weighted rate of return,<br>net of investment expense | (14.19)% | 13.50% | 12.30% | 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

POLICE RETIREMENT PLAN (PRP)  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \*

|                                                                                | 2022                |
|--------------------------------------------------------------------------------|---------------------|
| <b>Total pension liability</b>                                                 |                     |
| Service cost                                                                   | \$ 371,902          |
| Interest on the total pension liability                                        | 22,314              |
| Effect of plan changes                                                         | —                   |
| Effect of economic/demographic (gains) or losses                               | —                   |
| Assumption changes                                                             | —                   |
| Benefit payments                                                               | —                   |
| Refunds                                                                        | —                   |
| <b>Net change in total pension liability</b>                                   | <u>394,216</u>      |
| <b>Total pension liability - beginning</b>                                     | <u>—</u>            |
| <b>Total pension liability - ending (a)</b>                                    | <u>\$ 394,216</u>   |
| <b>Plan fiduciary net position</b>                                             |                     |
| Contributions - employer                                                       | \$ 1,283,997        |
| Contributions - employee                                                       | 283,897             |
| Net investment income (loss)                                                   | (246,441)           |
| Benefit payments                                                               | —                   |
| Refunds                                                                        | —                   |
| Administrative expense                                                         | (69,136)            |
| Other                                                                          | —                   |
| <b>Net change in plan fiduciary net position</b>                               | <u>1,252,317</u>    |
| <b>Plan fiduciary net position - beginning</b>                                 | <u>—</u>            |
| <b>Plan fiduciary net position - ending (b)</b>                                | <u>\$ 1,252,317</u> |
| <b>City's net pension liability (asset) - ending (a)-(b)</b>                   | <u>\$ (858,101)</u> |
| <b>Plan fiduciary net position as a percentage of total pension liability</b>  | 317.67%             |
| <b>Covered payroll</b>                                                         | \$ 4,896,815        |
| <b>City's net pension liability (asset) as a percentage of covered payroll</b> | -17.52%             |

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

\* Information not currently available for prior years as the plan began January 1, 2022; 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

POLICE RETIREMENT PLAN (PRP)  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (not subjected to auditing procedures)  
LAST 10 YEARS\*

|                                                  | 2022                  |
|--------------------------------------------------|-----------------------|
| Actuarially determined contribution              | \$ —                  |
| Actual contributions                             | 1,283,997             |
| Contribution deficiency (excess)                 | <u>\$ (1,283,997)</u> |
| Covered payroll                                  | \$ 4,896,815          |
| Contributions as a percentage of covered payroll | 26.22%                |

Initial actuarial valuation was performed January 1, 2023; therefore, there was no actuarially determined contribution for 2022.

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.

Notes to Schedule

Valuation date:

January 1, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Entry age normal  
6.00% net of investment expenses

Investment rate of return

2.50%

Inflation

Salary increases including inflation  
Expenses

Service Based  
0.35% of payroll, payable mid-year

Mortality

Pub-2010 Safety Employees Mortality Table (amount-weighted),  
projected generationally using scale MP-2021

CITY OF AURORA, COLORADO

POLICE RETIREMENT PLAN (PRP)  
 SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN ON PLAN INVESTMENTS (not subjected to auditing procedures)  
 LAST 10 FISCAL YEARS \*

|                                                                    |                  |
|--------------------------------------------------------------------|------------------|
| Annual money-weighted rate of return,<br>net of investment expense | 2022<br>(21.13)% |
|--------------------------------------------------------------------|------------------|

\* Information is not currently available for prior years as the plan began January 1, 2022; 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 (not subjected to auditing procedures)**  
**LAST 10 FISCAL YEARS \***

|                                                                                | 2022                  | 2021                  | 2020                  | 2019                  | 2018                  | 2017                  | 2016                  | 2015                  |
|--------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Total pension liability</b>                                                 |                       |                       |                       |                       |                       |                       |                       |                       |
| Service cost                                                                   | \$ —                  | \$ —                  | \$ —                  | \$ —                  | \$ —                  | \$ —                  | \$ —                  | \$ —                  |
| Interest on the total pension liability                                        | 7,266,859             | 7,379,704             | 7,607,659             | 7,688,994             | 7,828,502             | 7,862,946             | 7,308,921             | 7,359,766             |
| Benefit changes                                                                | —                     | —                     | —                     | —                     | —                     | —                     | —                     | 36,309                |
| Difference between expected and actual experience                              | (1,298,201)           | —                     | 4,896,622             | —                     | (1,191,584)           | —                     | 1,814,304             | —                     |
| Assumption changes                                                             | —                     | —                     | 8,636,899             | —                     | —                     | —                     | 6,490,739             | —                     |
| Benefit payments, including refunds                                            | (9,121,265)           | (9,110,462)           | (8,956,476)           | (8,596,950)           | (8,400,659)           | (8,246,516)           | (8,208,101)           | (7,948,618)           |
| <b>Net change in total pension liability</b>                                   | <b>(3,152,607)</b>    | <b>(1,730,758)</b>    | <b>12,184,704</b>     | <b>(907,956)</b>      | <b>(1,763,741)</b>    | <b>(383,570)</b>      | <b>7,405,863</b>      | <b>(550,543)</b>      |
| <b>Total pension liability - beginning</b>                                     | <b>116,286,673</b>    | <b>118,017,431</b>    | <b>105,832,727</b>    | <b>106,740,683</b>    | <b>108,504,424</b>    | <b>108,887,994</b>    | <b>101,482,131</b>    | <b>102,032,674</b>    |
| <b>Total pension liability - ending (a)</b>                                    | <b>\$ 113,134,066</b> | <b>\$ 116,286,673</b> | <b>\$ 118,017,431</b> | <b>\$ 105,832,727</b> | <b>\$ 106,740,683</b> | <b>\$ 108,504,424</b> | <b>\$ 108,887,994</b> | <b>\$ 101,482,131</b> |
| <b>Plan fiduciary net position</b>                                             |                       |                       |                       |                       |                       |                       |                       |                       |
| Contributions - employer                                                       | \$ 3,399,614          | \$ 3,033,111          | \$ 3,033,111          | \$ 3,184,594          | \$ 3,184,594          | \$ 2,182,774          | \$ 2,178,948          | \$ 1,963,632          |
| Contributions - employee                                                       | —                     | —                     | —                     | —                     | —                     | —                     | —                     | —                     |
| Net investment income                                                          | 8,442,013             | 7,160,168             | 8,710,716             | 71,304                | 10,148,446            | 3,772,216             | 1,442,505             | 5,243,318             |
| Benefit payments, including refunds                                            | (9,121,265)           | (9,110,462)           | (8,956,476)           | (8,596,950)           | (8,400,659)           | (8,246,516)           | (8,208,101)           | (7,948,618)           |
| Administrative expense                                                         | (40,852)              | (40,977)              | (38,821)              | (42,220)              | (36,062)              | (133,347)             | (130,738)             | (151,222)             |
| <b>Net change in plan fiduciary net position</b>                               | <b>2,679,510</b>      | <b>1,041,840</b>      | <b>2,748,530</b>      | <b>(5,383,272)</b>    | <b>4,896,319</b>      | <b>(2,424,873)</b>    | <b>(4,717,386)</b>    | <b>(892,890)</b>      |
| <b>Plan fiduciary net position - beginning</b>                                 | <b>74,969,083</b>     | <b>73,927,243</b>     | <b>71,178,713</b>     | <b>76,561,985</b>     | <b>71,665,666</b>     | <b>74,090,539</b>     | <b>78,807,925</b>     | <b>79,700,815</b>     |
| <b>Plan fiduciary net position - ending (b)</b>                                | <b>\$ 77,648,593</b>  | <b>\$ 74,969,083</b>  | <b>\$ 73,927,243</b>  | <b>\$ 71,178,713</b>  | <b>\$ 76,561,985</b>  | <b>\$ 71,665,666</b>  | <b>\$ 74,090,539</b>  | <b>\$ 78,807,925</b>  |
| <b>City's net pension liability (asset) - ending (a)-(b)</b>                   | <b>\$ 35,485,473</b>  | <b>\$ 41,317,590</b>  | <b>\$ 44,090,188</b>  | <b>\$ 34,654,014</b>  | <b>\$ 30,178,698</b>  | <b>\$ 36,838,758</b>  | <b>\$ 34,797,455</b>  | <b>\$ 22,674,206</b>  |
| <b>Plan fiduciary net position as a percentage of total pension liability</b>  | <b>68.63%</b>         | <b>64.47%</b>         | <b>62.64%</b>         | <b>67.26%</b>         | <b>71.73%</b>         | <b>66.05%</b>         | <b>68.04%</b>         | <b>77.66%</b>         |
| <b>Covered payroll</b>                                                         | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            |
| <b>City's net pension liability (asset) as a percentage of covered payroll</b> | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            | <b>N/A</b>            |

Source: Gabriel, Roeder, Smith &amp; 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:

Effective 2021: Post-retirement: 2006 central rates from the RP-2014 Annuity Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled (pre-1980): Post-retirement rates set forward three years.

Discount Rate: 6.50%

CITY OF AURORA, COLORADO

FPPA - OLD HIRE FIRE DEFINED BENEFIT PLAN  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (not subjected to auditing procedures)  
LAST 10 YEARS \*

|                                                  | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         |
|--------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Actuarially determined contribution              | \$ 3,399,614 | \$ 3,399,614 | \$ 3,033,111 | \$ 3,033,111 | \$ 3,184,594 | \$ 3,184,594 | \$ 2,182,774 | \$ 2,178,948 | \$ 1,963,632 |
| Actual contributions                             | 3,399,614    | 3,399,614    | 3,033,111    | 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          | 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          |

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, 2020

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, 2020, determines the contribution amounts for 2021 and 2022.

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 fair value                                                                                                                                                                                                                                                                                              |
| Investment rate of return     | 6.50%                                                                                                                                                                                                                                                                                                                   |
| Inflation                     | 2.50%                                                                                                                                                                                                                                                                                                                   |
| Salary increases              | N/A                                                                                                                                                                                                                                                                                                                     |
| Retirement age                | Any remaining actives are assumed to retire immediately.                                                                                                                                                                                                                                                                |
| Mortality                     | Post-retirement: 2006 central rates from the RP-2014 Annuity Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.<br>Disabled (pre-1980): Post-retirement rates set forward three years. |

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

FPFA - OLD HIRE POLICE DEFINED BENEFIT PLAN  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \*

|                                                                                | 2022                  | 2021                  | 2020                  | 2019                  | 2018                  | 2017                  | 2016                  | 2015                  |
|--------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Total pension liability</b>                                                 |                       |                       |                       |                       |                       |                       |                       |                       |
| Service cost                                                                   | \$ —                  | \$ —                  | \$ —                  | \$ —                  | \$ —                  | \$ —                  | \$ —                  | \$ —                  |
| Interest on the total pension liability                                        | 9,240,004             | 9,303,679             | 9,803,131             | 9,813,624             | 9,542,688             | 9,526,278             | 8,715,268             | 8,713,959             |
| Benefit changes                                                                | —                     | —                     | —                     | —                     | —                     | —                     | —                     | —                     |
| Difference between expected and actual experience                              | (2,270,605)           | —                     | 688,471               | —                     | 3,751,460             | —                     | 3,936,847             | —                     |
| Assumption changes                                                             | —                     | —                     | 12,123,083            | —                     | —                     | —                     | 7,157,077             | —                     |
| Benefit payments, including refunds                                            | (10,275,826)          | (10,290,521)          | (10,068,602)          | (9,842,538)           | (9,526,513)           | (9,096,225)           | (8,898,795)           | (8,501,414)           |
| <b>Net change in total pension liability</b>                                   | <b>(3,306,427)</b>    | <b>(986,842)</b>      | <b>12,546,083</b>     | <b>(28,914)</b>       | <b>3,767,635</b>      | <b>430,053</b>        | <b>10,910,397</b>     | <b>212,545</b>        |
| <b>Total pension liability - beginning</b>                                     | <b>147,210,945</b>    | <b>148,197,787</b>    | <b>135,651,704</b>    | <b>135,680,618</b>    | <b>131,912,983</b>    | <b>131,482,930</b>    | <b>120,572,533</b>    | <b>120,359,988</b>    |
| <b>Total pension liability - ending (a)</b>                                    | <b>\$ 143,904,518</b> | <b>\$ 147,210,945</b> | <b>\$ 148,197,787</b> | <b>\$ 135,651,704</b> | <b>\$ 135,680,618</b> | <b>\$ 131,912,983</b> | <b>\$ 131,482,930</b> | <b>\$ 120,572,533</b> |
| <b>Plan fiduciary net position</b>                                             |                       |                       |                       |                       |                       |                       |                       |                       |
| Contributions - employer                                                       | \$ 4,164,773          | \$ 4,164,773          | \$ 4,164,773          | \$ 3,906,280          | \$ 3,906,280          | \$ 2,612,565          | \$ 2,612,565          | \$ 3,367,555          |
| Contributions - employee                                                       | —                     | —                     | —                     | —                     | —                     | —                     | —                     | —                     |
| Net investment income                                                          | 10,829,961            | 9,088,221             | 10,807,806            | 76,779                | 12,367,767            | 4,554,153             | 1,714,996             | 6,170,082             |
| Benefit payments, including refunds                                            | (10,275,826)          | (10,290,521)          | (10,068,602)          | (9,842,538)           | (9,526,513)           | (9,096,225)           | (8,898,795)           | (8,501,414)           |
| Administrative expense                                                         | (43,848)              | (43,918)              | (52,710)              | (49,069)              | (38,897)              | (152,176)             | (147,530)             | (165,251)             |
| <b>Net change in plan fiduciary net position</b>                               | <b>4,675,060</b>      | <b>2,918,555</b>      | <b>4,851,267</b>      | <b>(5,908,548)</b>    | <b>6,708,637</b>      | <b>(2,081,683)</b>    | <b>(4,718,764)</b>    | <b>870,972</b>        |
| <b>Plan fiduciary net position - beginning</b>                                 | <b>95,507,430</b>     | <b>92,588,875</b>     | <b>87,737,608</b>     | <b>93,646,156</b>     | <b>86,937,519</b>     | <b>89,019,202</b>     | <b>93,737,966</b>     | <b>92,866,994</b>     |
| <b>Plan fiduciary net position - ending (b)</b>                                | <b>\$ 100,182,490</b> | <b>\$ 95,507,430</b>  | <b>\$ 92,588,875</b>  | <b>\$ 87,737,608</b>  | <b>\$ 93,646,156</b>  | <b>\$ 86,937,519</b>  | <b>\$ 89,019,202</b>  | <b>\$ 93,737,966</b>  |
| <b>City's net pension liability (asset) - ending (a)-(b)</b>                   | <b>\$ 43,722,028</b>  | <b>\$ 51,703,515</b>  | <b>\$ 55,608,912</b>  | <b>\$ 47,914,096</b>  | <b>\$ 42,034,462</b>  | <b>\$ 44,975,464</b>  | <b>\$ 42,463,728</b>  | <b>\$ 26,834,567</b>  |
| <b>Plan fiduciary net position as a percentage of total pension liability</b>  | 69.62%                | 64.88%                | 62.48%                | 64.68%                | 69.02%                | 65.91%                | 67.70%                | 77.74%                |
| <b>Covered payroll</b>                                                         | N/A                   | N/A                   | N/A                   | \$ 119,418            | \$ 115,659            | \$ 110,151            | \$ 111,083            | \$ 102,328            |
| <b>City's net pension liability (asset) as a percentage of covered payroll</b> | N/A                   | N/A                   | N/A                   | 40123.01%             | 36343.44%             | 40830.74%             | 38227.03%             | 26224.07%             |

Source: Gabriel, Roeder, Smith & Company, FPFA 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:

Effective 2021: Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. Disabled (pre-1980): Post-retirement rates set forward three years.

Discount Rate: 6.50%

CITY OF AURORA, COLORADO

FPPA - OLD HIRE POLICE DEFINED BENEFIT PLAN  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (not subjected to auditing procedures)  
LAST 10 YEARS \*

|                                                  | 2022         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         |
|--------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Actuarially determined contribution              | \$ 4,164,773 | \$ 4,164,773 | \$ 4,164,773 | \$ 4,164,773 | \$ 3,906,280 | \$ 3,906,280 | \$ 2,612,565 | \$ 2,612,565 | \$ 3,367,555 |
| Actual contributions                             | 4,164,773    | 4,164,773    | 4,164,773    | 4,164,773    | 3,906,280    | 3,906,280    | 2,612,565    | 2,612,565    | 3,367,555    |
| Contribution deficiency (excess)                 | \$ —         | \$ —         | \$ —         | \$ —         | \$ —         | \$ —         | \$ —         | \$ —         | \$ —         |
| Covered payroll                                  | N/A          | N/A          | N/A          | \$ 123,001   | \$ 119,418   | \$ 115,659   | \$ 110,151   | \$ 111,083   | \$ 102,328   |
| Contributions as a percentage of covered payroll | N/A          | N/A          | N/A          | 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, 2020

**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, 2020, determines the contribution amounts for 2021 and 2022.

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 fair value                                                                                                                                                                                                                         |
| Investment rate of return     | 6.50%                                                                                                                                                                                                                                              |
| Inflation                     | 2.50%                                                                                                                                                                                                                                              |
| Salary increases              | N/A                                                                                                                                                                                                                                                |
| Retirement age                | Any remaining actives are assumed to retire immediately.                                                                                                                                                                                           |
| Mortality                     | Post-Retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. |
|                               | Disabled Retirees (retired before January 1, 1980): Post-retirement rates set forward three years.                                                                                                                                                 |

CITY OF AURORA, COLORADO

FFPA - STATEWIDE DEFINED BENEFIT PLAN (SWDB)  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
AND RELATED RATIOS (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \*

|                                                                                               | 2022            | 2021           | 2020           | 2019          | 2018           | 2017          | 2016          | 2015           | 2014           |
|-----------------------------------------------------------------------------------------------|-----------------|----------------|----------------|---------------|----------------|---------------|---------------|----------------|----------------|
| City's % proportion of the net pension liability (asset)                                      | 4.03%           | 4.22%          | 4.35%          | 4.25%         | 4.41%          | 4.74%         | 4.80%         | 4.55%          | 4.62%          |
| City's proportion of the net pension liability (asset)                                        | \$ (21,866,090) | \$ (9,166,187) | \$ (2,458,696) | \$ 5,377,143  | \$ (6,346,723) | \$ 1,711,514  | \$ (84,658)   | \$ (5,140,256) | \$ (4,134,532) |
| Covered payroll                                                                               | \$ 33,469,199   | \$ 31,389,368  | \$ 28,874,495  | \$ 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 | 65.33%          | 29.20%         | 8.52%          | 21.26%        | 28.23%         | 8.26%         | 0.43%         | 30.38%         | 25.23%         |
| Plan fiduciary net position as a percentage of the total pension liability                    | 116.16%         | 106.72%        | 101.94%        | 95.23%        | 106.34%        | 98.21%        | 100.10%       | 106.80%        | 105.80%        |

Source: Fire & Police Pension Association of Colorado (FFPA) 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 130).

CITY OF AURORA, COLORADO

FFPA - STATEWIDE DEFINED BENEFIT PLAN (SWDB)  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \*

|                                                  | 2022          | 2021          | 2020          | 2019          | 2018          | 2017          | 2016          | 2015          | 2014          |
|--------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Statutorily required contribution                | \$ 3,304,265  | \$ 2,796,910  | \$ 2,712,980  | \$ 2,563,305  | \$ 2,276,759  | \$ 2,063,646  | \$ 1,939,286  | \$ 1,862,421  | \$ 1,638,586  |
| Actual contributions                             | 3,304,265     | 2,796,910     | 2,712,980     | 2,563,305     | 2,279,200     | 2,064,361     | 1,939,286     | 1,862,421     | 1,638,586     |
| Contribution deficiency (excess)                 | \$ —          | \$ —          | \$ —          | \$ —          | \$ (2,441)    | \$ (715)      | \$ —          | \$ —          | \$ —          |
| Covered payroll                                  | \$ 37,807,461 | \$ 33,469,199 | \$ 31,389,368 | \$ 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 | 8.74%         | 8.36%         | 8.64%         | 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, 2022 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

See accompanying notes to required supplementary information for cost sharing multiple employer plans (page 130)

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 (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \*

|                                                                                               | 2022           | 2021           | 2020           | 2019           | 2018           | 2017           | 2016           | 2015           | 2014           |
|-----------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| City's % proportion of the net pension liability (asset)                                      | 17.52%         | 18.66%         | 19.96%         | 19.96%         | 21.68%         | 30.60%         | 32.20%         | 31.55%         | 31.48%         |
| City's proportion of the net pension liability (asset)                                        | \$ (6,643,870) | \$ (5,131,905) | \$ (3,887,670) | \$ (2,755,129) | \$ (4,239,730) | \$ (3,330,949) | \$ (3,391,938) | \$ (3,741,511) | \$ (3,211,312) |
| Covered payroll                                                                               | \$ 2,830,423   | \$ 3,018,088   | \$ 3,034,117   | \$ 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 | 234.73%        | 170.04%        | 128.13%        | 90.94%         | 134.27%        | 88.38%         | 83.99%         | 100.60%        | 82.97%         |
| Plan fiduciary net position as a percentage of the total pension liability                    | 149.01%        | 137.99%        | 130.06%        | 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 130).

CITY OF AURORA, COLORADO

FFPA - STATEWIDE HYBRID PLAN (SWH)  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \*

|                                                       | 2022                          | 2021                          | 2020                          | 2019                          | 2018                          | 2017                          | 2016                          | 2015                          | 2014                          |
|-------------------------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Statutorily required contribution                     | \$ 295,398                    | \$ 329,793                    | \$ 316,899                    | \$ 318,581                    | \$ 318,114                    | \$ 331,548                    | \$ 395,726                    | \$ 424,084                    | \$ 390,519                    |
| Actual contributions Contribution deficiency (excess) | <u>295,398</u><br><u>\$ —</u> | <u>329,793</u><br><u>\$ —</u> | <u>316,899</u><br><u>\$ —</u> | <u>318,581</u><br><u>\$ —</u> | <u>318,114</u><br><u>\$ —</u> | <u>331,548</u><br><u>\$ —</u> | <u>395,726</u><br><u>\$ —</u> | <u>424,084</u><br><u>\$ —</u> | <u>390,519</u><br><u>\$ —</u> |
| Covered payroll                                       | \$ 2,707,740                  | \$ 2,830,423                  | \$ 3,018,088                  | \$ 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      | 10.91%                        | 11.65%                        | 10.50%                        | 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, 2022 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

See accompanying notes to required supplementary information for cost sharing multiple employer plans (page 130).

**CITY OF AURORA, COLORADO  
OTHER POST EMPLOYMENT BENEFITS (OPEB)  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (not subjected to auditing procedures)  
LAST 10 FISCAL YEARS \***

|                                                    | 2022                 | 2021                 | 2020                 | 2019                 | 2018                 |
|----------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Total OPEB liability</b>                        |                      |                      |                      |                      |                      |
| Service cost                                       | \$ 1,201,917         | \$ 1,183,189         | \$ 777,913           | \$ 1,073,971         | \$ 1,038,255         |
| Interest cost                                      | 459,867              | 534,545              | 781,154              | 675,782              | 766,088              |
| Benefit changes                                    |                      | —                    | —                    | —                    | (4,042,714)          |
| Differences between expected and actual experience | (688,848)            | —                    | (4,365,646)          | —                    | (1,559,817)          |
| Assumption changes                                 | 3,959,489            | 938,851              | 4,442,124            | (991,260)            | 2,281,170            |
| Benefit payments                                   | (1,095,897)          | (1,062,422)          | (932,917)            | (1,176,498)          | (1,111,127)          |
| <b>Net change in total OPEB liability</b>          | <b>3,836,528</b>     | <b>1,594,163</b>     | <b>702,628</b>       | <b>(418,005)</b>     | <b>(2,628,145)</b>   |
| <b>Total OPEB liability - beginning</b>            | <b>21,037,880</b>    | <b>19,443,717</b>    | <b>18,741,089</b>    | <b>19,159,094</b>    | <b>21,787,239</b>    |
| <b>Total OPEB liability - ending</b>               | <b>\$ 24,874,408</b> | <b>\$ 21,037,880</b> | <b>\$ 19,443,717</b> | <b>\$ 18,741,089</b> | <b>\$ 19,159,094</b> |

**Covered employee payroll** \$ 295,375,184 \$ 267,239,788 \$ 259,017,685 \$ 246,766,375 \$ 230,731,040

**City's total OPEB liability as a percentage of covered employee payroll** 8.42% 7.87% 7.51% 7.59% 8.30%

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, 2021

Methods and assumptions used to determine OPEB liability:

|                            |                                                                                                                                                  |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial cost method      | Entry age normal                                                                                                                                 |
| Discount rate (1)          | 2.06%                                                                                                                                            |
| Projected salary increases | 3.50%                                                                                                                                            |
| Health care cost trend     | 7.25% to 4.00%, grading down by 0.25% annually                                                                                                   |
| Mortality                  | PUB-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class 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, 2021).

Changes in Assumptions:

As of the 2021 actuarial valuation, the discount rate assumption changed from 2.12% to 2.06%, the health care cost trend rate assumption changed from 6.00% to 4.5% grading down by 0.5% annually to 7.25% to 4.00% grading down by 0.25% annually and the mortality assumption changed from PUB-2010 mortality table with generational scale MP-2019 to PUB-2010 headcount weighted base mortality table projected generationally using scale MP-2021 applied on a gender-specific and job class basis.

As of the 2020 rollforward, the discount rate assumption changed from 2.74% to 2.12%.

As of the 2019 actuarial valuation, the discount rate assumption changed from 4.10% to 2.74% and the mortality assumption change from RP-2014 mortality table with generational scale MP-2016 to PUB-2010 mortality table with generational scale MP-201 to reflect the Society of Actuaries' recent mortality study.

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 change 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) (not subjected to auditing procedures)

## FOR THE YEAR ENDED DECEMBER 31, 2022

|                                      | General Fund  |               |                     |                        |
|--------------------------------------|---------------|---------------|---------------------|------------------------|
|                                      | Budgets       |               | Budgetary<br>Actual | Variance<br>with Final |
|                                      | Original      | Final         |                     |                        |
| <b>SOURCES</b>                       |               |               |                     |                        |
| Taxes                                |               |               |                     |                        |
| Property                             | \$ 45,820,061 | \$ 45,820,061 | \$ 46,161,109       | \$ 341,048             |
| Sales                                | 234,162,053   | 234,162,053   | 268,778,704         | 34,616,651             |
| Use                                  | 53,296,248    | 53,296,248    | 64,775,564          | 11,479,316             |
| Lodgers                              | 7,998,759     | 7,998,759     | 8,317,787           | 319,028                |
| Franchise                            | 15,147,809    | 15,147,809    | 17,871,432          | 2,723,623              |
| Other                                | 15,245,110    | 15,245,110    | 20,801,979          | 5,556,869              |
| Total taxes                          | 371,670,040   | 371,670,040   | 426,706,575         | 55,036,535             |
| Intergovernmental                    | 15,093,453    | 15,552,466    | 16,023,304          | 470,838                |
| Licenses and permits                 | 4,499,540     | 4,499,540     | 4,852,784           | 353,244                |
| Charges for services                 | 18,751,409    | 18,751,409    | 17,800,061          | (951,348)              |
| Fines and forfeitures                | 4,023,306     | 4,023,306     | 2,306,734           | (1,716,572)            |
| Investment income                    | 1,917,972     | 1,917,972     | 2,505,098           | 587,126                |
| Other revenues                       | 1,620,225     | 1,648,491     | 2,306,344           | 657,853                |
| Proceeds from sale of assets         | 185,000       | 185,000       | 383,946             | 198,946                |
| TOTAL SOURCES                        | 417,760,945   | 418,248,224   | 472,884,846         | 54,636,622             |
| <b>USES</b>                          |               |               |                     |                        |
| <b>Operating Costs</b>               |               |               |                     |                        |
| <i>Municipal Court</i>               |               |               |                     |                        |
| Judicial                             | 3,183,889     | 3,356,704     | 3,353,255           | 3,449                  |
| Court Administration                 | 11,289,030    | 11,590,807    | 11,449,200          | 141,607                |
| Public Defender                      | 1,919,628     | 2,086,158     | 1,943,142           | 143,016                |
| Total municipal court                | 16,392,547    | 17,033,669    | 16,745,597          | 288,072                |
| <i>City Attorney</i>                 | 7,974,613     | 8,125,147     | 7,631,222           | 493,925                |
| <i>General Management Group</i>      |               |               |                     |                        |
| City Council                         | 1,422,800     | 1,434,388     | 1,370,864           | 63,524                 |
| Civil Service                        | 1,228,968     | 1,251,454     | 1,213,286           | 38,168                 |
| General Management                   | 5,797,675     | 5,487,972     | 5,402,122           | 85,850                 |
| Total general management group       | 8,449,443     | 8,173,814     | 7,986,272           | 187,542                |
| <i>Administrative Services Group</i> |               |               |                     |                        |
| Communications                       | 4,183,873     | 3,970,562     | 3,595,646           | 374,916                |
| Human Resources                      | 3,575,987     | 3,713,424     | 3,700,156           | 13,268                 |
| Finance                              | 9,789,993     | 9,832,520     | 8,683,684           | 1,148,836              |
| Information Technology               | 18,480,575    | 18,026,664    | 17,759,869          | 266,795                |
| Aurora Water                         | —             | 510,342       | 459,089             | 51,253                 |
| Total administrative services group  | 36,030,428    | 36,053,512    | 34,198,444          | 1,855,068              |

(continued)

|                                                                                                | General Fund         |                      |                       |                        |
|------------------------------------------------------------------------------------------------|----------------------|----------------------|-----------------------|------------------------|
|                                                                                                | Budgets              |                      | Budgetary<br>Actual   | Variance<br>with Final |
|                                                                                                | Original             | Final                |                       |                        |
| <i>Operations Group</i>                                                                        |                      |                      |                       |                        |
| Library and Cultural Services                                                                  | 6,734,923            | 6,564,972            | 6,557,080             | 7,892                  |
| Public Works                                                                                   | 37,804,505           | 36,853,194           | 35,838,580            | 1,014,614              |
| Parks, Recreation and Open Space                                                               | 17,237,501           | 16,488,612           | 16,387,346            | 101,266                |
| Housing and Community Services                                                                 | 7,118,171            | 8,569,223            | 7,919,858             | 649,365                |
| Planning and Development Services                                                              | 3,541,868            | 3,417,919            | 3,107,652             | 310,267                |
| Total operations group                                                                         | 72,436,968           | 71,893,920           | 69,810,516            | 2,083,404              |
| <i>Police/Fire Group</i>                                                                       |                      |                      |                       |                        |
| Police                                                                                         | 130,265,718          | 133,807,017          | 133,749,442           | 57,575                 |
| Aurora911                                                                                      | 7,331,734            | 8,009,505            | 8,007,679             | 1,826                  |
| Fire                                                                                           | 72,329,087           | 79,064,802           | 79,039,600            | 25,202                 |
| Total police/fire group                                                                        | 209,926,539          | 220,881,324          | 220,796,721           | 84,603                 |
| <i>Non-departmental</i>                                                                        | 74,938,048           | 126,462,296          | 126,455,844           | 6,452                  |
| TOTAL USES                                                                                     | 426,148,586          | 488,623,682          | 483,624,616           | 4,999,066              |
| CHANGE IN FUNDS AVAILABLE                                                                      | (8,387,641)          | (70,375,458)         | (10,739,770)          | 59,635,688             |
| FUNDS AVAILABLE - January 1                                                                    | 102,390,557          | 102,390,557          | 102,390,557           | —                      |
| FUNDS AVAILABLE - December 31                                                                  | <u>\$ 94,002,916</u> | <u>\$ 32,015,099</u> | 91,650,787            | <u>\$ 59,635,688</u>   |
| Less: Restricted for emergencies (TABOR)                                                       |                      |                      | (6,398,922)           |                        |
| Committed to reserves (10% Policy)                                                             |                      |                      | (38,424,613)          |                        |
| FUNDS AVAILABLE FOR APPROPRIATION AFTER RESTRICTIONS,<br>AND COUNCIL COMMITMENTS - December 31 |                      |                      | <u>\$ 46,827,252</u>  |                        |
| <b>RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE</b>                             |                      |                      |                       |                        |
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31                                                |                      |                      | \$ 91,650,787         |                        |
| Assets not available for appropriation                                                         |                      |                      | 1,704,872             |                        |
| Sales, use and lodgers tax accrual                                                             |                      |                      | 43,333,066            |                        |
| Current year encumbrances                                                                      |                      |                      | 13,634,448            |                        |
| Adjustment of investments to fair value                                                        |                      |                      | (3,453,521)           |                        |
| Asset held for resale value reassessment                                                       |                      |                      | (5,511,000)           |                        |
| Inventories                                                                                    |                      |                      | 212,096               |                        |
| Adjustment for fund perspective difference                                                     |                      |                      | 12,948,194            |                        |
| FUND BALANCE (U.S. GAAP BASIS) - DECEMBER 31                                                   |                      |                      | <u>\$ 154,518,942</u> |                        |

(concluded)

## CITY OF AURORA, COLORADO

## GIFTS AND GRANTS

## SCHEDULE OF SOURCES, USES AND CHANGES IN FUNDS AVAILABLE

## BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (not subjected to auditing procedures)

## FOR THE YEAR ENDED DECEMBER 31, 2022

|                                            | Gifts and Grants Fund |                   |                     |                        |
|--------------------------------------------|-----------------------|-------------------|---------------------|------------------------|
|                                            | Budgets               |                   | Budgetary<br>Actual | Variance<br>with Final |
|                                            | Original              | Final             |                     |                        |
| <b>SOURCES</b>                             |                       |                   |                     |                        |
| Intergovernmental                          | \$ 37,775,297         | \$ 42,432,746     | \$ 8,134,493        | \$ (34,298,253)        |
| Charges for services                       | 42,000                | 42,000            | 104,974             | 62,974                 |
| Investment income                          | 3,450                 | 3,450             | 650,189             | 646,739                |
| Other revenues                             | 265,300               | 399,387           | 711,369             | 311,982                |
| Proceeds from sale of assets               | —                     | —                 | 6,447               | 6,447                  |
| Transfers in                               | —                     | 37,500            | 52,500              | 15,000                 |
| <b>TOTAL SOURCES</b>                       | <b>38,086,047</b>     | <b>42,915,083</b> | <b>9,659,972</b>    | <b>(33,255,111)</b>    |
| <b>USES</b>                                |                       |                   |                     |                        |
| <i>Operating Costs</i>                     |                       |                   |                     |                        |
| <i>Municipal Court</i>                     |                       |                   |                     |                        |
| Judicial                                   | 5,000                 | 255,263           | 250,263             | 5,000                  |
| Public Defender                            | —                     | 11,643            | 11,643              | —                      |
| <b>Total municipal court</b>               | <b>5,000</b>          | <b>266,906</b>    | <b>261,906</b>      | <b>5,000</b>           |
| <i>General Management Group</i>            |                       |                   |                     |                        |
| General Management                         | 22,300                | 103,111           | 90,960              | 12,151                 |
| <b>Total general management group</b>      | <b>22,300</b>         | <b>103,111</b>    | <b>90,960</b>       | <b>12,151</b>          |
| <i>Administrative Services Group</i>       |                       |                   |                     |                        |
| Communications                             | —                     | 1,700             | 1,629               | 71                     |
| Human Resources                            | 1,294                 | 1,294             | —                   | 1,294                  |
| <b>Total administrative services group</b> | <b>1,294</b>          | <b>2,994</b>      | <b>1,629</b>        | <b>1,365</b>           |
| <i>Operations Group</i>                    |                       |                   |                     |                        |
| Library and Cultural Services              | 145,187               | 373,743           | 308,790             | 64,953                 |
| Parks, Recreation and Open Space           | 435,712               | 438,567           | 319,461             | 119,106                |
| Housing and Community Services             | 7,912,027             | 8,062,027         | 4,383,635           | 3,678,392              |
| Planning and Development Services          | 384,366               | 935,766           | 641,789             | 293,977                |
| <b>Total operations group</b>              | <b>8,877,292</b>      | <b>9,810,103</b>  | <b>5,653,675</b>    | <b>4,156,428</b>       |
| <i>Police/Fire Group</i>                   |                       |                   |                     |                        |
| Police                                     | 5,399,017             | 5,399,017         | 2,568,950           | 2,830,067              |
| Aurora911                                  | —                     | 227,525           | 227,525             | —                      |
| Fire                                       | 560,450               | 900,285           | 900,284             | 1                      |
| <b>Total police/fire group</b>             | <b>5,959,467</b>      | <b>6,526,827</b>  | <b>3,696,759</b>    | <b>2,830,068</b>       |
| <i>Non-departmental</i>                    | <b>8,585,470</b>      | <b>11,803,770</b> | <b>11,800,848</b>   | <b>2,922</b>           |

(continued)

|                                                                                                | Gifts and Grants Fund |                      |                      |                        |
|------------------------------------------------------------------------------------------------|-----------------------|----------------------|----------------------|------------------------|
|                                                                                                | Budgets               |                      | Budgetary<br>Actual  | Variance<br>with Final |
|                                                                                                | Original              | Final                |                      |                        |
| <b>Capital Appropriations</b>                                                                  |                       |                      |                      |                        |
| <i>Operations Group</i>                                                                        |                       |                      |                      |                        |
| Parks, Recreation and Open Space                                                               | —                     | 2,670,815            | 2,670,815            | —                      |
| Total operations group                                                                         | —                     | 2,670,815            | 2,670,815            | —                      |
| TOTAL USES                                                                                     | 23,450,823            | 31,184,526           | 24,176,592           | 7,007,934              |
| CHANGE IN FUNDS AVAILABLE                                                                      | 14,635,224            | 11,730,557           | (14,516,620)         | (26,247,177)           |
| FUNDS AVAILABLE - January 1                                                                    | 73,267,319            | 73,267,319           | 73,267,319           | —                      |
| FUNDS AVAILABLE - December 31                                                                  | <u>\$ 87,902,543</u>  | <u>\$ 84,997,876</u> | 58,750,699           | <u>\$ (26,247,177)</u> |
| Less: Reservations                                                                             |                       |                      | (1,821,342)          |                        |
| FUNDS AVAILABLE FOR APPROPRIATION AFTER RESTRICTIONS,<br>AND COUNCIL COMMITMENTS - December 31 |                       |                      | <u>\$ 56,929,357</u> |                        |
| <b>RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE</b>                             |                       |                      |                      |                        |
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31                                                |                       |                      | \$ 58,750,699        |                        |
| Assets not available for appropriation                                                         |                       |                      | 135,730              |                        |
| Carryforward of continuing appropriations                                                      |                       |                      | 4,930,684            |                        |
| Current year encumbrances                                                                      |                       |                      | 873,948              |                        |
| Adjustment of investments to fair value                                                        |                       |                      | (1,821,342)          |                        |
| Seizure funds                                                                                  |                       |                      | 1,032,360            |                        |
| Inventories                                                                                    |                       |                      | 151,529              |                        |
| Unspent grants                                                                                 |                       |                      | (61,416,017)         |                        |
| FUND BALANCE (U.S. GAAP BASIS) - DECEMBER 31                                                   |                       |                      | <u>\$ 2,637,591</u>  |                        |

(concluded)

## 1. COST SHARING MULTIPLE EMPLOYER PLANS

### **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 2019:* The real return on investments assumption was reduced from 5.0% to 4.50% while the inflation assumption remained unchanged at 2.50% for a reduced overall nominal investment return of 7.00% from 7.50%. In addition, the productivity component of the salary scale assumption increased from 1.50% to 1.75%; when combined with the 2.50% inflation rate, this creates an ultimate salary scale assumption of 4.25%. For demographic assumptions, the blue collar adjustment was removed from the mortality tables being used and the mortality projection scale was updated from Scale BB to the ultimate rates of the MP-2017 projection scale. In addition, disability rates were increased for members covered by a defined benefit program and retirement rates were slightly modified to reflect increased retirement utilization for low service members and slightly decreased normal retirement rates after age 55.

*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 2020:* The Rule of 80 was implemented for normal retirement eligibility.

*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

The city adopts annual operating appropriations each year. Operating costs are controlled at the fund and department level for the General Fund and at the fund level for the Gifts and Grants 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:

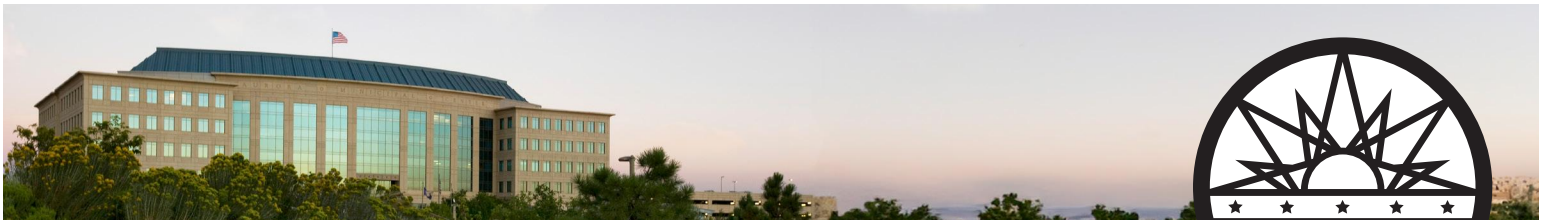
- a) Assets not available for appropriation, debt service reserves for which the city has pledged a moral obligation, are not considered to be available funds.
- b) Sales, use and lodgers taxes are considered revenue when received rather than when earned.

- 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.

Budgets for the Gifts and Grants Fund are reported on the same basis as described above, except as follows:

- a) Assets not available for appropriation, deposits held for multi-agency capital projects, are not considered to be available funds.
- b) Continuing appropriations are considered reductions of funds available when appropriated, not when expenditures occur.
- 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) Transactions related to asset forfeitures are not budgeted.
- f) Purchases of inventory are considered expenditures when purchased, not when sold or used.
- g) Grants are considered revenue when awarded, not when earned.





