



**Comprehensive
Annual Financial Report
City of Aurora, Colorado**

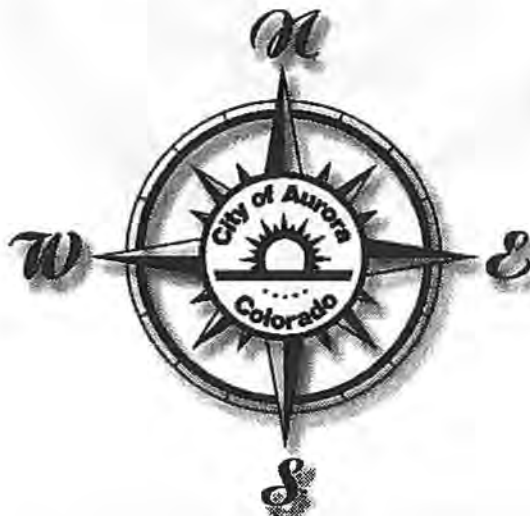
Year Ended December 31, 1999

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CITY OF AURORA, COLORADO

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May 12, 2000

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

We submit, for your information and review, the Comprehensive Annual Financial Report (CAFR) of the City of Aurora, Colorado (the City), for the year ended December 31, 1999. Management is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups 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 CAFR contains three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the City's organizational chart, and a list of principal officials. The Financial Section contains the independent auditors' report, combined financial statements, notes to the statements, required supplementary information, combining and individual fund statements and schedules, and supplementary financial disclosures. The Statistical Section includes selected financial and demographic information about the City. The CAFR includes all funds, account groups, and component units of the City. Entities considered to be component units under governmental accounting standards, include: the Aurora Capital Leasing Corporation (ACLC), Aurora Urban Renewal Authority (AURA), General Employees' Retirement Plan (GERP) and the Fitzsimons Redevelopment Authority (FRA).

GOVERNMENTAL STRUCTURE, ECONOMIC CONDITION AND OUTLOOK

The City of Aurora is located on the eastern slope of the Rocky Mountains and lies in the six county Denver/Aurora metropolitan area (metro area). It is the third largest city in the State of Colorado (the State). The metro area is the economic and political center of the State.

Aurora is a home-rule city that provides general government services including public works, water and sewer, parks and recreation, golf, and public safety services to 258,875 (1999 estimate) residents representing about 11.2% of the metro area.

The City is a major regional retail center with approximately 17% of the metro area retail space. There are 127 retail centers with at least 10,000 square feet each, encompassing approximately

10.1 million square feet. Over 47% of the retail square footage exists in large strip centers; however, the largest growth has been in single tenant users. The City has about 9.8% of the metro area industrial space, encompassing over 15.7 million square feet. About 93% of the space is industrial warehouse with the remainder being office showrooms.

Throughout 1999, the State economy remained healthy. Based on data collected by the Colorado Legislative Council, most of the indicators of State economic activity continued to exceed national indicators. The State's population increased by 2.2% in 1999, continuing the strong growth rate of the last seven years. Retail sales for the State as a whole grew by 7.7% in 1999. This continued the healthy growth of the last few years. Economic projections are that the growth rate will slow over the next few years. The City's 1999 sales tax growth of 12.4% was an increase from the 1998 growth of 5.9%.

During 1999, residential and commercial construction continued to be a major economic force in the metro area. In Aurora, 1,722 new residential construction permits were issued, a very healthy level of growth. Private non-residential construction increased in the metro area. Again, the City kept pace with this trend. Permits were issued for 224 new commercial and industrial construction projects.

Economists predict continued, albeit slower, growth for the metro area over the next several years. Growth in population, consumer spending, and construction is expected to continue. For Aurora, however, growth appears likely to remain very high in terms of new construction. There is substantial economic development activity in the City related to the Denver International Airport (DIA) and Southeast Aurora. That development has already had significant positive impact on City revenues and the impact is expected to continue in the future. Redevelopment of the former Fitzsimons Army Hospital is also having significant positive impact. The Aurora Economic Development Council reported that over 5,100 jobs were created in the City through development efforts in 1999.

Sales tax revenue growth for the first four months of 2000 has been somewhat stronger than projected. The City continues to emphasize retail development and is taking a proactive role in maintaining and enhancing its retail sales tax base. Two new major shopping centers of about 500,000 square feet are hoped to be under construction in 2000 or early 2001.

The State Constitution limits the increase in general revenues the City may have in any year. Since the adoption of the revenue limit in 1992, the City has not exceeded that limit. A successful ballot question in 1999 made it unlikely that the City will exceed the limits in the next few years. Another ballot question scheduled for November 2000 would make it unlikely that the City will exceed the limits in the foreseeable future. This ballot question is considered to have a good chance of passing since it also includes a permanent three mill property tax reduction.

In 1998 and 1999, refunds of property tax (not general revenues) occurred as a result of similar but separate limits on property tax revenue. Another property tax refund is anticipated in 2000. The proposed three mill property tax reduction in the 2000 ballot question would eliminate most of the projected refunds for the next four years. If the economy continues to be as strong as expected, there would be no loss of spendable revenue to the City; the tax reduction would simply eliminate the refund. If the economy deteriorates, the mill reduction could result in a decline in property tax revenue. City Council feels that the flexibility gained by freeing the City from most revenue limits is worth the risk of property tax revenue reduction if a recession occurs. In the event of an unexpected revenue decline, the City anticipates adjusting spending downward to match revenues.

MAJOR INITIATIVES

FOR THE YEAR

Redevelopment of Fitzsimons Army Hospital into a High-Tech Medical Research Facility The closure of the Fitzsimons Army Hospital in 1996 has presented a unique opportunity to Aurora. The Fitzsimons Redevelopment Authority, created by the City and the University of Colorado, has developed a long-term plan to acquire the Fitzsimons Hospital and much of the 577 acres of the hospital grounds and develop it as a high-tech medical research complex. The cornerstone of this development effort is the approved relocation of the University of Colorado Health Sciences Center to Fitzsimons. During 1999, construction began on a major bioscience center and the University continued its fast-paced relocation of many of its facilities to Fitzsimons. The successful development of this site is expected to have major long-term benefits to the City. The Fitzsimons redevelopment is only one of three major redevelopments surrounding the older part of Aurora, called Original Aurora. The extremely successful ongoing redevelopment of the Lowry Air Force Base also borders on Original Aurora as does the former Stapleton Airport, a key redevelopment site for the City and County of Denver.

Residential Development A goal of the City is to attract more high-quality residential development. A new community surrounding a championship golf course and providing high-end housing has been constructed in southeast Aurora. Substantial additional high-quality development is occurring. The City will be the site of the 2000 Parade of Homes in the new Tallyn's Reach Development. The Aurora Reservoir/E-470 area in southeast Aurora is planned for a residential population of 70,000. Five additional golf course communities are planned in the area by various developers. One of these developments, Murphy Creek, will feature another city-owned and operated championship golf course.

Airport Related Development The Denver International Airport (DIA) is on the northern border of Aurora. Development continues in this area of Aurora. As a result, the airport provides excellent development opportunities for Aurora, both in the short term and the long term. In the five years since the airport opened, seven hotels with over 1,200 rooms and 20 office warehouses

have been constructed in the Airport Boulevard area. The City expects active development to continue in Aurora near the airport, including the continuation of industrial development and the newly developing office market.

E-470 Beltway The E-470 toll highway traverses the eastern perimeter of the metro area; much of it is in eastern Aurora. E-470 provides high speed access to the Airport. All portions are now open that serve Aurora. The final Aurora-related segment opened in May 1999. The final portion of E-470, Segment IV, is under contract. When this segment of the highway is completed, the beltway will extend from C-470 south of the Denver Tech Center, through Aurora and the western edge of DIA, and intersect with Interstate 25, north of the metro area. The beltway is having a positive impact on development now and is expected to be a major future location for retail, commercial and residential growth in Aurora, similar in scale to that generated by DIA.

Retail Development A 500,000 square-foot shopping center (Arapahoe Crossings) is now almost fully occupied. It is located in the fast-growing southeast portion of Aurora. Other large box retail infill and theater projects were completed in 1998 and another 500,000 square-foot center is expected to begin construction in southeast Aurora in 2000. Others are also in the planning stages. With the opening of the Alameda/Interstate 225 Interchange in the year 2000, additional regional retail is expected in the City Center area (near the interchange). Developers are actively exploring projects for this area. The City is likely to help ensure this development through land assembly and other types of assistance. Aurora is also positioning itself for regional retail development along the E-470 corridor through zoning and recruitment efforts.

Emphasis on Capital The City Council continued its commitment to higher levels of ongoing capital funding that was begun several years ago. City Council dedicates a minimum of 100% of materials and equipment use tax and 4% of other General Fund revenues to capital and debt service uses. Two major capital projects are underway, the construction of a major sports complex of ballfields and the construction of an interstate interchange that will assist development of the City Center area. The ballfield complex and interchange bond issues were approved by the voters in 1998 and 1997, respectively. Major improvements in utilities and golf are also underway. During 1999, the City developed its first Facilities Master Plan. This Plan provided a comprehensive blueprint of projected facility (buildings) needs for the foreseeable future. The Plan was further developed by staff to identify complete capital and operating costs for the recommended facilities improvements and expansions. Three phases were recommended. After a series of meetings where City Council reviewed the Plan, the Council approved a comprehensive funding plan for phase I: A new city hall is to be built funded from certificates of participation, a series of facilities are to be built with proposed voter approved bonds (election in Fall of 2000), and some improvements will be cash funded. Operating costs for all the new facilities have been analyzed and are projected to be available from existing revenue sources.

Emphasis on Basic Services The City continues to emphasize strong basic services, including public safety, street maintenance, and a broad array of recreational services. The Aurora Police

Department utilizes community policing and has a national and international reputation as a leader in this area. In 1999, six additional police officers were hired as part of an ongoing program to maintain the ratio of police officers at a minimum of two police officers per one thousand citizens. The Aurora Fire Department is one of the top fire departments in the country in terms of its capabilities and services provided to the citizens. It also is a leader in public/private partnerships having developed and implemented an innovative transport agreement between the Department and a private ambulance service that provides both basic and advanced life support services. The Public Works Department is nearing the end of a six-year program to upgrade the rating of street conditions to an overall good condition. A wide range of recreation and library services continues to be offered, generally satisfying the needs of the City's citizens.

FOR THE FUTURE

The City plans to continue to emphasize the provision of quality basic services and to maintain its infrastructure. These efforts have made Aurora a good location for both residents and businesses. Growth issues will be a major focus over the next few years. The City will balance the needs of existing service areas with the requirements to expand services to the newly developing areas. The revenue from the expansion of the City will be used to provide services to these new areas.

The City is in an enviable position to benefit from development as a result of the opening of DIA, the relocation of the University of Colorado Health Science Center to the former Fitzsimons Army Hospital, the new sections of the E-470 toll highway and the general economic growth and health of the metro area. The City intends to take advantage of these opportunities to maintain and expand the City's economic base.

The City expects to remain strong financially. Management will continue to watch for changes in the economy that require action, and the City will remain cautious about the level of revenue increases over the next few years. The City has a strong emphasis on attracting and retaining quality retail development in the City to support future growth in sales tax revenue. The previously described ballot question for the Fall of 2000 will reduce property tax rates (but will not reduce revenues as long as the economy remains strong), and will also provide substantial additional financial flexibility to the City. This flexibility is considered an important component of the ability of the City to take advantage of future development opportunities.

Barring a change in the national economy, revenue growth is likely to be relatively constant over the next several years. It is the City's intent to continue to limit operating expenditures to generally match operating revenues.

DEPARTMENT FOCUS – DEVELOPMENT SERVICES DEPARTMENT

The mission of the Development Services Department is to promote private investment and development in Aurora by conducting and coordinating critical components of the City's overall economic development program. Development Services' duties include the overall coordination of major economic development initiatives, providing assistance to small business and retail development, coordinating public and private economic development and incentive programs, participating in the general management of the City's development review process by providing individual project management of private projects through the public review process, ensuring administration and coordination of annexations, and providing management of the building review and inspection functions.

The department has over sixty employees and is made up of five major functional areas: Administration, Building Inspections, Office of Development Assistance, Small Business Development, and Economic Development. The responsibilities and goals of the Development Services Department are described below.

Administration provides general management services, administrative direction, and financial control of the Development Services Department. This area also manages special projects and provides economic development services. The goal of Administration is to encourage and facilitate quality economic development in Aurora by providing a clear and predictable development review process. This area also provides assistance in resolving development issues and improving the review process. To support retail economic development activities in Aurora, Administration works with retailers and developers to encourage them to expand their presence in the City. By analyzing retail development in the City and monitoring retail sales and trends, Administration can advise elected officials, management, and City departments regarding the potential of and need for retail projects, and other issues that affect retail development.

Building Inspections provides effective, thorough and cost effective plan review and inspection programs. The goal of this area is to ensure safe code compliant construction by providing an efficient plan review and inspection of all permitted construction. Additionally, Building Inspections ensures that these programs are performed in a timely manner with a high level of customer service.

Office of Development Assistance provides overall management of the City's development review system. The goal of this office is to encourage and facilitate quality economic development in Aurora by offering a clear and predictable development review process. This process will allow developers and owners to develop and build a full range of projects. To accomplish this goal, the Office of Development Assistance provides assistance in navigating the City's plan approval and inspection process, holds pre-application meetings, structures and negotiates annexation and incentive agreements, and complies with City Codes and requirements. This area coordinates Aurora's major economic development initiatives, including the City Center and the Fitzsimons Boundary.

Small Business Development seeks to attract businesses to Aurora, stimulate start-up endeavors, and assist in the growth of existing businesses. To meet this goal, this office provides planning, technical assistance, training, information and financial assistance to new and existing businesses. Currently, Small Business Development is promoting and facilitating public and private investment in North Aurora to stimulate the economic revitalization of that area.

Economic Development provides economic development marketing and business assistance services through the Aurora Economic Development Council and the Adams County Economic Development Corporation, which are public/private economic development organizations. The goal of this area is to support economic development activities in Aurora, including the recruitment of new and existing business through the existing economic development organization.

The Development Services staff and programs are linked to provide a high level of assistance to developers in the City review process and to encourage high quality development and redevelopment in the City.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the City are protected from loss, theft, or misuse, and to ensure adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. The City's internal control structure is subject to periodic review by management, the City's internal audit staff, and by external auditors.

Budgeting Controls The City maintains budgetary control over its expenditures. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Operating activities of the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Internal Service Funds are included in the annual appropriated budget. Operating expenditures are legally controlled at the fund and department level for the General Fund, and the fund level for all other funds, and may not exceed appropriations at those levels. Project-length budgets are adopted for capital projects and certain grants. The level of budgetary control on project length budgets is at project within fund. The City also uses encumbrances as a technique of accomplishing budgetary control. Encumbered amounts outstanding at year-end are carried forward to the next year. As demonstrated by the statements and schedules included in the

financial section of this report, the City continues to meet its responsibility for sound operational and financial management.

General Government Functions The following schedule presents a summary of revenues for the General, Special Revenue, Debt Service, and Capital Projects Funds for the year ended December 31, 1999 and increases or decreases in relation to prior year revenues.

<u>Revenues</u>	<u>1999 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1998</u>	<u>% Increase (Decrease) From 1998</u>
Taxes	\$ 148,878,651	73.2%	\$ 10,366,019	7.5%
Special Assessments	473,694	0.2%	(193,972)	(29.1%)
Licenses and Permits	5,373,101	2.6%	669,376	14.2%
Intergovernmental	21,439,172	10.5%	1,819,764	9.3%
Charges for Services	11,702,854	5.7%	264,776	2.3%
Fines and Forfeitures	4,038,670	2.0%	154,857	4.0%
Interest	3,921,313	1.9%	(2,186,709)	(35.8%)
Miscellaneous	7,824,633	3.9%	5,355,583	216.9%
Total Revenues	\$ 203,652,088	100.0%	\$ 16,249,694	8.7%

Revenue increased by \$16.2 million dollars in 1999 as compared to 1998. This increase was primarily due to growth in the retail and construction sectors, as evidenced by sales tax revenues, which increased by \$10.2 million. Miscellaneous revenues increased due to single family mortgage revenue bond money received in 1999 but not in 1998, and due to the demutualization of some City-held insurance policies.

The following schedule presents a summary of expenditures for the General, Special Revenue, Debt Service, and Capital Projects Funds for the year ended December 31, 1999 and increases or decreases in relation to prior year expenditures.

<u>Expenditures</u>	<u>1999 Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1998</u>	<u>% Increase (Decrease) From 1998</u>
Current				
General Government	\$ 38,568,574	19.7%	\$ 2,604,443	7.2%
Public Safety	79,114,723	40.3%	4,657,019	6.3%
Public Works	31,397,331	16.0%	7,233,967	29.9%
Culture & Recreation	29,439,757	15.0%	3,690,061	14.3%
Debt Service				
Principal	6,000,330	3.1%	455,718	8.2%
Interest	2,842,798	1.4%	401,925	16.5%
Capital Outlay	8,718,653	4.5%	(9,938,783)	(53.3%)
Total Expenditures	\$ 196,082,166	100.0%	\$ 9,104,350	4.9%

Total governmental fund expenditures increased by \$9.1 million dollars in 1999 as compared to 1998. This included an increase of \$7.2 million in public works expenditures due mainly to construction of the Alameda/I-225 Interchange and the Jewell Avenue Extension. Public safety expenditures increased due to expanded programs and additional staffing in Police and Fire.

General Fund The fund balance of the General Fund as of December 31, 1999 was \$37,391,169. This \$37.4 million reflects a reduction of \$14.1 million in policy reserves previously included in the General Fund, which were transferred to the Policy Reserve Special Revenue Fund in 1999. According to City policy, funds available (not including the reserved amounts) should be maintained in an amount equal to 10% or greater of the General Fund's operating expenditures plus general obligation debt service for each year. The 1999 funds available balance in the Policy Reserve Fund was in compliance with the City policy. The \$5.1 million TABOR Reserve, which had been included in the General Fund balance in 1997 and prior years, was also established as a Special Revenue Fund in 1999.

Of the \$37.4 million General Fund balance, \$14.9 million is considered unavailable for appropriation. That amount includes \$13.6 million designated for long-term liabilities (sales, use and lodgers tax accrual) and \$2.0 million committed for encumbrances, offset by the \$0.7 million year-end adjustment of investments to fair value. Of the \$22.5 million funds available for appropriation, \$11.3 million was reserved for the voter approved two per thousand police activities and \$9.3 million was designated for transfer to the Capital Projects Fund. The remaining \$1.9 million is available for general activities of the City

Enterprise Funds The City operates three enterprise funds: water utilities, sewer utilities, and golf courses.

The Water Fund revenues and expenses calculated in accordance with bond covenants were \$46,423,111 and \$15,538,521, respectively. Income available for debt service in 1999 was \$30,884,590 and the annual debt service was \$14,226,544. The debt service coverage ratio was 2.17 in 1999, which exceeded the required ratio of 1.10.

The Sewer Fund revenues and expenses calculated in accordance with bond covenants were \$23,313,281 and \$16,534,343, respectively. Income available for debt service for 1999 was \$6,778,938, and the annual debt service was \$2,623,143. The debt service coverage ratio was 2.58 in 1999, which exceeded the required ratio of 1.30.

The Golf Fund revenues and expenses calculated in accordance with bond covenants were \$8,571,543 and \$6,065,401, respectively. Income available for debt service for 1999 was \$2,506,142, and the average annual debt service was \$649,055. The debt service coverage ratio was 3.86 in 1999, which exceeded the required ratio of 1.50.

Pensions The City provides seven pension plans. The General Employees' Retirement Plan is a contributory defined benefit plan and the Elected Officials' Pension Plan is a non-contributory defined benefit plan. In addition, the City contributes to the State of Colorado's

Police Pension Fund for full-time police officers hired before April 7, 1978. The City formerly contributed to the State of Colorado's Fire Pension Fund for full-time Firefighters hired before April 7, 1978, which is now fully funded. The City also has three money purchase defined contribution pension plans, two for firefighters and police officers hired on or after April 8, 1978 and one for City executive personnel. Details concerning the pension plans are included in the Notes to the Financial Statements in the accompanying financial report.

Debt Administration

- As of December 31, 1999, the City had outstanding bonded debt of \$216,732,377 (excluding unamortized bond premiums and discounts). These issues included:
 - \$14,460,000 in general obligation debt supported by the General Fund
 - \$105,610,000 in general obligation water revenue debt
 - \$17,470,000 in general fund revenue bonds
 - \$14,999,899 in water revenue bonds
 - \$29,659,366 in sewer revenue bonds
 - \$6,665,000 in golf revenue bonds
 - \$503,112 in water revenue notes
 - \$520,000 in special assessment debt
 - \$26,845,000 in includable entity debt.
- Bond ratings:
 - The City has an A1 rating by Moody's Investor's Service and an A+ rating by Standard & Poor's on its sewer revenue bonds.
 - The City's General Obligation Bonds continue to be rated by Moody's Investor Service at A1 and by Standard & Poor's at AA-.
 - The City's General Fund Revenue Bonds are rated A1 by Moody's Investor Service and A+ by Standard and Poor's.
- In 1992, Colorado voters approved an amendment to the constitution (TABOR) which requires new general obligation debt to be authorized by voters.
- The per capita amount of total general obligation bonded debt of \$14,013,002, including the exempted bonds but excluding the debt service reserve balance, was \$54.

Cash Management The City's investment policy is to minimize credit and market risks, provide necessary liquidity, to meet financial management goals and to provide a competitive yield. Deposits were either insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized under the Colorado Public Deposit Protection Act (PDPA). The City utilizes an investment pool to maximize investment income. During 1999, investments included U.S. Government and agency securities, commercial paper rated A1/P1 or better, corporate notes

rated A1 or A+ or better, money market funds, and a local government pool (COLOTRUST), and repurchase agreements.

As of December 31, 1999, the City's financial resources, including bank deposits and investments in the City's cash and investment pool, were allocated as follows:

	<u>% of Resources</u>
Bank deposits	0.5
Repurchase agreements	16.4
U.S. Government and agency securities	51.5
Corporate bonds and notes	13.4
Commercial paper	11.2
Money market funds	4.9
Local government pool (COLOTRUST)	<u>2.1</u>
	<u>100.0%</u>

The average yield on investments was 5.09% for 1999. This performance equals the City's benchmark, which was 5.09% as of December 31, 1999. The City's benchmark is currently a 12-month moving average of the one-year U.S. Treasury constant maturity index. The City earned interest revenue of \$9.9 million on the City's pooled investments for the year ended December 31, 1999.

Risk Management The City maintains a Risk Management Internal Service Fund. The purpose of the fund is to provide resources for the City's partial risk retention against claims and judgments, fund-related administrative expenses, and attorney fees. Insurance claim reserves are established on an annual basis. The City also has excess insurance coverage.

OTHER INFORMATION

Independent Audit The City Charter requires an annual audit by independent certified public accountants selected by the City Council. The opinion of KPMG LLP on the City's financial statements is included in the financial section of this CAFR.

Awards The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year. The City has received the certificate for thirteen consecutive years. We believe that our current comprehensive annual financial

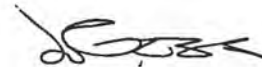
report continues to meet the requirements of the Certificate of Achievement program and we are submitting it to the GFOA.

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

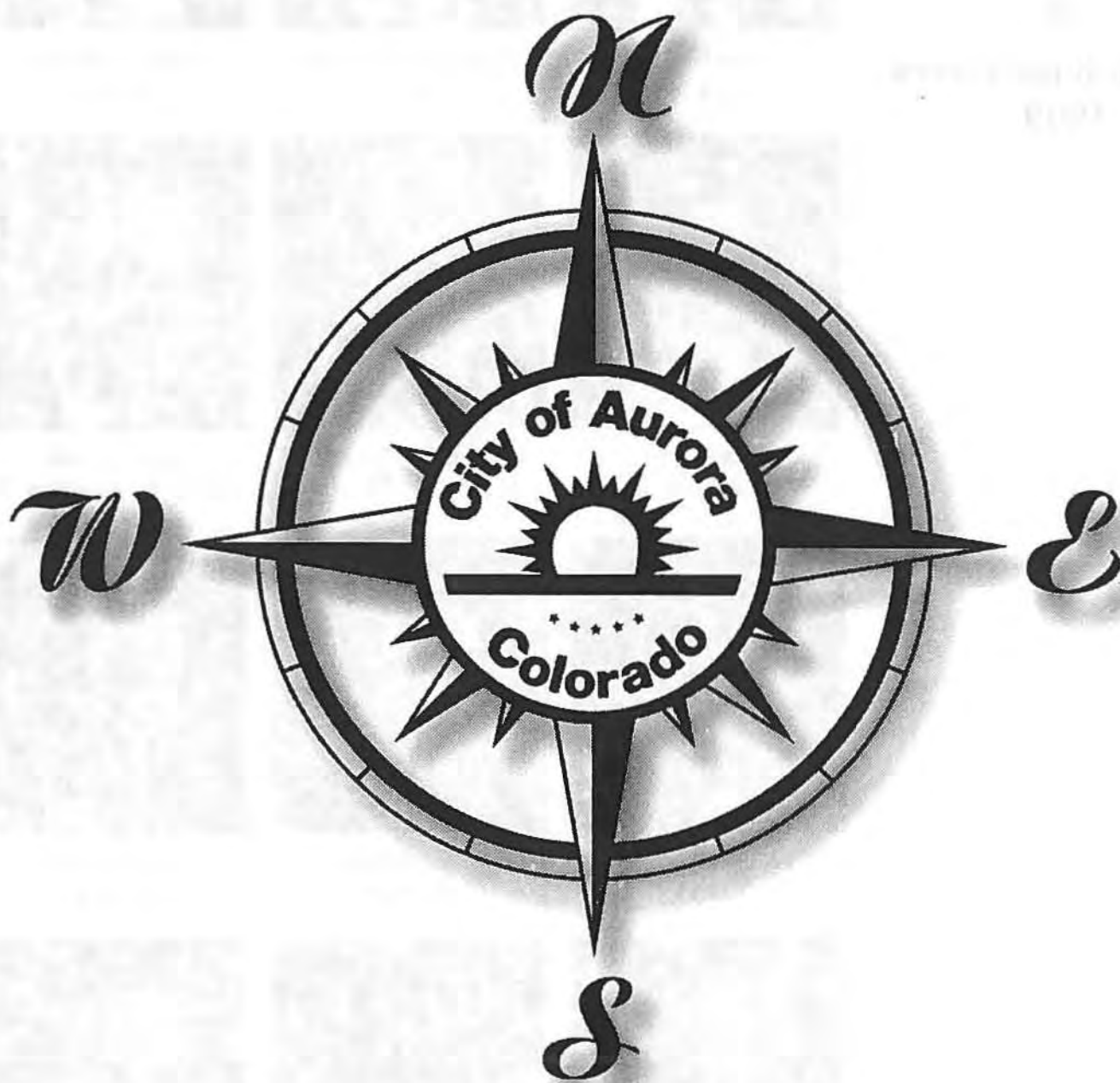
Respectfully submitted,



Ronald S. Miller
City Manager



John Gross
Finance Director





Council Members 1999



Ron Miller
City Manager



Mayor Paul E. Tauer



Nadine Caldwell
Ward I



Kathy Green
Ward II



Ingrid Lindemann
Ward III



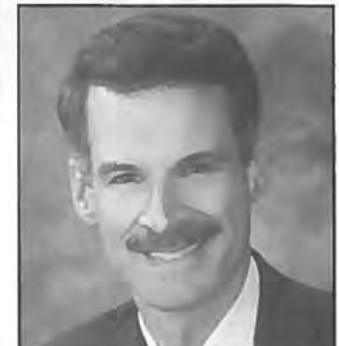
John Paroske
Mayor Pro-Tem, Ward IV



Barbara Cleland
Ward V



Dave Williams
Ward VI



Bob LeGare
At-Large



John McCracken
At-Large



Edna Mosley
At-Large



Ed Tauer
At-Large

OFFICIALS

City of Aurora, Colorado



City Council

Paul E. Tauer
Mayor

Nadine Caldwell
Barbara Cleland
Kathy M. Green
Bob LeGare

Ingrid Lindemann
John R. McCracken
Edna W. Mosley
John S. Paroske

Dave Williams
Ed Tauer

City Manager

Ron Miller

Nancy Freed
Deputy City Manager
Community Services

Katherine Svoboda
Deputy City Manager
Administration

Frank Ragan
Deputy City Manager
Operations

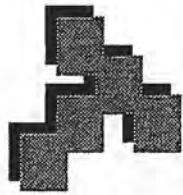
Janice Napper
Assistant City Manager

Council Appointees

Zelda DeBoyes.....Court Administrator
Steven Fisher.....Presiding Judge
Charles H. Richardson.....City Attorney

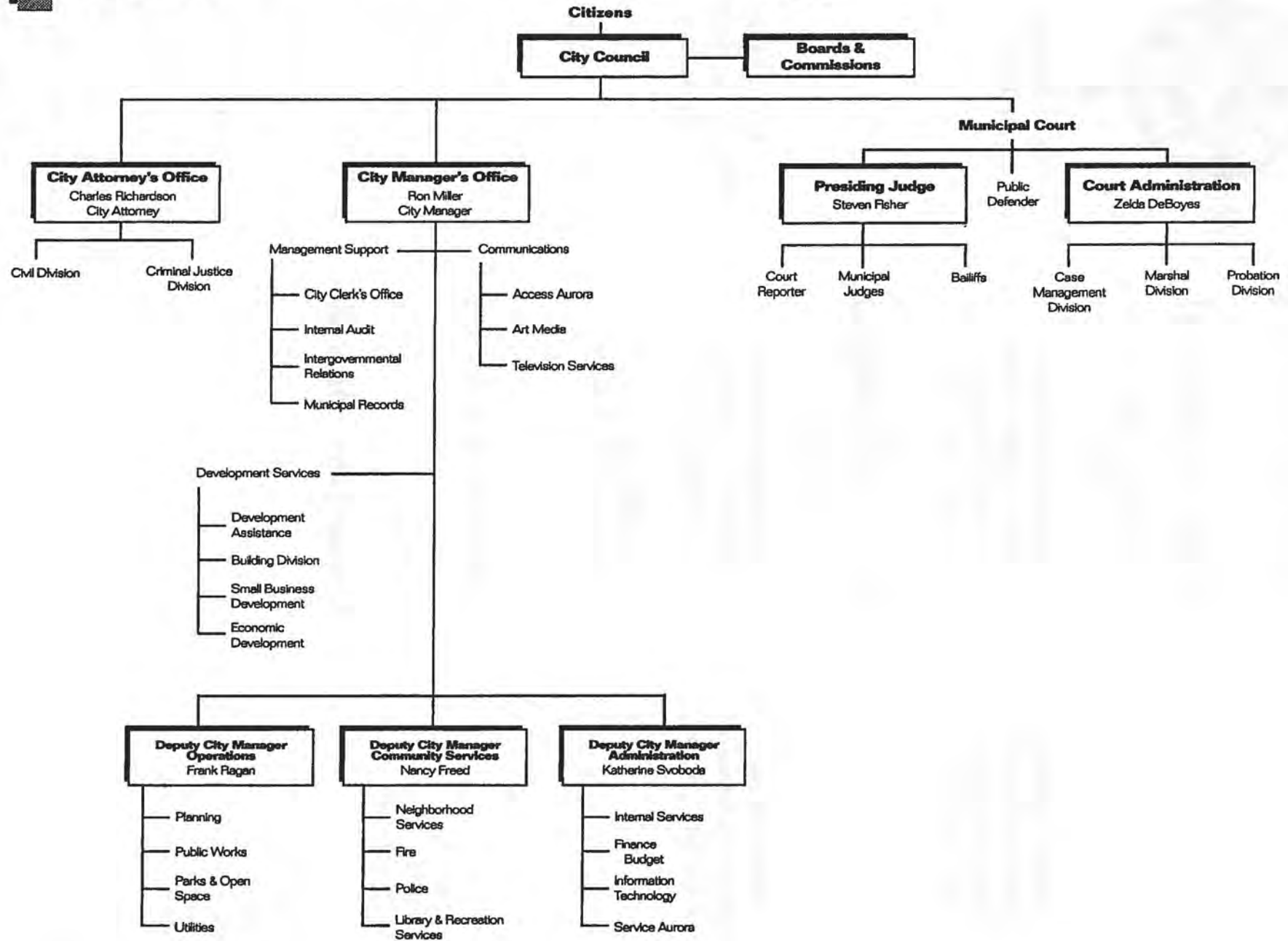
Department Directors

Denise Balkas.....Director of Planning
Ray Barnes.....Fire Chief
Laurie Cole.....Chief Public Defender
Jack Cooper.....Director of Parks and Open Space
Tom Griswold.....Director of Utilities
John Gross.....Director of Finance
Darrell Hogan.....Director of Public Works
Dinah Lewis.....Director of Internal Services
Thomas P. Nicholas.....Director of Library & Recreation Services
Mark C. Pray.....Director of Information Technology
V.R. Saint Vincent.....Chief of Police
Nancy Sheffield.....Director of Neighborhood Services
Kim Stuart-Abell (Acting).....Director of Communications
Dianne Truwe.....Director of Development Services



City of Aurora GOVERNMENTAL STRUCTURE

12/99





707 Seventeenth Street
Suite 2300
Denver, CO 80202

Independent Auditors' Report

The Honorable Mayor and Members of the City Council of the City of Aurora, Colorado:

We have audited the accompanying general purpose financial statements of the City of Aurora, Colorado (the City) as of and for the year ended December 31, 1999, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the General Employees' Retirement Plan (GERP), which represent 98 percent of the trust and agency funds' assets and 100 percent of the additions of the pension trust funds. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion on the general purpose financial statements, insofar as it relates to the amounts included for GERP, is based on the report of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund types and discretely presented component unit for the year then ended in conformity with generally accepted accounting principles.

The schedule of funding progress on page 75 is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. We have applied to the schedule of funding progress certain limited procedures prescribed by professional standards, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the schedule.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2000 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

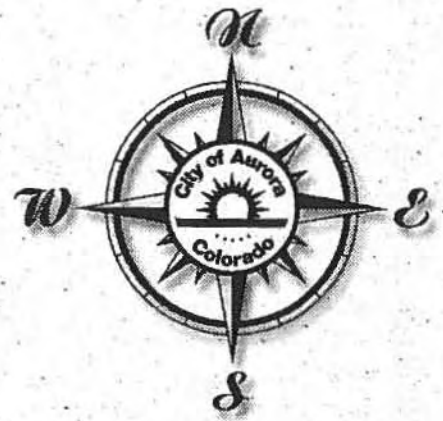


Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and account group financial statements and schedules and other schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, based on our audit and the report of the other auditors, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The information included in the introductory, supplementary financial disclosures and statistical sections listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, accordingly, we express no opinion on it.

KPMG LLP

May 12, 2000



General Purpose Financial Statements



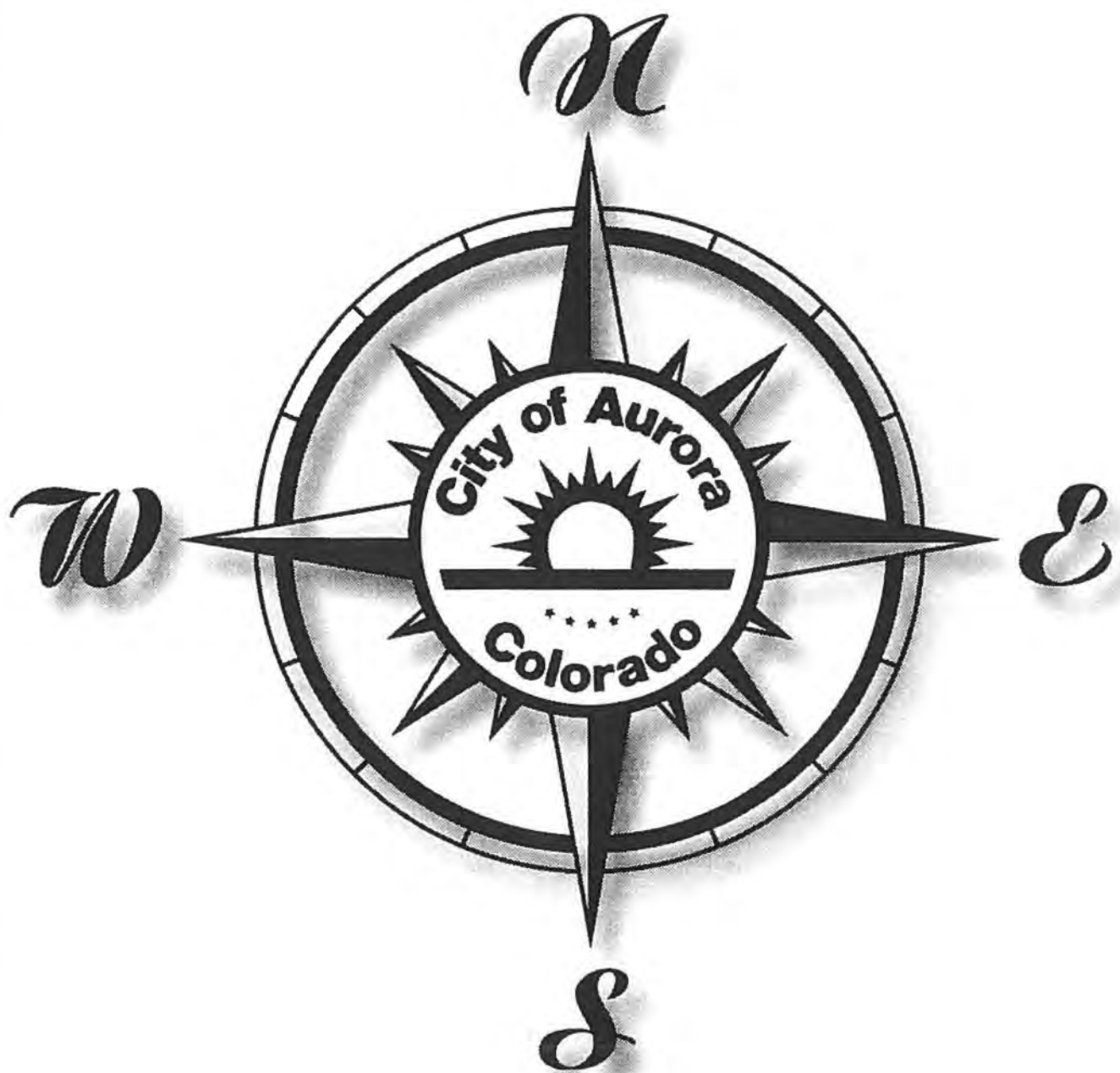


EXHIBIT I

CITY OF AURORA, COLORADO

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT DECEMBER 31, 1999

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
ASSETS AND OTHER DEBITS						
ASSETS						
Cash and cash equivalents	\$ 210,443	\$ 6,133	\$ 595,500	\$ —	\$ 11,070	\$ —
Equity in cash and cash equivalents	6,729,629	4,996,876	642,279	3,890,615	6,860,107	2,411,276
Investments	—	—	—	—	—	—
Equity in investments	22,265,081	27,872,993	1,924,615	15,036,420	34,062,635	8,104,908
Designated equity in investments	—	52,406	—	—	26,676,072	—
Receivables - net of allowance for uncollectibles						
Taxes	33,934,253	—	1,578,639	—	—	—
Accounts	1,328,999	2,122,097	—	94,909	8,479,538	2,905
Special assessments	—	—	1,090,821	—	—	—
Accrued interest	172,991	44,432	13,868	31,826	157,509	17,907
Designated accrued interest	—	—	—	—	63,166	—
Loans	1,846	10,470,794	—	658,319	199,626	—
Other	59,007	185,026	24,382	86,587	487,492	1,800
Due from other funds	278,964	56,322	315,301	—	1,497,392	—
Due from other governments	1,089,901	1,335,621	—	—	—	—
Inventory	—	—	—	—	345,839	172,909
Restricted assets						
Cash and cash equivalents	—	—	759,757	11,808,214	—	—
Equity in cash and cash equivalents	—	391,503	—	—	—	—
Investments	—	—	3,455,846	—	45,279,168	—
Equity in investments	—	—	465,694	14,967,117	—	—
Accrued interest	—	—	—	81,886	—	—
Deferred charges	—	—	—	—	552,133	—
Long-term interfund receivable	—	—	—	—	6,400,000	—
Equity in joint venture	—	—	—	—	1,837,372	—
Land and water rights	—	—	—	—	155,273,521	—
Buildings and improvements	—	—	—	—	28,142,377	—
Improvements other than buildings	—	—	—	—	448,016,059	697,718
Machinery and equipment	—	—	—	—	28,063,423	861,551
Accumulated depreciation	—	—	—	—	(108,683,981)	(767,730)
Construction in progress	—	—	—	—	16,130,468	—
Water rights in progress	—	—	—	—	6,039,545	—
OTHER DEBITS						
Amounts available in debt service funds	—	—	—	—	—	—
Amount to be provided for retirement of general long-term debt	—	—	—	—	—	—
TOTAL ASSETS AND OTHER DEBITS	\$ 66,071,114	\$ 47,534,203	\$ 10,866,702	\$ 46,655,893	\$ 705,890,531	\$ 11,503,244

See notes to financial statements.

Fiduciary Fund Types	Account Groups		Totals Primary Government (Memorandum Only)	Component Unit Fitzsimons Redevelopment Authority	Totals Reporting Entity (Memorandum Only)
	General Fixed Assets	General Long- Term Debt			
\$ 2,820,971	\$ —	\$ —	\$ 3,644,117	\$ 1,247,015	\$ 4,891,132
4,964,577	—	—	30,495,359	—	30,495,359
189,712,268	—	—	189,712,268	—	189,712,268
—	—	—	109,266,652	—	109,266,652
—	—	—	26,728,478	—	26,728,478
—	—	—	35,512,892	—	35,512,892
—	—	—	12,028,448	—	12,028,448
—	—	—	1,090,821	—	1,090,821
1,501,691	—	—	1,940,224	—	1,940,224
—	—	—	63,166	—	63,166
—	—	—	11,330,585	—	11,330,585
1,981,603	—	—	2,825,897	30,760	2,856,657
1,612	—	—	2,149,591	—	2,149,591
232,866	—	—	2,658,388	336,146	2,994,534
—	—	—	518,748	—	518,748
—	—	—	12,567,971	—	12,567,971
—	—	—	391,503	—	391,503
—	—	—	48,735,014	—	48,735,014
—	—	—	15,432,811	—	15,432,811
—	—	—	81,886	—	81,886
—	—	—	552,133	12,282	564,415
—	—	—	6,400,000	—	6,400,000
—	—	—	1,837,372	—	1,837,372
—	20,621,208	—	175,894,729	1,367,613	177,262,342
—	75,619,451	—	103,761,828	698,527	104,460,355
—	15,209,701	—	463,923,478	115,823	464,039,301
64,854	43,818,999	—	72,808,827	66,452	72,875,279
(60,305)	—	—	(109,512,016)	(140,335)	(109,652,351)
—	524,120	—	16,654,588	3,915,306	20,569,894
—	—	—	6,039,545	—	6,039,545
—	—	5,947,951	5,947,951	—	5,947,951
—	—	69,663,136	69,663,136	—	69,663,136
<u>\$ 201,220,137</u>	<u>\$ 155,793,479</u>	<u>\$ 75,611,087</u>	<u>\$ 1,321,146,390</u>	<u>\$ 7,649,589</u>	<u>\$ 1,328,795,979</u>

(Continued)

EXHIBIT I
CITY OF AURORA, COLORADO
**COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT
DECEMBER 31, 1999**

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
LIABILITIES, EQUITY AND OTHER CREDITS						
LIABILITIES						
Accounts payable	\$ 9,413,297	\$ 774,871	\$ 12,265	\$ 2,143,348	\$ 5,049,805	\$ 326,909
Accrued liabilities	16,418	—	94,472	55,000	942,367	—
Accrued claims payable	—	—	—	—	—	9,273,752
Accrued compensated absences	—	—	—	—	1,656,458	309,120
Funds held for others	200,284	176,132	—	—	21,500	—
Due to other funds	107,390	183,129	85,720	265,845	1,497,392	—
Due to other governments	35,428	3,520	—	—	—	—
Due to private grantors	—	16,134	—	—	—	—
Deferred revenues	18,907,128	11,058,407	2,586,919	658,319	—	—
General obligation bonds payable	—	—	—	—	105,610,000	—
Net unamortized bond (discounts)/premium	—	—	—	—	(3,103,361)	—
Revenue bonds payable	—	—	—	—	51,324,265	—
Certificates of participation	—	—	—	—	—	—
Special assessment debt with City commitment	—	—	—	—	—	—
Capitalized leases	—	—	—	—	504,103	—
Notes payable	—	—	—	—	503,112	—
Long-term interfund payable	—	—	—	—	6,400,000	—
Net pension obligation	—	—	—	—	—	—
Total liabilities	28,679,945	12,212,193	2,779,376	3,122,512	170,405,641	9,909,781
EQUITY AND OTHER CREDITS						
Investment in general fixed assets	—	—	—	—	—	—
Contributed capital	—	—	—	—	353,218,273	1,113,610
Retained earnings	—	—	—	—	—	—
Reserved for debt service	—	—	—	—	18,373,591	—
Reserved for repair and replacement	—	—	—	—	600,000	—
Unreserved	—	—	—	—	163,293,026	479,853
Fund balances	—	—	—	—	—	—
Reserved	—	—	—	—	—	—
Reserved for employee pension benefits	—	—	—	—	—	—
Reserved for encumbrances	—	—	—	—	—	—
Operating	2,000,167	333,444	—	—	—	—
Capital projects	—	700,494	—	3,479,920	—	—
Reserved for police	11,308,354	398,979	—	—	—	—
Reserved for debt service	—	—	5,032,593	—	—	—
Reserved for bond projects	—	—	—	20,084,835	—	—
Reserved by agreements	—	335,831	—	—	—	—
Unreserved	—	—	—	—	—	—
Designated for subsequent year expenditures	—	—	—	—	—	—
Budget	—	2,680,950	—	—	—	—
Capital projects	—	3,891,729	—	19,850,719	—	—
Designated for long-term liabilities	13,615,783	—	—	—	—	—
Designated for capital projects transfer	9,273,474	—	—	—	—	—
Undesignated	1,193,391	26,980,583	3,054,733	117,907	—	—
Total equity and other credits	37,391,169	35,322,010	8,087,326	43,533,381	535,484,890	1,593,463
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 66,071,114	\$ 47,534,203	\$ 10,866,702	\$ 46,655,893	\$ 705,890,531	\$ 11,503,244

See notes to financial statements.