## 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.

#### **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.

#### **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.

## **Non-Major Governmental Funds**



### **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.

### **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.

### **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

### **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.

## **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, 2022

|                                                                        | Special Revenue       |                          |                          |                     |                       |
|------------------------------------------------------------------------|-----------------------|--------------------------|--------------------------|---------------------|-----------------------|
|                                                                        | Development<br>Review | Marijuana Tax<br>Revenue | Community<br>Development | Enhanced<br>E-911   | Conservation<br>Trust |
| <b>ASSETS</b>                                                          |                       |                          |                          |                     |                       |
| Cash and cash equivalents                                              | \$ 1,150              | \$ 1,048                 | \$ —                     | \$ —                | \$ —                  |
| Investments                                                            | 15,073,603            | 13,735,745               | —                        | —                   | —                     |
| <i>Receivables (net of allowance)</i>                                  |                       |                          |                          |                     |                       |
| Taxes receivable                                                       | —                     | 1,122,267                | —                        | —                   | —                     |
| Accounts receivable                                                    | —                     | —                        | —                        | —                   | —                     |
| Due from other governments                                             | —                     | —                        | —                        | —                   | —                     |
| Other receivables                                                      | —                     | —                        | —                        | —                   | —                     |
| <i>Restricted assets</i>                                               |                       |                          |                          |                     |                       |
| Cash and cash equivalents                                              | —                     | —                        | 4,998,994                | 570                 | 721                   |
| Investments                                                            | —                     | —                        | —                        | 7,471,741           | 9,450,531             |
| Taxes receivable                                                       | —                     | —                        | —                        | —                   | —                     |
| Due from other governments                                             | —                     | —                        | 855,538                  | —                   | 1,100,000             |
| Other receivables                                                      | —                     | —                        | —                        | 500,771             | —                     |
| Assets acquired for resale                                             | —                     | —                        | —                        | —                   | —                     |
| Notes receivable                                                       | —                     | —                        | 11,383,403               | —                   | —                     |
| Total assets                                                           | <u>\$ 15,074,753</u>  | <u>\$ 14,859,060</u>     | <u>\$ 17,237,935</u>     | <u>\$ 7,973,082</u> | <u>\$ 10,551,252</u>  |
| <b>LIABILITIES</b>                                                     |                       |                          |                          |                     |                       |
| Accounts payable                                                       | \$ 613,589            | \$ 553,862               | \$ 516,991               | \$ 1,098,179        | \$ 132,910            |
| Accrued interest                                                       | —                     | —                        | —                        | —                   | —                     |
| Deposits held                                                          | —                     | —                        | —                        | —                   | —                     |
| Due to other funds                                                     | —                     | —                        | —                        | —                   | —                     |
| Interfund loan payable                                                 | —                     | —                        | —                        | —                   | —                     |
| Unearned revenues                                                      | —                     | —                        | —                        | —                   | —                     |
| Total liabilities                                                      | <u>613,589</u>        | <u>553,862</u>           | <u>516,991</u>           | <u>1,098,179</u>    | <u>132,910</u>        |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   | <u>—</u>              | <u>—</u>                 | <u>11,383,403</u>        | <u>—</u>            | <u>—</u>              |
| <b>FUND BALANCES</b>                                                   |                       |                          |                          |                     |                       |
| Restricted                                                             | —                     | —                        | 5,337,541                | 6,874,903           | 10,418,342            |
| Committed                                                              | 14,461,164            | 2,568,541                | —                        | —                   | —                     |
| Assigned                                                               | —                     | 11,736,657               | —                        | —                   | —                     |
| Total fund balances                                                    | <u>14,461,164</u>     | <u>14,305,198</u>        | <u>5,337,541</u>         | <u>6,874,903</u>    | <u>10,418,342</u>     |
| Total liabilities, deferred inflows of resources,<br>and fund balances | <u>\$ 15,074,753</u>  | <u>\$ 14,859,060</u>     | <u>\$ 17,237,935</u>     | <u>\$ 7,973,082</u> | <u>\$ 10,551,252</u>  |

(continued)

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2022

|                                                                        | Special Revenue      |                      |                        |                      |                         |
|------------------------------------------------------------------------|----------------------|----------------------|------------------------|----------------------|-------------------------|
|                                                                        | Parks<br>Development | Open<br>Space        | Recreation<br>Services | Cultural<br>Services | Parking and<br>Mobility |
| <b>ASSETS</b>                                                          |                      |                      |                        |                      |                         |
| Cash and cash equivalents                                              | \$ —                 | \$ —                 | \$ 1,534,125           | \$ 2,012,652         | \$ 10                   |
| Investments                                                            | —                    | —                    | 2,276,888              | —                    | 130,446                 |
| <i>Receivables (net of allowance)</i>                                  |                      |                      |                        |                      |                         |
| Taxes receivable                                                       | —                    | —                    | —                      | —                    | —                       |
| Accounts receivable                                                    | —                    | —                    | 52,517                 | 93,448               | —                       |
| Due from other governments                                             | —                    | —                    | 1,629                  | —                    | —                       |
| Other receivables                                                      | —                    | —                    | 1,333                  | —                    | 20,682                  |
| <i>Restricted assets</i>                                               |                      |                      |                        |                      |                         |
| Cash and cash equivalents                                              | 1,857                | 1,632                | —                      | 94,289               | —                       |
| Investments                                                            | 24,327,260           | 21,386,006           | —                      | —                    | —                       |
| Taxes receivable                                                       | —                    | —                    | —                      | —                    | —                       |
| Due from other governments                                             | —                    | —                    | —                      | 122,923              | —                       |
| Other receivables                                                      | —                    | 951,528              | —                      | —                    | —                       |
| Assets acquired for resale                                             | —                    | —                    | —                      | —                    | —                       |
| Notes receivable                                                       | —                    | —                    | —                      | —                    | —                       |
| Total assets                                                           | <u>\$ 24,329,117</u> | <u>\$ 22,339,166</u> | <u>\$ 3,866,492</u>    | <u>\$ 2,323,312</u>  | <u>\$ 151,138</u>       |
| <b>LIABILITIES</b>                                                     |                      |                      |                        |                      |                         |
| Accounts payable                                                       | \$ 10,405            | \$ 280,126           | \$ 528,923             | \$ 52,450            | \$ 135,245              |
| Accrued interest                                                       | —                    | —                    | 2,238                  | —                    | —                       |
| Deposits held                                                          | —                    | —                    | 3,560                  | —                    | —                       |
| Due to other funds                                                     | —                    | —                    | —                      | —                    | 15,893                  |
| Interfund loan payable                                                 | —                    | —                    | —                      | —                    | —                       |
| Unearned revenues                                                      | —                    | —                    | 262,856                | 70,678               | —                       |
| Total liabilities                                                      | <u>10,405</u>        | <u>280,126</u>       | <u>797,577</u>         | <u>123,128</u>       | <u>151,138</u>          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   | <u>—</u>             | <u>—</u>             | <u>—</u>               | <u>93,324</u>        | <u>—</u>                |
| <b>FUND BALANCES</b>                                                   |                      |                      |                        |                      |                         |
| Restricted                                                             | 24,318,712           | 22,059,040           | —                      | 180,295              | —                       |
| Committed                                                              | —                    | —                    | —                      | 1,779,355            | —                       |
| Assigned                                                               | —                    | —                    | 3,068,915              | 147,210              | —                       |
| Total fund balances                                                    | <u>24,318,712</u>    | <u>22,059,040</u>    | <u>3,068,915</u>       | <u>2,106,860</u>     | <u>—</u>                |
| Total liabilities, deferred inflows of resources,<br>and fund balances | <u>\$ 24,329,117</u> | <u>\$ 22,339,166</u> | <u>\$ 3,866,492</u>    | <u>\$ 2,323,312</u>  | <u>\$ 151,138</u>       |

(continued)

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2022

|                                                                        | Special Revenue          |                           |                           |                                    |                           |
|------------------------------------------------------------------------|--------------------------|---------------------------|---------------------------|------------------------------------|---------------------------|
|                                                                        | Peoria Park<br>Fence GID | Meadow Hills<br>Fence GID | Cherry Creek<br>Fence GID | Aurora<br>Conference<br>Center GID | Pier Point 7<br>Sewer GID |
| <b>ASSETS</b>                                                          |                          |                           |                           |                                    |                           |
| Cash and cash equivalents                                              | \$ —                     | \$ —                      | \$ —                      | \$ —                               | \$ —                      |
| Investments                                                            | —                        | —                         | —                         | —                                  | —                         |
| <i>Receivables (net of allowance)</i>                                  |                          |                           |                           |                                    |                           |
| Taxes receivable                                                       | —                        | —                         | —                         | —                                  | —                         |
| Accounts receivable                                                    | —                        | —                         | —                         | —                                  | —                         |
| Due from other governments                                             | —                        | —                         | —                         | —                                  | —                         |
| Other receivables                                                      | —                        | —                         | —                         | —                                  | —                         |
| <i>Restricted assets</i>                                               |                          |                           |                           |                                    |                           |
| Cash and cash equivalents                                              | 99,468                   | 96,336                    | 112,069                   | 192                                | 213,870                   |
| Investments                                                            | —                        | —                         | —                         | 2,511,959                          | —                         |
| Taxes receivable                                                       | 34,282                   | 43,838                    | 61,935                    | 202,818                            | 206,889                   |
| Due from other governments                                             | 166                      | 204                       | 293                       | 24,638                             | 1,005                     |
| Other receivables                                                      | —                        | —                         | —                         | —                                  | —                         |
| Assets acquired for resale                                             | —                        | —                         | —                         | —                                  | —                         |
| Notes receivable                                                       | —                        | —                         | —                         | —                                  | —                         |
| Total assets                                                           | <u>\$ 133,916</u>        | <u>\$ 140,378</u>         | <u>\$ 174,297</u>         | <u>\$ 2,739,607</u>                | <u>\$ 421,764</u>         |
| <b>LIABILITIES</b>                                                     |                          |                           |                           |                                    |                           |
| Accounts payable                                                       | \$ —                     | \$ —                      | \$ —                      | \$ —                               | \$ —                      |
| Accrued interest                                                       | —                        | —                         | —                         | —                                  | —                         |
| Deposits held                                                          | —                        | —                         | —                         | —                                  | —                         |
| Due to other funds                                                     | —                        | —                         | —                         | —                                  | —                         |
| Interfund loan payable                                                 | —                        | —                         | —                         | —                                  | —                         |
| Unearned revenues                                                      | —                        | —                         | —                         | —                                  | —                         |
| Total liabilities                                                      | <u>—</u>                 | <u>—</u>                  | <u>—</u>                  | <u>—</u>                           | <u>—</u>                  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   | <u>34,282</u>            | <u>43,838</u>             | <u>61,935</u>             | <u>202,818</u>                     | <u>206,889</u>            |
| <b>FUND BALANCES</b>                                                   |                          |                           |                           |                                    |                           |
| Restricted                                                             | 99,634                   | 96,540                    | 112,362                   | 2,536,789                          | 214,875                   |
| Committed                                                              | —                        | —                         | —                         | —                                  | —                         |
| Assigned                                                               | —                        | —                         | —                         | —                                  | —                         |
| Total fund balances                                                    | <u>99,634</u>            | <u>96,540</u>             | <u>112,362</u>            | <u>2,536,789</u>                   | <u>214,875</u>            |
| Total liabilities, deferred inflows of resources,<br>and fund balances | <u>\$ 133,916</u>        | <u>\$ 140,378</u>         | <u>\$ 174,297</u>         | <u>\$ 2,739,607</u>                | <u>\$ 421,764</u>         |

(continued)

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2022

|                                                                        | Special Revenue          |                      | Debt Service        |                      |                       |
|------------------------------------------------------------------------|--------------------------|----------------------|---------------------|----------------------|-----------------------|
|                                                                        | Cobblewood<br>Street GID | AURA<br>General      | SID Debt<br>Service | AURA Debt<br>Service | ACL C Debt<br>Service |
| <b>ASSETS</b>                                                          |                          |                      |                     |                      |                       |
| Cash and cash equivalents                                              | \$ —                     | \$ —                 | \$ —                | \$ —                 | \$ 124                |
| Investments                                                            | —                        | —                    | —                   | —                    | 1,623,320             |
| <i>Receivables (net of allowance)</i>                                  |                          |                      |                     |                      |                       |
| Taxes receivable                                                       | —                        | —                    | —                   | —                    | —                     |
| Accounts receivable                                                    | —                        | —                    | —                   | —                    | —                     |
| Due from other governments                                             | —                        | —                    | —                   | —                    | —                     |
| Other receivables                                                      | —                        | —                    | —                   | —                    | —                     |
| <i>Restricted assets</i>                                               |                          |                      |                     |                      |                       |
| Cash and cash equivalents                                              | 83,553                   | 391,019              | 9,153               | 381                  | 20,334                |
| Investments                                                            | —                        | 31,982,798           | —                   | 4,985,942            | —                     |
| Taxes receivable                                                       | 34,851                   | 26,081,700           | —                   | 2,753,000            | —                     |
| Due from other governments                                             | 176                      | —                    | —                   | —                    | —                     |
| Other receivables                                                      | —                        | —                    | —                   | —                    | —                     |
| Assets acquired for resale                                             | —                        | 2,094,624            | —                   | 9,691,748            | —                     |
| Notes receivable                                                       | —                        | 110,634              | —                   | 3,291,082            | —                     |
| Total assets                                                           | <u>\$ 118,580</u>        | <u>\$ 60,660,775</u> | <u>\$ 9,153</u>     | <u>\$ 20,722,153</u> | <u>\$ 1,643,778</u>   |
| <b>LIABILITIES</b>                                                     |                          |                      |                     |                      |                       |
| Accounts payable                                                       | \$ —                     | \$ 3,874,008         | \$ —                | \$ 16                | \$ —                  |
| Accrued interest                                                       | —                        | —                    | —                   | —                    | —                     |
| Deposits held                                                          | —                        | 156,769              | —                   | —                    | —                     |
| Due to other funds                                                     | —                        | —                    | 9,153               | —                    | —                     |
| Interfund loan payable                                                 | —                        | —                    | —                   | 13,514,000           | —                     |
| Unearned revenues                                                      | —                        | —                    | —                   | —                    | —                     |
| Total liabilities                                                      | <u>—</u>                 | <u>4,030,777</u>     | <u>9,153</u>        | <u>13,514,016</u>    | <u>—</u>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   | <u>34,851</u>            | <u>26,192,334</u>    | <u>—</u>            | <u>2,753,000</u>     | <u>—</u>              |
| <b>FUND BALANCES</b>                                                   |                          |                      |                     |                      |                       |
| Restricted                                                             | 83,729                   | 30,437,664           | —                   | 4,455,137            | 20,334                |
| Committed                                                              | —                        | —                    | —                   | —                    | —                     |
| Assigned                                                               | —                        | —                    | —                   | —                    | 1,623,444             |
| Total fund balances                                                    | <u>83,729</u>            | <u>30,437,664</u>    | <u>—</u>            | <u>4,455,137</u>     | <u>1,643,778</u>      |
| Total liabilities, deferred inflows of resources,<br>and fund balances | <u>\$ 118,580</u>        | <u>\$ 60,660,775</u> | <u>\$ 9,153</u>     | <u>\$ 20,722,153</u> | <u>\$ 1,643,778</u>   |

(continued)

CITY OF AURORA, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2022

|                                                                        | Capital Projects          | Total Nonmajor<br>Governmental<br>Funds |
|------------------------------------------------------------------------|---------------------------|-----------------------------------------|
|                                                                        | ACLIC Capital<br>Projects |                                         |
| <b>ASSETS</b>                                                          |                           |                                         |
| Cash and cash equivalents                                              | \$ 269,129                | \$ 3,818,238                            |
| Investments                                                            | —                         | 32,840,002                              |
| <i>Receivables (net of allowance)</i>                                  |                           |                                         |
| Taxes receivable                                                       | —                         | 1,122,267                               |
| Accounts receivable                                                    | —                         | 145,965                                 |
| Due from other governments                                             | —                         | 1,629                                   |
| Other receivables                                                      | —                         | 22,015                                  |
| <i>Restricted assets</i>                                               |                           |                                         |
| Cash and cash equivalents                                              | 50,954,917                | 57,079,355                              |
| Investments                                                            | 15,514,732                | 117,630,969                             |
| Taxes receivable                                                       | —                         | 29,419,313                              |
| Due from other governments                                             | —                         | 2,104,943                               |
| Other receivables                                                      | —                         | 1,452,299                               |
| Assets acquired for resale                                             | —                         | 11,786,372                              |
| Notes receivable                                                       | —                         | 14,785,119                              |
| Total assets                                                           | <u>\$ 66,738,778</u>      | <u>\$ 272,208,486</u>                   |
| <b>LIABILITIES</b>                                                     |                           |                                         |
| Accounts payable                                                       | \$ 3,078,903              | \$ 10,875,607                           |
| Accrued interest                                                       | —                         | 2,238                                   |
| Deposits held                                                          | —                         | 160,329                                 |
| Due to other funds                                                     | —                         | 25,046                                  |
| Interfund loan payable                                                 | —                         | 13,514,000                              |
| Unearned revenues                                                      | —                         | 333,534                                 |
| Total liabilities                                                      | <u>3,078,903</u>          | <u>24,910,754</u>                       |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   | <u>—</u>                  | <u>41,006,674</u>                       |
| <b>FUND BALANCES</b>                                                   |                           |                                         |
| Restricted                                                             | 63,390,747                | 170,636,644                             |
| Committed                                                              | —                         | 18,809,060                              |
| Assigned                                                               | 269,128                   | 16,845,354                              |
| Total fund balances                                                    | <u>63,659,875</u>         | <u>206,291,058</u>                      |
| Total liabilities, deferred inflows of resources,<br>and fund balances | <u>\$ 66,738,778</u>      | <u>\$ 272,208,486</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, 2022

|                                                              | Special Revenue       |                          |                          |                   |                       |
|--------------------------------------------------------------|-----------------------|--------------------------|--------------------------|-------------------|-----------------------|
|                                                              | Development<br>Review | Marijuana Tax<br>Revenue | Community<br>Development | Enhanced<br>E-911 | Conservation<br>Trust |
| <b>REVENUES</b>                                              |                       |                          |                          |                   |                       |
| <i>Taxes</i>                                                 |                       |                          |                          |                   |                       |
| Sales and use                                                | \$ —                  | \$ 11,157,753            | \$ —                     | \$ —              | \$ —                  |
| Property                                                     | —                     | —                        | —                        | —                 | —                     |
| Lodgers                                                      | —                     | —                        | —                        | —                 | —                     |
| Occupational privilege                                       | —                     | —                        | —                        | —                 | —                     |
| Other                                                        | —                     | 832,518                  | —                        | —                 | —                     |
| Charges for services                                         | 9,367,030             | —                        | 2,113,321                | —                 | —                     |
| Licenses and permits                                         | 14,464,099            | —                        | —                        | —                 | —                     |
| Fines and forfeitures                                        | —                     | —                        | —                        | —                 | —                     |
| Special assessments                                          | —                     | —                        | —                        | —                 | —                     |
| Intergovernmental                                            | —                     | 1,984,606                | 3,911,304                | —                 | 4,664,648             |
| Surcharges                                                   | —                     | —                        | —                        | 7,638,602         | —                     |
| Miscellaneous                                                | 3,973                 | —                        | —                        | —                 | —                     |
| Investment returns                                           | (317,589)             | (253,206)                | —                        | (150,263)         | (233,898)             |
| Total revenues                                               | 23,517,513            | 13,721,671               | 6,024,625                | 7,488,339         | 4,430,750             |
| <b>EXPENDITURES</b>                                          |                       |                          |                          |                   |                       |
| <i>Current</i>                                               |                       |                          |                          |                   |                       |
| General government                                           | 4,469,726             | —                        | —                        | —                 | —                     |
| Other public safety                                          | —                     | —                        | —                        | 11,044,572        | —                     |
| Public works                                                 | —                     | —                        | —                        | —                 | —                     |
| Economic development                                         | 21,282,809            | —                        | —                        | —                 | —                     |
| Community services                                           | —                     | 3,597,741                | 3,158,651                | —                 | —                     |
| Culture and recreation                                       | 125,954               | —                        | —                        | —                 | 2,250,953             |
| <i>Debt service</i>                                          |                       |                          |                          |                   |                       |
| Principal                                                    | —                     | —                        | —                        | —                 | —                     |
| Interest                                                     | —                     | —                        | —                        | —                 | —                     |
| Capital outlay                                               | 634,603               | —                        | 1,731,444                | 2,117,767         | 314,778               |
| Total expenditures                                           | 26,513,092            | 3,597,741                | 4,890,095                | 13,162,339        | 2,565,731             |
| Excess (deficiency) of revenues<br>over (under) expenditures | (2,995,579)           | 10,123,930               | 1,134,530                | (5,674,000)       | 1,865,019             |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                       |                          |                          |                   |                       |
| Transfers in                                                 | —                     | —                        | 280,445                  | 5,481,976         | —                     |
| Transfers out                                                | —                     | (9,986,732)              | —                        | (1,816,711)       | (653,871)             |
| Issuance of debt - certificates of participation             | —                     | —                        | —                        | —                 | —                     |
| Issuance of debt - financed purchase agreements              | —                     | —                        | —                        | —                 | —                     |
| Issuance of debt - notes                                     | —                     | —                        | —                        | —                 | —                     |
| Premium on certificates of participation                     | —                     | —                        | —                        | —                 | —                     |
| Payment to refunded bond escrow agent                        | —                     | —                        | —                        | —                 | —                     |
| Total other financing sources (uses)                         | —                     | (9,986,732)              | 280,445                  | 3,665,265         | (653,871)             |
| NET CHANGE IN FUND BALANCES                                  | (2,995,579)           | 137,198                  | 1,414,975                | (2,008,735)       | 1,211,148             |
| FUND BALANCES - January 1                                    | 17,456,743            | 14,168,000               | 3,922,566                | 8,883,638         | 9,207,194             |
| FUND BALANCES - December 31                                  | \$ 14,461,164         | \$ 14,305,198            | \$ 5,337,541             | \$ 6,874,903      | \$ 10,418,342         |

(continued)

## CITY OF AURORA, COLORADO

## NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2022

|                                                              | Special Revenue      |               |                        |                      |                         |
|--------------------------------------------------------------|----------------------|---------------|------------------------|----------------------|-------------------------|
|                                                              | Parks<br>Development | Open<br>Space | Recreation<br>Services | Cultural<br>Services | Parking and<br>Mobility |
| <b>REVENUES</b>                                              |                      |               |                        |                      |                         |
| <i>Taxes</i>                                                 |                      |               |                        |                      |                         |
| Sales and use                                                | \$ —                 | \$ —          | \$ —                   | \$ —                 | \$ —                    |
| Property                                                     | —                    | —             | —                      | —                    | —                       |
| Lodgers                                                      | —                    | —             | —                      | —                    | —                       |
| Occupational privilege                                       | —                    | —             | —                      | —                    | —                       |
| Other                                                        | —                    | —             | —                      | —                    | —                       |
| Charges for services                                         | —                    | —             | 4,670,012              | 554,523              | 33,930                  |
| Licenses and permits                                         | —                    | —             | —                      | —                    | —                       |
| Fines and forfeitures                                        | —                    | —             | —                      | —                    | 288,976                 |
| Special assessments                                          | —                    | —             | —                      | —                    | —                       |
| Intergovernmental                                            | —                    | 13,280,409    | 348,131                | 548,196              | 106,422                 |
| Surcharges                                                   | —                    | —             | —                      | —                    | —                       |
| Miscellaneous                                                | 5,116,009            | —             | 73,854                 | 109,269              | —                       |
| Investment returns                                           | (581,997)            | (486,011)     | (53,192)               | 30,576               | (4,416)                 |
| Total revenues                                               | 4,534,012            | 12,794,398    | 5,038,805              | 1,242,564            | 424,912                 |
| <b>EXPENDITURES</b>                                          |                      |               |                        |                      |                         |
| <i>Current</i>                                               |                      |               |                        |                      |                         |
| General government                                           | —                    | —             | —                      | —                    | —                       |
| Other public safety                                          | —                    | —             | —                      | —                    | —                       |
| Public works                                                 | —                    | —             | —                      | —                    | 1,013,069               |
| Economic development                                         | —                    | —             | —                      | —                    | —                       |
| Community services                                           | —                    | —             | —                      | —                    | —                       |
| Culture and recreation                                       | 203,606              | 5,873,772     | 12,097,995             | 3,035,398            | —                       |
| <i>Debt service</i>                                          |                      |               |                        |                      |                         |
| Principal                                                    | —                    | —             | 92,940                 | —                    | —                       |
| Interest                                                     | —                    | —             | 9,298                  | —                    | —                       |
| Capital outlay                                               | 614,165              | 2,618,420     | —                      | —                    | 20,917                  |
| Total expenditures                                           | 817,771              | 8,492,192     | 12,200,233             | 3,035,398            | 1,033,986               |
| Excess (deficiency) of revenues<br>over (under) expenditures | 3,716,241            | 4,302,206     | (7,161,428)            | (1,792,834)          | (609,074)               |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                      |               |                        |                      |                         |
| Transfers in                                                 | —                    | —             | 7,540,953              | 2,008,042            | 609,074                 |
| Transfers out                                                | (7,485)              | (1,989,116)   | (13,753)               | —                    | —                       |
| Issuance of debt - certificates of participation             | —                    | —             | —                      | —                    | —                       |
| Issuance of debt - financed purchase agreements              | —                    | —             | —                      | —                    | —                       |
| Issuance of debt - notes                                     | —                    | —             | —                      | —                    | —                       |
| Premium on certificates of participation                     | —                    | —             | —                      | —                    | —                       |
| Payment to refunded bond escrow agent                        | —                    | —             | —                      | —                    | —                       |
| Total other financing sources (uses)                         | (7,485)              | (1,989,116)   | 7,527,200              | 2,008,042            | 609,074                 |
| NET CHANGE IN FUND BALANCES                                  | 3,708,756            | 2,313,090     | 365,772                | 215,208              | —                       |
| FUND BALANCES - January 1                                    | 20,609,956           | 19,745,950    | 2,703,143              | 1,891,652            | —                       |
| FUND BALANCES - December 31                                  | \$ 24,318,712        | \$ 22,059,040 | \$ 3,068,915           | \$ 2,106,860         | \$ —                    |

(continued)

## CITY OF AURORA, COLORADO

## NONMAJOR GOVERNMENTAL FUNDS

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

## FOR THE YEAR ENDED DECEMBER 31, 2022

|                                                              | Special Revenue          |                           |                           |                                    |                           |
|--------------------------------------------------------------|--------------------------|---------------------------|---------------------------|------------------------------------|---------------------------|
|                                                              | Peoria Park<br>Fence GID | Meadow Hills<br>Fence GID | Cherry Creek<br>Fence GID | Aurora<br>Conference<br>Center GID | Pier Point 7<br>Sewer GID |
| <b>REVENUES</b>                                              |                          |                           |                           |                                    |                           |
| <i>Taxes</i>                                                 |                          |                           |                           |                                    |                           |
| Sales and use                                                | \$ —                     | \$ —                      | \$ —                      | \$ —                               | \$ —                      |
| Property                                                     | 35,564                   | 43,762                    | 62,775                    | 198,478                            | 215,441                   |
| Lodgers                                                      | —                        | —                         | —                         | —                                  | —                         |
| Occupational privilege                                       | —                        | —                         | —                         | —                                  | —                         |
| Other                                                        | 2,261                    | 2,770                     | 4,010                     | 470,983                            | 13,764                    |
| Charges for services                                         | —                        | —                         | —                         | —                                  | —                         |
| Licenses and permits                                         | —                        | —                         | —                         | —                                  | —                         |
| Fines and forfeitures                                        | —                        | —                         | —                         | —                                  | —                         |
| Special assessments                                          | —                        | —                         | —                         | —                                  | —                         |
| Intergovernmental                                            | —                        | —                         | —                         | —                                  | —                         |
| Surcharges                                                   | —                        | —                         | —                         | —                                  | —                         |
| Miscellaneous                                                | —                        | —                         | —                         | —                                  | —                         |
| Investment returns                                           | —                        | —                         | —                         | (60,688)                           | 909                       |
| Total revenues                                               | 37,825                   | 46,532                    | 66,785                    | 608,773                            | 230,114                   |
| <b>EXPENDITURES</b>                                          |                          |                           |                           |                                    |                           |
| <i>Current</i>                                               |                          |                           |                           |                                    |                           |
| General government                                           | 1,284                    | 906                       | 942                       | 154,022                            | 2,574                     |
| Other public safety                                          | —                        | —                         | —                         | —                                  | —                         |
| Public works                                                 | —                        | —                         | —                         | —                                  | —                         |
| Economic development                                         | —                        | —                         | —                         | —                                  | —                         |
| Community services                                           | —                        | —                         | —                         | —                                  | —                         |
| Culture and recreation                                       | —                        | —                         | —                         | —                                  | —                         |
| <i>Debt service</i>                                          |                          |                           |                           |                                    |                           |
| Principal                                                    | 18,000                   | 25,000                    | 40,000                    | —                                  | 130,000                   |
| Interest                                                     | 12,535                   | 14,721                    | 19,163                    | —                                  | 68,985                    |
| Capital outlay                                               | —                        | —                         | —                         | —                                  | —                         |
| Total expenditures                                           | 31,819                   | 40,627                    | 60,105                    | 154,022                            | 201,559                   |
| Excess (deficiency) of revenues<br>over (under) expenditures | 6,006                    | 5,905                     | 6,680                     | 454,751                            | 28,555                    |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                          |                           |                           |                                    |                           |
| Transfers in                                                 | —                        | —                         | —                         | —                                  | —                         |
| Transfers out                                                | —                        | —                         | —                         | —                                  | —                         |
| Issuance of debt - certificates of participation             | —                        | —                         | —                         | —                                  | —                         |
| Issuance of debt - financed purchase agreements              | —                        | —                         | —                         | —                                  | —                         |
| Issuance of debt - notes                                     | —                        | —                         | —                         | —                                  | —                         |
| Premium on certificates of participation                     | —                        | —                         | —                         | —                                  | —                         |
| Payment to refunded bond escrow agent                        | —                        | —                         | —                         | —                                  | —                         |
| Total other financing sources (uses)                         | —                        | —                         | —                         | —                                  | —                         |
| NET CHANGE IN FUND BALANCES                                  | 6,006                    | 5,905                     | 6,680                     | 454,751                            | 28,555                    |
| FUND BALANCES - January 1                                    | 93,628                   | 90,635                    | 105,682                   | 2,082,038                          | 186,320                   |
| FUND BALANCES - December 31                                  | \$ 99,634                | \$ 96,540                 | \$ 112,362                | \$ 2,536,789                       | \$ 214,875                |

(continued)

## CITY OF AURORA, COLORADO

## NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2022

|                                                              | Special Revenue          |                 | Debt Service        |                      |                      |
|--------------------------------------------------------------|--------------------------|-----------------|---------------------|----------------------|----------------------|
|                                                              | Cobblewood<br>Street GID | AURA<br>General | SID Debt<br>Service | AURA Debt<br>Service | ACLC Debt<br>Service |
| <b>REVENUES</b>                                              |                          |                 |                     |                      |                      |
| <i>Taxes</i>                                                 |                          |                 |                     |                      |                      |
| Sales and use                                                | \$ —                     | \$ 14,185,104   | \$ —                | \$ 1,830,858         | \$ —                 |
| Property                                                     | 37,802                   | 33,624,276      | —                   | 2,539,758            | —                    |
| Lodgers                                                      | —                        | 9,130,686       | —                   | 604,521              | —                    |
| Occupational privilege                                       | —                        | 703,432         | —                   | 16,352               | —                    |
| Other                                                        | 2,453                    | 1,873,085       | —                   | —                    | —                    |
| Charges for services                                         | —                        | 984,502         | —                   | —                    | —                    |
| Licenses and permits                                         | —                        | —               | —                   | —                    | —                    |
| Fines and forfeitures                                        | —                        | —               | —                   | —                    | —                    |
| Special assessments                                          | —                        | —               | 78,862              | —                    | —                    |
| Intergovernmental                                            | —                        | —               | —                   | —                    | —                    |
| Surcharges                                                   | —                        | —               | —                   | —                    | —                    |
| Miscellaneous                                                | —                        | 47,837          | —                   | 1,272,154            | —                    |
| Investment returns                                           | 232                      | (720,911)       | 2,229               | (118,282)            | (46,352)             |
| Total revenues                                               | 40,487                   | 59,828,011      | 81,091              | 6,145,361            | (46,352)             |
| <b>EXPENDITURES</b>                                          |                          |                 |                     |                      |                      |
| <i>Current</i>                                               |                          |                 |                     |                      |                      |
| General government                                           | 568                      | 915,792         | 811                 | —                    | 340,597              |
| Other public safety                                          | —                        | —               | —                   | —                    | —                    |
| Public works                                                 | —                        | 241,431         | —                   | —                    | —                    |
| Economic development                                         | —                        | 52,231,786      | —                   | 3,804,558            | —                    |
| Community services                                           | —                        | —               | —                   | —                    | —                    |
| Culture and recreation                                       | —                        | —               | —                   | —                    | —                    |
| <i>Debt service</i>                                          |                          |                 |                     |                      |                      |
| Principal                                                    | 22,000                   | —               | 95,000              | —                    | 28,581,061           |
| Interest                                                     | 9,320                    | —               | 2,181               | 751,294              | 8,297,177            |
| Capital outlay                                               | —                        | —               | —                   | —                    | —                    |
| Total expenditures                                           | 31,888                   | 53,389,009      | 97,992              | 4,555,852            | 37,218,835           |
| Excess (deficiency) of revenues<br>over (under) expenditures | 8,599                    | 6,439,002       | (16,901)            | 1,589,509            | (37,265,187)         |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                          |                 |                     |                      |                      |
| Transfers in                                                 | —                        | —               | —                   | 5,000,000            | 38,445,244           |
| Transfers out                                                | —                        | (5,053,200)     | (9,153)             | —                    | —                    |
| Issuance of debt - certificates of participation             | —                        | —               | —                   | —                    | 278,767              |
| Issuance of debt - financed purchase agreements              | —                        | —               | —                   | —                    | 26,000               |
| Issuance of debt - notes                                     | —                        | —               | —                   | 20,645,000           | —                    |
| Premium on certificates of participation                     | —                        | —               | —                   | —                    | 29,056               |
| Payment to refunded bond escrow agent                        | —                        | —               | —                   | (25,435,658)         | —                    |
| Total other financing sources (uses)                         | —                        | (5,053,200)     | (9,153)             | 209,342              | 38,779,067           |
| NET CHANGE IN FUND BALANCES                                  | 8,599                    | 1,385,802       | (26,054)            | 1,798,851            | 1,513,880            |
| FUND BALANCES - January 1                                    | 75,130                   | 29,051,862      | 26,054              | 2,656,286            | 129,898              |
| FUND BALANCES - December 31                                  | \$ 83,729                | \$ 30,437,664   | \$ —                | \$ 4,455,137         | \$ 1,643,778         |

(continued)

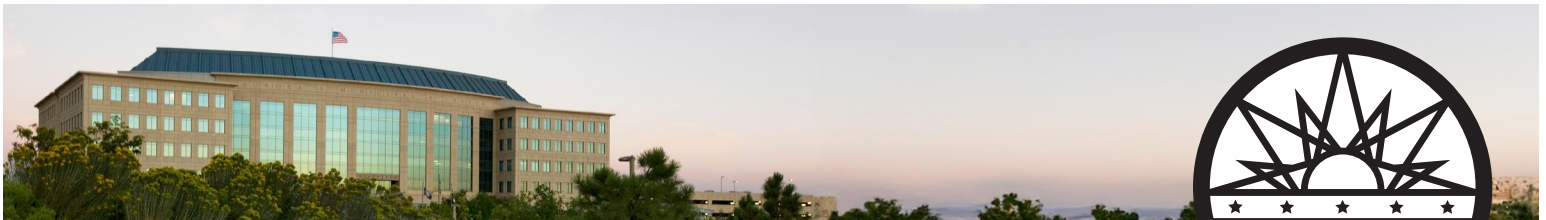
## CITY OF AURORA, COLORADO

## NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2022

|                                                              | <u>Capital Projects</u>           | <u>Total Nonmajor<br/>Governmental<br/>Funds</u> |
|--------------------------------------------------------------|-----------------------------------|--------------------------------------------------|
|                                                              | <u>ACLIC Capital<br/>Projects</u> |                                                  |
| <b>REVENUES</b>                                              |                                   |                                                  |
| <i>Taxes</i>                                                 |                                   |                                                  |
| Sales and use                                                | \$ —                              | \$ 27,173,715                                    |
| Property                                                     | —                                 | 36,757,856                                       |
| Lodgers                                                      | —                                 | 9,735,207                                        |
| Occupational privilege                                       | —                                 | 719,784                                          |
| Other                                                        | —                                 | 3,201,844                                        |
| Charges for services                                         | —                                 | 17,723,318                                       |
| Licenses and permits                                         | —                                 | 14,464,099                                       |
| Fines and forfeitures                                        | —                                 | 288,976                                          |
| Special assessments                                          | —                                 | 78,862                                           |
| Intergovernmental                                            | —                                 | 24,843,716                                       |
| Surcharges                                                   | —                                 | 7,638,602                                        |
| Miscellaneous                                                | —                                 | 6,623,096                                        |
| Investment returns                                           | 332,841                           | (2,660,018)                                      |
|                                                              | <u>332,841</u>                    | <u>(2,660,018)</u>                               |
| Total revenues                                               | <u>332,841</u>                    | <u>146,589,057</u>                               |
| <b>EXPENDITURES</b>                                          |                                   |                                                  |
| <i>Current</i>                                               |                                   |                                                  |
| General government                                           | 632,503                           | 6,519,725                                        |
| Other public safety                                          | —                                 | 11,044,572                                       |
| Public works                                                 | 100,878                           | 1,355,378                                        |
| Economic development                                         | —                                 | 77,319,153                                       |
| Community services                                           | —                                 | 6,756,392                                        |
| Culture and recreation                                       | 30,428                            | 23,618,106                                       |
| <i>Debt service</i>                                          |                                   |                                                  |
| Principal                                                    | —                                 | 29,004,001                                       |
| Interest                                                     | —                                 | 9,184,674                                        |
| Capital outlay                                               | 21,105,062                        | 29,157,156                                       |
|                                                              | <u>21,105,062</u>                 | <u>29,157,156</u>                                |
| Total expenditures                                           | <u>21,868,871</u>                 | <u>193,959,157</u>                               |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>(21,536,030)</u>               | <u>(47,370,100)</u>                              |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                   |                                                  |
| Transfers in                                                 | 1,695,609                         | 61,061,343                                       |
| Transfers out                                                | (2,810,527)                       | (22,340,548)                                     |
| Issuance of debt - certificates of participation             | 31,696,233                        | 31,975,000                                       |
| Issuance of debt - financed purchase agreements              | 6,150,450                         | 6,176,450                                        |
| Issuance of debt - notes                                     | —                                 | 20,645,000                                       |
| Premium on certificates of participation                     | 3,303,767                         | 3,332,823                                        |
| Payment to refunded bond escrow agent                        | —                                 | (25,435,658)                                     |
|                                                              | <u>40,035,532</u>                 | <u>75,414,410</u>                                |
| Total other financing sources (uses)                         | <u>40,035,532</u>                 | <u>75,414,410</u>                                |
| NET CHANGE IN FUND BALANCES                                  | 18,499,502                        | 28,044,310                                       |
| FUND BALANCES - January 1                                    | <u>45,160,373</u>                 | <u>178,246,748</u>                               |
| FUND BALANCES - December 31                                  | <u>\$ 63,659,875</u>              | <u>\$ 206,291,058</u>                            |

(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

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**CITY OF AURORA, COLORADO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

|                                                         | <b>Fleet<br/>Management</b> | <b>Risk<br/>Management</b> | <b>Total<br/>Internal<br/>Service</b> |
|---------------------------------------------------------|-----------------------------|----------------------------|---------------------------------------|
| <b>ASSETS</b>                                           |                             |                            |                                       |
| <i>Current assets</i>                                   |                             |                            |                                       |
| Cash and cash equivalents                               | \$ 64                       | \$ 1,692                   | \$ 1,756                              |
| Investments                                             | 844,435                     | 22,174,973                 | 23,019,408                            |
| <i>Receivables (net of allowance)</i>                   |                             |                            |                                       |
| Interest receivable                                     | 1,435                       | 104,627                    | 106,062                               |
| Due from other funds                                    | —                           | 1,681,184                  | 1,681,184                             |
| Inventories                                             | 1,369,949                   | —                          | 1,369,949                             |
| Total current assets                                    | 2,215,883                   | 23,962,476                 | 26,178,359                            |
| <i>Capital assets (net of accumulated depreciation)</i> |                             |                            |                                       |
| Infrastructure                                          | 38,404                      | —                          | 38,404                                |
| Machinery and equipment                                 | 181,751                     | 5,236                      | 186,987                               |
| Total capital assets                                    | 220,155                     | 5,236                      | 225,391                               |
| Total assets                                            | 2,436,038                   | 23,967,712                 | 26,403,750                            |
| <b>LIABILITIES</b>                                      |                             |                            |                                       |
| <i>Current liabilities</i>                              |                             |                            |                                       |
| Accounts payable                                        | 224,774                     | 6,655                      | 231,429                               |
| Current portion - long-term liabilities                 | 28,499                      | 7,916,104                  | 7,944,603                             |
| Total current liabilities                               | 253,273                     | 7,922,759                  | 8,176,032                             |
| <i>Noncurrent liabilities</i>                           |                             |                            |                                       |
| Due beyond one year                                     | 449,084                     | 13,986,231                 | 14,435,315                            |
| Total liabilities                                       | 702,357                     | 21,908,990                 | 22,611,347                            |
| <b>NET POSITION</b>                                     |                             |                            |                                       |
| Net investment in capital assets                        | 220,155                     | 5,236                      | 225,391                               |
| Unrestricted                                            | 1,513,526                   | 2,053,486                  | 3,567,012                             |
| Total net position                                      | \$ 1,733,681                | \$ 2,058,722               | \$ 3,792,403                          |