<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals</u>	<u>Component Unit</u>	<u>Totals</u>
<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long- Term Debt</u>	<u>Primary Government (Memorandum Only)</u>	<u>Fitzsimons Redevelopment Authority</u>	<u>Reporting Entity (Memorandum Only)</u>
\$ 2,679,331	\$ —	\$ —	\$ 20,399,826	\$ 1,041,155	\$ 21,440,981
—	—	—	1,108,257	86,639	1,194,896
—	—	—	9,273,752	—	9,273,752
—	—	15,305,622	17,271,200	36,044	17,307,244
4,547,711	—	—	4,945,627	—	4,945,627
10,115	—	—	2,149,591	—	2,149,591
—	—	—	38,948	—	38,948
—	—	—	16,134	—	16,134
—	—	—	33,210,773	—	33,210,773
—	—	14,460,000	120,070,000	—	120,070,000
—	—	—	(3,103,361)	—	(3,103,361)
—	—	20,200,000	71,524,265	—	71,524,265
—	—	24,115,000	24,115,000	—	24,115,000
—	—	520,000	520,000	—	520,000
—	—	809,186	1,313,289	—	1,313,289
—	—	—	503,112	2,046,352	2,549,464
—	—	—	6,400,000	—	6,400,000
—	—	201,279	201,279	—	201,279
<u>7,237,157</u>	<u>—</u>	<u>75,611,087</u>	<u>309,957,692</u>	<u>3,210,190</u>	<u>313,167,882</u>
—	155,793,479	—	155,793,479	—	155,793,479
—	—	—	354,331,883	3,696,453	358,028,336
—	—	—	18,373,591	—	18,373,591
—	—	—	600,000	—	600,000
—	—	—	163,772,879	742,946	164,515,825
193,982,980	—	—	193,982,980	—	193,982,980
—	—	—	2,333,611	—	2,333,611
—	—	—	4,180,414	—	4,180,414
—	—	—	11,707,333	—	11,707,333
—	—	—	5,032,593	—	5,032,593
—	—	—	20,084,835	—	20,084,835
—	—	—	335,831	—	335,831
—	—	—	2,680,950	—	2,680,950
—	—	—	23,742,448	—	23,742,448
—	—	—	13,615,783	—	13,615,783
—	—	—	9,273,474	—	9,273,474
—	—	—	31,346,614	—	31,346,614
<u>193,982,980</u>	<u>155,793,479</u>	<u>—</u>	<u>1,011,188,698</u>	<u>4,439,399</u>	<u>1,015,628,097</u>
<u>\$ 201,220,137</u>	<u>\$ 155,793,479</u>	<u>\$ 75,611,087</u>	<u>\$ 1,321,146,390</u>	<u>\$ 7,649,589</u>	<u>\$ 1,328,795,979</u>

(Concluded)

EXHIBIT II**CITY OF AURORA, COLORADO****COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>General</u>	<u>Special Revenue</u>
REVENUES		
Taxes	\$ 146,466,221	\$ —
Special assessments	—	—
Licenses and permits	5,373,101	—
Intergovernmental revenues	10,924,976	10,334,541
Charges for services	5,202,091	6,500,763
Fines and forfeitures	3,369,937	668,733
Investment income	876,167	1,344,274
Miscellaneous revenues	1,918,926	5,847,443
Total revenues	<u>174,131,419</u>	<u>24,695,754</u>
EXPENDITURES		
Current		
General government	30,229,874	5,912,564
Public safety	75,838,669	3,255,247
Public works	15,335,661	—
Culture and recreation	13,541,627	12,339,410
Debt service		
Principal	240,330	—
Interest and fiscal charges	63,667	—
Capital outlay	3,459,620	873,626
Total expenditures	<u>138,709,448</u>	<u>22,380,847</u>
Excess (deficiency) of revenues over (under) expenditures	<u>35,421,971</u>	<u>2,314,907</u>
OTHER FINANCING SOURCES (USES)		
Proceeds from sale of assets	268,676	761
Proceeds of bonds	—	—
Operating transfers in	1,435,720	23,223,800
Operating transfers out	(40,920,826)	(4,849,872)
Total other financing sources (uses)	<u>(39,216,430)</u>	<u>18,374,689</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(3,794,459)</u>	<u>20,689,596</u>
FUND BALANCES - JANUARY 1	<u>41,185,628</u>	<u>14,632,414</u>
FUND BALANCES - DECEMBER 31	<u>\$ 37,391,169</u>	<u>\$ 35,322,010</u>

See notes to financial statements.

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
\$ 2,412,430	\$ —	\$ 148,878.651
473,694	—	473,694
—	—	5,373.101
—	179,655	21,439,172
—	—	11,702,854
—	—	4,038,670
525,736	1,175,136	3,921,313
—	113,249	7,879,618
<u>3,411,860</u>	<u>1,468,040</u>	<u>203,707,073</u>
58,262	2,367,874	38,568,574
—	20,807	79,114,723
—	16,061,670	31,397,331
—	3,558,720	29,439,757
5,726,297	33,703	6,000,330
2,779,131	—	2,842,798
—	4,385,407	8,718,653
<u>8,563,690</u>	<u>26,428,181</u>	<u>196,082,166</u>
<u>(5,151,830)</u>	<u>(24,960,141)</u>	<u>7,624,907</u>
—	—	269,437
—	17,470,000	17,470,000
9,106,111	22,422,331	56,187,962
<u>(7,735,720)</u>	<u>(4,403,087)</u>	<u>(57,909,505)</u>
<u>1,370,391</u>	<u>35,489,244</u>	<u>16,017,894</u>
(3,781,439)	10,529,103	23,642,801
<u>11,868,765</u>	<u>33,004,278</u>	<u>100,691,085</u>
<u>\$ 8,087,326</u>	<u>\$ 43,533,381</u>	<u>\$ 124,333,886</u>

(Concluded)

EXHIBIT III

CITY OF AURORA, COLORADO

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL-GOVERNMENTAL FUND TYPES GENERAL, SPECIAL REVENUE, DEBT SERVICE AND CAPITAL PROJECTS FUNDS FOR THE YEAR ENDED DECEMBER 31, 1999

	General			Special Revenue		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
FUNDS AVAILABLE - JANUARY 1	\$ 27,430,927	\$ 27,863,181	\$ 432,254	\$ 5,741,531	\$ 12,828,553	\$ 7,087,022
REVENUES						
Taxes	141,129,591	144,895,863	3,766,272	—	—	—
Special assessments	—	—	—	—	—	—
Licenses and permits	4,940,672	5,373,101	432,429	—	—	—
Intergovernmental revenues	10,121,433	9,892,500	(228,933)	12,124,135	10,787,104	(1,337,031)
Charges for services	5,088,697	5,202,091	113,394	6,874,361	6,500,763	(373,598)
Fines and forfeitures	3,395,787	3,369,937	(225,850)	781,880	668,733	(113,147)
Investment income	2,562,100	1,574,363	(987,737)	393,142	1,433,919	1,040,777
Proceeds from sale of assets	293,000	251,676	(41,324)	1,200	761	(439)
Loan principal repaid to City	—	—	—	—	54,985	54,985
Other	2,016,019	1,918,925	(97,094)	3,333,412	5,490,668	2,157,256
Transfers from capital projects	—	—	—	—	75,000	75,000
Operating transfers in	85,720	1,435,720	1,350,000	23,048,058	23,150,348	102,290
Proceeds of bonds	—	—	—	—	—	—
Total revenues	169,833,019	173,914,176	4,081,157	46,556,188	48,162,281	1,606,093
EXPENDITURES						
Personal services	105,872,614	103,454,026	2,418,588	9,795,690	8,995,072	800,618
Supplies and other services and charges	29,515,753	30,158,209	(642,456)	14,238,832	8,769,866	5,468,966
Bond issue costs	—	—	—	—	—	—
Capital outlay	4,434,313	4,695,505	(261,192)	1,275,923	535,113	740,810
Debt service	304,213	303,996	217	—	—	—
Operating transfers out and other payments	42,254,261	41,969,230	285,031	4,807,000	4,807,000	—
1998 operating encumbrances	(1,308,791)	(1,308,791)	—	(400,085)	(400,085)	—
Total expenditures	181,072,363	179,272,175	1,800,188	29,717,360	22,706,966	7,010,394
Excess (deficiency) of revenues over (under) expenditures - budgetary basis	(11,239,344)	(5,357,999)	5,881,345	16,838,828	25,455,315	8,616,487
OTHER CHANGES TO FUNDS AVAILABLE						
Seizure net assets	—	—	—	—	(1,929)	(1,929)
Capital projects	—	—	—	(5,260,237)	(5,260,237)	—
Total other changes to funds available	—	—	—	(5,260,237)	(5,262,166)	(1,929)
FUNDS AVAILABLE - DECEMBER 31	\$ 16,191,583	\$ 22,505,182	\$ 6,313,599	\$ 17,320,122	\$ 33,021,702	\$ 15,701,580
Less: Reservations		(11,308,354)			(335,831)	
Designations		(9,273,474)			(2,680,950)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - DECEMBER 31		\$ 1,923,354			\$ 30,004,921	
RECONCILIATION TO GAAP FUND BALANCES						
FUNDS AVAILABLE - DECEMBER 31		\$ 22,505,182			\$ 33,021,702	
Add: 1999 operating encumbrances		2,000,167			333,444	
Capital projects carryforward		—			6,386,459	
Seizure funds		—			398,979	
Adjust investments to fair value		(729,963)			(110,941)	
Sales, use and lodgers tax accrual		13,615,783			—	
Less: Deferred revenue - Federal grants		—			(4,707,634)	
FUND BALANCES - DECEMBER 31		\$ 37,391,169			\$ 35,322,009	

See notes to financial statements

Debt Service			Capital Projects		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,283,680	\$ 4,045,102	\$ (238,578)	\$ 2,647,726	\$ 2,438,743	\$ (208,983)
1,497,276	1,504,601	7,325	—	—	—
734,085	473,694	(260,391)	—	—	—
—	—	—	—	—	—
—	—	—	1,373,000	179,655	(1,193,345)
—	—	—	—	—	—
—	—	—	—	—	—
468,653	377,470	(91,183)	750,000	1,640,876	890,876
265,000	—	(265,000)	—	—	—
—	—	—	259,148	113,249	(145,899)
—	—	—	—	—	—
4,061,070	4,326,070	265,000	22,422,331	22,422,331	—
—	—	—	17,470,000	17,470,000	—
7,026,084	6,681,835	(344,249)	42,274,479	41,826,111	(448,368)
38,000	25,134	(12,866)	—	269	(269)
3,500	25,745	(22,245)	620,000	585,694	(34,306)
—	—	—	115,000	113,865	(1,135)
—	—	—	—	—	—
3,617,559	3,517,928	99,631	33,703	33,703	—
4,300,000	4,300,000	—	4,403,087	4,403,087	—
—	—	—	—	—	—
7,959,059	7,868,807	90,252	5,171,790	5,136,618	(35,172)
(932,975)	(1,186,972)	(253,997)	37,102,689	36,689,493	(413,196)
—	—	—	—	—	—
—	—	—	(38,026,853)	(38,026,853)	—
—	—	—	(38,026,853)	(38,026,853)	—
\$ 3,350,705	2,858,130	\$ (492,575)	\$ 1,723,562	1,101,383	\$ (622,179)
	(689,196)			(497,382)	
	—			—	
	\$ 2,168,934			\$ 604,001	
	\$ 2,858,130			\$ 1,101,383	
	—			—	
	—			42,918,092	
	(33,419)			(486,094)	
	—			—	
	—			—	
	\$ 2,824,711			\$ 43,533,381	

(Concluded)

EXHIBIT IV

CITY OF AURORA, COLORADO

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT
FOR THE YEAR ENDED DECEMBER 31, 1999

	Proprietary Fund Types		Totals	Component Unit	Totals
	Enterprise	Internal Service	Primary Government (Memorandum Only)	Fitzsimons Redevelopment Authority	Reporting Entity (Memorandum Only)
OPERATING REVENUES					
Charges for services	\$ 61,685,074	\$ 10,407,055	\$ 72,092,129	\$ 1,738,719	\$ 73,830,848
Miscellaneous	7,624	—	7,624	74,514	82,138
Total operating revenues	61,692,698	10,407,055	72,099,753	1,813,233	73,912,986
OPERATING EXPENSES					
Personal services	14,228,024	2,737,830	16,965,854	688,630	17,654,484
Supplies	3,372,560	3,368,166	6,740,726	1,126,558	7,867,284
Other services and charges	20,537,681	2,622,954	23,160,635	—	23,160,635
Claims losses	—	3,088,758	3,088,758	—	3,088,758
Depreciation	19,290,269	268,630	19,558,899	86,147	19,645,046
Total operating expenses	57,428,534	12,086,338	69,514,872	1,901,335	71,416,207
Operating income (loss)	4,264,164	(1,679,283)	2,584,881	(88,102)	2,496,779
NONOPERATING REVENUES (EXPENSES)					
Investment income	3,549,310	315,593	3,864,903	35,376	3,900,279
Miscellaneous revenues	1,279,586	192,551	1,472,137	648,267	2,120,404
Interest expense	(5,143,540)	—	(5,143,540)	(64,291)	(5,207,831)
Loss on disposal of assets	(5,820,287)	(77,200)	(5,897,487)	—	(5,897,487)
Amortization expense	(882,523)	—	(882,523)	—	(882,523)
Loss on equity in joint venture	(111,107)	—	(111,107)	—	(111,107)
Net nonoperating revenues (expenses)	(7,128,561)	430,944	(6,697,617)	619,352	(6,078,265)
Income (loss) before operating transfers	(2,864,397)	(1,248,339)	(4,112,736)	531,250	(3,581,486)
Operating transfers in	—	1,721,543	1,721,543	—	1,721,543
NET INCOME (LOSS)	(2,864,397)	473,204	(2,391,193)	531,250	(1,859,943)
DEPRECIATION OF ASSETS ACQUIRED THROUGH CAPITAL CONTRIBUTIONS	—	—	—	57,912	57,912
NET INCOME (LOSS) EXCLUDING DEPRECIATION OF ASSETS ACQUIRED THROUGH CAPITAL CONTRIBUTIONS	(2,864,397)	473,204	(2,391,193)	589,162	(1,802,031)
RETAINED EARNINGS - JANUARY 1	185,131,014	40,254	185,171,268	153,784	185,325,052
RESIDUAL EQUITY TRANSFER OUT	—	(33,605)	(33,605)	—	(33,605)
RETAINED EARNINGS - DECEMBER 31	\$ 182,266,617	\$ 479,853	\$ 182,746,470	\$ 742,946	\$ 183,489,416

(Concluded)

See notes to financial statements.

EXHIBIT V**CITY OF AURORA, COLORADO****COMBINED STATEMENT OF CHANGES IN PLAN NET ASSETS****ALL PENSION TRUST FUNDS****FOR THE YEAR ENDED DECEMBER 31, 1999**

ADDITIONS

Contributions

City

\$ 2,812,082

Plan member

2,806,374

Total contributions

5,618,456

Investment income

Net appreciation in fair value of investments

10,409,521

Interest

5,179,153

Dividends

2,906,293

Other income

7,202

Total investment income

18,502,169

Less investment expense

(853,096)

Net investment income

17,649,073

Total additions

23,267,529**DEDUCTIONS**

Benefits

3,309,760

Refunds of contributions

2,444,300

Administrative expense

Salaries

160,837

Other administrative costs

80,815

Professional fees

15,350

Actuary fees

44,634

Total administrative expenses

301,636

Total deductions

6,055,696**NET INCREASE IN PLAN ASSETS**

17,211,833

**NET ASSETS HELD FOR EMPLOYEE PENSION
BENEFITS - JANUARY 1**176,771,147**NET ASSETS HELD FOR EMPLOYEE PENSION
BENEFITS - DECEMBER 31**\$ 193,982,980

(Concluded)

See notes to financial statements.

EXHIBIT VI

CITY OF AURORA, COLORADO

COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT FOR THE YEAR ENDED DECEMBER 31, 1999

	Enterprise	Internal Service	Totals Primary Government (Memorandum Only)	Component Unit Fitzsimons Redevelopment Authority	Totals Reporting Entity (Memorandum Only)
OPERATING ACTIVITIES					
Cash received from customers and others	\$ 56,836,836	\$ —	\$ 56,836,836	\$ 1,721,123	\$ 58,557,959
Cash received from quasi-external operating transactions with other funds	—	10,406,140	10,406,140	—	10,406,140
Cash payments to employees	(14,565,717)	(2,804,486)	(17,370,203)	(576,516)	(17,946,719)
Cash payments to suppliers for goods and services	(22,954,057)	(5,817,587)	(28,771,644)	(901,004)	(29,672,648)
Cash payments for insurance claims	—	(2,692,900)	(2,692,900)	—	(2,692,900)
Miscellaneous nonoperating revenues	1,279,586	192,551	1,472,137	—	1,472,137
Proceeds from loan receivable	(155,052)	—	(155,052)	—	(155,052)
Net cash provided by (used in) operating activities	20,441,596	(716,282)	19,725,314	243,603	19,968,917
NONCAPITAL FINANCING ACTIVITIES					
Operating transfers in	—	1,721,543	1,721,543	—	1,721,543
Cash received from Federal grants	—	—	—	653,407	653,407
Net cash provided by noncapital financing activities	—	1,721,543	1,721,543	653,407	2,374,950
CAPITAL AND RELATED FINANCING ACTIVITIES					
Construction and acquisition of capital assets	(29,229,945)	(51,673)	(29,281,618)	(5,534,251)	(34,815,869)
Proceeds from sale of capital assets	142,909	—	142,909	609,247	752,156
Cash received from capital contributions	16,105,810	—	16,105,810	3,142,881	19,248,691
Cash paid for bond principal	(11,950,000)	—	(11,950,000)	—	(11,950,000)
Cash paid for bond interest/agency fees	(5,600,541)	—	(5,600,541)	—	(5,600,541)
Debt issue costs	(132,191)	—	(132,191)	—	(132,191)
Other debt issue costs	(4,854)	—	(4,854)	—	(4,854)
Cash paid for loan interest	(348,588)	—	(348,588)	—	(348,588)
Proceeds from issuance of debt	—	—	—	1,986,822	1,986,822
Payments to joint venture	(351,397)	—	(351,397)	—	(351,397)
Cash paid for capitalized lease principal	(77,503)	—	(77,503)	—	(77,503)
Cash paid for capitalized lease interest	(18,627)	—	(18,627)	—	(18,627)
Governmental agency bond proceeds	39,414,540	—	39,414,540	—	39,414,540
Net cash provided by (used in) capital and related financing activities	7,949,613	(51,673)	7,897,940	204,699	8,102,639
INVESTING ACTIVITIES					
Increase in equity in pool investments	—	(42,350)	(42,350)	—	(42,350)
Decrease in equity in pool investments	14,515,629	961,681	15,477,310	—	15,477,310
Increase in restricted investments	(40,941,567)	—	(40,941,567)	—	(40,941,567)
Net appreciation in fair value of investments	(960,589)	(134,488)	(1,095,077)	—	(1,095,077)
Interest received	4,732,114	462,996	5,195,110	35,376	5,230,486
Net cash provided by (used in) investing activities	(22,654,413)	1,247,839	(21,406,574)	35,376	(21,371,198)
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,736,796	2,201,427	7,938,223	1,137,085	9,075,308
TOTAL CASH AND CASH EQUIVALENTS, JANUARY 1	1,134,381	209,849	1,344,230	109,930	1,454,160
TOTAL CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 6,871,177</u>	<u>\$ 2,411,276</u>	<u>\$ 9,282,453</u>	<u>\$ 1,247,015</u>	<u>\$ 10,529,468</u>
Amount reported on combined balance sheet					
Cash and cash equivalents	\$ 11,070	\$ —	\$ 11,070	\$ 1,247,015	\$ 1,258,085
Equity in cash and cash equivalents	6,860,107	2,411,276	9,271,383	—	9,271,383
Total cash and cash equivalents, December 31	<u>\$ 6,871,177</u>	<u>\$ 2,411,276</u>	<u>\$ 9,282,453</u>	<u>\$ 1,247,015</u>	<u>\$ 10,529,468</u>

See notes to financial statements.

(Continued)

	Enterprise	Internal Service	Totals Primary Government (Memorandum Only)	Component Unit Fitzsimons Redevelopment Authority	Totals Reporting Entity (Memorandum Only)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	\$ 4,264,164	\$ (1,679,283)	\$ 2,584,881	\$ (88,102)	\$ 2,496,779
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation	19,290,269	268,630	19,558,899	86,147	19,645,046
Adjustment for noncash expense	4,854	—	4,854	—	4,854
Miscellaneous nonoperating revenues	1,279,586	192,551	1,472,137	—	1,472,137
Proceeds from note receivable	(155,052)	—	(155,052)	—	(155,052)
Changes in operating assets and liabilities					
Accounts receivable	(2,954,924)	(914)	(2,955,838)	6,749	(2,949,089)
Due from other funds	(1,497,392)	—	(1,497,392)	—	(1,497,392)
Other receivables	(403,545)	—	(403,545)	—	(403,545)
Prepaid expenses	—	—	—	(12,185)	(12,185)
Inventory	(32,428)	237,515	205,087	—	205,087
Accounts payable	(513,635)	(63,983)	(577,618)	126,752	(450,866)
Accrued liabilities	(364,114)	324,537	(39,577)	86,639	47,062
Accrued compensated absences	26,421	4,665	31,086	37,603	68,689
Due to other funds	1,497,392	—	1,497,392	—	1,497,392
Total adjustments	16,177,432	963,001	17,140,433	331,705	17,472,138
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 20,441,596	\$ (716,282)	\$ 19,725,314	\$ 243,603	\$ 19,968,917

DISCLOSURE OF ACCOUNTING POLICY

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

NON-CASH TRANSACTIONS

- Enterprise Funds

Water and sewer lines contributed by developers were \$2,690,811 and \$2,828,746, respectively.

Golf Fund entered into two capital leases to purchase new golf carts for \$173,975 and \$121,205.

(Concluded)

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

SUMMARY OF NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 - A. Financial Reporting Entity
 - B. Fund Accounting
 - C. Basis of Accounting
 - D. Cash and Investments
 - E. Interfund Receivables/Payables
 - F. Inventories
 - G. Fixed Assets
 - H. Deferred Revenues
 - I. Long-Term Obligations
 - J. Bond Discounts and Issuance Costs
 - K. Compensated Absences
 - L. Fund Equity
 - M. Budgets
 - N. Encumbrances
 - O. Employee and Post-Retirement Benefits Other than Pensions
 - P. Interfund Transactions
 - Q. Memorandum Only - Total Columns
2. DEPOSITS AND INVESTMENTS
3. RECEIVABLES
4. DESIGNATED AND RESTRICTED ASSETS
5. JOINT VENTURE
6. FIXED ASSETS
7. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS
8. DEFERRED COMPENSATION PLANS
9. LONG-TERM DEBT
10. FUND EQUITY
11. PENSION PLANS
12. SEGMENT INFORMATION FOR ENTERPRISE FUNDS
13. INTERFUND TRANSACTIONS
14. OPERATING LEASES
15. BUDGETS
16. RISK MANAGEMENT
17. CONTINGENT LIABILITIES
18. CONDUIT DEBT OBLIGATIONS
19. TAXPAYER BILL OF RIGHTS (TABOR)
20. WATER FUND FIXED ASSET DISPOSITION AND DEPRECIATION

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Aurora, Colorado (the City) have been prepared in accordance with generally accepted accounting principles (GAAP) applicable to governments. A summary of the City's significant accounting policies is as follows:

A. *Financial Reporting Entity*

The City is a home-rule local government governed by an elected eleven-member council. These financial statements present the City (the primary government) and its component units - entities for which the City is considered to be financially accountable or entities whose exclusion would make the City's financial statements misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Therefore, data from these units are combined with data of the primary government. The blended method is used when either of the following circumstances are present: 1) the governing body of the component unit is substantially the same as the governing body of the City; or 2) the component unit provides services entirely or almost entirely to the City.

If none of the preceding circumstances are present, the component units are presented discretely. Discrete presentation refers to the use of columns separate from the financial data of the primary government to report component unit financial data.

The following blended component units have been included in the accompanying financial statements:

Aurora Capital Leasing Corporation (ACLC) - ACLC was organized as a not-for-profit corporation in 1993, for the purpose of financing public buildings for the City. In 1994, ACLC issued certificates of participation, the proceeds of which were used to acquire interest in a building lease with the City from Aurora Colorado Municipal Building Corporation (ACMBC), which ceased its operations in 1998.

ACLC is a component unit because the City Council appoints the governing board and its exclusion would make the City's financial statements misleading. ACLC is a blended component unit because it provides services solely to the City. ACLC consists of a debt service fund and general fixed assets and general long-term debt account groups. There are no separately issued financial statements for ACLC.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Financial Reporting Entity (Continued)

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 Statutes. AURA has various express powers including the power to: undertake urban renewal projects, mortgage, sell or dispose of property, borrow money and accept grants, issue tax-increment and other forms of securities, develop plans with respect to urban renewal projects, condemn property needed for such projects and direct redevelopment projects. In 1982, the City Council determined the existence of blighted conditions in the City and designated the Aurora City Center Urban Renewal Area, consisting of approximately 516 acres. Property in the Aurora City Center area has been developed as retail and other business facilities.

AURA is a component unit because it provides specific financial benefits solely to the City and its exclusion would make the City's financial statements misleading. AURA is a blended component unit because AURA's governing body is substantially the same as the City Council. AURA consists of a debt service fund and general long-term debt account group. There are no separately issued financial statements for AURA.

City of Aurora General Employees' Retirement Plan (GERP) - GERP has a separate, independent board which administers the plan. GERP is a component unit because its exclusion would make the City's financial statements misleading. It is a blended component unit because it is funded by contributions from the employees and the City and it provides services solely to City employees. GERP is included as a pension trust fund in the accompanying financial statements. Separately issued audited financial statements for GERP are available at 12200 E. Iliff Avenue, Suite 108, Aurora, Colorado 80014.

The following discretely presented component unit has been included in the accompanying financial statements:

Fitzsimons Redevelopment Authority (FRA) - FRA was formed on January 1, 1998 under an intergovernmental agreement between the University of Colorado and the City. FRA was organized for the purpose of providing economic redevelopment and other services at the United States Army Garrison, Fitzsimons (Fitzsimons), and elsewhere within the Fitzsimons Redevelopment Area, and is responsible for the coordination of the redevelopment of the entire Fitzsimons site. FRA will act as the developer and manager of certain components of the Fitzsimons Redevelopment Plan, including the development of a bioscience research park affiliated with the University of Colorado. FRA is governed by a ten member Board of Directors, of which seven members are appointed by the City. FRA is a component unit because the City appoints a majority of its governing board and its exclusion would make the City's financial statements misleading. It is discretely presented because FRA's board is not substantially the same as the City Council and FRA does not provide its services entirely or almost entirely to the City. Separately issued audited financial statements for FRA are available at Building 500, Room 1040, P.O. Box 6027, Aurora, Colorado 80045.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Financial Reporting Entity (Continued)

The following joint venture has been included in the accompanying financial statements:

Aurora-Colorado Springs Joint Water Authority (ACSJWA)

The ACSJWA was formed in 1983, by contract, between the City of Aurora 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 City has a 1/3 participation share and Colorado Springs has a 2/3 participation share in the project. The City Council of each city appoints three directors to the board. The City's share of the ACSJWA is accounted for using the equity method in the Water Fund in the accompanying financial statements. Separately issued audited financial statements are available at Colorado Springs Utilities, Water Resources Department MC740, 30 South Nevada Avenue, Colorado Springs, Colorado 80903.

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 acquisition and construction of a pipeline to transport raw water. The ACSJWA issued revenue bonds to finance the project. Future revenues consist of a water transmission service contract whereby the ACSJWA agrees to furnish water transmission services to the two cities.

B. Fund Accounting

The City's accounting system uses funds and account groups to report its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Each fund is a separate accounting entity with a complete set of self-balancing accounts comprising its assets, liabilities, fund equity, revenue, and expenditures (or expenses – as appropriate to the fund type). Resources of the City are accounted for in individual funds based on the purposes for which they are to be spent. The various funds are classified into three categories: governmental, proprietary and fiduciary. Each category is further divided into separate fund types.

1) Governmental Funds

General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Resources are used to finance general City expenditures and to transfer to other funds as required by law or approved by the City Council.

Special Revenue Funds are used to account for revenues which are restricted or designated to be spent for specified purposes. The Special Revenue Funds are: Gifts and Grants, Abatement, Community Maintenance, Community Development, Enhanced E-911, Conservation Trust, Emergency Contingency, Parks Development, Recreation Services, Designated Revenues, Aurora Rehabilitation Authority (ARA) which ceased its operations in 1999, Policy Reserve and TABOR Reserve.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

1) Governmental Funds (Continued)

Debt Service Funds account for principal, interest and fees incurred due to general obligation, special assessment and tax increment revenue bonds and certificates of participation debt of the City except those accounted for in proprietary funds. The Debt Service Funds are: Debt Service, Surplus and Deficiency, Aurora Urban Renewal Authority (AURA) and Aurora Capital Leasing Corporation (ACLC).

Capital Projects Fund accounts for resources allocated for the acquisition or construction of major capital projects except those financed by special revenue and proprietary funds.

2) Proprietary Funds

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the City is either to recover all or most of the costs through user fees, or to provide an accountability of revenues earned, expenses incurred, and/or net income for management or public information purposes. The Enterprise Funds are: Water, Sewer and Golf. Fitzsimons Redevelopment Authority (FRA) is also accounted for as an enterprise activity.

Internal Service Funds account for resources provided by other City funds for centralized services to departments on a cost-recovery basis. The Internal Service Funds are: Fleet Management, Print Shop, Risk Management, Building Repair and Warehouse. Warehouse Fund ceased its operations in 1999 and will be fully closed in 2000.

3) Fiduciary Funds

Trust Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and other governments. The pension trust funds are accounted for in essentially the same manner as proprietary funds. The Pension Trust Funds are: General Employees' Retirement Plan (GERP) and Elected Officials' Pension Plan (EOPP).

Agency Funds are custodial in nature and do not involve measurement of results of operations. The Agency Funds are: General Agency and Payroll Clearing.

4) Account Groups

Account groups are used to establish accounting control and accountability for the general fixed assets and general long-term debt. The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations. The following are the City's account groups.

General Fixed Assets Account Group (GFAAG) - This account group accounts for all fixed assets of the City except those accounted for in proprietary and pension trust funds. The GFAAG includes general fixed assets for the City and ACLC.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

4) Account Groups (Continued)

General Long-Term Debt Account Group (GLTDAG) - This account group accounts for all long-term debt of the City except that recorded in proprietary funds. The GLTDAG includes general long-term debt for the City, AURA and ACLC.

C. Basis of Accounting

Basis of accounting refers to the point at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1) Governmental and Similar Fiduciary Funds

The measurement focus for all governmental and similar fiduciary funds is on current financial resources. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Governmental funds include the General, Special Revenue, Debt Service, and Capital Projects Funds. Similar fiduciary funds are Agency Funds.

The modified accrual basis of accounting is used by all governmental and similar fiduciary funds. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the period. Major revenues determined to be susceptible to accrual include property taxes, sales taxes, use and lodgers taxes, special assessments, franchise taxes, intergovernmental revenues, interest, and charges for services. The City considers revenue available if collected within two months after year-end. Major revenues determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include occupational privilege taxes, licenses, permits, fines and forfeitures.

Expenditures are recorded when incurred with the exception of principal and interest on long-term debt which are accounted for when due.

2) Proprietary and Similar Trust Funds

All proprietary, similar trust funds and the FRA component unit are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Unbilled but earned utility service revenues are recorded at year-end. All assets and liabilities associated with the operation of the fund are included on the balance sheet. Fund equity (i.e., net assets) is segregated into contributed capital and retained earnings components. The City and FRA have elected not to follow Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 in accounting and reporting for its proprietary operations. Proprietary funds include enterprise and internal service funds. Similar trust funds are pension trust funds.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. *Cash and Investments*

The City pools its cash and investments. All temporary cash surpluses are invested. The amounts reported on the combined balance sheet as equity in cash and cash equivalents and equity in investments represent each fund's share of the City pool. Earnings from these investments are allocated among the funds based on an average daily balance of the individual fund's equity in pooled monies. Cash and cash equivalents include 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.

E. *Interfund Receivables/Payables*

During the course of operations, transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Interfund loans or advances are classified as "long-term interfund receivable/payable."

F. *Inventories*

The "first in, first out" inventory cost flow assumption is used in the Golf Fund; the "last in, first out" inventory cost flow assumption is used in the Warehouse Fund; the "average method" cost procedures are used in the Fleet Management Fund. The cost of inventories in each of these proprietary funds is recorded as an expense when consumed rather than when purchased.

G. *Fixed Assets*

1) *Governmental Funds*

The accounting and reporting treatment applied to a fund's fixed assets is determined by its measurement focus. All governmental funds are accounted for on a current financial resources measurement focus, whereby only current assets and current liabilities are recorded on the balance sheet. Therefore, fixed assets purchased by these funds are recorded as expenditures in the governmental funds and reported in the GFAAG. The asset accounts in the GFAAG are balanced by "source of funds" accounts which record the resources used to acquire the assets.

General Fixed Assets (land, buildings and improvements, improvements other than buildings, and machinery and equipment) are stated at actual cost for purchased assets, estimated historical cost for older assets for which actual cost was not determinable, and fair value at the time of receipt for donated items. Depreciation is not recorded on these assets.

The criteria used for capitalizing assets include assets with an estimated useful life of more than one year and an acquisition cost of \$2,500 or more per unit.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Fixed Assets (Continued)

1) Governmental Funds (Continued)

The City does not record "infrastructure" assets including streets, bridges, sidewalks, gutters, lighting, rights of way, and traffic control in the GFAAG. Buildings and improvements, and improvements other than buildings are normally recorded as such in the GFAAG upon final completion of the individual projects. Expenditures incurred during the construction phase are recorded as construction in progress. Land and machinery and equipment are normally recorded in the GFAAG upon receipt.

2) Proprietary and Similar Pension Trust Funds

Proprietary funds and similar Pension Trust funds measure net income and capital maintenance and, therefore, their fixed assets are included on the fund's balance sheet. Fixed assets are stated at actual cost for purchased assets, fair value for contributed assets, and estimated historical cost for assets for which actual cost was not determinable. Developers who construct water and sewer lines for subdivisions are required to furnish cost figures to the City for contributed lines. Such costs are recorded as fixed assets and contributed capital one year after being accepted by the City. Interest incurred during construction is capitalized. Salvage value is not computed and, accordingly, assets are completely depreciated if retained for their total estimated useful life. Straight-line depreciation is used in all cases. Depreciation on contributed capital is charged to retained earnings.

Depreciable lives are assigned to individual items as follows:

<u>Description</u>	<u>Estimated Useful Life</u>
Buildings and improvements	20 to 40 years
Improvements other than buildings	20 to 99 years
Machinery and equipment	3 to 20 years

H. Deferred Revenues

Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, such as when grant funds are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the deferred revenue is removed from the balance sheet and revenue is recognized.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a liability in a governmental fund. The remaining portion of such obligations is reported in the GLTDAG. Long-term liabilities expected to be financed by proprietary and similar trust funds are accounted for in those funds.

J. Bond Discounts and Issuance Costs

In governmental funds, bond discounts and issuance costs are recognized as expenditures in the period incurred. Bond discounts and issuance costs for proprietary funds are deferred and amortized over the term of the bonds using the effective interest method on capital appreciation bonds and the straight-line method on all other bonds, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable whereas issuance costs are recorded as deferred charges.

K. Compensated Absences

1) Annual Leave

City policy allows employees to accumulate unused annual leave up to maximum hours as indicated in the table below. All annual leave hours in excess of the maximum accrual permitted are forfeited on January 1 of each year. Accrued annual leave is payable upon separation after successful completion of the introductory period.

<u>Employees</u>	<u>Maximum Hours</u>
Police	260
Fire 8-hour shift	240
Fire 24-hour shift	360
All Other	240

2) Sick Leave

Sick leave hours accumulated in excess of established minimums may be converted by employees annually in January of each year. Career Service employees hired after June 30, 1996, may convert sick leave hours at a rate of one hour's pay for every four hours of sick leave up to the established maximum payment hours. All other employees may convert sick leave hours at a rate of one hour's pay for every two hours of sick leave up to the established maximum payment hours. Conversion minimum accrual and maximum payment hours are as follows:

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. *Compensated Absences* (Continued)

2) *Sick Leave* (Continued)

<u>Employees</u>	<u>Minimum Accrual Hours</u>	<u>Maximum Payment Hours</u>
Police	720	120
Fire 8-hour shift	684	120
Fire 24-hour shift	960	180
All Other	720	120

In lieu of, or in combination with cash payment, 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 accrued sick leave.

Upon separation after five years of continuous service, provided such separation has not been the result of dismissal for cause, Career Service employees hired after June 30, 1996, may receive one hour's pay for every four hours of sick leave at the time of separation up to the established maximum payment. Upon separation after five years of continuous service, provided such separation has not been the result of dismissal for cause, all other employees may receive one hour's pay for every two hours of accumulated sick leave up to the established maximum payment. Maximum payment hours upon separation are as follows:

<u>Employees</u>	<u>Maximum Payment Hours</u>
Police	480
Fire 8-hour shift	684
Fire 24-hour shift	960
All other	480

3) *Accrued Liabilities for Compensated Absences*

The City has recorded an accrued liability for compensated absences and related payroll taxes in the accompanying financial statements. The City budgets current year revenues to fund each year's anticipated expenditures for compensated absences. Amounts expected to be paid from future resources are recorded in the GLTDAG for all governmental funds. The compensated absences liabilities for proprietary funds are recorded in the respective funds.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. *Fund Equity*

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity legally segregated for a specific future use. Designated fund balances represent tentative or budgetary plans for future use of financial resources.

M. *Budgets*

Budgets are legally adopted for all funds except Aurora Rehabilitation Authority, the trust and agency funds and the component units GERP, ACLC, AURA and FRA. Budgets for these funds are not adopted because they are not subject to the budgetary requirements of the Colorado Statutes.

The following funds adopt both project length (continuing appropriation) and annual operational budgets: Gifts and Grants, Community Development, Conservation Trust, Parks Development, Capital Projects, Water, Sewer, Golf and Building Repair. Only the annually adopted operating portion of a fund's budget is included in the combined budget to actual statement.

Appropriations lapse at year-end except for encumbrances, capital projects and other project to date budgets. Capital projects and project length (continuing appropriation) budgets do not lapse until the projects for which the appropriations were made have been completed or abandoned.

Operating expenditures are legally controlled at the fund and department level for the General Fund and at the fund level for all other funds, and may not exceed appropriations at those levels. Capital project expenditures are controlled at the fund, department and project levels and may not exceed appropriations at any of those levels.

Budget transfers within a department may be made with administrative approval provided that the transfer is within the same fund. Transfers between departments within the same fund require City Council approval by resolution. Transfers between funds require City Council approval by resolution or ordinance. Increases in total appropriations require City Council approval by ordinance.

1) *Basis of Budgeting*

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

The City's Schedules of Revenues, Expenditures and Changes in Funds Available - Budget (Non-GAAP Budgetary Basis) and Actual also show funds available net of reservations and designations. While the reservations and designations are available to appropriate, funds available after reservations and designations represent funds that may be used for previously unanticipated purposes.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Budgets (Continued)

1) Basis of Budgeting (Continued)

Governmental Funds

Budgets for governmental funds are reported on the same basis as described in the Basis of Accounting section, except as follows:

- a) Encumbrances are treated as expenditures in the year they are encumbered, not when the expenditure occurs.
- b) Grants are considered to be revenue when awarded, not when earned.
- c) On-behalf contributions from the State for police and fire pensions are not considered to be revenues and expenditures.
- d) Sales and use taxes are considered to be revenue when received rather than when earned.
- e) Project length (continuing appropriation) budgets adopted during the year are considered to reduce funds available in the year adopted.
- f) Overspending of project length (continuing appropriation) budgets is considered to reduce funds available.
- g) Close out of unspent project length (continuing appropriation) budgets is considered to increase funds available.
- h) Proceeds from capital leases and related capital expenditures are not budgeted.
- i) The value received on the trade-in of fixed assets and the related capital expenditures are not budgeted.
- j) Changes in investment income due to recording investments at fair value are not budgeted.

Proprietary Funds

Budgets for proprietary funds are adopted on the funds available basis. This differs from the GAAP Basis of Accounting as follows:

- a) Capital outlay is budgeted as an expenditure in the year purchased.
- b) Depreciation is not budgeted.
- c) Interest capitalized on construction projects is budgeted as interest expense.
- d) Proceeds from the issuance of debt are considered to be revenues instead of an increase in liabilities.
- e) Principal payments are shown as expenditures rather than reductions of the liability.
- f) Development and annexation fees are shown as revenues, not capital contributions.
- g) Encumbrances are treated as expenditures in the year they are encumbered, not when the expense occurs.
- h) Grants obtained for the construction of assets are considered to be revenues, not capital contributions.
- i) Receipts of long-term receivables are considered revenues, not reductions of the receivable.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Budgets (Continued)

1) Basis of Budgeting (Continued)

- j) Proceeds from the sale of assets are recognized as revenue, however, the related gain or loss is not.
- k) Purchases of inventory are considered to be expenditures when purchased, not when sold or used.
- l) Debt issue and discount costs are considered to be expended when paid, not capitalized and amortized over the life of the bonds.
- m) Gains or losses on the early extinguishment 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.
- n) Accrued compensated absences are not considered to be expenditures until paid.
- o) Interest earned on escrowed cash and investments is not considered to be a revenue for budget purposes.
- p) The gain or loss on the equity in the joint venture is not budgeted, however payments to the joint venture are budgeted as expenditures.
- q) Project length (continuing appropriation) budgets are considered to be reductions of funds available when appropriated.
- r) Overspending of project length budgets is considered to reduce funds available.
- s) Close out of unspent project length budgets is considered to increase funds available.
- t) Interfund loans set up as drawdowns are considered to be 100% outstanding at the commencement of the loan.
- u) Proceeds from capital leases and related capital expenditures are not budgeted.
- v) The value received on the trade-in of fixed assets and the related capital expenditures are not budgeted.
- w) Changes in investment income due to recording investments at fair value are not budgeted.

2) Legal Compliance

On or before September 1 each year, a proposed budget is presented to the City Council for review. The budget is compiled from requests submitted to the City Manager by all departments. The City Council holds public hearings and may add to, subtract from, or change appropriations and associated revenues and reserves. The City Council adopts the budget for the upcoming year not later than November 30 each year.

Since expenditures may not legally exceed budgeted appropriations, appropriation amendments may be requested. Appropriation amendments are subject to City Council approval by ordinance.

N. Encumbrances

Encumbrances represent commitments related to unperformed contracts for the purchase of goods or services. The City uses encumbrance accounting, under which purchase order commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as reservations of fund balances in the governmental funds and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Encumbered appropriations do not lapse at year-end, but carry over to the following year.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. *Employee and Post-Retirement Benefits Other than Pensions*

The City offers a variety of benefits to its regular employees, including comprehensive health care. The health coverage is offered through Kaiser Foundation Health Plan, PacifiCare, Aetna US Healthcare and the Employee Health Fund. The Employee Health Fund is an independent, employee managed and operated, health fund.

The City does not provide post-retirement benefits other than pension payments for retired employees or City officials.

P. *Interfund Transactions*

Quasi-external transactions that would be treated as revenues, expenditures or expenses if they involved organizations external to the City, are accounted for as revenues in the receiving fund, and expenditures or expenses in the disbursing fund. Such quasi-external transactions include internal service fund billings and routine contributions to pension plans.

Nonrecurring and nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Q. *Memorandum Only - Total Columns*

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. DEPOSITS AND INVESTMENTS

Classifications of cash and investments per the balance sheet are as follows:

Cash and cash equivalents	\$ 4,891,132
Equity in cash and cash equivalents	30,495,359
Investments	189,712,268
Equity in investments	109,266,652
Designated equity in investments	26,728,478
Restricted cash and cash equivalents	12,567,971
Restricted equity in cash and cash equivalents	391,503
Restricted investments	48,735,014
Restricted equity in investments	15,432,811
Total cash and investments	<u>\$ 438,221,188</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

2. DEPOSITS AND INVESTMENTS (Continued)

A summary of the carrying values of deposits and investments is as follows:

Petty cash funds	\$ 34,930
City deposits	1,098,620
FRA deposits	191,902
City investments	238,497,646
ACLC investments	3,455,846
AURA investments	1,353,892
GERP investments	192,533,239
FRA investments	1,055,113
Total deposits and investments	<u>\$ 438,221,188</u>

A. Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single institution collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

Deposits are categorized to give an indication of risk assumed by the City at the end of the year.

Category 1 - Insured or collateralized with securities held by the City or by the City's agent in the City's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name or in the name of all public deposits of which the City's deposits are a part.

Category 3 - Uncollateralized (this includes any bank balance that is collateralized with securities held by the pledging financial institution, or its trust department or agent but not in the City's name).

A summary of the City's deposits as of December 31, 1999, is as follows:

Risk Category	Carrying Amount	Bank Balance	Fund
Category 1	\$ 100,000	\$ 100,000	Pool
Category 1	100,000	100,000	General
Category 1	2,998	2,998	Designated Revenues
Subtotal Category 1	202,998	202,998	
Category 2	804,540	3,207,036	Pool
Category 2	89,717	89,717	General
Category 2	1,365	1,365	ACLC
Subtotal Category 2	895,622	3,298,118	
Total deposits	<u>\$ 1,098,620</u>	<u>\$ 3,501,116</u>	

As of December 31, 1999, the FRA deposits were \$191,902. The entire balance was covered by Federal Depository Insurance and, therefore, classified as Category 1.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

2. DEPOSITS AND INVESTMENTS (Continued)

A. *Deposits* (Continued)

The City has a compensating balance arrangement with its primary depository bank. The average compensating balance for December 1999 was \$2,400,578.

B. *Investments*

The change in the fair value of investments, net of the prior year's fair value adjustment, has been reported on the operating statement in each applicable fund as a component of investment income. The net increase in the fair value of investments during 1999 was \$5,003,093. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year. The unrealized gain on investments held at year-end was \$3,278,650.

The City Charter authorizes the Finance Director to keep and supervise all accounts and have custody of all public monies of the City. Investments eligible for purchase by the City are restricted by the Colorado Statutes and by the City's Investment Policy. The Investment Policy specifies the following types of acceptable investments:

- Securities of the U.S. Government or its agencies
- Fully insured or collateralized certificates of deposit of commercial banks or savings and loans
- Negotiable certificates of deposit
- Commercial paper rated A1/P1 or higher
- Bankers acceptances of certain banks
- Corporate bonds and notes
- Certain money market funds
- Written repurchase agreements collateralized by certain authorized securities
- Local government investment pools.

The criteria for selection of investments in order of priority are: 1) safety, 2) liquidity, 3) financial management goals and 4) yield. Government and agency securities as well as repurchase agreements backed by government and agency securities are the highest quality investments available. Certificates of deposit and bankers acceptances are either insured or collateralized. Commercial paper is rated A1 or A1+ by Standard & Poor's or P1 by Moody's, and may be collateralized by a letter of credit. Corporate bonds and notes must be rated A1 by Moody's or A+ by Standard & Poor's or higher, when purchased.

For the year ended December 31, 1999, the City invested in repurchase agreements, U.S. Government and agency securities, commercial paper rated A1/P1 or better, corporate notes rated A1 or A+ or better, money market funds and a local government investment pool, COLOTRUST.

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CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

2. DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

COLOTRUST is established under Colorado Revised Statutes and is exempt from registration with the Securities and Exchange Commission. COLOTRUST operates two money market funds where each share has a value of \$1.00. Investments of COLOTRUST consist of U.S. Treasury Bills, Notes, Note Strips and repurchase agreements collateralized by U.S. Treasury securities, U.S. Government agency securities, and commercial paper rated A1+/P1. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. Both COLOTRUST funds have been rated AAAM by Standard & Poor's and guaranteed by MBIA, Inc.

With respect to investments within the City's portfolio, the City is subject to market risk which represents the exposure to changes in the market such as a change in interest rates or a change in price or principal value of a security. Additionally, the City is exposed to credit risk associated with its investment portfolio. Credit risk is the exposure to the default of counterparties to investment transactions.

The City's investments are categorized below to give an indication of the level of risk at year-end.

Category 1 - Investments that are insured or registered or for which the securities are held by the City or its agent in the City's name.

Category 2 - Uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name.

Category 3 - Uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

Investments in local government investment pools or in money market funds are not categorized because they are not evidenced by securities that exist in physical or book entry form.

1) Investments - City

The City's investments are carried at fair value, except cash equivalents, defined as investments with a maturity of three months or less when purchased, which are carried at amortized cost. A summary of the City's investments as of December 31, 1999, is as follows:

	<u>Category 1</u>	<u>Carrying/ Fair Value</u>	<u>Fund</u>
Repurchase agreements	\$ 39,277,495	\$ 39,277,495	Enterprise
U.S. Government and agency securities	117,322,958	117,322,958	Pool
U.S. Government and agency securities	6,001,673	6,001,673	Enterprise
Commercial paper	26,844,951	26,844,951	Pool
Corporate bonds and notes	32,128,184	32,128,184	Pool
Subtotal	<u>\$ 221,575,261</u>	<u>221,575,261</u>	
Not subject to categorization:			
COLOTRUST		5,114,171	Pool
Money market funds		11,808,214	Capital Projects
Total City investments		<u>\$ 238,497,646</u>	

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

2. DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

2) *Investments - ACLC*

All investments of ACLC are held by a bank within its trust department as agent for ACLC. The investments are categorized below to give an indication of the level of risk assumed at year-end.

	<u>Category 1</u>	<u>Carrying/Fair Value</u>
U.S. Government securities	\$ 3,455,846	\$ 3,455,846

3) *Investments - AURA*

The amount invested in the AURA Debt Service Fund is in money market funds which are not subject to categorization because they are not evidenced by securities that exist in physical or book entry form.

Investments at carrying/fair value	<u>\$ 1,353,892</u>
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4) *Investments - GERP*

All of the investments of GERP are held by a bank, within its trust department as agent for GERP. Investments are carried at fair value. The investments are categorized below to give an indication of the level of risk assumed at year-end:

	<u>Category 1</u>	<u>Carrying/Fair Value</u>
Equity securities	\$ 74,475,434	\$ 74,475,434
U.S. Government securities	29,349,063	29,349,063
Corporate bonds	48,114,041	48,114,041
Subtotal	<u>\$ 151,938,538</u>	151,938,538
Not subject to categorization		
Mutual funds		24,558,720
Money market funds		2,820,971
Real estate funds		<u>13,215,010</u>
Total GERP investments		<u>\$ 192,533,239</u>

5) *Investments - FRA*

The amount invested by FRA is in money market funds which are not subject to categorization because they are not evidenced by securities that exist in physical or book entry form.

Investments at carrying/fair value	<u>\$ 1,055,113</u>
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EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

3. RECEIVABLES

A. Taxes

	<u>General Fund</u>	<u>City Debt Service</u>	<u>AURA Debt Service</u>	<u>Total Taxes Receivable</u>
Property tax	\$20,733,133	\$ 1,526,631	\$ —	\$ 22,259,764
Allowance for uncollectibles	(414,663)	(30,533)	—	(445,196)
Sales, use and lodgers	13,615,783	—	82,541	13,698,324
Totals	<u>\$33,934,253</u>	<u>\$ 1,496,098</u>	<u>\$ 82,541</u>	<u>\$ 35,512,892</u>

1) *Property Taxes*

Property taxes are levied on December 15 and attach as a lien on property the following January 1. These taxes are payable in full by April 30 or in two equal installments due February 28 and June 15. Each county bills and collects property taxes for all taxing entities within the county. Property taxes collected by Arapahoe, Adams and Douglas counties for the City are remitted in the subsequent month. Property taxes are reported as a receivable and as deferred revenue when levied. Revenue is recognized when collected in the following year. Collection begins on January 1 of the following year. An estimate of uncollectible taxes is recorded in an allowance account which is deducted from the deferred revenue and the receivable for reporting purposes.

Property taxes are subject to revenue limits under the Taxpayer Bill of Rights (TABOR), a State constitutional amendment passed by the voters in November 1992. The property tax receivable amount shown above includes anticipated 2000 collections in excess of the TABOR limit of approximately \$3,000,000. See footnote 19 for discussion of the TABOR amendment.

2) *Sales, Use and Lodgers Taxes*

Sales, use and lodgers taxes are recognized as revenue when earned. Sales taxes collected and use taxes incurred by businesses are due to the City by the 20th day of the following month.

B. Accounts Receivable

Accounts receivable balances as of December 31, 1999 were as follows:

	<u>Accounts Receivable</u>
Utility Billings	\$ 8,394,168
Sales and Use Tax Audits	305,458
City Services	2,341,687
Franchise Taxes	904,220
Other Accounts Receivable	<u>82,915</u>
Total Accounts Receivable	<u>\$ 12,028,448</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

3. RECEIVABLES (Continued)

B. *Accounts Receivable* (Continued)

1) *Utility Billings*

Utility charges are billed monthly and are due and payable within 25 days from the billing date. These charges include water usage, sewer usage and storm drainage fees. Utility charges are recorded as revenue when earned. Collections are recorded as reductions in the receivable. Estimates of uncollectible utility charges are immaterial and have not been separately disclosed.

2) *Sales and Use Tax Audits*

The City invoices for amounts determined as owed as a result of sales and use tax compliance audits. Amounts billed are recorded as receivables and deferred revenues in the General Fund. The revenue is recognized in subsequent periods when received.

3) *City Services*

The City invoices for services such as weed cutting, trash removal, tree trimming/removal, overtime inspection charges, and reimbursement for property damages. It also invoices for reimbursable expenditures under certain grants. Revenue is recognized when invoiced on these items.

4) *Franchise Taxes*

Franchise taxes such as cable television, gas and electric which are due but not yet received, are recorded as receivables at year-end.

5) *Other Accounts Receivable*

Various revenues including E-911 Surcharge and Public, Educational and Governmental (P.E.G.) access fees which are due but not yet received are recorded as receivables at year end.

C. *Special Assessments*

Special assessments are recorded as receivables and deferred revenues when assessed. Revenue is recognized in subsequent periods as the assessments are collected.

D. *Accrued Interest*

Interest earned but not yet received is recorded as a receivable. The receivable is reduced as interest is received. Accrued interest as of December 31, 1999 is as follows:

Accrued interest	\$ 1,940,224
Designated accrued interest	63,166
Restricted accrued interest	<u>81,886</u>
Total accrued interest	<u>\$ 2,085,276</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

3. RECEIVABLES (Continued)

E. Loans

Loans receivable as of December 31, 1999 were as follows:

<u>Fund</u>	<u>Economic Development</u>	<u>Community Services</u>	<u>E-470</u>	<u>FRA</u>	<u>Total Loans Receivable</u>
General Fund	\$ 1,846	\$ —	\$ —	\$ —	\$ 1,846
Special Revenue Funds					
Gifts and Grants	250,364	—	—	—	250,364
Community Maintenance	140,000	—	2,735,679	—	2,875,679
Community Development	—	7,344,751	—	—	7,344,751
Capital Projects Fund	—	—	584,845	73,474	658,319
Enterprise Fund					
Golf	—	—	—	199,626	199,626
Totals	<u>\$ 392,210</u>	<u>\$ 7,344,751</u>	<u>\$ 3,320,524</u>	<u>\$ 273,100</u>	<u>\$ 11,330,585</u>

1) *Economic Development*

The City has a 100% participation interest in loans made by Aurora EDC, Inc. to various commercial and industrial enterprises. These loans are an incentive for the relocation or expansion of these enterprises within the boundaries of the City.

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. These loans are supported by contracts which outline the repayment of borrowed funds.

3) *E-470 Public Highway Authority (E-470)*

In 1994 the City entered into an intergovernmental agreement between E-470 and various member governments to assist in financing the remainder of the east corridor of the Colorado 470 Loop highway. According to this agreement, the City will lend the Authority \$584,845 each year over a twenty-year period. The payment of such monies is subject to annual appropriation by the City Council. As security for the loan, the City and other participating governments have been granted a non-exclusive, subordinate lien on the vehicle registration fees and toll revenues of E-470. Payment of principal and interest will commence, at the discretion of E-470, when financing for segment IV of the highway has been obtained and when E-470 revenues exceed authorized expenditures and other indebtedness.

4) *FRA (Fitzsimons Redevelopment Authority)*

The City has entered into an agreement to assist FRA with the initial purchase of equipment and startup costs of the Fitzsimons Golf Course. The loan of \$199,626 plus interest is repayable in three equal yearly installments beginning December 1, 2000. In addition, the City has entered into an agreement to assist FRA with required matching funds in conjunction with two grants it received from the U.S. Department of Commerce, Economic Development Administration (EDA) for the purpose of designing and constructing a bioscience incubator facility at Fitzsimons. The loan, which is being drawn on as needed up to a maximum of \$1,150,000 has a current balance of \$73,474. This loan plus interest is repayable in ten equal yearly installments beginning June 1, 2005.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

3. RECEIVABLES (Continued)

F. Other Receivables

Other receivables include liens for uncollected weed cutting, billings from wastewater service agreements and miscellaneous receivables.

G. Due From Other Governments

Due from other governments consists of county road and bridge taxes, state highway users taxes and cigarette taxes which the City is owed but has not yet received. These amounts are collected by the county or State and remitted to the City within the first two months of the following year. Also included are expenditure reimbursements due from Federal and state grants.

4. DESIGNATED AND RESTRICTED ASSETS

A. Designated Assets

Designations represent the City's intent to use assets for specific future purposes. The City designates all monies collected from water and sewer tap fees and storm drain permits to be used for future water, sewer and storm drain construction. Certain amounts in the Conservation Trust Fund are designated for the acquisition or construction of art in public places.

As of December 31, 1999 assets designated for construction and acquisitions were as follows:

	Special Revenue Funds	Enterprise Funds	Totals
Equity in investments	\$ 52,406	\$ 26,676,072	\$ 26,728,478
Accrued interest	—	63,166	63,166
Totals	\$ 52,406	\$ 26,739,238	\$ 26,791,644

B. Restricted Assets

Balance sheet classifications for restricted assets are as follows:

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Enterprise Funds	Totals
Cash and cash equivalents	\$ —	\$ 759,757	\$ 11,808,214	\$ —	\$ 12,567,971
Equity in cash and cash equivalents	391,503	—	—	—	391,503
Investments	—	3,455,846	—	45,279,168	48,735,014
Equity in investments	—	465,694	14,967,117	—	15,432,811
Accrued interest	—	—	81,886	—	81,886
Totals	\$ 391,503	\$ 4,681,297	\$ 26,857,217	\$ 45,279,168	\$ 77,209,185

Restricted assets are those legally segregated for specific future use. These restrictions fall into four general categories - arbitrage, bond projects, debt service, and police.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

4. DESIGNATED AND RESTRICTED ASSETS (Continued)

B. *Restricted Assets* (Continued)

A summary of restricted assets as of December 31, 1999 is as follows:

Restricted for arbitrage	
1995 general obligation bonds	\$ 55,000
1994 ACLC certificates of participation	94,472
Restricted for bond projects	
1995 general obligation bonds	49,416
1998 general obligation bonds	5,890,734
1999 general fund bonds	14,894,055
1999 water revenue bonds	15,277,495
1999 sewer revenue bonds	24,000,000
CDOT escrow account	5,968,012
Restricted for debt service	
1992 and 1993 sewer revenue refunding bonds	5,304,716
1995 golf course revenue bonds	696,957
1996 special assessment refunding bonds	238,338
1996 AURA tax increment revenue refunding bonds	758,392
1994 ACLC certificates of participation	3,590,095
Restricted for police	
Seizure funds	391,503
Total restricted assets	<u>\$ 77,209,185</u>

1) *Restricted for Arbitrage*

Federal tax law provides that, with the exception of certain "temporary periods," governments may not reinvest the proceeds of tax-exempt debt at a higher yield. Arbitrage occurs if a government earns more than the yield allowed by that law. With certain exceptions, arbitrage must be rebated to the Federal government.

2) *Restricted for Bond Projects*

In 1995, the City issued general obligation bonds to fund various public safety improvements including the remodeling of certain fire station facilities and the construction of an emergency operations center. The Capital Projects Fund had unexpended bond proceeds and accumulated earnings on those proceeds which are restricted for the completion of these projects.

In 1998, the City issued general obligation bonds to finance a portion of the cost of a highway interchange at Interstate Highway 225 and Alameda Avenue in the City. The Capital Projects Fund had unexpended bond proceeds and accumulated earnings on those proceeds which are restricted for the completion of the project.

In 1999, the City issued general fund bonds to finance a recreation and youth sports complex in the City. The Capital Projects Fund has unexpended bond proceeds and accumulated earnings on those proceeds which are restricted for the completion of the project.

EXHIBIT VII

CITY OF AURORA, COLORADO

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1999

4. DESIGNATED AND RESTRICTED ASSETS (Continued)

B. *Restricted Assets* (Continued)

2) *Restricted for Bond Projects* (Continued)

In 1999, the Water Fund issued a governmental agency revenue bond, pursuant to a loan agreement with the Colorado Water Resources and Power Development Authority (CWR & PDA) to finance improvements to the Kuiper Water Treatment Plant. The Water Fund had unexpended revenue bond proceeds that are restricted for the completion of the project.

In 1999, the Sewer Fund issued a governmental agency revenue bond, pursuant to a loan agreement with the CWR & PDA to upgrade the wastewater facility and to add reuse storage and piping. The Sewer Fund had unexpended revenue bond proceeds that are restricted for the completion of the project.

In 1999, the City established an escrow account for the purpose of financing street improvement projects that would be performed or managed by the Colorado Department of Transportation (CDOT). The Capital Projects Fund had unexpended funds that are restricted for the completion of these projects.

3) *Restricted for Debt Service*

The 1993 Sewer Revenue Refunding Bonds and the 1992 Sewer Revenue Bonds require that certain amounts of the original proceeds and earnings on those proceeds be restricted for debt service. These amounts are held in escrow for the bond contingency.

The 1995 Golf Course Revenue Bonds require the City to maintain a debt service reserve account in an amount equal to the maximum annual debt service requirements of the bonds. This reserve is held in the Golf Fund as restricted investments.

The 1996 Special Assessment Refunding Bonds require the City to maintain a reserve account in an amount representing the estimated debt service due on the bonds. This reserve is held in the Surplus and Deficiency Fund as restricted equity in investments.

The 1996 AURA Tax Increment Revenue Refunding Bonds require the City to maintain a reserve in the amount of \$358,000 plus an additional reserve representing the next year's annual debt service due on the bonds. The 2000 debt service on the bonds is \$400,392. This reserve is held in the AURA Debt Service Fund as restricted cash and cash equivalents.

Cash and investments in the ACLC Debt Service Fund are restricted for the payment of principal and interest on the ACLC 1994 Certificates of Participation.

4) *Restricted for Police*

The City receives funds from forfeiture actions in state and Federal courts which are referred to as seizure funds. State law restricts use of seizure funds to specific activities of the City Police Department. The restricted equity in cash and cash equivalents is held in the Gifts and Grants Special Revenue Fund.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

5. JOINT VENTURE

The Aurora – Colorado Springs Joint Water Authority (ACSJWA) formed between the City of Aurora and the City of Colorado Springs is a joint venture reported in the Water Fund using the equity interest method. ACSJWA charges both participants transmission service fees to cover annual debt service requirements and to pay current expenses incurred in the operation and maintenance of the project. During 1999, the City paid ACSJWA \$351,397 in such fees. The City's one third interest for 1999 was as follows:

Equity in joint venture - January 1		\$ 1,597,082
Transmission service charges		351,397
Allocation of ASCJWA net income		
City's share of net income	240,290	
Less: City's expense	<u>(351,397)</u>	
Net decrease in investment		<u>(111,107)</u>
Equity in joint venture - December 31		<u>\$ 1,837,372</u>

6. FIXED ASSETS

The changes in Fixed Assets by major class for the year ended December 31, 1999 were as follows:

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance</u> <u>December 31</u>
Enterprise Funds					
Land and water rights	\$ 145,554,003	\$ 10,140	\$ (2,259,884)	\$ 11,969,262	\$ 155,273,521
Buildings and improvements	36,186,564	23,417	(127,846)	(7,939,758)	28,142,377
Improvements other than buildings	432,269,704	6,172,157	(5,728,849)	15,303,047	448,016,059
Machinery and equipment	19,361,895	2,044,069	(10,066,960)	16,724,419	28,063,423
Accumulated depreciation	(101,945,081)	(19,290,269)	12,293,813	257,556	(108,683,981)
Construction in progress	30,102,362	26,428,416	(126,341)	(40,273,969)	16,130,468
Water rights in progress	—	1,844,504	—	4,195,041	6,039,545
Total Enterprise	<u>561,529,447</u>	<u>17,232,434</u>	<u>(6,016,067)</u>	<u>235,598</u>	<u>572,981,412</u>
Internal Service Funds					
Buildings and improvements	176,805	—	(1,226)	(175,579)	—
Improvements other than buildings	—	—	—	697,718	697,718
Machinery and equipment	1,109,910	51,673	(556,164)	256,132	861,551
Accumulated depreciation	<u>(994,183)</u>	<u>(432,061)</u>	<u>480,189</u>	<u>178,325</u>	<u>(767,730)</u>
Total Internal Service	<u>292,532</u>	<u>(380,388)</u>	<u>(77,201)</u>	<u>956,596</u>	<u>791,539</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

6. FIXED ASSETS (Continued)

	<u>Balance January 1</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance December 31</u>
Trust and Agency Funds					
Machinery and equipment	\$ 64,854	\$ —	\$ —	\$ —	\$ 64,854
Accumulated depreciation	(57,426)	(2,879)	—	—	(60,305)
Total Trust and Agency	<u>7,428</u>	<u>(2,879)</u>	<u>—</u>	<u>—</u>	<u>4,549</u>
General Fixed Assets Account Group					
Land	17,182,469	3,246,241	(66,752)	259,250	20,621,208
Buildings and improvements	76,351,519	2,644	(1,650,453)	915,741	75,619,451
Improvements other than buildings	14,807,443	298,207	(342,164)	446,215	15,209,701
Machinery and equipment	56,746,146	4,985,258	(17,457,583)	(454,822)	43,818,999
Construction in progress	254,230	2,193,367	(780)	(1,922,697)	524,120
Accumulated depreciation	—	435,881	—	(435,881)	—
Total General Fixed Assets Account Group	<u>165,341,807</u>	<u>11,161,598</u>	<u>(19,517,732)</u>	<u>(1,192,194)</u>	<u>155,793,479</u>
Discretely Presented Component Unit					
Land	52,085	1,315,528	—	—	1,367,613
Buildings and improvements	—	698,527	—	—	698,527
Improvements other than buildings	115,823	—	—	—	115,823
Machinery and equipment	49,352	17,100	—	—	66,452
Construction in progress	316,736	3,598,570	—	—	3,915,306
Accumulated depreciation	(54,188)	(86,147)	—	—	(140,335)
Total Discretely Presented Component Unit	<u>479,808</u>	<u>5,543,578</u>	<u>—</u>	<u>—</u>	<u>6,023,386</u>
Total Fixed Assets	<u>\$ 727,651,022</u>	<u>\$ 33,554,343</u>	<u>\$ (25,611,000)</u>	<u>\$ —</u>	<u>\$ 735,594,365</u>

The City capitalizes interest costs on major construction projects in the Enterprise Funds. The amount of interest capitalized and expensed (including agency fees) during 1999 is as follows:

	<u>Capitalized</u>	<u>Expensed</u>	<u>Totals</u>
Water Fund	\$ 351,263	\$ 4,456,917	\$ 4,808,180
Sewer Fund	306,651	81,605	388,256
Golf Fund	174,269	605,018	779,287
Total Enterprise Funds	<u>\$ 832,183</u>	<u>\$ 5,143,540</u>	<u>\$ 5,975,723</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

7. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

A. Special Revenue Funds

Gifts and Grants Fund

Projects in the Gifts and Grants Fund are expected to be financed through gifts or grants.

<u>Number of Projects</u>	<u>Type</u>	<u>Project Appropriations</u>	<u>Expended to December 31</u>	<u>Committed</u>
12	Parks and Open Space	\$ 1,520,000	\$ 547,502	\$ 972,498

Community Development Fund

Projects in the Community Development Fund are financed through monies received from Federal programs.

<u>Number of Projects</u>	<u>Type</u>	<u>Project Appropriations</u>	<u>Expended to December 31</u>	<u>Committed</u>
7	Public Service	\$ 702,640	\$ 583,501	\$ 119,139
24	Public Facility	1,813,001	1,291,728	521,273
1	HOAP Loans	643,027	608,919	34,108
4	Single Family Rehab	705,431	630,465	74,966
2	Multi-Family Rehab	1,493,731	856,656	637,075
3	Commercial Rehab	221,626	206,158	15,468
3	ARA	1,701,708	1,240,068	461,640
4	HOME	293,436	—	293,436
3	Other	299,368	274,913	24,455
Total Community Development Fund		\$ 7,873,968	\$ 5,692,408	\$ 2,181,560

Conservation Trust Fund

Projects for the Conservation Trust Fund are financed through State lottery proceeds.

<u>Number of Projects</u>	<u>Type</u>	<u>Project Appropriations</u>	<u>Expended to December 31</u>	<u>Committed</u>
32	Parks and Open Space	\$ 13,313,934	\$ 9,612,533	\$ 3,701,401

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

7. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS (Continued)

A. Special Revenue Funds (Continued)

Parks Development Fund

Projects in the Parks Development Fund are financed through annexation and developer fees.

<u>Number of Projects</u>	<u>Type</u>	<u>Project Appropriations</u>	<u>Expended to December 31</u>	<u>Committed</u>
2	Parks and Open Space	\$ 161,000	\$ 50,000	\$ 111,000

B. Capital Projects Fund

As of December 31, 1999 the City had various commitments for the acquisition and construction of major capital projects in the Capital Projects Fund. Funding of these future expenditures will be provided for through General Fund transfers, bond proceeds, investment earnings and participation revenues from other governments.

The total 1999 outstanding accumulated appropriations, which include appropriations from fund balance and contributions, was \$134,419,567. Of this amount, \$45,019,030 was unexpended at year-end and valid for carryforward into 2000. Fund balance of \$19,850,719 was designated for construction expenditures in the subsequent year.

<u>Number of Projects</u>	<u>Type</u>	<u>Project Appropriations</u>	<u>Expended to December 31</u>	<u>Committed</u>
2	Finance	\$ 239,693	\$ 152,535	\$ 87,158
13	Information Technology	12,593,474	9,943,457	2,650,017
2	Internal Services	1,577,473	1,487,097	90,376
2	Library and Recreation Services	507,986	469,700	38,286
24	Parks and Open Space	29,721,662	11,547,523	18,174,139
36	Public Works	85,417,496	62,047,645	23,369,851
4	Police Department	1,024,993	746,438	278,555
8	Fire Department	3,023,290	2,857,313	165,977
1	Planning	63,500	61,729	1,771
1	Development Services	250,000	87,100	162,900
Total Capital Projects Fund		\$ 134,419,567	\$ 89,400,537	\$ 45,019,030

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

7. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS (Continued)

C. Enterprise Funds

Funding of expenditures in the Water and Sewer Funds is to be financed from tap and development fees. Funding for the Golf projects is from revenue bond proceeds and revenues from existing golf courses.

<u>Number of Projects</u>	<u>Type</u>	<u>Project Appropriations</u>	<u>Expended to December 31</u>	<u>Committed</u>
Water Fund				
3	Water Tanks	\$ 3,317,907	\$ 3,217,940	\$ 99,967
1	Automated Meter Reading	7,579,217	7,499,871	79,346
29	Water Lines	22,069,136	7,158,533	14,910,603
18	Other Projects	21,868,602	15,526,628	6,341,974
4	Regulatory Requirements	25,014,000	5,530,815	19,483,185
4	Pump Stations	1,835,000	266	1,834,734
Total Water Fund		<u>\$ 81,683,862</u>	<u>\$ 38,934,053</u>	<u>\$ 42,749,809</u>
Sewer Fund				
5	Lift Stations	\$ 4,750,000	\$ 3,209	\$ 4,746,791
12	Sewer Lines	21,527,455	14,415,807	7,111,648
24	Storm Drain	13,664,597	8,461,032	5,203,565
11	Other Projects	15,904,110	3,520,018	12,384,092
Total Sewer Fund		<u>\$ 55,846,162</u>	<u>\$ 26,400,066</u>	<u>\$ 29,446,096</u>
Golf Fund				
9	Course Improvements	\$ 1,129,240	\$ 907,069	\$ 222,171
1	Murphy Creek	9,580,593	8,103,784	1,476,809
Total Golf Fund		<u>\$ 10,709,833</u>	<u>\$ 9,010,853</u>	<u>\$ 1,698,980</u>

D. Internal Service Funds

Projects in the Building Repair Fund will be financed through the interdepartmental charges for services, General Fund transfers, and investment earnings.

Building Repair Fund

<u>Number of Projects</u>	<u>Type</u>	<u>Project Appropriations</u>	<u>Expended to December 31</u>	<u>Committed</u>
3	Building Repairs	<u>\$ 6,569,102</u>	<u>\$ 5,164,043</u>	<u>\$ 1,405,059</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
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7. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS (Continued)

E. *Fitzsimons Redevelopment Authority (FRA)*

The FRA has retained the City under contract to manage the operation, maintenance and repair of the Fitzsimons Golf Course. The agreement is for the period from October 30, 1998 through December 31, 2003. The FRA compensates the City for such services with a management fee ranging from \$52,400 the first year to \$61,000 the final year of the contract. The management fee is payable solely from revenues of the golf course. In return, beginning in 1999 the City will pay the FRA a minimum of \$150,000 per year as the FRA's share of the proceeds from the operations of the golf course. In addition, the City shall pay to the FRA 70% of net income from the golf course, as defined in the management agreement, in excess of \$150,000 on an annual basis.

8. DEFERRED COMPENSATION PLANS

The City offers its employees the opportunity to participate in one of four deferred compensation plans. All of the 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 plans available to employees are administered by: Nationwide Retirement Solutions (formerly U.S. Conference of Mayors), International City Management Association (ICMA), Lincoln National Life Insurance Company, and the Fire and Police Pension Association (FPPA). The amounts under the deferred compensation plan are held in trust for the benefit of the City's employees. The City's fiduciary responsibility is one of "due care" in selecting the third-party administration.

9. LONG-TERM DEBT

A. *General Long-Term Debt Account Group*

General long-term debt obligations outstanding as of December 31, 1999 are as follows:

	<u>Maturities</u>	<u>Rates</u>	<u>Balance December 31</u>
Accrued compensated absences	—	—	\$ 15,305,622
General obligation bonds	2000 – 2012	4.50% – 5.55%	14,460,000
Revenue bonds	2000 – 2014	5.10% – 5.80%	20,200,000
Certificates of participation	2000 – 2009	5.60% – 6.00%	24,115,000
Special assessment bonds	2000 – 2001	5.38% – 5.50%	520,000
Capitalized leases	2000 – 2002	5.75% – 5.99%	809,186
Old Hire Police net pension obligation			201,279
Totals			<u>\$ 75,611,087</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

9. LONG-TERM DEBT (Continued)

A. General Long-Term Debt Account Group (Continued)

A summary of changes in the GLTDAG during 1999 is as follows:

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>December 31</u>
Accrued compensated absences	\$ 14,624,097	\$ 15,305,622	\$ 14,624,097	\$ 15,305,622
General obligation bonds	16,695,000	—	2,235,000	14,460,000
Revenue bonds	2,965,000	17,470,000	235,000	20,200,000
Certificates of participation	27,085,000	—	2,970,000	24,115,000
Special assessment bonds	840,000	—	320,000	520,000
Capitalized leases	1,049,516	—	240,330	809,186
Old Hire Police net pension obligation	—	201,279	—	201,279
Total	<u>\$ 63,258,613</u>	<u>\$ 32,976,901</u>	<u>\$ 20,624,427</u>	<u>\$ 75,611,087</u>

Long-term maturities (including interest of \$22,801,160) are as follows:

	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Revenue</u> <u>Bonds</u>	<u>Certificates</u> <u>of</u> <u>Participation</u>	<u>Special</u> <u>Assessment</u> <u>Bonds</u>	<u>Capitalized</u> <u>Leases</u>	<u>Totals</u>
2000	\$ 2,153,025	\$ 1,505,231	\$ 4,378,683	\$ 238,338	\$ 302,065	\$ 8,577,342
2001	1,912,750	1,744,347	2,784,882	327,050	302,066	7,071,095
2002	1,500,322	2,151,638	2,779,668	—	302,066	6,733,694
2003	1,501,312	2,151,372	2,782,530	—	—	6,435,214
2004	1,500,037	2,152,263	2,789,000	—	—	6,441,300
Thereafter	10,524,219	19,140,907	17,981,575	—	—	47,646,701
Total	<u>\$ 19,091,665</u>	<u>\$ 28,845,758</u>	<u>\$ 33,496,338</u>	<u>\$ 565,388</u>	<u>\$ 906,197</u>	<u>\$ 82,905,346</u>

1) *General Obligation Bonds*

The general obligation bonds are payable from property taxes and other revenues of the General Fund. There are four outstanding general obligation bonds. As of December 31, 1999 the outstanding balances for each issue were: 12/95 Public Safety \$3,780,000, 7/92 Park and Street Refunding \$600,000, 8/92 Park and Street Refunding \$400,000, and 6/98 Alameda and I-225 Interchange \$9,680,000.

2) *Revenue Bonds*

In 1999, the City issued Sports Park General Fund bonds, payable from General Fund revenue, to finance a recreation and youth sports complex. As of December 31, 1999 the amount of Sports Park bonds outstanding was \$17,470,000.

Revenue bonds were issued by AURA to finance improvements in the Aurora City Center Urban Renewal Area. The bonds are payable from the incremental sales and property taxes collected within the urban renewal area. As of December 31, 1999 the amount of AURA revenue bonds outstanding was \$2,730,000.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

9. LONG-TERM DEBT (Continued)

A. General Long-Term Debt Account Group (Continued)

3) Certificates of Participation

The certificates of participation (COP's) were issued by the ACLC in 1994 to defease outstanding mortgage revenue bonds of the ACMBC, which ceased its operations in 1998. The ownership of three facilities was transferred from ACMBC to ACLC along with the City's lease payment obligations on these facilities. The COP's are payable from the City's lease payments, which are assigned to the trustee for the COP's. As of December 31, 1999 the amount of certificates of participation outstanding was \$24,115,000.

4) Special Assessment Bonds

The special assessment bonds are payable from special assessments received from property owners collected in the Debt Service Fund. Only one issue of special assessment bonds is outstanding. The balance of the 1996 Refunding Bonds as of December 31, 1999 was \$520,000. A bond covenant reserve was established in the Surplus and Deficiency Fund for this issue. Only the reserved portion of the Surplus and Deficiency Fund may be used for the repayment of these outstanding bonds.

5) Capitalized Leases

In prior years, the City entered into two fire truck leases and one asphalt paver lease that have been capitalized for financial statement purposes. The leases are renewable annually. The City has the option to purchase the equipment at the end of the lease period. Minimum lease payments include the following imputed interest: \$38,736 on the 1997 fire truck lease, \$36,930 on the 1998 fire truck lease and \$21,345 on the asphalt paver lease.

6) Reconciliation of Fund Balances to Amounts Available

The following is a reconciliation of the fund balances of the debt service funds to the funds available for the retirement of general long-term debt.

<u>Fund</u>	<u>Fund Balance</u>			<u>Unavailable for Debt Service</u>	<u>Available for Debt Service</u>
	<u>Reserved</u>	<u>Unreserved</u>	<u>Total</u>		
Debt Service	\$ 446,998	\$ —	\$ 446,998	\$ —	\$ 446,998
Surplus & Deficiency	238,338	2,139,375	2,377,713	2,139,375	238,338
AURA	758,392	915,358	1,673,750	—	1,673,750
ACLC	3,588,865	—	3,588,865	—	3,588,865
Total	<u>\$ 5,032,593</u>	<u>\$ 3,054,733</u>	<u>\$ 8,087,326</u>	<u>\$ 2,139,375</u>	<u>\$ 5,947,951</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

9. LONG-TERM DEBT (Continued)

A. General Long-Term Debt Account Group (Continued)

6) Reconciliation of Fund Balances to Amounts Available (Continued)

a) Debt Service Fund

This fund receives special assessments directly related to the servicing of the outstanding special assessment bonds. It also receives property taxes directly related to the servicing of general obligation bonds that are financed by dedicated revenues. Additionally, the fund receives transfers from the General Fund for the retirement of other general obligation bonds. These funds are not considered available for any other purpose.

b) Surplus and Deficiency Fund

This fund receives special assessments from property owners for which the corresponding debt has been fully paid. In the refunding of various special assessment bonds in 1996, the City established a bond covenant reserve for the outstanding 1996 refunding special assessment bonds. This reserve amount of \$238,338 is considered available for retirement of the outstanding special assessment bonds.

The remaining funds of \$2,139,375 in the Surplus and Deficiency Fund are available for construction of infrastructure projects that have traditionally been funded by special assessments. These funds are not considered available for the retirement of the outstanding special assessment bonds, nor are they available to retire any other type of debt.

c) AURA Debt Service Fund

Amounts in the AURA Debt Service Fund may be used to service AURA's \$2,730,000 outstanding revenue bonds. Amounts in excess of the outstanding bonds may be used to pay future obligations of AURA but are not available to the AURA revenue bond holders or for the retirement of any other type of outstanding debt.

d) ACLC Debt Service Fund

This fund receives "lease payments" which are recorded as operating transfers from the General Fund. The amounts available in this fund are only available for the retirement of ACLC's outstanding certificates of participation.

7) 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 is \$46,122,211.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

9. LONG-TERM DEBT (Continued)

B. Proprietary Funds Long-Term Debt

Proprietary funds long-term debt obligations outstanding as of December 31, 1999 are as follows:

	<u>Maturities</u>	<u>Rates</u>	<u>Balance December 31</u>
General obligation water bonds	2000 - 2014	4.15% - 6.90%	\$ 105,610,000
Water revenue notes	2000 - 2009	5.00%	503,112
Water revenue bonds	2000 - 2014	4.485%	14,999,899
Sewer revenue bonds	2000 - 2014	4.10% - 5.00%	29,659,366
Golf course revenue bonds	2000 - 2015	4.60% - 6.20%	6,665,000
Capitalized leases	2000 - 2003	5.243% - 6.95%	504,103
Long-term interfund payable	2001 - 2013	Variable	6,400,000
Less: Unamortized bond discounts			(3,555,188)
Deferred amount on refunding			(70,186)
Add: Unamortized bond premiums			522,013
Net proprietary funds long-term debt			<u>\$ 161,238,119</u>

A summary of changes in the proprietary funds long-term debt is as follows:

	<u>Balance January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31</u>
General obligation water bonds	\$ 115,030,000	\$ —	\$ (9,420,000)	\$ 105,610,000
Water revenue bonds	—	14,999,899	—	14,999,899
Water revenue notes	—	503,112	—	503,112
Sewer revenue bonds	7,810,000	24,124,366	(2,275,000)	29,659,366
Golf course revenue bonds	6,920,000	—	(255,000)	6,665,000
Capitalized leases	286,426	295,180	(77,503)	504,103
Long-term interfund payable	6,400,000	—	—	6,400,000
Unamortized bond discounts	(4,139,607)	(254,695)	839,114	(3,555,188)
Deferred amount on refunding	(80,212)	—	10,026	(70,186)
Unamortized bond premiums	—	544,971	(22,958)	522,013
Totals	<u>\$ 132,226,607</u>	<u>\$ 40,212,833</u>	<u>\$ (11,201,321)</u>	<u>\$ 161,238,119</u>

Long-term maturities (including interest of \$45,379,431) are as follows:

	<u>General Obligation Water Bonds</u>	<u>Water Revenue Bonds</u>	<u>Water Revenue Notes</u>	<u>Sewer Revenue Bonds</u>	<u>Golf Course Revenue Bonds</u>	<u>Capitalized Leases</u>	<u>Totals</u>
2000	\$ 14,171,745	\$ 881,992	\$ 75,467	\$ 4,616,813	\$ 656,772	\$ 150,452	\$ 20,553,241
2001	14,127,192	1,163,191	72,951	3,516,311	658,257	172,051	19,709,953
2002	14,088,514	1,258,084	70,435	3,540,333	658,558	125,252	19,741,176
2003	11,504,784	1,261,240	67,920	1,989,616	662,628	117,378	15,603,566
2004	11,813,009	1,258,289	65,404	1,990,888	664,672	—	15,792,262
Thereafter	71,726,684	12,679,794	289,291	19,979,132	7,245,812	—	111,920,713
Total	<u>\$ 137,431,928</u>	<u>\$ 18,502,590</u>	<u>\$ 641,468</u>	<u>\$ 35,633,093</u>	<u>\$ 10,546,699</u>	<u>\$ 565,133</u>	<u>\$ 203,320,911</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
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9. LONG-TERM DEBT (Continued)

B. *Proprietary Funds Long-Term Debt* (Continued)

The Golf Fund executed a subordinate loan with the Sewer Fund to finance the construction of the Murphy Creek Golf Course. This long-term interfund payable is not included on this schedule as payments will not begin until 2001.

The general obligation water bonds are payable from earnings of the Water Fund. Unamortized discounts on the bonds at December 31, 1999 totaled \$3,169,694.

In 1999, the City issued a Governmental Agency revenue bond, pursuant to a loan agreement between the Colorado Water Resources and Power Development Authority and the Water Fund in the amount of \$14,999,899 for the refurbishment of the Kuiper Water Plant. The bond payments are payable from revenues of the Water Fund. Unamortized underwriter's discount on the bonds at December 31, 1999 totaled \$93,478. Unamortized premium on the bond at December 31, 1999 totaled \$412,038.

In 1999, the City entered into revenue note obligations for the purchase of water rights. The notes are payable from revenue of the Water Fund.

The sewer revenue bonds are payable from revenues of the Sewer Fund. In the bond ordinance, the City covenants to enforce a schedule of rates and charges for the sewer system sufficient to maintain Sewer Fund gross revenue (including tap and development fees) at least equal to the sum of operations and maintenance expenses of the sewer system plus 130% of the combined average annual debt service requirements of the bonds and any outstanding parity bonds and any additional amounts as required by the bond ordinance. Unamortized discounts on the bonds totaled \$52,097 as of December 31, 1999.

In 1999, the City issued a Governmental Agency revenue bond, pursuant to a loan agreement between the Colorado Water Resources and Power Development Authority and the Sewer Fund in the amount of \$24,124,366 to upgrade the wastewater facility and to add reuse storage and piping. The bond payments are payable from revenues of the Sewer Fund. Unamortized underwriter's discount on the bonds at December 31, 1999 totaled \$151,641. Unamortized premium on the bond at December 31, 1999 totaled \$109,975.

The golf course revenue bonds are payable from revenues of the Golf Fund. In the bond ordinance, the city covenants to maintain and enforce a schedule of rates, fees and charges for the golf system sufficient that the income is at least equal to the sum of operations and maintenance expenses plus 150% of the combined annual debt service requirements of the bonds and any outstanding parity bonds. Unamortized discounts on the bonds at December 31, 1999 totaled \$88,278.

The City has entered into golf cart leases that have been capitalized for financial statement purposes. The leases are renewable annually. The City has the option to purchase the equipment at the end of the lease period. The four year minimum lease payments include \$61,030 of imputed interest.

On March 23, 1999, the FRA entered into an agreement with the United States Army for the conveyance of 332 acres of land along with the associated improvements and selected items of equipment at Fitzsimons. The conveyance will occur in phases as the Army meets certain environmental requirements and is anticipated to be complete by 2002. The purchase price for the conveyance is \$1,850,000, which is payable pursuant to a Promissory Note executed by the FRA for the full amount of the purchase price. The promissory note bears interest at 6.25% and is payable in ten equal annual installments of \$555,956 beginning December 31, 2012 through December 31, 2021.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
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9. LONG-TERM DEBT (Continued)

B. Proprietary Funds Long-Term Debt (Continued)

On June 1, 1999, the FRA entered into a loan agreement with the City of Aurora whereby the Authority can draw up to \$1,150,000. The Authority is permitted to draw on the funds to provide partial matching funds for two grants the FRA has received from the U.S. Department of Commerce Economic Development Administration, for the purpose of designing and constructing a bioscience incubator facility at Fitzsimons. The current balance of the loan is \$73,474. The loan is payable in ten equal installments of principal and interest beginning June 1, 2005.

The Fitzsimons Redevelopment Authority has entered into a loan obligation with the City to assist the FRA with the initial purchase of equipment and startup costs of the Fitzsimons Golf Course. The loan is payable in three equal installments of \$65,450 on December 1 of each year, beginning December 1, 2000 and ending December 1, 2002. The loan bears interest at 5.5% per annum computed on the outstanding and unpaid portion of the loan balance from January 1, 1999.