**CITY OF AURORA, COLORADO**

**INTERNAL SERVICE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

|                                         | <b>Fleet<br/>Management</b> | <b>Risk<br/>Management</b> | <b>Total<br/>Internal<br/>Service</b> |
|-----------------------------------------|-----------------------------|----------------------------|---------------------------------------|
| <b>OPERATING REVENUES</b>               |                             |                            |                                       |
| Charges for services                    | \$ 11,041,067               | \$ 13,990,972              | \$ 25,032,039                         |
| <b>OPERATING EXPENSES</b>               |                             |                            |                                       |
| Cost of sales and service               | 10,610,997                  | 5,790,749                  | 16,401,746                            |
| Claims losses                           | —                           | 11,954,336                 | 11,954,336                            |
| Administrative expenses                 | 76,748                      | 42,568                     | 119,316                               |
| Depreciation                            | 59,964                      | 1,745                      | 61,709                                |
| Total operating expenses                | 10,747,709                  | 17,789,398                 | 28,537,107                            |
| Operating income (loss)                 | 293,358                     | (3,798,426)                | (3,505,068)                           |
| <b>NONOPERATING REVENUES (EXPENSES)</b> |                             |                            |                                       |
| Investment returns                      | (28,382)                    | (556,914)                  | (585,296)                             |
| Miscellaneous revenues                  | —                           | 384,262                    | 384,262                               |
| Net nonoperating expenses               | (28,382)                    | (172,652)                  | (201,034)                             |
| Gain (loss) before transfers            | 264,976                     | (3,971,078)                | (3,706,102)                           |
| Transfers in                            | 321,000                     | 2,494,184                  | 2,815,184                             |
| CHANGE IN NET POSITION                  | 585,976                     | (1,476,894)                | (890,918)                             |
| NET POSITION - January 1                | 1,147,705                   | 3,535,616                  | 4,683,321                             |
| NET POSITION - December 31              | \$ 1,733,681                | \$ 2,058,722               | \$ 3,792,403                          |

## CITY OF AURORA, COLORADO

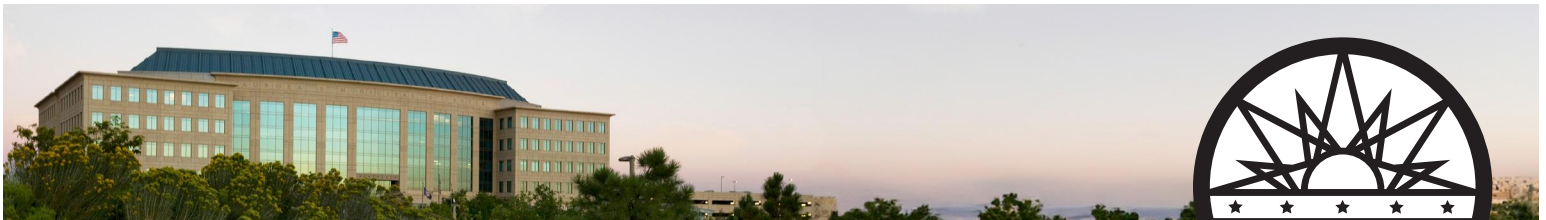
## INTERNAL SERVICE FUNDS

## COMBINING STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED DECEMBER 31, 2022

|                                                                                                             | <b>Fleet<br/>Management</b> | <b>Risk<br/>Management</b> | <b>Total<br/>Internal<br/>Service</b> |
|-------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------|---------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                                 |                             |                            |                                       |
| <i>Cash received from:</i>                                                                                  |                             |                            |                                       |
| Customers and others                                                                                        | \$ —                        | \$ 384,262                 | \$ 384,262                            |
| Interfund services provided and used                                                                        | 11,041,067                  | 13,990,972                 | 25,032,039                            |
| <i>Cash payments to:</i>                                                                                    |                             |                            |                                       |
| Employees                                                                                                   | (4,247,773)                 | (1,201,435)                | (5,449,208)                           |
| Suppliers of goods and services                                                                             | (6,766,154)                 | (14,063,924)               | (20,830,078)                          |
| Net cash provided by (used in) operating activities                                                         | 27,140                      | (890,125)                  | (862,985)                             |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                                                      |                             |                            |                                       |
| Cash transfers in                                                                                           | 321,000                     | 813,000                    | 1,134,000                             |
| Net cash provided by noncapital financing activities                                                        | 321,000                     | 813,000                    | 1,134,000                             |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                                 |                             |                            |                                       |
| Increase in equity in pooled investments                                                                    | (355,224)                   | (375,821)                  | (731,045)                             |
| Interest received                                                                                           | 1,714                       | 218,426                    | 220,140                               |
| Net cash used in investing activities                                                                       | (353,510)                   | (157,395)                  | (510,905)                             |
| NET DECREASE IN CASH AND CASH EQUIVALENTS                                                                   | (5,370)                     | (234,520)                  | (239,890)                             |
| TOTAL CASH AND CASH EQUIVALENTS,<br>January 1                                                               | 5,434                       | 236,212                    | 241,646                               |
| TOTAL CASH AND CASH EQUIVALENTS,<br>December 31                                                             | \$ 64                       | \$ 1,692                   | \$ 1,756                              |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH<br/>PROVIDED BY (USED IN) OPERATING ACTIVITIES</b> |                             |                            |                                       |
| Operating income (loss)                                                                                     | \$ 293,358                  | \$ (3,798,426)             | \$ (3,505,068)                        |
| Adjustments to reconcile operating income (loss) to net cash<br>provided by (used in) operating activities  |                             |                            |                                       |
| Depreciation                                                                                                | 59,964                      | 1,745                      | 61,709                                |
| Miscellaneous nonoperating revenues                                                                         | —                           | 384,262                    | 384,262                               |
| <i>Changes in operating assets and liabilities</i>                                                          |                             |                            |                                       |
| Inventories                                                                                                 | (108,795)                   | —                          | (108,795)                             |
| Accounts payable and accrued liabilities                                                                    | (217,387)                   | 2,522,294                  | 2,304,907                             |
| Total adjustments                                                                                           | (266,218)                   | 2,908,301                  | 2,642,083                             |
| Net cash provided by (used in) operating activities                                                         | \$ 27,140                   | \$ (890,125)               | \$ (862,985)                          |
| <b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>                                                  |                             |                            |                                       |
| Decrease in fair value of investments                                                                       | \$ (30,710)                 | \$ (801,459)               | \$ (832,169)                          |





## 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.

#### **Executive Retirement Plan Fund (ERP)**

The ERP Fund (component unit) accounts for the accumulation of resources and the payment of retirement benefits to qualified executive personnel of the city.

#### **Old Hire Fire Plan Fund**

The Old Hire Fire Plan Fund (component unit) accounts for the accumulation of resources and the payment of retirement benefits to qualified full-time fire fighters of the city hired before April 8, 1978.

#### **Old Hire Police Plan Fund**

The Old Hire Police Plan Fund (component unit) accounts for the accumulation of resources and the payment of retirement benefits to qualified full-time police officers of the city hired before April 8, 1978.

#### **Police Retirement Plan (PRP)**

The Police Retirement Plan Fund (component unit) accounts for the accumulation of resources and the payment of retirement benefits to qualified full-time police officers that have elected to become a member in the plan within the plan timeframes. The plan became effective January 1, 2022.

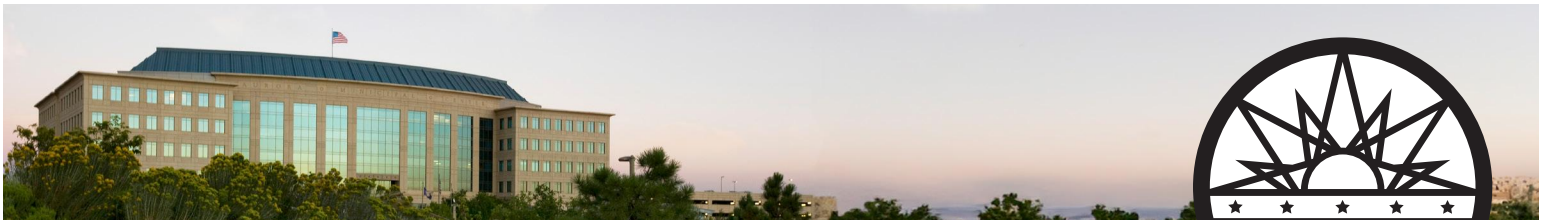
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CITY OF AURORA, COLORADO  
PENSION TRUST FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
DECEMBER 31, 2022

|                                                                    | GERP                  | EOEP                | ERP                  | Old Hire<br>Fire Plan | Old Hire<br>Police Plan | Police<br>Retirement Plan | Total<br>Pension Trust |
|--------------------------------------------------------------------|-----------------------|---------------------|----------------------|-----------------------|-------------------------|---------------------------|------------------------|
| <b>ASSETS</b>                                                      |                       |                     |                      |                       |                         |                           |                        |
| <i>Current assets</i>                                              |                       |                     |                      |                       |                         |                           |                        |
| Cash and cash equivalents                                          | \$ 10,513,064         | \$ 101,398          | \$ —                 | \$ —                  | \$ —                    | \$ 80,303                 | \$ 10,694,765          |
| <i>Investments</i>                                                 |                       |                     |                      |                       |                         |                           |                        |
| Equity securities and funds                                        | 235,181,127           | 4,085,028           | —                    | —                     | —                       | —                         | 239,266,155            |
| U.S. government treasury and U.S.<br>government agency obligations | 15,009,741            | —                   | —                    | —                     | —                       | —                         | 15,009,741             |
| Corporate bonds and funds                                          | 106,298,864           | 2,017,342           | —                    | —                     | —                       | —                         | 108,316,206            |
| Real estate funds                                                  | 58,838,316            | 950,997             | —                    | —                     | —                       | —                         | 59,789,313             |
| Mutual funds                                                       | —                     | —                   | 23,199,615           | —                     | —                       | 1,172,014                 | 24,371,629             |
| Affiliated local plan investment pool                              | —                     | —                   | —                    | 66,987,054            | 88,523,166              | —                         | 155,510,220            |
| Alternative investments                                            | 152,321,774           | 513,004             | —                    | —                     | —                       | —                         | 152,834,778            |
| <i>Receivables (net of allowance)</i>                              |                       |                     |                      |                       |                         |                           |                        |
| Interest receivable                                                | 796,751               | 10,566              | —                    | —                     | —                       | —                         | 807,317                |
| Notes receivable                                                   | —                     | —                   | 45,387               | —                     | —                       | —                         | 45,387                 |
| Due from other governments                                         | 755,863               | —                   | —                    | —                     | —                       | —                         | 755,863                |
| Prepaid items                                                      | 48,453                | —                   | —                    | —                     | —                       | —                         | 48,453                 |
| Net leased assets                                                  | 96,226                | —                   | —                    | —                     | —                       | —                         | 96,226                 |
| Total assets                                                       | 579,860,179           | 7,678,335           | 23,245,002           | 66,987,054            | 88,523,166              | 1,252,317                 | 767,546,053            |
| <b>LIABILITIES</b>                                                 |                       |                     |                      |                       |                         |                           |                        |
| <i>Current Liabilities</i>                                         |                       |                     |                      |                       |                         |                           |                        |
| Accounts payable                                                   | 696,994               | —                   | —                    | —                     | —                       | —                         | 696,994                |
| Leased liability                                                   | 99,300                | —                   | —                    | —                     | —                       | —                         | 99,300                 |
| Total liabilities                                                  | 796,294               | —                   | —                    | —                     | —                       | —                         | 796,294                |
| <b>NET POSITION RESTRICTED</b>                                     | <u>\$ 579,063,885</u> | <u>\$ 7,678,335</u> | <u>\$ 23,245,002</u> | <u>\$ 66,987,054</u>  | <u>\$ 88,523,166</u>    | <u>\$ 1,252,317</u>       | <u>\$ 766,749,759</u>  |

CITY OF AURORA, COLORADO  
PENSION TRUST FUNDS  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022

|                                               | GERP           | EOEP         | ERP           | Old Hire<br>Fire Plan | Old Hire<br>Police Plan | Police<br>Retirement Plan | Total<br>Pension Trust |
|-----------------------------------------------|----------------|--------------|---------------|-----------------------|-------------------------|---------------------------|------------------------|
| <b>ADDITIONS</b>                              |                |              |               |                       |                         |                           |                        |
| <i>Contributions</i>                          |                |              |               |                       |                         |                           |                        |
| City                                          | \$ 9,393,456   | \$ 370,300   | \$ 325,780    | \$ 3,399,614          | \$ 4,164,773            | \$ 1,283,997              | \$ 18,937,920          |
| Plan members                                  | 9,394,498      | —            | 353,244       | —                     | 109,818                 | 283,897                   | 10,141,457             |
| Total contributions                           | 18,787,954     | 370,300      | 679,024       | 3,399,614             | 4,274,591               | 1,567,894                 | 29,079,377             |
| <i>Investment activity</i>                    |                |              |               |                       |                         |                           |                        |
| Investment returns                            | (75,821,408)   | (1,293,932)  | (4,054,611)   | (5,509,245)           | (7,116,171)             | (122,353)                 | (93,917,720)           |
| Investment expense                            | (2,537,245)    | (13,443)     | (4,526)       | (433,516)             | (563,783)               | (124,088)                 | (3,676,601)            |
| Net investment returns                        | (78,358,653)   | (1,307,375)  | (4,059,137)   | (5,942,761)           | (7,679,954)             | (246,441)                 | (97,594,321)           |
| Other income                                  | 3,531          | —            | 1,546         | 214,358               | 279,655                 | —                         | 499,090                |
| Total additions, net                          | (59,567,168)   | (937,075)    | (3,378,567)   | (2,328,789)           | (3,125,708)             | 1,321,453                 | (68,015,854)           |
| <b>DEDUCTIONS</b>                             |                |              |               |                       |                         |                           |                        |
| Benefits                                      | 34,391,435     | 455,323      | 2,076,041     | 9,540,051             | 10,732,908              | —                         | 57,195,758             |
| Administrative expenses                       | 611,827        | 46,636       | —             | 49,246                | 60,338                  | 69,136                    | 837,183                |
| Total deductions                              | 35,003,262     | 501,959      | 2,076,041     | 9,589,297             | 10,793,246              | 69,136                    | 58,032,941             |
| NET DECREASE IN NET POSITION                  | (94,570,430)   | (1,439,034)  | (5,454,608)   | (11,918,086)          | (13,918,954)            | 1,252,317                 | (126,048,795)          |
| NET POSITION RESTRICTED - January 1           | 673,636,548    | 9,117,369    | 28,699,610    | 78,905,140            | 102,442,120             | —                         | 892,800,787            |
| Adjustment for change in accounting principle | (2,233)        | —            | —             | —                     | —                       | —                         | (2,233)                |
| NET POSITION - January 1, as restated         | 673,634,315    | 9,117,369    | 28,699,610    | 78,905,140            | 102,442,120             | —                         | 892,798,554            |
| NET POSITION RESTRICTED - December 31         | \$ 579,063,885 | \$ 7,678,335 | \$ 23,245,002 | \$ 66,987,054         | \$ 88,523,166           | \$ 1,252,317              | \$ 766,749,759         |



## Combining and Individual Fund Statements and Schedules

### **CUSTODIAL FUNDS**

Custodial funds account for activities and accumulation of resources held in a fiduciary capacity that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

### **Police Evidentiary Fund**

Police Evidentiary Cash Fund represents funds seized from defendants and held by the city until resolution by a judicial court to either return the funds to the defendant, send to a higher court for continued judicial processing or ruled as a forfeiture of funds and the money is retained by the city and/or shared with another judicial court.

### **Stanley Film Center Fund**

Stanley Film Center Fund represents the collection, administration and distribution of the state sales tax increment dedicated for the Stanley Film Center project by AURA who serves as the approved financing entity by the Colorado Office of Economic Development and International Trade for this regional tourism project.

## **Custodial Funds**

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## CITY OF AURORA, COLORADO

## CUSTODIAL FUNDS

## COMBINING STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2022

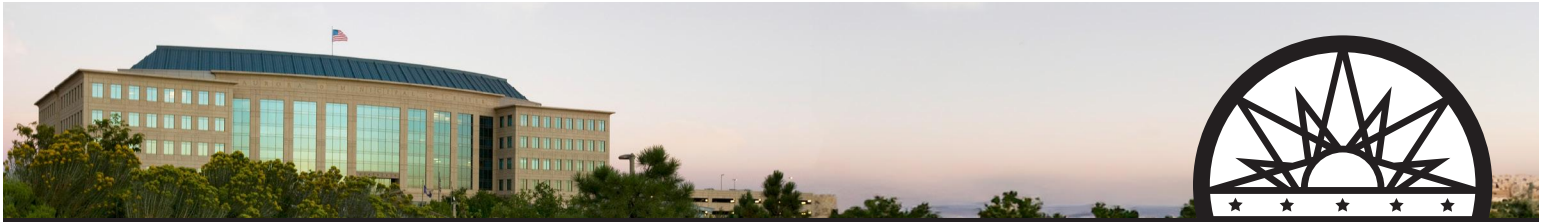
|                                | Police<br>Evidentiary | Stanley<br>Film Center | Total<br>Custodial  |
|--------------------------------|-----------------------|------------------------|---------------------|
| <b>ASSETS</b>                  |                       |                        |                     |
| <i>Current assets</i>          |                       |                        |                     |
| Cash and cash equivalents      | \$ 1,165,889          | \$ 242,939             | \$ 1,408,828        |
| Total assets                   | 1,165,889             | 242,939                | 1,408,828           |
| <b>LIABILITIES</b>             |                       |                        |                     |
| <i>Current liabilities</i>     |                       |                        |                     |
| Due to other governments       | —                     | —                      | —                   |
| Total liabilities              | —                     | —                      | —                   |
| <b>NET POSITION RESTRICTED</b> | <u>\$ 1,165,889</u>   | <u>\$ 242,939</u>      | <u>\$ 1,408,828</u> |

## CITY OF AURORA, COLORADO

## CUSTODIAL FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022

|                                         | Police<br>Evidentiary | Stanley<br>Film Center | Total<br>Custodial  |
|-----------------------------------------|-----------------------|------------------------|---------------------|
| <b>ADDITIONS</b>                        |                       |                        |                     |
| Deposits to police evidentiary cash     | \$ 107,469            | \$ —                   | \$ 107,469          |
| Total additions, net                    | 107,469               | —                      | 107,469             |
| <b>DEDUCTIONS</b>                       |                       |                        |                     |
| Release of police evidentiary cash      | 117,730               | —                      | 117,730             |
| Sales tax distributed to other entities | —                     | 29,250                 | 29,250              |
| Total deductions                        | 117,730               | 29,250                 | 146,980             |
| NET DECREASE IN NET POSITION            | (10,261)              | (29,250)               | (39,511)            |
| NET POSITION RESTRICTED - January 1     | 1,176,150             | 272,189                | 1,448,339           |
| NET POSITION RESTRICTED - December 31   | <u>\$ 1,165,889</u>   | <u>\$ 242,939</u>      | <u>\$ 1,408,828</u> |



**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, 2022

|                                      | Development Review  |                      |                        | Marijuana Tax Revenue |                      |                        |
|--------------------------------------|---------------------|----------------------|------------------------|-----------------------|----------------------|------------------------|
|                                      | Final<br>Budget     | Budgetary<br>Actual  | Variance<br>with Final | Final<br>Budget       | Budgetary<br>Actual  | Variance<br>with Final |
| <b>SOURCES</b>                       |                     |                      |                        |                       |                      |                        |
| Property taxes                       | \$ —                | \$ —                 | \$ —                   | \$ —                  | \$ —                 | \$ —                   |
| Use taxes                            | —                   | —                    | —                      | —                     | —                    | —                      |
| Sales taxes                          | —                   | —                    | —                      | 12,573,853            | 11,164,517           | (1,409,336)            |
| Other taxes                          | —                   | —                    | —                      | 1,995,503             | 832,518              | (1,162,985)            |
| Intergovernmental revenues           | —                   | —                    | —                      | 2,388,892             | 1,984,606            | (404,286)              |
| Licenses and permits                 | 16,200,000          | 14,464,099           | (1,735,901)            | —                     | —                    | —                      |
| Charges for services                 | 5,079,075           | 9,367,030            | 4,287,955              | —                     | —                    | —                      |
| Fines and forfeitures                | —                   | —                    | —                      | —                     | —                    | —                      |
| Investment income                    | 189,766             | 225,857              | 36,091                 | 76,500                | 243,765              | 167,265                |
| Miscellaneous revenues               | —                   | 3,973                | 3,973                  | —                     | —                    | —                      |
| Proceeds from sale of assets         | —                   | —                    | —                      | —                     | —                    | —                      |
| Proceeds from long-term borrowings   | —                   | —                    | —                      | —                     | —                    | —                      |
| Transfers in                         | —                   | —                    | —                      | —                     | —                    | —                      |
| <b>TOTAL SOURCES</b>                 | <b>21,468,841</b>   | <b>24,060,959</b>    | <b>2,592,118</b>       | <b>17,034,748</b>     | <b>14,225,406</b>    | <b>(2,809,342)</b>     |
| <b>USES</b>                          |                     |                      |                        |                       |                      |                        |
| <b>Operating Costs</b>               |                     |                      |                        |                       |                      |                        |
| Municipal court                      | —                   | —                    | —                      | —                     | —                    | —                      |
| General management group             | 1,715,427           | 1,117,438            | 597,989                | —                     | —                    | —                      |
| Administrative services group        | 1,778,608           | 1,778,608            | —                      | —                     | —                    | —                      |
| Operations group                     | 23,101,177          | 22,637,284           | 463,893                | 7,525,090             | 6,392,008            | 1,133,082              |
| Police/Fire group                    | —                   | —                    | —                      | —                     | —                    | —                      |
| Non-Departmental                     | 3,165,736           | 3,137,595            | 28,141                 | 4,000,000             | 3,986,732            | 13,268                 |
| <b>Continuing Appropriations</b>     |                     |                      |                        |                       |                      |                        |
| Administrative services group        | —                   | —                    | —                      | —                     | —                    | —                      |
| Operations group                     | —                   | —                    | —                      | 2,686,614             | 2,686,614            | —                      |
| <b>TOTAL USES</b>                    | <b>29,760,948</b>   | <b>28,670,925</b>    | <b>1,090,023</b>       | <b>14,211,704</b>     | <b>13,065,354</b>    | <b>1,146,350</b>       |
| <b>CHANGE IN FUNDS AVAILABLE</b>     | <b>(8,292,107)</b>  | <b>(4,609,966)</b>   | <b>3,682,141</b>       | <b>2,823,044</b>      | <b>1,160,052</b>     | <b>(1,662,992)</b>     |
| <b>FUNDS AVAILABLE - January 1</b>   | <b>15,878,204</b>   | <b>15,878,204</b>    | <b>—</b>               | <b>10,069,288</b>     | <b>10,069,288</b>    | <b>—</b>               |
| <b>FUNDS AVAILABLE - December 31</b> | <b>\$ 7,586,097</b> | <b>\$ 11,268,238</b> | <b>\$ 3,682,141</b>    | <b>\$ 12,892,332</b>  | <b>\$ 11,229,340</b> | <b>\$ (1,662,992)</b>  |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

|                                                     |                      |                      |
|-----------------------------------------------------|----------------------|----------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31     | \$ 11,268,238        | \$ 11,229,340        |
| Current year operating encumbrances                 | 3,746,311            | —                    |
| Carryforward of continuing appropriations           | —                    | 2,457,860            |
| Assets not available for appropriations             | —                    | —                    |
| Inventories                                         | —                    | —                    |
| Seizure funds                                       | —                    | —                    |
| Adjustment of investments to fair value             | (553,385)            | (504,269)            |
| Sales, use and lodgers tax accrual                  | —                    | 1,122,267            |
| Unspent grants                                      | —                    | —                    |
| <b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b> | <b>\$ 14,461,164</b> | <b>\$ 14,305,198</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, 2022**

|                                    | Community Development |                     |                        | Enhanced E-911      |                     |                        |
|------------------------------------|-----------------------|---------------------|------------------------|---------------------|---------------------|------------------------|
|                                    | Final<br>Budget       | Budgetary<br>Actual | Variance<br>with Final | Final<br>Budget     | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                     |                       |                     |                        |                     |                     |                        |
| Property taxes                     | \$ —                  | \$ —                | \$ —                   | \$ —                | \$ —                | \$ —                   |
| Use taxes                          | —                     | —                   | —                      | —                   | —                   | —                      |
| Sales taxes                        | —                     | —                   | —                      | —                   | —                   | —                      |
| Other taxes                        | —                     | —                   | —                      | —                   | —                   | —                      |
| Intergovernmental revenues         | 3,867,502             | 3,867,502           | —                      | —                   | —                   | —                      |
| Licenses and permits               | —                     | —                   | —                      | —                   | —                   | —                      |
| Charges for services               | 2,113,321             | 2,113,321           | —                      | 6,422,784           | 7,638,602           | 1,215,818              |
| Fines and forfeitures              | —                     | —                   | —                      | —                   | —                   | —                      |
| Investment income                  | —                     | —                   | —                      | 139,665             | 119,196             | (20,469)               |
| Miscellaneous revenues             | —                     | —                   | —                      | —                   | —                   | —                      |
| Proceeds from sale of assets       | —                     | —                   | —                      | —                   | —                   | —                      |
| Proceeds from long-term borrowings | —                     | —                   | —                      | —                   | —                   | —                      |
| Transfers in                       | 280,445               | 280,445             | —                      | 5,481,976           | 5,481,976           | —                      |
| <b>TOTAL SOURCES</b>               | <b>6,261,268</b>      | <b>6,261,268</b>    | <b>—</b>               | <b>12,044,425</b>   | <b>13,239,774</b>   | <b>1,195,349</b>       |
| <b>USES</b>                        |                       |                     |                        |                     |                     |                        |
| <b>Operating Costs</b>             |                       |                     |                        |                     |                     |                        |
| Municipal court                    | —                     | —                   | —                      | —                   | —                   | —                      |
| General management group           | —                     | —                   | —                      | —                   | —                   | —                      |
| Administrative services group      | —                     | —                   | —                      | 3,400,722           | 3,144,063           | 256,659                |
| Operations group                   | 6,261,268             | 6,261,268           | —                      | —                   | —                   | —                      |
| Police/Fire group                  | —                     | —                   | —                      | 6,341,893           | 6,341,892           | 1                      |
| Non-Departmental                   | —                     | —                   | —                      | 76                  | —                   | 76                     |
| <b>Continuing Appropriations</b>   |                       |                     |                        |                     |                     |                        |
| Administrative services group      | —                     | —                   | —                      | 2,442,250           | 2,442,250           | —                      |
| Operations group                   | —                     | —                   | —                      | —                   | —                   | —                      |
| <b>TOTAL USES</b>                  | <b>6,261,268</b>      | <b>6,261,268</b>    | <b>—</b>               | <b>12,184,941</b>   | <b>11,928,205</b>   | <b>256,736</b>         |
| CHANGE IN FUNDS AVAILABLE          | —                     | —                   | —                      | (140,516)           | 1,311,569           | 1,452,085              |
| FUNDS AVAILABLE - January 1        | —                     | —                   | —                      | 3,981,378           | 3,981,378           | —                      |
| FUNDS AVAILABLE - December 31      | <u>\$ —</u>           | <u>\$ —</u>         | <u>\$ —</u>            | <u>\$ 3,840,862</u> | <u>\$ 5,292,947</u> | <u>\$ 1,452,085</u>    |

**RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE**

|                                                     |                            |                            |
|-----------------------------------------------------|----------------------------|----------------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31     | \$ —                       | \$ 5,292,947               |
| Current year operating encumbrances                 | —                          | 107,101                    |
| Carryforward of continuing appropriations           | 15,311,337                 | 1,749,159                  |
| Assets not available for appropriations             | —                          | —                          |
| Inventories                                         | —                          | —                          |
| Seizure funds                                       | —                          | —                          |
| Adjustment of investments to fair value             | —                          | (274,304)                  |
| Sales, use and lodgers tax accrual                  | —                          | —                          |
| Unspent grants                                      | (9,973,796)                | —                          |
| <b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b> | <u><b>\$ 5,337,541</b></u> | <u><b>\$ 6,874,903</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, 2022**

|                                      | Conservation Trust  |                     |                        | Parks Development    |                      |                        |
|--------------------------------------|---------------------|---------------------|------------------------|----------------------|----------------------|------------------------|
|                                      | Final<br>Budget     | Budgetary<br>Actual | Variance<br>with Final | Final<br>Budget      | Budgetary<br>Actual  | Variance<br>with Final |
| <b>SOURCES</b>                       |                     |                     |                        |                      |                      |                        |
| Property taxes                       | \$ —                | \$ —                | \$ —                   | \$ —                 | \$ —                 | \$ —                   |
| Use taxes                            | —                   | —                   | —                      | —                    | —                    | —                      |
| Sales taxes                          | —                   | —                   | —                      | —                    | —                    | —                      |
| Other taxes                          | —                   | —                   | —                      | —                    | —                    | —                      |
| Intergovernmental revenues           | 4,100,000           | 4,664,648           | 564,648                | —                    | —                    | —                      |
| Licenses and permits                 | —                   | —                   | —                      | —                    | —                    | —                      |
| Charges for services                 | —                   | —                   | —                      | —                    | —                    | —                      |
| Fines and forfeitures                | —                   | —                   | —                      | —                    | —                    | —                      |
| Investment income                    | 100,000             | 108,616             | 8,616                  | 200,000              | 299,536              | 99,536                 |
| Miscellaneous revenues               | —                   | —                   | —                      | 1,500,000            | 5,116,009            | 3,616,009              |
| Proceeds from sale of assets         | —                   | —                   | —                      | —                    | —                    | —                      |
| Proceeds from long-term borrowings   | —                   | —                   | —                      | —                    | —                    | —                      |
| Transfers in                         | —                   | —                   | —                      | —                    | —                    | —                      |
| <b>TOTAL SOURCES</b>                 | <b>4,200,000</b>    | <b>4,773,264</b>    | <b>573,264</b>         | <b>1,700,000</b>     | <b>5,415,545</b>     | <b>3,715,545</b>       |
| <b>USES</b>                          |                     |                     |                        |                      |                      |                        |
| <b>Operating Costs</b>               |                     |                     |                        |                      |                      |                        |
| Municipal court                      | —                   | —                   | —                      | —                    | —                    | —                      |
| General management group             | —                   | —                   | —                      | —                    | —                    | —                      |
| Administrative services group        | —                   | —                   | —                      | —                    | —                    | —                      |
| Operations group                     | 1,720,766           | 1,675,242           | 45,524                 | —                    | —                    | —                      |
| Police/Fire group                    | —                   | —                   | —                      | —                    | —                    | —                      |
| Non-Departmental                     | 308                 | —                   | 308                    | —                    | —                    | —                      |
| <b>Continuing Appropriations</b>     |                     |                     |                        |                      |                      |                        |
| Administrative services group        | —                   | —                   | —                      | —                    | —                    | —                      |
| Operations group                     | 4,960,816           | 4,960,816           | —                      | 1,636,560            | 1,636,560            | —                      |
| <b>TOTAL USES</b>                    | <b>6,681,890</b>    | <b>6,636,058</b>    | <b>45,832</b>          | <b>1,636,560</b>     | <b>1,636,560</b>     | <b>—</b>               |
| <b>CHANGE IN FUNDS AVAILABLE</b>     | <b>(2,481,890)</b>  | <b>(1,862,794)</b>  | <b>619,096</b>         | <b>63,440</b>        | <b>3,778,985</b>     | <b>3,715,545</b>       |
| <b>FUNDS AVAILABLE - January 1</b>   | <b>4,875,769</b>    | <b>4,875,769</b>    | <b>—</b>               | <b>17,160,751</b>    | <b>17,160,751</b>    | <b>—</b>               |
| <b>FUNDS AVAILABLE - December 31</b> | <b>\$ 2,393,879</b> | <b>\$ 3,012,975</b> | <b>\$ 619,096</b>      | <b>\$ 17,224,191</b> | <b>\$ 20,939,736</b> | <b>\$ 3,715,545</b>    |

**RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE**

|                                                     |                      |                      |
|-----------------------------------------------------|----------------------|----------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31     | \$ 3,012,975         | \$ 20,939,736        |
| Current year operating encumbrances                 | 41,582               | —                    |
| Carryforward of continuing appropriations           | 7,710,732            | 4,272,082            |
| Assets not available for appropriations             | —                    | —                    |
| Inventories                                         | —                    | —                    |
| Seizure funds                                       | —                    | —                    |
| Adjustment of investments to fair value             | (346,947)            | (893,106)            |
| Sales, use and lodgers tax accrual                  | —                    | —                    |
| Unspent grants                                      | —                    | —                    |
| <b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b> | <b>\$ 10,418,342</b> | <b>\$ 24,318,712</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, 2022**

|                                      | Open Space          |                     |                        | Recreation Services |                     |                        |
|--------------------------------------|---------------------|---------------------|------------------------|---------------------|---------------------|------------------------|
|                                      | Final<br>Budget     | Budgetary<br>Actual | Variance<br>with Final | Final<br>Budget     | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                       |                     |                     |                        |                     |                     |                        |
| Property taxes                       | \$ —                | \$ —                | \$ —                   | \$ —                | \$ —                | \$ —                   |
| Use taxes                            | —                   | —                   | —                      | —                   | —                   | —                      |
| Sales taxes                          | —                   | —                   | —                      | —                   | —                   | —                      |
| Other taxes                          | —                   | —                   | —                      | —                   | —                   | —                      |
| Intergovernmental revenues           | 12,001,060          | 13,280,409          | 1,279,349              | 425,000             | 282,984             | (142,016)              |
| Licenses and permits                 | —                   | —                   | —                      | —                   | —                   | —                      |
| Charges for services                 | —                   | —                   | —                      | 7,500,990           | 4,670,012           | (2,830,978)            |
| Fines and forfeitures                | —                   | —                   | —                      | —                   | —                   | —                      |
| Investment income                    | 220,000             | 288,467             | 68,467                 | 30,000              | 29,229              | (771)                  |
| Miscellaneous revenues               | —                   | —                   | —                      | 83,500              | 73,854              | (9,646)                |
| Proceeds from sale of assets         | —                   | —                   | —                      | —                   | —                   | —                      |
| Proceeds from long-term borrowings   | —                   | —                   | —                      | —                   | —                   | —                      |
| Transfers in                         | —                   | —                   | —                      | 7,540,953           | 7,540,953           | —                      |
| <b>TOTAL SOURCES</b>                 | <b>12,221,060</b>   | <b>13,568,876</b>   | <b>1,347,816</b>       | <b>15,580,443</b>   | <b>12,597,032</b>   | <b>(2,983,411)</b>     |
| <b>USES</b>                          |                     |                     |                        |                     |                     |                        |
| <b>Operating Costs</b>               |                     |                     |                        |                     |                     |                        |
| Municipal court                      | —                   | —                   | —                      | —                   | —                   | —                      |
| General management group             | —                   | —                   | —                      | —                   | —                   | —                      |
| Administrative services group        | —                   | —                   | —                      | —                   | —                   | —                      |
| Operations group                     | 5,959,921           | 5,829,749           | 130,172                | 15,933,538          | 12,287,741          | 3,645,797              |
| Police/Fire group                    | —                   | —                   | —                      | —                   | —                   | —                      |
| Non-Departmental                     | 221                 | —                   | 221                    | 3,124               | —                   | 3,124                  |
| <b>Continuing Appropriations</b>     |                     |                     |                        |                     |                     |                        |
| Administrative services group        | —                   | —                   | —                      | —                   | —                   | —                      |
| Operations group                     | 12,240,042          | 12,240,042          | —                      | —                   | —                   | —                      |
| <b>TOTAL USES</b>                    | <b>18,200,184</b>   | <b>18,069,791</b>   | <b>130,393</b>         | <b>15,936,662</b>   | <b>12,287,741</b>   | <b>3,648,921</b>       |
| <b>CHANGE IN FUNDS AVAILABLE</b>     | <b>(5,979,124)</b>  | <b>(4,500,915)</b>  | <b>1,478,209</b>       | <b>(356,219)</b>    | <b>309,291</b>      | <b>665,510</b>         |
| <b>FUNDS AVAILABLE - January 1</b>   | <b>11,716,709</b>   | <b>11,716,709</b>   | <b>—</b>               | <b>2,779,809</b>    | <b>2,779,809</b>    | <b>—</b>               |
| <b>FUNDS AVAILABLE - December 31</b> | <b>\$ 5,737,585</b> | <b>\$ 7,215,794</b> | <b>\$ 1,478,209</b>    | <b>\$ 2,423,590</b> | <b>\$ 3,089,100</b> | <b>\$ 665,510</b>      |

**RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE**

|                                                     |                      |                     |
|-----------------------------------------------------|----------------------|---------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31     | \$ 7,215,794         | \$ 3,089,100        |
| Current year operating encumbrances                 | 111,210              | 93,924              |
| Carryforward of continuing appropriations           | 15,517,163           | —                   |
| Assets not available for appropriations             | —                    | —                   |
| Inventories                                         | —                    | —                   |
| Seizure funds                                       | —                    | —                   |
| Adjustment of investments to fair value             | (785,127)            | (83,589)            |
| Sales, use and lodgers tax accrual                  | —                    | —                   |
| Unspent grants                                      | —                    | (30,520)            |
| <b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b> | <b>\$ 22,059,040</b> | <b>\$ 3,068,915</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, 2022**

|                                    | Cultural Services   |                     |                        | Parking and Mobility |                     |                        |
|------------------------------------|---------------------|---------------------|------------------------|----------------------|---------------------|------------------------|
|                                    | Final<br>Budget     | Budgetary<br>Actual | Variance<br>with Final | Final<br>Budget      | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                     |                     |                     |                        |                      |                     |                        |
| Property taxes                     | \$ —                | \$ —                | \$ —                   | \$ —                 | \$ —                | \$ —                   |
| Use taxes                          | —                   | —                   | —                      | —                    | —                   | —                      |
| Sales taxes                        | —                   | —                   | —                      | —                    | —                   | —                      |
| Other taxes                        | —                   | —                   | —                      | —                    | —                   | —                      |
| Intergovernmental revenues         | 380,981             | 456,227             | 75,246                 | 106,422              | 106,422             | —                      |
| Licenses and permits               | —                   | —                   | —                      | —                    | —                   | —                      |
| Charges for services               | 857,000             | 554,523             | (302,477)              | 1,000                | 33,930              | 32,930                 |
| Fines and forfeitures              | —                   | —                   | —                      | 312,012              | 288,976             | (23,036)               |
| Investment income                  | 41,770              | 30,576              | (11,194)               | —                    | 372                 | 372                    |
| Miscellaneous revenues             | 80,861              | 109,269             | 28,408                 | —                    | —                   | —                      |
| Proceeds from sale of assets       | —                   | —                   | —                      | —                    | —                   | —                      |
| Proceeds from long-term borrowings | —                   | —                   | —                      | —                    | —                   | —                      |
| Transfers in                       | 1,996,656           | 2,008,042           | 11,386                 | 746,498              | 609,074             | (137,424)              |
| <b>TOTAL SOURCES</b>               | <b>3,357,268</b>    | <b>3,158,637</b>    | <b>(198,631)</b>       | <b>1,165,932</b>     | <b>1,038,774</b>    | <b>(127,158)</b>       |
| <b>USES</b>                        |                     |                     |                        |                      |                     |                        |
| <b>Operating Costs</b>             |                     |                     |                        |                      |                     |                        |
| Municipal court                    | —                   | —                   | —                      | —                    | —                   | —                      |
| General management group           | —                   | —                   | —                      | —                    | —                   | —                      |
| Administrative services group      | —                   | —                   | —                      | —                    | —                   | —                      |
| Operations group                   | 3,691,520           | 3,035,398           | 656,122                | 1,165,844            | 1,033,985           | 131,859                |
| Police/Fire group                  | —                   | —                   | —                      | —                    | —                   | —                      |
| Non-Departmental                   | 551                 | —                   | 551                    | 88                   | —                   | 88                     |
| <b>Continuing Appropriations</b>   |                     |                     |                        |                      |                     |                        |
| Administrative services group      | —                   | —                   | —                      | —                    | —                   | —                      |
| Operations group                   | —                   | —                   | —                      | —                    | —                   | —                      |
| <b>TOTAL USES</b>                  | <b>3,692,071</b>    | <b>3,035,398</b>    | <b>656,673</b>         | <b>1,165,932</b>     | <b>1,033,985</b>    | <b>131,947</b>         |
| CHANGE IN FUNDS AVAILABLE          | (334,803)           | 123,239             | 458,042                | —                    | 4,789               | 4,789                  |
| FUNDS AVAILABLE - January 1        | 2,087,901           | 2,087,901           | —                      | —                    | —                   | —                      |
| FUNDS AVAILABLE - December 31      | <u>\$ 1,753,098</u> | <u>\$ 2,211,140</u> | <u>\$ 458,042</u>      | <u>\$ —</u>          | <u>\$ 4,789</u>     | <u>\$ 4,789</u>        |

**RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE**

|                                                 |                     |             |
|-------------------------------------------------|---------------------|-------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31 | \$ 2,211,140        | \$ 4,789    |
| Current year operating encumbrances             | —                   | —           |
| Carryforward of continuing appropriations       | —                   | —           |
| Assets not available for appropriations         | —                   | —           |
| Inventories                                     | —                   | —           |
| Seizure funds                                   | —                   | —           |
| Adjustment of investments to fair value         | —                   | (4,789)     |
| Sales, use and lodgers tax accrual              | —                   | —           |
| Unspent grants                                  | (104,280)           | —           |
| FUND BALANCE (U.S. GAAP BASIS) - December 31    | <u>\$ 2,106,860</u> | <u>\$ —</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, 2022**

|                                    | Peoria Park - GID |                     |                        | Meadow Hills Fence - GID |                     |                        |
|------------------------------------|-------------------|---------------------|------------------------|--------------------------|---------------------|------------------------|
|                                    | Final<br>Budget   | Budgetary<br>Actual | Variance<br>with Final | Final<br>Budget          | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                     |                   |                     |                        |                          |                     |                        |
| Property taxes                     | \$ 41,825         | \$ 35,564           | \$ (6,261)             | \$ 76,060                | \$ 43,762           | \$ (32,298)            |
| Use taxes                          | —                 | —                   | —                      | —                        | —                   | —                      |
| Sales taxes                        | —                 | —                   | —                      | —                        | —                   | —                      |
| Other taxes                        | —                 | 2,261               | 2,261                  | —                        | 2,770               | 2,770                  |
| Intergovernmental revenues         | —                 | —                   | —                      | —                        | —                   | —                      |
| Licenses and permits               | —                 | —                   | —                      | —                        | —                   | —                      |
| Charges for services               | —                 | —                   | —                      | —                        | —                   | —                      |
| Fines and forfeitures              | —                 | —                   | —                      | —                        | —                   | —                      |
| Investment income                  | —                 | —                   | —                      | —                        | —                   | —                      |
| Miscellaneous revenues             | —                 | —                   | —                      | —                        | —                   | —                      |
| Proceeds from sale of assets       | —                 | —                   | —                      | —                        | —                   | —                      |
| Proceeds from long-term borrowings | —                 | —                   | —                      | —                        | —                   | —                      |
| Transfers in                       | —                 | —                   | —                      | —                        | —                   | —                      |
| <b>TOTAL SOURCES</b>               | <b>41,825</b>     | <b>37,825</b>       | <b>(4,000)</b>         | <b>76,060</b>            | <b>46,532</b>       | <b>(29,528)</b>        |
| <b>USES</b>                        |                   |                     |                        |                          |                     |                        |
| <b>Operating Costs</b>             |                   |                     |                        |                          |                     |                        |
| Municipal court                    | —                 | —                   | —                      | —                        | —                   | —                      |
| General management group           | —                 | —                   | —                      | —                        | —                   | —                      |
| Administrative services group      | —                 | —                   | —                      | —                        | —                   | —                      |
| Operations group                   | —                 | —                   | —                      | —                        | —                   | —                      |
| Police/Fire group                  | —                 | —                   | —                      | —                        | —                   | —                      |
| Non-Departmental                   | 41,825            | 31,819              | 10,006                 | 76,060                   | 40,627              | 35,433                 |
| <b>Continuing Appropriations</b>   |                   |                     |                        |                          |                     |                        |
| Administrative services group      | —                 | —                   | —                      | —                        | —                   | —                      |
| Operations group                   | —                 | —                   | —                      | —                        | —                   | —                      |
| <b>TOTAL USES</b>                  | <b>41,825</b>     | <b>31,819</b>       | <b>10,006</b>          | <b>76,060</b>            | <b>40,627</b>       | <b>35,433</b>          |
| CHANGE IN FUNDS AVAILABLE          | —                 | 6,006               | 6,006                  | —                        | 5,905               | 5,905                  |
| FUNDS AVAILABLE - January 1        | 93,628            | 93,628              | —                      | 90,635                   | 90,635              | —                      |
| FUNDS AVAILABLE - December 31      | <u>\$ 93,628</u>  | <u>\$ 99,634</u>    | <u>\$ 6,006</u>        | <u>\$ 90,635</u>         | <u>\$ 96,540</u>    | <u>\$ 5,905</u>        |

**RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE**

|                                                     |                         |                         |
|-----------------------------------------------------|-------------------------|-------------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31     | \$ 99,634               | \$ 96,540               |
| 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                                      | —                       | —                       |
| <b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b> | <u><b>\$ 99,634</b></u> | <u><b>\$ 96,540</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, 2022**

|                                    | Cherry Creek Fence - GID |                     |                        | Aurora Conference Center - GID |                     |                        |
|------------------------------------|--------------------------|---------------------|------------------------|--------------------------------|---------------------|------------------------|
|                                    | Final<br>Budget          | Budgetary<br>Actual | Variance<br>with Final | Final<br>Budget                | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                     |                          |                     |                        |                                |                     |                        |
| Property taxes                     | \$ 70,000                | \$ 62,775           | \$ (7,225)             | \$ 14,000,000                  | \$ 198,477          | \$ (13,801,523)        |
| Use taxes                          | —                        | —                   | —                      | —                              | —                   | —                      |
| Sales taxes                        | —                        | —                   | —                      | —                              | —                   | —                      |
| Other taxes                        | —                        | 4,010               | 4,010                  | —                              | 470,983             | 470,983                |
| Intergovernmental revenues         | —                        | —                   | —                      | —                              | —                   | —                      |
| Licenses and permits               | —                        | —                   | —                      | —                              | —                   | —                      |
| Charges for services               | —                        | —                   | —                      | —                              | —                   | —                      |
| Fines and forfeitures              | —                        | —                   | —                      | —                              | —                   | —                      |
| Investment income                  | —                        | —                   | —                      | —                              | 31,532              | 31,532                 |
| Miscellaneous revenues             | —                        | —                   | —                      | —                              | —                   | —                      |
| Proceeds from sale of assets       | —                        | —                   | —                      | —                              | —                   | —                      |
| Proceeds from long-term borrowings | —                        | —                   | —                      | —                              | —                   | —                      |
| Transfers in                       | —                        | —                   | —                      | —                              | —                   | —                      |
| <b>TOTAL SOURCES</b>               | <b>70,000</b>            | <b>66,785</b>       | <b>(3,215)</b>         | <b>14,000,000</b>              | <b>700,992</b>      | <b>(13,299,008)</b>    |
| <b>USES</b>                        |                          |                     |                        |                                |                     |                        |
| <b>Operating Costs</b>             |                          |                     |                        |                                |                     |                        |
| Municipal court                    | —                        | —                   | —                      | —                              | —                   | —                      |
| General management group           | —                        | —                   | —                      | —                              | —                   | —                      |
| Administrative services group      | —                        | —                   | —                      | —                              | —                   | —                      |
| Operations group                   | —                        | —                   | —                      | —                              | —                   | —                      |
| Police/Fire group                  | —                        | —                   | —                      | —                              | —                   | —                      |
| Non-Departmental                   | 70,000                   | 60,105              | 9,895                  | 14,000,000                     | 154,022             | 13,845,978             |
| <b>Continuing Appropriations</b>   |                          |                     |                        |                                |                     |                        |
| Administrative services group      | —                        | —                   | —                      | —                              | —                   | —                      |
| Operations group                   | —                        | —                   | —                      | —                              | —                   | —                      |
| <b>TOTAL USES</b>                  | <b>70,000</b>            | <b>60,105</b>       | <b>9,895</b>           | <b>14,000,000</b>              | <b>154,022</b>      | <b>13,845,978</b>      |
| CHANGE IN FUNDS AVAILABLE          | —                        | 6,680               | 6,680                  | —                              | 546,970             | 546,970                |
| FUNDS AVAILABLE - January 1        | 105,682                  | 105,682             | —                      | 2,082,038                      | 2,082,038           | —                      |
| FUNDS AVAILABLE - December 31      | <u>\$ 105,682</u>        | <u>\$ 112,362</u>   | <u>\$ 6,680</u>        | <u>\$ 2,082,038</u>            | <u>\$ 2,629,008</u> | <u>\$ 546,970</u>      |

**RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE**

|                                                 |                   |                     |
|-------------------------------------------------|-------------------|---------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31 | \$ 112,362        | \$ 2,629,008        |
| Current year operating encumbrances             | —                 | —                   |
| Carryforward of continuing appropriations       | —                 | —                   |
| Assets not available for appropriations         | —                 | —                   |
| Inventories                                     | —                 | —                   |
| Seizure funds                                   | —                 | —                   |
| Adjustment of investments to fair value         | —                 | (92,219)            |
| Sales, use and lodgers tax accrual              | —                 | —                   |
| Unspent grants                                  | —                 | —                   |
| FUND BALANCE (U.S. GAAP BASIS) - December 31    | <u>\$ 112,362</u> | <u>\$ 2,536,789</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, 2022**

|                                    | Pier Point 7 Sewer - GID |                     |                        | Cobblewood Street - GID |                     |                        |
|------------------------------------|--------------------------|---------------------|------------------------|-------------------------|---------------------|------------------------|
|                                    | Final<br>Budget          | Budgetary<br>Actual | Variance<br>with Final | Final<br>Budget         | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                     |                          |                     |                        |                         |                     |                        |
| Property taxes                     | \$ 371,277               | \$ 215,442          | \$ (155,835)           | \$ 95,000               | \$ 37,801           | \$ (57,199)            |
| Use taxes                          | —                        | —                   | —                      | —                       | —                   | —                      |
| Sales taxes                        | —                        | —                   | —                      | —                       | —                   | —                      |
| Other taxes                        | —                        | 13,764              | 13,764                 | —                       | 2,453               | 2,453                  |
| Intergovernmental revenues         | —                        | —                   | —                      | —                       | —                   | —                      |
| Licenses and permits               | —                        | —                   | —                      | —                       | —                   | —                      |
| Charges for services               | —                        | —                   | —                      | —                       | —                   | —                      |
| Fines and forfeitures              | —                        | —                   | —                      | —                       | —                   | —                      |
| Investment income                  | —                        | 909                 | 909                    | —                       | 88                  | 88                     |
| Miscellaneous revenues             | —                        | —                   | —                      | —                       | —                   | —                      |
| Proceeds from sale of assets       | —                        | —                   | —                      | —                       | —                   | —                      |
| Proceeds from long-term borrowings | —                        | —                   | —                      | —                       | —                   | —                      |
| Transfers in                       | —                        | —                   | —                      | —                       | —                   | —                      |
| <b>TOTAL SOURCES</b>               | <b>371,277</b>           | <b>230,115</b>      | <b>(141,162)</b>       | <b>95,000</b>           | <b>40,342</b>       | <b>(54,658)</b>        |
| <b>USES</b>                        |                          |                     |                        |                         |                     |                        |
| <b>Operating Costs</b>             |                          |                     |                        |                         |                     |                        |
| Municipal court                    | —                        | —                   | —                      | —                       | —                   | —                      |
| General management group           | —                        | —                   | —                      | —                       | —                   | —                      |
| Administrative services group      | —                        | —                   | —                      | —                       | —                   | —                      |
| Operations group                   | —                        | —                   | —                      | —                       | —                   | —                      |
| Police/Fire group                  | —                        | —                   | —                      | —                       | —                   | —                      |
| Non-Departmental                   | 371,277                  | 201,559             | 169,718                | 95,000                  | 31,888              | 63,112                 |
| <b>Continuing Appropriations</b>   |                          |                     |                        |                         |                     |                        |
| Administrative services group      | —                        | —                   | —                      | —                       | —                   | —                      |
| Operations group                   | —                        | —                   | —                      | —                       | —                   | —                      |
| <b>TOTAL USES</b>                  | <b>371,277</b>           | <b>201,559</b>      | <b>169,718</b>         | <b>95,000</b>           | <b>31,888</b>       | <b>63,112</b>          |
| CHANGE IN FUNDS AVAILABLE          | —                        | 28,556              | 28,556                 | —                       | 8,454               | 8,454                  |
| FUNDS AVAILABLE - January 1        | 126,454                  | 126,454             | —                      | 17,726                  | 17,726              | —                      |
| FUNDS AVAILABLE - December 31      | <u>\$ 126,454</u>        | <u>\$ 155,010</u>   | <u>\$ 28,556</u>       | <u>\$ 17,726</u>        | <u>\$ 26,180</u>    | <u>\$ 8,454</u>        |

**RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE**

|                                                 |                   |                  |
|-------------------------------------------------|-------------------|------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31 | \$ 155,010        | \$ 26,180        |
| Current year operating encumbrances             | —                 | —                |
| Carryforward of continuing appropriations       | —                 | —                |
| Assets not available for appropriations         | 59,865            | 57,549           |
| 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>\$ 214,875</u> | <u>\$ 83,729</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, 2022

|                                      | Designated Revenue  |                      |                        |
|--------------------------------------|---------------------|----------------------|------------------------|
|                                      | Final<br>Budget     | Budgetary<br>Actual  | Variance<br>with Final |
| <b>SOURCES</b>                       |                     |                      |                        |
| Property taxes                       | \$ —                | \$ —                 | \$ —                   |
| Use taxes                            | —                   | —                    | —                      |
| Special assessment taxes             | —                   | —                    | —                      |
| Intergovernmental revenues           | 429,849             | 4,243,538            | 3,813,689              |
| License and permits                  | —                   | —                    | —                      |
| Charges for services                 | 3,488,900           | 3,935,959            | 447,059                |
| Fines and forfeitures                | 1,325,849           | 672,346              | (653,503)              |
| Investment income                    | 87,850              | 83,577               | (4,273)                |
| Miscellaneous revenues               | 534,076             | 587,447              | 53,371                 |
| Proceeds from sale of assets         | —                   | —                    | —                      |
| Transfers in                         | 1,420,576           | 1,420,576            | —                      |
| <b>TOTAL SOURCES</b>                 | <b>7,287,100</b>    | <b>10,943,443</b>    | <b>3,656,343</b>       |
| <b>USES</b>                          |                     |                      |                        |
| <i>Operating Costs</i>               |                     |                      |                        |
| Municipal court                      | 699,848             | 498,942              | 200,906                |
| Administrative services group        | 255,071             | 149,742              | 105,329                |
| Operations group                     | 4,106,475           | 3,860,720            | 245,755                |
| Police/Fire group                    | 1,114,231           | 729,594              | 384,637                |
| Non-Departmental                     | 5,375,951           | 5,315,752            | 60,199                 |
| <b>TOTAL USES</b>                    | <b>11,551,576</b>   | <b>10,554,750</b>    | <b>996,826</b>         |
| <b>CHANGE IN FUNDS AVAILABLE</b>     | <b>(4,264,476)</b>  | <b>388,693</b>       | <b>4,653,169</b>       |
| <b>FUNDS AVAILABLE - January 1</b>   | <b>12,837,172</b>   | <b>12,837,172</b>    | <b>—</b>               |
| <b>FUNDS AVAILABLE - December 31</b> | <b>\$ 8,572,696</b> | <b>\$ 13,225,865</b> | <b>\$ 4,653,169</b>    |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

|                                                     |                      |
|-----------------------------------------------------|----------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31     | \$ 13,225,865        |
| Current year operating encumbrances                 | 204,107              |
| Adjustment of investments to fair value             | (481,778)            |
| <b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b> | <b>\$ 12,948,194</b> |

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, 2022

|                                      | SID Debt Service  |                     |                        |
|--------------------------------------|-------------------|---------------------|------------------------|
|                                      | Final<br>Budget   | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                       |                   |                     |                        |
| Property taxes                       | \$ —              | \$ —                | \$ —                   |
| Special assessment taxes             | 76,509            | 78,862              | 2,353                  |
| Charges for services                 | —                 | —                   | —                      |
| Investment income                    | 2,367             | 2,229               | (138)                  |
| Other revenues                       | —                 | —                   | —                      |
| Transfers in                         | —                 | —                   | —                      |
| <b>TOTAL SOURCES</b>                 | <b>78,876</b>     | <b>81,091</b>       | <b>2,215</b>           |
| <b>USES</b>                          |                   |                     |                        |
| <i>Operating Costs</i>               |                   |                     |                        |
| Planning and development             | —                 | —                   | —                      |
| Non-Departmental                     | 107,145           | 107,145             | —                      |
| <b>TOTAL USES</b>                    | <b>107,145</b>    | <b>107,145</b>      | <b>—</b>               |
| <b>CHANGE IN FUNDS AVAILABLE</b>     | <b>(28,269)</b>   | <b>(26,054)</b>     | <b>2,215</b>           |
| <b>FUNDS AVAILABLE - January 1</b>   | <b>26,054</b>     | <b>26,054</b>       | <b>—</b>               |
| <b>FUNDS AVAILABLE - December 31</b> | <b>\$ (2,215)</b> | <b>\$ —</b>         | <b>\$ 2,215</b>        |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

|                                                     |             |
|-----------------------------------------------------|-------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31     | \$ —        |
| Assets not available for appropriation              | —           |
| Current year operating encumbrances                 | —           |
| Inventories                                         | —           |
| Adjustment of investments to fair value             | —           |
| <b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b> | <b>\$ —</b> |

## 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, 2022

|                                      | City Capital Projects |                      |                        |
|--------------------------------------|-----------------------|----------------------|------------------------|
|                                      | Final<br>Budget       | Budgetary<br>Actual  | Variance<br>with Final |
| <b>SOURCES</b>                       |                       |                      |                        |
| Property taxes                       | \$ —                  | \$ —                 | \$ —                   |
| Use taxes                            | —                     | 1,938,544            | 1,938,544              |
| Intergovernmental revenues           | 45,148,792            | 16,433,245           | (28,715,547)           |
| License and permits                  | 400,000               | 1,090,532            | 690,532                |
| Charges for services                 | 14,078,122            | 18,262,195           | 4,184,073              |
| Fines and forfeitures                | —                     | 33                   | 33                     |
| Investment income                    | 1,220,000             | 2,010,070            | 790,070                |
| Miscellaneous revenues               | 171,848               | 204,341              | 32,493                 |
| Transfers in                         | 80,497,936            | 80,495,985           | (1,951)                |
| <b>TOTAL SOURCES</b>                 | <b>141,516,698</b>    | <b>120,434,945</b>   | <b>(21,081,753)</b>    |
| <b>USES</b>                          |                       |                      |                        |
| <b>Operating Costs</b>               |                       |                      |                        |
| Administrative services group        | 631,355               | 631,355              | —                      |
| Operations group                     | 1,500,000             | 1,496,722            | 3,278                  |
| Police/Fire group                    | 2,000,000             | 1,998,355            | 1,645                  |
| Non-Departmental                     | 2,996,956             | 2,635,090            | 361,866                |
| <b>Continuing Appropriations</b>     |                       |                      |                        |
| Administrative services group        | 425,820               | 425,820              | —                      |
| Operations group                     | 99,424,502            | 99,424,502           | —                      |
| Non-Departmental                     | 8,610,000             | 8,610,000            | —                      |
| <b>TOTAL USES</b>                    | <b>115,588,633</b>    | <b>115,221,844</b>   | <b>366,789</b>         |
| <b>CHANGE IN FUNDS AVAILABLE</b>     | <b>25,928,065</b>     | <b>5,213,101</b>     | <b>(20,714,964)</b>    |
| <b>FUNDS AVAILABLE - January 1</b>   | <b>91,042,047</b>     | <b>91,042,047</b>    | <b>—</b>               |
| <b>FUNDS AVAILABLE - December 31</b> | <b>\$ 116,970,112</b> | <b>\$ 96,255,148</b> | <b>\$ (20,714,964)</b> |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP FUND BALANCE

|                                                     |                       |
|-----------------------------------------------------|-----------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31     | \$ 96,255,148         |
| Carry forward of continuing appropriations          | 163,582,712           |
| Adjustment of investments to fair value             | (7,893,424)           |
| Assets not available for appropriation              | 66,099                |
| Unspent grants                                      | (39,188,916)          |
| <b>FUND BALANCE (U.S. GAAP BASIS) - December 31</b> | <b>\$ 212,821,619</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, 2022

|                                    |                | Water          |               |
|------------------------------------|----------------|----------------|---------------|
|                                    | Final          | Budgetary      | Variance      |
|                                    | Budget         | Actual         | with Final    |
| <b>SOURCES</b>                     |                |                |               |
| Charges for services               | \$ 139,962,267 | \$ 143,091,633 | \$ 3,129,366  |
| Intergovernmental                  | 180,086        | 60,641         | (119,445)     |
| Licenses and permits               | 390,000        | 456,352        | 66,352        |
| Fines and forfeitures              | —              | 862,600        | 862,600       |
| Investment income                  | 1,933,602      | 3,305,926      | 1,372,324     |
| Miscellaneous revenues             | 54,349,343     | 64,858,779     | 10,509,436    |
| Proceeds from sale of assets       | 33,000         | 104,029        | 71,029        |
| Proceeds from long-term borrowings | —              | —              | —             |
| Transfers in                       | —              | —              | —             |
| TOTAL SOURCES                      | 196,848,298    | 212,739,960    | 15,891,662    |
| <b>USES</b>                        |                |                |               |
| <i>Operating Costs</i>             |                |                |               |
| Operations Group                   | 108,800,363    | 106,924,896    | 1,875,467     |
| Non-Departmental                   | 510,289        | 509,674        | 615           |
| <i>Continuing Appropriations</i>   |                |                |               |
| Operations Group                   | 126,306,075    | 126,306,075    | —             |
| TOTAL USES                         | 235,616,727    | 233,740,645    | 1,876,082     |
| CHANGE IN FUNDS AVAILABLE          | (38,768,429)   | (21,000,685)   | 17,767,744    |
| FUNDS AVAILABLE - January 1        | 83,663,505     | 83,663,505     | —             |
| FUNDS AVAILABLE - December 31      | \$ 44,895,076  | \$ 62,662,820  | \$ 17,767,744 |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

|                                                 |                  |
|-------------------------------------------------|------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31 | \$ 62,662,820    |
| Current year operating encumbrances             | 5,560,784        |
| Carryforward of continuing appropriations       | 180,534,524      |
| Assets not available for appropriation          | 10,589,754       |
| Interfund receivables                           | —                |
| Equity in joint venture                         | 2,614,120        |
| Capital assets net of depreciation              | 2,101,293,360    |
| Inventories                                     | —                |
| Deferred outflow of resources                   | 23,607,705       |
| Deferred inflow of resources                    | (15,311,613)     |
| Accrued compensated absence payment in lieu     | 27,942           |
| Adjustment of investments to fair value         | (8,007,738)      |
| Current portion of long-term liabilities        | (14,889,392)     |
| Current portion of interfund loans              | —                |
| Long-term debt                                  | (556,387,809)    |
| Long-term interfund payables                    | —                |
| NET POSITION (U.S. GAAP BASIS) - December 31    | \$ 1,792,294,457 |

## 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, 2022

|                                    |                 | Wastewater          |                        |
|------------------------------------|-----------------|---------------------|------------------------|
|                                    | Final<br>Budget | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                     |                 |                     |                        |
| Charges for services               | \$ 77,031,852   | \$ 77,702,140       | \$ 670,288             |
| Intergovernmental                  | —               | —                   | —                      |
| Licenses and permits               | 650,000         | 696,155             | 46,155                 |
| Fines and forfeitures              | —               | —                   | —                      |
| Investment income                  | 849,180         | 1,515,592           | 666,412                |
| Miscellaneous revenues             | 11,212,081      | 12,210,579          | 998,498                |
| Proceeds from sale of assets       | 6,000           | 264,840             | 258,840                |
| Proceeds from long-term borrowings | —               | —                   | —                      |
| Transfers in                       | —               | —                   | —                      |
| TOTAL SOURCES                      | 89,749,113      | 92,389,306          | 2,640,193              |
| <b>USES</b>                        |                 |                     |                        |
| <i>Operating Costs</i>             |                 |                     |                        |
| Operations Group                   | 71,242,597      | 67,440,954          | 3,801,643              |
| Non-Departmental                   | 186,411         | 185,875             | 536                    |
| <i>Continuing Appropriations</i>   |                 |                     |                        |
| Operations Group                   | 47,815,000      | 47,815,000          | —                      |
| TOTAL USES                         | 119,244,008     | 115,441,829         | 3,802,179              |
| CHANGE IN FUNDS AVAILABLE          | (29,494,895)    | (23,052,523)        | 6,442,372              |
| FUNDS AVAILABLE - January 1        | 30,273,015      | 30,273,015          | —                      |
| FUNDS AVAILABLE - December 31      | \$ 778,120      | \$ 7,220,492        | \$ 6,442,372           |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

|                                                 |                |
|-------------------------------------------------|----------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31 | \$ 7,220,492   |
| Current year operating encumbrances             | 1,711,731      |
| Carryforward of continuing appropriations       | 93,975,571     |
| Assets not available for appropriation          | 20,913,357     |
| Interfund receivables                           | 1,884,000      |
| Equity in joint venture                         | —              |
| Capital assets net of depreciation              | 748,584,407    |
| Inventories                                     | —              |
| Deferred outflow of resources                   | 3,178,328      |
| Deferred inflow of resources                    | (7,470,324)    |
| Accrued compensated absence payment in lieu     | 10,592         |
| Adjustment of investments to fair value         | (3,427,875)    |
| Current portion of long-term liabilities        | (6,431,647)    |
| Current portion of interfund loans              | —              |
| Long-term debt                                  | (93,825,486)   |
| Long-term interfund payables                    | —              |
| NET POSITION (U.S. GAAP BASIS) - December 31    | \$ 766,323,146 |

## 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, 2022

|                                    | Golf            |                     |                        |
|------------------------------------|-----------------|---------------------|------------------------|
|                                    | Final<br>Budget | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                     |                 |                     |                        |
| Charges for services               | \$ 8,444,500    | \$ 11,729,941       | \$ 3,285,441           |
| Intergovernmental                  | —               | —                   | —                      |
| Licenses and permits               | —               | —                   | —                      |
| Fines and forfeitures              | —               | —                   | —                      |
| Investment income                  | 45,000          | 104,279             | 59,279                 |
| Miscellaneous revenues             | 5,500           | 40,679              | 35,179                 |
| Proceeds from sale of assets       | —               | —                   | —                      |
| Proceeds from long-term borrowings | —               | —                   | —                      |
| Transfers in                       | 250,000         | 250,000             | —                      |
| TOTAL SOURCES                      | 8,745,000       | 12,124,899          | 3,379,899              |
| <b>USES</b>                        |                 |                     |                        |
| <b>Operating Costs</b>             |                 |                     |                        |
| Operations Group                   | 9,177,284       | 9,176,098           | 1,186                  |
| Non-Departmental                   | 58              | —                   | 58                     |
| <b>Continuing Appropriations</b>   |                 |                     |                        |
| Operations Group                   | 600,000         | 600,000             | —                      |
| TOTAL USES                         | 9,777,342       | 9,776,098           | 1,244                  |
| CHANGE IN FUNDS AVAILABLE          | (1,032,342)     | 2,348,801           | 3,381,143              |
| FUNDS AVAILABLE - January 1        | 6,280,221       | 6,280,221           | —                      |
| FUNDS AVAILABLE - December 31      | \$ 5,247,879    | \$ 8,629,022        | \$ 3,381,143           |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

|                                                 |               |
|-------------------------------------------------|---------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31 | \$ 8,629,022  |
| Current year operating encumbrances             | 19,080        |
| Carryforward of continuing appropriations       | 505,344       |
| Assets not available for appropriation          | 1,012,253     |
| Interfund receivables                           | —             |
| Equity in joint venture                         | —             |
| Capital assets net of depreciation              | 23,433,513    |
| Inventories                                     | 180,043       |
| Deferred outflow of resources                   | 735,234       |
| Deferred inflow of resources                    | (1,655,114)   |
| Accrued compensated absence payment in lieu     | 9,439         |
| Adjustment of investments to fair value         | (317,608)     |
| Current portion of long-term liabilities        | (70,224)      |
| Current portion of interfund loans              | (425,000)     |
| Long-term debt                                  | (824,676)     |
| Long-term interfund payables                    | (1,459,000)   |
| NET POSITION (U.S. GAAP BASIS) - December 31    | \$ 29,772,306 |

## 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, 2022

|                               | Fleet Management Fund |                     |                        |
|-------------------------------|-----------------------|---------------------|------------------------|
|                               | Final<br>Budget       | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                |                       |                     |                        |
| Charges for services          | \$ 11,801,660         | \$ 11,041,067       | \$ (760,593)           |
| Fines and forfeitures         | —                     | —                   | —                      |
| Investment income             | —                     | 2,328               | 2,328                  |
| Miscellaneous revenues        | —                     | —                   | —                      |
| Transfers in                  | 321,000               | 321,000             | —                      |
| <b>TOTAL SOURCES</b>          | <b>12,122,660</b>     | <b>11,364,395</b>   | <b>(758,265)</b>       |
| <b>USES</b>                   |                       |                     |                        |
| <i>Operating Costs</i>        |                       |                     |                        |
| Administrative services group | —                     | —                   | —                      |
| Operations group              | 11,922,528            | 10,920,465          | 1,002,063              |
| Non-Departmental              | 132                   | —                   | 132                    |
| <b>TOTAL USES</b>             | <b>11,922,660</b>     | <b>10,920,465</b>   | <b>1,002,195</b>       |
| CHANGE IN FUNDS AVAILABLE     | 200,000               | 443,930             | 243,930                |
| FUNDS AVAILABLE - January 1   | 87,961                | 87,961              | —                      |
| FUNDS AVAILABLE - December 31 | <u>\$ 287,961</u>     | <u>\$ 531,891</u>   | <u>\$ 243,930</u>      |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

|                                                 |                     |
|-------------------------------------------------|---------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31 | \$ 531,891          |
| Capital assets net of depreciation              | 220,155             |
| Inventories                                     | 1,369,949           |
| Current year operating encumbrances             | 117,767             |
| Adjustment of investments to fair value         | (31,004)            |
| Accrued compensated absence payment in lieu     | 2,506               |
| Current portion of long-term debt               | (28,499)            |
| Long-term debt                                  | <u>(449,084)</u>    |
| NET POSITION (U.S. GAAP BASIS) - December 31    | <u>\$ 1,733,681</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, 2022

|                               | Risk Management Fund |                     |                        |
|-------------------------------|----------------------|---------------------|------------------------|
|                               | Final<br>Budget      | Budgetary<br>Actual | Variance<br>with Final |
| <b>SOURCES</b>                |                      |                     |                        |
| Charges for services          | \$ 13,996,073        | \$ 13,990,972       | \$ (5,101)             |
| Fines and forfeitures         | —                    | —                   | —                      |
| Investment income             | 265,000              | 244,544             | (20,456)               |
| Miscellaneous revenues        | 335,630              | 384,262             | 48,632                 |
| Transfers in                  | 2,494,184            | 2,494,184           | —                      |
| <b>TOTAL SOURCES</b>          | <b>17,090,887</b>    | <b>17,113,962</b>   | <b>23,075</b>          |
| <b>USES</b>                   |                      |                     |                        |
| <i>Operating Costs</i>        |                      |                     |                        |
| Administrative services group | 17,854,186           | 17,842,837          | 11,349                 |
| Operations group              | —                    | —                   | —                      |
| Non-Departmental              | 54                   | —                   | 54                     |
| <b>TOTAL USES</b>             | <b>17,854,240</b>    | <b>17,842,837</b>   | <b>11,403</b>          |
| CHANGE IN FUNDS AVAILABLE     | (763,353)            | (728,875)           | 34,478                 |
| FUNDS AVAILABLE - January 1   | 3,419,317            | 3,419,317           | —                      |
| FUNDS AVAILABLE - December 31 | <u>\$ 2,655,964</u>  | <u>\$ 2,690,442</u> | <u>\$ 34,478</u>       |

## RECONCILIATION OF FUNDS AVAILABLE TO U.S. GAAP NET POSITION

|                                                 |                     |
|-------------------------------------------------|---------------------|
| FUNDS AVAILABLE (BUDGETARY BASIS) - December 31 | \$ 2,690,442        |
| Capital assets net of depreciation              | 5,236               |
| Inventories                                     | —                   |
| Current year operating encumbrances             | 351,799             |
| Adjustment of investments to fair value         | (814,092)           |
| Accrued compensated absence payment in lieu     | —                   |
| Current portion of long-term debt               | (6,991) *           |
| Long-term debt                                  | (167,672) *         |
| NET POSITION (U.S. GAAP BASIS) - December 31    | <u>\$ 2,058,722</u> |

\* Does not include non-GAAP reported accrued claims liability of \$21,727,672



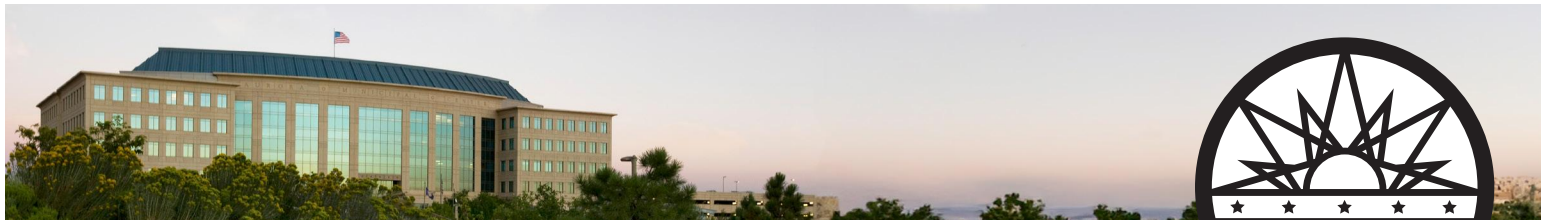
# City of Aurora, Colorado

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2022 ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

## STATISTICAL SECTION

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## Statistical Section (not subjected to auditing procedures)

### 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

### 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

*Source: Unless otherwise noted, the information in these schedules is derived from Annual Comprehensive Financial Reports for the relevant years.*

## Exhibit A-1

CITY OF AURORA, COLORADO  
NET POSITION BY COMPONENT  
LAST TEN YEARS

|                                             |     | Fiscal Year      |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|---------------------------------------------|-----|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                             |     | 2013             | 2014             | 2015             | 2016             | 2017             | 2018             | 2019             | 2020             | 2021             | 2022             |
| Governmental activities                     |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Net investment in capital assets            |     | \$ 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 | \$ 3,209,139,887 | \$ 3,387,723,414 | \$ 3,571,277,664 |
| Restricted                                  |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Culture, recreation, open space             | (b) | 24,968,445       | 27,094,730       | 21,160,590       | 26,196,210       | 27,367,540       | 32,927,674       | 38,352,854       | 47,617,553       | 60,782,760       | 75,369,267       |
| Emergencies                                 | (a) | 17,938,257       | 30,217,306       | 18,176,280       | 13,132,527       | 13,484,289       | 12,749,846       | 13,704,215       | 19,537,047       | 26,517,366       | 32,064,634       |
| Gifts and grants                            | (d) | 2,207,605        | 2,071,404        | 4,136,575        | 5,423,860        | 13,371,894       | 12,031,133       | 14,270,278       | 16,781,974       | 27,299,795       | 28,047,688       |
| Development                                 | (c) | 6,998,948        | 5,938,541        | 8,236,594        | 10,658,960       | 15,210,077       | 19,758,507       | 25,117,232       | 21,856,783       | 29,263,362       | 30,603,485       |
| Public improvement                          | (f) | 5,674,665        | 5,892,392        | 7,477,210        | 8,724,714        | 9,646,092        | 8,096,924        | 10,349,588       | 13,985,417       | 19,176,216       | 24,650,220       |
| Pension benefits                            | (g) | —                | —                | 9,859,880        | 3,976,994        | 3,876,142        | 12,177,867       | 3,439,147        | 7,607,439        | 16,282,358       | 74,429,182       |
| Unrestricted                                |     | 67,139,597       | 75,009,126       | 72,215,695       | 78,670,392       | 80,338,486       | 100,671,269      | 138,212,710      | 124,853,400      | 155,032,152      | 167,653,147      |
| Total governmental activities net position  |     | \$ 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 | \$ 3,461,379,500 | \$ 3,722,077,423 | \$ 4,004,095,287 |
| Business-type activities                    |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Net investment in capital assets            |     | \$ 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 | \$ 2,039,915,336 | \$ 2,079,367,283 | \$ 2,235,603,598 |
| Restricted                                  |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Public improvement                          | (e) | 7,463,167        | 5,869,467        | 5,586,796        | 3,964,825        | 4,075,509        | 4,514,022        | 5,264,868        | 9,389,656        | 13,206,347       | 16,092,418       |
| Pension benefits                            | (h) | —                | —                | —                | —                | —                | —                | —                | —                | —                | 15,514,031       |
| Unrestricted                                |     | 209,223,283      | 213,426,328      | 179,878,669      | 207,012,175      | 267,050,187      | 284,184,371      | 261,220,654      | 259,987,302      | 347,274,278      | 316,897,099      |
| Total business-type activities net position |     | \$ 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 | \$ 2,309,292,294 | \$ 2,439,847,908 | \$ 2,584,107,146 |
| Primary government                          |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Net investment in capital assets            |     | \$ 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 | \$ 5,249,055,223 | \$ 5,467,090,697 | \$ 5,806,881,262 |
| Restricted                                  |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Culture, recreation, open space             |     | 24,968,445       | 27,094,730       | 21,160,590       | 26,196,210       | 27,367,540       | 32,927,674       | 38,352,854       | 47,617,553       | 60,782,760       | 75,369,267       |
| Emergencies                                 |     | 17,938,257       | 30,217,306       | 18,176,280       | 13,132,527       | 13,484,289       | 12,749,846       | 13,704,215       | 19,537,047       | 26,517,366       | 32,064,634       |
| Gifts and grants                            |     | 2,207,605        | 2,071,404        | 4,136,575        | 5,423,860        | 13,371,894       | 12,031,133       | 14,270,278       | 16,781,974       | 27,299,795       | 28,047,688       |
| Development                                 |     | 6,998,948        | 5,938,541        | 8,236,594        | 10,658,960       | 15,210,077       | 19,758,507       | 25,117,232       | 21,856,783       | 29,263,362       | 30,603,485       |
| Public improvement                          |     | 13,137,832       | 11,761,859       | 13,064,006       | 12,689,539       | 13,721,601       | 12,610,946       | 15,614,456       | 23,375,073       | 32,382,563       | 40,742,638       |
| Pension benefits                            |     | —                | —                | 9,859,880        | 3,976,994        | 3,876,142        | 12,177,867       | 3,439,147        | 7,607,439        | 16,282,358       | 89,943,213       |
| Unrestricted                                |     | 276,362,880      | 288,435,454      | 252,094,364      | 285,682,567      | 347,388,673      | 384,855,640      | 399,433,364      | 384,840,702      | 502,306,430      | 484,550,246      |
| Total primary government net position       |     | \$ 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 | \$ 5,770,671,794 | \$ 6,161,925,331 | \$ 6,588,202,433 |

(a) Emergencies restricted equity represents seizure funds. Fluctuation in this account is expected. Increase in 2022 primarily due to additional funds restricted for public safety infrastructure.

(b) Increase in 2014 and in 2016 to 2021 represents accumulation of Park Development revenues for future construction. Increase in 2022 from capital impact fees for open space development.

(c) Increase in Development in 2015 to 2019 and 2020 to 2022 represent Urban Renewal Area revenues restricted for future development of those areas.

(d) In 2017 to 2022, an increase due to the recognition of collectible loans from federal funds to assist housing and business renovation.

(e) Represents accumulation and spend down of amounts set aside for storm drain projects.

(f) Increase in 2019 to 2022 due to a phased-in increase in capital impact fees.

(g) 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. The increase in 2020 to 2022 is due to the actuarially determined valuation of the net pension asset for the period ended December 31, 2019 for 2020, December 31, 2020 for 2021 and December 31, 2021 for 2022.

(h) The increase in 2022 is due to the actuarially determined valuation of the net pension asset for the period ended December 31, 2021 for 2022.

## Exhibit A-2

CITY OF AURORA, COLORADO  
CHANGES IN NET POSITION  
LAST TEN YEARS

|                                                 |     | Fiscal Year      |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|-------------------------------------------------|-----|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                                 |     | 2013             | 2014             | 2015             | 2016             | 2017             | 2018             | 2019             | 2020             | 2021             | 2022             |
| <b>Expenses</b>                                 |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <i>Governmental activities:</i>                 |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| General government                              | (a) | \$ 24,696,431    | \$ 25,063,024    | \$ 28,312,124    | \$ 30,194,914    | \$ 43,224,105    | \$ 28,758,823    | \$ 41,560,939    | \$ 74,110,373    | \$ 45,393,252    | \$ 48,177,036    |
| Judicial                                        |     | 8,553,513        | 9,252,901        | 9,862,201        | 10,666,097       | 11,482,721       | 11,970,393       | 12,915,345       | 13,488,372       | 13,792,330       | 15,031,869       |
| Police                                          | (b) | 93,929,360       | 96,507,512       | 101,213,804      | 115,355,844      | 110,706,938      | 118,436,605      | 123,232,478      | 141,626,072      | 130,171,377      | 133,095,649      |
| Fire                                            | (p) | 40,882,297       | 42,765,092       | 43,162,495       | 55,311,859       | 51,584,609       | 48,173,706       | 59,357,847       | 78,553,878       | 68,125,522       | 72,049,319       |
| Other public safety                             |     | 13,209,769       | 13,307,961       | 13,977,142       | 15,877,021       | 17,833,820       | 17,934,580       | 19,214,918       | 21,255,011       | 21,229,812       | 25,608,151       |
| Public works                                    | (c) | 68,713,623       | 70,673,614       | 74,913,385       | 77,895,346       | 80,423,099       | 82,162,416       | 84,316,585       | 85,488,565       | 90,310,284       | 93,741,035       |
| Economic development                            | (d) | 17,710,893       | 19,705,377       | 25,604,640       | 29,700,008       | 28,441,484       | 35,244,015       | 69,802,422       | 73,792,174       | 73,437,320       | 90,370,329       |
| Community services                              |     | 11,094,827       | 10,162,986       | 11,336,479       | 13,847,160       | 13,779,193       | 18,995,662       | 17,813,417       | 15,802,963       | 32,796,026       | 22,629,255       |
| Culture and recreation                          | (e) | 38,521,649       | 38,384,605       | 39,979,006       | 43,545,211       | 45,459,830       | 47,114,517       | 49,887,703       | 45,202,515       | 48,390,584       | 54,768,337       |
| Unallocated depreciation                        |     | 3,783,709        | 3,742,609        | 3,940,098        | 1,965,914        | 2,583,881        | 2,537,873        | 1,899,826        | 1,884,147        | 1,884,147        | 1,884,147        |
| Interest on long-term debt                      |     | 5,367,645        | 5,032,167        | 6,273,892        | 6,908,718        | 8,444,413        | 9,655,043        | 9,086,189        | 7,267,876        | 7,262,173        | 6,970,182        |
| Total governmental activities expenses          |     | 326,463,716      | 334,597,848      | 358,575,266      | 401,268,092      | 413,964,093      | 420,983,633      | 489,087,669      | 558,471,946      | 532,782,827      | 564,325,309      |
| <i>Business-type activities:</i>                |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Water                                           | (f) | 102,907,859      | 106,723,389      | 105,058,284      | 107,247,765      | 106,640,204      | 114,197,354      | 113,049,281      | 116,758,877      | 122,225,559      | 129,709,453      |
| Wastewater                                      | (g) | 53,493,344       | 53,567,660       | 56,643,979       | 58,212,269       | 63,883,200       | 64,658,014       | 66,107,021       | 67,196,518       | 75,033,342       | 76,426,069       |
| Golf                                            |     | 7,915,159        | 8,066,797        | 8,291,834        | 8,464,065        | 8,160,363        | 7,790,380        | 8,204,880        | 8,293,992        | 9,248,516        | 9,394,652        |
| Total business-type activities expenses         |     | 164,316,362      | 168,357,846      | 169,994,097      | 173,924,099      | 178,683,767      | 186,645,748      | 187,361,182      | 192,249,387      | 206,507,417      | 215,530,174      |
| Total primary government expenses               |     | \$ 490,780,078   | \$ 502,955,694   | \$ 528,569,363   | \$ 575,192,191   | \$ 592,647,860   | \$ 607,629,381   | \$ 676,448,851   | \$ 750,721,333   | \$ 739,290,244   | \$ 779,855,483   |
| <b>Program Revenues</b>                         |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <i>Governmental activities:</i>                 |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <i>Charges for services</i>                     |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| General government                              | (h) | \$ 3,298,514     | \$ 4,011,611     | \$ 6,581,894     | \$ 4,589,326     | \$ 11,847,835    | \$ 6,476,918     | \$ 6,967,973     | \$ 7,076,644     | \$ 9,013,592     | \$ 7,900,043     |
| Judicial                                        |     | 8,302,244        | 8,228,586        | 7,413,655        | 6,069,485        | 5,650,163        | 7,010,901        | 5,896,211        | 3,547,150        | 3,823,853        | 2,716,476        |
| Police                                          |     | 4,685,849        | 4,620,738        | 4,285,323        | 4,095,863        | 3,760,173        | 3,851,219        | 1,865,848        | 3,340,838        | 5,171,971        | 4,473,574        |
| Fire                                            |     | 1,061,960        | 1,209,269        | 1,349,663        | 1,995,896        | 1,923,826        | 2,200,701        | 2,036,460        | 3,593,931        | 4,640,349        | 3,851,277        |
| Other public safety                             |     | —                | —                | —                | —                | —                | 8,161            | 5,635            | 16,222           | 5,838            | 8,965            |
| Public works                                    |     | 882,032          | 577,143          | 713,229          | 1,685,083        | 2,080,892        | 2,795,827        | 2,509,146        | 2,197,482        | 3,436,309        | 3,025,874        |
| Economic development                            | (i) | 9,827,665        | 13,707,260       | 15,443,197       | 16,257,990       | 16,748,669       | 18,653,736       | 18,689,490       | 20,457,598       | 28,211,917       | 25,919,348       |
| Community services                              |     | 3,244,069        | 2,721,134        | 2,661,456        | 3,450,536        | 3,062,966        | 2,687,343        | 4,964,726        | 3,520,877        | 4,764,486        | 5,712,571        |
| Culture and recreation                          |     | 7,888,042        | 7,346,944        | 8,158,984        | 9,001,519        | 9,609,908        | 10,052,129       | 10,845,857       | 6,986,420        | 13,298,359       | 14,838,368       |
| Operating grants & contributions                | (j) | 25,064,711       | 22,043,675       | 25,194,082       | 24,739,492       | 27,072,865       | 38,874,217       | 46,847,254       | 63,339,708       | 46,740,111       | 37,024,779       |
| Capital grants & contributions                  | (k) | 33,663,333       | 31,328,367       | 74,912,038       | 163,858,968      | 174,004,370      | 83,552,097       | 205,233,551      | 276,017,501      | 201,893,860      | 224,955,822      |
| Total governmental activities program revenues  |     | 97,918,419       | 95,794,727       | 146,713,521      | 235,744,158      | 255,761,687      | 176,363,249      | 305,862,151      | 390,094,371      | 321,000,645      | 330,427,097      |
| <i>Business-type activities:</i>                |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <i>Charges for services</i>                     |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Water                                           | (l) | 97,187,860       | 125,028,918      | 102,488,841      | 115,044,646      | 116,707,437      | 123,403,667      | 122,094,491      | 135,565,946      | 133,945,565      | 144,413,185      |
| Wastewater                                      | (m) | 53,202,354       | 56,250,431       | 57,664,236       | 61,010,961       | 64,039,032       | 67,385,881       | 69,555,133       | 72,448,526       | 73,561,726       | 78,398,295       |
| Golf                                            |     | 8,015,101        | 8,148,950        | 8,147,841        | 8,206,167        | 8,576,328        | 7,957,204        | 7,895,960        | 8,676,955        | 11,383,352       | 11,729,941       |
| Operating grants & contributions                | (n) | 5,116,536        | 4,956,898        | 5,554,549        | 2,007,384        | 152,562          | 2,802,716        | 2,214,617        | 1,708,864        | 2,678,068        | 4,156,497        |
| Capital grants & contributions                  | (o) | 27,750,147       | 30,085,317       | 44,549,145       | 101,924,500      | 74,613,684       | 91,437,659       | 94,229,215       | 117,917,191      | 117,593,117      | 128,132,213      |
| Total business-type activities program revenues |     | 191,271,998      | 224,470,514      | 218,404,612      | 288,193,658      | 264,089,043      | 292,987,127      | 295,989,416      | 336,317,482      | 339,161,828      | 366,830,131      |
| Total primary government program revenues       |     | \$ 289,190,417   | \$ 320,265,241   | \$ 365,118,133   | \$ 523,937,816   | \$ 519,850,730   | \$ 469,350,376   | \$ 601,851,567   | \$ 726,411,853   | \$ 660,162,473   | \$ 697,257,228   |
| <b>Net (Expense)/Revenue</b>                    |     |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Governmental activities                         |     | \$ (228,545,297) | \$ (238,803,121) | \$ (211,861,745) | \$ (165,523,934) | \$ (158,202,406) | \$ (244,620,384) | \$ (183,225,518) | \$ (168,377,575) | \$ (211,782,182) | \$ (233,898,212) |
| Business-type activities                        |     | 26,955,636       | 56,112,668       | 48,410,515       | 114,269,559      | 85,405,276       | 106,341,379      | 108,628,234      | 144,068,095      | 132,654,411      | 151,299,957      |
| Total primary government net (expense)/revenue  |     | \$ (201,589,661) | \$ (182,690,453) | \$ (163,451,230) | \$ (51,254,375)  | \$ (72,797,130)  | \$ (138,279,005) | \$ (74,597,284)  | \$ (24,309,480)  | \$ (79,127,771)  | \$ (82,598,255)  |

(continued)

## Exhibit A-2 (continuation)

| General Revenues & Other Changes in Net Position | Fiscal Year    |                |                |                |                |                |                |                |                |                |
|--------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                                  | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           |
| <i>Governmental activities:</i>                  |                |                |                |                |                |                |                |                |                |                |
| <i>Taxes</i>                                     |                |                |                |                |                |                |                |                |                |                |
| Sales & use taxes                                | \$ 175,628,735 | \$ 192,398,120 | \$ 211,785,430 | \$ 227,715,206 | \$ 234,456,300 | \$ 251,809,081 | \$ 278,198,867 | \$ 289,060,727 | \$ 339,272,034 | \$ 370,722,125 |
| Property taxes                                   | 33,385,392     | 33,627,053     | 30,270,851     | 36,087,049     | 38,260,313     | 45,532,335     | 62,905,849     | 83,180,486     | 81,688,501     | 82,918,965     |
| Franchise taxes                                  | 14,187,444     | 14,611,949     | 14,212,992     | 14,212,056     | 14,528,598     | 14,222,770     | 14,305,454     | 14,237,533     | 15,654,893     | 17,871,432     |
| Lodgers taxes                                    | 5,523,874      | 6,572,979      | 7,643,748      | 8,364,792      | 8,720,717      | 9,041,896      | 15,978,647     | 7,606,726      | 12,451,248     | 18,169,596     |
| Occupational privilege taxes                     | 4,496,002      | 4,701,402      | 5,259,105      | 5,528,916      | 5,662,274      | 6,022,002      | 6,351,192      | 5,843,394      | 6,405,251      | 6,592,881      |
| Other taxes                                      | 4,220,881      | 5,097,920      | 5,845,172      | 5,631,678      | 8,797,959      | 11,022,763     | 12,389,056     | 12,664,845     | 16,482,420     | 18,155,106     |
| Nonspecific grants & contributions               | 835,737        | 1,026,619      | 1,071,238      | 890,668        | 812,907        | 817,254        | 863,209        | 213,879        | 2,196,682      | 12,280,764     |
| Unrestricted investment return                   | 364,353        | 2,547,655      | 1,906,294      | 1,678,673      | 3,948,918      | 5,821,449      | 11,353,251     | 10,929,824     | (1,664,728)    | (11,810,447)   |
| Gain on sale of asset acquired for resale        | (150,000)      | —              | —              | 552,736        | —              | —              | 565,638        | —              | 169,804        | 1,265,654      |
| Transfers in (out)                               | —              | 7,312          | (555,216)      | (200,000)      | 3,871,851      | 339,345        | (448,551)      | 1,140,684      | (176,000)      | (250,000)      |
| Total governmental activities general revenues   | 238,492,418    | 260,591,009    | 277,439,614    | 300,461,774    | 319,059,837    | 344,628,895    | 402,462,612    | 424,878,098    | 472,480,105    | 515,916,076    |
| <i>Business-type activities:</i>                 |                |                |                |                |                |                |                |                |                |                |
| Unrestricted investment return                   | 281,065        | 2,610,512      | 1,747,611      | 1,067,176      | 2,146,296      | 5,124,307      | 9,622,173      | 8,494,064      | (2,274,797)    | (7,290,719)    |
| Gain on early extinguishment of debt             | —              | —              | —              | —              | —              | —              | 6,502,663      | —              | —              | —              |
| Transfers in (out)                               | 150,000        | (7,312)        | 555,216        | 200,000        | (3,871,851)    | (339,345)      | 448,551        | (1,140,684)    | 176,000        | 250,000        |
| Total business-type activities general revenues  | 431,065        | 2,603,200      | 2,302,827      | 1,267,176      | (1,725,555)    | 4,784,962      | 16,573,387     | 7,353,380      | (2,098,797)    | (7,040,719)    |
| Total primary government                         | \$ 238,923,483 | \$ 263,194,209 | \$ 279,742,441 | \$ 301,728,950 | \$ 317,334,282 | \$ 349,413,857 | \$ 419,035,999 | \$ 432,231,478 | \$ 470,381,308 | \$ 508,875,357 |
| <b>Change in Net Position</b>                    |                |                |                |                |                |                |                |                |                |                |
| Governmental activities                          | \$ 9,947,121   | \$ 21,787,888  | \$ 65,577,869  | \$ 134,937,840 | \$ 160,857,431 | \$ 100,008,511 | \$ 219,237,094 | \$ 256,500,523 | \$ 260,697,923 | \$ 282,017,864 |
| Business-type activities                         | 27,386,701     | 58,715,868     | 50,713,342     | 115,536,735    | 83,679,721     | 111,126,341    | 125,201,621    | 151,421,475    | 130,555,614    | 144,259,238    |
| Changes in net position                          | \$ 37,333,822  | \$ 80,503,756  | \$ 116,291,211 | \$ 250,474,575 | \$ 244,537,152 | \$ 211,134,852 | \$ 344,438,715 | \$ 407,921,998 | \$ 391,253,537 | \$ 426,277,102 |

Notes:

- (a) 2015 increase due to additional expenditures from 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. In 2020, expenditures increased due to the spending of funds received from the Coronavirus Aid, Relief and Economic Security (CARES) Act to help mitigate negative effects of the COVID-19 pandemic. 2021 and 2022 spending returned to pre-pandemic levels.
- (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 through 2020 increases are primarily due to an increase in full-time equivalents (FTE) and pay/benefit increases.
- (c) Increases in 2014 to 2022 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 and 2020 increases are also due to the continued increase in economic development activity, specifically the Gaylord Rockies Resort and Convention Center which opened in 2019. 2022 increase primarily due to an increase in development activity and paid incentives.
- (e) 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 Hightline Canal Trail, Triple Creek, Tollgate Crossing and Olympic Park. 2019 increase is due to the newly opened Central Recreation Center and continued parks projects. Slight decrease in 2020 attributable to the large amount of projects completed in prior years coupled with delayed startup of new projects during the COVID-19 pandemic. 2022 increase due to increase in professional services for upcoming projects.
- (f) 2018 increase pertains to additional water storage, personnel expenses and increased professional fees associated with water rights acquisitions. 2020 and 2021 increases due to continued water rights acquisitions coupled with slight increase to personnel expenses and operating costs. 2022 increase due to increased professional services for new and ongoing projects.
- (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. 2021 increase due to purchased sewer and stormwater coupled with general operating expense increases.
- (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 returned to normal with slight increases 2018 through 2021 due to growth within the city.
- (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. 2020 increase primarily due to the receipt of funding as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act to help mitigate negative effects of the COVID-19 pandemic within the city. 2021 and 2022 returned to pre-pandemic levels.
- (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. 2020 increase due to dry summer resulting in more water usage coupled with development within the city. 2022 increase due to new rate schedule.
- (m) Increases are attributable to new rate schedule and volume increases.
- (n) 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 and 2022 increases pertain to increased developer contributions.
- (o) Amounts represent developer tap fee revenue and developer contributed water and sewer mains. 2015 and 2016 saw an increased development activity due to a change in the recording process for contributed mains in 2016. 2016 included contributed mains for both 2015 and 2016 while 2017 only included contributed mains for 2017. Increases in 2018 through 2020 and in 2022 are due to continued development activity across the city.
- (p) 2020 increase primarily due to addition of full-time equivalents (FTE), benefit and pay increases and slight increases to operating expenses to accommodate growth within the city.

## Exhibit A-3

**CITY AURORA, COLORADO**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**

|                                    | Fiscal Year    |                |                |                |                |                |                |                |                |                |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                    | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           |
| <b>General Fund</b>                |                |                |                |                |                |                |                |                |                |                |
| Restricted                         | \$ 10,882,887  | \$ 10,948,640  | \$ 11,109,504  | \$ 2,977,572   | \$ 3,363,648   | \$ 3,968,588   | \$ 4,664,960   | \$ 6,006,373   | \$ 7,374,189   | \$ 8,719,112   |
| Committed                          | 26,753,062     | 28,197,618     | 29,802,537     | 31,469,048     | 33,579,639     | 33,892,498     | 35,632,311     | 37,072,766     | 38,866,450     | 44,571,073     |
| Assigned                           | 22,653,025     | 24,236,802     | 26,842,775     | 39,969,907     | 42,880,793     | 43,077,890     | 42,756,673     | 47,859,525     | 51,710,550     | 64,663,710     |
| Unassigned                         | 20,482,814     | 26,156,168     | 26,780,366     | 20,072,659     | 22,458,479     | 32,280,222     | 39,788,947     | 65,345,866     | 57,074,196     | 36,565,047     |
| Total General Fund                 | 80,771,788     | 89,539,228     | 94,535,182     | 94,489,186     | 102,282,559    | 113,219,198    | 122,822,891    | 156,284,530    | 155,015,385    | 154,518,942    |
| <b>Special revenue funds</b>       |                |                |                |                |                |                |                |                |                |                |
| Restricted                         | 32,380,627     | 30,070,964     | 30,264,889     | 47,022,262     | 54,032,776     | 64,214,496     | 75,641,352     | 81,465,120     | 97,275,650     | 105,408,017    |
| Committed                          | 4,653,863      | 9,058,445      | 11,992,072     | 12,624,365     | 13,203,233     | 14,446,874     | 14,908,000     | 17,574,381     | 22,355,685     | 18,809,060     |
| Assigned                           | 306,857        | 67,046         | 306,619        | 931,942        | 5,858,500      | 5,264,676      | 6,913,671      | 8,405,095      | 13,763,409     | 14,952,782     |
| <b>Debt service funds</b>          |                |                |                |                |                |                |                |                |                |                |
| Restricted                         | 18,183,388     | 15,854,209     | 16,733,019     | 10,298,305     | 9,913,646      | 9,728,648      | 1,689,640      | 977,669        | 2,812,238      | 4,475,471      |
| Committed                          | —              | —              | —              | —              | —              | —              | —              | —              | —              | —              |
| Assigned                           | 1,327,169      | 2,308,049      | 2,584,305      | 2,295,028      | 2,178,759      | 535,398        | 1,374,441      | 1,546,981      | —              | 1,623,444      |
| <b>Capital projects funds</b>      |                |                |                |                |                |                |                |                |                |                |
| Restricted                         | 7,684,995      | 26,535,292     | 18,286,152     | 19,801,650     | 72,511,684     | 54,206,482     | 43,043,277     | 84,559,037     | 92,902,046     | 129,283,856    |
| Committed                          | 288,597        | 83,022         | 33,579         | —              | 33,579         | 33,579         | 33,579         | 42,628         | 129,998        | 53,113         |
| Assigned                           | 26,851,848     | 37,019,600     | 39,071,977     | 50,882,721     | 43,863,073     | 69,662,436     | 87,535,392     | 79,229,602     | 114,908,724    | 147,144,525    |
| Unassigned                         | —              | (622,687)      | (2,153,291)    | —              | —              | —              | —              | —              | —              | —              |
| Total all other governmental funds | 91,677,344     | 120,373,940    | 117,119,321    | 143,856,273    | 201,595,250    | 218,092,589    | 231,139,352    | 273,800,513    | 344,137,750    | 421,750,268    |
| Total fund balances                | \$ 172,449,132 | \$ 209,913,168 | \$ 211,654,503 | \$ 238,345,459 | \$ 303,877,809 | \$ 331,311,787 | \$ 353,962,243 | \$ 430,085,043 | \$ 499,153,135 | \$ 576,269,210 |

## Exhibit A-4

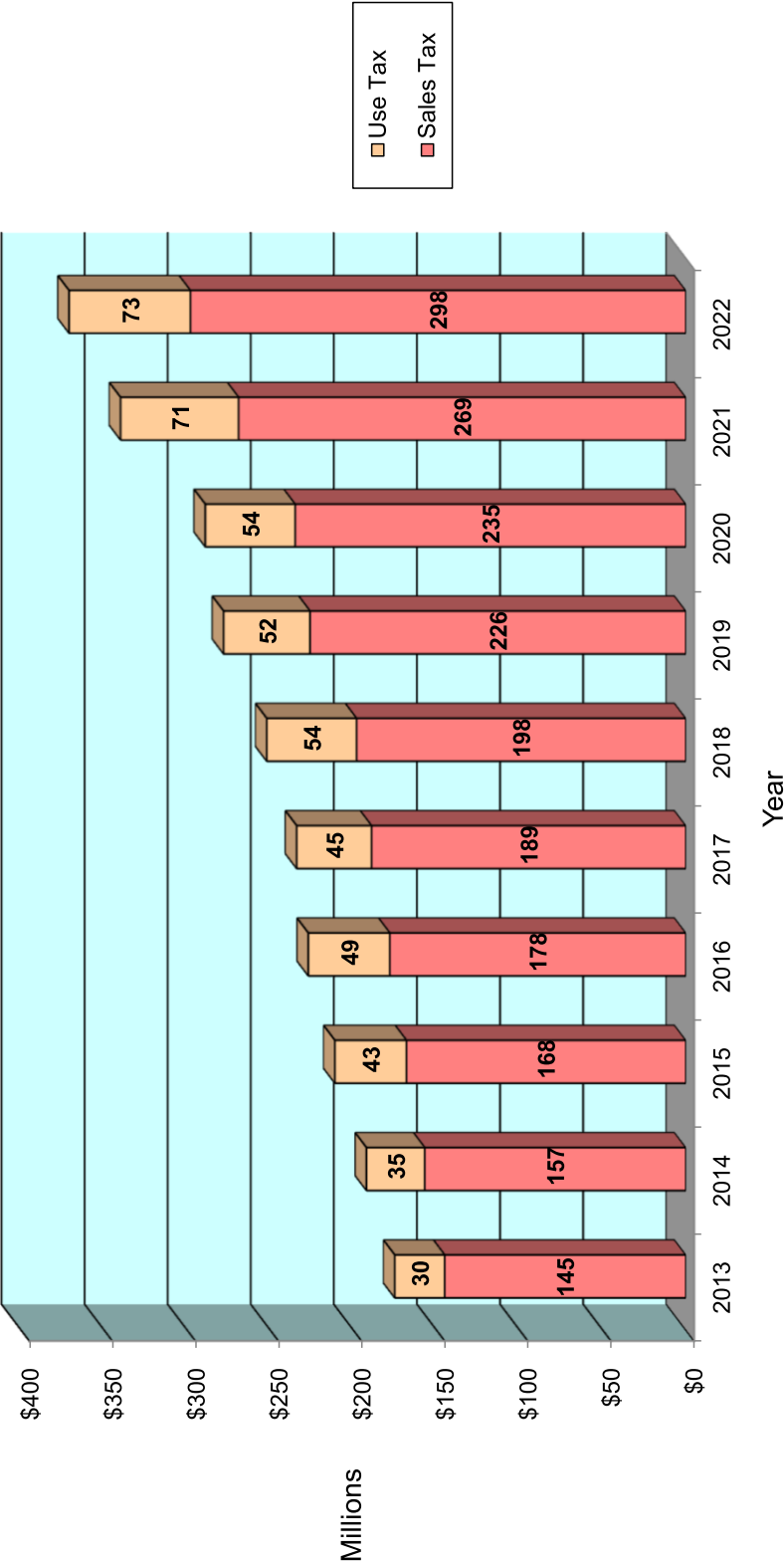
**CITY OF AURORA, COLORADO**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**

|                                                           | Fiscal Year    |                |                |                |                |                |                |                |                |                |
|-----------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                                           | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           |
| <b>REVENUES</b>                                           |                |                |                |                |                |                |                |                |                |                |
| <i>Taxes</i>                                              |                |                |                |                |                |                |                |                |                |                |
| Sales and use                                             | \$ 175,628,735 | \$ 192,398,120 | \$ 211,785,430 | \$ 227,715,206 | \$ 234,456,300 | \$ 251,809,081 | \$ 278,198,867 | \$ 289,060,727 | \$ 339,272,034 | \$ 370,722,125 |
| Property                                                  | 33,385,392     | 33,627,053     | 30,270,851     | 36,087,049     | 38,260,313     | 45,532,335     | 62,905,848     | 83,180,486     | 81,688,501     | 82,918,965     |
| Franchise                                                 | 14,187,444     | 14,611,949     | 14,212,992     | 14,212,056     | 14,528,598     | 14,222,770     | 14,305,454     | 14,237,533     | 15,654,893     | 17,871,432     |
| Lodgers                                                   | 5,523,874      | 6,572,979      | 7,643,748      | 8,364,792      | 8,620,717      | 9,041,896      | 15,978,647     | 7,606,726      | 12,451,248     | 18,169,596     |
| Occupational privilege                                    | 4,496,002      | 4,701,402      | 5,259,105      | 5,528,916      | 5,662,274      | 6,022,002      | 6,351,192      | 5,843,394      | 6,405,251      | 6,592,881      |
| Other                                                     | 4,851,264      | 5,322,321      | 6,151,132      | 6,084,678      | 8,921,290      | 10,990,076     | 12,157,336     | 12,706,792     | 16,449,367     | 18,130,727     |
| Charges for services                                      | 23,271,792     | 23,673,922     | 27,270,717     | 28,325,295     | 30,303,788     | 33,113,627     | 33,127,011     | 33,127,011     | 51,743,381     | 57,566,350     |
| Licenses and permits                                      | 10,126,558     | 13,867,542     | 15,659,361     | 16,719,987     | 15,944,129     | 18,281,012     | 18,078,682     | 19,643,272     | 22,942,325     | 20,407,415     |
| Fines and forfeitures                                     | 10,802,774     | 10,661,569     | 9,291,996      | 8,325,257      | 8,025,932      | 9,356,860      | 6,194,174      | 4,126,153      | 4,571,330      | 3,268,089      |
| Special assessments                                       | 493,650        | 351,941        | 323,586        | 233,561        | 206,205        | 110,235        | 93,406         | 88,522         | 83,647         | 78,862         |
| Intergovernmental                                         | 41,004,598     | 36,777,634     | 40,488,484     | 44,585,769     | 44,291,557     | 59,311,197     | 73,462,880     | 84,626,463     | 69,401,443     | 78,556,141     |
| Surcharges                                                | 3,436,042      | 3,441,206      | 3,602,702      | 5,413,794      | 5,361,606      | 5,373,406      | 6,233,730      | 5,511,882      | 7,208,503      | 7,904,029      |
| Miscellaneous                                             | 4,859,597      | 3,729,886      | 6,050,385      | 4,489,757      | 5,918,246      | 12,150,664     | 9,916,606      | 6,282,867      | 7,877,565      | 10,863,080     |
| Investment returns                                        | 366,138        | 2,390,412      | 1,802,243      | 1,576,715      | 3,782,959      | 5,542,260      | 11,145,065     | 10,617,185     | (1,059,424)    | (10,877,511)   |
| Total revenues                                            | 332,433,860    | 352,127,936    | 379,812,732    | 407,662,832    | 424,383,914    | 480,857,421    | 551,284,368    | 576,659,013    | 634,690,064    | 682,172,181    |
| <b>EXPENDITURES</b>                                       |                |                |                |                |                |                |                |                |                |                |
| <i>Current</i>                                            |                |                |                |                |                |                |                |                |                |                |
| General government                                        | 24,775,973     | 27,781,408     | 32,732,484     | 31,667,076     | 41,586,343     | 37,595,338     | 41,320,827     | 71,770,259     | 52,626,798     | 74,868,069     |
| Judicial                                                  | 8,449,805      | 9,119,729      | 9,787,297      | 10,535,345     | 11,369,533     | 11,869,944     | 12,771,916     | 13,264,373     | 13,324,919     | 14,710,663     |
| Police                                                    | 92,566,248     | 93,874,075     | 99,441,466     | 101,598,212    | 107,925,936    | 113,431,455    | 120,314,161    | 127,220,061    | 126,820,276    | 135,298,621    |
| Fire                                                      | 39,649,756     | 41,445,885     | 44,616,032     | 46,636,047     | 49,235,873     | 54,103,899     | 58,141,815     | 62,348,676     | 65,888,564     | 77,581,296     |
| Other public safety                                       | 12,828,450     | 12,769,696     | 13,468,991     | 14,554,865     | 14,355,885     | 16,086,490     | 16,731,230     | 18,712,251     | 18,403,933     | 22,002,779     |
| Public works                                              | 29,956,117     | 31,794,796     | 35,553,597     | 37,553,075     | 37,448,500     | 38,384,027     | 38,604,668     | 37,628,425     | 37,526,027     | 38,767,986     |
| Economic development                                      | 17,631,117     | 21,016,105     | 25,542,325     | 29,547,656     | 27,362,069     | 34,226,664     | 69,117,806     | 73,150,775     | 72,555,419     | 88,743,451     |
| Community services                                        | 10,969,532     | 9,994,236      | 11,081,379     | 13,584,029     | 13,429,777     | 18,621,805     | 17,373,671     | 15,357,441     | 32,222,091     | 22,121,728     |
| Culture and recreation                                    | 34,905,177     | 34,565,842     | 36,650,167     | 39,601,248     | 41,313,611     | 42,931,624     | 44,976,591     | 39,516,368     | 42,038,726     | 48,858,929     |
| <i>Debt Service</i>                                       |                |                |                |                |                |                |                |                |                |                |
| Principal                                                 | 12,634,200     | 11,763,228     | 7,425,763      | 8,755,755      | 10,955,626     | 12,521,176     | 11,516,224     | 15,170,648     | 16,688,988     | 29,392,876     |
| Interest                                                  | 5,517,580      | 5,102,439      | 6,363,895      | 7,023,567      | 8,368,185      | 9,913,962      | 9,766,962      | 9,478,717      | 9,629,633      | 9,201,469      |
| Capital outlay                                            | 25,374,358     | 48,530,116     | 103,997,821    | 57,815,312     | 68,396,553     | 86,784,752     | 93,738,889     | 54,417,631     | 81,264,992     | 78,075,845     |
| Total expenditures                                        | 315,258,313    | 347,717,555    | 426,661,217    | 398,872,187    | 431,747,891    | 476,471,136    | 534,574,760    | 538,035,625    | 568,990,366    | 639,623,712    |
| Excess (deficiency) of revenues over (under) expenditures | 17,175,547     | 4,410,381      | (46,848,485)   | 8,790,645      | (7,363,977)    | 4,386,285      | 16,709,608     | 38,623,388     | 65,699,698     | 42,548,469     |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                |                |                |                |                |                |                |                |                |                |
| Transfers in                                              | 50,241,232     | 50,827,666     | 58,095,741     | 91,580,125     | 71,704,071     | 93,926,431     | 90,143,317     | 76,449,290     | 134,273,519    | 141,609,828    |
| Transfers out                                             | (50,891,232)   | (51,877,666)   | (59,645,741)   | (92,100,370)   | (71,554,071)   | (93,928,434)   | (91,417,650)   | (76,783,910)   | (139,512,519)  | (144,675,012)  |
| General obligation bonds issued                           | —              | —              | —              | —              | 650,000        | —              | —              | —              | —              | —              |
| Premium (discount) on debt issues                         | —              | 3,400,945      | 449,531        | —              | —              | —              | 13,315,175     | 3,756,708      | —              | 3,332,823      |
| Proceeds from debt issues                                 | —              | 21,775,000     | 24,340,000     | —              | 56,540,000     | —              | 62,935,000     | 33,770,000     | —              | 52,620,000     |
| Payment to refunded bond escrow agent                     | —              | —              | —              | —              | (3,070,392)    | —              | (73,110,269)   | —              | —              | (25,985,245)   |
| Notes issued                                              | —              | 5,646,425      | 16,366,639     | 5,736,936      | 6,755,756      | 2,000,000      | —              | —              | —              | —              |
| Lease issuance                                            | —              | —              | —              | —              | —              | —              | —              | —              | —              | —              |
| Proceeds from financed purchase agreements                | 1,336,997      | 3,058,587      | 8,612,436      | 10,703,597     | 11,315,000     | 20,750,000     | 3,883,279      | —              | 8,303,140      | 1,085,509      |
| Proceeds from interfund loan                              | 1,231,315      | —              | —              | —              | —              | —              | —              | —              | —              | 6,176,450      |
| Proceeds from disposal of capital assets                  | 263,640        | 222,698        | 371,214        | 1,980,023      | 555,963        | 299,696        | 191,996        | 307,324        | 304,254        | 403,253        |
| Total other financing sources                             | 2,181,952      | 33,053,655     | 48,589,820     | 17,900,311     | 72,896,327     | 23,047,693     | 5,940,848      | 37,499,412     | 3,368,394      | 34,567,606     |
| Net change in fund balances                               | \$ 19,357,499  | \$ 37,464,036  | \$ 1,741,335   | \$ 26,690,956  | \$ 65,532,350  | \$ 27,433,978  | \$ 22,650,456  | \$ 76,122,800  | \$ 69,068,092  | \$ 77,116,075  |
| Debt service as a percentage of noncapital expenditures   | 6.26%          | 5.64%          | 4.27%          | 4.63%          | 5.32%          | 5.76%          | 4.83%          | 5.10%          | 5.40%          | 6.87%          |

(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    |                |                |                |                |                |                |                |                |                |
|-----------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                               | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           |
| Sales and Use Tax Receipts by Business Sector |                |                |                |                |                |                |                |                |                |                |
| Retail trade                                  | \$ 81,024,992  | \$ 85,188,844  | \$ 94,419,905  | \$ 102,878,855 | \$ 107,624,989 | \$ 100,811,055 | \$ 103,911,097 | \$ 121,521,317 | \$ 145,630,438 | \$ 161,237,185 |
| Accommodation and food services               | 20,114,404     | 21,973,539     | 24,107,294     | 25,440,477     | 27,013,496     | 28,119,369     | 35,412,136     | 29,050,601     | 33,593,044     | 39,785,313     |
| Information and media                         | 12,163,863     | 13,216,681     | 12,067,715     | 11,326,996     | 11,275,261     | 10,599,960     | 11,265,098     | 10,071,837     | 11,794,310     | 15,145,723     |
| Utilities                                     | 11,995,923     | 12,593,515     | 12,251,897     | 11,512,517     | 12,189,682     | 11,571,683     | 12,461,473     | 12,474,705     | 14,539,580     | 17,289,167     |
| Real estate, rental and leasing               | 4,733,975      | 5,498,870      | 6,026,767      | 6,416,231      | 7,657,858      | 9,031,366      | 9,758,428      | 9,716,764      | 10,675,842     | 11,449,953     |
| Manufacturing                                 | 2,960,101      | 3,346,753      | 3,511,313      | 4,837,069      | 5,567,901      | 5,877,582      | 9,487,282      | 8,273,766      | 7,171,516      | 9,193,130      |
| Wholesale trade                               | 7,619,994      | 9,481,541      | 10,508,146     | 10,041,931     | 10,766,163     | 13,813,389     | 13,628,171     | 15,832,998     | 15,764,702     | 20,218,197     |
| Finance and insurance                         | 874,577        | 996,354        | 1,416,247      | 1,846,591      | 2,249,360      | 3,046,382      | 3,277,082      | 3,969,205      | 3,320,148      | 3,119,820      |
| Health care and social assistance             | 1,433,102      | 1,526,721      | 1,602,940      | 1,684,927      | 1,864,752      | 5,036,865      | 1,469,016      | 1,399,397      | 1,571,781      | 1,606,136      |
| Arts, entertainment and recreational          | 1,012,590      | 1,027,051      | 1,111,911      | 1,180,457      | 1,303,375      | 1,490,804      | 1,578,889      | 1,081,316      | 1,510,236      | 1,730,647      |
| Professional, scientific and technical        | 1,994,755      | 2,112,979      | 2,263,769      | 2,425,198      | 2,738,435      | 1,806,926      | 4,373,154      | 5,564,149      | 5,514,784      | 4,321,273      |
| Construction                                  | 1,387,115      | 1,888,278      | 2,185,427      | 2,300,016      | 2,717,200      | 2,498,665      | 4,085,460      | 3,971,902      | 3,558,019      | 3,774,201      |
| Other services                                | 5,073,628      | 5,481,805      | 6,251,784      | 6,448,256      | 7,085,596      | 6,971,576      | 11,692,523     | 17,172,219     | 21,121,541     | 12,940,686     |
| Automobile use tax                            | 13,568,059     | 15,027,985     | 18,238,347     | 18,881,119     | 20,174,565     | 20,615,416     | 22,345,412     | 21,481,130     | 28,336,062     | 30,592,584     |
| Building materials use tax                    | 9,190,830      | 10,516,527     | 15,338,964     | 20,379,821     | 15,952,807     | 19,606,636     | 17,084,892     | 22,580,005     | 32,495,717     | 37,699,682     |
| Total Sales and Use Tax Receipts              | \$ 175,147,908 | \$ 189,877,443 | \$ 211,302,426 | \$ 227,600,461 | \$ 236,181,440 | \$ 240,897,674 | \$ 261,830,113 | \$ 284,161,311 | \$ 336,597,720 | \$ 370,103,697 |
| 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 | Open Space | Total Rate | City Direct Rate | State | RTD   | Scientific & Cultural | Open Space | Roads & Bridges | Total Rate |
|                 |                  |       |       |                       |            |            |                  |       |       |                       |            |                 |            |
| 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%      |
| 2020            | 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%      |
| 2021            | 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%      |
| 2022            | 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 | Open Space | Roads & Bridges |
|                    |                  |       |       |                       |            |                 |
| 2013               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2014               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2015               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2016               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2017               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2018               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2019               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2020               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2021               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |
| 2022               | 3.75%            | 2.90% | 1.00% | 0.10%                 | 0.17%      | 0.43%           |

Source: City of Aurora's Tax &amp; Licensing Division

**CITY OF AURORA, COLORADO**  
**TOP TEN PRINCIPAL SALES AND USE TAXPAYERS BY INDUSTRY GROUP (CASH BASIS)**  
**CURRENT YEAR AND NINE YEARS AGO**

|                                                        | 2022                        |      |                                                               |                                                               | 2013                        |      |                                                               |  |
|--------------------------------------------------------|-----------------------------|------|---------------------------------------------------------------|---------------------------------------------------------------|-----------------------------|------|---------------------------------------------------------------|--|
|                                                        | Sales & Use<br>Tax Receipts | Rank | Percentage<br>of Total City<br>Sales &<br>Use Tax<br>Receipts |                                                               | Sales & Use<br>Tax Receipts | Rank | Percentage<br>of Total City<br>Sales &<br>Use Tax<br>Receipts |  |
| All other miscellaneous retailers                      | \$ 33,088,755               | 1    | 8.94%                                                         | Department stores                                             | \$ 17,213,568               | 1    | 9.83%                                                         |  |
| All other general merchandise stores                   | 28,541,909                  | 2    | 7.71%                                                         | Full-service restaurants                                      | 12,928,115                  | 2    | 7.38%                                                         |  |
| Other electric power generation                        | 16,976,637                  | 3    | 4.59%                                                         | Electrical power generation, transmission<br>and distribution | 11,838,807                  | 3    | 6.76%                                                         |  |
| Full service restaurants                               | 16,588,822                  | 4    | 4.48%                                                         | Building materials and supplies stores                        | 9,331,268                   | 4    | 5.33%                                                         |  |
| Other miscellaneous durable goods merchant wholesalers | 14,522,872                  | 5    | 3.92%                                                         | Telecommunications                                            | 7,456,711                   | 5    | 4.26%                                                         |  |
| Other building material dealers                        | 14,022,946                  | 6    | 3.79%                                                         | Clothing stores                                               | 7,127,472                   | 6    | 4.07%                                                         |  |
| Food service contractors                               | 11,311,478                  | 7    | 3.06%                                                         | Automobile dealers                                            | 5,976,097                   | 7    | 3.41%                                                         |  |
| All other health and personal care stores              | 9,613,472                   | 8    | 2.60%                                                         | Limited-service eating places                                 | 5,929,024                   | 8    | 3.39%                                                         |  |
| New car dealers                                        | 8,057,603                   | 9    | 2.18%                                                         | Electronic and appliance stores                               | 5,841,374                   | 9    | 3.34%                                                         |  |
| All other miscellaneous store retailers                | 7,597,796                   | 10   | 2.05%                                                         | Other general merchandise stores                              | 4,970,117                   | 10   | 2.84%                                                         |  |
| Total                                                  | <u>\$ 160,322,290</u>       |      | <u>43.31%</u>                                                 |                                                               | <u>\$ 88,612,553</u>        |      | <u>50.59%</u>                                                 |  |

Source: City of Aurora's Tax & Licensing Division

Note: Total city sales and use tax receipts were \$370,103,697 for 2022 and \$175,147,908 for the year 2013. The 2022 and 2013 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/<br>Levy<br>Year | Collection/<br>Budget<br>Year | Real Property (a)                      |                                           |                                     | Assessed Value    |                      |                           | Total                |                                                | Percent of Total                |  |
|-----------------------------|-------------------------------|----------------------------------------|-------------------------------------------|-------------------------------------|-------------------|----------------------|---------------------------|----------------------|------------------------------------------------|---------------------------------|--|
|                             |                               | Assessed Value<br>Adams County (b),(c) | Assessed Value<br>Arapahoe County (b),(c) | Assessed Value<br>Douglas<br>County | Assessed<br>Value | Percentage<br>Change | Estimated<br>Actual Value | Percentage<br>Change | Assessed Value<br>to Estimated<br>Actual Value | Total<br>Direct<br>Tax Rate (d) |  |
| 2013                        | 2014                          | \$ 619,957,850                         | \$ 2,334,877,586                          | \$ 7,205,014                        | \$ 2,962,040,450  | 0.2%                 | \$ 22,472,988,714         | -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%                                          | 10.290                          |  |
| 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%                                          | 8.886                           |  |
| 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%                                          | 8.569                           |  |
| 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                           |  |
| 2020                        | 2021                          | 1,297,863,100                          | 4,183,098,776                             | 60,956,970                          | 5,541,918,846     | 4.0%                 | 50,459,961,020            | 2.2%                 | 11.0%                                          | 8.605                           |  |
| 2021                        | 2022                          | 1,495,025,410                          | 4,466,117,529                             | 68,327,130                          | 6,029,470,069     | 8.8%                 | 54,783,614,286            | 8.6%                 | 11.0%                                          | 8.073                           |  |
| 2022                        | 2023                          | 1,675,302,650                          | 4,456,816,511                             | 72,208,340                          | 6,204,327,501     | 2.9%                 | 56,502,043,612            | 3.1%                 | 11.0%                                          | 7.816                           |  |

**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 2023 are based on the 2022 assessment, which itself is based on property values as of June 30, 2021.

The assessed valuation percentage is established each year and was as follows: Residential: 2013 through 2017 - 7.96%, 2015 through 2017 - 8.24% and 2017 through 2018 - 7.20%, 2019 through 2022 - 7.15%. All other classes of property, 29%.

Prior to January 1, 2021, differences in the percentage change between actual value and assessed value related to the changes in the mix of residential to other property from year to year. Beginning in 2021, with the passage of Colorado Amendment B, the Gallagher Amendment, which set residential and non-residential property tax assessment rates in the State Constitution, was repealed allowing the Colorado State Legislature to freeze the 2021 percentages at the current rates and decrease future property tax assessment rate decreases through state law. Additionally, exempt property is presented in actual value but not in assessed 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: \$8,910,730 - 2013; \$8,264,580 - 2014; \$10,280,820 - 2015; \$10,258,070 - 2016; \$29,967,707 - 2017; \$145,169,710 - 2018; \$252,569,440 - 2019; \$246,175,790 - 2020; \$196,402,730 - 2021; and \$198,092,630 - 2022 for Adams; \$20,975,154 - 2013; \$24,997,667 - 2014; \$30,745,586 - 2015; \$39,155,586 - 2016; \$45,379,741 - 2017; \$55,817,358 - 2018; \$69,559,590 - 2019; \$75,665,851 - 2020; \$90,507,285 - 2021; and \$103,462,027 - 2022 for 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: 2013 - \$10,212,781, 2014 - \$10,157,993, 2015 - \$13,949,563, 2016 - \$13,952,766, 2017 - \$19,734,816, 2018 - \$22,017,975, 2019 - \$25,805,619, 2020 - \$26,262,013, 2021 - \$26,628,382; and 2022 - \$26,149,797.