10. FUND EQUITY

A. A summary of changes in contributed capital for the Enterprise Funds for 1999 is as follows:

	<u>Developers</u>	<u>Municipality</u>	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Totals</u>
Water Fund						
Balance at January 1	\$ 209,036,134	\$ 6,871,489	\$ 54,144	\$ 172,396	\$ 815,989	\$ 216,950,152
Contributed lines	2,690,811	—	—	—	—	2,690,811
Development and annexation fees	12,893,000	—	—	—	—	12,893,000
Donated fixed assets	—	—	66,874	—	—	66,874
Fixed asset transfer	—	300,356	—	—	—	300,356
Balance at December 31	224,619,945	7,171,845	121,018	172,396	815,989	232,901,193
Sewer Fund						
Balance at January 1	93,036,988	2,727,806	775,755	50,482	1,187,366	97,778,397
Contributed lines	2,828,746	—	—	—	—	2,828,746
Development and annexation fees	3,212,810	—	—	—	—	3,212,810
Donated fixed assets	—	—	22,982	—	—	22,982
Fixed assets transfer	—	(87,638)	—	—	—	(87,638)
Balance at December 31	99,078,544	2,640,168	798,737	50,482	1,187,366	103,755,297
Golf Fund						
Balance at January 1	—	2,615,748	—	—	13,881,854	16,497,602
Donated fixed assets	—	—	—	—	41,300	41,300
Fixed asset transfer	—	22,881	—	—	—	22,881
Balance at December 31	—	2,638,629	—	—	13,923,154	16,561,783
Total contributed capital at December 31 – all Enterprise Funds	\$ 323,698,489	\$ 12,450,642	\$ 919,755	\$ 222,878	\$ 15,926,509	\$ 353,218,273

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CITY OF AURORA, COLORADO
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10. FUND EQUITY (Continued)

For FRA, contributed capital represents capital grants from the Federal government and amounts contributed by the City for improvements to the main building at Fitzsimons. These contributions relate to the acquisition of depreciable assets and are amortized against contributed capital in an amount equal to depreciation expense. The total amount amortized in 1999 was \$57,912. This amount appears as an adjustment to net income on the Statement of Revenues, Expenses and Changes in Retained Earnings. The following shows the changes in contributed capital for the year:

Contributed capital, January 1, 1999	\$ 382,412
Federal government contributions	3,371,953
Depreciation of assets acquired through municipal contributions	(57,912)
Contributed capital, December 31, 1999	<u>\$ 3,696,453</u>

- B.** A summary of changes in contributed capital for the Internal Service Funds for 1999 is as follows:

	<u>Municipality</u>	<u>Federal</u>	<u>Other</u>	<u>Totals</u>
Fleet Management Fund				
Balance at January 1	\$ 4,117	\$ 24,381	\$ 33,839	\$ 62,337
Inventory Transfers	193,355	—	—	193,355
Fixed Assets Transfers	854,565	—	—	854,565
Balance at December 31	1,052,037	24,381	33,839	1,110,257
Warehouse Fund				
Balance at January 1	221,151	—	—	221,151
Inventory Transfers	(193,356)	—	—	(193,356)
Fixed Assets Transfers	(27,795)	—	—	(27,795)
Balance at December 31	—	—	—	—
Risk Management Fund	3,353	—	—	3,353
Total contributed capital at December 31 - all Internal Service Funds	<u>\$ 1,055,390</u>	<u>\$ 24,381</u>	<u>\$ 33,839</u>	<u>\$ 1,113,610</u>

C. Retained Earnings

1) *Deficit Retained Earnings*

The Risk Management Internal Service Fund had deficit retained earnings of \$1,991,617 as of December 31, 1999. This is the result of recording the actuarially determined claims liability including an estimate of incurred but not reported claims. The City plans to fund this deficit over a period of years through increased interdepartmental charges.

EXHIBIT VII
CITY OF AURORA, COLORADO
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10. FUND EQUITY (Continued)

C. Retained Earnings (Continued)

2) Reserves

The following reserves are required per the applicable bond indenture:

Reserved for debt service	
1999 water revenue bonds	\$ 8,077,666
1992 and 1993 sewer revenue refunding bonds	5,304,716
1999 sewer revenue bonds	4,326,536
1995 golf course revenue bonds	<u>664,673</u>
Total reserved for debt service	<u>18,373,591</u>
Reserved for repair and replacement	
1995 golf course revenue bonds	600,000

3) Residual Equity Transfer

In 1999, the Warehouse Fund and the Building Repair Fund transferred fixed assets in the amount of \$10,679 and \$22,926, respectively, to the General Fixed Assets Account Group. This transfer was recorded as a residual equity transfer out of each respective fund as there was no contributed capital to reduce.

D. Fund Balances

1) Reserved for Pension Benefits

Fund balances of all pension trust funds are reserved for employee pension benefits. The total reserved for pension benefits as of December 31, 1999 was \$193,982,980.

2) Reserved for Encumbrances

These are amounts legally restricted for the payment of commitments relating to unperformed contracts and purchase orders. Reserves for encumbrances as of December 31, 1999 were as follows:

Operating	
General Fund	\$ 2,000,167
Gifts and Grants Fund	10,000
Community Maintenance Fund	90,000
Community Development Fund	3,299
Conservation Trust Fund	2,649
Recreation Services Fund	2,934
Designated Revenues Fund	<u>224,562</u>
Total operating encumbrances	<u>2,333,611</u>
Capital projects	
Gifts and Grants Fund	22,081
Community Development Fund	387,324
Conservation Trust Fund	291,089
Capital Projects Fund	<u>3,479,920</u>
Total capital projects encumbrances	<u>4,180,414</u>
Total reserved for encumbrances	<u>\$ 6,514,025</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

10. FUND EQUITY (Continued)

D. Fund Balances (Continued)

3) *Reserved for Police*

In 1993, Aurora voters approved a 0.25% sales tax increase to fund an increase in police services. This increase provides two police officers for each 1,000 people living in the City. In 1999 the City received \$7,365,756 in incremental sales tax and \$582,053 in interest income. During 1999 \$7,504,541 of these funds were expended. The amount reserved in the General Fund for police as of December 31, 1999 of \$11,308,354 represents the cumulative amount collected but not yet used to provide police services.

Seizure funds of \$398,979 were Reserved for Police in the Gifts and Grants Fund at December 31, 1999.

4) *Reserved for Debt Service*

Certain fund balances in the Debt Service Funds (Note 9(A)6) are reserved for the payment of principal and interest on the debt shown in the GLTDAG. As of December 31, 1999 debt service reserves amounted to \$5,032,593

5) *Reserved for Bond Projects*

In 1999 the City issued General Fund Bonds to finance the cost of a recreation and youth sports complex and associated facilities in the City. Fund balances of \$14,367,539 were reserved for this project in the Capital Projects Fund.

In 1998 the City issued General Obligation Bonds to finance a portion of the cost of the highway interchange at Interstate 225 and Alameda Avenue. Fund balances of \$5,714,425 were reserved for this project in the Capital Projects Fund.

In 1995 the City issued General Obligation Bond for several public safety improvements. Fund balances of \$2,871 were reserved for the construction of these improvements in the Capital Projects Fund.

6) *Reserved by Agreements*

Certain fund balances in the Designated Revenues Fund are reserved for the payment of expenditures related to various agreements between the City and outside parties. As of December 31, 1999 these reserves totaled \$335,831.

7) *Designated for Subsequent Year Expenditures*

Fund balances budgeted as funding sources for subsequent year appropriations are shown as designated for subsequent year expenditures. A summary of these designations (as adopted in the 2000 budget) is as follows:

Special Revenue Funds	\$ 2,680,950
Total designated for subsequent year expenditures - Budget	<u>\$ 2,680,950</u>

Budgets for capital projects are adopted on a project length basis. At year end, the unspent appropriation will carry forward to the subsequent year. A summary of designations of the unspent balances of project to date appropriations is as follows:

Special Revenue Funds	\$ 3,891,729
Capital Projects Fund	19,850,719
Total designated for subsequent year expenditures - Capital projects	<u>\$ 23,742,448</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

10. FUND EQUITY (Continued)

D. Fund Balances (Continued)

8) *Designated for Long-Term Liabilities*

City management has designated \$13,615,783 in the General Fund at December 31, 1999 for the payment of future liabilities. This amount is equal to the sales, use and lodgers tax accrual.

9) *Designated for Capital Projects Transfer*

At year-end 1999, City management has designated an additional \$9,273,474 in the General Fund in excess of the amount already budgeted for and transferred to the Capital Projects Fund during the year.

11. PENSION PLANS

The City provides seven pension plans as follows:

- General Employees' Retirement Plan (GERP)
- State Fire Pension Plan (Old Hire-Fire)
- State Police Pension Plan (Old Hire-Police)
- Fire Department Money Purchase Pension Plan (New Hire-Fire)
- Police Department Money Purchase Pension Plan (New Hire-Police)
- Executive Retirement Plan - Money Purchase Pension Plan (ERP)
- Elected Officials' Pension Plan (EOPP).

Covered payroll for the year ended December 31, 1999 for the various plans was as follows:

<u>Plan Name</u>	<u>Covered Payroll</u>
GERP	\$ 50,641,700
Old Hire - Fire	1,801,279
Old Hire - Police	2,342,286
New Hire - Fire	10,469,630
New Hire - Police	22,604,883
ERP	3,094,381
EOPP	—
Total covered payroll	<u>\$ 90,954,159</u>
Total 1999 payroll	<u>\$ 105,862,784</u>

Contributions made for the year ended December 31, 1999 were as follows:

<u>Plan Name</u>	<u>Employees</u>	<u>City</u>	<u>State</u>	<u>Totals</u>
GERP	\$ 2,806,374	\$ 2,802,722	\$ —	\$ 5,609,096
Old Hire - Fire	—	—	—	—
Old Hire - Police	234,229	1,248,291	1,032,476	2,514,996
New Hire - Fire	1,046,963	1,045,802	—	2,092,765
New Hire - Police	2,260,488	2,258,098	—	4,518,586
ERP	170,191	170,191	—	340,382
EOPP	—	—	—	—
Totals	<u>\$ 6,518,245</u>	<u>\$ 7,525,104</u>	<u>\$ 1,032,476</u>	<u>\$ 15,075,825</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

11. PENSION PLANS (Continued)

Benefits paid directly to seven eligible EOPP retirees or surviving spouses during 1999 totaled \$9,360.

1999 contributions required and made as a percent of current year covered payroll for the various plans were as follows:

<u>Plan Name</u>	<u>Employees</u>	<u>City</u>	<u>State</u>	<u>Totals</u>
GERP	5.50%	5.50%	—	11.00%
Old Hire - Fire	—	—	—	—
Old Hire - Police	10.00	53.29	44.08	107.37
New Hire - Fire	10.00	9.99	—	19.99
New Hire - Police	10.00	9.99	—	19.99
ERP	5.50	5.50	—	11.00
EOPP	—	—	—	—

The City's annual pension cost for the current year and related information for each plan is as follows:

	<u>GERP</u>	<u>Old Hire Fire</u>	<u>Old Hire Police</u>
Annual required contribution (ARC)	\$ 806,473	\$ —	\$ 2,262,915
Interest in net pension obligation (NPO)	(100,478)	(29,189)	19,092
Adjustment to ARC	118,448	30,645	(27,882)
Annual pension cost	824,443	1,456	2,254,125
Contributions made	2,802,722	—	2,280,767
Increase (decrease) in NPO	(1,978,279)	1,456	(26,642)
NPO - beginning of year	(1,255,975)	(606,407)	227,921
NPO - end of year	\$ (3,234,254)	\$ (604,951)	\$ 201,279
Actuarial valuation date	1/1/99	1/1/98	1/1/98
Actuarial cost method	Entry Age	Entry Age	Entry Age
Amortization method	Level percent of pay, Open	Level percent of pay, Closed	Level percent of pay, Closed
Remaining amortization period	20 years	14 years	14 years
Asset valuation method	5-year smoothed Market	Market value	Market value
Actuarial assumptions:			
Investment rate of return	8%	7.5%	7.5%
Projected salary increase	4.6 - 7.5%	4.5%	4.5%
Includes inflation at	4.0%	4.0%	4.0%
Cost of living adjustment	4.0%	4.0%	4.0%

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

11. PENSION PLANS (Continued)

THREE YEAR TREND INFORMATION

	<u>Year ended</u>	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net pension obligation</u>
GERP	12/31/97	\$ 2,375,310	104.59%	\$ (573,443)
	12/31/98	1,967,077	134.70%	(1,255,975)
	12/31/99	824,443	339.95%	(3,234,254)
Old Hire - Fire	12/31/97	758,913	103.58%	(389,191)
	12/31/98	1,456	15,018.68%	(606,407)
	12/31/99	1,456	—	(604,951)
Old Hire - Police	12/31/97	1,925,293	134.60%	254,563
	12/31/98	2,254,125	101.18%	227,921
	12/31/99	2,254,125	101.18%	201,279

The Elected Officials' Pension Plan is unfunded. Benefit payments are budgeted annually and paid through the General Fund.

A. General Employees' Retirement Plan

1) Description of Plan

The Aurora General Employees' Retirement Plan (GERP) is a single employer defined benefit pension plan covering substantially all full-time and part-time City employees except police officers, firefighters, elected officials, temporary employees and executives who have elected to participate in the Executive Retirement Plan. The GERP was established by City Resolution and is administered by the GERP Board. The GERP is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA); however, it has been qualified as a tax exempt Plan under Sections 401(a) and 501(a) of the Internal Revenue Code. Employee contributions are required as a condition of employment and are matched, dollar for dollar, by the City.

2) Plan Benefits

The GERP provides retirement, death and disability, and medical supplement benefits. Employees with less than five years of credited service at date of termination receive a refund of their contributions, including interest, plus their vested City contribution, which is a 25% match of the employee's contributions and interest for less than one year of credited service, increasing by 5% for each year of credited service completed. Employees with at least five years of credited service at date of termination may choose a refund or a deferred vested benefit. If termination occurs before age 65, an employee with between 5 and 10 years of credited service is eligible for a deferred vested benefit, in which monthly payments will begin at age 65. If termination occurs after an employee has obtained 10 years of credited service, monthly payments may begin anytime between the ages of 50 and 65. Benefits may be reduced when a participant retires before age 65, depending on the participant's age and length of service.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

11. PENSION PLANS (Continued)

A. General Employees' Retirement Plan (Continued)

2) Plan Benefits (Continued)

Effective January 1, 2000, normal retirement benefits are the greater of 1.75 percent of final average monthly compensation, multiplied by years of credited service, including fractional years, or the annuitized value of the contribution refund described above, including the City of Aurora's matching contribution. Prior to January 1, 2000, the multiplier was 1.70 percent. Final average monthly compensation is the average pay an employee received (excluding overtime) during the employee's highest paid 36 consecutive months with the City, out of the employee's last 10 years of employment.

Optional benefits are available in lieu of the straight life annuity in order to provide survivorship benefits. Disability benefits are calculated in the same manner as a normal retirement benefit, using the monthly earnings as of the date of the disability. Participants receiving disability benefits earn credited service during the period of time they are on disability.

Death benefits paid to a beneficiary depend upon when the employee's death occurs. A one-time lump sum benefit of \$5,000 is provided to a beneficiary when a participant dies after retirement. This payment is separate from, and in addition to, any other benefits received.

The medical supplement is provided for all participants who have five or more years of credited service and is prorated for service less than 20 years.

Both medical supplement and normal retirement benefit are subject to annual cost of living increase.

3) Funding Policies

Contribution requirements for the employees and the employer are established by City Resolution. Actuarial studies are considered in establishing funding policies. However, contributions are not actuarially determined. As determined by the actuarial study, current contribution rates are considered sufficient to accumulate assets to pay all benefits when due. All 1999 contributions were for normal costs. No unfunded accrued actuarial liability existed at December 31, 1999.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

11. PENSION PLANS (Continued)

B. State Fire and Police Pension Plans - Old Hire

1) *Description of Plans*

The Old Hire Plans are agent multiple-employer defined benefit plans covering all full-time police officers or fire fighters hired before April 8, 1978 who elect not to participate in the "New Hire" plan. The Old Hire plans are a part of the statewide multiple employer public employee retirement system and are administered by the Fire and Police Pension Association of Colorado (FPPA). The FPPA follows the Colorado Statutes for plan contribution requirements and benefits. Both plans are included in the FPPA's annual report. This report can be obtained at Fire & Police Pension Association, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111-2721.

2) *Plan Benefits*

- a) Old Hire - Fire. For a firefighter hired on or before January 1, 1976 normal retirement date is the date on which he has attained 50 years of age and completed 20 years of service. The normal retirement date of a firefighter hired after January 1, 1976 is the date on which he has attained 50 years of age and completed 25 years of service.

Any firefighter who elects to retire on or after his normal retirement date is eligible for a monthly pension equal to one half of monthly salary plus an additional 4% of monthly salary for each year in excess of the service and age requirement for normal retirement to a maximum of six additional years.

A severance benefit of 49% of base monthly salary is paid to firefighters terminating with 20 or more years of service, but prior to normal retirement. The benefit is payable immediately upon termination. The benefit for firefighters who terminate with less than 20 years of service is 2% of base monthly salary for each year of service not to exceed 40% of the current basic monthly salary, payable at the firefighter's normal retirement date.

An optional benefit adopted by the City increases benefits in proportion to pay increases received by active employees (rank escalator). This plan also provides benefits to surviving spouses and dependent children of retired firefighters. These benefits range from 50% to 66% of the firefighter's benefit.

- b) Old Hire - Police. A police officer's normal retirement date is the date upon completion of 20 years of service regardless of age. Any police officer who elects to retire on or after his normal retirement date is eligible for a monthly pension equal to 2.25% for each year of service, up to a maximum of 20 years of service, multiplied by the highest current salary paid for the rank or grade at the time of retirement.

For service beyond 20 years but before January 1, 1990 the monthly normal retirement pension is increased by 2% of base salary, multiplied by years of service. For service beyond 20 years and after January 1, 1990 the monthly pension is increased by 4% of base salary, multiplied by years of service. Benefits are capped at 74% of a member's base salary.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

11. PENSION PLANS (Continued)

B. State Fire and Police Pension Plans - Old Hire (Continued)

2) Plan Benefits (Continued)

Any police officer who has completed five years of service, but is not eligible for normal retirement, is eligible for a monthly vested pension computed the same way as for normal retirement, based on 2.25% of base salary multiplied by years of service. The benefit is payable beginning at the police officer's normal retirement date.

An optional benefit adopted by the City increases benefits in proportion to pay increases received by active employees (rank escalator). The Old Hire Plan also provides benefits to surviving spouses and dependent children of retired officers. These benefits for members who retired after 5/1/91 range from 75% to 100% of the officer's benefit.

- c) Old Hire - Deferred Retirement Option Plan. Effective January 1, 1997, Old Hire Fire and Police participants may make a one-time irrevocable decision to elect a Deferred Retirement Option Plan (DROP). The option allows an employee to elect to have retirement or severance benefits put into an escrow account for up to five years while the employee continues to work. Upon the employee's election to participate in the DROP plan, that employee's retirement benefits are frozen for percentages of retirement benefit and rank escalation to the eligible amounts at that time. The employee must terminate employment with the department within five years, at which time the employee has a number of options by which to draw down the escrow.

Funds in DROP are derived from three sources: 1) the employee's service retirement benefits; 2) the employee's pension contributions; and 3) earnings on DROP accounts.

3) Funding Policies

The Old Hire funding policies provide for actuarially determined contributions calculated by the "entry age normal actuarial cost method." Under this method, the normal cost is computed as a percentage of pay which, if paid from the earliest time each member would have been eligible to join the plans if they then existed (entry age) until his retirement or termination and based upon the benefit formula applicable to new members, would accumulate with interest at the rate assumed in the valuation to an amount sufficient to pay all such benefits under the plans. The normal cost for the plans is determined by summing the normal costs for all members.

The latest actuarial studies for both plans were dated January 1, 1998. No on-behalf contributions were made by the State to the Old Hire-Fire plan in 1999. On-behalf contributions from the State to the Old Hire-Police plan totaled \$1,032,476 in 1999. The City recognizes these contributions as revenues and expenditures in the General Fund.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

11. PENSION PLANS (Continued)

C. *Police and Fire Pension Plans - New Hire*

The City has two separate single-employer defined contribution money purchase plans for full time fire and police hired on or after April 8, 1978. The New Hire Plans were established by City Ordinance and are administered by a committee established by each of the two agreements.

The New Hire Plans are qualified as tax-exempt defined contribution plans under Sections 401(a) and 501(a) of the Internal Revenue Code, and meet the requirements of the Employee Retirement Income Security Act of 1974, and applicable laws of the State of Colorado.

Contribution requirements for the employer and the employees are established by the City. Employee contributions and earnings on those contributions are nonforfeitable. City contributions and earnings on those contributions are distributable to the employee based on the schedule of vesting ranging from 25% to 100% over a period of 5 to 20 years. If a participant terminates service because of death, the entire amount credited to the participant from the employer is considered vested. Forfeited non-vested employer contributions may be used to reduce employer contributions but may not be used to otherwise increase any participant's plan benefit. Benefits may be distributed upon retirement, termination or death.

D. *Executive Retirement Plan*

In 1996, the City adopted a resolution establishing a new defined contribution money purchase plan for City executive personnel. The plan is administered by ICMA Retirement Corporation. The plan is qualified as a tax-exempt defined contribution plan under section 401 of the Internal Revenue Code. Contributions for the employer and the employee were established by resolution.

Contributions by employees and earnings on those contributions are nonforfeitable. Contributions by the City and earnings on those contributions are distributable to the employee based on the schedule of vesting ranging from 33.3% to 100% over a period of 1 to 3 years. Benefits may be distributed upon retirement, termination or death. Employees may make voluntary, unmatched after-tax contributions subject to IRS and plan limitations.

E. *Elected Officials' Pension Plan*

The City also has a non-contributory single-employer defined benefit pension plan covering all persons who serve at least six years (including one elected term) as a Council member or Mayor. Benefits are paid to eligible elected officials who have attained the retirement age of 60 at the rate of \$20 per month for each year of qualifying service prior to November 11, 1991 and \$25 for service after that date. Benefits paid to seven eligible retirees or surviving spouses during 1999 totaled \$9,360.

Plan payments are funded through the City's annual operating budget. No determination of the actuarially computed value of vested benefits under this plan has been made as of December 31, 1999.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

12. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains three enterprise funds which provide water, sewer and golf services. Segment information for the year ended December 31, 1999 is as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Golf</u>	<u>Totals</u>
Operating revenues	\$ 33,059,115	\$ 21,518,092	\$ 7,115,491	\$ 61,692,698
Operating expenses (excluding depreciation)	15,538,521	16,534,343	6,065,401	38,138,265
Depreciation expense	<u>15,732,652</u>	<u>2,698,842</u>	<u>858,775</u>	<u>19,290,269</u>
Operating income	1,787,942	2,284,907	191,315	4,264,164
Net nonoperating revenues (expenses)	<u>(9,280,570)</u>	<u>1,496,952</u>	<u>655,057</u>	<u>(7,128,561)</u>
Net income (loss)	<u>\$ (7,492,628)</u>	<u>\$ 3,781,859</u>	<u>\$ 846,372</u>	<u>\$ (2,864,397)</u>
Contributed capital additions	\$ 15,951,041	\$ 5,976,900	\$ 64,181	\$ 21,992,122
Property, plant and equipment				
Additions	17,038,927	13,283,149	6,200,627	36,522,703
Deletions	(16,198,675)	(1,359,603)	(751,602)	(18,309,880)
Transfers	242,020	(263,029)	(949)	(21,958)
Net working capital	30,357,734	21,177,320	2,973,950	54,509,004
Total assets	462,660,935	204,660,973	38,568,623	705,890,531
Bonds and other long-term liabilities payable from operating revenues	118,191,691	29,565,603	13,480,825	161,238,119
Total equity	339,414,217	171,876,227	24,194,446	535,484,890

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

13. INTERFUND TRANSACTIONS

The following schedule reflects the City's interfund receivables and payables at December 31, 1999:

	Receivable (Due From Other Funds)	Payable (Due to Other Funds)
Current		
General Fund due from Community Development Fund	\$ 182,351	\$ —
General Fund due from Recreation Fund	778	—
General Fund due from General Agency Fund	10,115	—
General Fund due from AURA Debt Service Fund	85,720	—
General Fund due to Gifts and Grants Fund	—	7,477
General Fund due to Policy Reserve Fund	—	48,000
General Fund due to General Agency Fund	—	1,612
General Fund due to AURA Debt Service Fund	—	50,301
Total General Fund	<u>278,964</u>	<u>107,390</u>
Gifts and Grants Fund due from General Fund	7,477	—
Community Maintenance Fund due from Capital Projects Fund	845	—
Community Development Fund due to General Fund	—	182,351
Recreation Fund due to General Fund	—	778
Policy Reserve Fund due from General Fund	48,000	—
Capital Projects Fund due to Community Maintenance Fund	—	845
Capital Projects Fund due to AURA Debt Service Fund	—	265,000
Total Capital Projects Fund	<u>—</u>	<u>265,845</u>
Water Fund due to Sewer Fund	—	1,497,392
Sewer Fund due from Water Fund	1,497,392	—
General Agency Fund due from General Fund	1,612	—
General Agency Fund due to General Fund	—	10,115
Total General Agency Fund	<u>1,612</u>	<u>10,115</u>
AURA Debt Service Fund due from General Fund	50,301	—
AURA Debt Service Fund due from Capital Projects Fund	265,000	—
AURA Debt Service Fund due to General Fund	—	85,720
Total AURA Debt Service Fund	<u>315,301</u>	<u>85,720</u>
Total Current	<u>2,149,591</u>	<u>2,149,591</u>
Long-Term Loans		
Sewer Fund due from Golf Fund	6,400,000	—
Golf Fund due to Sewer Fund	—	6,400,000
Total long-term loans	<u>6,400,000</u>	<u>6,400,000</u>
Total Interfund Receivables/Payables	<u>\$ 8,549,591</u>	<u>\$ 8,549,591</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

13. INTERFUND TRANSACTIONS (Continued)

Operating transfers were made between funds during 1999 as follows:

<u>Fund</u>	<u>Out</u>	<u>In</u>
General Fund		
General Fund to Gifts and Grants Fund	\$ 213,125	\$ —
HOAP Loans – Home program - \$190,125		
Colfax Corridor Study - \$23,000		
General Fund to Abatement Fund	100,000	—
Funding for demolitions abatement		
General Fund to Recreation Services Fund	3,615,553	—
Funding for recreation programs		
General Fund to Designated Revenues Fund	778,879	—
Arapahoe Crossing tax incentive - \$616,223		
Funding for Visitor Promotion - \$162,656		
General Fund to Policy Reserve Fund	13,489,699	—
Move policy reserve amount to separate fund		
General Fund to Debt Service Fund	1,761,070	—
GO debt service requirements		
General Fund to Capital Projects Fund	16,122,331	—
Funding for capital improvement projects		
General Fund to Fleet Management Fund	251,676	—
Funding for fleet replacement		
General Fund to Aurora Rehabilitation Authority	73,451	—
Aid to agencies payments		
General Fund to ACLC Debt Service Fund	4,515,042	—
Facilities lease payments - \$4,383,390		
Funding for reserve requirements - \$131,652		
General Fund from AURA Debt Service Fund	—	1,435,720
City Center land costs - \$1,350,000		
Florence Gardens costs - \$85,720		
Total General Fund	<u>40,920,826</u>	<u>1,435,720</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

13. INTERFUND TRANSACTIONS (Continued)

<u>Fund</u>	<u>Out</u>	<u>In</u>
Special Revenue		
Gifts and Grants Fund from General Fund	\$ —	\$ 213,125
HOAP Loans – Home program - \$190,125		
Colfax Corridor Study - \$23,000		
Gifts and Grants Fund from Aurora Rehabilitation Authority	—	42,872
Colfax Corridor Study		
Total Gifts and Grants Fund	<u>—</u>	<u>255,997</u>
Abatement Fund from General Fund	<u>—</u>	<u>100,000</u>
Funding for demolitions abatement		
Emergency Contingency Fund to TABOR Reserve Fund	4,807,000	—
Move TABOR reserve amount to separate fund		
Recreation Services Fund from General Fund	<u>—</u>	<u>3,615,553</u>
Funding for recreation programs		
Designated Revenues Fund from General Fund	—	778,879
Arapahoe Crossing tax incentive - \$616,223		
Funding for Visitor Promotion - \$162,656		
Designated Revenues Fund from Capital Projects Fund	—	103,220
Art in Public Places fees		
Total Designated Revenues Fund	<u>—</u>	<u>882,099</u>
Policy Reserve Fund from General Fund	<u>—</u>	<u>13,489,699</u>
Move policy reserve amount to separate fund		
TABOR Reserve Fund from Emergency Contingency Fund	—	4,807,000
Move TABOR reserve amount to separate fund		
Aurora Rehabilitation Authority to Gifts and Grants Fund	42,872	—
Colfax Corridor Study		
Aurora Rehabilitation Authority from General Fund	—	73,452
Aid to agencies payment		
Total Aurora Rehabilitation Authority	<u>42,872</u>	<u>73,452</u>
Total Special Revenue Funds	<u>4,849,872</u>	<u>23,223,800</u>
Debt Service		
Debt Service Fund from General Fund	<u>—</u>	<u>1,761,070</u>
GO debt service requirements		
Surplus & Deficiency Fund to Capital Projects Fund	4,300,000	—
Loan for Alameda / I-225 costs		
Surplus & Deficiency Fund from Capital Projects Fund	—	2,565,000
Repay Sportspark loan - \$2,300,000		
Repayment on loan for Alameda / I-225 - \$265,000		
Total Surplus & Deficiency Fund	<u>4,300,000</u>	<u>2,565,000</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

13. INTERFUND TRANSACTIONS (Continued)

<u>Fund</u>	<u>Out</u>	<u>In</u>
Debt Service (continued)		
AURA Debt Service Fund to General Fund	\$ 1,435,720	\$ —
City Center land costs - \$1,350,000		
Florence Gardens costs - \$85,720		
AURA Debt Service Fund to Capital Projects Fund	2,000,000	—
Loan for Alameda / I-225 costs		
AURA Debt Service Fund from Capital Projects Fund	—	265,000
Repayment on loan for Alameda / I-225		
Total AURA Debt Service Fund	<u>3,435,720</u>	<u>265,000</u>
ACLIC Debt Service Fund from General Fund	<u>—</u>	<u>4,515,041</u>
Facilities lease payments - \$4,383,390		
Funding for reserve requirements - \$131,651		
Total Debt Service Funds	<u>7,735,720</u>	<u>9,106,111</u>
Capital Projects		
Capital Projects Fund to Designated Revenues Fund	103,220	—
Art in Public Places fees		
Capital Projects Fund to Surplus & Deficiency Fund	2,565,000	—
Repay Sportspark loan - \$2,300,000		
Repayment on loan for Alameda / I-225 - \$265,000		
Capital Projects Fund to Building Repair Fund	1,469,867	—
Funding for building repair projects		
Capital Projects Fund to AURA Debt Service Fund	265,000	—
Repayment on loan for Alameda / I-225		
Capital Projects Fund from General Fund	—	16,122,331
Funding for capital improvements projects		
Capital Projects Fund from Surplus & Deficiency Fund	—	4,300,000
Loan for Alameda / I-225 costs		
Capital Projects Fund from AURA Debt Service Fund	—	2,000,000
Loan for Alameda / I-225 costs		
Total Capital Projects Fund	<u>4,403,087</u>	<u>22,422,331</u>
Total - All Governmental Funds	<u>57,909,505</u>	<u>56,187,962</u>
Internal Service		
Fleet Management Fund from General Fund	—	251,676
Funding for fleet replacement		
Building Repair Fund from Capital Projects Fund	—	1,469,867
Funding for building repair projects		
Total - All Proprietary Funds	<u>—</u>	<u>1,721,543</u>
Total - All Funds	<u>\$ 57,909,505</u>	<u>\$ 57,909,505</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

14. OPERATING LEASES

The City is committed under various leases for buildings, office and storage space, and equipment. All leases are cancelable and must be reappropriated annually. These leases are considered for accounting purposes to be operating leases. Payment on these leases during 1999 totaled \$629,957. Future minimum payments by year for these leases are as follows:

2000	\$ 679,108
2001	312,691
2002	226,242
2003	67,910
Total	<u>\$ 1,285,951</u>

15. BUDGETS

A. Budget Appropriations and Revisions

The following revisions were made to the original budget for each fund:

	<u>Total Original Budget</u>	<u>Supplemental Budgets and Revisions</u>	<u>Capital Projects Budgets</u>	<u>Revised Annual Budgets</u>
General	\$ 165,925,951	\$ 16,455,203	\$ —	\$ 182,381,154
Special Revenue Funds				
Gifts and Grants	8,440,885	3,001,323	(1,115,000)	10,327,208
Abatement	251,633	26,638	—	278,271
Community Maintenance	295,000	140,000	—	435,000
Community Development	2,875,000	221,768	(1,962,965)	1,133,803
Enhanced E-911	681,675	114,485	—	796,160
Conservation Trust	2,890,787	(11,480)	(2,518,000)	361,307
Emergency Contingency	603,446	4,807,000	—	5,410,446
Parks Development	100,000	—	(100,000)	—
Recreation Services	8,585,171	131,253	—	8,716,424
Designated Revenues	2,434,607	224,219	—	2,658,826
Debt Service Funds				
Debt Service	3,617,559	—	—	3,617,559
Surplus and Deficiency	2,041,500	2,300,000	—	4,341,500
Capital Projects	24,208,553	19,020,011	(38,056,774)	5,171,790
Enterprise Funds				
Water	56,107,663	15,129,426	(38,247,000)	32,990,089
Sewer	40,004,243	336,144	(20,100,000)	20,240,387
Golf	8,312,960	300,321	(387,950)	8,225,331
Internal Service Funds				
Fleet Management	5,818,657	(1,155,900)	—	4,662,757
Warehouse	729,823	—	—	729,823
Print Shop	1,123,756	85,699	—	1,209,455
Risk Management	4,381,482	508,209	—	4,889,691
Building Repair	1,972,000	—	(1,972,000)	—
TOTALS	<u>\$ 341,402,351</u>	<u>\$ 61,634,319</u>	<u>\$ (104,459,689)</u>	<u>\$ 298,576,981</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

15. BUDGETS (Continued)

B. Budget Reconciliations

The following are reconciliations of the Combined Statement of Revenues, Expenditures and Changes in Fund Balances and the Combined Statement of Revenues, Expenditures and Changes in Funds Available - Budget (Non-GAAP Budgetary Basis) and Actual for the Combined Special Revenue and Debt Service Funds.

1) *Special Revenue Funds*

The following reconciliation reflects an entity difference for Aurora Rehabilitation Authority (ARA) which is not required to appropriate an annual budget. Also, only the annual portion of the special revenue funds is included in the Combined Budget and Actual Statement.

	<u>Per Combined Revenue/ Expenditure Statement</u>	<u>Entity Difference ARA</u>	<u>Capital Projects, Encumbrances and Reclasses</u>	<u>Per Combined Budget/ Actual Statement</u>
TOTAL REVENUES	\$ 24,695,754	\$ (101,084)	\$ 23,567,611	\$ 48,162,281
TOTAL EXPENDITURES	<u>(22,380,847)</u>	<u>133,409</u>	<u>(459,528)</u>	<u>(22,706,966)</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,314,907	32,325	23,108,083	25,455,315
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	761	—	(761)	—
Operating transfers in	23,223,800	(73,452)	(23,150,348)	—
Operating transfers out	<u>(4,849,872)</u>	<u>42,872</u>	<u>4,807,000</u>	<u>—</u>
Total other financing sources (uses)	<u>18,374,689</u>	<u>(30,580)</u>	<u>(18,344,109)</u>	<u>—</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

15. BUDGETS (Continued)

B. Budget Reconciliations (Continued)

1) *Special Revenue Funds (Continued)*

	<u>Per Combined Revenue/ Expenditure Statement</u>	<u>Entity Difference ARA</u>	<u>Capital Projects, Encumbrances and Reclasses</u>	<u>Per Combined Budget/ Actual Statement</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ 20,689,596	\$ 1,745	\$ 4,763,974	\$ 25,455,315
Seizure net assets	—	—	(1,929)	(1,929)
Capital projects	—	—	(5,260,237)	(5,260,237)
BALANCES - JANUARY 1	14,632,414	(1,745)	(1,802,116)	12,828,553
BALANCES - DECEMBER 31	<u>\$ 35,322,010</u>	<u>\$ —</u>	<u>\$ (2,300,308)</u>	<u>\$ 33,021,702</u>

2) *Debt Service Funds*

This reconciliation reflects entity differences for the AURA and ACLC Debt Service Funds which are not required to adopt annual budgets.

	<u>Per Combined Revenue/ Expenditure Statement</u>	<u>Entity Difference AURA and ACLC</u>	<u>Reclasses</u>	<u>Per Combined Budget/ Actual Statement</u>
TOTAL REVENUES	\$ 3,411,860	\$ (1,085,055)	\$ 4,355,030	\$ 6,681,835
TOTAL EXPENDITURES	<u>8,563,690</u>	<u>(4,994,883)</u>	<u>4,300,000</u>	<u>7,868,807</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,151,830)	3,909,828	55,030	(1,186,972)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	9,106,111	(4,780,041)	(4,326,070)	—
Operating transfers out	<u>(7,735,720)</u>	<u>3,435,720</u>	<u>4,300,000</u>	<u>—</u>
Total other financing sources (uses)	<u>1,370,391</u>	<u>(1,344,321)</u>	<u>(26,070)</u>	<u>—</u>

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

15. BUDGETS (Continued)

B. Budget Reconciliations (Continued)

2) Debt Service Funds (Continued)

	<u>Per Combined Revenue/ Expenditure Statement</u>	<u>Entity Difference AURA and ACLC</u>	<u>Reclasses</u>	<u>Per Combined Budget/ Actual Statement</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ (3,781,439)	\$ 2,565,507	\$ 28,960	\$ (1,186,972)
BALANCES – JANUARY 1	<u>11,868,765</u>	<u>(7,828,122)</u>	<u>4,459</u>	<u>4,045,102</u>
BALANCES – DECEMBER 31	<u>\$ 8,087,326</u>	<u>\$ (5,262,615)</u>	<u>\$ 33,419</u>	<u>\$ 2,858,130</u>

C. Appropriation Violations

The following fund had expenditures and other financing uses in excess of revised appropriations, which may be a violation of the City's Charter. Appropriation amendments for these expenditures will be requested in the following year. Appropriation amendments are subject to City Council approval by ordinance.

<u>Funds</u>	<u>Appropriation</u>	<u>Appropriation Basis Expenditures</u>	<u>Variance</u>
Community Maintenance	\$ 435,000	\$ 437,485	\$ (2,485)

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

16. RISK MANAGEMENT

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

The City retains risk up to the levels where it has been determined that commercial insurance is more cost beneficial. These insurance companies guarantee payments of claims in excess of stated deductibles, with variable limits depending upon the specific line of coverage. The Colorado Governmental Immunity Act establishes limits for claims made against governmental entities. These limits are \$150,000 per injury up to a maximum of \$600,000 per occurrence. There were no significant reductions in insurance coverage from the prior year. There have been no claim settlements in excess of insurance coverage in the last three years.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Case reserves are amounts estimated to be paid on known cases. Case reserves are estimated by third party administrators and through in-house methods. 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 4.75% interest return over the life of the liabilities.

The City reports and covers all claim settlements and judgments out of its Risk Management Internal Service Fund. The following is a summary of the accrued claims liability:

<u>Self Insured Program</u>	<u>Case Reserves</u>	<u>IBNR</u>	<u>Total</u>	<u>Discounted</u>
Worker's compensation	\$ 4,143,855	\$ 3,607,941	\$ 7,751,796	\$ 6,809,533
Multi-line liability	1,010,074	1,706,952	2,717,026	2,464,219
Totals	<u>\$ 5,153,929</u>	<u>\$ 5,314,893</u>	<u>\$ 10,468,822</u>	<u>\$ 9,273,752</u>

Reconciliation of Claims Liability

	<u>Balance January 1</u>	<u>Current Year Accrued Claims</u>	<u>Claim Payments</u>	<u>Recoveries</u>	<u>Balance December 31</u>
1998	\$ 7,731,129	\$ 3,170,893	\$ (2,219,281)	\$ 195,153	\$ 8,877,894
1999	\$ 8,877,894	\$ 2,892,507	\$ (2,675,620)	\$ 178,971	\$ 9,273,752

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

17. CONTINGENT LIABILITIES

The City is a party to various lawsuits which may require expenditures of funds upon decision of the courts or in connection with out-of-court settlements. The City Attorney's Office reports several possible contingent liabilities based on damages alleged in various cases. However, 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. Accordingly, management of the City considers the amount of liabilities established in the Risk Management Fund to be sufficient to cover any liabilities which may result from the eventual outcome of these matters.

A. *Special Assessment Debt*

Special assessment bonds debt service is payable from the assessments levied against property owners. This debt is additionally secured by funds deposited in the Surplus and Deficiency Fund. If there is a deficiency for the payment of principal or interest on special assessment bonds, the deficiency is to be paid out of the Surplus and Deficiency Fund. In the event that a deficiency cannot be so paid, the City Council, in accordance with Section 11-24 of the Home Rule Charter, may levy annual taxes on all taxable property within the City. The tax assessed cannot exceed two mills in any one year. In lieu of such tax levies, the City Council may annually transfer other available monies of the City.

B. *Refunded Debt*

Proceeds 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 bond 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 balance sheet.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

17. CONTINGENT LIABILITIES (Continued)

B. Refunded Debt (Continued)

The following are the defeased debt issues and the principal outstanding at December 31, 1999:

	<u>Date of Issue</u>	<u>Series</u>	<u>Balance December 31</u>
<i>Aurora Colorado Municipal Building Corporation (ACMBC)</i>			
Refunding revenue bonds	04/01/78	—	\$ 5,320,000
Construction revenue bonds	04/01/78	A	450,000
Construction revenue bonds	04/01/78	B	240,000
Construction revenue bonds	04/01/78	C	245,000
Total Aurora Colorado Municipal Building Corporation (ACMBC)			<u>\$ 6,255,000</u>
<i>Water</i>			
General obligation water bonds	07/01/63	1963	\$ 3,915,000
General obligation water bonds	11/01/64	1964	4,225,000
General obligation water bonds	09/01/65	1965	2,415,000
Total Water			<u>\$ 10,555,000</u>
<i>Sewer</i>			
Sewer revenue bonds	03/01/73	1973	\$ 915,000
Total Sewer			<u>\$ 915,000</u>

18. CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued revenue bonds to provide financial assistance to private-sector and non-profit entities for the acquisition and construction of industrial, commercial and residential properties deemed to be in the public interest. The bonds are secured by the property financed and 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, 1999 there were fourteen series of revenue bonds outstanding which included one Educational Development Bond payable from lease payments, four Industrial Development Bonds payable from loan payments, five Multi-Family Mortgage Bonds payable from rental payments, three Single Family Mortgage Bonds payable from mortgage payments, and one Joint Water Authority Bond payable from transmission service revenue. The total aggregate principal amount payable is \$63,412,870.

EXHIBIT VII
CITY OF AURORA, COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

19. TAXPAYER BILL OF RIGHTS (TABOR)

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 1999, property tax revenues (not general revenues) were collected in excess of the limits imposed under the TABOR Amendment by \$1.2 million. Taxpayers were given a "temporary tax credit" for these excess collections in the form of a reduction in the following year's tax levy, which reduced the amount they were required to pay. The amount collected in excess of the 1999 limit was recognized as deferred revenue in 1999 and will be recognized as revenue in 2000. Property tax collections received from the counties in 2000 are anticipated to exceed the TABOR limit for that year by approximately \$3 million. The recognition of the deferred property tax overcollections from 1999 as revenue in 2000 will increase 2000 revenues to exceed the TABOR limit by approximately \$4.2 million. A "temporary tax credit" will be used to refund this amount to the taxpayers in the year 2001.

TABOR also requires emergency reserves of at least 3% of fiscal year spending (excluding bonded debt service). Previously recorded in the General Fund and subsequently in the Emergency Contingency Fund, these reserves were transferred to a separate, newly created, Special Revenue fund, the TABOR Reserve Fund, in 1999. The amount recorded in the TABOR Reserve Fund was \$5,057,863 as of December 31, 1999. Local governments are not allowed to use these emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The City's management believes it is in compliance with the provisions of TABOR.

20. WATER FUND FIXED ASSET DISPOSITION AND DEPRECIATION

In 1999 the Water Fund replaced its manually read water meters with an automated meter reading system. The fund also partially demolished certain water treatment plants in anticipation of plant renovation. The resulting disposition of assets, accompanied by the write-off of certain water right costs, was recorded as a loss on disposal of assets of approximately \$5,000,000.

Also in 1999, the estimated useful lives of Water Fund water lines and plant equipment was reduced to more accurately reflect actual operating experience. As a result of the change in estimated useful asset life, the Water Fund recorded an approximate \$2,000,000 increase in annual depreciation expense, and approximately \$9,000,000 of depreciation applicable to years prior to 1999.

* * * * *

REQUIRED SUPPLEMENTARY INFORMATION

Defined Benefit Pension Plans - Schedule of Funding Progress

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

EXHIBIT VIII

CITY OF AURORA, COLORADO

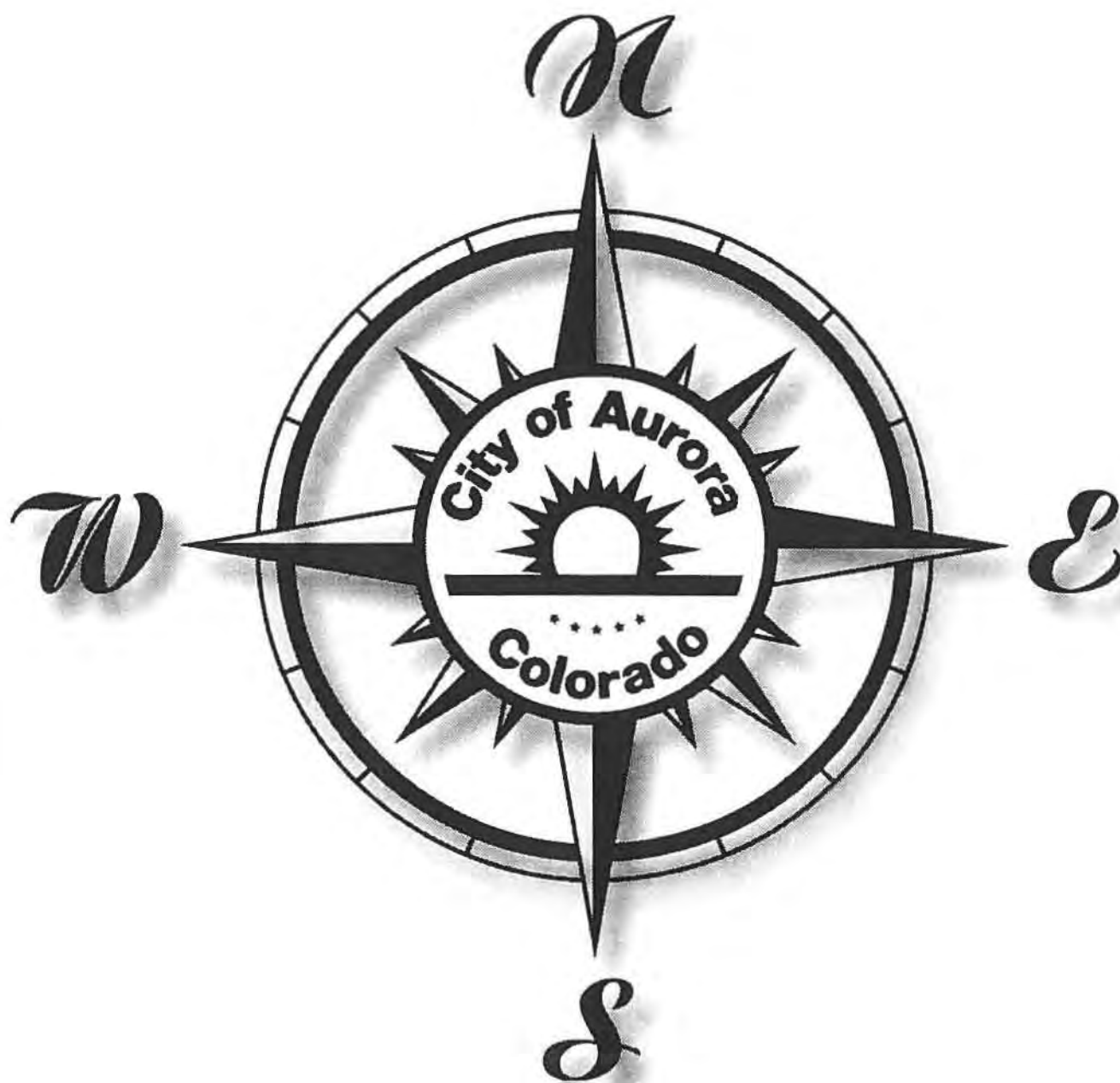
REQUIRED SUPPLEMENTARY INFORMATION

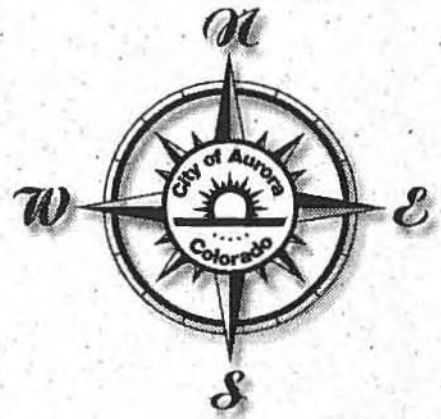
DEFINED BENEFIT PENSION PLANS

SCHEDULE OF FUNDING PROGRESS

DECEMBER 31, 1999

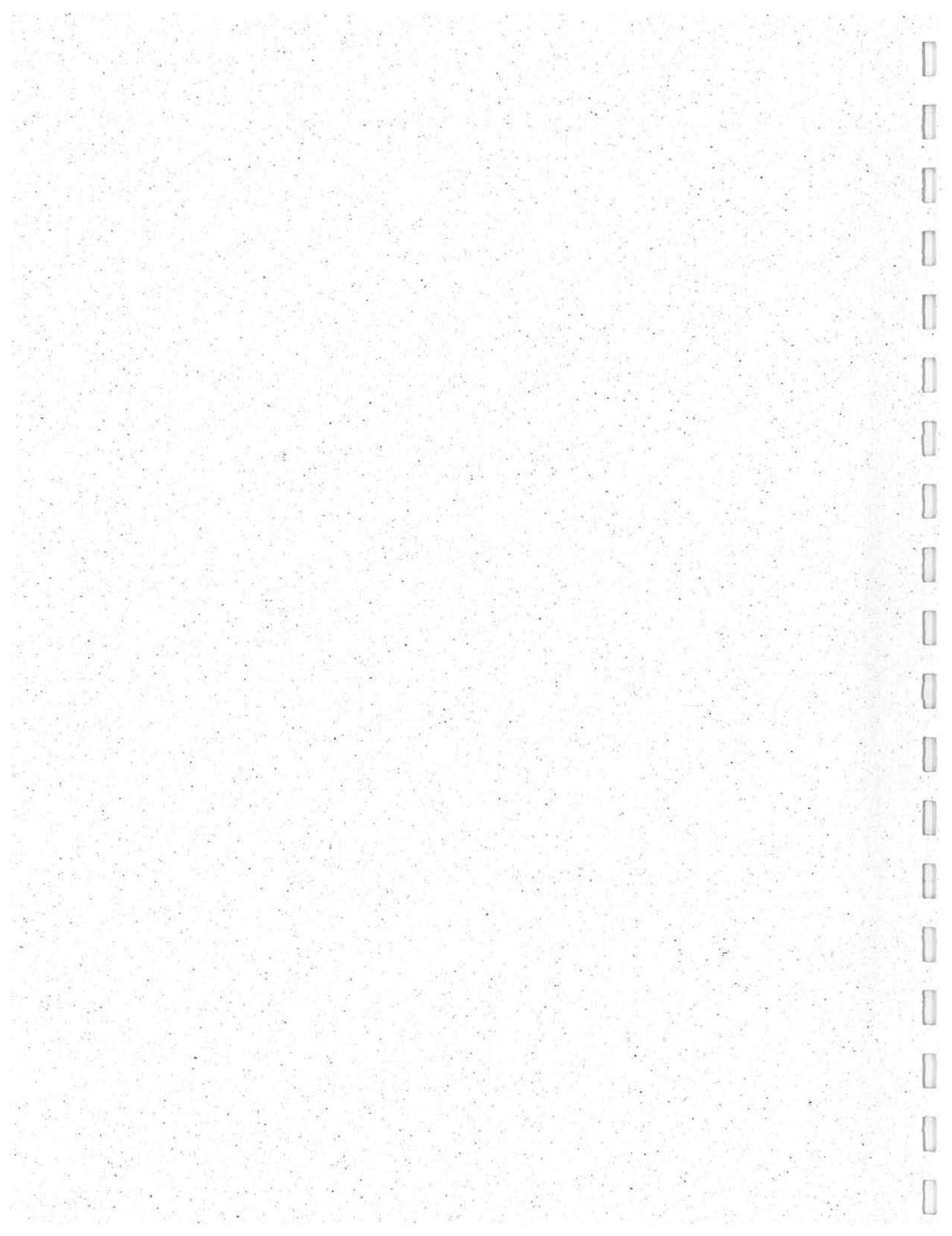
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded (Excess) AAL (UAAL)	Funded Ratio	Projected Covered Payroll	UAAL as a Percent of Covered Payroll
<u>Old Hire - Fire Plan</u>						
01/01/94	\$ 58,037,528	\$ 60,196,266	\$ 2,158,738	96.41%	\$ 4,127,865	52.30%
01/01/96	70,622,377	69,857,791	(764,586)	101.09	4,208,091	(18.17)
01/01/98	87,662,579	84,712,424	(2,950,155)	103.48	2,319,010	(127.22)
<u>Old Hire - Police Plan</u>						
01/01/94	\$ 55,298,872	\$ 75,350,335	\$ 20,051,463	73.39%	\$ 3,866,914	518.54%
01/01/96	70,238,757	88,043,978	17,805,221	79.78	3,358,558	530.14
01/01/98	90,238,856	100,953,672	10,714,816	89.39	3,090,475	346.70
<u>GERP</u>						
01/01/97	\$ 116,293,718	\$ 108,682,609	\$ (7,611,109)	107.00%	\$ 45,167,603	(16.85)%
01/01/98	133,687,412	121,822,628	(11,864,784)	109.74	48,174,709	(24.63)
01/01/99	147,257,777	128,684,022	(18,573,755)	114.43	47,646,658	(38.98)





Supplemental Information

*Combining, Individual Fund and Account
Group Financial Statements and Schedules*



GENERAL FUND

The General Fund accounts for taxes and other resources traditionally associated with government and the operations of the City which are financed from these resources. Revenues and expenditures of the 0.25% voter approved sales taxes restricted for police officer staffing are accounted for in this fund.

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1000

1000

1000

EXHIBIT A-1**CITY OF AURORA, COLORADO****GENERAL FUND****BALANCE SHEET****DECEMBER 31, 1999**

ASSETS

Cash and cash equivalents	\$ 210,443
Equity in cash and cash equivalents	6,729,629
Equity in investments	22,265,081
Receivables	
Property taxes (net of allowance for uncollectibles)	20,318,470
Sales, use and lodgers taxes	13,615,783
Accounts	1,328,999
Accrued interest	172,991
Loans	1,846
Other	59,007
Due from other funds	278,964
Due from other governments	1,089,901

TOTAL ASSETS	\$ 66,071,114
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LIABILITIES AND FUND BALANCE**LIABILITIES**

Accounts payable	\$ 9,413,297
Accrued liabilities	16,418
Funds held for others	200,284
Due to other funds	107,390
Due to other governments	35,428
Deferred revenues	18,907,128
Total liabilities	28,679,945

FUND BALANCE

Reserved	
Reserved for encumbrances - operating	2,000,167
Reserved for police	11,308,354
Unreserved	
Designated for long-term liabilities	13,615,783
Designated for capital projects transfer	9,273,474
Undesignated	1,193,391
Total fund balance	37,391,169

TOTAL LIABILITIES AND FUND BALANCE	\$ 66,071,114
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EXHIBIT A-2

CITY OF AURORA, COLORADO

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND

CHANGES IN FUNDS AVAILABLE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
FUNDS AVAILABLE - JANUARY 1	\$ 27,430,927	\$ 27,863,181	\$ 432,254
REVENUES			
Taxes			
Property	16,456,249	16,406,183	(50,066)
Sales	85,153,392	92,233,128	7,079,736
Use	20,396,071	18,253,226	(2,142,845)
Lodgers	4,001,892	3,443,274	(558,618)
Franchise	7,857,181	8,030,548	173,367
Other	7,264,806	6,529,504	(735,302)
Total taxes	<u>141,129,591</u>	<u>144,895,863</u>	<u>3,766,272</u>
Licenses and permits	4,940,672	5,373,101	432,429
Intergovernmental revenues	10,121,433	9,892,500	(228,933)
Charges for services	5,088,697	5,202,091	113,394
Fines and forfeitures	3,595,787	3,369,937	(225,850)
Investment income	2,562,100	1,574,363	(987,737)
Proceeds from sale of assets	293,000	251,676	(41,324)
Other revenues	2,016,019	1,918,925	(97,094)
Operating transfers in	85,720	1,435,720	1,350,000
TOTAL REVENUES	<u>169,833,019</u>	<u>173,914,176</u>	<u>4,081,157</u>
EXPENDITURES			
Municipal Court			
Judicial	1,472,025	1,343,238	128,787
Court Administration	2,044,356	2,044,356	—
Public Defender	445,892	357,841	88,051
Total Municipal Court	<u>3,962,273</u>	<u>3,745,435</u>	<u>216,838</u>
City Attorney	<u>3,171,487</u>	<u>3,171,487</u>	<u>—</u>
General Management			
City Council	711,990	651,088	60,902
Boards and Commissions	588,918	551,219	37,699
City Manager	3,081,785	2,971,753	110,032
Development Services	4,003,606	3,969,464	34,142
Total General Management	<u>8,386,299</u>	<u>8,143,524</u>	<u>242,775</u>

EXHIBIT A-2
CITY OF AURORA, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
**CHANGES IN FUNDS AVAILABLE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Budget	Actual	Variance Favorable (Unfavorable)
Administrative Services Group			
Finance	\$ 3,378,307	\$ 3,373,923	\$ 4,384
Information Technology	4,751,062	4,751,040	22
Internal Services	4,111,394	3,937,054	174,340
Total Administrative Services Group	12,240,763	12,062,017	178,746
Operations Group			
Public Works	15,143,958	15,006,357	137,601
Parks and Open Space	12,596,140	12,596,069	71
Planning	2,780,070	2,594,204	185,866
Total Operations Group	30,520,168	30,196,630	323,538
Community Services Group			
Library and Recreation Services	5,188,295	5,171,466	16,829
Library and Recreation Services operating transfers	3,615,553	3,632,220	(16,667)
Police	49,624,985	49,342,299	282,686
Fire	23,643,351	23,465,066	178,285
Neighborhood Services	3,389,272	3,313,813	75,459
Neighborhood Services operating transfers	23,000	96,556	(73,556)
Total Community Services Group	85,484,456	85,021,420	463,036
Non-departmental			
Transfers and other payments	38,615,708	38,240,453	375,255
1998 encumbrance - operating	(1,308,791)	(1,308,791)	—
Total non-departmental	37,306,917	36,931,662	375,255
TOTAL EXPENDITURES	181,072,363	179,272,175	1,800,188
Excess (deficiency) of revenues over (under) expenditures - budgetary basis	(11,239,344)	(5,357,999)	5,881,345
FUNDS AVAILABLE - DECEMBER 31	\$ 16,191,583	22,505,182	\$ 6,313,599
Less: Reservations		(11,308,354)	
Designations		(9,273,474)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - DECEMBER 31		\$ 1,923,354	
RECONCILIATION TO GAAP FUND BALANCE			
FUNDS AVAILABLE - DECEMBER 31		\$ 22,505,182	
Add: 1999 operating encumbrances		2,000,167	
Adjust investments to fair value		(729,963)	
Sales, use and lodgers tax accrual		13,615,783	
FUND BALANCE - DECEMBER 31		\$ 37,391,169	



SPECIAL REVENUE FUNDS

Special revenue funds account for revenues from specific sources which are required legally or by management decision to be used for particular activities.

Gifts and Grants Fund

The Gifts and Grants Fund accounts for various gifts and grants where the size or length of time of the funding source does not warrant establishing a separate fund.

Abatement Fund

The Abatement Fund accounts for costs related to weed cutting, trash removal, building demolition, tree trimming, and tree removal on properties which have not been maintained in accordance with City ordinances. Revenues are from fees collected from property owners and county collected liens on the properties.

Community Maintenance Fund

The Community Maintenance Fund accounts for fees from multi-family mortgage revenue bonds, surplus revenues from single-family mortgage revenue bonds and interest earnings thereon. Expenditures are made for neighborhood and commercial revitalization, housing rehabilitation, economic development and protection of the public health, safety and welfare.

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 which are passed through the State of Colorado. Monies are used for development and renovation of facilities and infrastructure at park sites.

SPECIAL REVENUE FUNDS (continued)

Emergency Contingency Fund

The Emergency Contingency Fund provides funding for expenditures which could not have been readily foreseen at the time of budget preparation. All expenditures require approval of the City Council. Revenues are primarily from interest earnings.

Parks Development Fund

The Parks Development Fund accounts for annexation fees and payments from developers which are to be used for the creation of City parks.

Recreation Services Fund

The Recreation Services Fund accounts for recreational services provided to citizens. Support for these services is derived from user fees and General Fund subsidies.

Designated Revenues Fund

The Designated Revenues Fund accounts for revenues other than gifts or grants which are required by law, contract or City policy to be spent for a specific purpose where the size or length of time of the funding source does not warrant establishing a separate fund.

TABOR Reserve Fund

The TABOR Reserve Fund accounts for emergency reserves of at least 3% of fiscal year spending (excluding bonded debt service) as required under the taxpayer bill of rights (TABOR), a State constitutional amendment approved in 1992.

Policy Reserve Fund

The Policy Reserve Fund accounts for funds available maintained per City policy in an amount equal to 10% or greater of the General Fund's operating expenditures plus general obligation debt service for each year.

Aurora Rehabilitation Authority Fund

The Aurora Rehabilitation Authority (ARA) accounts for projects to encourage revitalization of a downtown Aurora area designated as Original Aurora. The fund was closed during 1999 and its functions transferred to the General Fund.

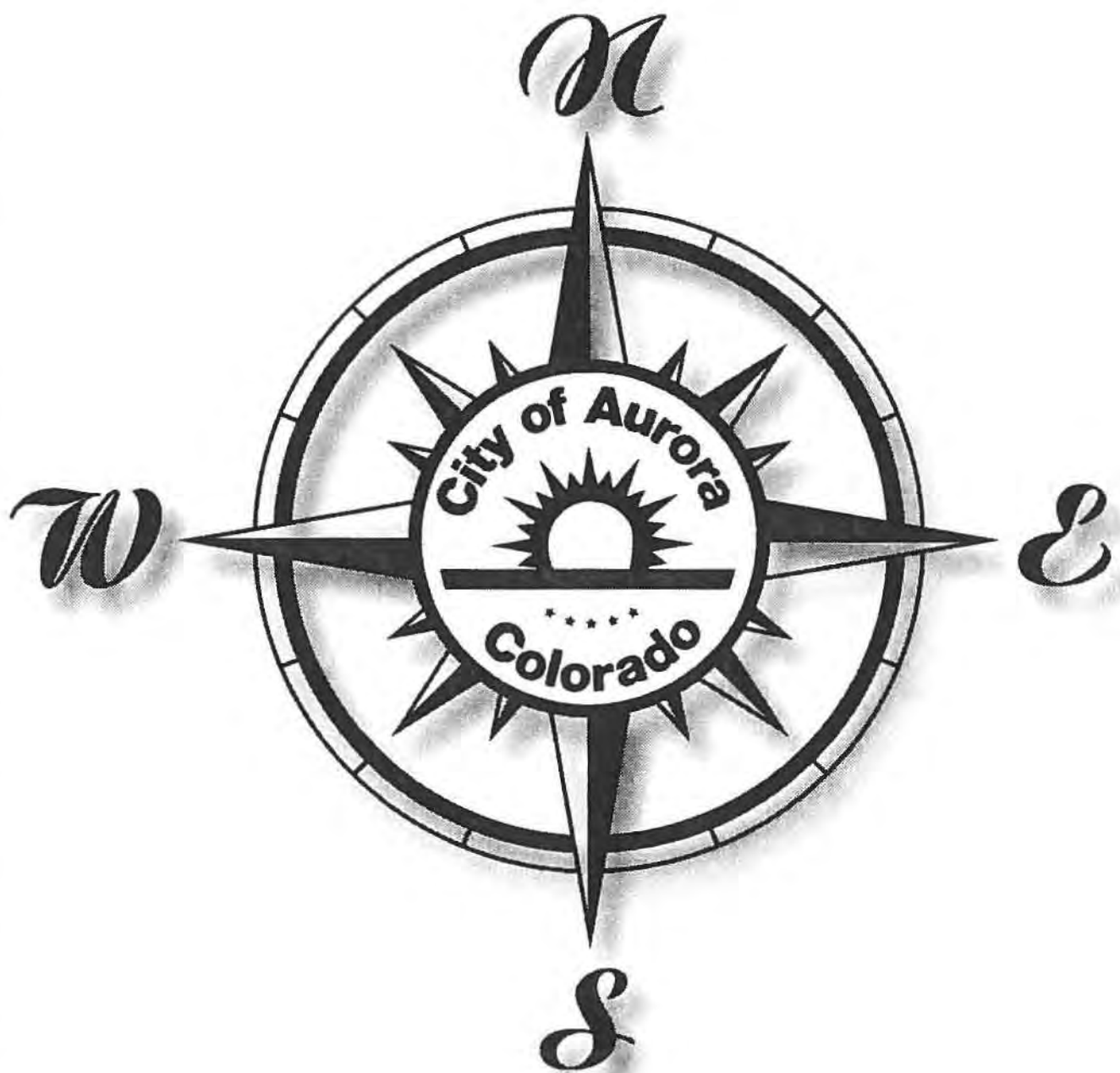


EXHIBIT B-1
CITY OF AURORA, COLORADO
**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1999**

	Gifts and Grants	Abatement	Community Maintenance	Community Development	Enhanced E-911
ASSETS					
Cash and cash equivalents	\$ 650	\$ —	\$ —	\$ —	\$ —
Equity in cash and cash equivalents	379,015	115,834	1,081,066	—	400,521
Equity in investments	—	—	3,677,127	—	1,345,239
Designated equity in investments	—	—	—	—	—
Receivables					
Accounts	2,000	59,005	1,886,902	—	60,369
Accrued interest	—	—	—	—	—
Loans	250,364	—	2,875,679	7,344,751	—
Other	—	174,720	—	—	—
Due from other funds	7,477	—	845	—	—
Due from other governments	1,037,050	—	—	298,571	—
Restricted assets					
Equity in cash and cash equivalents	391,503	—	—	—	—
TOTAL ASSETS	\$ 2,068,059	\$ 349,559	\$ 9,521,619	\$ 7,643,322	\$ 1,806,129
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 207,259	\$ 4,700	\$ 2,486	\$ 66,944	\$ 117,588
Funds held for others	103,088	—	—	49,276	—
Due to other funds	—	—	—	182,351	—
Due to other governments	3,520	—	—	—	—
Due to private grantors	16,134	—	—	—	—
Deferred revenues	757,245	80,732	2,875,679	7,344,751	—
Total liabilities	1,087,246	85,432	2,878,165	7,643,322	117,588
FUND BALANCES					
Reserved					
Reserved for encumbrances					
Operating	10,000	—	90,000	3,299	—
Capital projects	22,081	—	—	387,324	—
Reserved for police	398,979	—	—	—	—
Reserved by agreements	—	—	—	—	—
Unreserved					
Designated for subsequent year expenditures					
Budget	3,759	76,191	2,187,125	—	—
Capital projects	370,417	—	—	—	—
Undesignated	175,577	187,936	4,366,329	(390,623)	1,688,541
Total fund balances	980,813	264,127	6,643,454	—	1,688,541
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,068,059	\$ 349,559	\$ 9,521,619	\$ 7,643,322	\$ 1,806,129

Conservation Trust	Emergency Contingency	Parks Development	Recreation Services	Designated Revenues	Policy Reserve	TABOR Reserve	Totals
\$ —	\$ —	\$ —	\$ 2,485	\$ 2,998	\$ —	\$ —	\$ 6,133
912,972	139,777	60,495	62,280	1,844,916	—	—	4,996,876
3,064,650	472,263	203,212	—	—	14,052,639	5,057,863	27,872,993
52,406	—	—	—	—	—	—	52,406
—	—	—	31,289	82,532	—	—	2,122,097
10,849	—	—	—	—	33,583	—	44,432
—	—	—	—	—	—	—	10,470,794
—	—	—	2,100	8,206	—	—	185,026
—	—	—	—	—	48,000	—	56,322
—	—	—	—	—	—	—	1,335,621
—	—	—	—	—	—	—	391,503
<u>\$ 4,040,877</u>	<u>\$ 612,040</u>	<u>\$ 263,707</u>	<u>\$ 98,154</u>	<u>\$ 1,938,652</u>	<u>\$ 14,134,222</u>	<u>\$ 5,057,863</u>	<u>\$ 47,534,203</u>
\$ 106,946	\$ —	\$ —	\$ 67,491	\$ 201,457	\$ —	\$ —	\$ 774,871
—	—	—	23,768	—	—	—	176,132
—	—	—	778	—	—	—	183,129
—	—	—	—	—	—	—	3,520
—	—	—	—	—	—	—	16,134
—	—	—	—	—	—	—	11,058,407
<u>106,946</u>	<u>—</u>	<u>—</u>	<u>92,037</u>	<u>201,457</u>	<u>—</u>	<u>—</u>	<u>12,212,193</u>
2,649	—	—	2,934	224,562	—	—	333,444
291,089	—	—	—	—	—	—	700,494
—	—	—	—	—	—	—	398,979
—	—	—	—	335,831	—	—	335,831
178,995	—	—	—	234,880	—	—	2,680,950
3,410,312	—	111,000	—	—	—	—	3,891,729
50,886	612,040	152,707	3,183	941,922	14,134,222	5,057,863	26,980,583
<u>3,933,931</u>	<u>612,040</u>	<u>263,707</u>	<u>6,117</u>	<u>1,737,195</u>	<u>14,134,222</u>	<u>5,057,863</u>	<u>35,322,010</u>
<u>\$ 4,040,877</u>	<u>\$ 612,040</u>	<u>\$ 263,707</u>	<u>\$ 98,154</u>	<u>\$ 1,938,652</u>	<u>\$ 14,134,222</u>	<u>\$ 5,057,863</u>	<u>\$ 47,534,203</u>

EXHIBIT B-2

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

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

FOR THE YEAR ENDED DECEMBER 31, 1999

	Gifts and Grants	Abatement	Community Maintenance	Community Development	Enhanced E-911	Conservation Trust
REVENUES						
Intergovernmental revenues	\$ 4,009,254	\$ —	\$ 1,887,127	\$ 2,372,608	\$ —	\$ 2,009,995
Charges for services	8,195	157,063	—	—	1,114,883	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	77,924	7,938	62,795	—	48,643	161,938
Miscellaneous revenues	1,304,350	—	3,565,009	746,962	—	—
Total revenues	5,399,723	165,001	5,514,931	3,119,570	1,163,526	2,171,933
EXPENDITURES						
Current						
General government	1,804,486	109,868	297,486	2,412,575	—	—
Public safety	2,124,897	22,917	—	17,606	481,209	—
Culture and recreation	972,058	9,565	50,000	554,187	—	2,132,987
Capital outlay	577,430	—	—	135,202	75,198	20,629
Total expenditures	5,478,871	142,350	347,486	3,119,570	556,407	2,153,616
Excess (deficiency) of revenues over (under) expenditures	(79,148)	22,651	5,167,445	—	607,119	18,317
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of assets	—	—	—	—	—	—
Operating transfers in	255,997	100,000	—	—	—	—
Operating transfers out	—	—	—	—	—	—
Total other financing sources (uses)	255,997	100,000	—	—	—	—
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	176,849	122,651	5,167,445	—	607,119	18,317
FUND BALANCES - JANUARY 1	803,964	141,476	1,476,009	—	1,081,422	3,915,614
FUND BALANCES - DECEMBER 31	\$ 980,813	\$ 264,127	\$ 6,643,454	\$ —	\$ 1,688,541	\$ 3,933,931

Emergency Contingency	Parks Development	Aurora Rehabili- tation	Recreation Services	Designated Revenues	Policy Reserve	TABOR Reserve	Totals
\$ —	\$ —	\$ 38,128	\$ —	\$ 17,429	\$ —	\$ —	\$ 10,334,541
—	—	—	4,461,814	758,808	—	—	6,500,763
—	—	—	—	668,733	—	—	668,733
15,168	11,847	—	—	62,635	644,523	250,863	1,344,274
—	39,492	62,956	39,539	89,135	—	—	5,847,443
15,168	51,339	101,084	4,501,353	1,596,740	644,523	250,863	24,695,754
—	—	133,409	—	1,154,740	—	—	5,912,564
—	—	—	—	608,618	—	—	3,255,247
—	50,000	—	8,092,670	477,943	—	—	12,339,410
—	—	—	25,888	39,279	—	—	873,626
—	50,000	133,409	8,118,558	2,280,580	—	—	22,380,847
15,168	1,339	(32,325)	(3,617,205)	(683,840)	644,523	250,863	2,314,907
—	—	—	—	761	—	—	761
—	—	73,452	3,615,553	882,099	13,489,699	4,807,000	23,223,800
(4,807,000)	—	(42,872)	—	—	—	—	(4,849,872)
(4,807,000)	—	30,580	3,615,553	882,860	13,489,699	4,807,000	18,374,689
(4,791,832)	1,339	(1,745)	(1,652)	199,020	14,134,222	5,057,863	20,689,596
5,403,872	262,368	1,745	7,769	1,538,175	—	—	14,632,414
\$ 612,040	\$ 263,707	\$ —	\$ 6,117	\$ 1,737,195	\$ 14,134,222	\$ 5,057,863	\$ 35,322,010

EXHIBIT B-3
CITY OF AURORA, COLORADO
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999

	Gifts and Grants			Abatement		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
FUNDS AVAILABLE - JANUARY 1	\$ 926,377	\$ 2,004,619	\$ 1,078,242	\$ 189,119	\$ 114,838	\$ (74,281)
REVENUES						
Intergovernmental revenues	7,554,135	4,802,553	(2,751,582)	—	—	—
Charges for services	21,200	8,195	(13,005)	204,000	157,063	(46,937)
Fines and forfeitures	—	—	—	—	—	—
Investment income	13,620	62,801	49,181	10,000	7,938	(2,062)
Proceeds from sale of assets	—	—	—	—	—	—
Loan principal repaid to City	—	—	—	—	—	—
Other	2,472,234	1,065,516	(1,406,718)	—	—	—
Transfers from capital projects	—	75,000	75,000	—	—	—
Operating transfers in	255,997	255,997	—	100,000	100,000	—
Total revenues	10,317,186	6,270,062	(4,047,124)	314,000	265,001	(48,999)
EXPENDITURES						
Personal services	1,873,990	1,645,129	228,861	79,112	37,501	41,611
Supplies and other services and charges	7,816,240	3,116,993	4,699,247	199,159	104,849	94,310
Capital outlay	636,978	345,122	291,856	—	—	—
Operating transfers out	—	—	—	—	—	—
1998 operating encumbrances	(239,832)	(239,832)	—	(26,638)	(26,638)	—
Total expenditures	10,087,376	4,867,412	5,219,964	251,633	115,712	135,921
Excess (deficiency) of revenues over (under) expenditures - budgetary basis	229,810	1,402,650	1,172,840	62,367	149,289	86,922
OTHER CHANGES TO FUNDS AVAILABLE						
Seizure net assets	—	(1,929)	(1,929)	—	—	—
Transfer HOME project to Community Development	(1,839,426)	(1,839,426)	—	—	—	—
Capital projects	(480,000)	(480,000)	—	—	—	—
Total other changes	(2,319,426)	(2,321,355)	(1,929)	—	—	—
FUNDS AVAILABLE - DECEMBER 31	\$ (1,163,239)	1,085,914	\$ 2,249,153	\$ 251,486	264,127	\$ 12,641
Less: Reservations	—	—	—	—	—	—
Designations	—	(3,759)	—	—	(76,191)	—
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - DECEMBER 31	—	\$ 1,082,155	—	—	\$ 187,936	—
RECONCILIATION TO GAAP FUND BALANCE						
FUNDS AVAILABLE - DECEMBER 31	—	\$ 1,085,914	—	—	\$ 264,127	—
Add: 1999 operating encumbrances	—	10,000	—	—	—	—
Capital projects carry-forward	—	392,498	—	—	—	—
Seizure funds	—	398,979	—	—	—	—
Adjust investments to fair value	—	—	—	—	—	—
Less: Deferred revenue - Federal grants	—	(906,578)	—	—	—	—
FUND BALANCES - DECEMBER 31	—	\$ 980,813	—	—	\$ 264,127	—

Community Maintenance			Community Development		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 1,220,191	\$ 1,477,482	\$ 257,291	\$ 275,000	\$ 249,702	\$ (25,298)
—	1,887,127	1,887,127	2,070,000	2,070,000	—
—	—	—	—	—	—
—	—	—	—	—	—
74,000	81,069	7,069	—	—	—
—	—	—	—	—	—
—	54,985	54,985	—	—	—
—	3,510,024	3,510,024	677,178	746,962	69,784
—	—	—	—	—	—
—	—	—	—	—	—
74,000	5,533,205	5,459,205	2,747,178	2,816,962	69,784
—	—	—	937,669	917,485	20,184
435,000	437,485	(2,485)	167,439	194,565	(27,126)
—	—	—	28,695	20,202	8,493
—	—	—	—	—	—
—	—	—	(4,595)	(4,595)	—
435,000	437,485	(2,485)	1,129,208	1,127,657	1,551
(361,000)	5,095,720	5,456,720	1,617,970	1,689,305	71,335
—	—	—	—	—	—
—	—	—	1,839,426	1,839,426	—
—	—	—	(2,162,237)	(2,162,237)	—
—	—	—	(322,811)	(322,811)	—
\$ 859,191	6,573,202	\$ 5,714,011	\$ 1,570,159	1,616,196	\$ 46,037
	—			—	
	(2,187,125)			—	
	\$ 4,386,077			\$ 1,616,196	
	\$ 6,573,202			\$ 1,616,196	
	90,000			3,299	
	—			2,181,560	
	—			—	
	(19,748)			—	
	—			(3,801,055)	
	\$ 6,643,454			\$ —	

EXHIBIT B-3

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUES,

EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 1999

	Enhanced E-911			Conservation Trust		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
FUNDS AVAILABLE - JANUARY 1	\$ 721,288	\$ 967,704	\$ 246,416	\$ 783,279	\$ 868,541	\$ 85,262
REVENUES						
Intergovernmental revenues	—	—	—	2,500,000	2,009,995	(490,005)
Charges for services	910,800	1,114,883	204,083	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Investment income	36,432	72,280	35,848	200,000	216,142	16,142
Proceeds from sale of assets	—	—	—	—	—	—
Loan principal repaid to City	—	—	—	—	—	—
Other	—	—	—	—	—	—
Transfers from capital projects	—	—	—	—	—	—
Operating transfers in	—	—	—	—	—	—
Total revenues	947,232	1,187,163	239,931	2,700,000	2,226,137	(473,863)
EXPENDITURES						
Personal services	—	—	—	273,079	239,886	33,193
Supplies and other services and charges	701,160	481,209	219,951	81,228	57,793	23,435
Capital outlay	95,000	75,198	19,802	7,000	—	7,000
Operating transfers out	—	—	—	—	—	—
1998 operating encumbrances	(114,485)	(114,485)	—	(8,282)	(8,282)	—
Total expenditures	681,675	441,922	239,753	353,025	289,397	63,628
Excess (deficiency) of revenues over (under) expenditures - budgetary basis	265,557	745,241	479,684	2,346,975	1,936,740	(410,235)
OTHER CHANGES TO FUNDS AVAILABLE						
Seizure net assets	—	—	—	—	—	—
Transfer HOME project to Community Development Capital projects	—	—	—	(2,518,000)	(2,518,000)	—
Total other changes	—	—	—	(2,518,000)	(2,518,000)	—
FUNDS AVAILABLE - DECEMBER 31	\$ 986,845	1,712,945	\$ 726,100	\$ 612,254	287,281	\$ (324,973)
Less: Reservations		—			—	
Designations		—			(178,995)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - DECEMBER 31		\$ 1,712,945			\$ 108,286	
RECONCILIATION TO GAAP FUND BALANCE						
FUNDS AVAILABLE - DECEMBER 31		\$ 1,712,945			\$ 287,281	
Add: 1999 operating encumbrances		—			2,649	
Capital projects carry-forward		—			3,701,401	
Seizure funds		—			—	
Adjust investments to fair value		(24,404)			(57,400)	
Less: Deferred revenue - Federal grants		—			—	
FUND BALANCES - DECEMBER 31		\$ 1,688,541			\$ 3,933,931	

Emergency Contingency			Parks Development		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 571,156	\$ 5,404,417	\$ 4,833,261	\$ 191,051	\$ 201,559	\$ 10,508
—	—	—	—	—	—
—	—	—	—	—	—
32,290	20,351	(11,939)	15,000	15,317	317
—	—	—	—	—	—
—	—	—	15,000	39,492	24,492
—	—	—	—	—	—
—	—	—	—	—	—
32,290	20,351	(11,939)	30,000	54,809	24,809
—	—	—	—	—	—
603,446	—	603,446	—	—	—
4,807,000	4,807,000	—	—	—	—
—	—	—	—	—	—
5,410,446	4,807,000	603,446	—	—	—
(5,378,156)	(4,786,649)	591,507	30,000	54,809	24,809
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	(100,000)	(100,000)	—
—	—	—	(100,000)	(100,000)	—
\$ (4,807,000)	617,768	\$ 5,424,768	\$ 121,051	156,368	\$ 35,317
—	—	—	—	—	—
—	—	—	—	—	—
\$ 617,768			\$ 156,368		
\$ 617,768			\$ 156,368		
—			—		
—			111,000		
—			—		
(5,728)			(3,661)		
—			—		
\$ 612,040			\$ 263,707		

EXHIBIT B-3
CITY OF AURORA, COLORADO
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999

	Recreation Services			Designated Revenues		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
FUNDS AVAILABLE - JANUARY 1	\$ 48,122	\$ 1,516	\$ (46,606)	\$ 815,948	\$ 1,538,175	\$ 722,227
REVENUES						
Intergovernmental revenues	—	—	—	—	17,429	17,429
Charges for services	5,098,561	4,461,814	(636,747)	639,800	758,808	119,008
Fines and forfeitures	—	—	—	781,880	668,733	(113,147)
Investment income	—	—	—	11,800	62,635	50,835
Proceeds from sale of assets	—	—	—	1,200	761	(439)
Loan principal repaid to City	—	—	—	—	—	—
Other	8,000	39,539	31,539	161,000	89,135	(71,865)
Transfers from capital projects	—	—	—	—	—	—
Operating transfers in	3,615,553	3,615,553	—	827,809	882,099	54,290
Total revenues	8,722,114	8,116,906	(605,208)	2,423,489	2,479,600	56,111
EXPENDITURES						
Personal services	6,066,691	5,598,257	468,434	565,149	556,814	8,335
Supplies and other services and charges	2,589,283	2,494,413	94,870	1,645,877	1,882,559	(236,682)
Capital outlay	60,450	28,822	31,628	447,800	65,769	382,031
Operating transfers out	—	—	—	—	—	—
1998 operating encumbrances	(6,253)	(6,253)	—	—	—	—
Total expenditures	8,710,171	8,115,239	594,932	2,658,826	2,505,142	153,684
Excess (deficiency) of revenues over (under) expenditures - budgetary basis	11,943	1,667	(10,276)	(235,337)	(25,542)	209,795
OTHER CHANGES TO FUNDS AVAILABLE						
Seizure net assets	—	—	—	—	—	—
Transfer HOME project to Community Development	—	—	—	—	—	—
Capital projects	—	—	—	—	—	—
Total other changes	—	—	—	—	—	—
FUNDS AVAILABLE - DECEMBER 31	\$ 60,065	3,183	\$ (56,882)	\$ 580,611	1,512,633	\$ 932,022
Less Reservations		—			(335,831)	
Designations		—			(234,880)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - DECEMBER 31		\$ 3,183			\$ 941,922	
RECONCILIATION TO GAAP FUND BALANCE						
FUNDS AVAILABLE - DECEMBER 31		\$ 3,183			\$ 1,512,633	
Add 1999 operating encumbrances		2,934			224,562	
Capital projects carryforward		—			—	
Seizure funds		—			—	
Adjust investments to fair value		—			—	
Less Deferred revenue - Federal grants		—			—	
FUND BALANCES - DECEMBER 31		\$ 6,117			\$ 1,737,195	

Policy Reserve			TABOR Reserve		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—
—	—	—	—	—	—
—	644,523	644,523	—	250,863	250,863
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
13,441,699	13,489,699	48,000	4,807,000	4,807,000	—
13,441,699	14,134,222	692,523	4,807,000	5,057,863	250,863
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
13,441,699	14,134,222	692,523	4,807,000	5,057,863	250,863
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
<u>\$ 13,441,699</u>	<u>14,134,222</u>	<u>\$ 692,523</u>	<u>\$ 4,807,000</u>	<u>5,057,863</u>	<u>\$ 250,863</u>
	—	—		—	—
	—	—		—	—
	<u>\$ 14,134,222</u>			<u>\$ 5,057,863</u>	
	\$ 14,134,222			\$ 5,057,863	
	—			—	
	—			—	
	—			—	
	<u>\$ 14,134,222</u>			<u>\$ 5,057,863</u>	

EXHIBIT B-3
CITY OF AURORA, COLORADO
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999

	Totals		
	Budget	Actual	Variance Favorable (Unfavorable)
FUNDS AVAILABLE - JANUARY 1	\$ 5,741,531	\$ 12,828,553	\$ 7,087,022
REVENUES			
Intergovernmental revenues	12,124,135	10,787,104	(1,337,031)
Charges for services	6,874,361	6,500,763	(373,598)
Fines and forfeitures	781,880	668,733	(113,147)
Investment income	393,142	1,433,919	1,040,777
Proceeds from sale of assets	1,200	761	(439)
Loan principal repaid to City	—	54,985	54,985
Other	3,333,412	5,490,668	2,157,256
Transfers from capital projects	—	75,000	75,000
Operating transfers in	23,048,058	23,150,348	102,290
Total revenues	46,556,188	48,162,281	1,606,093
EXPENDITURES			
Personal services	9,795,690	8,995,072	800,618
Supplies and other services and charges	14,238,832	8,769,866	5,468,966
Capital outlay	1,275,923	535,113	740,810
Operating transfers out	4,807,000	4,807,000	—
1998 operating encumbrances	(400,085)	(400,085)	—
Total expenditures	29,717,360	22,706,966	7,010,394
Excess (deficiency) of revenues over (under) expenditures - budgetary basis	16,838,828	25,455,315	8,616,487
OTHER CHANGES TO FUNDS AVAILABLE			
Seizure net assets	—	(1,929)	(1,929)
Transfer HOME project to Community Development	—	—	—
Capital projects	(5,260,237)	(5,260,237)	—
Total other charges	(5,260,237)	(5,262,166)	(1,929)
FUNDS AVAILABLE - DECEMBER 31	\$ 17,320,122	33,021,702	\$ 15,701,580
Less: Reservations		(335,831)	
Designations		(2,680,950)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS AND COUNCIL DESIGNATIONS - DECEMBER 31		\$ 30,004,921	
RECONCILIATION TO GAAP FUND BALANCE			
FUNDS AVAILABLE - DECEMBER 31		\$ 33,021,702	
Add: 1999 operating encumbrances		333,444	
Capital projects carryforward		6,386,459	
Seizure funds		398,979	
Adjust investments to fair value		(110,941)	
Less: Deferred revenue - Federal grants		(4,707,633)	
FUND BALANCES - DECEMBER 31		\$ 35,322,010	

EXHIBIT B-4

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS
 SCHEDULE OF EXPENDITURES AND APPROPRIATIONS
 GIFTS AND GRANTS FUND CAPITAL PROJECTS
 FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations				Expenditures				Carryforward 12/31/1999	Encumbered	Unencumbered
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals			
Public Works												
49749	TIP Match - Federal Pass Thru	\$ —	\$ 859,994	\$ 815,000	\$ (1,674,994)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
	Total Public Works	—	859,994	815,000	(1,674,994)	—	—	—	—	—	—	—
Parks and Open Space												
61710	Cherry Creek Bike Path	—	105,000	—	—	105,000	—	—	—	105,000	—	105,000
61765	CO Delaney St Historical Grant	—	40,000	—	—	40,000	—	17,919	17,919	22,081	22,081	—
61776	Homeshead City Improvements	4,032	5,968	—	—	10,000	4,032	—	4,032	5,968	—	5,968
61777	Westerly Creek GOCO Grant	—	55,000	—	—	55,000	—	55,000	55,000	—	—	—
61791	Jewel Wetland (GOCO Grant)	—	50,000	—	—	50,000	—	—	—	50,000	—	50,000
61795	Regional Trail Connection GO	—	100,000	—	—	100,000	—	—	—	100,000	—	100,000
61799	State Trails Grant - Sand Creek	—	50,000	—	—	50,000	—	—	—	50,000	—	50,000
61807	Sand Creek Legacy Grant	—	500,000	—	—	500,000	—	150,000	150,000	350,000	—	350,000
61808	Fitzsimons Medians HUD Grant	245,967	4,033	—	—	250,000	245,967	4,033	250,000	—	—	—
61819	CO-Sand Creek Acquisition Grant	—	—	100,000	—	100,000	—	70,000	70,000	30,000	—	30,000
61820	Sand Creek Corridor - Private	—	—	200,000	—	200,000	—	551	551	199,449	—	199,449
61824	Fitzsimons HUD Grant Lighting	—	—	—	60,000	60,000	—	—	—	60,000	—	60,000
	Total Parks and Open Space	249,999	910,001	300,000	60,000	1,520,000	249,999	297,503	547,502	972,498	22,081	950,417
TOTAL GIFTS AND GRANTS FUND CAPITAL PROJECTS		\$ 249,999	\$ 1,769,995	\$ 1,115,000	\$ (1,614,994)	\$ 1,520,000	\$ 249,999	\$ 297,503	\$ 547,502	\$ 972,498	\$ 22,081	950,417
Less: Projects pending funding agreements												(130,000)
Less: Unencumbered appropriation in excess of available unreserved fund balance. As of December 31, 1999 the City anticipates receipt of these funds												(450,000)
Designated for subsequent year expenditures - CIP												\$ 370,417