(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. Also includes a temporary mill levy rate reduction of .532 mills in the 2021 levy year to refund excess property tax revenue collection in 2020.

**CITY OF AURORA, COLORADO**  
**PROPERTY TAX RATES - DIRECT AND PRIMARY OVERLAPPING GOVERNMENTS**  
**(PER \$1,000 OF ASSESSED VALUATION)**

**LAST TEN YEARS**

| Assessment/<br>Levy<br>Year | Collection/<br>Budget<br>Year | City of Aurora   |                 |        |          |          | (b) Total Tax Rate - City of Aurora and:  |                                              |                                                |         |        |
|-----------------------------|-------------------------------|------------------|-----------------|--------|----------|----------|-------------------------------------------|----------------------------------------------|------------------------------------------------|---------|--------|
|                             |                               | Operating<br>(a) | Debt<br>Service | Total  | Counties |          | Adams County<br>and Aurora<br>Schools 28J | Arapahoe County<br>and Aurora<br>Schools 28J | Arapahoe County<br>and Cherry<br>Creek Schools |         |        |
|                             |                               |                  |                 |        | Adams    | Arapahoe |                                           |                                              |                                                |         |        |
| 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 |
| 2020                        | 2021                          | 8.605            | 0.000           | 8.605  | 26.897   | 13.013   | 82.034                                    | 49.724                                       | 117.536                                        | 103.652 | 71.342 |
| 2021                        | 2022                          | 8.073            | 0.000           | 8.073  | 27.069   | 12.762   | 78.918                                    | 49.012                                       | 114.060                                        | 99.753  | 69.847 |
| 2022                        | 2023                          | 7.816            | 0.000           | 7.816  | 26.967   | 13.750   | 77.846                                    | 49.863                                       | 112.629                                        | 99.412  | 71.429 |

**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 2023 are based on the 2022 assessment, which itself is based on property values as of June 30, 2021.

(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. Also includes a temporary mill levy rate reduction of .532 mills in the 2021 levy year to refund excess property tax revenue collection in 2020.

(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.

**CITY OF AURORA, COLORADO**  
**TOP TEN PRINCIPAL PROPERTY TAX PAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

|                                    | 2022                                 |      |                                                 | 2013                                 |      |                                                 |
|------------------------------------|--------------------------------------|------|-------------------------------------------------|--------------------------------------|------|-------------------------------------------------|
|                                    | Assessed<br>Valuation of<br>Property | Rank | Percentage<br>of Total<br>Assessed<br>Valuation | Assessed<br>Valuation of<br>Property | Rank | Percentage<br>of Total<br>Assessed<br>Valuation |
| Xcel Energy                        | \$ 172,579,319                       | 1    | 2.78%                                           | \$ 137,088,960                       | 1    | 4.63%                                           |
| Aurora Convention Center Hotel LLC | 138,331,300                          | 2    | 2.23%                                           |                                      |      |                                                 |
| Crestone Peak Resources LLC        | 80,616,990                           | 3    | 1.30%                                           |                                      |      |                                                 |
| NP Stafford II LLC                 | 38,378,310                           | 4    | 0.62%                                           |                                      |      |                                                 |
| JP Morgan Chase Bank               | 38,055,109                           | 5    | 0.61%                                           |                                      |      |                                                 |
| LIT Gateway Portfolio LLC          | 33,879,580                           | 6    | 0.55%                                           |                                      |      |                                                 |
| Shamrock Foods CO INC              | 29,079,640                           | 7    | 0.47%                                           |                                      |      |                                                 |
| Qwest Corporation                  | 23,092,343                           | 8    | 0.37%                                           | 41,649,160                           | 2    | 1.41%                                           |
| LIT Industrial Limited Partnership | 18,822,250                           | 9    | 0.30%                                           |                                      |      |                                                 |
| Columbia Healthone LLC             | 18,415,000                           | 10   | 0.30%                                           |                                      |      |                                                 |
| Cellco Partnership dba Verizon     |                                      |      |                                                 | 20,300,000                           | 3    | 0.69%                                           |
| Arapahoe Crossings                 |                                      |      |                                                 | 19,745,070                           | 4    | 0.67%                                           |
| CPT Operating Partnership          |                                      |      |                                                 | 16,109,500                           | 5    | 0.54%                                           |
| Weingarten/Miller/Aurora II        |                                      |      |                                                 | 12,352,850                           | 6    | 0.42%                                           |
| Retail Property Trust              |                                      |      |                                                 | 11,894,930                           | 7    | 0.40%                                           |
| The Medical Center of Aurora       |                                      |      |                                                 | 9,570,000                            | 8    | 0.32%                                           |
| Digital East Cornell               |                                      |      |                                                 | 7,995,294                            | 9    | 0.27%                                           |
|                                    |                                      |      |                                                 | 7,395,000                            | 10   | 0.25%                                           |
| Total                              | \$ 591,249,841                       |      | 9.52%                                           | \$ 284,100,764                       |      | 9.59%                                           |

Source: Data obtained from Certifications of Valuations provided by Adams, Arapahoe and Douglas counties. The Total Assessed Value in assessment year 2022 is \$6,204,327,501 and 2013 was \$2,962,040,450. This total does not include the tax increment financing district assessed valuation for 2022 of \$301,554,657 or 2013 of \$29,885,884. It also does not include General Improvement District (GID) assessed value for 2022 of \$26,149,797 or 2013 of \$10,212,781.

## Exhibit A-12

**CITY OF AURORA, COLORADO**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN YEARS**

| Assessment/<br>Levy<br>Year | Collection/<br>Budget<br>Year | Total Tax<br>Levy (a) | Current Tax<br>Collections | Percent of<br>Levy Collected | Delinquent<br>Collections/<br>(Refunds) (b) | Total Tax<br>Collections | Collections<br>as % of<br>Current Tax<br>Levy | Tax<br>Increment<br>Collections (c) | General<br>Improvement<br>District<br>Collections | Total Property<br>Tax<br>Revenues |
|-----------------------------|-------------------------------|-----------------------|----------------------------|------------------------------|---------------------------------------------|--------------------------|-----------------------------------------------|-------------------------------------|---------------------------------------------------|-----------------------------------|
| 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                        |
| 2019                        | 2020                          | 45,859,054            | 44,917,240                 | 97.95%                       | (31,482)                                    | 44,885,758               | 97.88%                                        | 37,688,509                          | 606,219                                           | 83,180,486                        |
| 2020                        | 2021                          | 44,756,537            | 40,894,532                 | 91.37%                       | (7,351)                                     | 40,887,181               | 91.35%                                        | 40,197,880                          | 603,440                                           | 81,688,501                        |
| 2021                        | 2022                          | 48,675,912            | 46,179,097                 | 94.87%                       | (17,988)                                    | 46,161,109               | 94.83%                                        | 36,164,035                          | 593,821                                           | 82,918,965                        |

## 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 2022 are based on the 2021 assessment, which itself is based on property values as of June 30, 2020.

(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        |                          |                |                    |                              |               |                          | Per Capita Population (c)         |
|------|--------------------------|---------------|---------------------------|-------------------------------|------------------------------|---------------------------------|--------------------------|----------------|--------------------|------------------------------|---------------|--------------------------|-----------------------------------|
|      | General Obligation Bonds | Revenue Bonds | Special Assessments Notes | Certificates of Participation | Financed Purchase Agreements | Tax Increment Bonds / Notes (a) | General Obligation Bonds | Revenue Bonds  | Water Rights Notes | Financed Purchase Agreements | Revenue Notes | Total Primary Government | Percentage of Personal Income (b) |
| 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%                             |
| 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%                             |
| 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%                             |
| 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%                             |
| 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%                             |
| 2018 | 3,390,000                | -             | 365,000                   | 177,497,387                   | 42,685,380                   | 29,750,000                      | -                        | 536,819,739    | -                  | -                            | -             | 790,507,506              | 11.0%                             |
| 2019 | 3,185,000                | -             | 270,000                   | 171,724,426                   | 40,436,092                   | 29,136,343                      | -                        | 482,004,816    | -                  | -                            | -             | 726,756,677              | 9.0%                              |
| 2020 | 2,973,000                | -             | 180,000                   | 198,947,348                   | 34,815,411                   | 28,308,376                      | -                        | 484,392,498    | -                  | -                            | -             | 749,616,633              | 8.6%                              |
| 2021 | 2,750,000                | -             | 95,000                    | 187,103,337                   | 37,475,103                   | 27,405,836                      | -                        | 681,394,711    | -                  | -                            | -             | 936,223,987              | (d) 2,471                         |
| 2022 | 2,515,000                | -             | -                         | 209,945,254                   | 25,667,721                   | 21,903,607                      | -                        | 662,228,272    | -                  | -                            | -             | 922,259,854              | (d) 2,317                         |

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. In 2022, the 2014 revenue note was refunded.
- (b) See Exhibit A-18 (Demographic and Economic) for personal income (based on labor force) totals.
- (c) The population for 2014 was provided by Clarion Associates. For 2013 and 2015 through 2022, the population was provided by the city's Planning Department.
- (d) 2021 Personal Income data was not available due to internal changes in the Bureau of Labor and Statistics software while the 2022 data is not currently available from the State of Colorado as of the report issuance date.

## Exhibit A-14

**CITY OF AURORA, COLORADO**  
**RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING**  
**LAST TEN YEARS**

| Year | Population<br>(a) | Assessed<br>Value<br>(b) | Debt                              |                             | Total General<br>Obligation<br>Bonded Debt<br>(d) | Less: Debt<br>Service Funds<br>Available<br>(e) | Net General<br>Obligation<br>Bonded Debt | Net General<br>Obligation<br>Bonded Debt to<br>Assessed Value | Net General<br>Obligation<br>Bonded Debt<br>Per Capita |
|------|-------------------|--------------------------|-----------------------------------|-----------------------------|---------------------------------------------------|-------------------------------------------------|------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------|
|      |                   |                          | Governmental<br>Activities<br>(c) | Business-Type<br>Activities |                                                   |                                                 |                                          |                                                               |                                                        |
| 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            | -                                 | -                           | -                                                 | -                                               | -                                        | -                                                             | -                                                      |
| 2020 | 386,502           | 5,541,918,846            | -                                 | -                           | -                                                 | -                                               | -                                        | -                                                             | -                                                      |
| 2021 | 378,826           | 6,029,470,069            | -                                 | -                           | -                                                 | -                                               | -                                        | -                                                             | -                                                      |
| 2022 | 398,018           | 6,204,327,501            | -                                 | -                           | -                                                 | -                                               | -                                        | -                                                             | -                                                      |

## Notes:

- (a) The population count for 2014 was provided by Clarion Associates. For 2013 and 2015 through 2022, the population count was provided by the city's Planning Department.
- (b) Does not include tax increment financing district incremental assessed valuation of: \$8,910,730 - 2013; \$8,264,580 - 2014; \$10,280,820 - 2015; \$10,258,070 - 2016; \$29,967,070 - 2017; \$145,169,710 - 2018; \$252,569,440 - 2019; \$246,175,790 - 2020; \$196,402,730 - 2021; and \$198,092,630 - 2022 for Adams; \$20,975,154 - 2013; \$24,997,667 - 2014; \$30,745,586 - 2015; \$39,155,586 - 2016; \$45,379,741 - 2017; \$55,817,358 - 2018; \$69,559,590 - 2019; \$75,665,851 - 2020; \$90,507,285 - 2021; and \$103,461,832 - 2022 for Arapahoe. Does not include General Improvement Districts (GIDs) assessed value of: 2013 - \$10,212,781; 2014 - \$10,157,993; 2015 - \$13,949,563; 2016 - \$13,952,766; 2017 - \$19,734,816; 2018 - \$22,017,975; 2019 - \$25,805,619; 2020 - \$26,262,013; 2021 - \$26,628,382 and 2022 - \$26,149,797. Data obtained from Certifications of Valuation provided by Adams, Arapahoe and Douglas counties.
- (c) Does not include GIDs outstanding debt of: 2013 - \$3,838,000; 2014 - \$3,696,000; 2015 - \$3,549,000; 2016 - \$3,386,000; 2017 - \$3,582,000; 2018 - \$3,390,000; 2019 - \$3,185,000; 2020 - \$2,973,000; 2021 - \$2,750,000; and 2022 - \$2,515,000.
- (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) 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, 2022**

| <b>Jurisdiction</b>                           | <b>Obligations<br/>Outstanding</b> | <b>Estimated<br/>Percentage<br/>Applicable (c)</b> | <b>Estimated Share of<br/>Overlapping<br/>Debt</b> |
|-----------------------------------------------|------------------------------------|----------------------------------------------------|----------------------------------------------------|
| <i>Direct:</i>                                |                                    |                                                    |                                                    |
| City of Aurora (a)                            | \$ 260,031,582                     | 100.00%                                            | \$ 260,031,582                                     |
| <i>Overlapping:</i>                           |                                    |                                                    |                                                    |
| <b><i>Debt repaid with property taxes</i></b> | <b><u>General Obligation</u></b>   |                                                    |                                                    |
| Adams-Arapahoe School District 28J            |                                    |                                                    |                                                    |
| General obligation bonds (b)                  | \$ 359,179,436                     | 100.00%                                            | 359,179,436                                        |
| Cherry Creek School District                  |                                    |                                                    |                                                    |
| General obligation bonds (b)                  | 607,430,000                        | 38.36%                                             | 233,010,148                                        |
| Arapahoe County                               |                                    |                                                    |                                                    |
| General obligation bonds (b,c)                | 9,436,347                          | 34.50%                                             | 3,255,540                                          |
| Total overlapping debt:                       |                                    |                                                    | 595,445,124                                        |
| Total Direct and Overlapping Debt             |                                    |                                                    | \$ 855,476,706                                     |

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 financed purchase agreements, 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. Does not include General Improvement Districts (GIDs) outstanding debt.

(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 2022

|                                            |                  |                    |
|--------------------------------------------|------------------|--------------------|
| Assessed valuation, all Counties:          | \$ 6,204,327,501 |                    |
| Debt limit - 3% of assessed valuation      |                  | \$ 186,129,825     |
| Amount of debt outstanding:                |                  |                    |
| Total bonded debt                          | \$ 664,743,272   |                    |
| Other debt                                 | 257,516,582      |                    |
| Total                                      |                  | \$ 922,259,854     |
| Deductions allowed by law:                 |                  |                    |
| General obligation bonds exempt from limit | 2,515,000 (a)    |                    |
| Revenue bonds                              | 662,228,272 (b)  |                    |
| Financed purchase agreement obligations    | 25,667,721 (b)   |                    |
| Certificates of participation              | 209,945,254 (b)  |                    |
| Revenue notes                              | 21,903,607 (b)   |                    |
| Total deductions                           |                  | 922,259,854        |
| Amount of debt applicable to debt limit    |                  | -                  |
| Legal Debt Margin                          |                  | \$ 186,129,825 (c) |

|                                        | Last Ten Fiscal Years |               |                |                |                |                |                |                |                |                |
|----------------------------------------|-----------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                        | 2013                  | 2014          | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           |
| Debt limit                             | \$ 88,861,214         | \$ 89,386,921 | \$ 108,418,361 | \$ 109,759,827 | \$ 129,389,531 | \$ 131,828,239 | \$ 159,880,492 | \$ 166,257,565 | \$ 180,884,102 | \$ 186,129,825 |
| Total net debt applicable to limit     | \$ 88,861,214         | \$ 89,386,921 | \$ 108,418,361 | \$ 109,759,827 | \$ 129,389,531 | \$ 131,828,239 | \$ 159,880,492 | \$ 166,257,565 | \$ 180,884,102 | \$ 186,129,825 |
| Legal debt margin                      |                       |               |                |                |                |                |                |                |                |                |
| Total net debt applicable to the limit |                       |               |                |                |                |                |                |                |                |                |
| as a percentage of debt limit          | 0.0%                  | 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.

## Exhibit A-17

**CITY OF AURORA, COLORADO**  
**SCHEDULE OF WATER REVENUE BOND COVERAGE**

**LAST TEN YEARS**

| Year | Gross<br>Revenue (a) | Expenses (b)  | Net Revenue<br>Available For<br>Debt Service | Debt Service Requirements             |               |                                                |               |                           |               | Debt Secured by Net<br>Pledged Revenues (e) |          |           |          | Coverage Ratios (f) |      |      |
|------|----------------------|---------------|----------------------------------------------|---------------------------------------|---------------|------------------------------------------------|---------------|---------------------------|---------------|---------------------------------------------|----------|-----------|----------|---------------------|------|------|
|      |                      |               |                                              | First Lien Revenue<br>Obligations (c) |               | First & Second Lien<br>Revenue Obligations (d) |               | Debt Service Requirements |               | Principal                                   | Interest | Principal | Interest | (c)                 | (d)  | (e)  |
|      |                      |               |                                              | Principal                             | Interest      | Principal                                      | Interest      | Principal                 | Interest      |                                             |          |           |          |                     |      |      |
| 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 |                                             |          |           |          | 3.09                | 2.63 | 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    |                                             |          |           |          | 4.00                | 3.40 | 3.37 |
| 2015 | (g) 133,797,322      | 53,355,471    | 80,441,851                                   | -                                     | 24,012,297    | 1,695,611                                      | 26,732,563    | 1,872,494                 | 26,767,940    |                                             |          |           |          | 3.35                | 2.83 | 2.81 |
| 2016 | (g) 156,847,578      | 56,334,540    | 100,513,038                                  | -                                     | 22,931,125    | 1,759,196                                      | 25,587,806    | 1,936,079                 | 25,614,338    |                                             |          |           |          | 4.38                | 3.68 | 3.65 |
| 2017 | (g) 157,618,749      | 58,237,484    | 99,381,265                                   | -                                     | 18,147,048    | -                                              | 18,147,048    | 176,883                   | 18,164,736    |                                             |          |           |          | 5.48                | 5.48 | 5.42 |
| 2018 | (g) 176,503,787      | 64,756,975    | 111,746,812                                  | -                                     | 18,936,050    | -                                              | 18,936,050    | 176,883                   | 18,944,894    |                                             |          |           |          | 5.90                | 5.90 | 5.84 |
| 2019 | 167,391,085          | 64,435,483    | 102,955,602                                  | -                                     | 19,191,886    | -                                              | 19,191,886    | -                         | 19,191,886    |                                             |          |           |          | 5.36                | 5.36 | 5.36 |
| 2020 | 197,531,674          | 65,776,272    | 131,755,402                                  | 2,350,000                             | 18,036,050    | 2,350,000                                      | 18,036,050    | 2,350,000                 | 18,036,050    |                                             |          |           |          | 6.46                | 6.46 | 6.46 |
| 2021 | 196,529,910          | 69,063,516    | 127,466,394                                  | 4,855,000                             | 18,000,800    | 4,855,000                                      | 18,000,800    | 4,855,000                 | 18,000,800    |                                             |          |           |          | 5.58                | 5.58 | 5.58 |
| 2022 | 211,831,481          | 76,634,537    | 135,196,944                                  | 11,920,000                            | 15,149,189    | 11,920,000                                     | 15,149,189    | 11,920,000                | 15,149,189    |                                             |          |           |          | 4.99                | 4.99 | 4.99 |

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 returns (interest income) and gain (loss) on disposal of capital assets (proceeds-sales of fixed assets). Excludes fair value adjustment, annexation fees and lease interest revenue.

(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 2005D and the City's First Lien Water Improvement Revenue Bonds Series 2021, 2016, 2008 and 2007. In 2014 and 2015, the 2005D CWRPDA Bonds were defeased in the amounts of \$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 and 2021, the 2016 First Lien Refunding Revenue Bonds were defeased in the amounts of \$45,000,000 and \$218,535,000, respectively. 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. In 2016, the CWCBC note was paid off with proceeds from the Series 2016 Revenue Bonds in the amount of \$69,085,617. The legal covenant for debt service coverage is 1.05.

(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) Net Revenue Available for Debt Service divided by Total Debt Service Requirements for "c", "d" and "e", respectively.

(g) 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)

**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 | Senior Debt Service Requirements (c) |              |              | Subordinate Debt Service Requirements (c) |          |       | Coverage Ratio (e) |
|------|-------------------|---------------|----------------------------------------|--------------------------------------|--------------|--------------|-------------------------------------------|----------|-------|--------------------|
|      |                   |               |                                        | Principal                            | Interest     | Total        | Principal                                 | Interest | Total |                    |
| 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               |
| 2020 | 85,083,674        | 51,982,329    | 33,101,345                             | 2,810,000                            | 409,119      | 3,219,119    | -                                         | -        | -     | 10.28              |
| 2021 | 85,539,611        | 58,033,110    | 27,506,501                             | 4,259,537                            | 499,929      | 4,759,466    | -                                         | -        | -     | 5.78               |
| 2022 | 88,709,475        | 58,425,592    | 30,283,883                             | 5,900,036                            | 2,993,654    | 8,893,690    | -                                         | -        | -     | 3.41               |

Notes: Includes long-term debt payable from Sewer revenues, including revenue bonds and long-term interfund payables.

- (a) Includes charges for services, intergovernmental revenue and miscellaneous revenues as well as components of capital contributions (tap fees and IGA revenues), investment returns (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 Senior Debt Service Requirements consist of the First Lien Sewer Improvement Revenue Bonds, Series 2016 and Series 2006. 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. In 2018, First Lien Wastewater Improvement Bonds were issued with fixed rate conversions done in 2020 and in 2021 for the amounts of \$13,000,000 and \$15,000,000, respectively - see notes to the financial statements for details. The Subordinate Debt Service Requirement is the 2018 Interfund Loan Payable to the Water Fund which was fully paid in 2021.
- (d) Net Revenue Available for Debt Service divided by Total Senior Debt Service Requirements. The legal covenant for debt service coverage is 1.20 for the Series 2021, 2018, 2016 and Series 2006.
- (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.

(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      | Principal                                 | Interest   | Total      |
|      |                   |                                      |                                        |                                      |           |            |                                           |            |            |
| 2013 | \$ 8,074,292      | \$ 7,115,939                         | \$ 958,353                             | \$ 455,000                           | \$ 80,725 | \$ 535,725 | \$ 50,000                                 | \$ 173,360 | \$ 223,360 |
| 2014 | 8,210,503         | 7,236,142                            | 974,361                                | 470,000                              | 62,525    | 532,525    | 50,000                                    | 171,360    | 221,360    |
| 2015 | 8,614,560         | 7,609,204                            | 1,005,356                              | 490,000                              | 43,138    | 533,138    | 50,000                                    | 169,360    | 219,360    |
| 2016 | 8,273,524         | 7,775,293                            | 498,231                                | 510,000                              | 22,313    | 532,313    | 275,000                                   | 167,360    | 442,360    |
| 2017 | 8,650,563         | 7,424,094                            | 1,226,469                              | -                                    | -         | -          | 275,000                                   | 100,983    | 375,983    |
| 2018 | 8,059,584         | 6,989,142                            | 1,070,442                              | -                                    | -         | -          | 300,000                                   | 72,680     | 372,680    |
| 2019 | 7,980,091         | 7,446,751                            | 533,340                                | -                                    | -         | -          | 325,000                                   | 66,680     | 391,680    |
| 2020 | 8,761,956         | 7,569,973                            | 1,191,983                              | -                                    | -         | -          | 350,000                                   | 60,180     | 410,180    |
| 2021 | 11,617,585        | 8,347,854                            | 3,269,731                              | -                                    | -         | -          | 375,000                                   | 53,180     | 428,180    |
| 2022 | 11,874,899        | 8,621,842                            | 3,253,057                              | -                                    | -         | -          | 400,000                                   | 45,680     | 445,680    |

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 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 2016, 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 back to 1.00.

(concluded)

## Exhibit A-18

**CITY OF AURORA, COLORADO  
DEMOGRAPHIC AND ECONOMIC STATISTICS**

**LAST TEN YEARS**

| Year | General<br>Population (a) | Personal<br>Income (b) | Aurora Labor<br>Force Population (c) | Personal Income Per<br>Capita (Labor Force) | Unemployment<br>Rate (d) |
|------|---------------------------|------------------------|--------------------------------------|---------------------------------------------|--------------------------|
| 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                   | 8,034,805,944          | 200,678                              | 40,038                                      | 2.5%                     |
| 2020 | 386,502                   | 8,691,094,257          | 204,416                              | 42,517                                      | 8.2%                     |
| 2021 | 378,826                   | (e)                    | 208,743                              | (e)                                         | 5.3%                     |
| 2022 | 398,018                   | (f)                    | 209,391                              | (f)                                         | 2.8%                     |

## Notes:

- (a) The population for 2014 was provided by Clarion Associates. For 2013 through 2022, the population was provided by the city's Office of Budget and Financial Planning.
- (b) Data was provided by the city's Planning and Development Services. 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 provided by the United States Department of Labor.
- (e) Data was not available from the Bureau of Labor and Statistics due to internal changes in their software.
- (f) 2022 Personal Income data was not available from the State of Colorado as of the report issuance date.

## Exhibit A-19

**CITY OF AURORA, COLORADO**  
**TOP TEN PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

| Industry (b)                                                             | 2022 (a)  |      |                                     | Employer                                       | 2013      |      |                                     |
|--------------------------------------------------------------------------|-----------|------|-------------------------------------|------------------------------------------------|-----------|------|-------------------------------------|
|                                                                          | Employees | Rank | Percentage of Total City Employment |                                                | Employees | Rank | Percentage of Total City Employment |
| Retail Trade                                                             | 36,189    | 1    | 21.76%                              | Buckley Air Force Base                         | 11,640    | 1    | 6.88%                               |
| Health Care and Social Assistance                                        | 30,789    | 2    | 18.51%                              | University of Colorado Anschutz Medical Campus | 7,230     | 2    | 4.27%                               |
| Administrative and Support and Waste Management and Remediation Services | 18,111    | 3    | 10.89%                              | The Children's Hospital                        | 5,020     | 3    | 2.97%                               |
| Accommodation and Food Services                                          | 13,589    | 4    | 8.17%                               | Aurora Public Schools                          | 5,000     | 4    | 2.95%                               |
| Educational Services                                                     | 11,914    | 5    | 7.16%                               | University of Colorado Hospital                | 4,890     | 5    | 2.89%                               |
| Professional, Scientific, and Technical Services                         | 11,909    | 6    | 7.16%                               | Cherry Creek Public Schools (b)                | 3,840     | 6    | 2.27%                               |
| Wholesale Trade                                                          | 8,261     | 7    | 4.97%                               | City of Aurora (c)                             | 3,780     | 7    | 2.23%                               |
| Construction                                                             | 6,744     | 8    | 4.06%                               | Raytheon                                       | 2,410     | 8    | 1.42%                               |
| Manufacturing                                                            | 6,168     | 9    | 3.71%                               | Kaiser Permanente                              | 1,690     | 9    | 1.00%                               |
| Transportation and Warehousing                                           | 5,910     | 10   | 3.55%                               | Health One Medical Center of Aurora            | 1,580     | 10   | 0.93%                               |

Note: 2022 data provided by the city of Aurora and the 2013 data provided by the Aurora Economic Development Council (AEDC) unless otherwise noted. Information on 2013 does not include retail sector employers.

- (a) Presentation of the top ten principal employers changed in 2020 due to the determination that this is protected information. The 2022 information is based on industry classification while the 2013 information is presented by employer as was reported in the 2013 annual financial report.
- (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.

## Exhibit A-20

**CITY OF AURORA, COLORADO**  
**BUDGETED FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN YEARS**

|                                                 | 2013     | 2014     | 2015     | 2016     | 2017     | 2018     | 2019     | 2020     | 2021     | 2022     |
|-------------------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>General Government</b>                       |          |          |          |          |          |          |          |          |          |          |
| City Council                                    | 14.00    | 14.00    | 14.00    | 15.00    | 15.00    | 15.00    | 15.00    | 15.00    | 15.00    | 15.00    |
| Finance                                         | 58.50    | 56.50    | 56.50    | 60.50    | 60.50    | 60.50    | 62.00    | 62.00    | 72.00    | 79.00    |
| General Management (includes Civil Service) (b) | 102.00   | 103.00   | 109.00   | 111.75   | 111.75   | 86.00    | 88.00    | 94.00    | 42.00    | 52.00    |
| Human Resources (a)                             | -        | -        | -        | -        | -        | 28.50    | 29.50    | 31.00    | 31.00    | 38.50    |
| Information Technology                          | 43.00    | 43.00    | 45.00    | 48.00    | 48.00    | 49.00    | 55.00    | 56.00    | 57.50    | 69.00    |
| Communications                                  | 21.05    | 22.86    | 22.86    | 25.36    | 25.36    | 26.50    | 29.50    | 29.50    | 30.50    | 29.50    |
| Planning                                        | 31.00    | 35.00    | 36.00    | 42.00    | 42.00    | 42.50    | 46.00    | 47.00    | 45.00    | 49.00    |
| <b>Judicial</b>                                 |          |          |          |          |          |          |          |          |          |          |
| City Attorney                                   | 50.00    | 50.80    | 50.80    | 53.80    | 53.80    | 55.00    | 60.00    | 62.00    | 61.00    | 64.00    |
| Court Administration (includes Judicial)        | 122.50   | 122.50   | 125.50   | 125.50   | 126.50   | 131.50   | 133.50   | 133.50   | 133.50   | 134.50   |
| Public Defender                                 | 8.50     | 8.50     | 9.00     | 10.00    | 10.00    | 11.50    | 15.50    | 15.50    | 15.50    | 17.50    |
| <b>Police</b>                                   | 791.50   | 794.50   | 808.50   | 823.50   | 837.50   | 856.50   | 875.50   | 890.50   | 890.50   | 910.50   |
| <b>Fire</b>                                     | 327.00   | 335.00   | 346.00   | 362.00   | 387.00   | 404.00   | 438.50   | 443.50   | 442.00   | 459.00   |
| <b>Other Public Safety</b>                      | 81.00    | 81.00    | 81.00    | 91.00    | 91.00    | 91.00    | 91.00    | 91.00    | 90.00    | 91.00    |
| <b>Public Works (b)</b>                         | 246.00   | 249.00   | 258.00   | 272.00   | 282.00   | 285.00   | 310.00   | 315.00   | 353.00   | 378.00   |
| <b>Community Services</b>                       |          |          |          |          |          |          |          |          |          |          |
| Neighborhood Services                           | 71.60    | 76.60    | 81.00    | 83.00    | 83.00    | 82.50    | 84.50    | 86.50    | 81.50    | 89.00    |
| <b>Culture and Recreation</b>                   |          |          |          |          |          |          |          |          |          |          |
| Library and Cultural Services                   | 73.40    | 76.60    | 78.60    | 85.30    | 85.30    | 85.50    | 89.00    | 89.00    | 87.00    | 89.00    |
| Parks, Recreation and Open Space                | 221.20   | 251.55   | 256.55   | 260.55   | 267.55   | 280.00   | 279.00   | 279.00   | 277.00   | 305.00   |
| <b>Water</b>                                    | 273.82   | 280.23   | 285.98   | 286.19   | 291.20   | 294.44   | 306.89   | 312.92   | 312.92   | 324.97   |
| <b>Wastewater</b>                               | 148.18   | 143.77   | 143.02   | 143.81   | 149.80   | 150.56   | 153.61   | 156.08   | 156.08   | 160.03   |
| <b>Total</b>                                    | 2,684.25 | 2,744.41 | 2,807.31 | 2,899.26 | 2,967.26 | 3,035.50 | 3,162.00 | 3,209.00 | 3,193.00 | 3,354.50 |

Data was provided by the city of Aurora Office of Budget and Financial Planning.

Notes:

- (a) In 2012-2017, Human Resources became Internal Services and was reported under General Management. As of 2018, Human Resources is reported separately.  
 (b) In 2012-2020, Fleet Management was reported under General Management. As of 2021, Fleet Management is reported under Public Works.

## 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

|                                                                                                                                            | 2013      | 2014      | 2015      | 2016      | 2017      | 2018      | 2019      | 2020      | 2021      | 2022      |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>General Government</b>                                                                                                                  |           |           |           |           |           |           |           |           |           |           |
| <b><i>Building Permits: Data provided by COA Building Code Division</i></b>                                                                |           |           |           |           |           |           |           |           |           |           |
| Permits issued (a)                                                                                                                         | 12,186    | 23,508    | 23,325    | 14,340    | 13,272    | 15,173    | 18,058    | 16,518    | 18,397    | 17,042    |
| Value of buildings (millions \$)                                                                                                           | 522       | 614       | 846       | 854       | 1,026     | 1,545     | 1,211     | 1,303     | 1,959     | 1,514     |
| <b><i>Tax &amp; Licensing: Data provided by COA Tax &amp; Licensing Division</i></b>                                                       |           |           |           |           |           |           |           |           |           |           |
| New business licenses (e)                                                                                                                  | 2,370     | 2,492     | 2,689     | 2,301     | 2,634     | 2,975     | 3,667     | 2,799     | 3,888     | 4,186     |
| <b><i>Police Protection: Data provided by COA Police Department</i></b>                                                                    |           |           |           |           |           |           |           |           |           |           |
| Number of law violations (Part I Crime) (b)                                                                                                | 12,285    | 11,548    | 12,230    | 13,266    | 13,498    | 14,064    | 14,161    | 16,494    | 18,971    | 22,132    |
| Total calls for service requests received                                                                                                  | 415,995   | 427,508   | 462,070   | 435,239   | 427,979   | 431,418   | 444,227   | 405,205   | 411,817   | 346,102   |
| Total calls dispatched and officer initiated (c)                                                                                           | -         | -         | 235,197   | 235,188   | 233,566   | 286,629   | 232,403   | 220,535   | 221,963   | 220,926   |
| Total moving violations                                                                                                                    | 39,669    | 43,879    | 41,822    | 26,779    | 29,087    | 34,714    | 37,235    | 21,016    | 19,682    | 14,349    |
| Total parking violations (d)                                                                                                               | 6,028     | 6,473     | 5,550     | 5,462     | 16,329    | 17,075    | 17,744    | 13,322    | 16,102    | 17,470    |
| <b><i>Fire Protection: Data provided by COA Fire Department</i></b>                                                                        |           |           |           |           |           |           |           |           |           |           |
| Number of fire inspections                                                                                                                 | 7,015     | 7,195     | 9,674     | 10,535    | 7,542     | 14,850    | 15,790    | 2,973     | 5,499     | 4,811     |
| Total fire calls (Fire, EMS, other) (g)                                                                                                    | 40,164    | 42,575    | 45,013    | 46,323    | 49,182    | 48,480    | 48,343    | 49,355    | 56,034    | 57,865    |
| Haz Mat calls                                                                                                                              | 17        | 26        | 29        | 39        | 43        | 85        | 70        | 68        | 77        | 688       |
| <b><i>Community Services: Data provided by COA Neighborhood Services Department</i></b>                                                    |           |           |           |           |           |           |           |           |           |           |
| Total number of code enforcement inspections                                                                                               | 70,161    | 68,516    | 78,011    | 74,178    | 67,353    | 70,945    | 65,023    | 66,761    | 58,680    | 47,833    |
| <b><i>Culture and Recreation: Data provided by COA Parks, Recreation and Open Space, and Library and Cultural Services Departments</i></b> |           |           |           |           |           |           |           |           |           |           |
| Library items circulated                                                                                                                   | 1,030,535 | 1,065,076 | 1,002,186 | 1,092,078 | 1,152,370 | 1,113,419 | 1,070,488 | 1,011,679 | 1,069,179 | 1,308,013 |
| Library patron visits (f)                                                                                                                  | 939,805   | 1,044,711 | 1,000,119 | 1,161,139 | 1,145,179 | 1,076,803 | 1,185,328 | 327,466   | 365,986   | 505,677   |
| Recreational classes offered (f)                                                                                                           | 7,648     | 5,963     | 7,103     | 7,347     | 7,606     | 6,382     | 5,177     | 710       | 1,770     | 2,502     |
| Recreational attendance (f)                                                                                                                | 349,607   | 359,356   | 390,437   | 406,603   | 388,101   | 324,101   | 417,146   | 34,797    | 373,821   | 476,000   |
| Cultural services in house program attendance (f)                                                                                          | 152,912   | 163,133   | 164,839   | 176,269   | 180,166   | 176,621   | 93,682    | 4,177     | 23,511    | 50,315    |

## 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.
- (f) In 2020 and 2021, libraries were closed for much of the year due to the COVID-19 pandemic resulting in declines in library patron visits and cultural services in house programming. Also due to COVID-19 closures of recreation centers, followed by reduced capacity restrictions and reduced in-person programming, recreation classes and attendance were down significantly.
- (g) In 2022, 2021 Haz Mat calls were restated to reflect entire city calls for hazardous material issues.

## Exhibit A-22

**CITY OF AURORA, COLORADO**  
**CAPITAL ASSET STATISTICS BY FUNCTION**  
**LAST TEN YEARS**

|                                                                                                                                      | 2013      | 2014      | 2015      | 2016      | 2017      | 2018      | 2019      | 2020    | 2021      | 2022    |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|-----------|---------|
| <b>Police Protection: Data provided by COA Police Department</b>                                                                     |           |           |           |           |           |           |           |         |           |         |
| Patrol Vehicles                                                                                                                      | 165       | 183       | 192       | 197       | 200       | 206       | 212       | 217     | 217       | 217     |
| 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        | 16        | 16        | 17      | 17        | 17      |
| <b>Public Works: Data provided by COA Public Works Department</b>                                                                    |           |           |           |           |           |           |           |         |           |         |
| Miles of Improved Streets (center-line miles)                                                                                        | 1,188     | 1,209     | 1,220     | 1,224     | 1,149     | 1,151     | 1,196     | 1,207   | 1,217     | 1,243   |
| Tons of asphalt for patching & overlay (a)                                                                                           | 83,406    | 120,379   | 125,204   | 111,332   | 104,052   | 121,131   | 105,725   | 106,513 | 88,733    | 101,556 |
| Square yards of street repair & overlay (a)                                                                                          | 1,536,279 | 1,456,695 | 1,285,547 | 1,762,248 | 1,672,888 | 1,703,813 | 1,336,260 | 684,935 | 1,073,323 | 718,244 |
| <b>Culture and Recreation: Data provided by COA Parks, Recreation, and Open Space, and Library and Cultural Services Departments</b> |           |           |           |           |           |           |           |         |           |         |
| Number of Playgrounds                                                                                                                | 88        | 88        | 88        | 88        | 88        | 88        | 89        | 85      | 85        | 84      |
| Number of Golf Courses                                                                                                               | 6         | 6         | 6         | 6         | 5         | 5         | 5         | 5       | 5         | 5       |
| Number of Swimming Pools                                                                                                             | 9         | 9         | 9         | 9         | 9         | 9         | 10        | 10      | 10        | 11      |
| Parks - Number of Acres (b)                                                                                                          | 12,272    | 10,125    | 10,222    | 10,336    | 10,270    | 10,666    | 11,119    | 11,197  | 10,884    | 10,092  |
| Number of Libraries (e)                                                                                                              | 4         | 4         | 4         | 6         | 6         | 6         | 6         | 6       | 6         | 8       |
| Number of Computer Centers (f)                                                                                                       | 4         | 4         | 4         | 3         | 3         | 2         | 2         | 2       | 2         | -       |
| <b>Water: Data provided by COA Aurora Water Department</b>                                                                           |           |           |           |           |           |           |           |         |           |         |
| Number of Water Taps (c)                                                                                                             | 80,567    | 81,382    | 82,309    | 83,725    | 85,487    | 86,153    | 87,635    | 89,568  | 91,531    | 92,788  |
| Miles of Water Mains constructed (d)                                                                                                 | 2         | 25        | 13        | 16        | 22        | 19        | 21        | 41      | 37        | 25      |
| <b>Wastewater: Data provided by COA Aurora Water Department</b>                                                                      |           |           |           |           |           |           |           |         |           |         |
| Number of Sanitary Sewer Taps (c)                                                                                                    | 88,470    | 89,313    | 90,366    | 91,686    | 93,398    | 84,980    | 86,413    | 88,363  | 90,247    | 92,353  |
| Miles of Sanitary Sewer constructed (d)                                                                                              | 2         | 11        | 14        | 20        | 8         | 23        | 27        | 16      | 22        | 18      |

(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. 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. In 2020, the COVID-19 pandemic delayed the work on street repairs and overlay. In 2021, work increased due to restrictions being lifted. In 2022, square yards were restated for 2021 to reflect correct number.

(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 2022 acreage decreased to exclude some Aurora Water maintained land and all water surface acreage for the reservoirs.

(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 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) Includes Mission Viejo, Tallinn's Reach, Martin Luther King and Central Libraries. In 2016, Iliif Square Library reopened after being closed in 2010 and Hoffman Heights transitioned from a computer center to a full service library.

(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 Knart 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 Knart was closed. Beginning in 2022, all locations are now Libraries.



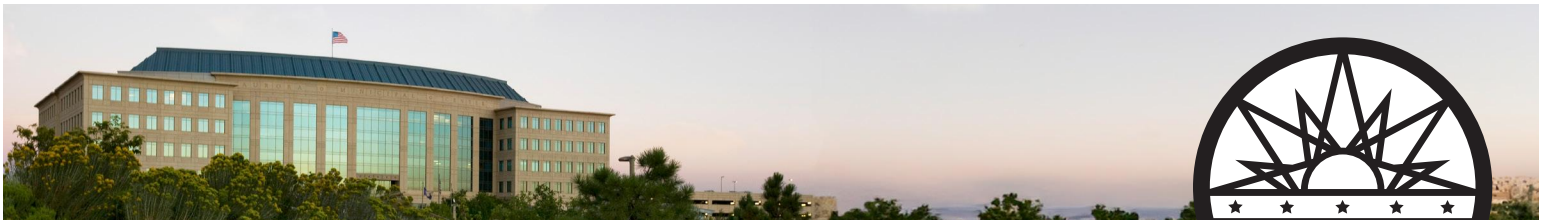
# City of Aurora, Colorado

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2022 ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

## OTHER SCHEDULES

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## Other Schedules

### COMPLIANCE SECTION

#### Exhibit B-1

Local Highway Finance Report

### MISCELLANEOUS SCHEDULES

(not subject to auditing procedures)

#### Exhibit B-2

Schedule of Indebtedness - All Funds

#### Exhibit B-3

Schedule of Debt Service Requirements

### DEBT CONTINUING DISCLOSURES

(not subject to auditing procedures)

#### 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

Wastewater Fund - Maximum Annual Debt Service Coverage

#### Exhibit C-10

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, 2022Form Approved  
OMB No. 2125-0032

|                                                                   |  |                                              |
|-------------------------------------------------------------------|--|----------------------------------------------|
| LOCAL HIGHWAY FINANCE REPORT                                      |  | City or County:                              |
|                                                                   |  | City of Aurora, Colorado                     |
|                                                                   |  | YEAR ENDING :                                |
|                                                                   |  | December 2022                                |
| This Information From The Records Of:<br>City of Aurora, Colorado |  | Prepared By:<br>Daniela Caro<br>303-739-7419 |

## 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                              | \$ 13,445,596.00 |
| 3. Other local imposts (from page 2)                        | \$ 18,826,236.89 |
| 4. Miscellaneous local receipts (from page 2)               | \$ 23,283,680.00 |
| 5. Transfers from toll facilities                           |                  |
| 6. Proceeds of sale of bonds and notes:                     |                  |
| a. Bonds - Original Issues                                  |                  |
| b. Bonds - Refunding Issues                                 | \$ -             |
| c. Notes                                                    |                  |
| d. Total (a. + b. + c.)                                     | \$ -             |
| 7. Total (1 through 6)                                      | \$ 55,555,512.89 |
| <b>B. Private Contributions</b>                             |                  |
| <b>C. Receipts from State government</b><br>(from page 2)   | \$ 11,533,946.11 |
| <b>D. Receipts from Federal Government</b><br>(from page 2) | \$ 1,651,416.00  |
| <b>E. Total receipts (A.7 + B + C + D)</b>                  | \$ 68,740,875.00 |

## III. EXPENDITURES FOR ROAD AND STREET PURPOSES

| ITEM                                             | AMOUNT           |
|--------------------------------------------------|------------------|
| <b>A. Local highway expenditures:</b>            |                  |
| 1. Capital outlay (from page 2)                  | \$ 12,862,005.00 |
| 2. Maintenance:                                  | \$ 27,183,039.00 |
| 3. Road and street services:                     |                  |
| a. Traffic control operations                    | \$ 4,198,130.00  |
| b. Snow and ice removal                          | \$ 2,737,770.00  |
| c. Other                                         | \$ 5,641,489.00  |
| d. Total (a. through c.)                         | \$ 12,577,389.00 |
| 4. General administration & miscellaneous        | \$ 848,839.00    |
| 5. Highway law enforcement and safety            | \$ 10,933,630.00 |
| 6. Total (1 through 5)                           | \$ 64,404,902.00 |
| <b>B. Debt service on local obligations:</b>     |                  |
| 1. Bonds:                                        |                  |
| a. Interest                                      | \$ -             |
| b. Redemption                                    | \$ -             |
| c. Total (a. + b.)                               | \$ -             |
| 2. Notes:                                        |                  |
| a. Interest                                      |                  |
| b. Redemption                                    |                  |
| c. Total (a. + b.)                               | \$ -             |
| 3. Total (1.c + 2.c)                             | \$ -             |
| <b>C. Payments to State for highways</b>         | \$ 4,335,973.00  |
| <b>D. Payments to toll facilities</b>            |                  |
| <b>E. Total expenditures (A.6 + B.3 + C + D)</b> | \$ 68,740,875.00 |

## IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

|                              | Opening Debt | Amount Issued    | Redemptions | Closing Debt     |
|------------------------------|--------------|------------------|-------------|------------------|
| <b>A. Bonds (Total)</b>      | \$ -         | \$ 31,975,000.00 | \$ -        | \$ 31,975,000.00 |
| 1. Bonds (Refunding Portion) |              | \$ -             | \$ -        |                  |
| <b>B. Notes (Total)</b>      |              |                  |             | \$ -             |

## V. LOCAL ROAD AND STREET FUND BALANCE

|  | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|--|----------------------|-------------------|------------------------|-------------------|-------------------|
|  |                      | \$ 68,740,875.00  | \$ 68,740,875.00       | \$ -              | \$ -              |

Notes and Comments:

EXHIBIT B-1 (continued)  
LOCAL HIGHWAY FINANCE REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2022

|                              |                                       |
|------------------------------|---------------------------------------|
| LOCAL HIGHWAY FINANCE REPORT | STATE:                                |
|                              | City of Aurora, Colorado              |
|                              | YEAR ENDING (mm/yy):<br>December 2022 |

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 | \$ -             | a. Interest on investments                | \$ 128,697.00    |
| b. Other local imposts:           |                  | b. Traffic Fines & Penalties              | \$ 1,981,567.00  |
| 1. Sales Taxes                    | \$ 6,576,740.89  | c. Parking Garage Fees                    |                  |
| 2. Infrastructure & Impact Fees   | \$ 1,878,568.00  | d. Parking Meter Fees                     |                  |
| 3. Liens                          |                  | e. Sale of Surplus Property               |                  |
| 4. Licenses                       |                  | f. Charges for Services                   |                  |
| 5. Specific Ownership &/or Other  | \$ 10,370,928.00 | g. Other Misc. Receipts                   | \$ 6,100,000.00  |
| 6. Total (1. through 5.)          | \$ 18,826,236.89 | h. Other                                  | \$ 15,073,416.00 |
| c. Total (a. + b.)                | \$ 18,826,236.89 | i. Total (a. through h.)                  | \$ 23,283,680.00 |
| <i>(Carry forward to page 1)</i>  |                  | <i>(Carry forward to page 1)</i>          |                  |

| ITEM                                     | AMOUNT           | ITEM                                       | AMOUNT          |
|------------------------------------------|------------------|--------------------------------------------|-----------------|
| <b>C. Receipts from State Government</b> |                  | <b>D. Receipts from Federal Government</b> |                 |
| 1. Highway-user taxes (from Item I.C.5.) | \$ 10,505,270.11 | 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                         | \$ 1,028,676.00  | c. HUD                                     |                 |
| c. Motor Vehicle Registrations           |                  | d. Federal Transit Administration          |                 |
| d. DOLA Grant                            |                  | e. U.S. Corps of Engineers                 |                 |
| e. Other (i.e. ARPA)                     |                  | f. Other Federal                           | \$ 1,651,416.00 |
| f. Total (a. through e.)                 | \$ 1,028,676.00  | g. Total (a. through f.)                   | \$ 1,651,416.00 |
| 4. Total (1. + 2. + 3.f)                 | \$ 11,533,946.11 | 3. Total (1. + 2.g)                        |                 |
| <i>(Carry forward to page 1)</i>         |                  | <i>(Carry forward to page 1)</i>           |                 |

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

|                                                     | ON NATIONAL<br>HIGHWAY<br>SYSTEM<br>(a) | OFF NATIONAL<br>HIGHWAY<br>SYSTEM<br>(b) | TOTAL<br>(c)     |
|-----------------------------------------------------|-----------------------------------------|------------------------------------------|------------------|
| <b>A.1. Capital outlay:</b>                         |                                         |                                          |                  |
| a. Right-Of-Way Costs                               | \$ -                                    | \$ 750.00                                | \$ 750.00        |
| b. Engineering Costs                                | \$ 1,063,849.00                         | \$ 4,879,103.00                          | \$ 5,942,952.00  |
| c. Construction:                                    |                                         |                                          |                  |
| (1). New Facilities                                 |                                         |                                          | \$ -             |
| (2). Capacity Improvements                          | \$ -                                    | \$ 3,668,119.00                          | \$ 3,668,119.00  |
| (3). System Preservation                            | \$ -                                    | \$ 1,605,033.00                          | \$ 1,605,033.00  |
| (4). System Enhancement And Operation               | \$ 44,710.00                            | \$ 1,600,441.00                          | \$ 1,645,151.00  |
| (5). Total Construction (1)+(2)+(3)+(4)             | \$ 44,710.00                            | \$ 6,873,593.00                          | \$ 6,918,303.00  |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4) | \$ 1,108,559.00                         | \$ 11,753,446.00                         | \$ 12,862,005.00 |
| <i>(Carry forward to page 1)</i>                    |                                         |                                          |                  |

Notes and Comments:

## OTHER SCHEDULES (not subjected to auditing procedures)

**EXHIBIT B-2**  
**CITY OF AURORA, COLORADO**  
**SCHEDULE OF INDEBTEDNESS - ALL FUNDS**  
**DECEMBER 31, 2022**

|                                                       | Interest Rates | Dates      |          | Debt             |                  |                | Current Maturities |
|-------------------------------------------------------|----------------|------------|----------|------------------|------------------|----------------|--------------------|
|                                                       |                | Issue      | Maturity | Authorized       | Issued           | Outstanding    |                    |
| REVENUE BONDS                                         |                |            |          |                  |                  |                |                    |
| Supported by Water Fund revenues                      |                |            |          |                  |                  |                |                    |
| First-Lien Water Revenue - Refunding                  | 3.00 - 5.00%   | 8/16/2016  | 2046     | \$ 437,025,000   | \$ 437,025,000   | \$ 158,720,000 | \$ 10,410,000      |
| First-Lien Water Revenue                              | 2.25%          | 5/27/2021  | 2051     | 122,760,000      | 122,760,000      | 122,760,000    | -                  |
| First-Lien Water Revenue - Refunding                  | 0.224 - 2.720% | 9/9/2021   | 2046     | 265,230,000      | 265,230,000      | 260,875,000    | 3,585,000          |
| Unamortized premium                                   |                |            |          | -                | -                | 24,661,794     | -                  |
| Unamortized discount                                  |                |            |          | -                | -                | (2,118,250)    | -                  |
| Unamortized loss on refunding                         |                |            |          | -                | -                | (17,212,309)   | -                  |
| Total supported by Water Fund revenues                |                |            |          | 825,015,000      | 825,015,000      | 547,686,235    | 13,995,000         |
| Supported by Wastewater Fund revenues                 |                |            |          |                  |                  |                |                    |
| First-Lien Sewer Revenue - Refunding                  | 1.56%          | 11/4/2016  | 2026     | 28,900,000       | 28,900,000       | 12,055,000     | 2,945,000          |
| First-Lien Sewer Revenue                              | 1.231 - 3.035% | 12/12/2018 | 2030     | 30,000,000       | 30,000,000       | 25,590,427     | 3,046,162          |
| First-Lien Sewer Revenue                              | 4.00 - 5.00%   | 5/27/2021  | 2051     | 48,970,000       | 48,970,000       | 48,970,000     | -                  |
| Unamortized premium                                   |                |            |          | -                | -                | 10,714,301     | -                  |
| Unamortized gain on refunding                         |                |            |          | -                | -                | 170,428        | -                  |
| Total supported by Wastewater Fund revenues           |                |            |          | 107,870,000      | 107,870,000      | 97,500,156     | 5,991,162          |
| NOTES                                                 |                |            |          |                  |                  |                |                    |
| Supported by Capital Impact Fees                      |                |            |          |                  |                  |                |                    |
| E-470 - Hogan Parkway Note                            | 2.50%          | 8/9/2018   | 2028     | 2,000,000        | 2,000,000        | 1,258,607      | 197,035            |
| Total supported by Capital Impact Fees                |                |            |          | 2,000,000        | 2,000,000        | 1,258,607      | 197,035            |
| FINANCED PURCHASE AGREEMENTS WITH THIRD PARTY         |                |            |          |                  |                  |                |                    |
| Supported by General Fund revenues                    |                |            |          |                  |                  |                |                    |
| 2014B History Museum Expansion                        | 2.560%         | 12/4/2014  | 2024     | 1,383,800        | 1,383,800        | 305,834        | 150,972            |
| 2016A Heavy Fleet Equip (Dump/Fire Trucks)            | 1.460%         | 9/22/2016  | 2023     | 2,060,597        | 2,060,597        | 305,175        | 305,175            |
| 2016B Moorhead Recreation Center                      | 1.250%         | 8/4/2016   | 2023     | 8,643,000        | 8,643,000        | 1,234,714      | 1,234,714          |
| 2017A D2 Police Station Phase I and II                | 2.650%         | 6/8/2017   | 2032     | 10,095,000       | 10,095,000       | 7,185,000      | 635,000            |
| 2017C Heavy Fleet Equip (Aerial, Grader)              | 1.980%         | 11/8/2017  | 2024     | 1,220,000        | 1,220,000        | 361,459        | 178,957            |
| 2018A Heavy Fleet Equip (Dump/Fire Trucks)            | 2.880%         | 8/9/2018   | 2025     | 1,750,000        | 1,750,000        | 743,755        | 255,328            |
| 2019A Heavy Fleet Equip (Dump/Fire Trucks)            | 1.768%         | 12/10/2019 | 2026     | 3,883,279        | 3,883,279        | 2,249,360      | 547,644            |
| 2021A Heavy Fleet Equip (Dump/Fire Trucks, Misc)      | 1.064%         | 11/18/2021 | 2028     | 8,303,140        | 8,303,140        | 7,105,974      | 1,153,215          |
| 2022A Heavy Fleet Equip (BearCats, Fire Trucks, Misc) | 2.600%         | 8/4/2022   | 2029     | 6,176,450        | 6,176,450        | 6,176,450      | 863,806            |
| Unamortized loss on refunding                         |                |            |          | -                | -                | (6,208)        | -                  |
| Total supported by General Fund revenues              |                |            |          | 43,515,266       | 43,515,266       | 25,661,513     | 5,324,811          |
| INCLUDABLE ENTITIES                                   |                |            |          |                  |                  |                |                    |
| Supported by City Payments                            |                |            |          |                  |                  |                |                    |
| ACLIC certificates of participation                   | 5.00%          | 12/30/2014 | 2024     | 21,775,000       | 21,775,000       | 5,465,000      | 2,665,000          |
| ACLIC certificates of participation                   | 3.50 - 3.75%   | 5/28/2015  | 2040     | 24,340,000       | 24,340,000       | 19,495,000     | 795,000            |
| ACLIC certificates of participation                   | 3.50 - 5.00%   | 5/2/2017   | 2042     | 28,865,000       | 28,865,000       | 25,130,000     | 780,000            |
| ACLIC certificates of participation                   | 3.00 - 5.00%   | 8/15/2017  | 2037     | 27,675,000       | 27,675,000       | 22,895,000     | 1,095,000          |
| ACLIC certificates of participation                   | 2.00 - 5.00%   | 10/29/2019 | 2031     | 62,935,000       | 62,935,000       | 50,525,000     | 4,650,000          |
| ACLIC certificates of participation                   | 3.00 - 4.00%   | 10/28/2020 | 2045     | 33,770,000       | 33,770,000       | 32,155,000     | 910,000            |
| ACLIC certificates of participation                   | 4.00 - 5.00%   | 9/7/2022   | 2042     | 31,975,000       | 31,975,000       | 31,975,000     | 970,000            |
| Unamortized premium                                   |                |            |          | -                | -                | 22,305,254     | -                  |
| Unamortized loss on refunding                         |                |            |          | -                | -                | (1,829,240)    | -                  |
| Total supported by City Payments                      |                |            |          | 231,335,000      | 231,335,000      | 208,116,014    | 11,865,000         |
| Supported by Tax Increment revenues                   |                |            |          |                  |                  |                |                    |
| NBH Capital Finance Refunding Note                    | 4.06%          | 10/6/2022  | 2039     | 20,645,000       | 20,645,000       | 20,645,000     | 750,000            |
| Unamortized loss on refunding                         |                |            |          | -                | -                | (26,930)       | -                  |
| Total supported by Tax Increment revenues             |                |            |          | 20,645,000       | 20,645,000       | 20,618,070     | 750,000            |
| Supported by Property Tax Levies                      |                |            |          |                  |                  |                |                    |
| GO Bonds - Cherry Creek Fence GID                     | 5.25%          | 12/8/2009  | 2029     | 700,000          | 700,000          | 325,000        | 40,000             |
| GO Bonds - Peoria Park Fence GID                      | 5.45%          | 6/1/2010   | 2031     | 375,000          | 375,000          | 212,000        | 19,000             |
| GO Bonds - Meadow Hills Fence GID                     | 4.99%          | 9/16/2010  | 2031     | 520,000          | 520,000          | 270,000        | 25,000             |
| GO Bonds - Pier Point Sewer GID                       | 4.38%          | 10/31/2011 | 2031     | 2,600,000        | 2,600,000        | 1,445,000      | 135,000            |
| GO Bonds - Cobblewood Street Improvement GID          | 3.27%          | 10/3/2017  | 2032     | 650,000          | 650,000          | 263,000        | 23,000             |
| Total supported by Property Tax Levies                |                |            |          | 4,845,000        | 4,845,000        | 2,515,000      | 242,000            |
| Total supported by Includable Entities                |                |            |          | 256,825,000      | 256,825,000      | 231,249,084    | 12,857,000         |
| TOTAL INDEBTEDNESS                                    |                |            |          | \$ 1,235,225,266 | \$ 1,235,225,266 | \$ 903,355,595 | \$ 38,365,008      |

**EXHIBIT B-3**  
**CITY OF AURORA, COLORADO**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2022**

| Year Due  | Governmental Activities                               |                                                             |                                                                        |                                                                       |
|-----------|-------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------|
|           | General Obligation Bonds<br>Supported by GID Revenues | Certificates of Participation<br>Supported by ACLC Revenues | Notes Payable Supported<br>by AURA Revenues and Capital<br>Impact Fees | Financed Purchase Agreements<br>Supported by General Fund<br>Revenues |
|           | 3.27-5.45%                                            | 2.00-5.00%                                                  | 2.50-4.06%                                                             | 1.064-2.880%                                                          |
|           | Principal<br>Interest                                 | Principal<br>Interest                                       | Principal<br>Interest                                                  | Principal<br>Interest                                                 |
| 2023      | \$ 242,000 \$ 113,981                                 | \$ 11,865,000 \$ 8,161,819                                  | \$ 947,035 \$ 997,709                                                  | \$ 5,324,811 \$ 460,784                                               |
| 2024      | 248,000 102,933                                       | 12,345,000 7,676,893                                        | 1,106,961 834,276                                                      | 3,807,475 421,382                                                     |
| 2025      | 260,000 91,611                                        | 10,000,000 7,089,494                                        | 1,152,010 792,484                                                      | 3,492,000 345,986                                                     |
| 2026      | 277,000 79,721                                        | 10,475,000 6,612,094                                        | 1,197,185 748,942                                                      | 3,330,940 276,910                                                     |
| 2027      | 289,000 67,055                                        | 10,980,000 6,111,794                                        | 1,237,489 703,647                                                      | 2,804,099 212,919                                                     |
| 2028-2032 | 1,199,000 134,204                                     | 56,140,000 22,198,169                                       | 5,987,927 2,812,048                                                    | 6,908,396 365,049                                                     |
| 2033-2037 | - -                                                   | 37,925,000 12,013,681                                       | 7,040,000 1,536,710                                                    | - -                                                                   |
| 2038-2042 | - -                                                   | 32,255,000 4,700,812                                        | 3,235,000 198,331                                                      | - -                                                                   |
| 2043-2045 | - -                                                   | 5,655,000 342,600                                           | - -                                                                    | - -                                                                   |
| Total     | \$ 2,515,000 \$ 589,505                               | \$ 187,640,000 \$ 74,907,356                                | \$ 21,903,607 \$ 8,624,147                                             | \$ 25,667,721 \$ 2,083,030                                            |

| Year Due  | Business-type Activities                     |                                                   |
|-----------|----------------------------------------------|---------------------------------------------------|
|           | Revenue Bonds Supported by<br>Water Revenues | Revenue Bonds Supported by<br>Wastewater Revenues |
|           | 0.224-5.00%                                  | 1.231-5.000%                                      |
|           | Principal<br>Interest                        | Principal<br>Interest                             |
| 2023      | \$ 13,995,000 \$ 14,870,025                  | \$ 5,991,162 \$ 2,550,789                         |
| 2024      | 14,525,000 14,341,494                        | 6,078,462 2,462,556                               |
| 2025      | 15,055,000 13,809,951                        | 6,166,403 2,372,980                               |
| 2026      | 15,655,000 13,209,795                        | 6,259,998 2,282,049                               |
| 2027      | 15,690,000 12,615,448                        | 3,219,257 2,189,674                               |
| 2028-2032 | 86,900,000 54,145,071                        | 12,985,145 10,233,812                             |
| 2033-2037 | 95,505,000 43,752,693                        | 8,970,000 8,511,050                               |
| 2038-2042 | 102,350,000 30,921,397                       | 10,940,000 6,548,200                              |
| 2043-2047 | 93,510,000 17,553,389                        | 13,305,000 4,178,600                              |
| 2048-2051 | 89,170,000 5,071,500                         | 12,700,000 1,295,000                              |
| Total     | \$ 542,355,000 \$ 220,290,763                | \$ 86,615,427 \$ 42,624,710                       |

**EXHIBIT C-1**  
**CITY OF AURORA, COLORADO**  
**SUMMARY OF CONTINUING DISCLOSURES BY ISSUE**  
**DECEMBER 31, 2022:**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CERTIFICATES OF PARTICIPATION, SERIES 2022</b><br><b>CERTIFICATES OF PARTICIPATION, SERIES 2020</b><br><b>REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2019</b><br><b>CERTIFICATES OF PARTICIPATION, SERIES 2017</b>                                                                                                                                                                                                                                                                                                                              | <b>CERTIFICATES OF PARTICIPATION, SERIES 2017B</b><br><b>CERTIFICATES OF PARTICIPATION, SERIES 2015</b><br><b>CERTIFICATES OF PARTICIPATION, SERIES 2014</b>                                                                                                                                                                                                                                                                                                                                                                                         |
| <u>Required Disclosure</u><br>General Fund Operating History<br>Primary Sources of Revenue to the General Fund<br><br>Sales, Use and Lodgers Tax Receipts<br>Assessed and Estimated Actual Value of Taxable Property<br>Property Tax Levies and Collections<br>Ten Principal Real Property Taxpayers<br>Mill Levies of Direct and Primary<br>Overlapping Governments<br>Authorized, Issued and Outstanding Debt<br>Long-term Debt Schedules<br>Direct and Overlapping General Obligation Debt<br>Historical Summary of Debt Ratios<br>Legal Debt Margin | <u>Location</u><br>Exhibits C-2 and C-3<br>Governmental Funds, Statement of Revenues, Expenditures<br>and Changes in Fund Balances<br>Statistical Section, Exhibit A-4<br>Statistical Section, Exhibit A-9<br>Statistical Section, Exhibit A-12<br>Statistical Section, Exhibit A-11<br><br>Statistical Section, Exhibit A-10<br>Schedule of Indebtedness, Exhibit B-2<br>Schedule of Debt Service Requirements, Exhibit B-2<br>Statistical Section, Exhibit A-15<br>Statistical Section, Exhibit A-13 and A-14<br>Statistical Section, Exhibit A-16 |
| <b>FIRST LIEN WATER IMPROVEMENT REVENUE BONDS, SERIES 2021</b><br><b>FIRST LIEN WATER IMPROVEMENT REVENUE BONDS, SERIES 2021B</b><br><b>FIRST LIEN WATER IMPROVEMENT REVENUE BONDS, SERIES 2016</b>                                                                                                                                                                                                                                                                                                                                                     | <u>Location</u><br>Exhibit C-4<br>Exhibit C-5<br>Exhibit C-6<br>Statistical Section, Exhibit A-17<br>Schedule of Indebtedness, Exhibit B-2                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>FIRST LIEN SEWER IMPROVEMENT REVENUE BONDS, SERIES 2021</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <u>Location</u><br>Exhibit C-7 and C-8<br>Exhibit C-8<br>Exhibit C-9<br>Statistical Section, Exhibit A-17<br>Schedule of Indebtedness, Exhibit B-2                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>METRO WASTEWATER RECLAMATION DISTRICT, COLORADO:</b><br><b>SEWER IMPROVEMENT BONDS, SERIES 2020A</b><br><b>FEDERALLY TAXABLE SEWER REFUNDING BONDS, SERIES 2019B</b><br><b>SEWER REFUNDING BONDS, SERIES 2019A</b>                                                                                                                                                                                                                                                                                                                                   | <b>SEWER IMPROVEMENT BONDS, SERIES 2012A</b><br><b>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><br>Wastewater Fund Operating History<br>General Fund Operating History<br>Assessed & Estimated Actual Value of Taxable Property by Class<br>Historical Summary of Debt Ratios<br>Property Tax Levies and Collections<br>Assessed and Estimated Actual Value of Taxable Property                                                                                                                                                                                                                                             | <u>Location</u><br>Exhibit C-7 and C-8<br>Exhibits C-2 and C-3<br><br>Exhibit C-10<br>Statistical Section, Exhibit A-17<br>Statistical Section, Exhibit A-12<br>Statistical Section, Exhibit A-9                                                                                                                                                                                                                                                                                                                                                     |

## OTHER SCHEDULES (not subjected to auditing procedures)

**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>2018</u>           | <u>2019</u>           | <u>2020</u>           | <u>2021</u>           | <u>2022</u>           |
|--------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>REVENUES</b>                                                                                        |                       |                       |                       |                       |                       |
| Taxes                                                                                                  | \$ 310,049,911        | \$ 330,565,727        | \$ 348,167,671        | \$ 395,235,640        | \$ 434,878,776        |
| Charges for services                                                                                   | 15,209,691            | 17,828,675            | 15,488,280            | 17,046,082            | 21,741,290            |
| License and permits                                                                                    | 4,330,802             | 4,883,033             | 4,912,290             | 5,061,327             | 4,852,784             |
| Fines and forfeitures                                                                                  | 9,107,809             | 5,945,631             | 3,922,046             | 4,259,334             | 2,979,080             |
| Intergovernmental                                                                                      | 14,659,746            | 16,288,195            | 15,305,810            | 15,868,524            | 20,266,842            |
| Miscellaneous                                                                                          | 1,522,474             | 1,613,765             | 1,789,595             | 1,423,936             | 2,893,789             |
| Investment returns                                                                                     | 1,990,253             | 3,706,550             | 3,678,993             | 394,514               | (1,282,713)           |
| Total revenues                                                                                         | <u>356,870,686</u>    | <u>380,831,576</u>    | <u>393,264,685</u>    | <u>439,289,357</u>    | <u>486,329,848</u>    |
| <b>EXPENDITURES</b>                                                                                    |                       |                       |                       |                       |                       |
| <i>Current</i>                                                                                         |                       |                       |                       |                       |                       |
| General government                                                                                     | 35,356,544            | 36,034,713            | 33,088,098            | 45,012,577            | 53,322,450            |
| Judicial                                                                                               | 11,869,944            | 12,678,090            | 13,094,502            | 13,159,060            | 14,448,758            |
| Police                                                                                                 | 110,985,141           | 117,476,969           | 124,477,428           | 123,427,475           | 132,499,942           |
| Fire                                                                                                   | 52,426,062            | 57,321,380            | 60,942,097            | 64,369,317            | 76,880,893            |
| Other public safety                                                                                    | 7,680,700             | 8,296,141             | 10,671,293            | 9,385,182             | 10,710,234            |
| Public works                                                                                           | 27,011,238            | 29,483,523            | 29,653,840            | 28,928,045            | 30,349,885            |
| Economic development                                                                                   | 5,954,698             | 5,825,376             | 5,606,648             | 5,507,225             | 10,569,724            |
| Community services                                                                                     | 8,453,400             | 11,253,825            | 9,438,430             | 11,466,881            | 11,015,041            |
| Culture and recreation                                                                                 | 20,053,181            | 20,994,935            | 20,398,830            | 21,519,774            | 24,161,989            |
| Principal                                                                                              | —                     | —                     | —                     | —                     | 383,381               |
| Interest                                                                                               | —                     | —                     | —                     | —                     | 16,775                |
| Capital outlay                                                                                         | <u>2,923,008</u>      | <u>6,091,622</u>      | <u>3,717,108</u>      | <u>3,716,362</u>      | <u>6,407,547</u>      |
| Total expenditures                                                                                     | <u>282,713,916</u>    | <u>305,456,574</u>    | <u>311,088,274</u>    | <u>326,491,898</u>    | <u>370,766,619</u>    |
| Excess of revenues over expenditures                                                                   | 74,156,770            | 75,375,002            | 82,176,411            | 112,797,459           | 115,563,229           |
| Net other financing uses (a)                                                                           | <u>(63,220,131)</u>   | <u>(65,771,309)</u>   | <u>(48,714,772)</u>   | <u>(114,066,604)</u>  | <u>(116,059,672)</u>  |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 10,936,639            | 9,603,693             | 33,461,639            | (1,269,145)           | (496,443)             |
| FUND BALANCES - January 1                                                                              | <u>102,282,559</u>    | <u>113,219,198</u>    | <u>122,822,891</u>    | <u>156,284,530</u>    | <u>155,015,385</u>    |
| FUND BALANCE - December 31                                                                             | <u>\$ 113,219,198</u> | <u>\$ 122,822,891</u> | <u>\$ 156,284,530</u> | <u>\$ 155,015,385</u> | <u>\$ 154,518,942</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:

|                                                           | 2018<br>Actual        | 2018<br>Budget       | 2019<br>Actual        | 2019<br>Budget       | 2020<br>Actual        | 2020<br>Budget       | 2021<br>Actual        | 2021<br>Budget       | 2022<br>Actual        | 2022<br>Budget       |
|-----------------------------------------------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------|----------------------|
| <b>SOURCES</b>                                            |                       |                      |                       |                      |                       |                      |                       |                      |                       |                      |
| Taxes                                                     | \$ 309,669,906        | \$ 300,692,737       | \$ 327,098,010        | \$ 308,785,459       | \$ 343,518,770        | \$ 332,661,372       | \$ 393,063,404        | \$ 314,837,938       | \$ 426,706,575        | \$ 371,670,040       |
| Licenses and permits                                      | 4,330,802             | 3,972,692            | 4,883,033             | 4,091,708            | 4,897,904             | 4,591,283            | 5,056,552             | 4,522,461            | 4,852,784             | 4,499,540            |
| Intergovernmental                                         | 14,596,813            | 15,831,427           | 16,096,759            | 15,454,495           | 15,022,014            | 15,572,667           | 15,686,938            | 15,423,824           | 16,023,304            | 15,552,466           |
| Charges for services                                      | 14,038,577            | 13,421,271           | 14,016,676            | 13,681,474           | 12,419,375            | 14,239,488           | 13,704,731            | 15,420,193           | 17,800,061            | 18,751,409           |
| Fines and forfeitures                                     | 5,409,719             | 4,060,594            | 4,470,340             | 4,927,608            | 2,955,896             | 5,070,694            | 3,189,382             | 4,070,694            | 2,306,734             | 4,023,306            |
| Investment income                                         | 1,857,368             | 1,381,853            | 2,527,350             | 1,884,694            | 2,365,079             | 2,054,986            | 2,079,623             | 2,079,200            | 2,505,098             | 1,917,972            |
| Other revenues                                            | 1,253,783             | 1,075,467            | 1,470,529             | 1,292,958            | 1,599,019             | 1,179,753            | 1,119,371             | 1,458,413            | 2,306,344             | 1,648,491            |
| Proceeds from sale of assets                              | 252,079               | 170,000              | 169,793               | —                    | 276,773               | 185,000              | 281,094               | 185,000              | 383,946               | 185,000              |
| Transfers in                                              | 1,984,105             | 1,984,105            | 2,359,008             | 2,156,909            | 4,950,269             | 2,230,337            | 2,834,550             | 2,807,765            | —                     | —                    |
| Total sources                                             | <u>353,393,152</u>    | <u>342,590,146</u>   | <u>373,091,498</u>    | <u>352,275,305</u>   | <u>388,005,099</u>    | <u>377,785,580</u>   | <u>437,015,645</u>    | <u>360,805,488</u>   | <u>472,884,846</u>    | <u>418,248,224</u>   |
| <b>USES</b>                                               |                       |                      |                       |                      |                       |                      |                       |                      |                       |                      |
| Municipal Court                                           | 13,227,783            | 13,628,752           | 14,256,605            | 14,646,609           | 14,589,342            | 14,962,756           | 14,741,220            | 15,250,237           | 16,745,597            | 17,033,669           |
| City Attorney                                             | 6,691,767             | 6,692,547            | 6,878,367             | 7,146,897            | 7,023,693             | 7,091,189            | 7,086,634             | 7,166,395            | 7,631,222             | 8,125,147            |
| General Management                                        | 5,846,200             | 5,928,227            | 6,302,955             | 6,503,409            | 6,756,924             | 7,421,916            | 7,053,264             | 7,263,255            | 7,986,272             | 8,173,814            |
| Administrative Services                                   | 34,990,492            | 35,608,878           | 37,074,716            | 38,483,796           | 26,632,850            | 29,119,819           | 28,567,633            | 28,727,163           | 34,198,444            | 36,053,512           |
| Operations Group                                          | 54,645,222            | 55,758,707           | 58,747,032            | 61,708,326           | 62,662,449            | 66,632,497           | 62,459,282            | 64,440,601           | 69,810,516            | 71,893,920           |
| Police/Fire Group                                         | 160,943,872           | 160,945,845          | 175,862,569           | 175,862,567          | 192,599,121           | 192,998,775          | 195,015,432           | 195,088,903          | 220,796,721           | 220,881,324          |
| Non-departmental                                          | 66,420,139            | 67,518,472           | 64,465,604            | 71,363,873           | 51,292,734            | 71,491,332           | 126,678,160           | 127,500,969          | 126,455,844           | 126,462,296          |
| Total uses                                                | <u>342,765,475</u>    | <u>346,081,428</u>   | <u>363,587,848</u>    | <u>375,715,477</u>   | <u>361,557,113</u>    | <u>389,718,284</u>   | <u>441,601,625</u>    | <u>445,437,523</u>   | <u>483,624,616</u>    | <u>488,623,682</u>   |
| Excess (deficiency) of revenues over (under) expenditures | 10,627,677            | (3,491,282)          | 9,503,650             | (23,440,172)         | 26,447,986            | (11,932,704)         | (4,585,980)           | (84,632,035)         | (10,739,770)          | (70,375,458)         |
| FUNDS AVAILABLE - January 1                               | 60,397,224            | 60,397,224           | 71,024,901            | 71,024,901           | 80,528,551            | 80,528,551           | 106,976,537           | 106,976,537          | 102,390,557           | 102,390,557          |
| FUNDS AVAILABLE - December 31                             | 71,024,901            | <u>\$ 56,905,942</u> | 80,528,551            | <u>\$ 47,584,729</u> | 106,976,537           | <u>\$ 68,595,847</u> | 102,390,557           | <u>\$ 22,344,502</u> | 91,650,787            | <u>\$ 32,015,099</u> |
| Committed for Reserves (10% policy)                       | (28,142,519)          |                      | (30,087,656)          |                      | (31,177,871)          |                      | (33,034,612)          |                      | (38,424,613)          |                      |
| Restricted for Emergencies (TABOR)                        | (1,495,045)           |                      | (2,146,979)           |                      | (3,463,036)           |                      | (4,827,664)           |                      | (6,398,922)           |                      |
| Funds available - after restrictions, and commitments     | <u>\$ 41,387,337</u>  |                      | <u>\$ 48,293,916</u>  |                      | <u>\$ 72,335,630</u>  |                      | <u>\$ 64,528,281</u>  |                      | <u>\$ 46,827,252</u>  |                      |
| <b>Reconciliation to GAAP fund balance</b>                |                       |                      |                       |                      |                       |                      |                       |                      |                       |                      |
| Funds available - December 31                             | \$ 71,024,901         |                      | \$ 80,528,551         |                      | \$ 106,976,537        |                      | \$ 102,390,557        |                      | \$ 91,650,787         |                      |
| Current year encumbrances                                 | 4,003,180             |                      | 5,510,262             |                      | 6,619,610             |                      | 7,550,365             |                      | 13,634,448            |                      |
| Inventories                                               | 212,096               |                      | 212,096               |                      | 212,096               |                      | 212,096               |                      | 212,096               |                      |
| Sales, use and lodgers tax accrual                        | 25,944,366            |                      | 29,412,084            |                      | 32,988,628            |                      | 35,160,865            |                      | 43,333,066            |                      |
| Assets not available for appropriation                    | 2,166,257             |                      | 2,210,449             |                      | 2,237,486             |                      | 2,247,263             |                      | 1,704,872             |                      |
| Adjust investments to fair value                          | (362,144)             |                      | 472,828               |                      | 1,491,096             |                      | (54,667)              |                      | (3,453,521)           |                      |
| Asset held for resale value reassessment                  | —                     |                      | (5,511,000)           |                      | (5,511,000)           |                      | (5,511,000)           |                      | (5,511,000)           |                      |
| Adjust for fund perspective difference                    | 10,230,542            |                      | 9,987,621             |                      | 11,270,077            |                      | 13,019,906            |                      | 12,948,194            |                      |
| FUND BALANCE - December 31                                | <u>\$ 113,219,198</u> |                      | <u>\$ 122,822,891</u> |                      | <u>\$ 156,284,530</u> |                      | <u>\$ 155,015,385</u> |                      | <u>\$ 154,518,942</u> |                      |

OTHER SCHEDULES (not subjected to auditing procedures)

**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>2018</u>             | <u>2019</u>             | <u>2020</u>             | <u>2021</u>             | <u>2022</u>             |
|--------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>OPERATING REVENUES</b>                        |                         |                         |                         |                         |                         |
| Charges for services                             |                         |                         |                         |                         |                         |
| Customers                                        | \$ 123,403,667          | \$ 122,094,491          | \$ 135,565,946          | \$ 133,945,565          | \$ 144,413,185          |
| Total operating revenues                         | <u>123,403,667</u>      | <u>122,094,491</u>      | <u>135,565,946</u>      | <u>133,945,565</u>      | <u>144,413,185</u>      |
| <b>OPERATING EXPENSES</b>                        |                         |                         |                         |                         |                         |
| Cost of sales and services                       | 61,198,052              | 61,387,582              | 63,260,859              | 62,638,376              | 72,627,396              |
| Administrative expenses                          | 3,558,923               | 3,047,901               | 2,515,413               | 6,425,140               | 4,007,141               |
| Depreciation                                     | <u>31,385,685</u>       | <u>32,221,914</u>       | <u>33,278,431</u>       | <u>35,153,013</u>       | <u>37,618,686</u>       |
| Total operating expenses                         | <u>96,142,660</u>       | <u>96,657,397</u>       | <u>99,054,703</u>       | <u>104,216,529</u>      | <u>114,253,223</u>      |
| Operating income                                 | <u>27,261,007</u>       | <u>25,437,094</u>       | <u>36,511,243</u>       | <u>29,729,036</u>       | <u>30,159,962</u>       |
| <b>NON-OPERATING REVENUES</b>                    |                         |                         |                         |                         |                         |
| <b>(EXPENSES)</b>                                |                         |                         |                         |                         |                         |
| Investment returns                               | 4,016,839               | 7,204,507               | 6,164,568               | (1,381,183)             | (4,570,112)             |
| Intergovernmental revenue                        | 92,941                  | 552,504                 | 35,363                  | —                       | (5,045)                 |
| Miscellaneous revenue                            | 2,648,700               | 1,564,040               | 1,644,749               | 2,533,974               | 3,030,696               |
| Interest expense                                 | (18,944,894)            | (18,266,610)            | (18,575,026)            | (18,485,576)            | (15,258,734)            |
| Amortization expense                             | 2,150,058               | 2,063,730               | 1,951,846               | 1,364,085               | 174,001                 |
| Gain (loss) - disposal capital assets            | (1,324,384)             | 37,892                  | (1,101,484)             | 14,727                  | 73,821                  |
| Gain (loss) - early extinguishment of debt       | —                       | 6,502,663               | —                       | —                       | —                       |
| Gain (loss) - joint venture                      | <u>(36,038)</u>         | <u>(21,879)</u>         | <u>5,886</u>            | <u>43,527</u>           | <u>273,380</u>          |
| Net non-operating expenses                       | <u>(11,396,778)</u>     | <u>(363,153)</u>        | <u>(9,874,098)</u>      | <u>(15,910,446)</u>     | <u>(16,281,993)</u>     |
| <b>NET INCOME BEFORE CAPITAL</b>                 |                         |                         |                         |                         |                         |
| <b>CONTRIBUTIONS AND TRANSFERS</b>               | 15,864,229              | 25,073,941              | 26,637,145              | 13,818,590              | 13,877,969              |
| Capital contributions                            | 59,721,658              | 64,575,661              | 77,081,128              | 79,076,056              | 83,728,351              |
| Transfers in                                     | —                       | 500,000                 | —                       | —                       | —                       |
| Transfers out                                    | <u>(50,098)</u>         | <u>—</u>                | <u>(40,000)</u>         | <u>—</u>                | <u>—</u>                |
| INCREASE IN NET POSITION                         | <u>75,535,789</u>       | <u>90,149,602</u>       | <u>103,678,273</u>      | <u>92,894,646</u>       | <u>97,606,320</u>       |
| NET POSITION - January 1, as previously reported | 1,333,898,724           | 1,407,965,616           | 1,498,115,218           | 1,601,793,491           | 1,694,688,137           |
| Adjustment for change in accounting principle    | <u>(1,468,897)</u>      | <u>—</u>                | <u>—</u>                | <u>—</u>                | <u>—</u>                |
| NET POSITION - January 1, as restated            | <u>1,332,429,827</u>    | <u>1,407,965,616</u>    | <u>1,498,115,218</u>    | <u>1,601,793,491</u>    | <u>1,694,688,137</u>    |
| NET POSITION - December 31                       | <u>\$ 1,407,965,616</u> | <u>\$ 1,498,115,218</u> | <u>\$ 1,601,793,491</u> | <u>\$ 1,694,688,137</u> | <u>\$ 1,792,294,457</u> |

## OTHER SCHEDULES (not subjected to auditing procedures)

## 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:

|                                    | 2018           | 2019           | 2020           | 2021           | 2022           |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>SOURCES</b>                     |                |                |                |                |                |
| Charges for services               | \$ 123,039,021 | \$ 121,710,529 | \$ 135,097,152 | \$ 133,386,245 | \$ 143,091,633 |
| Intergovernmental                  | 51,264         | 679,716        | 2,432,090      | 201,738        | 60,641         |
| Licenses and permits               | 363,254        | 382,761        | 467,208        | 557,625        | 456,352        |
| Fines and forfeitures              | 1,393          | 1,201          | 1,586          | 1,695          | 862,600        |
| Investment income                  | 3,865,938      | 4,691,000      | 3,856,000      | 2,244,089      | 3,305,926      |
| Miscellaneous revenues             | 49,127,429     | 44,288,039     | 56,337,379     | 76,892,797     | 64,858,779     |
| Proceeds from sale of assets       | 201,115        | 43,404         | 59,360         | 72,605         | 104,029        |
| Proceeds from long-term borrowings | —              | —              | —              | 387,990,000    | —              |
| Transfers in                       | —              | 500,000        | —              | —              | —              |
| Funds from restricted assets       | 374,749        | —              | —              | —              | —              |
| Total sources                      | 177,024,163    | 172,296,650    | 198,250,775    | 601,346,794    | 212,739,960    |
| <b>USES</b>                        |                |                |                |                |                |
| <b>Operating Costs</b>             |                |                |                |                |                |
| Operations group                   | 99,996,713     | 125,847,068    | 85,107,212     | 359,323,264    | 107,434,570    |
| <b>Continuing Appropriations</b>   |                |                |                |                |                |
| Operations group                   | 81,643,772     | 75,746,737     | 147,635,944    | 178,432,852    | 126,306,075    |
| Total uses                         | 181,640,485    | 201,593,805    | 232,743,156    | 537,756,116    | 233,740,645    |
| Change in funds available          | (4,616,322)    | (29,297,155)   | (34,492,381)   | 63,590,678     | (21,000,685)   |
| FUNDS AVAILABLE - January 1        | 88,478,685     | 83,862,363     | 54,565,208     | 20,072,827     | 83,663,505     |
| FUNDS AVAILABLE - December 31      | \$ 83,862,363  | \$ 54,565,208  | \$ 20,072,827  | \$ 83,663,505  | \$ 62,662,820  |

OTHER SCHEDULES (not subjected to auditing procedures)

**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<br>(thousand gallons) | Percent of<br>Consumption | Billed<br>Revenue     | Percent of<br>Billed Revenue |
|------------------------|-----------------------------------|---------------------------|-----------------------|------------------------------|
| <b>Treated Water</b>   |                                   |                           |                       |                              |
| Residential            | 7,264,339                         | 39%                       | \$ 57,489,288         | 44%                          |
| Multi-Family           | 3,840,499                         | 21%                       | 24,318,918            | 18%                          |
| Commercial             | 3,782,149                         | 20%                       | 24,563,858            | 19%                          |
| Irrigation             | 1,813,175                         | 10%                       | 14,271,657            | 11%                          |
| WISE                   | 1,459,358                         | 8%                        | 7,036,543             | 5%                           |
| Hydrant Meters         | 414,489                           | 2%                        | 4,343,096             | 3%                           |
| <b>Total</b>           | <b>18,574,009</b>                 | <b>100%</b>               | <b>\$ 132,023,360</b> | <b>100%</b>                  |
| <b>Non-Potable (a)</b> |                                   |                           |                       |                              |
| Raw                    | 766,131                           | 58%                       | \$ 2,533,109          | 76%                          |
| Tertiary               | 410,590                           | 31%                       | 615,594               | 18%                          |
| Well Water/LIRF        | 148,826                           | 11%                       | 191,942               | 6%                           |
| <b>Total</b>           | <b>1,325,547</b>                  | <b>100%</b>               | <b>\$ 3,340,645</b>   | <b>100%</b>                  |

(a) Includes non potable customers billed through utility billing system.