(Concluded)

EXHIBIT B-5

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS
 SCHEDULE OF EXPENDITURES AND APPROPRIATIONS
 COMMUNITY DEVELOPMENT FUND CAPITAL PROJECTS
 FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations			Transfers To (From) Project	Totals	Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered
		Prior	Carryforward	1999			Prior	1999	Totals			
PUBLIC SERVICE PROGRAM												
64054	Apt Mgr Training Project	\$ 142,800	\$ —	\$ 32,240	\$ —	\$ 175,040	\$ 142,800	\$ 32,240	\$ 175,040	\$ —	\$ —	\$ —
64071	Elderly Housing Choices Project	42,000	—	10,000	—	52,000	42,000	10,000	52,000	—	—	—
64177	Bookstock (NW Library) Project	142,075	—	29,570	—	171,645	142,075	29,570	171,645	—	—	—
64220	City Park/Flet Plaza Park 97	62,791	121,099	—	—	183,890	62,791	15,460	78,251	105,639	3,315	102,324
64239	Landscaping 97	1,500	13,500	—	—	15,000	1,500	—	1,500	13,500	—	13,500
64242	MDIII Homeless Admin	20,000	—	20,000	—	40,000	20,000	20,000	40,000	—	—	—
64264	OAR program Admin-CDBG	—	—	65,065	—	65,065	—	65,065	65,065	—	—	—
	Total Public Service Program	411,166	134,599	156,875	—	702,640	411,166	172,335	583,501	119,139	3,315	115,824
PUBLIC FACILITY PROGRAM												
64142	94 Colfax Streetscape Improvements	61,778	10,000	—	(10,000)	61,778	61,778	—	61,778	—	—	—
64183	Original Aurora Entry Way 95	8,503	23,497	—	1,027	33,027	8,503	24,524	33,027	—	—	—
64205	96 Lowry Intergenerational Center	88,364	11,636	—	(1)	99,999	88,364	11,635	99,999	—	—	—
64207	96 Mid-Block Lightings	782	4,218	—	(4,218)	782	782	—	782	—	—	—
64238	Fitzsimons Redevel Init 97	110,537	389,463	—	—	500,000	110,537	389,463	500,000	—	—	—
64247	Comitis - Fitzsimons Building	2,500	34,500	—	—	37,000	2,500	25,000	27,500	9,500	9,500	—
64249	DAVA Building Rehab	—	15,000	—	—	15,000	—	9,550	9,550	5,450	—	5,450
64265	S Aurora Family Resource Center	—	—	8,000	—	8,000	—	8,000	8,000	—	—	—
64266	1999 Mini Grant Program	—	—	15,000	(1,422)	13,578	—	13,578	13,578	—	—	—
64267	Fitz-Montview Entryway	—	—	100,000	—	100,000	—	100,000	100,000	—	—	—
64268	NW Alley Paving	—	—	200,000	—	200,000	—	200,000	200,000	—	—	—
64269	Parks-NW Tree Replacement	—	—	38,000	(310)	37,690	—	37,690	37,690	—	—	—
64270	Parks-Westerly Creek	—	—	115,000	—	115,000	—	115,000	115,000	—	—	—
64271	Korean Sr Center Renovation	—	—	21,000	(19,500)	1,500	—	1,500	1,500	—	—	—
64272	Bemis Hall Rehab	—	—	37,825	—	37,825	—	—	—	37,825	—	37,825
64273	Shelter Improvement Project	—	—	13,600	—	13,600	—	98	98	13,502	—	13,502
64274	Comitis Fitz Bldg 301 Elevator	—	—	120,000	—	120,000	—	1,078	1,078	118,922	—	118,922
64275	AMJIC Fitz Bldg 302 Elevator	—	—	120,000	—	120,000	—	1,080	1,080	118,920	—	118,920
64276	Challenges, Choices, Images	—	—	41,462	3,363	44,825	—	835	835	43,990	43,990	—
64277	Developmental Pathways Renovation	—	—	35,000	—	35,000	—	293	293	34,707	—	34,707
64278	Habitat - Akron St Phase 2	—	—	48,419	—	48,419	—	48,419	48,419	—	—	—
64279	DAVA Building Renovation	—	—	9,750	—	9,750	—	1,170	1,170	8,580	—	8,580
64280	Access Housing Moline Rehab	—	—	29,669	682	30,351	—	30,351	30,351	—	—	—
64184	Unprogrammed Funds	—	—	—	129,877	129,877	—	—	—	129,877	—	129,877
	Total Public Facility Program	272,464	488,314	952,725	99,498	1,813,001	272,464	1,019,264	1,291,728	521,273	53,490	467,783
HOAP LOANS PROGRAM												
64132	HOAP Loans CDBG	605,531	97,496	—	(60,000)	643,027	605,531	3,388	608,919	34,108	—	34,108
	Total HOAP Loans Program	605,531	97,496	—	(60,000)	643,027	605,531	3,388	608,919	34,108	—	34,108
SINGLE FAMILY REHAB PROGRAM												
64090	SF Emergency Repairs	224,880	21,388	100,000	(30,000)	316,268	224,880	64,024	288,904	27,364	—	27,364
64130	Single Family Tree Removal	123,981	4,024	35,000	(5,000)	158,005	123,981	29,771	153,752	4,253	4,252	1
64139	Single Fam Paint Up/Fix Up	78,730	6,270	50,000	—	135,000	78,730	12,921	91,651	43,349	—	43,349
64243	Habitat - Akron Street Land	33,000	63,158	—	—	96,158	33,000	63,158	96,158	—	—	—
	Total Single Family Rehab Program	460,591	94,840	185,000	(35,000)	705,431	460,591	169,874	630,465	74,966	4,252	70,714

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals			
MULTI-FAMILY REHAB PROGRAM												
64164	MF Rev 1,ns CDBG	\$ 588,654	\$ 379,212	\$ —	\$ 310,289	\$ 1,278,155	\$ 588,654	\$ 52,426	\$ 641,080	\$ 637,075	\$ —	\$ 637,075
64218	Rental Unit Conversion 97	208,644	91,356	255,865	(340,289)	215,576	208,644	6,932	215,576	—	—	—
	Total Multi-Family Rehab Program	797,298	470,568	255,865	(30,000)	1,493,731	797,298	59,358	856,656	637,075	—	637,075
COMMERCIAL REHAB PROGRAM												
64230	Neighborhood Revital Ctr	120,241	44,759	—	(2,714)	162,286	120,241	42,045	162,286	—	—	—
64232	Gateway Shelter Impr Proj 97	14,626	14,714	—	—	29,340	14,626	11,640	26,266	3,074	—	3,074
64244	DABA Security Lighting Program	—	20,000	—	10,000	30,000	—	17,606	17,606	12,394	—	12,394
	Total Commercial Rehab Program	134,867	79,473	—	7,286	221,626	134,867	71,291	206,158	15,468	—	15,468
ARA PROGRAM												
64131	ARA Administration	40,000	—	50,000	(29,167)	60,833	40,000	20,833	60,833	—	—	—
64135	Storefront Renovation Loans	717,561	526,963	325,000	(56,149)	1,513,375	717,561	334,174	1,051,735	461,640	57,478	404,162
64219	ARA-Community Leasing Off 97	90,000	—	37,500	—	127,500	90,000	37,500	127,500	—	—	—
	Total ARA Program	847,561	526,963	412,500	(85,316)	1,701,708	847,561	392,507	1,240,068	461,640	57,478	404,162
HOME PROGRAM												
64295	Tenant Based Rental Assist	—	—	—	13,633	13,633	—	—	—	13,633	—	13,633
64297	HOME Admin CD	—	—	—	26,006	26,006	—	—	—	26,006	—	26,006
64298	AHC HOME Program CD	—	—	—	10	10	—	—	—	10	—	10
64299	Single Family HOME CD	—	—	—	253,787	253,787	—	—	—	253,787	244,334	9,453
	Total HOME Program	—	—	—	293,436	293,436	—	—	—	293,436	244,334	49,102
OTHER												
64028	SBA Loan Program	—	40,000	—	(40,000)	—	—	—	—	—	—	—
64241	Fitzsimons Science Research	172,313	77,687	—	(632)	249,368	172,313	77,055	249,368	—	—	—
64254	Original Aurora Market	—	—	—	50,000	50,000	—	25,545	25,545	24,455	24,455	—
	Total Other	172,313	117,687	—	9,368	299,368	172,313	102,600	274,913	24,455	24,455	—
TOTAL COMMUNITY DEVELOPMENT FUND CAPITAL PROJECTS												
		\$ 3,701,791	\$ 2,009,940	\$ 1,962,965	\$ 199,272	\$ 7,873,968	\$ 3,701,791	\$ 1,990,617	\$ 5,692,408	\$ 2,181,560	\$ 387,324	\$ 1,794,236

(Concluded)

EXHIBIT B-6

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS
SCHEDULE OF EXPENDITURES AND APPROPRIATIONS
CONSERVATION TRUST FUND CAPITAL PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/99	Encumbered	Unencumbered
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals			
61703	Park Infrastructure	\$ 1,430,700	\$ 635,221	\$ 185,000	\$ —	\$ 2,250,923	\$ 1,430,700	\$ 644,981	\$ 2,075,681	\$ 175,242	\$ 64,142	\$ 111,100
61705	Star K. Ranch Fencing	18,399	1,601	—	(76)	19,924	18,399	1,525	19,924	—	—	—
61709	Cherry Creek Bike Path	49,002	135,527	—	—	184,529	49,002	41,527	90,529	94,000	39,080	54,920
61718	Aurora Reservoir Recreation Facility	1,260,326	536,949	31,000	—	1,828,275	1,260,326	892	1,261,218	567,057	7,388	559,669
61721	Park Enhancements	275,549	153,914	25,000	—	454,463	275,549	147,975	423,524	30,939	—	30,939
61725	Lowry Community Park	109,577	15,079	—	—	124,656	109,577	15,079	124,656	—	—	—
61726	Open Space Acquisitions	200,075	182,925	50,000	—	433,000	200,075	3,000	203,075	229,925	—	229,925
61727	Recreation Center Renovations	805,658	55,342	375,000	—	1,236,000	805,658	55,026	860,684	375,316	68,203	307,113
61730	Aqua Vista Improvements	54,241	5,560	—	—	59,801	54,241	5,560	59,801	—	—	—
61731	Yale/I-225 Overpass CTF	44,477	25,523	—	(24,790)	45,210	44,477	733	45,210	—	—	—
61732	Park Signage	91,839	33,161	50,000	—	175,000	91,839	20,940	112,779	62,221	—	62,221
61735	Delaney Farm Improvements	87,533	12,467	—	12,467	112,467	87,533	4,860	92,393	20,074	12,400	7,674
61751	Lowry Center Improvements	227,875	172,324	95,000	—	495,199	227,875	261,627	489,502	5,697	5,697	—
61752	ADA Target Park Improvements	8,000	92,000	—	—	100,000	8,000	—	8,000	92,000	—	92,000
61753	Delaney Master Plan	19,378	100,622	25,000	(12,467)	132,533	19,378	14,643	34,021	98,512	28,247	70,265
61754	Security Lighting CTF	47,201	72,799	—	—	120,000	47,201	48,086	95,287	24,713	22,294	2,419
61755	Quincy Reservoir Use/Management	8,193	16,807	—	—	25,000	8,193	8,022	16,215	8,785	—	8,785
61756	Kingsborough Park Addition	—	20,000	(20,000)	—	—	—	—	—	—	—	—
61757	Pool Renovations General	1,198,681	55,319	—	—	1,254,000	1,198,681	11,025	1,209,706	44,294	—	44,294
61758	Sand Creek Improvements/Path	4,731	145,269	145,000	11,158	306,158	4,731	27,197	31,928	274,230	—	274,230
61771	Plains Conservation Acquisition	1,650,088	100,000	200,000	—	1,950,088	1,650,088	5,000	1,655,088	295,000	—	295,000
61773	Sand Creek Park Improvement	92,180	820	—	—	93,000	92,180	—	92,180	820	—	820
61785	Center Point Park	7,399	7,601	400,000	—	415,000	7,399	314,064	321,463	93,537	38,921	54,616
61786	Cottonwood Shelter	4,134	55,866	—	—	60,000	4,134	55,866	60,000	—	—	—
61787	Environmental Day Camp	1,446	43,554	—	—	45,000	1,446	—	1,446	43,554	—	43,554
61788	Expo Park Landscape/Drain Imp	—	15,000	—	—	15,000	—	12,409	12,409	2,591	175	2,416
61789	In - Line Skate Plaza	1,000	199,000	750,000	—	950,000	1,000	12,412	13,412	936,588	—	936,588
61790	Jewell Wetland	—	—	32,000	—	32,000	—	—	—	32,000	—	32,000
61792	Parklane Rail Trail	23,918	11,082	—	(11,082)	23,918	23,918	—	23,918	—	—	—
61794	Regional Trail Connections	32,347	100,653	150,000	24,790	307,790	32,347	143,928	176,275	131,515	4,542	126,973
61797	Sport Field Assessment	—	40,000	—	—	40,000	—	2,209	2,209	37,791	—	37,791
61818	Year One Project Support	—	—	25,000	—	25,000	—	—	—	25,000	—	25,000
TOTAL CONSERVATION TRUST FUND CAPITAL PROJECTS		\$ 7,753,947	\$ 3,041,987	\$ 2,518,000	\$ —	\$ 13,313,934	\$ 7,753,947	\$ 1,858,586	\$ 9,612,533	\$ 3,701,401	\$ 291,089	\$ 3,410,312

(Concluded)

EXHIBIT B-7

CITY OF AURORA, COLORADO

SPECIAL REVENUE FUNDS

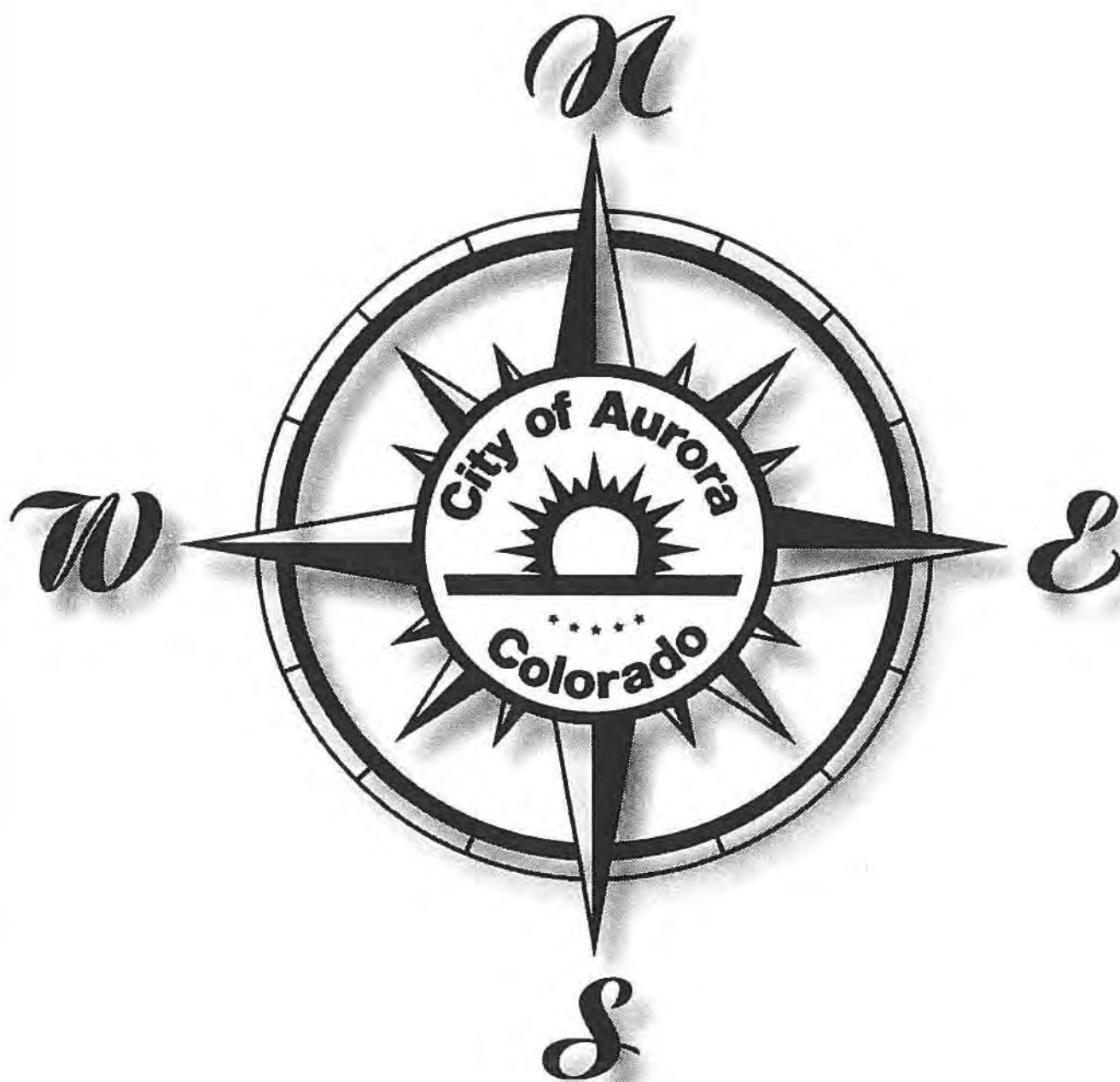
SCHEDULE OF EXPENDITURES AND APPROPRIATIONS

PARKS DEVELOPMENT FUND CAPITAL PROJECTS

FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals			
61760	Cherry Creek Trail Park Develop	\$ —	\$ 61,000	\$ —	\$ —	\$ 61,000	\$ —	\$ —	\$ —	\$ 61,000	\$ —	\$ 61,000
61821	Expo Park Redev-Park Dev	—	—	100,000	—	100,000	—	50,000	50,000	50,000	—	50,000
TOTAL PARKS DEVELOPMENT FUND CAPITAL PROJECTS		<u>\$ —</u>	<u>\$ 61,000</u>	<u>\$ 100,000</u>	<u>\$ —</u>	<u>\$ 161,000</u>	<u>\$ —</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 111,000</u>	<u>\$ —</u>	<u>\$ 111,000</u>

(Concluded)



DEBT SERVICE FUNDS

Debt service funds account for the accumulation of resources to pay principal, interest and agency fees on general long-term debt.

Debt Service Fund

The Debt Service Fund accounts for the payment of principal and interest on general obligation bonds and special assessment revenue bonds. Revenues are from General Fund transfers and special assessments.

Surplus and Deficiency Fund

The Surplus and Deficiency Fund accounts for special assessments from property owners where the associated bonded debt has been defeased. These monies may be used to: 1) repay other special assessment bonds if sufficient funds from special assessments are not available in the Debt Service Fund to make regularly scheduled debt service payments; 2) pay City administrative costs associated with special improvement districts; and 3) transfer to the Capital Projects Fund or other improvement district to finance, acquire, or construct public improvements after all special assessment debt secured by this fund is paid.

Aurora Urban Renewal Authority Debt Service Fund

The Aurora Urban Renewal Authority (AURA) was created to redevelop and support areas within the City which are considered blighted. This fund accounts for the payment of principal, interest and agency fees for the AURA tax increment revenue bonds. Monies in excess of those needed for the repayment of the revenue bonds may be used to pay other obligations of the AURA.

DEBT SERVICE FUNDS (continued)

Aurora Capital Leasing Corporation

The Aurora Capital Leasing Corporation (ACLC) is a non-profit corporation established to finance City capital projects, primarily buildings. This fund accounts for the principal and interest payments on certificates of participation issued by ACLC. Revenues are from lease payments (operating transfers) from the General Fund.

EXHIBIT C-1**CITY OF AURORA, COLORADO****DEBT SERVICE FUNDS****COMBINING BALANCE SHEET****DECEMBER 31, 1999**

	Debt Service	Surplus and Deficiency	AURA	ACLC	Totals
ASSETS					
Cash and cash equivalents	\$ —	\$ —	\$ 595,500	\$ —	\$ 595,500
Equity in cash and cash equivalents	96,495	545,784	—	—	642,279
Equity in investments	326,121	1,598,494	—	—	1,924,615
Receivables					
Property tax net of allowance	1,496,098	—	—	—	1,496,098
Sales tax	—	—	82,541	—	82,541
Special assessments	565,207	525,614	—	—	1,090,821
Accrued interest	—	—	13,868	—	13,868
Other	24,382	—	—	—	24,382
Due from other funds	—	—	315,301	—	315,301
Restricted assets					
Cash and cash equivalents	—	—	758,392	1,365	759,757
Investments	—	—	—	3,455,846	3,455,846
Equity in investments	—	238,338	—	227,356	465,694
TOTAL ASSETS	\$ 2,508,303	\$ 2,908,230	\$ 1,765,602	\$ 3,684,567	\$ 10,866,702
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ —	\$ 4,903	\$ 6,132	\$ 1,230	\$ 12,265
Accrued liabilities	—	—	—	94,472	94,472
Due to other funds	—	—	85,720	—	85,720
Deferred revenues	2,061,305	525,614	—	—	2,586,919
Total liabilities	2,061,305	530,517	91,852	95,702	2,779,376
FUND BALANCES					
Reserved for debt service	446,998	238,338	758,392	3,588,865	5,032,593
Unreserved, undesignated	—	2,139,375	915,358	—	3,054,733
Total fund balances	446,998	2,377,713	1,673,750	3,588,865	8,087,326
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,508,303	\$ 2,908,230	\$ 1,765,602	\$ 3,684,567	\$ 10,866,702

EXHIBIT C-2**CITY OF AURORA, COLORADO**

DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 1999

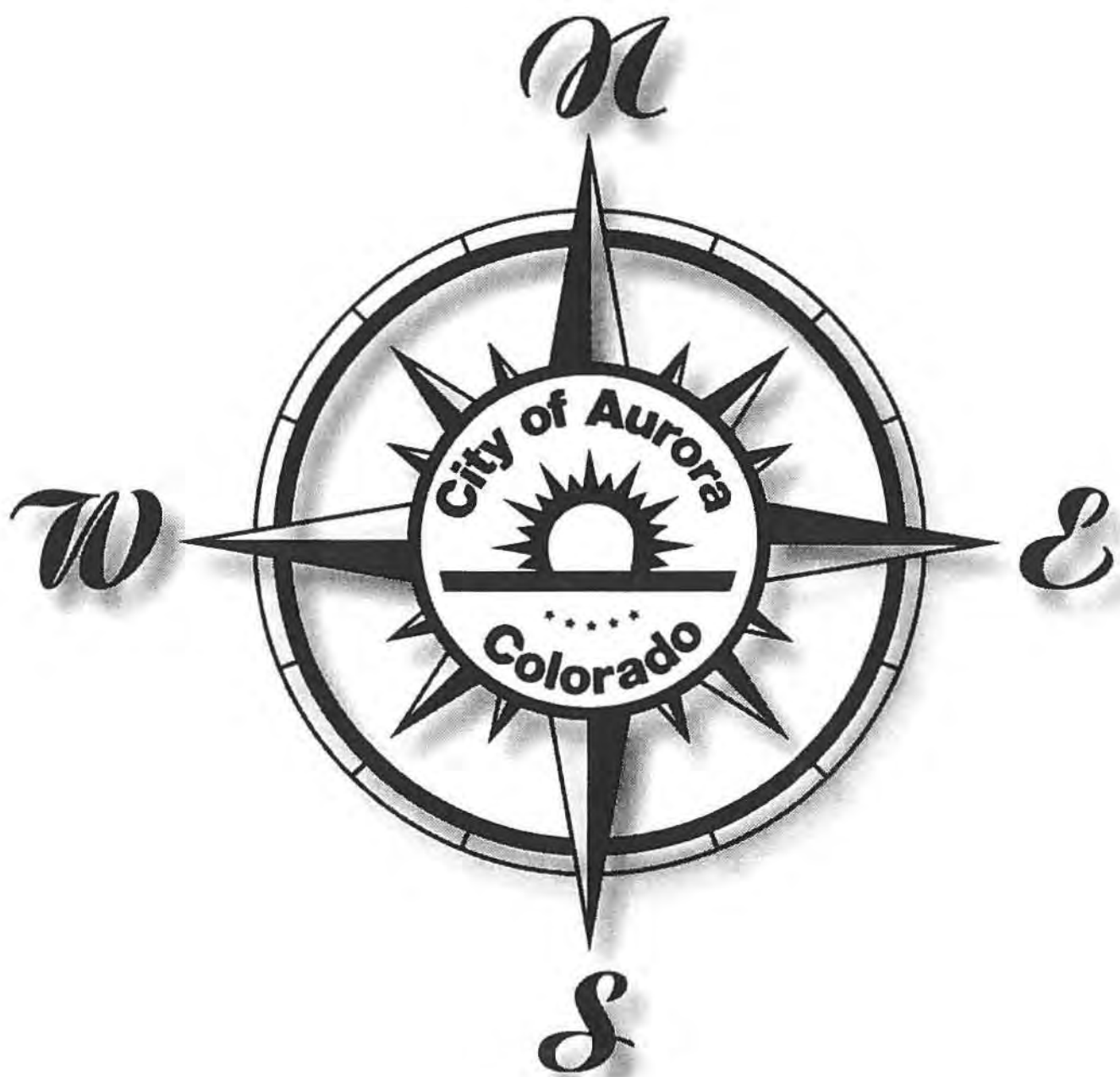
	<u>Debt Service</u>	<u>Surplus and Deficiency</u>	<u>AURA</u>	<u>ACLC</u>	<u>Totals</u>
REVENUES					
Taxes					
Property	\$ 1,504,601	\$ —	\$ 314,666	\$ —	\$ 1,819,267
Sales	—	—	593,163	—	593,163
Total taxes	<u>1,504,601</u>	<u>—</u>	<u>907,829</u>	<u>—</u>	<u>2,412,430</u>
Special assessments	298,489	175,205	—	—	473,694
Investment income	124,805	223,705	205,495	(28,269)	525,736
Total revenues	<u>1,927,895</u>	<u>398,910</u>	<u>1,113,324</u>	<u>(28,269)</u>	<u>3,411,860</u>
EXPENDITURES					
Current					
General government	18,514	32,365	7,383	—	58,262
Debt service					
Principal	2,521,297	—	235,000	2,970,000	5,726,297
Interest and fiscal charges	996,631	—	161,907	1,620,593	2,779,131
Total expenditures	<u>3,536,442</u>	<u>32,365</u>	<u>404,290</u>	<u>4,590,593</u>	<u>8,563,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,608,547)</u>	<u>366,545</u>	<u>709,034</u>	<u>(4,618,862)</u>	<u>(5,151,830)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	1,761,070	2,565,000	265,000	4,515,041	9,106,111
Operating transfers out	—	(4,300,000)	(3,435,720)	—	(7,735,720)
Total other financing sources (uses)	<u>1,761,070</u>	<u>(1,735,000)</u>	<u>(3,170,720)</u>	<u>4,515,041</u>	<u>1,370,391</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>152,523</u>	<u>(1,368,455)</u>	<u>(2,461,686)</u>	<u>(103,821)</u>	<u>(3,781,439)</u>
FUND BALANCES - JANUARY 1	<u>294,475</u>	<u>3,746,168</u>	<u>4,135,436</u>	<u>3,692,686</u>	<u>11,868,765</u>
FUND BALANCES - DECEMBER 31	<u>\$ 446,998</u>	<u>\$ 2,377,713</u>	<u>\$ 1,673,750</u>	<u>\$ 3,588,865</u>	<u>\$ 8,087,326</u>

EXHIBIT C-3

CITY OF AURORA, COLORADO

DEBT SERVICE FUNDS
 COMBINING SCHEDULE OF REVENUES,
 EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 1999

	Debt Service			Surplus and Deficiency			Totals		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
FUNDS AVAILABLE - JANUARY 1	\$ 211,438	\$ 294,664	\$ 83,226	\$ 4,072,242	\$ 3,750,438	\$ (321,804)	\$ 4,283,680	\$ 4,045,102	\$ (238,578)
REVENUES									
Property tax	1,497,276	1,504,601	7,325	—	—	—	1,497,276	1,504,601	7,325
Special assessments	500,764	298,489	(202,275)	233,321	175,205	(58,116)	734,085	473,694	(260,391)
Investment income	113,261	128,476	15,215	355,392	248,994	(106,398)	468,653	377,470	(91,183)
Loan principal repaid to City	—	—	—	265,000	—	(265,000)	265,000	—	(265,000)
Operating transfers in	1,761,070	1,761,070	—	2,300,000	2,565,000	265,000	4,061,070	4,326,070	265,000
Total revenues	3,872,371	3,692,636	(179,735)	3,153,713	2,989,199	(164,514)	7,026,084	6,681,835	(344,249)
EXPENDITURES									
Personal services	—	—	—	38,000	25,134	12,866	38,000	25,134	12,866
Supplies and other services and charges	—	18,514	(18,514)	3,500	7,231	(3,731)	3,500	25,745	(22,245)
Debt service	3,617,559	3,517,928	99,631	—	—	—	3,617,559	3,517,928	99,631
Operating transfers out	—	—	—	4,300,000	4,300,000	—	4,300,000	4,300,000	—
Total expenditures	3,617,559	3,536,442	81,117	4,341,500	4,332,365	9,135	7,959,059	7,868,807	90,252
Excess (deficiency) of revenues over (under) expenditures	254,812	156,194	(98,618)	(1,187,787)	(1,343,166)	(155,379)	(932,975)	(1,186,972)	(253,997)
FUNDS AVAILABLE - DECEMBER 31	\$ 466,250	450,858	\$ (15,392)	\$ 2,884,455	2,407,272	\$ (477,183)	\$ 3,350,705	2,858,130	\$ (492,575)
Less: Reservations		(450,858)			(238,338)			(689,196)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS - DECEMBER 31		\$ —			\$ 2,168,934			\$ 2,168,934	
RECONCILIATION TO GAAP FUND BALANCE									
FUNDS AVAILABLE - DECEMBER 31		\$ 450,858			\$ 2,407,272			\$ 2,858,130	
Adjust investments to fair value		(3,860)			(29,559)			(33,419)	
FUND BALANCES - DECEMBER 31		\$ 446,998			\$ 2,377,713			\$ 2,824,711	



CAPITAL PROJECTS FUNDS

Capital project funds account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary and similar trust funds.

Capital Projects Fund

The Capital Projects Fund accounts for financial resources used for the construction and acquisition of major capital projects such as streets, parks, information systems and City facilities. Funding is provided by participation revenues from other governments, General Fund operating transfers and, when applicable, bond proceeds.

THEORY OF THE EARTH

The theory of the earth is a branch of geology which deals with the origin and development of the earth and its various parts. It is a science which seeks to explain the causes of the various geological phenomena which we observe in nature.

The theory of the earth is a branch of geology which deals with the origin and development of the earth and its various parts. It is a science which seeks to explain the causes of the various geological phenomena which we observe in nature.

EXHIBIT D-1**CITY OF AURORA, COLORADO****CAPITAL PROJECTS FUND****BALANCE SHEET****DECEMBER 31, 1999**

ASSETS

Equity in cash and cash equivalents	\$ 3,890,615
Equity in investments	15,036,420
Receivables	
Accounts	94,909
Accrued interest	31,826
Loans	658,319
Other	86,587
Restricted assets	
Cash and cash equivalents	11,808,214
Equity in investments	14,967,117
Accrued interest	81,886

TOTAL ASSETS	\$ 46,655,893
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LIABILITIES AND FUND BALANCE**LIABILITIES**

Accounts payable	\$ 2,143,348
Accrued liabilities	55,000
Due to other funds	265,845
Deferred revenues	658,319
Total liabilities	3,122,512

FUND BALANCE

Reserved	
Reserved for encumbrances - capital projects	3,479,920
Reserved for bond projects	20,084,835
Unreserved	
Designated for subsequent year expenditures	
Capital projects	19,850,719
Undesignated	117,907
Total fund balance	43,533,381

TOTAL LIABILITIES AND FUND BALANCE	\$ 46,655,893
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EXHIBIT D-2**CITY OF AURORA, COLORADO****CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1999****REVENUES**

Intergovernmental revenues	\$ 179,655
Investment income	1,175,136
Miscellaneous revenues	113,249
Total revenues	<u>1,468,040</u>

EXPENDITURES

Current	
General government	2,367,874
Public safety	20,807
Public works	16,061,670
Culture and recreation	3,558,720
Debt service	
Principal	33,703
Capital outlay	4,385,407
Total expenditures	<u>26,428,181</u>
Deficiency of revenues under expenditures	<u>(24,960,141)</u>

OTHER FINANCING SOURCES (USES)

Proceeds of bonds	17,470,000
Operating transfers in	22,422,331
Operating transfers out	(4,403,087)
Total of other financing sources (uses)	<u>35,489,244</u>

Excess of revenues and other financing sources over expenditures and other financing uses	10,529,103
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FUND BALANCE - JANUARY 1	<u>33,004,278</u>
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FUND BALANCE - DECEMBER 31	<u><u>\$ 43,533,381</u></u>
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EXHIBIT D-3**CITY OF AURORA, COLORADO**

CAPITAL PROJECTS FUND
STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUNDS AVAILABLE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
FUNDS AVAILABLE - JANUARY 1	\$ 2,647,726	\$ 2,438,743	\$ (208,983)
REVENUES			
Intergovernmental revenues	1,373,000	179,655	(1,193,345)
Investment income	750,000	1,640,876	890,876
Other	259,148	113,249	(145,899)
Operating transfers in	22,422,331	22,422,331	—
Proceeds from bonds	17,470,000	17,470,000	—
Total revenues	42,274,479	41,826,111	(448,368)
EXPENDITURES			
Personal services	—	269	(269)
Supplies and other services and charges	620,000	585,694	34,306
Bond issue costs	115,000	113,865	1,135
Bond principal payments	33,703	33,703	—
Operating transfers out	4,403,087	4,403,087	—
Total expenditures	5,171,790	5,136,618	35,172
Excess of revenues over expenditures budgetary basis	37,102,689	36,689,493	(413,196)
OTHER CHANGES TO FUNDS AVAILABLE			
Capital projects	(38,026,853)	(38,026,853)	—
FUNDS AVAILABLE - DECEMBER 31	\$ 1,723,562	1,101,383	\$ (622,179)
Less: Reservations		(497,382)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER RESERVATIONS - DECEMBER 31		\$ 604,001	
RECONCILIATION TO GAAP FUND BALANCE			
FUNDS AVAILABLE - DECEMBER 31		\$ 1,101,383	
Capital project carryforward		42,918,092	
Adjust investments to fair value		(486,094)	
FUND BALANCE - DECEMBER 31		\$ 43,533,381	

EXHIBIT D-4

CITY OF AURORA, COLORADO

CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES AND APPROPRIATIONS
FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals			
FINANCE												
34701	Economic Development System	\$ 87,842	\$ 87,158	\$ —	\$ —	\$ 175,000	\$ 87,842	\$ —	\$ 87,842	\$ 87,158	\$ —	\$ 87,158
34702	T&I System Redesign	64,693	307	(307)	—	64,693	64,693	—	64,693	—	—	—
	Total Finance	152,535	87,465	(307)	—	239,693	152,535	—	152,535	87,158	—	87,158
INFORMATION TECHNOLOGY												
37705	Financial Systems	2,696,529	975,650	1,000,000	—	4,672,179	2,696,529	1,175,713	3,872,242	799,937	197,469	602,468
37707	Strategic Information Systems	3,140,700	421,566	—	—	3,562,266	3,140,700	189,685	3,330,385	231,881	133,083	98,798
37709	Work Management Project	662,188	7,812	—	—	670,000	662,188	—	662,188	7,812	—	—
37710	PC Replacements	530,465	53,190	—	—	583,655	530,465	—	530,465	53,190	—	—
37713	Library System	43,792	1,166,208	—	—	1,210,000	43,792	1,052,133	1,095,925	114,075	17,404	96,671
37714	SIS - Networking	—	45,000	100,000	—	145,000	—	—	—	145,000	—	145,000
37716	Fire Records Management System	—	—	350,000	—	350,000	—	88,965	88,965	261,035	160,163	100,872
37717	Mobile Data Terminal	—	—	550,000	—	550,000	—	—	—	550,000	—	550,000
37718	Document Imaging	—	—	350,000	—	350,000	—	—	—	350,000	—	350,000
37719	Mobile Radio Replacement	—	—	75,000	—	75,000	—	62,859	62,859	12,141	—	12,141
37720	Geographic Info Systems - GIS	—	—	100,000	—	100,000	—	44,891	44,891	55,109	—	55,109
37721	Telephone Infrastructure Expansion	—	—	180,000	—	180,000	—	139,281	139,281	40,719	2,673	38,046
37723	Data Center Project	—	145,374	—	—	145,374	—	116,256	116,256	29,118	927	28,191
	Total Information Technology	7,073,674	2,814,800	2,705,000	—	12,593,474	7,073,674	2,869,783	9,943,457	2,650,017	572,721	2,077,296
INTERNAL SERVICES												
40703	Replace Underground Tanks	718,291	692,182	—	—	1,410,473	718,291	666,206	1,384,497	25,976	24,934	1,042
40706	Compress Natural Gas Fuel Station	—	—	167,000	—	167,000	—	102,600	102,600	64,400	64,400	—
	Total Internal Services	718,291	692,182	167,000	—	1,577,473	718,291	768,806	1,487,097	90,376	89,334	1,042
LIBRARY PROJECTS												
43702	Rec Registration Computer System	401,389	48,611	—	—	450,000	401,389	10,325	411,714	38,286	—	38,286
43703	Fitzsimons	57,986	14	(14)	—	57,986	57,986	—	57,986	—	—	—
	Total Library Projects	459,375	48,625	(14)	—	507,986	459,375	10,325	469,700	38,286	—	38,286
PARKS AND OPEN SPACE PROJECTS												
61701	Median Development	4,812,020	1,022,459	750,000	42,440	6,626,919	4,812,020	1,216,079	6,028,099	598,820	222,230	376,590
61702	Airport Boulevard Corridor Landscaping	653,227	230,576	300,000	12,083	1,195,886	653,227	39,237	692,464	503,422	156,004	347,418
61715	Meadowood Bridge	49,548	1,715	—	—	51,263	49,548	1,715	51,263	—	—	—
61748	Yale/I-225 Bike Overpass	48,088	1,912	(1,912)	—	48,088	48,088	—	48,088	—	—	—
61749	Municipal Building Landscaping	180,524	6,476	—	(683)	186,317	180,524	5,793	186,317	—	—	—
61750	Public Building Landscaping	—	—	100,000	19,897	119,897	—	113,658	113,658	6,239	1,965	4,274
61770	Sand Creek Greenway - CPF	90,343	313,657	200,000	13,310	617,310	90,343	73,613	163,956	453,354	924	452,430
61772	Natural Open Space Acquisition	53,800	474,036	150,000	20,410	698,326	53,800	171,511	225,311	472,935	—	472,935
61779	6th Ave Streetscape	206,259	1,352	—	(1,352)	206,259	206,259	—	206,259	—	—	—
61780	Fitzsimons Park & Sport Facility	4,975	45,025	—	—	50,000	4,975	593	5,568	44,432	—	44,432
61781	Fitzsimons Pool Renovation	18,494	46,506	65,000	—	130,000	18,494	51,885	70,379	59,621	—	59,621
61782	Fletcher Plaza	91,160	11,366	—	4,380	106,906	91,160	11,582	102,742	4,164	—	4,164
61784	Storage Space	41,220	458,780	—	—	500,000	41,220	321,913	363,133	136,867	42,516	94,351
61798	Mission Viejo Trail Replacement	—	30,000	—	—	30,000	—	86	86	29,914	—	29,914
61803	Fitz EDA Project	—	1,150,000	—	—	1,150,000	—	73,474	73,474	1,076,526	—	1,076,526
61809	Sportspark Development	220,000	1,980,000	—	—	2,200,000	220,000	1,980,000	2,200,000	—	—	—
61810	Expo Park Redevelopment	—	—	250,000	6,380	256,380	—	256,380	256,380	—	—	—
61811	Building Security/Surveillance	—	—	50,000	—	50,000	—	—	—	50,000	—	50,000
61812	3rd Floor Conf Rm Furn/Equipment	—	—	54,000	—	54,000	—	45,239	45,239	8,761	7,111	1,650
61813	Athletic Field Renovation	—	—	50,000	15,954	65,954	—	52,010	52,010	13,944	—	13,944
61814	City Park/Coffey Parking Lot	—	—	150,000	3,660	153,660	—	7,589	7,589	146,071	—	146,071
61815	Aurora Hills Parking Lot	—	—	39,497	—	39,497	—	39,497	39,497	—	—	—
61816	Park Tree Planting Project	—	—	30,000	—	30,000	—	27,305	27,305	2,695	—	2,695
61825	Sports Park Construction	—	—	15,146,740	8,260	15,155,000	—	588,626	588,626	14,566,374	424,104	14,142,270
	Total Parks and Open Space Projects	6,469,738	5,773,860	17,333,325	144,739	29,721,662	6,469,738	5,077,785	11,547,523	18,174,139	854,854	17,319,285

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered	
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals				
PUBLIC WORKS - STREET PROJECTS													
49702	Misc. Street Improvements	\$ 2,157,082	\$ 304,464	\$ 386,797	\$ 455,380	\$ 3,303,723	\$ 2,157,082	\$ 808,021	\$ 2,965,103	\$ 338,620	\$ 248,588	\$ 90,032	
49705	Sidewalk Improvement - City Share	1,166,981	8,152	250,000	—	1,425,133	1,166,981	61,598	1,228,579	196,554	189,498	7,056	
49710	Traffic Signals	3,676,244	160,007	775,000	14,072	4,625,323	3,676,244	706,837	4,383,081	242,242	147,520	94,722	
49712	Street Overlay Program	11,710,677	78,235	3,686,000	214,490	15,689,402	11,710,677	3,952,251	15,662,928	26,474	17,721	8,753	
49713	Concrete Repair Program	8,052,897	84,974	1,686,351	141,245	9,965,467	8,052,897	1,823,864	9,877,761	87,706	217	87,489	
49718	6th Ave - Lowry AFB Match	123,217	38,783	—	(3,321)	158,679	123,217	35,462	158,679	—	—	—	
49720	11th Ave. Yosemite to Dayton	246,643	25,357	—	—	272,000	246,643	15,922	262,565	9,435	7,315	2,120	
49721	Street Reconstruction	2,549,182	20,730	470,000	(65,000)	2,974,912	2,549,182	405,901	2,955,083	19,829	—	19,829	
49723	Gateway Improvements	9,818,524	2,724,740	—	—	12,543,264	9,818,524	396,825	10,215,349	2,327,915	—	2,327,915	
49724	Picadilly 32nd to 64th	57,401	36,999	—	(36,999)	57,401	57,401	—	57,401	—	—	—	
49729	Alameda: 1-225 Interchange - City	1,802,792	1,767,208	7,812,543	(5,885,390)	5,497,153	1,802,792	2,437,697	4,240,489	1,256,664	262,631	994,033	
49730	Highway 30 Recycling Center	96,971	8,029	71,000	—	176,000	96,971	176,000	166,411	9,589	4,667	4,922	
49737	International Center Street	—	3,000,000	—	—	3,000,000	—	99,136	99,136	2,900,864	95,514	2,805,350	
49738	MJC Parking Lot Drainage	39,652	348	—	(348)	39,652	39,652	—	39,652	—	—	—	
49739	Jewell: Himalaya to Gun Club	538,839	3,984,161	—	(2,195,000)	2,328,000	538,839	780,634	1,319,473	1,008,527	274,858	733,669	
49741	Bus Stop Access/Appearance	13,600	46,400	—	(25,000)	35,000	13,600	—	13,600	21,400	21,000	400	
49742	Median Upgrades/Construction	487,483	186,352	—	—	673,835	487,483	90,261	577,744	96,091	—	96,091	
49743	Trans Improvement Program Match	237,213	348,287	474,000	(212,411)	847,089	237,213	78,648	315,861	531,228	—	531,228	
49745	Abilene Jewell-Mississippi	20,484	24,516	—	(24,000)	21,000	20,484	240	20,724	276	—	276	
49746	Coffey: Chambers to Laredo	18,262	141,738	—	(75,000)	85,000	18,262	2,098	20,360	64,640	—	64,640	
49747	Dayton Street. 6th to 11th Ave	15,960	251,040	—	54,798	321,798	15,960	305,838	321,798	—	—	—	
49750	Alameda 1-225 Interchange Bond	2,598,750	7,301,250	410,460	—	10,310,460	2,598,750	2,269,334	4,868,084	5,442,376	—	5,442,376	
49751	Miss Ave. to Murphy Creek Bridge	—	—	200,000	(200,000)	—	—	—	—	—	—	—	
49752	Major Intersection Traffic	—	—	50,000	—	50,000	—	30,443	30,443	19,557	17,372	2,185	
49753	Alley construction - NW Aurora	—	—	200,000	—	200,000	—	175,784	175,784	24,216	11,838	12,378	
49754	Traffic Calming	—	—	210,000	—	210,000	—	9,058	9,058	200,942	116,967	83,975	
49759	Alameda/1225 NonBond CDOT Escrow	—	—	—	5,885,390	5,885,390	—	2,500	2,500	5,882,890	—	5,882,890	
49760	Jewell, Himalaya to Gun Club CDOT	—	—	—	2,195,000	2,195,000	—	1,887,127	1,887,127	307,873	—	307,873	
49765	Eagle Monarc Traffic Signal	—	—	408,000	—	408,000	—	—	—	408,000	49,860	358,140	
49766	Buckley/Hill Intersection	—	—	209,760	—	209,760	—	58,804	58,804	150,956	20,800	130,156	
49767	Systemwide Trail Improvement	—	—	221,761	—	221,761	—	5,902	5,902	215,859	120,933	94,926	
49768	Havana: Dartmouth to Yale	—	—	241,721	—	241,721	—	8,520	8,520	233,201	183,559	49,642	
49769	Miss. to Murphy Creek Bridge	—	—	239,410	—	239,410	—	99,646	99,646	139,764	110,813	28,951	
49770	Del Mar Cir E. to Del Mar Cir	—	—	91,250	—	91,250	—	—	—	91,250	—	91,250	
49771	Chambers. to Hill/Turn Lanes	—	—	298,000	—	298,000	—	—	—	298,000	—	298,000	
49998	Anticipated CPF Match Program	—	—	816,913	—	816,913	—	—	—	816,913	—	816,913	
Total Public Works - Street Projects		45,428,854	20,541,770	17,499,064	1,947,808	85,417,496	45,428,854	16,618,791	62,047,645	23,369,851	1,901,671	21,468,180	
POLICE DEPARTMENT PROJECTS													
55700	Detention Center Expansion	477,638	2,362	—	—	480,000	477,638	2,362	480,000	—	—	—	
55702	Police Facility Master Plan	36,239	38,761	—	—	75,000	36,239	10,206	46,445	28,555	25,000	3,555	
55703	Refinish MJC	219,993	7	(7)	—	219,993	219,993	—	219,993	—	—	—	
55704	Police Firing Range Repair	—	—	250,000	—	250,000	—	—	—	250,000	—	250,000	
Total Police Department Projects		733,870	41,130	249,993	—	1,024,993	733,870	12,568	746,438	278,555	25,000	253,555	
FIRE DEPARTMENT PROJECTS													
58701	Fire Station Facilities	380,236	16,211	—	—	396,447	380,236	16,211	396,447	—	—	—	
58702	Fire Station Improvement Bond	702,318	6,733	—	(6,733)	702,318	702,318	—	702,318	—	—	—	
58703	Emergency Operations Cntr Bond	27,480	50,689	62,713	—	142,200	27,480	114,720	142,200	—	—	—	
58705	Rebuild Fire Station #2	1,462,756	100,684	—	(44,672)	1,518,768	1,462,756	56,012	1,518,768	—	—	—	
58707	Whelen Warning System	43,268	76,732	40,000	—	160,000	43,268	54,312	97,580	62,420	10,590	51,830	
58710	Emergency Ops Center - Non-bond	—	75,000	(75,000)	—	—	—	—	—	—	—	—	
58711	Fitzsimons Renovation	—	—	75,000	—	75,000	—	—	—	75,000	—	75,000	
58712	Rebuild Fire Station #7 Bond	—	—	28,557	—	28,557	—	—	—	28,557	25,750	2,807	
Total Fire Department Projects		2,616,058	326,049	102,713	(21,530)	3,023,290	2,616,058	241,255	2,857,313	165,977	36,340	129,637	

EXHIBIT D-4

CITY OF AURORA, COLORADO

CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES AND APPROPRIATIONS
FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered	
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals				
PLANNING													
67701	Landfill Assessment/Monitor	\$ 53,491	\$ 10,009	\$ —	\$ —	\$ 63,500	\$ 53,491	\$ 8,238	61,729	\$ 1,771	\$ —	\$ 1,771	
	Total Planning	53,491	10,009	—	—	63,500	53,491	8,238	61,729	1,771	—	1,771	
DEVELOPMENT SERVICES													
71701	Economic Development Infrastructure	—	250,000	—	—	250,000	—	87,100	87,100	162,900	—	162,900	
	Total Development Services	—	250,000	—	—	250,000	—	87,100	87,100	162,900	—	162,900	
TOTAL CAPITAL PROJECTS FUND		\$ 63,705,886	\$ 30,585,890	\$ 38,056,774	\$ 2,071,017	\$ 134,419,567	\$ 63,705,886	\$ 25,694,651	\$ 89,400,537	\$ 45,019,030	\$ 3,479,920	41,539,110	
												Appropriated 99 revenue bond proceeds	(14,142,270)
												Appropriated 98 GO bond proceeds	(5,442,376)
												Appropriated 95 GO bond proceeds	(2,807)
												Unspent appropriation for reimbursable expenditures	(1,614,973)
												Encumbered appropriation for reimbursable expenditures	(485,965)
Total C/PF capital projects carry forward													
Reserved for encumbrances-capital projects		\$ 3,479,920											
Designated for subsequent year expenditures		19,850,719											
Reserved for bond projects		20,084,835											
Unappropriated 95, 98 & 99 bond proceeds and earnings		(497,382)											
Unspent appropriation for reimbursable expenditures		1,614,973											
Encumbered appropriation for reimbursable expenditures		485,965											
TOTAL ALL PROJECTS CARRYFORWARD		\$ 45,019,030											

ENTERPRISE FUNDS

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 net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Water Fund

The Water Fund accounts for the acquisition of water and water rights and for the operation and maintenance of the water plant and distribution system.