**Water System Annual Billed Revenues and Cash Collection (b)**

| Classification                                                   | 2018           | 2019           | 2020           | 2021           | 2022           |
|------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Billed revenues                                                  | \$ 118,671,115 | \$ 117,410,549 | \$ 133,509,230 | \$ 129,416,721 | \$ 138,070,327 |
| Cash collected during year for current<br>and prior year's sales | 119,667,342    | 118,887,060    | 132,564,902    | 129,377,160    | 137,404,863    |
| Percentage of billed revenues collected                          | 100.8%         | 101.3%         | 99.3%          | 99.9%          | 99.5%          |

(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            | 2018(d)       | 2019          | 2020          | 2021          | 2022          |
|---------------------------|---------------|---------------|---------------|---------------|---------------|
| Single Family Residential | 78,280        | 79,614        | 81,452        | 83,297        | 84,981        |
| Multi-Family (2+units)    | 3,575         | 3,636         | 3,664         | 3,689         | 3,721         |
| Commercial                | 3,085         | 3,124         | 3,152         | 1,365         | 3,234         |
| Irrigation                | 1,213         | 1,261         | 1,300         | 3,180         | 1,405         |
| <b>Total</b>              | <b>86,153</b> | <b>87,635</b> | <b>89,568</b> | <b>91,531</b> | <b>93,341</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.

**Aurora Water Rates History and Average Annual Water Bill**

| Single Family Residential | 2018             | 2019             | 2020             | 2021             | 2022             |
|---------------------------|------------------|------------------|------------------|------------------|------------------|
| Base charge               | \$ 12.44         | \$ 12.81         | \$ 12.81         | \$ 12.81         | \$ 13.00         |
| Rates per 1,000 gallons   | Tiered Structure | Tiered Structure | Tiered Structure | Tiered Structure | Tiered Structure |
| Average annual bill       | \$ 629.48        | \$ 617.34        | \$ 690.61        | \$ 658.28        | \$ 676.50        |

**OTHER SCHEDULES (not subjected to auditing procedures)**

**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 14.5% of the total billed metered treated water sales in 2022.

**Ten Largest Treated Water Customers of Water System - 2022**

| Customer                | Consumption<br>(a) | Percent of Top<br>Ten Consumption | Billed<br>Revenues   | Percent of Top<br>Ten Billed<br>Revenues |
|-------------------------|--------------------|-----------------------------------|----------------------|------------------------------------------|
| Wholesale Customer WISE | 1,459,358          | 45%                               | \$ 7,036,543         | 36%                                      |
| City                    | 406,794            | 12%                               | 3,193,214            | 17%                                      |
| University              | 290,342            | 9%                                | 1,839,959            | 10%                                      |
| Public School System    | 289,319            | 9%                                | 1,913,912            | 10%                                      |
| Bottling Company        | 213,862            | 7%                                | 1,313,142            | 7%                                       |
| Public School System    | 190,597            | 6%                                | 1,242,777            | 6%                                       |
| Military Base           | 143,639            | 4%                                | 891,691              | 5%                                       |
| Apartment Complex       | 110,900            | 3%                                | 691,335              | 4%                                       |
| Commercial              | 97,582             | 3%                                | 653,403              | 3%                                       |
| Commercial              | 60,742             | 2%                                | 389,207              | 2%                                       |
| Total                   | <u>3,263,135</u>   | <u>100%</u>                       | <u>\$ 19,165,183</u> | <u>100%</u>                              |

(a) In thousand gallons. Includes water and irrigation customers only.

**Monthly Service Charge (b)**

| Meter Size  | 2018     | 2019     | 2020     | 2021     | 2022     |
|-------------|----------|----------|----------|----------|----------|
| 5/8" & 3/4" | \$ 12.44 | \$ 12.81 | \$ 12.81 | \$ 12.81 | \$ 13.00 |
| 1" & 1 1/4" | 19.02    | 19.59    | 19.59    | 19.59    | 19.88    |
| 1 1/2"      | 30.00    | 30.90    | 30.90    | 30.90    | 31.36    |
| 2"          | 43.17    | 44.47    | 44.47    | 44.47    | 45.14    |
| 3"          | 78.29    | 80.64    | 80.64    | 80.64    | 81.85    |
| 4"          | 117.80   | 121.33   | 121.33   | 121.33   | 123.15   |
| 6"          | 227.55   | 234.38   | 234.38   | 234.38   | 237.90   |
| 8"          | 465.60   | 479.57   | 479.57   | 479.57   | 486.76   |

(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                       | 2018  | 2019  | 2020  | 2021  | 2022  |
|----------------------------------------------|-------|-------|-------|-------|-------|
| Average Daily Water Treatment Plant Influent | 49.6  | 47.8  | 54.1  | 51.3  | 53.3  |
| Average Daily Distribution                   | 46.9  | 44.4  | 53.4  | 50.2  | 51.9  |
| Peak Hour Distribution                       | 143.8 | 144.2 | 151.5 | 149.1 | 147.9 |
| Peak Day Water Treatment Plant Influent      | 99.5  | 95.3  | 104.6 | 101.3 | 95.2  |
| Peak Day Distribution                        | 90.9  | 90.4  | 102.7 | 97.6  | 94.6  |

OTHER SCHEDULES (not subjected to auditing procedures)

**EXHIBIT C-5  
CITY OF AURORA, COLORADO  
WATER FUND  
WATER SYSTEM STATISTICS  
FOR THE YEARS ENDED DECEMBER 31:**

**Water Service Connection Fee**

| <u>Type and Size of Connection</u>                                                                      | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|---------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Single Family Attached (per unit)</b>                                                                | \$ 9,320    | \$ 9,760    | \$ 9,760    | \$ 9,760    | \$ 10,798   |
| <b>Multi-Family (per unit)</b>                                                                          | \$ 9,320    | \$ 9,760    | \$ 9,760    | \$ 9,760    | \$ 10,798   |
| <b>Commercial</b>                                                                                       |             |             |             |             |             |
| 5/8" & 3/4"                                                                                             | \$ 21,194   | \$ 22,195   | \$ 22,195   | \$ 22,195   | \$ 24,553   |
| 1"                                                                                                      | 37,937      | 39,729      | 39,729      | 39,729      | 43,950      |
| 1 1/2"                                                                                                  | 83,292      | 87,227      | 87,227      | 87,227      | 96,493      |
| 2"                                                                                                      | 151,324     | (b)         | (b)         | (b)         | (b)         |
| 3" to 8" (a)                                                                                            | (a)         | (a)         | (a)         | (a)         | (a)         |
| <b>Single Family Detached</b>                                                                           |             |             |             |             |             |
| Indoor Use:                                                                                             |             |             |             |             |             |
| 1-2 bathrooms                                                                                           | \$ 5,825    | \$ 6,100    | \$ 6,100    | \$ 6,100    | \$ 6,749    |
| 3-4 bathrooms                                                                                           | 9,412       | 9,857       | 9,857       | 9,857       | 10,904      |
| 5+ bathrooms                                                                                            | 16,311      | 17,082      | 17,082      | 17,082      | 18,897      |
| Outdoor Use (Single Family Residential Detached and Single Family Residential Attached-Fee Simple Lots) |             |             |             |             |             |
| Per Square Foot of Lot Size                                                                             | 0.995       | 1.042       | 1.042       | 1.042       | 1.153       |
| <b>Irrigation:</b>                                                                                      |             |             |             |             |             |
| Non-water Conserving (per square foot of landscaped area)                                               | 2.91        | 3.05        | 3.05        | 3.05        | 3.36        |
| Water Conserving (per square foot of landscaped area)                                                   | 1.56        | 1.63        | 1.63        | 1.63        | 1.80        |

(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**

| <u>Year</u> | <u>Tap Fee Revenues</u> | <u>Development Fee Revenue</u> | <u>Total Tap and Development Fees</u> |
|-------------|-------------------------|--------------------------------|---------------------------------------|
| 2018        | \$ 46,086,605           | \$ 153,557                     | \$ 46,240,162                         |
| 2019        | 37,700,200              | 137,883                        | 37,838,083                            |
| 2020        | 53,753,550              | 90,127                         | 53,843,677                            |
| 2021        | 57,401,194              | 130,746                        | 57,531,940                            |
| 2022        | 60,718,289              | 191,972                        | 60,910,261                            |

**EXHIBIT C-5**  
**CITY OF AURORA, COLORADO**  
**WATER FUND**  
**WATER SYSTEM STATISTICS**  
**FOR THE YEARS ENDED DECEMBER 31:**

| <b>Tiered Usage Rates</b>                    |             |             |             |             |             |
|----------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Type of Account                              | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
| Residential/ Multifamily (less than 5 units) |             |             |             |             |             |
| Tier 1- (0-20,000 gals)                      | \$ 5.44     | \$ 5.63     | \$ 5.63     | \$ -        | \$ -        |
| Tier 2- (20,001-40,000 gals)                 | 6.19        | 6.41        | 6.41        | -           | -           |
| Tier 3- (40,001 gals and above)              | 7.74        | 8.01        | 8.01        | -           | -           |
| Tier 1- (0-5,000 gals)                       | -           | -           | -           | 5.63        | 5.63        |
| Tier 2- (5,001-10,000 gals)                  | -           | -           | -           | 5.73        | 5.93        |
| Tier 3- (10,001-20,000 gals)                 | -           | -           | -           | 5.83        | 6.50        |
| Tier 3- (20,001 gals and above)              | -           | -           | -           | 8.01        | 10.00       |
| Multifamily (five or more units)             |             |             |             |             |             |
| Tier 1- (up to 100% allocation)              | 5.71        | 5.80        | 5.80        | 5.80        | 5.92        |
| Tier 2- (greater than 100%)                  | 6.28        | 6.38        | 6.38        | 6.38        | 6.51        |
| Commercial                                   |             |             |             |             |             |
| Tier 1- (up to 100% allocation)              | 5.78        | 5.87        | 5.87        | 5.87        | 6.11        |
| Tier 2- (greater than 100%)                  | 6.36        | 6.46        | 6.46        | 6.46        | 6.72        |
| Irrigation                                   |             |             |             |             |             |
| Tier 1- (up to 100% allocation)              | 6.77        | 7.21        | 7.21        | 7.21        | 7.46        |
| Tier 2- (greater than 100%)                  | 7.45        | 7.93        | 7.93        | 7.93        | 8.21        |

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. Residential/Multifamily tiers revised in 2021.

## OTHER SCHEDULES (not subjected to auditing procedures)

**EXHIBIT C-6**  
**CITY OF AURORA, COLORADO**  
**WATER FUND**  
**MAXIMUM ANNUAL DEBT SERVICE COVERAGE**  
**FOR THE YEARS ENDED DECEMBER 31:**

|                                                                                                | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 |
|------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Net Pledged Revenue                                                                            |                      |                      |                      |                      |                      |
| Charges for Services                                                                           | \$123,403,667        | \$122,094,491        | \$135,565,946        | \$133,945,565        | \$144,413,185        |
| Development Fee (a)                                                                            | 46,291,426           | 38,445,646           | 56,240,403           | 57,733,677           | 60,982,690           |
| Other Non-Operating Revenue (b)                                                                | 6,808,694            | 6,850,948            | 5,725,325            | 4,850,668            | 6,435,606            |
| (Less) Operating Expense                                                                       | (96,142,660)         | (96,657,397)         | (99,054,703)         | (104,216,529)        | (114,191,589)        |
| Add: Depreciation                                                                              | 31,385,685           | 32,221,914           | 33,278,431           | 35,153,013           | 37,557,052           |
| Total                                                                                          | <u>\$111,746,812</u> | <u>\$102,955,602</u> | <u>\$131,755,402</u> | <u>\$127,466,394</u> | <u>\$135,196,944</u> |
| Maximum Annual Debt Service                                                                    |                      |                      |                      |                      |                      |
| First-Lien Revenue Obligations (c)                                                             | \$28,802,800         | \$27,790,300         | \$27,790,300         | \$28,866,494         | \$28,866,494         |
| All Obligations Secured by Net Pledged Revenue (d)                                             | 28,802,800           | 27,790,300           | 27,790,300           | 28,866,494           | 28,866,494           |
| Coverage                                                                                       |                      |                      |                      |                      |                      |
| First-Lien Revenue Obligations                                                                 | 3.88                 | 3.70                 | 4.74                 | 4.42                 | 4.68                 |
| Combined First-Lien Revenue Obligations and<br>All Obligations Secured by Net Pledged Revenues | 3.88                 | 3.70                 | 4.74                 | 4.42                 | 4.68                 |
| Actual Annual Debt Service                                                                     |                      |                      |                      |                      |                      |
| First-Lien Revenue Obligations (d) (e)                                                         | \$18,936,050         | \$64,191,886         | \$20,386,050         | \$243,272,767        | \$27,069,189         |
| All Obligations Secured by Net Pledged Revenue (f)                                             | 18,936,050           | 64,191,886           | 20,386,050           | 243,272,767          | 27,069,189           |
| Days Cash on Hand                                                                              | 1,175                | 1,101                | 1,043                | 1,695                | 1,232                |

(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 returns, insurance recoveries and other non-operating revenue. Excludes fair value and interest on urban drainage.

(c) In 2018, the maximum annual debt service would have occurred in 2025 at \$28.8 million. In 2019, a \$45.0 million prepayment was made resulting in a decrease to the maximum annual debt service resulting in the maximum annual first lien debt service is approximately \$27.8 million beginning in year 2023. In 2021, a partial refunding was made on the Series 2016 First Lien Revenue Bonds resulting in the 2021B First Lien Revenue Bonds and the Series 2021 Water First Lien Revenue Bonds were issued. In 2021 and 2022, the maximum annual first lien debt service was \$28.9 million in year 2024.

(d) In 2019, a \$45.0 million prepayment was made on the Series 2016 First Lien Revenue Bonds. In 2021, a partial refunding was made on the Series 2016 First Lien Revenue Bonds resulting in the 2021B First Lien Revenue Bonds. The City also issued the Series 2021 Water First Lien Revenue Bonds in 2021.

(e) In 2018, 2019 and 2020, actual annual debt service included Series 2016 First Lien Revenue Bonds. In 2021 and 2022, actual annual debt service included Series 2016 First Lien Revenue Bonds, 2021B First Lien Revenue Bonds and the Series 2021 Water First Lien Revenue Bonds. 2021 actual annual debt service was \$243.3 million due to the partial refunding on the Series 2016 First Lien Revenue Bonds of \$218.5 million of principal.

(f) 2018, 2019 and 2020 actual annual debt service includes Series 2016 First Lien Revenue Bonds. 2019 actual annual debt service included \$45.0 million prepayment in September 2019. 2021 actual annual debt service includes partial refunding payment on Series 2016 First Lien Revenue Bonds. 2022 actual annual debt service included Series 2016 First Lien Revenue Bonds, 2021B First Lien Revenue Bonds and the Series 2021 Water First Lien Revenue Bonds.

## OTHER SCHEDULES (not subjected to auditing procedures)

## EXHIBIT C-7

## CITY OF AURORA, COLORADO

## WASTEWATER FUND

## OPERATING HISTORY

## COMPARATIVE SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

## FOR THE YEARS ENDED DECEMBER 31:

|                                                             | 2018                  | 2019                  | 2020                  | 2021                  | 2022                  |
|-------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>OPERATING REVENUES</b>                                   |                       |                       |                       |                       |                       |
| Charges for services                                        | \$ 67,385,881         | \$ 69,555,133         | \$ 72,448,526         | \$ 73,561,726         | \$ 78,398,295         |
| Total operating revenues                                    | 67,385,881            | 69,555,133            | 72,448,526            | 73,561,726            | 78,398,295            |
| <b>OPERATING EXPENSES</b>                                   |                       |                       |                       |                       |                       |
| Cost of sales and services                                  | 50,330,286            | 51,048,471            | 50,836,208            | 56,085,832            | 56,865,199            |
| Administrative expenses                                     | 1,432,561             | 1,477,126             | 1,146,121             | 1,947,278             | 1,560,393             |
| Depreciation                                                | 12,558,089            | 13,268,985            | 14,234,128            | 15,904,477            | 15,989,148            |
| Total operating expenses                                    | 64,320,936            | 65,794,582            | 66,216,457            | 73,937,587            | 74,414,740            |
| Operating income (loss)                                     | 3,064,945             | 3,760,551             | 6,232,069             | (375,861)             | 3,983,555             |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>                    |                       |                       |                       |                       |                       |
| Investment returns                                          | 1,116,554             | 2,791,095             | 2,670,807             | (680,221)             | (1,738,111)           |
| Intergovernmental revenue                                   | —                     | 55,077                | —                     | —                     | —                     |
| Miscellaneous revenue                                       | 22,240                | 39,609                | 6,424                 | 15,758                | 102,304               |
| Interest expense                                            | (394,717)             | (844,342)             | (852,144)             | (1,879,931)           | (2,601,262)           |
| Amortization expense                                        | 47,558                | 47,558                | 47,558                | 271,460               | 422,439               |
| Gain (loss) - disposal capital assets                       | (4,072)               | 147,193               | (1,861,817)           | 694,591               | 264,840               |
| Net non-operating revenues (expenses)                       | 787,563               | 2,236,190             | 10,828                | (1,578,343)           | (3,549,790)           |
| <b>NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b> | 3,852,508             | 5,996,741             | 6,242,897             | (1,954,204)           | 433,765               |
| Capital contributions                                       | 31,716,001            | 29,653,554            | 40,962,916            | 38,425,261            | 44,390,662            |
| Transfers out                                               | (33,399)              | —                     | —                     | —                     | —                     |
| <b>INCREASE IN NET POSITION</b>                             | 35,535,110            | 35,650,295            | 47,205,813            | 36,471,057            | 44,824,427            |
| <b>NET POSITION - January 1, as previously reported</b>     | 567,346,520           | 602,171,554           | 637,821,849           | 685,027,662           | 721,498,719           |
| Adjustment for accounting changes                           | (710,076)             | —                     | —                     | —                     | —                     |
| <b>NET POSITION - January 1, as restated</b>                | 566,636,444           | 602,171,554           | 637,821,849           | 685,027,662           | 721,498,719           |
| <b>NET POSITION - December 31</b>                           | <u>\$ 602,171,554</u> | <u>\$ 637,821,849</u> | <u>\$ 685,027,662</u> | <u>\$ 721,498,719</u> | <u>\$ 766,323,146</u> |

## OTHER SCHEDULES (not subjected to auditing procedures)

## EXHIBIT C-7

## CITY OF AURORA, COLORADO

## WASTEWATER FUND

## OPERATING HISTORY

## SCHEDULE OF SOURCES, USES, AND CHANGES IN FUNDS AVAILABLE (NON-GAAP BUDGETARY BASIS) FOR THE YEARS ENDED DECEMBER 31:

|                                    | 2018          | 2019          | 2020          | 2021          | 2022          |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>SOURCES</b>                     |               |               |               |               |               |
| Charges for services               | \$ 66,768,676 | \$ 68,917,395 | \$ 71,464,364 | \$ 72,826,522 | \$ 77,702,140 |
| Intergovernmental revenues         | 319,920       | 1,081,077     | 1,346,572     | —             | —             |
| Investment income                  | 1,092,907     | 1,693,205     | 1,506,968     | 946,598       | 1,515,592     |
| Other revenues                     | 12,975,304    | 8,252,462     | 13,220,536    | 15,711,250    | 12,906,734    |
| Proceeds from sale of assets       | 47,025        | 147,193       | 24,108        | 736,630       | 264,840       |
| Proceeds from long-term borrowings | 30,000,000    | —             | —             | 60,283,084    | —             |
| Transfers in                       | 16,000,000    | —             | —             | —             | —             |
| Total sources                      | 127,203,832   | 80,091,332    | 87,562,548    | 150,504,084   | 92,389,306    |
| <b>USES</b>                        |               |               |               |               |               |
| <b>Operating Costs</b>             |               |               |               |               |               |
| Operations group                   | 54,506,952    | 56,755,020    | 55,983,901    | 79,750,705    | 67,626,829    |
| <b>Continuing Appropriations</b>   |               |               |               |               |               |
| Operations group                   | 72,634,160    | 10,066,112    | 19,995,615    | 79,648,848    | 47,815,000    |
| Total uses                         | 127,141,112   | 66,821,132    | 75,979,516    | 159,399,553   | 115,441,829   |
| Change in funds available          | 62,720        | 13,270,200    | 11,583,032    | (8,895,469)   | (23,052,523)  |
| FUNDS AVAILABLE - January 1        | 14,252,532    | 14,315,252    | 27,585,452    | 39,168,484    | 30,273,015    |
| FUNDS AVAILABLE- December 31       | \$ 14,315,252 | \$ 27,585,452 | \$ 39,168,484 | \$ 30,273,015 | \$ 7,220,492  |

**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> |
|-----------------------|-------------------------------|---------------------------|
| Residential           | 77%                           | 79%                       |
| Business              | 23%                           | 21%                       |
| <b>Totals</b>         | <b>100%</b>                   | <b>100%</b>               |

**Customers by Class**

| <b>Classification</b>     | <b>2018 (a)</b> | <b>2019</b>   | <b>2020</b>   | <b>2021</b>   | <b>2022</b>   |
|---------------------------|-----------------|---------------|---------------|---------------|---------------|
| Single Family Residential | 78,273          | 79,609        | 81,496        | 83,328        | 85,366        |
| Multi-Family (2+units)    | 3,655           | 3,713         | 3,743         | 3,768         | 3,789         |
| Commercial                | 3,052           | 3,091         | 3,124         | 3,151         | 3,198         |
| <b>Total</b>              | <b>84,980</b>   | <b>86,413</b> | <b>88,363</b> | <b>90,247</b> | <b>92,353</b> |

(a) 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 (b)</b> | <b>Billed Revenues</b> |
|---------------------|------------------------|
| Wholesale Customer  | \$ 7,412,890           |
| Bottling Company    | 761,763                |
| University          | 620,013                |
| Military Base       | 274,308                |
| Apartment Complex   | 291,309                |
| Hotel               | 258,293                |
| Apartment Complex   | 171,664                |
| Hospital            | 171,665                |
| Hospital            | 169,563                |
| Commercial          | 155,856                |
| <b>Total</b>        | <b>\$ 10,287,324</b>   |

(b) These ten customers accounted for 19.5% of the total billed sanitary sewer sales in 2022.

**Sanitary Sewer Monthly Service Charge by Tap Size (c)**

| <b>Tap Size</b>                     | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
| 5/8" and 3/4"                       | \$ 3.96     | \$ 4.12     | \$ 4.28     | \$ 4.28     | \$ 4.45     |
| 1" & 1 1/4"                         | 9.90        | 10.30       | 10.71       | 10.71       | 11.14       |
| 1 1/2"                              | 19.80       | 20.60       | 21.42       | 21.42       | 22.28       |
| 2"                                  | 31.72       | 32.96       | 34.28       | 34.28       | 35.65       |
| 3"                                  | 69.34       | 72.10       | 74.98       | 74.98       | 77.98       |
| 4"                                  | 198.00      | 206.00      | 214.24      | 214.24      | 222.81      |
| 6"                                  | 396.00      | 412.00      | 428.48      | 428.48      | 445.62      |
| Volume Charge per 1,000 gallons (d) | \$ 3.64     | \$ 3.79     | \$ 3.94     | \$ 3.94     | \$ 4.10     |

(c) The total monthly fee includes the monthly service charge plus the volume charge.

(d) Sewer usage is based on the average water use for December, January and February.

## OTHER SCHEDULES (not subjected to auditing procedures)

**EXHIBIT C-8**  
**CITY OF AURORA, COLORADO**  
**WASTEWATER FUND**  
**SEWER/STORM SYSTEM STATISTICS**  
**FOR THE YEARS ENDED DECEMBER 31:**

**Sanitary Sewer Tap Fees by Service Size**

| <b>Customer</b>                   | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|
| Single Family Detached (per unit) | \$ 2,700    | \$ 2,860    | \$ 2,860    | \$ 3,280    | \$ 3,490    |
| Single Family Attached (per unit) | 1,485       | 1,573       | 1,573       | 1,840       | 1,920       |
| Multi-family (per unit)           | 1,377       | 1,459       | 1,459       | 1,550       | 1,780       |
| Commercial (per tap size):        |             |             |             |             |             |
| ¾                                 | 5,400       | 5,720       | 5,720       | 6,580       | 6,980       |
| 1" & 1 ¼"                         | 12,960      | 13,728      | 13,728      | 15,744      | 16,752      |
| 1 ½"                              | 29,700      | 31,460      | 31,460      | 36,080      | 38,390      |
| 2                                 | 54,000      | 57,200      | 57,200      | 65,600      | 69,800      |
| 3                                 | 116,100     | 122,980     | 122,980     | 141,040     | 150,070     |
| 4                                 | 232,200     | 245,960     | 245,960     | 282,080     | 300,140     |
| 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**

|                                | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Sanitary Sewer Tap Fees</b> | \$ 8,667,365       | \$ 6,242,461       | \$ 9,751,076       | \$ 10,278,899      | \$ 8,428,444       |

**Sewer System Service Charge Revenues**

|                                    | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Sewer System Service Charge</b> | \$ 45,229,609      | \$ 47,010,813      | \$ 49,179,957      | \$ 49,758,062      | \$ 52,663,328      |

**Storm Drain Rates and Charges (b)**

|                                         | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> |
|-----------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Stormwater Development Fee (Per Acre)   | \$ 3,250           | \$ 1,242           | \$ 1,242           | \$ 1,242           | \$ 1,242           |
| Single Family (per sq. Ft. of Lot Size) | —                  | 0.048              | 0.048              | 0.048              | 0.048              |
| Commercial and Multi-Family             | —                  | 0.140              | 0.140              | 0.140              | 0.140              |
| Residential (c)                         | \$ 10.46           | \$ 10.46           | \$ 10.46           | \$ 10.46           | \$ 10.83           |
| Multifamily 1st Unit (d)                | 10.46              | 10.46              | 10.46              | 10.46              | 10.83              |
| Additional unit (d)                     | 8.24               | 8.24               | 8.24               | 8.24               | 8.53               |
| Commercial 1st Unit (e)                 | \$ 10.46           | \$ 10.46           | \$ 10.46           | \$ 10.46           | \$ 10.83           |
| Additional Unit (e)                     | 8.24               | 8.24               | 8.24               | 8.24               | 8.53               |

(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 per acre storm drainage development fee at the time of subdivision platting and fee per square feet of impervious area for commercial and multi-family customers; residential customers are charged a fee based on lot size.

(c) Includes single family detached and individually metered single family attached dwellings.

(d) Multi-family units are equal to the number of total dwelling units.

(e) For commercial and industrial buildings, each unit is equal to 2,500 square feet of gross floor space or portion thereof.

**EXHIBIT C-8**  
**CITY OF AURORA, COLORADO**  
**WASTEWATER FUND**  
**STORM SYSTEM STATISTICS**  
**FOR THE YEARS ENDED DECEMBER 31:**

**Ten Largest Customers of the Storm System**

| <b><u>Customer (a)</u></b> | <b><u>Billed Revenues</u></b> |
|----------------------------|-------------------------------|
| Apartment Complex          | \$ 251,466                    |
| Auto Wholesaler            | 202,624                       |
| Public School District     | 139,678                       |
| City                       | 136,404                       |
| Commercial                 | 118,742                       |
| University                 | 110,771                       |
| Commercial                 | 108,993                       |
| Commercial                 | 107,707                       |
| Real Estate Developer      | 95,829                        |
| Public School District     | 90,041                        |
| <b>Total</b>               | <b><u>\$ 1,362,255</u></b>    |

(a) These ten customers accounted for 5.5% of the total billed storm sales in 2022.

**Five-Year Projected Capital Improvements**

|                       | <b><u>2023<br/>Adopted (b)</u></b> | <b><u>2024<br/>Planned</u></b> | <b><u>2025<br/>Planned</u></b> | <b><u>2026<br/>Planned</u></b> | <b><u>2027<br/>Planned</u></b> | <b><u>Total Cost<br/>2023-2027</u></b> |
|-----------------------|------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------------------|
| <b>Sanitary Sewer</b> | \$ 34,399,738                      | \$ 18,628,279                  | \$ 5,158,232                   | \$ 18,834,026                  | \$ 20,504,667                  | \$ 97,524,942                          |
| <b>Storm Drainage</b> | <u>11,325,000</u>                  | <u>22,586,488</u>              | <u>14,211,488</u>              | <u>7,613,633</u>               | <u>5,338,805</u>               | <u>61,075,414</u>                      |
| <b>Total</b>          | <b><u>\$ 45,724,738</u></b>        | <b><u>\$ 41,214,767</u></b>    | <b><u>\$ 19,369,720</u></b>    | <b><u>\$ 26,447,659</u></b>    | <b><u>\$ 25,843,472</u></b>    | <b><u>\$ 158,600,356</u></b>           |

(b) 2023 adopted budget excludes 2022 capital carryforward.

**Monthly Service Charge for Irrigation Accounts by Tap Size (c)**

| <b><u>Tap Size</u></b> | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 5/8" and 3/4"          | \$ 11.66           | \$ 12.01           | \$ 12.01           | \$ 12.01           | \$ 12.43           |
| 1" & 1 1/4"            | 17.07              | 17.58              | 17.58              | 17.58              | 18.20              |
| 1 1/2"                 | 36.93              | 38.04              | 38.04              | 38.04              | 27.82              |
| 2"                     | 65.82              | 67.79              | 67.79              | 67.79              | 39.37              |
| 3"                     | 98.31              | 101.26             | 101.26             | 101.26             | 70.16              |
| 4"                     | 188.58             | 194.24             | 194.24             | 194.24             | 104.80             |
| 6"                     | 296.89             | 305.80             | 305.80             | 305.80             | 201.04             |
| 8"                     | 11.66              | 12.01              | 12.01              | 12.01              | 316.50             |

(c) Monthly fee equals the monthly service charge (based on meter size) plus a charge per 1,000 thousand gallons used.

**OTHER SCHEDULES (not subjected to auditing procedures)**

**EXHIBIT C-9  
CITY OF AURORA, COLORADO  
WASTEWATER FUND  
MAXIMUM ANNUAL DEBT SERVICE COVERAGE  
FOR THE YEARS ENDED DECEMBER 31:**

|                                                                                                | <b>2018</b>         | <b>2019</b>         | <b>2020</b>         | <b>2021</b>         | <b>2022</b>         |
|------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net Pledged Revenue                                                                            |                     |                     |                     |                     |                     |
| Charges for Services                                                                           | \$67,385,881        | \$69,555,133        | \$72,448,526        | \$73,561,726        | \$78,398,295        |
| Development Fee (a)                                                                            | 8,987,285           | 7,268,461           | 11,097,648          | 10,278,899          | 8,428,445           |
| Other Non-Operating Revenue (b)                                                                | 1,162,172           | 1,935,084           | 1,537,500           | 1,698,986           | 1,882,735           |
| (Less) Operating Expense                                                                       | (64,320,936)        | (65,794,582)        | (66,216,457)        | (73,937,587)        | (74,414,740)        |
| Add: Depreciation                                                                              | 12,558,089          | 13,268,985          | 14,234,128          | 15,904,477          | 15,989,148          |
| Total                                                                                          | <u>\$25,772,491</u> | <u>\$26,233,081</u> | <u>\$33,101,345</u> | <u>\$27,506,501</u> | <u>\$30,283,883</u> |
| Maximum Annual Debt Service                                                                    |                     |                     |                     |                     |                     |
| First-Lien Revenue Obligations (c)                                                             | \$3,368,012         | \$3,428,147         | \$4,757,550         | \$8,893,690         | \$8,542,047         |
| All Obligations Secured by Net Pledged Revenue (d)                                             | 3,368,012           | 3,428,147           | 4,757,550           | 8,893,690           | 8,542,047           |
| Coverage                                                                                       |                     |                     |                     |                     |                     |
| First-Lien Revenue Obligations                                                                 | 7.65                | 7.65                | 6.96                | 3.09                | 3.55                |
| Combined First-Lien Revenue Obligations and<br>All Obligations Secured by Net Pledged Revenues | 7.65                | 7.65                | 6.96                | 3.09                | 3.55                |
| Actual Annual Debt Service                                                                     |                     |                     |                     |                     |                     |
| First-Lien Revenue Obligations (e)                                                             | \$3,132,238         | \$3,171,276         | \$3,216,183         | \$4,759,466         | \$8,893,690         |
| All Obligations Secured by Net Pledged Revenue (f)                                             | 3,132,238           | 3,171,276           | 3,216,183           | 4,759,466           | 8,893,690           |
| Days Cash on Hand                                                                              | 563                 | 573                 | 607                 | 548                 | 683                 |

(a) Includes tap, main extension, front footage fees. Does not include annexation fees. Total is net of any reimbursement of previously paid tap

(b) Includes investment returns, insurance recoveries and other non-operating revenue. Excludes fair value and interest on urban drainage.

(c) In 2018, the 2018A and 2018B First Lien Sewer Revenue Bonds were issued with an initial draw of \$2.0 million. The 2018 maximum annual debt service is \$3.4 million in year 2026. In 2019, the 2018B Sewer Revenue bonds were executed with a revolving drawdown period through August 1, 2021 with an initial draw of \$3.0 million in 2019. The maximum annual debt service in 2019 was \$3.4 million in year 2026. In 2020, \$13.0 million of the 2018B Sewer Revenue bonds were converted to a fixed rate and the maximum annual first lien debt service in 2020 is \$4.8 million in year 2026. In 2021, the remaining \$15.0 million of 2018 B Sewer Revenue Bonds were converted to a fixed rate and the Series 2021 Sewer First Lien Revenue Bonds were issued. The maximum annual first lien debt service in 2021 is \$8.9 million in year 2022. The maximum annual first lien debt service in 2022 is \$8.5 million in year 2023.

(d) In 2018, the 2018A and 2018B First Lien Sewer Revenue Bonds were issued with an initial draw of \$2.0 million. The 2018 maximum annual debt service is \$3.4 million in year 2026. In 2019, the 2018B Sewer Revenue bonds were executed with a revolving drawdown period through August 1, 2021 with an initial draw of \$3.0 million in 2019. The maximum annual debt service in 2019 was \$3.4 million in year 2026. In 2020, \$13.0 million of the 2018B Sewer Revenue bonds were converted to a fixed rate and the maximum annual first lien debt service in 2020 is \$4.8 million in year 2026. In 2021, the remaining \$15.0 million of 2018 B Sewer Revenue Bonds were converted to a fixed rate and the Series 2021 Sewer First Lien Revenue Bonds were issued. The maximum annual first lien debt service in 2021 is \$8.9 million in year 2022. The maximum annual first lien debt service in 2022 is \$8.5 million in year 2023.

(e) In 2018, actual annual debt service included the 2016 First Lien Sewer Refunding Revenue Bonds. In 2019 and 2020, actual annual debt service included 2016 First Lien Sewer Refunding Revenue Bonds and 2018A and 2018B First Lien Sewer Revenue Bonds. In 2021 and 2022, actual annual debt service included 2016 First Lien Sewer Refunding Revenue Bonds, 2018A and 2018B First Lien Sewer Revenue Bonds and Series 2021 Sewer First Lien Revenue Bonds.

(f) In 2018, actual annual debt service included the 2016 First Lien Sewer Refunding Revenue Bonds. In 2019 and 2020, actual annual debt service included 2016 First Lien Sewer Refunding Revenue Bonds and interest on 2018A and 2018B First Lien Sewer Revenue Bonds. In 2021 and 2022, actual annual debt service included 2016 First Lien Sewer Refunding Revenue Bonds, 2018A and 2018B First Lien Sewer Revenue Bonds and Series 2021 Sewer First Lien Revenue Bonds.

OTHER SCHEDULES (not subjected to auditing procedures)

**EXHIBIT C-10  
CITY OF AURORA, COLORADO  
GENERAL FUND  
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY BY CLASS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

| <b>Class</b>             | <b>Assessed<br/>Valuation Adams</b> | <b>Assessed<br/>Valuation<br/>Douglas</b> | <b>Assessed<br/>Valuation<br/>Arapahoe</b> | <b>Total Assessed<br/>Valuation</b> | <b>Percent of<br/>Total<br/>Assessed<br/>Valuation</b> |
|--------------------------|-------------------------------------|-------------------------------------------|--------------------------------------------|-------------------------------------|--------------------------------------------------------|
| Residential              | \$ 227,538,580                      | \$ 62,409,530                             | \$ 2,475,532,294                           | \$ 2,765,480,404                    | 44.5%                                                  |
| Residential Multi Family | 42,724,430                          | -                                         | 425,784,163                                | 468,508,593                         | 7.6%                                                   |
| Commercial               | 887,876,570                         | 579,120                                   | 1,085,931,811                              | 1,974,387,501                       | 31.8%                                                  |
| Personal Property        | 300,124,420                         | 1,612,190                                 | 315,602,326                                | 617,338,936                         | 10.1%                                                  |
| State Assessed           | 9,375,700                           | 15,600                                    | 11,014,380                                 | 20,405,680                          | 0.3%                                                   |
| State Assessed Renewable | 20,250                              | -                                         | -                                          | 20,250                              | 0.0%                                                   |
| Vacant                   | 81,026,610                          | 7,586,200                                 | 99,768,693                                 | 188,381,503                         | 2.9%                                                   |
| Industrial               | 48,590,440                          | -                                         | 3,739                                      | 48,594,179                          | 0.8%                                                   |
| Agricultural             | 1,014,230                           | 4,590                                     | 440,948                                    | 1,459,768                           | 0.0%                                                   |
| Agri Business            | 182,440                             | -                                         | 938,506                                    | 1,120,946                           | 0.0%                                                   |
| Oil and Gas              | 76,827,310                          | -                                         | 41,765,900                                 | 118,593,210                         | 1.9%                                                   |
| Natural Resources        | 1,670                               | 1,110                                     | 33,751                                     | 36,531                              | 0.1%                                                   |
| <b>Total</b>             | <b>\$ 1,675,302,650</b>             | <b>\$ 72,208,340</b>                      | <b>\$ 4,456,816,511</b>                    | <b>\$ 6,204,327,501</b>             | <b>100.00%</b>                                         |

Total assessed valuation excludes various tax increment financing districts located within the city.





**Controller's Office**

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