Sewer Fund

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

Golf Fund

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

THEORY OF THE EARTH

The theory of the earth is a branch of geology which deals with the origin and development of the earth and its various parts. It is a science which seeks to explain the causes of the various geological phenomena which we observe in nature. The theory of the earth is a very old science, and it has been the subject of much speculation and controversy for many centuries. In the early days, the theory of the earth was based on the ideas of the ancient philosophers, who believed that the earth was created by the gods. They believed that the earth was a flat disc, and that the sun and the stars were fixed in the sky. They also believed that the earth was made of four elements: earth, water, air, and fire. These ideas were based on the observations of the ancient philosophers, and they were the only ideas that were available to them at that time. However, as science advanced, the theory of the earth became more and more based on facts. The theory of the earth is now a very complex science, and it is one of the most important branches of geology.

THE EARTH

The earth is a planet that is the third from the sun. It is a rocky planet, and it is the only planet in our solar system that has a large body of water on its surface. The earth is a very large planet, and it is the only planet in our solar system that has a large body of water on its surface. The earth is a very large planet, and it is the only planet in our solar system that has a large body of water on its surface.

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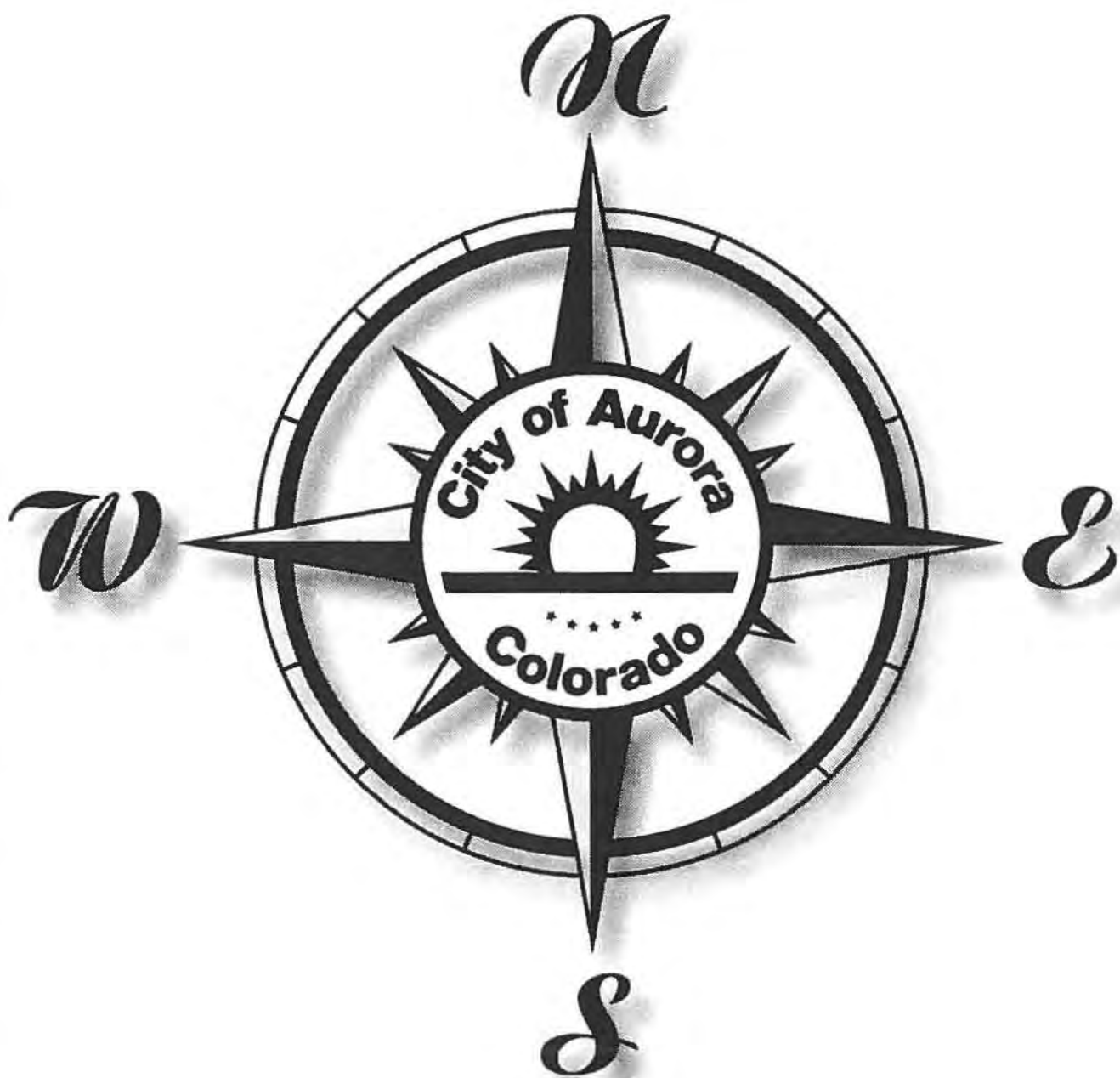


EXHIBIT E-1

CITY OF AURORA, COLORADO

**ENTERPRISE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1999**

ASSETS	Water	Sewer	Golf	Totals
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,420	\$ 50	\$ 9,600	\$ 11,070
Equity in cash and cash equivalents	5,277,249	735,891	846,967	6,860,107
Equity in investments	25,316,243	5,906,710	2,839,682	34,062,635
Designated equity in investments	9,914,726	16,761,346	—	26,676,072
Receivables				
Accounts (net of allowance for uncollectibles)	5,032,176	3,447,147	215	8,479,538
Accrued interest	91,031	53,050	13,428	157,509
Designated accrued interest	23,839	39,327	—	63,166
Loans	—	—	199,626	199,626
Other	487,492	—	—	487,492
Due from other funds	—	1,497,392	—	1,497,392
Inventory	—	—	345,839	345,839
Total current assets	<u>46,144,176</u>	<u>28,440,913</u>	<u>4,255,357</u>	<u>78,840,446</u>
RESTRICTED ASSETS				
Investments	15,277,495	29,304,716	696,957	45,279,168
DEFERRED CHARGES	292,500	141,894	117,739	552,133
LONG-TERM INTERFUND RECEIVABLE	—	6,400,000	—	6,400,000
EQUITY IN JOINT VENTURE	1,837,372	—	—	1,837,372
PROPERTY AND EQUIPMENT				
Land and water rights	135,159,674	5,004,957	15,108,890	155,273,521
Buildings and improvements	19,575,992	6,816,390	1,749,995	28,142,377
Improvements other than buildings	279,888,082	153,044,979	15,082,998	448,016,059
Machinery and equipment	20,001,060	4,356,478	3,705,885	28,063,423
Accumulated depreciation	(69,465,845)	(34,879,447)	(4,338,689)	(108,683,981)
Construction in progress	7,910,884	6,030,093	2,189,491	16,130,468
Water rights in process	6,039,545	—	—	6,039,545
Net property and equipment	<u>399,109,392</u>	<u>140,373,450</u>	<u>33,498,570</u>	<u>572,981,412</u>
TOTAL ASSETS	<u>\$ 462,660,935</u>	<u>\$ 204,660,973</u>	<u>\$ 38,568,623</u>	<u>\$ 705,890,531</u>

LIABILITIES AND FUND EQUITY	Water	Sewer	Golf	Totals
CURRENT LIABILITIES				
Accounts payable	\$ 1,863,789	\$ 2,665,610	\$ 520,406	\$ 5,049,805
Accrued liabilities	730,385	137,588	74,394	942,367
Accrued compensated absences	941,961	415,945	298,552	1,656,458
Funds held for others	21,500	—	—	21,500
Due to other funds	1,497,392	—	—	1,497,392
Current portion - long-term debt				
General obligation bonds payable	9,860,000	—	—	9,860,000
Revenue bonds payable	821,104	4,044,450	265,000	5,130,554
Capitalized leases	—	—	123,055	123,055
Notes payable	50,311	—	—	50,311
Total current liabilities	<u>15,786,442</u>	<u>7,263,593</u>	<u>1,281,407</u>	<u>24,331,442</u>
LONG-TERM LIABILITIES				
General obligation bonds payable	95,750,000	—	—	95,750,000
Net unamortized bond (discounts)/premium	(2,921,320)	(93,763)	(88,278)	(3,103,361)
Revenue bonds payable	14,178,795	25,614,916	6,400,000	46,193,711
Capitalized leases	—	—	381,048	381,048
Notes payable	452,801	—	—	452,801
Long-term interfund payable	—	—	6,400,000	6,400,000
Total long-term liabilities	<u>107,460,276</u>	<u>25,521,153</u>	<u>13,092,770</u>	<u>146,074,199</u>
Total liabilities	<u>123,246,718</u>	<u>32,784,746</u>	<u>14,374,177</u>	<u>170,405,641</u>
FUND EQUITY				
Contributed capital				
Developers	224,619,945	99,078,544	—	323,698,489
Municipality	7,171,845	2,640,168	2,638,629	12,450,642
Federal	121,018	798,737	—	919,755
State	172,396	50,482	—	222,878
Other	815,989	1,187,366	13,923,154	15,926,509
Total contributed capital	<u>232,901,193</u>	<u>103,755,297</u>	<u>16,561,783</u>	<u>353,218,273</u>
Retained earnings				
Reserved for debt service	8,077,666	9,631,252	664,673	18,373,591
Reserved for repair and replacement	—	—	600,000	600,000
Unreserved	98,435,358	58,489,678	6,367,990	163,293,026
Total retained earnings	<u>106,513,024</u>	<u>68,120,930</u>	<u>7,632,663</u>	<u>182,266,617</u>
Total fund equity	<u>339,414,217</u>	<u>171,876,227</u>	<u>24,194,446</u>	<u>535,484,890</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 462,660,935</u>	<u>\$ 204,660,973</u>	<u>\$ 38,568,623</u>	<u>\$ 705,890,531</u>



EXHIBIT E-2

CITY OF AURORA, COLORADO

ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Water	Sewer	Golf	Totals
OPERATING REVENUES				
Charges for services				
Customers	\$ 32,710,309	\$ 21,518,092	\$ 7,115,491	\$ 61,343,892
Fire Protection	341,182	—	—	341,182
Total charges for services	33,051,491	21,518,092	7,115,491	61,685,074
Miscellaneous	7,624	—	—	7,624
Total operating revenues	33,059,115	21,518,092	7,115,491	61,692,698
OPERATING EXPENSES				
Personal services	7,081,443	4,099,758	3,046,823	14,228,024
Supplies	1,596,301	568,429	1,207,830	3,372,560
Other services and charges	6,860,777	11,866,156	1,810,748	20,537,681
Depreciation	15,732,652	2,698,842	858,775	19,290,269
Total operating expenses	31,271,173	19,233,185	6,924,176	57,428,534
Operating income	1,787,942	2,284,907	191,315	4,264,164
NONOPERATING REVENUES (EXPENSES)				
Investment income	1,577,655	1,690,088	281,567	3,549,310
Miscellaneous revenues	—	105,101	1,174,485	1,279,586
Interest expense	(4,456,917)	(81,605)	(605,018)	(5,143,540)
Loss on disposal of assets	(5,467,719)	(169,534)	(183,034)	(5,820,287)
Amortization expense	(822,482)	(47,098)	(12,943)	(882,523)
Loss on equity in joint venture	(111,107)	—	—	(111,107)
Net nonoperating revenues (expenses)	(9,280,570)	1,496,952	655,057	(7,128,561)
NET INCOME (LOSS)	(7,492,628)	3,781,859	846,372	(2,864,397)
RETAINED EARNINGS - JANUARY 1	114,005,652	64,339,071	6,786,291	185,131,014
RETAINED EARNINGS - DECEMBER 31	\$ 106,513,024	\$ 68,120,930	\$ 7,632,663	\$ 182,266,617

EXHIBIT E-3

CITY OF AURORA, COLORADO

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1999

	Water	Sewer	Golf	Totals
OPERATING ACTIVITIES				
Cash received from customers and others	\$ 30,659,499	\$ 19,061,711	\$ 7,115,626	\$ 56,836,836
Cash payments to employees	(7,288,449)	(4,175,821)	(3,101,447)	(14,565,717)
Cash payments to suppliers for goods and services	(6,605,624)	(13,054,097)	(3,294,336)	(22,954,057)
Miscellaneous nonoperating revenues	—	105,101	1,174,485	1,279,586
Proceeds from note receivable	—	—	(155,052)	(155,052)
Net cash provided by operating activities	16,765,426	1,936,894	1,739,276	20,441,596
CAPITAL AND RELATED FINANCING ACTIVITIES				
Construction and acquisition of capital assets	(13,412,167)	(10,089,271)	(5,728,507)	(29,229,945)
Proceeds from sale of capital assets	60,773	81,450	686	142,909
Cash received from capital contributions	12,893,000	3,212,810	—	16,105,810
Cash paid for bond principal	(9,420,000)	(2,275,000)	(255,000)	(11,950,000)
Cash paid for bond interest/agency fees	(4,846,643)	(349,631)	(404,267)	(5,600,541)
Debt issue costs	(52,196)	(79,995)	—	(132,191)
Other debt issue costs	(3,585)	(1,269)	—	(4,854)
Cash paid for loan interest	—	—	(348,588)	(348,588)
Payments to joint venture	(351,397)	—	—	(351,397)
Cash paid for capitalized lease principal	—	—	(77,503)	(77,503)
Cash paid for capitalized lease interest	—	—	(18,627)	(18,627)
Governmental agency bond proceeds	15,333,276	24,081,264	—	39,414,540
Net cash provided by (used in) capital and related financing activities	201,061	14,580,358	(6,831,806)	7,949,613
INVESTING ACTIVITIES				
Decrease in equity in pool investments	1,223,859	8,371,504	4,920,266	14,515,629
Decrease (increase) in restricted investments	(15,277,495)	(26,272,894)	608,822	(40,941,567)
Net appreciation in fair value of investments	(561,369)	(330,180)	(69,040)	(960,589)
Interest received	2,225,046	2,156,758	350,310	4,732,114
Net cash provided by (used in) investing activities	(12,389,959)	(16,074,812)	5,810,358	(22,654,413)
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,576,528	442,440	717,828	5,736,796
TOTAL CASH AND CASH EQUIVALENTS, JANUARY 1	702,141	293,501	138,739	1,134,381
TOTAL CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 5,278,669	\$ 735,941	\$ 856,567	\$ 6,871,177

	Water	Sewer	Golf	Totals
Amounts reported on combining balance sheet				
Cash and cash equivalents	\$ 1,420	\$ 50	\$ 9,600	\$ 11,070
Equity in cash and cash equivalents	5,277,249	735,891	846,967	6,860,107
Total cash and cash equivalents, December 31	<u>\$ 5,278,669</u>	<u>\$ 735,941</u>	<u>\$ 856,567</u>	<u>\$ 6,871,177</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
OPERATING INCOME	<u>\$ 1,787,942</u>	<u>\$ 2,284,907</u>	<u>\$ 191,315</u>	<u>\$ 4,264,164</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Depreciation	15,732,652	2,698,842	858,775	19,290,269
Adjustment for noncash expense	3,585	1,269	—	4,854
Miscellaneous nonoperating revenues	—	105,101	1,174,485	1,279,586
Proceeds from loans receivable	—	—	(155,052)	(155,052)
Changes in operating assets and liabilities				
Accounts receivable	(1,996,070)	(958,989)	135	(2,954,924)
Due from other funds	—	(1,497,392)	—	(1,497,392)
Other receivables	(403,545)	—	—	(403,545)
Inventory	—	—	(32,428)	(32,428)
Accounts payable	350,476	(620,781)	(243,330)	(513,635)
Accrued liabilities	(198,139)	(109,735)	(56,240)	(364,114)
Accrued compensated absences	(8,867)	33,672	1,616	26,421
Due to other funds	1,497,392	—	—	1,497,392
Total adjustments	<u>14,977,484</u>	<u>(348,013)</u>	<u>1,547,961</u>	<u>16,177,432</u>
Net cash provided by operating activities	<u>\$ 16,765,426</u>	<u>\$ 1,936,894</u>	<u>\$ 1,739,276</u>	<u>\$ 20,441,596</u>

NON-CASH TRANSACTIONS

Water and sewer lines contributed by developers were \$2,690,811 and \$2,828,746, respectively.

Golf Fund entered into two capital leases to purchase new golf carts for \$173,975 and \$121,205.

EXHIBIT E-4

CITY OF AURORA, COLORADO

ENTERPRISE FUNDS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 1999

	Water			Sewer			Golf		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
FUNDS AVAILABLE - JANUARY 1	\$ 12,153,263	\$ 20,150,998	\$ 7,997,735	\$ 6,371,718	\$ 10,864,219	\$ 4,492,501	\$ 726,942	\$ 221,089	\$ (505,853)
REVENUES									
Operating revenues	30,672,000	33,059,113	2,387,113	19,922,000	21,518,092	1,596,092	7,388,500	7,115,491	(273,009)
Development fees	10,172,000	12,269,792	2,097,792	1,640,000	2,843,634	1,203,634	120,000	—	(120,000)
Annexation fees	60,000	623,208	563,208	25,000	369,176	344,176	—	87,600	87,600
Investment income	1,661,000	2,139,024	478,024	1,677,000	1,914,763	237,763	220,000	350,607	130,607
Miscellaneous	53,000	—	(53,000)	17,000	105,101	88,101	1,166,500	1,086,885	(79,615)
Proceeds from sale of assets	50,000	60,773	10,773	20,000	81,451	61,451	—	686	686
Proceeds from long-term borrowings	19,000,000	15,333,276	(3,666,724)	12,000,000	24,081,264	12,081,264	—	—	—
Interfund payable principal received	—	—	—	384,000	—	(384,000)	—	—	—
Total revenues	61,668,000	63,485,186	1,817,186	35,685,000	50,913,481	15,228,481	8,895,000	8,641,269	(253,731)
EXPENDITURES									
Personal services	7,649,298	7,084,004	565,294	4,279,512	4,066,087	213,425	3,200,866	3,045,207	155,659
Supplies and other services and charges	9,749,071	9,335,862	413,209	12,328,751	11,959,654	369,097	3,255,275	2,883,896	371,379
Capital outlay	1,265,620	900,092	365,528	989,024	948,083	40,941	583,900	418,076	165,824
Debt service	14,249,100	14,228,180	20,920	2,636,100	2,663,256	(27,156)	1,185,290	1,111,790	73,500
Bond issue costs	77,000	52,196	24,804	7,000	79,995	(72,995)	—	—	—
1998 operating encumbrances	(679,426)	(679,426)	—	(291,144)	(291,144)	—	(2,371)	(2,371)	—
Total expenditures	32,310,663	30,920,908	1,389,755	19,949,243	19,425,931	523,312	8,222,960	7,456,598	766,362
Excess of revenues over expenditures - budgetary basis	29,357,337	32,564,278	3,206,941	15,735,757	31,487,550	15,751,793	672,040	1,184,671	512,631
OTHER CHANGES TO FUNDS AVAILABLE									
Decrease (increase) in assets restricted for debt service	—	—	—	(2,500,000)	(2,180,166)	319,834	—	61,102	61,102
Increase in contributed capital for equipment	—	—	—	—	—	—	—	41,300	41,300
Capital project budgets	(38,247,000)	(38,247,000)	—	(20,100,000)	(20,100,000)	—	(387,950)	(387,950)	—
Total other changes to funds available	(38,247,000)	(38,247,000)	—	(22,600,000)	(22,280,166)	319,834	(387,950)	(285,548)	102,402
FUNDS AVAILABLE - DECEMBER 31	\$ 3,263,600	\$ 14,468,276	\$ 11,204,676	\$ (492,525)	\$ 20,071,603	\$ 20,564,128	\$ 1,011,032	\$ 1,120,212	\$ 109,180
Less: Designations		(615,228)			(13,811,846)			(676,409)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER COUNCIL DESIGNATIONS - DECEMBER 31		\$ 13,853,048			\$ 6,259,757			\$ 443,803	

	Water Actual	Sewer Actual	Golf Actual
RECONCILIATION TO NET INCOME (LOSS) (GAAP BASIS)			
Excess of revenues over expenditures budgetary basis	\$ 32,564,278	\$ 31,487,550	\$ 1,184,671
Add: Capital Outlay	676,087	616,850	418,076
Bonds, notes, and capital lease payable principal payments	9,420,000	2,275,000	332,503
Capitalized interest	351,263	306,651	174,269
1999 operating encumbrances	678,940	463,940	7,811
Payments made to joint venture	351,397	—	—
Debt discount and issue cost	150,021	236,865	—
Increase in inventory	—	—	32,428
Decrease in accrued compensated absences	8,867	—	—
Interest on escrow cash	—	105,505	—
Construction work-in-progress - force	525,893	41,434	—
Less: Depreciation	(15,732,652)	(2,698,842)	(858,775)
Proceeds from sale of assets	(60,773)	(81,450)	(686)
Loss on disposal of assets	(5,467,719)	(169,534)	(183,034)
Development fees	(12,269,792)	(2,843,634)	—
Annexation fees	(623,208)	(369,176)	—
1998 operating encumbrances	(679,426)	(291,144)	(2,371)
Increase in accrued compensated absences	—	(33,672)	(1,617)
Proceeds from long-term borrowings	(14,999,899)	(24,124,366)	—
Loss on equity in joint venture	(111,107)	—	—
Amortization of issue and discount costs	(822,482)	(47,098)	(12,943)
Debt premium	(431,203)	(113,768)	—
Noncapitalizable CIP projects	(459,744)	(649,072)	(174,920)
Adjust investments to fair value	(561,369)	(330,180)	(69,040)
NET INCOME (LOSS) (GAAP BASIS)	\$ (7,492,628)	\$ 3,781,859	\$ 846,372

EXHIBIT E-5

CITY OF AURORA, COLORADO

ENTERPRISE FUNDS
 SCHEDULE OF EXPENDITURES AND APPROPRIATIONS
 WATER FUND CAPITAL PROJECTS
 FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals			
WATER TANKS												
52703	Zone V Water Tank	\$ 2,179,626	\$ 1,374	\$ —	\$ (1,374)	\$ 2,179,626	\$ 2,179,626	\$ —	\$ 2,179,626	\$ —	\$ —	\$ —
52713	15 MG Potable Water Storage	1,038,281	51,719	(51,719)	—	1,038,281	1,038,281	—	1,038,281	—	—	—
52794	Treated Water Storage	—	100,000	—	—	100,000	—	33	33	99,967	—	99,967
	Total Water Tanks	3,217,907	153,093	(51,719)	(1,374)	3,317,907	3,217,907	33	3,217,940	99,967	—	99,967
AUTOMATED METER READING												
52768	Automated Meter Reading System	5,567,205	37,795	1,974,000	217	7,579,217	5,567,205	1,932,666	7,499,871	79,346	58,561	20,785
	Total Automated Meter Reading	5,567,205	37,795	1,974,000	217	7,579,217	5,567,205	1,932,666	7,499,871	79,346	58,561	20,785
WATER LINES												
52706	Telluride - City Funded	58,133	143,867	—	—	202,000	58,133	—	58,133	143,867	—	143,867
52707	Telluride - Developer Funded	8,601	399	—	—	9,000	8,601	—	8,601	399	—	399
52711	Picadilly/32nd/64th - Himalaya (24")	6,372	1,336,628	—	—	1,343,000	6,372	3,589	9,961	1,333,039	—	1,333,039
52714	Chambers/S. Joplin Way - Orchard (24")	—	211,000	—	—	211,000	—	—	—	211,000	—	211,000
52715	40th. Kalispell - Tower (16")	78,593	399,407	—	—	478,000	78,593	—	78,593	399,407	—	399,407
52754	Buckley Rd - Smokey Hill - Co Line	1,278,880	94,333	(80,000)	(13,027)	1,280,186	1,278,880	1,306	1,280,186	—	—	—
52756	Jewell/Himalaya/Gun Club Rd	1,189,368	601,632	—	—	1,791,000	1,189,368	—	1,189,368	601,632	—	601,632
52764	SR Golf/SMH/Arap Rd (12" & 34")	435,705	524,295	250,000	—	1,210,000	435,705	—	435,705	774,295	—	774,295
52766	6th Ave. Tower to Himalaya 2	12,659	887,341	—	—	900,000	12,659	83	12,742	887,258	—	887,258
52777	Parker Rd - Arapahoe Rd Cnty Line	38,226	741,661	—	—	779,887	38,226	—	38,226	741,661	—	741,661
52778	Raw Water Line to Murphy Creek	516,334	134,626	(100,000)	(20,338)	521,622	516,334	5,288	521,622	—	—	—
52781	6th Ave/Himalaya/Gun Club	18,880	577,120	—	—	596,000	18,880	—	18,880	577,120	—	577,120
52783	Oversize County Line Road	—	900,000	—	—	900,000	—	—	—	900,000	—	900,000
52785	Quincy Reservoir Circulation Line	6,874	178,126	—	—	185,000	6,874	5,501	12,375	172,625	6,568	166,057
52791	Quincy Bypass Parallel	50,000	60,000	1,621,718	—	1,731,718	50,000	997	50,997	1,680,721	384,720	1,296,001
52795	Upsize 27" Parker/Pecoria/1225/D	—	990,000	—	48,723	1,038,723	—	—	—	1,038,723	—	1,038,723
52796	Upsize Water Line	—	814,000	—	130,000	944,000	—	60,293	60,293	883,707	3,707	880,000
52798	Pines Pointe Gun Club	102,984	1,997,016	1,000,000	—	3,100,000	102,984	2,571,114	2,674,098	425,902	263,541	162,361
52800	54" Raw Water Line	14,541	585,459	600,000	—	1,200,000	14,541	660	15,201	1,184,799	75,000	1,109,799
52804	Lowry Connections	8,242	191,758	340,000	—	540,000	8,242	11,285	19,527	520,473	—	520,473
52806	Water Distribution Master Plan	—	70,000	—	—	70,000	—	11,735	11,735	58,265	46,098	12,167
52834	E Arap Rd - Wagontrail - Promont	—	—	500,000	—	500,000	—	—	—	500,000	—	500,000
52836	Fitzsimons Line Replacement	—	—	250,000	—	250,000	—	8,900	8,900	241,100	—	241,100
52837	Jewell Gun Club/Pohaton Road	—	—	266,000	—	266,000	—	—	—	266,000	—	266,000
52838	Lowry Line Replacement	—	—	100,000	—	100,000	—	—	—	100,000	—	100,000
52840	Jewell Gun Club/Pohaton	—	—	266,000	—	266,000	—	—	—	266,000	—	266,000
52841	26th Aven - Picadilly to Pohaton	—	—	350,000	—	350,000	—	340,120	340,120	9,880	—	9,880
52842	64th Ave/Picadilly - Gun Club	—	—	806,000	—	806,000	—	—	—	806,000	—	806,000
52843	E Arap Rd - Wagontrail	—	—	500,000	—	500,000	—	313,270	313,270	186,730	—	186,730
	Total Water Lines	3,824,392	11,438,668	6,669,718	136,358	22,069,136	3,824,392	3,334,141	7,158,533	14,910,603	779,634	14,130,969

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals			
OTHER PROJECTS												
52700	Eagle River CUP	\$ 900,576	\$ 369,424	\$ 200,000	\$ —	\$ 1,470,000	\$ 900,576	\$ 563,520	\$ 1,464,096	\$ 5,904	\$ —	\$ 5,904
52701	Misc Intergovernmental Water Projects	190,936	89,064	50,000	—	330,000	190,936	7,598	198,534	131,466	8,402	123,064
52702	Miscellaneous Transmission Mains	678,617	547,935	500,000	—	1,726,552	678,617	76,943	755,560	970,992	43,171	927,821
52710	Water Acquisition	6,489,602	411,258	1,000,000	—	7,900,860	6,489,602	612,424	7,102,026	798,834	53,419	745,415
52712	Cherry Creek Well Field	231,207	828,793	200,000	—	1,260,000	231,207	179,990	411,197	848,803	351,377	497,426
52753	Supervisory Control & Data Acquisition	90,782	164,218	925,000	—	1,180,000	90,782	527,064	617,846	562,154	234,426	327,728
52774	SPCUP	3,629,865	120,135	2,000,000	—	5,750,000	3,629,865	385,814	4,015,679	1,734,321	109,771	1,624,550
52775	Alt Power Fed to Weninger Plant	210,730	89,270	(89,270)	—	210,730	210,730	—	210,730	—	—	—
52780	Zone 5 Pumping Expansion	117,488	7,512	—	(5,201)	119,799	117,488	2,311	119,799	—	—	—
52784	Fitzsimons Connections Zone	37,422	462,578	(165,729)	—	334,271	37,422	40,297	77,719	256,552	5,540	251,012
52792	South Platt Storage	—	100,000	100,000	—	200,000	—	—	—	200,000	—	200,000
52793	T & D Operations Building	—	45,000	—	—	45,000	—	—	—	45,000	—	45,000
52805	South Area Operations Building	—	50,000	—	—	50,000	—	—	—	50,000	—	50,000
52807	Watershed Protection Program	—	30,000	70,000	—	100,000	—	18,760	18,760	81,240	29,254	51,986
52816	AMIB Remodel - Water	95,654	62,991	—	—	158,645	95,654	42,814	138,468	20,177	—	20,177
52819	Y2K - Water	164,744	343,001	—	—	507,745	164,744	230,734	395,478	112,267	106,398	5,869
52833	Activate #2 Araphoc Well	—	—	25,000	—	25,000	—	—	—	25,000	—	25,000
52839	56th & Himalaya	—	—	500,000	—	500,000	—	736	736	499,264	147,200	352,064
Total Other Projects		12,837,623	3,721,179	5,315,001	(5,201)	21,868,602	12,837,623	2,689,005	15,526,628	6,341,974	1,088,958	5,253,016
REGULATORY REQUIREMENTS												
52790	Kuiper Water Plant Renovation Fund Bal	816,995	1,497,005	22,500,000	(14,999,899)	9,814,101	816,995	2,415,843	3,232,838	6,581,263	6,376,262	205,001
52801	Aurora Reservoir Destratific	—	10,000	190,000	—	200,000	—	—	—	200,000	—	200,000
52803	Laboratory Information Systems	—	30,000	100,000	(130,000)	—	—	—	—	—	—	—
52862	Kuiper Water Plant Renovation Loan	—	—	—	14,999,899	14,999,899	—	2,297,977	2,297,977	12,701,922	12,701,922	—
Total Regulatory Requirements		816,995	1,537,005	22,790,000	(130,000)	25,014,000	816,995	4,713,820	5,530,815	19,483,185	19,078,184	405,001
PUMP STATIONS												
52797	Zone 4a Pressure Zone	—	285,000	—	—	285,000	—	—	—	285,000	—	285,000
52835	Eagle Bend Zone	—	—	1,000,000	—	1,000,000	—	—	—	1,000,000	—	1,000,000
52844	Zone 7 Pump Tallyn's Reach	—	—	200,000	—	200,000	—	266	266	199,734	53,253	146,481
52845	Front Range Airport Pump Station	—	—	350,000	—	350,000	—	—	—	350,000	40,300	309,700
Total Pump Stations		—	285,000	1,550,000	—	1,835,000	—	266	266	1,834,734	93,553	1,741,181
TOTAL WATER FUND CAPITAL PROJECTS		\$ 26,264,122	\$ 17,172,740	\$ 38,247,000	\$ —	\$ 81,683,862	\$ 26,264,122	\$ 12,669,931	\$ 38,934,053	\$ 42,749,809	\$ 21,098,890	\$ 21,650,919

EXHIBIT E-6

CITY OF AURORA, COLORADO

ENTERPRISE FUNDS

SCHEDULE OF EXPENDITURES AND APPROPRIATIONS

SEWER FUND CAPITAL PROJECTS

FOR THE YEAR ENDED DECEMBER 31, 1999

		Appropriations					Expenditures					
Project Number	Project Description	Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals	Carryforward 12/31/1999	Encumbered	Unencumbered
LIFT STATIONS												
52728	2nd Creek Basin Lift Station	\$ 3,101	\$ 2,086,899	\$ —	\$ —	\$ 2,090,000	\$ 3,101	\$ 108	\$ 3,209	\$ 2,086,791	\$ —	\$ 2,086,791
52809	Upper Senac Creek	—	420,000	—	—	420,000	—	—	—	420,000	—	420,000
52810	Upper 1st Creek	—	420,000	—	—	420,000	—	—	—	420,000	—	420,000
52823	Piney Creek Lift Stat/Force	—	—	1,730,000	—	1,730,000	—	—	—	1,730,000	—	1,730,000
52824	Supervisory Control & Data Acquisition	—	—	90,000	—	90,000	—	—	—	90,000	—	90,000
	Total Lift Stations	3,101	2,926,899	1,820,000	—	4,750,000	3,101	108	3,209	4,746,791	—	4,746,791
SEWER LINES												
52719	Sewer Replacement/Rehab	1,532,849	564,616	400,000	(200,000)	2,297,465	1,532,849	253,467	1,786,316	511,149	—	511,149
52720	Sand Creek Intercept Parallel	2,260,050	639,950	—	200,000	3,100,000	2,260,050	526,655	2,786,705	113,295	93,244	220,051
52721	Sand Creek/Murphy Creek Dev Sewer Line	2,236,556	2,338,968	1,600,000	(1,483,018)	4,692,506	2,236,556	2,455,950	4,692,506	—	—	—
52722	Miscellaneous Sanitary Sewer Extensions	320,232	69,758	100,000	—	489,990	320,232	163,876	484,108	5,882	108	5,774
52723	Development Related Sanitary Sewer	57,432	377,568	200,000	—	635,000	57,432	43,965	101,397	533,603	218,894	314,709
52724	Tollgate Intercept Parallel	2,579,267	34,069	—	—	2,613,336	2,579,267	—	2,579,267	14,069	—	34,069
52727	E. Tollgate Intercept & Upper Senac	1,402,075	240,425	—	1,492,575	3,135,075	1,402,075	—	1,402,075	1,733,000	—	1,733,000
52739	Saddlerock Sanitary Sewer Extensions	129,083	9,557	—	(9,557)	129,083	129,083	—	129,083	—	—	—
52769	Intl Center Sanitary Sewer	127,086	2,782,914	—	—	2,910,000	127,086	190,734	317,820	2,592,180	511,237	2,080,943
52770	Cherry Creek Connection/Ridgen	—	1,100,000	—	—	1,100,000	—	—	—	1,100,000	—	1,100,000
52786	Murphy Creek Development Oversize	366	99,634	—	—	100,000	366	48,338	48,704	51,296	—	51,296
52808	Lowry Sewer Connections	—	175,000	150,000	—	325,000	—	87,826	87,826	237,174	14,643	222,531
	Total Sewer Lines	10,644,996	8,432,459	2,450,000	—	21,527,455	10,644,996	3,770,811	14,415,807	7,111,648	838,126	6,273,522
STORM DRAIN												
52729	Developer Cost Shares - Storm	461,992	522,424	—	—	984,416	461,992	337,036	699,028	285,388	—	285,388
52735	Contributions to Improvement Districts	176,627	198,373	(50,000)	—	325,000	176,627	—	176,627	148,373	—	148,373
52736	Miscellaneous Storm Sewer Extensions	783,901	167,796	150,000	(8,000)	1,093,697	783,901	133,844	917,745	175,952	66,911	109,041
52742	Quincy Drain Detention Pond	327,761	3,674	—	(3,674)	327,761	327,761	—	327,761	—	—	—
52744	Side Creek Storm Drain	28,959	398,506	(18,231)	(17,251)	391,981	28,959	363,022	391,981	—	—	—
52746	City Center at Alameda SS	4,500	195,500	(195,500)	—	—	4,500	—	—	—	—	—
52749	Upper Westerly Creek Outfall	1,498,073	1,852,927	—	30,675	3,381,675	1,498,073	1,648,845	3,146,918	234,757	—	234,757
52758	Piney Creek, Tributaries and Improvement	1,116,996	46,588	—	—	1,163,584	1,116,996	—	1,116,996	46,588	—	46,588
52760	Flood Warning System	5,000	25,000	—	—	30,000	5,000	—	5,000	25,000	—	25,000
52761	Meadow Hills Storm Sewer	185,992	94,008	(50,000)	—	230,000	185,992	2,187	188,179	41,821	—	41,821
52762	Unmanned Creek Detention Pond	—	108,000	—	—	108,000	—	—	—	108,000	—	108,000
52771	Hutchinson Pond Sediment	66,334	33,666	—	7,309	107,309	66,334	40,975	107,309	—	—	—
52788	Murphy Creek & Tributaries	108,761	888,239	(60,000)	—	937,000	108,761	795,224	903,985	33,015	—	33,015
52812	Delmar - 6th Storm Sewer	—	125,000	—	—	125,000	—	3,875	3,875	121,125	9,200	111,925
52813	Granby and Sable Master	—	160,000	—	—	160,000	—	95,604	95,604	64,396	—	64,396
52814	Potomac Storm Sewer	—	280,000	—	—	280,000	—	27,565	27,565	252,435	227,650	24,785
52815	Water Quality Improvements	41,464	158,536	100,000	—	300,000	41,464	—	41,464	258,536	—	258,536
52822	Meadowood Chan Imp Quincy	50,537	399,463	1,373,731	—	1,823,731	50,537	15,015	65,552	1,758,179	—	1,758,179
52827	Irondale 1st & 2nd Improve	—	—	400,000	—	400,000	—	—	—	400,000	—	400,000
52828	Parker Arapahoe Drainage Out	—	—	350,000	—	350,000	—	—	—	350,000	—	350,000
52829	Quincy Reservoir Diversion	—	—	400,000	—	400,000	—	—	—	400,000	—	400,000
52830	Lowry 11th Aven Outfall	—	—	100,000	—	100,000	—	—	—	100,000	—	100,000
52831	Sand Creek Erosion Control	—	—	400,000	—	400,000	—	—	—	400,000	—	400,000
52832	Spring Hill Drainage Outfall	—	—	250,000	(9,057)	240,943	—	240,943	240,943	—	—	—
	Total Storm Drain	4,856,897	5,657,700	3,150,000	—	13,664,597	4,856,897	3,604,135	8,461,032	5,203,565	303,761	4,899,804
OTHER PROJECTS												
52734	Landscape Drainage Ways	74,589	91,411	20,000	—	186,000	74,589	49,468	124,057	61,943	—	61,943
52772	Drainageway Landscaping	45,574	1,146,526	(50,000)	—	1,342,100	45,574	438,423	483,997	858,103	7,150	850,953
52787	Sand Creek Water Reuse Plant	466,764	683,236	12,000,000	(10,384,318)	2,765,682	466,764	954,930	1,421,694	1,343,988	1,343,988	—
52811	South Area Operations Building	—	50,000	—	—	50,000	—	—	—	50,000	—	50,000
52817	ANIB Remodel - Sewer	47,692	31,496	—	—	79,188	47,692	20,750	68,442	10,746	—	10,746
52818	AMG Remodel - Storm Drain	15,298	63,410	—	—	78,728	15,298	67,853	83,151	10,875	—	10,875
52820	Y2K - Sewer	82,547	171,500	—	—	254,047	82,547	115,643	198,190	55,857	53,699	2,158
52821	Y2K - Storm	82,547	171,500	—	—	254,047	82,547	113,921	196,468	57,579	55,698	1,881
52825	Addition to Storage Building	—	—	210,000	—	210,000	—	9,964	9,964	200,036	—	200,036
52826	Aurora Hills Lake Dredging	—	—	300,000	—	300,000	—	—	—	300,000	—	300,000
52863	Sand Creek Reuse Plant Loan	—	—	—	10,384,318	10,384,318	—	949,353	949,353	9,434,965	9,201,697	233,268
	Total Other Projects	815,011	2,409,099	12,680,000	—	15,904,110	815,011	2,705,007	3,520,018	12,384,092	10,662,232	1,721,860
TOTAL SEWER FUND CAPITAL PROJECT		\$ 16,320,005	\$ 19,426,157	\$ 20,100,000	\$ —	\$ 55,846,162	\$ 16,320,005	\$ 10,080,061	\$ 26,400,066	\$ 29,446,096	\$ 11,804,119	\$ 17,641,977

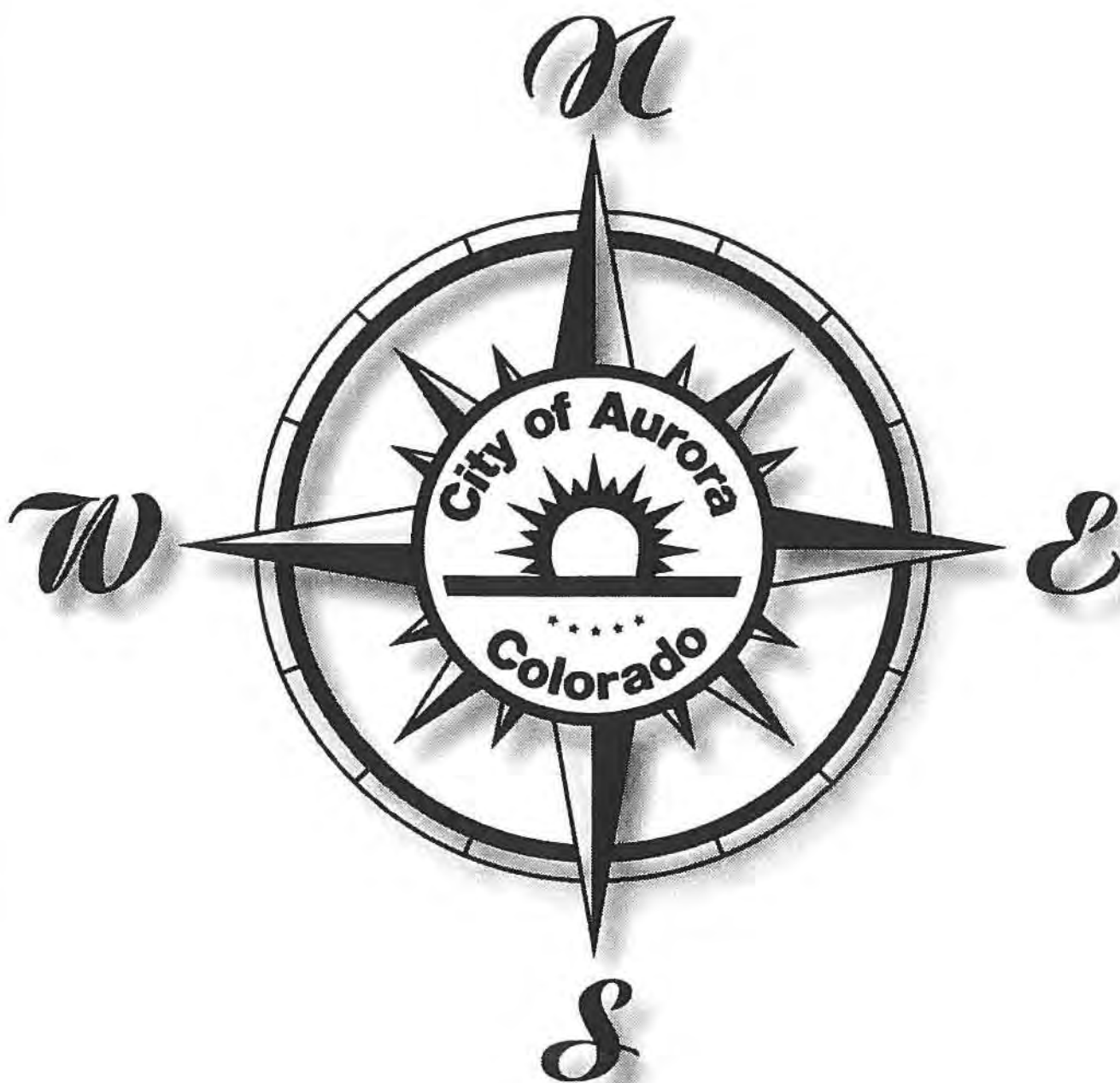
EXHIBIT E-7

CITY OF AURORA, COLORADO

ENTERPRISE FUNDS
 SCHEDULE OF EXPENDITURES AND APPROPRIATIONS
 GOLF FUND CAPITAL PROJECTS
 FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered	
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals				
COURSE IMPROVEMENTS													
61570	Aurora Hills Parking Lot Resurfacing	\$ —	\$ —	\$ 20,000	\$ 8,562	\$ 28,562	\$ —	\$ 8,082	\$ 8,082	\$ 20,480	\$ —	\$ 20,480	
61571	Aurora Hills Lake Dredging	—	—	35,000	—	35,000	—	—	—	35,000	—	35,000	
61573	Aurora Hills Clubhouse Renovation	9,182	30,818	30,000	(30,000)	40,000	9,182	12,807	21,989	18,011	—	18,011	
61574	Fitzsimons GC Clubhouse Renovation	4,442	45,558	50,000	54,372	154,372	4,442	134,872	139,314	15,058	14,087	971	
61577	Fitzsimons Golf Course Equipment	43,678	56,322	—	(54,372)	45,628	43,678	1,950	45,628	—	—	—	
61585	Cart Path Reconstruction	16,999	33,001	50,000	(50,000)	50,000	16,999	20,534	37,533	12,467	—	12,467	
61586	Facility Enhancement	96,009	23,991	30,000	—	150,000	96,009	30,534	126,543	23,457	—	23,457	
61589	New Golf Course Development	481,682	20,558	—	80,000	582,240	481,682	27,860	509,542	72,698	48,461	24,237	
61597	Springhill Irrigation Pump - 94	18,438	8,562	25,000	(8,562)	43,438	18,438	—	18,438	25,000	—	25,000	
	Total Course Improvements	670,430	218,810	240,000	—	1,129,240	670,430	236,639	907,069	222,171	62,548	159,623	
MURPHY CREEK													
61599	Murphy Creek	2,855,072	6,577,571	147,950	—	9,580,593	2,855,072	5,248,712	8,103,784	1,476,809	1,197,130	279,679	
	Total Murphy Creek	2,855,072	6,577,571	147,950	—	9,580,593	2,855,072	5,248,712	8,103,784	1,476,809	1,197,130	279,679	
TOTAL GOLF FUND CAPITAL PROJECTS		\$ 3,525,502	\$ 6,796,381	\$ 387,950	\$ —	\$ 10,709,833	\$ 3,525,502	\$ 5,485,351	\$ 9,010,853	\$ 1,698,980	\$ 1,259,678	\$ 439,302	

(Concluded)



INTERNAL SERVICE FUNDS

Internal service funds account for goods and services provided to other funds or departments in the City. Revenues are from interfund charges 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.

Warehouse Fund

The Warehouse Fund accounts for centralized acquisition, storage and sale of operating supplies. Supplies are purchased by various City departments through an inter-departmental billing system. The Warehouse Fund ceased operations in 1999 and will be fully closed in 2000.

Print Shop Fund

The Print Shop Fund accounts for centralized printing and copying needs of departments and agencies of the City.

Risk Management Fund

The Risk Management Fund accounts for centralized costs of risk retention, risk administration and excess insurance coverage for claims and judgements made against the City. Revenues are from charges to departments.

Building Repair Fund

The Building Repair Fund provides centralized repairs for City-owned facilities. Revenues are from charges to departments and operating transfers from other funds.

The first part of the report is a general description of the project and the objectives of the study. It also includes a brief review of the literature on the subject.

The second part of the report describes the methodology used in the study. This includes a description of the subjects, the experimental design, and the data collection procedures.

The third part of the report presents the results of the study. This includes a description of the data, the statistical analysis, and the conclusions drawn from the results.

The fourth part of the report discusses the implications of the study and suggests areas for further research. It also includes a summary of the findings and a list of references.

The fifth part of the report is a conclusion. It summarizes the main findings of the study and discusses the implications of the results for the field of research.

The sixth part of the report is a list of references. It includes a list of all the sources used in the study, including books, articles, and other documents.



EXHIBIT F-1**CITY OF AURORA, COLORADO****INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1999**

	<u>Fleet Management</u>	<u>Warehouse</u>	<u>Print Shop</u>	<u>Risk Management</u>	<u>Building Repair</u>	<u>Totals</u>
ASSETS						
CURRENT ASSETS						
Equity in cash and cash equivalents	\$ 176,161	\$ 85,275	\$ 98,154	\$ 1,678,290	\$ 373,396	\$ 2,411,276
Equity in investments	593,967	286,358	330,324	5,640,434	1,253,825	8,104,908
Receivables						
Accounts	2,738	—	167	—	—	2,905
Accrued interest	—	—	—	17,907	—	17,907
Other	—	—	1,800	—	—	1,800
Inventory	137,851	—	35,058	—	—	172,909
Total current assets	<u>910,717</u>	<u>371,633</u>	<u>465,503</u>	<u>7,336,631</u>	<u>1,627,221</u>	<u>10,711,705</u>
PROPERTY AND EQUIPMENT						
Improvements other than buildings	697,718	—	—	—	—	697,718
Machinery and equipment	646,226	—	183,877	31,448	—	861,551
Accumulated depreciation	(604,459)	—	(137,606)	(25,665)	—	(767,730)
Net property and equipment	<u>739,485</u>	<u>—</u>	<u>46,271</u>	<u>5,783</u>	<u>—</u>	<u>791,539</u>
TOTAL ASSETS	<u>\$ 1,650,202</u>	<u>\$ 371,633</u>	<u>\$ 511,774</u>	<u>\$ 7,342,414</u>	<u>\$ 1,627,221</u>	<u>\$ 11,503,244</u>

	<u>Fleet Management</u>	<u>Warehouse</u>	<u>Print Shop</u>	<u>Risk Management</u>	<u>Building Repair</u>	<u>Totals</u>
LIABILITIES AND FUND EQUITY (DEFICIT)						
CURRENT LIABILITIES						
Accounts payable	\$ 129,235	\$ 1,023	\$ 37,745	\$ 14,099	\$ 144,807	\$ 326,909
Accrued claims payable	—	—	—	9,273,752	—	9,273,752
Accrued compensated absences	199,810	17,614	48,869	42,827	—	309,120
Total current liabilities	329,045	18,637	86,614	9,330,678	144,807	9,909,781
Total liabilities	329,045	18,637	86,614	9,330,678	144,807	9,909,781
FUND EQUITY (DEFICIT)						
Contributed capital	1,110,257	—	—	3,353	—	1,113,610
Retained earnings (deficit)						
Unreserved	210,900	352,996	425,160	(1,991,617)	1,482,414	479,853
Total fund equity (deficit)	1,321,157	352,996	425,160	(1,988,264)	1,482,414	1,593,463
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,650,202</u>	<u>\$ 371,633</u>	<u>\$ 511,774</u>	<u>\$ 7,342,414</u>	<u>\$ 1,627,221</u>	<u>\$ 11,503,244</u>

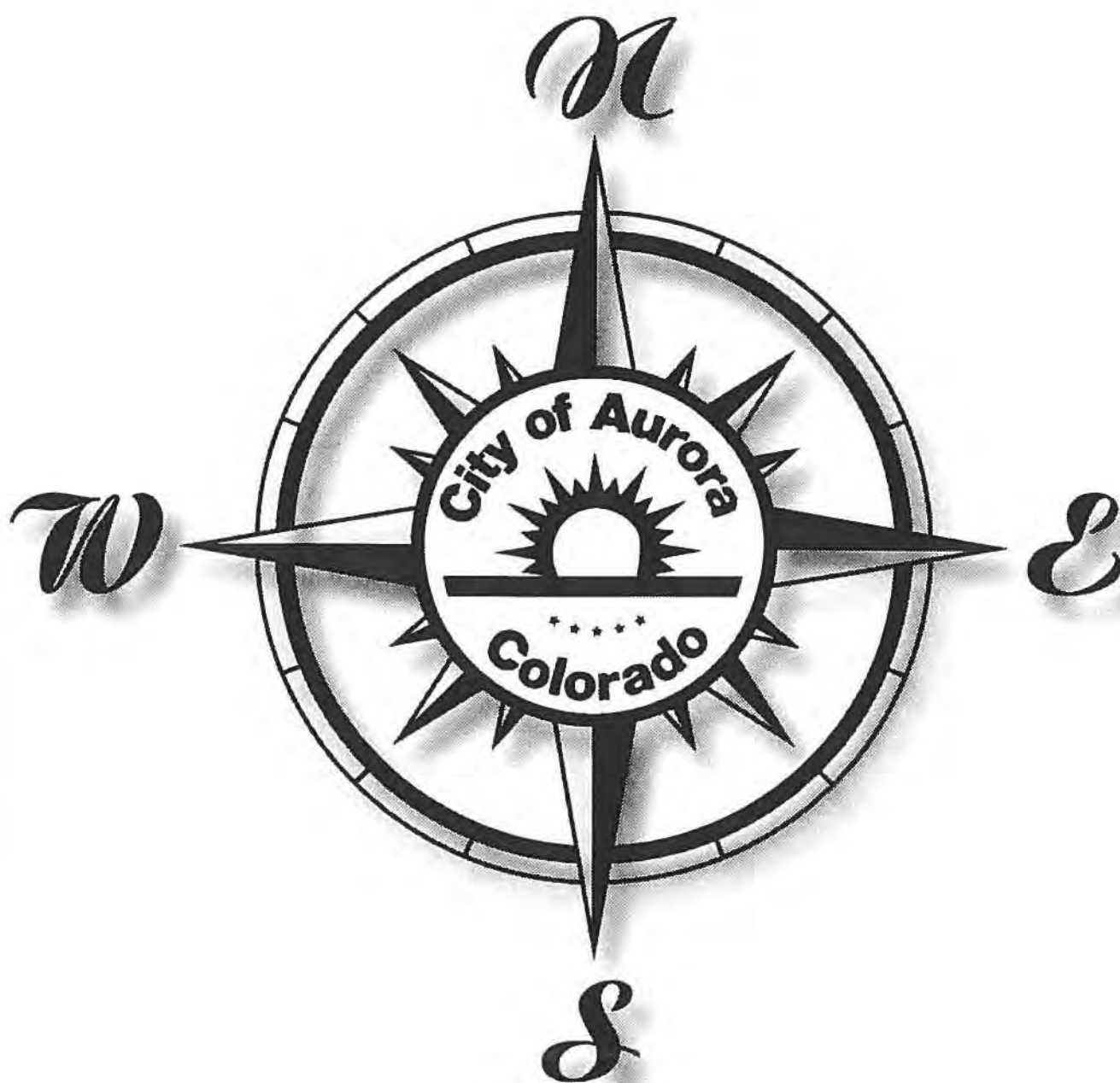


EXHIBIT F-2

CITY OF AURORA, COLORADO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 1999

	Fleet Management	Warehouse	Print Shop	Risk Management	Building Repair	Totals
OPERATING REVENUES						
Charges for services	\$ 3,963,522	\$ 596,541	\$ 978,734	\$ 4,532,419	\$ 335,839	\$ 10,407,055
OPERATING EXPENSES						
Personal services	1,828,497	128,574	306,308	474,451	—	2,737,830
Supplies	2,268,824	608,147	344,076	47,410	99,709	3,368,166
Other services and charges	151,519	22,051	277,411	723,881	1,448,092	2,622,954
Claims losses	—	—	—	3,088,758	—	3,088,758
Depreciation	208,988	612	40,629	17,908	493	268,630
Total operating expenses	4,457,828	759,384	968,424	4,352,408	1,548,294	12,086,338
Operating income (loss)	(494,306)	(162,843)	10,310	180,011	(1,212,455)	(1,679,283)
NONOPERATING REVENUES (EXPENSES)						
Investment income	23,679	13,815	13,673	243,234	21,192	315,593
Miscellaneous revenues	8,580	—	—	178,971	5,000	192,551
Loss on disposal of assets	(60,101)	—	(5,218)	(11,727)	(154)	(77,200)
Net nonoperating revenues (expenses)	(27,842)	13,815	8,455	410,478	26,038	430,944
Income (loss) before operating transfers	(522,148)	(149,028)	18,765	590,489	(1,186,417)	(1,248,339)
Operating transfers in	251,676	—	—	—	1,469,867	1,721,543
NET INCOME (LOSS)	(270,472)	(149,028)	18,765	590,489	283,450	473,204
RETAINED EARNINGS (DEFICIT) - JANUARY 1	481,372	512,703	406,395	(2,582,106)	1,221,890	40,254
RESIDUAL EQUITY TRANSFER OUT	—	(10,679)	—	—	(22,926)	(33,605)
RETAINED EARNINGS (DEFICIT) - DECEMBER 31	\$ 210,900	\$ 352,996	\$ 425,160	\$ (1,991,617)	\$ 1,482,414	\$ 479,853

EXHIBIT F-3

CITY OF AURORA, COLORADO

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Fleet Management	Warehouse	Print Shop	Risk Management	Building Repair	Totals
OPERATING ACTIVITIES						
Cash received from quasi-external operating transactions with other funds	\$ 3,962,550	\$ 596,556	\$ 978,761	\$ 4,532,434	\$ 335,839	\$ 10,406,140
Cash payments to employees	(1,863,130)	(139,431)	(313,579)	(488,346)	—	(2,804,486)
Cash payments to suppliers for goods and services	(2,308,457)	(628,920)	(621,773)	(814,112)	(1,444,325)	(5,817,587)
Cash payments for insurance claims	—	—	—	(2,692,900)	—	(2,692,900)
Miscellaneous nonoperating revenues	8,580	—	—	178,971	5,000	192,551
Net cash provided by (used in) operating activities	(200,457)	(171,795)	43,409	716,047	(1,103,486)	(716,282)
NONCAPITAL FINANCING ACTIVITIES						
Operating transfers in	251,676	—	—	—	1,469,867	1,721,543
Net cash provided by noncapital financing activities	251,676	—	—	—	1,469,867	1,721,543
CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(25,276)	—	(19,845)	(6,552)	—	(51,673)
Net cash used in capital and related financing activities	(25,276)	—	(19,845)	(6,552)	—	(51,673)
INVESTING ACTIVITIES						
Increase in equity in pool investments	—	—	—	—	(42,350)	(42,350)
Decrease in equity in pool investments	110,168	231,221	52,027	568,265	—	961,681
Net appreciation in fair value of investments	(8,086)	(4,968)	(5,091)	(94,207)	(22,136)	(134,488)
Interest received	31,765	18,783	18,764	350,356	43,328	462,996
Net cash provided by (used in) investing activities	133,847	245,036	65,700	824,414	(21,158)	1,247,839
NET INCREASE IN CASH AND CASH EQUIVALENTS	159,790	73,241	89,264	1,533,909	345,223	2,201,427
TOTAL CASH AND CASH EQUIVALENTS, JANUARY 1	16,371	12,034	8,890	144,381	28,173	209,849
TOTAL CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 176,161</u>	<u>\$ 85,275</u>	<u>\$ 98,154</u>	<u>\$ 1,678,290</u>	<u>\$ 373,396</u>	<u>\$ 2,411,276</u>

	<u>Fleet Management</u>	<u>Warehouse</u>	<u>Print Shop</u>	<u>Risk Management</u>	<u>Building Repair</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES						
Operating income (loss)	\$ (494,306)	\$ (162,843)	\$ 10,310	\$ 180,011	\$ (1,212,455)	\$ (1,679,283)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities						
Depreciation	208,988	612	40,629	17,908	493	268,630
Miscellaneous nonoperating revenues	8,580	—	—	178,971	5,000	192,551
Changes in operating assets and liabilities						
Accounts receivable	(972)	15	28	15	—	(914)
Inventory	55,504	172,923	9,088	—	—	237,515
Accounts payable	56,382	(171,645)	(9,375)	(42,821)	103,476	(63,983)
Accrued liabilities	(47,240)	(5,696)	(7,928)	385,401	—	324,537
Accrued compensated absences	12,607	(5,161)	657	(3,438)	—	4,665
Total adjustments	293,849	(8,952)	33,099	536,036	108,969	963,001
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ (200,457)</u>	<u>\$ (171,795)</u>	<u>\$ 43,409</u>	<u>\$ 716,047</u>	<u>\$ (1,103,486)</u>	<u>\$ (716,282)</u>

EXHIBIT F-4

CITY OF AURORA, COLORADO

**INTERNAL SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999**

	Fleet Management			Warehouse		
	Budget	Actual	Variance	Budget	Actual	Variance
FUNDS AVAILABLE - JANUARY 1	\$ 535,348	\$ 521,884	\$ (13,464)	\$ 338,442	\$ 351,553	\$ 13,111
REVENUES						
Charges for services	4,302,515	3,963,522	(338,993)	725,823	596,541	(129,282)
Investment income	30,000	31,765	1,765	4,000	18,783	14,783
Miscellaneous	3,000	8,580	5,580	—	—	—
Operating transfers in	293,000	251,676	(41,324)	—	—	—
Total revenues	4,628,515	4,255,543	(372,972)	729,823	615,324	(114,499)
EXPENDITURES						
Personal services	1,975,981	1,815,890	160,091	151,890	133,735	18,155
Supplies and other services and charges	2,636,776	2,390,684	246,092	577,933	457,275	120,658
Claims losses	—	—	—	—	—	—
Capital outlay	50,000	25,276	24,724	—	—	—
1998 operating encumbrances	(80,650)	(80,650)	—	—	—	—
Total expenditures	4,582,107	4,151,200	430,907	729,823	591,010	138,813
Excess of revenues over expenditures - budgetary basis	46,408	104,343	57,935	—	24,314	24,314
OTHER CHANGES TO FUNDS AVAILABLE						
Capital projects	—	—	—	—	—	—
FUNDS AVAILABLE - DECEMBER 31	\$ 581,756	626,227	\$ 44,471	\$ 338,442	375,867	\$ 37,425
Less: Designations		—			(355,042)	
FUNDS AVAILABLE FOR APPROPRIATION AFTER COUNCIL DESIGNATIONS - DECEMBER 31		\$ 626,227			\$ 20,825	
RECONCILIATION TO NET INCOME (LOSS) (GAAP BASIS)						
Excess of revenues over expenditures - budgetary basis		\$ 104,343			\$ 24,314	
Add: Capital outlay		25,276			—	
1999 operating encumbrances		25,845			—	
Decrease in accrued compensated absences		—			5,161	
Less: Depreciation		(208,988)			(612)	
Increase in accrued compensated absences		(12,607)			—	
Loss on disposal of assets		(60,101)			—	
Decrease in inventory		(55,504)			(172,923)	
1998 operating encumbrances		(80,650)			—	
Expenditures for capital projects		—			—	
Adjust investments to fair value		(8,086)			(4,968)	
NET INCOME (LOSS) GAAP BASIS		\$ (270,472)			\$ (149,028)	

Print Shop			Risk Management		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 270,360	\$ 252,726	\$ (17,634)	\$ (2,270.751)	\$ (2,597.660)	\$ (326.909)
1,129,702	978,697	(151,005)	4,530,854	4,532,419	1,565
16,000	18,764	2,764	293,000	337,441	44,441
—	37	37	25,000	178,971	153,971
—	—	—	—	—	—
1,145,702	997,498	(148,204)	4,848,854	5,048,831	199,977
343,224	305,651	37,573	601,362	477,889	123,473
846,386	619,701	226,685	994,957	771,291	223,666
—	—	—	3,293,372	3,088,758	204,614
19,845	19,845	—	—	6,552	(6,552)
(85,699)	(85,699)	—	(40,837)	(40,837)	—
1,123,756	859,498	264,258	4,848,854	4,303,653	545,201
21,946	138,000	116,054	—	745,178	745,178
—	—	—	—	—	—
\$ 292,306	390,726	\$ 98,420	\$ (2,270.751)	(1,852,482)	\$ 418,269
—	—	—	—	—	—
	\$ 390,726			\$ (1,852,482)	
	\$ 138,000			\$ 745,178	
	19,845			6,552	
	7,302			—	
	—			3,438	
	(40,629)			(17,908)	
	(657)			—	
	(5,218)			(11,727)	
	(9,088)			—	
	(85,699)			(40,837)	
	—			—	
	(5,091)			(94,207)	
	\$ 18,765			\$ 590,489	

(Continued)

EXHIBIT F-4

CITY OF AURORA, COLORADO

INTERNAL SERVICE FUNDS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 1999

	Budget	Building Repair Actual	Variance
FUNDS AVAILABLE - JANUARY 1	\$ 218,315	\$ 218,378	\$ 63
REVENUES			
Charges for services	335,839	335,839	—
Investment income	40,000	43,327	3,327
Miscellaneous	—	5,000	5,000
Operating transfers in	1,469,867	1,469,867	—
Total revenues	1,845,706	1,854,033	8,327
EXPENDITURES			
Personal services	—	—	—
Supplies and other services and charges	—	—	—
Claims losses	—	—	—
Capital outlay	—	—	—
1998 operating encumbrances	—	—	—
Total expenditures	—	—	—
Excess of revenues over expenditures - budgetary basis	1,845,706	1,854,033	8,327
OTHER CHANGES TO FUNDS AVAILABLE			
Capital projects	(1,972,000)	(1,972,000)	—
FUNDS AVAILABLE - DECEMBER 31	\$ 92,021	100,411	\$ 8,390
Less: Designations		—	
FUNDS AVAILABLE FOR APPROPRIATION AFTER COUNCIL DESIGNATIONS - DECEMBER 31		\$ 100,411	
RECONCILIATION TO NET INCOME (LOSS) (GAAP BASIS)			
Excess of revenues over expenditures - budgetary basis		\$ 1,854,033	
Add: Capital outlay		—	
1999 operating encumbrances		—	
Decrease in accrued compensated absences		—	
Less: Depreciation		(493)	
Increase in accrued compensated absences		—	
Loss on disposal of assets		(154)	
Decrease in inventory		—	
1998 operating encumbrances		—	
Expenditures for capital projects		(1,547,800)	
Adjust investments to fair value		(22,136)	
NET INCOME (LOSS) GAAP BASIS		\$ 283,450	

(Concluded)

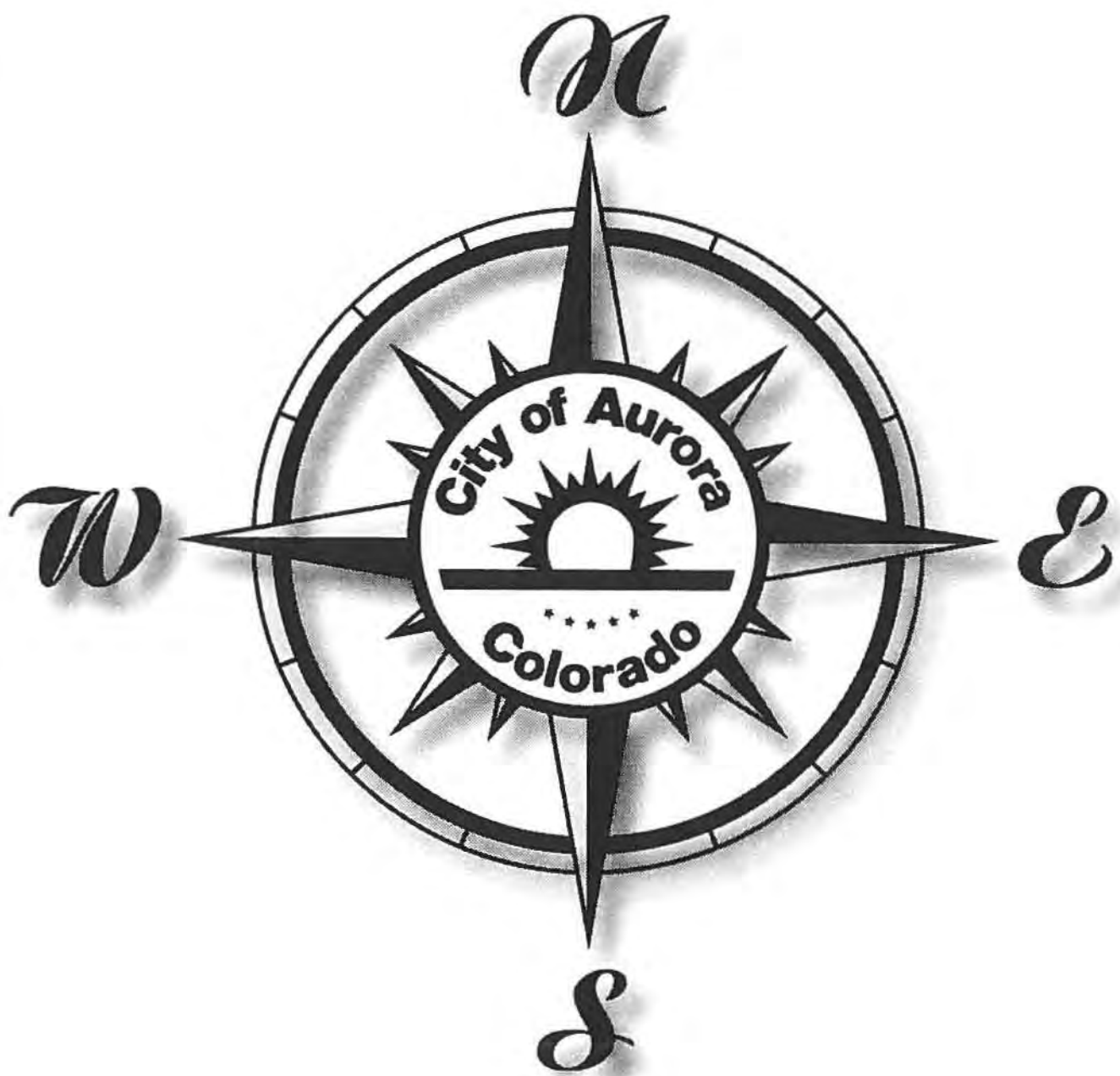
EXHIBIT F-5

CITY OF AURORA, COLORADO

INTERNAL SERVICE FUNDS
 SCHEDULE OF EXPENDITURES AND APPROPRIATIONS
 BUILDING REPAIR FUND CAPITAL PROJECTS
 FOR THE YEAR ENDED DECEMBER 31, 1999

Project Number	Project Description	Appropriations					Expenditures			Carryforward 12/31/1999	Encumbered	Unencumbered
		Prior	Carryforward	1999	Transfers To (From) Project	Totals	Prior	1999	Totals			
61745	Major Building Repair	\$ 3,268,018	\$ 804,084	\$ 1,972,000	\$ —	\$ 6,044,102	\$ 3,268,018	\$ 1,468,893	\$ 4,736,911	\$ 1,307,191	\$ 185,181	\$ 1,122,010
61767	Elevator Repair Replacement	327,528	72,472	—	—	400,000	327,528	65	327,593	72,407	—	72,407
61806	MJC HVAC Remodel	20,697	104,303	—	—	125,000	20,697	78,842	99,539	25,461	788	24,673
TOTAL BUILDING REPAIR FUND CAPITAL PROJECTS		<u>\$ 3,616,243</u>	<u>\$ 980,859</u>	<u>\$ 1,972,000</u>	<u>\$ —</u>	<u>\$ 6,569,102</u>	<u>\$ 3,616,243</u>	<u>\$ 1,547,800</u>	<u>\$ 5,164,043</u>	<u>\$ 1,405,059</u>	<u>\$ 185,969</u>	<u>\$ 1,219,090</u>

(Concluded)



TRUST AND AGENCY FUNDS

Trust funds account for assets held by the City in a trustee capacity. Agency funds account for assets held by the City as an agent for individuals or private organizations.

PENSION TRUST FUNDS

General Employees' Retirement Plan Fund

The General Employees' Retirement Plan (GERP) Fund accounts for the accumulation of resources and the payment of retirement benefits to qualified City employees.

Elected Officials' Pension Fund

The Elected Officials' Pension Fund accounts for the payment of retirement benefits to qualified retired City Council members.

AGENCY FUNDS

General Agency Fund

The General Agency Fund accounts for escrows, deposits and other related assets held by the City.

Payroll Clearing Fund

The Payroll Clearing Fund provides for the consolidation of all payroll liabilities after the recording of related payroll expenditures into the appropriate funds.

THEORY OF THE EARTH

The theory of the earth is a branch of geology which deals with the origin and development of the earth and its various parts. It is a science which seeks to explain the causes of the various geological phenomena which we observe in nature.

THE EARTH AND ITS PARTS

The earth is a sphere which is divided into four main parts, namely, the continents, the islands, the oceans, and the atmosphere. The continents are the large land masses which are separated from each other by oceans. The islands are small pieces of land which are surrounded by water. The oceans are the large bodies of water which cover most of the earth's surface. The atmosphere is the layer of gas which surrounds the earth.

The earth is a very old planet, and it has a long history. It is believed that the earth was created about 4,500 million years ago. Since that time, it has undergone many changes, and it is still changing today. The study of the earth's history is called geology.

THE EARTH'S HISTORY

The earth's history is a long and complex one. It is divided into three main periods, namely, the primary, the secondary, and the tertiary. The primary period is the earliest, and it is characterized by the formation of the earth's crust. The secondary period is the middle period, and it is characterized by the development of the earth's flora and fauna. The tertiary period is the latest, and it is characterized by the development of the human race.

The study of the earth's history is a very important one, for it helps us to understand the world in which we live. It tells us how the earth has changed over time, and it helps us to predict the future of the earth. It is a science which is constantly growing, and it is one of the most interesting and useful of all sciences.

EXHIBIT G-1**CITY OF AURORA, COLORADO****TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 1999**

	<u>Pension Trust GERP</u>	<u>Agency General Agency</u>	<u>Payroll Clearing</u>	<u>Totals</u>
ASSETS				
Cash and cash equivalents	\$ 2,820,971	\$ —	\$ —	\$ 2,820,971
Equity in cash and cash equivalents	—	43,481	4,921,096	4,964,577
Investments	189,712,268	—	—	189,712,268
Receivables				
Accrued interest	1,501,691	—	—	1,501,691
Other	1,981,603	—	—	1,981,603
Due from other funds	—	1,612	—	1,612
Due from other governments	232,866	—	—	232,866
Machinery and equipment	64,854	—	—	64,854
Accumulated depreciation	(60,305)	—	—	(60,305)
TOTAL ASSETS	<u>\$ 196,253,948</u>	<u>\$ 45,093</u>	<u>\$ 4,921,096</u>	<u>\$ 201,220,137</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 2,270,968	\$ —	\$ 408,363	\$ 2,679,331
Funds held for others	—	34,978	4,512,733	4,547,711
Due to other funds	—	10,115	—	10,115
Total liabilities	<u>2,270,968</u>	<u>45,093</u>	<u>4,921,096</u>	<u>7,237,157</u>
FUND BALANCES				
Reserved for employee pension benefits	193,982,980	—	—	193,982,980
Total fund balances	<u>193,982,980</u>	<u>—</u>	<u>—</u>	<u>193,982,980</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 196,253,948</u>	<u>\$ 45,093</u>	<u>\$ 4,921,096</u>	<u>\$ 201,220,137</u>

EXHIBIT G-2

CITY OF AURORA, COLORADO

PENSION TRUST FUNDS

**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 1999**

	GERP	Elected Officials' Pension	Totals
ADDITIONS			
Contributions			
City	\$ 2,802,722	\$ 9,360	\$ 2,812,082
Plan members	2,806,374	—	2,806,374
Total contributions	5,609,096	9,360	5,618,456
Investment income			
Net appreciation in fair value of investments	10,409,521	—	10,409,521
Interest	5,179,153	—	5,179,153
Dividends	2,906,293	—	2,906,293
Total investment income	18,494,967	—	18,494,967
Less investment expense	(853,096)	—	(853,096)
Net investment income	17,641,871	—	17,641,871
Other income	7,202	—	7,202
Total additions	23,258,169	9,360	23,267,529
DEDUCTIONS			
Benefits	3,300,400	9,360	3,309,760
Refunds of contributions	2,444,300	—	2,444,300
Administrative expense			
Salaries	160,837	—	160,837
Other administrative costs	80,815	—	80,815
Professional fees	15,350	—	15,350
Actuary fees	44,634	—	44,634
Total administrative expenses	301,636	—	301,636
Total deductions	6,046,336	9,360	6,055,696
NET INCREASE IN PLAN ASSETS	17,211,833	—	17,211,833
NET ASSETS HELD FOR EMPLOYEE PENSION BENEFITS - JANUARY 1	176,771,147	—	176,771,147
NET ASSETS HELD FOR EMPLOYEE PENSION BENEFITS - DECEMBER 31	<u>\$ 193,982,980</u>	<u>\$ —</u>	<u>\$ 193,982,980</u>

EXHIBIT G-3**CITY OF AURORA, COLORADO****AGENCY FUNDS****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES****FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
GENERAL AGENCY				
ASSETS				
Equity in cash and cash equivalents	\$ 30,257	\$ 66,200	\$ (52,976)	\$ 43,481
Due from other funds	814	1,612	(814)	1,612
TOTAL ASSETS	<u>\$ 31,071</u>	<u>\$ 67,812</u>	<u>\$ (53,790)</u>	<u>\$ 45,093</u>
LIABILITIES				
Funds held for others	\$ 31,071	\$ 120,125	\$ (116,218)	\$ 34,978
Due to other funds	—	10,115	—	10,115
TOTAL LIABILITIES	<u>\$ 31,071</u>	<u>\$ 130,240</u>	<u>\$ (116,218)</u>	<u>\$ 45,093</u>
 PAYROLL CLEARING				
ASSETS				
Equity in cash and cash equivalents	\$ 108,754	\$ 135,516,702	\$ (130,704,360)	\$ 4,921,096
TOTAL ASSETS	<u>\$ 108,754</u>	<u>\$ 135,516,702</u>	<u>\$ (130,704,360)</u>	<u>\$ 4,921,096</u>
LIABILITIES				
Accounts payable	\$ 648	\$ 127,773,908	\$ (127,366,193)	\$ 408,363
Funds held for others	108,106	136,330,388	(131,925,761)	4,512,733
TOTAL LIABILITIES	<u>\$ 108,754</u>	<u>\$ 264,104,296</u>	<u>\$ (259,291,954)</u>	<u>\$ 4,921,096</u>

(Continued)

EXHIBIT G-3**CITY OF AURORA, COLORADO****AGENCY FUNDS****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
TOTAL AGENCY FUNDS				
ASSETS				
Equity in cash and cash equivalents	\$ 139,011	\$ 135,582,902	\$ (130,757,336)	\$ 4,964,577
Due from other funds	814	1,612	(814)	1,612
TOTAL ASSETS	<u>\$ 139,825</u>	<u>\$ 135,584,514</u>	<u>\$ (130,758,150)</u>	<u>\$ 4,966,189</u>
LIABILITIES				
Accounts payable	\$ 648	\$ 127,773,908	\$ (127,366,193)	\$ 408,363
Funds held for others	139,177	136,450,513	(132,041,979)	4,547,711
Due to other funds	—	10,115	—	10,115
TOTAL LIABILITIES	<u>\$ 139,825</u>	<u>\$ 264,234,536</u>	<u>\$ (259,408,172)</u>	<u>\$ 4,966,189</u>

(Concluded)

ACCOUNT GROUPS

GENERAL FIXED ASSETS

The General Fixed Assets account group is used to record fixed assets which are not accounted for in a proprietary or similar trust fund.

City Fixed Asset Account Group

The City Fixed Asset Account Group is used to record fixed assets of the City which are not accounted for in a proprietary or similar trust fund.

Aurora Capital Leasing Corporation Fixed Asset Account Group

The Aurora Capital Leasing Corporation (ACLC) Fixed Asset Account Group is used to record public buildings and other assets financed and owned by ACLC.

GENERAL LONG - TERM DEBT

The general long-term debt account group is used to record all long-term indebtedness except that which has been identified as a specific liability of a proprietary or similar trust fund.

City General Long-term Debt Account Group

The City General Long-term Debt Account Group is used to record general obligation bonds, special assessment bonds, capitalized leases and unfunded accrued compensated absences payable by governmental funds.

ACCOUNT GROUPS (continued)

GENERAL LONG - TERM DEBT (continued)

Aurora Urban Renewal Authority General Long-term Debt Account Group

The Aurora Urban Renewal Authority (AURA) General Long-term Debt Account Group is used to record the incremental tax revenue bonds of AURA.

Aurora Capital Leasing Corporation General Long-term Debt Account Group

The Aurora Capital Leasing Corporation (ACLC) General Long-term Debt Account Group is used to record the certificates of participation in a capital lease by ACLC.

EXHIBIT H-1**CITY OF AURORA, COLORADO****GENERAL FIXED ASSETS ACCOUNT GROUP
COMBINING SCHEDULE OF FIXED ASSETS BY SOURCE
DECEMBER 31, 1999**

	<u>City</u>	<u>ACLC</u>	<u>Totals</u>
GENERAL FIXED ASSETS			
Land	\$ 18,535,141	\$ 2,086,067	\$ 20,621,208
Buildings and improvements	44,774,313	30,845,138	75,619,451
Improvements other than buildings	15,149,662	60,039	15,209,701
Machinery and equipment	43,818,999	—	43,818,999
Construction in progress	524,120	—	524,120
TOTAL GENERAL FIXED ASSETS	<u>\$ 122,802,235</u>	<u>\$ 32,991,244</u>	<u>\$ 155,793,479</u>
INVESTMENT IN GENERAL FIXED ASSETS			
Federal government	\$ 2,704,826	\$ —	\$ 2,704,826
State of Colorado	402,455	—	402,455
Conservation Trust	7,819,220	—	7,819,220
Private gifts and grants	536,896	—	536,896
General fund	53,093,369	—	53,093,369
Special revenue funds	6,248,766	—	6,248,766
Capital projects fund	40,694,906	—	40,694,906
Contributions from enterprise funds	599,967	—	599,967
Contributions from internal service funds	10,701,830	—	10,701,830
ACLC	—	32,991,244	32,991,244
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>\$ 122,802,235</u>	<u>\$ 32,991,244</u>	<u>\$ 155,793,479</u>

EXHIBIT H-2
CITY OF AURORA, COLORADO
GENERAL FIXED ASSETS ACCOUNT GROUP
COMBINING SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
DECEMBER 31, 1999

FUNCTION AND ACTIVITY	Land	Buildings and Improvements	Improvements Other Than Buildings	Machinery and Equipment	Construction in Progress	Totals
CITY						
General government						
Buildings	\$ 3,665,512	\$ 15,359,101	\$ 662,835	\$ 152,744	\$ —	\$ 19,840,192
City Council	—	—	—	6,264	—	6,264
Boards and Commissions	—	78,420	—	11,301	—	89,721
Judicial	—	—	—	29,185	—	29,185
Court Administration	—	—	—	635,245	—	635,245
City Attorney	—	—	—	86,823	—	86,823
General Management	—	—	—	744,101	—	744,101
Finance	—	—	—	181,596	—	181,596
Information Technology	—	—	76,404	7,111,987	—	7,188,391
Internal Services	—	12,420	—	53,887	102,600	168,907
Building Services	—	20,425	—	382,608	—	403,033
Community Services	—	—	—	384,858	—	384,858
Planning	—	—	—	196,573	—	196,573
Development Services	—	—	—	25,039	—	25,039
Total general government	3,665,512	15,470,366	739,239	10,002,211	102,600	29,979,928
Public safety						
Emergency communications	—	104,034	333,307	1,552,747	—	1,990,088
Police	90,000	4,001,725	661,540	7,845,829	—	12,599,094
Fire	107,000	5,047,521	140,558	8,139,129	—	13,434,208
Building Inspection	—	—	—	236,851	—	236,851
Total public safety	197,000	9,153,280	1,135,405	17,774,556	—	28,260,241
Public works						
Highways and streets	6,309,589	7,582,869	30,792	9,279,495	—	23,202,745
Culture and recreation						
Library, recreation and television	566,882	11,011,779	2,960,477	1,426,933	—	15,966,071
Parks and open space	7,796,158	1,556,019	10,283,749	5,335,804	421,520	25,393,250
Total culture and recreation	8,363,040	12,567,798	13,244,226	6,762,737	421,520	41,359,321
Total - City	18,535,141	44,774,313	15,149,662	43,818,999	524,120	122,802,235
ACLC						
General government buildings	2,086,067	30,845,138	60,039	—	—	32,991,244
Total Reporting Entity	\$ 20,621,208	\$ 75,619,451	\$ 15,209,701	\$ 43,818,999	\$ 524,120	\$ 155,793,479

EXHIBIT H-3

CITY OF AURORA, COLORADO

GENERAL FIXED ASSETS ACCOUNT GROUP
COMBINING SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 1999

	Balance January 1	Additions	Disposals	Transfers In (Out)	Balance December 31
CITY					
General Government					
Buildings	\$ 28,752,558	\$ —	\$ (520,514)	\$ (8,391,852)	\$ 19,840,192
City Council	50,483	—	(42,937)	(1,282)	6,264
Boards and Commissions	109,077	—	(19,356)	—	89,721
Judicial	63,194	25,147	(59,156)	—	29,185
Court Administration	701,842	65,520	(145,713)	13,596	635,245
Public Defender	15,479	—	(15,479)	—	—
City Attorney	269,107	12,644	(194,928)	—	86,823
General Management	583,562	49,665	(344,756)	455,630	744,101
Economic Development	14,940	—	—	(14,940)	—
Finance	421,131	46,099	(235,432)	(50,202)	181,596
Information Technology	9,303,582	798,637	(1,665,859)	(1,247,969)	7,188,391
Internal Services	1,751,395	107,158	(239,253)	(1,450,393)	168,907
Building Services	307,505	79,608	(64,782)	80,702	403,033
Community Services	589,227	99,163	(334,862)	31,330	384,858
Planning	397,250	38,092	(231,754)	(7,015)	196,573
Development Services	55,014	3,685	(78,856)	45,196	25,039
Total General Government	43,385,346	1,325,418	(4,193,637)	(10,537,199)	29,979,928
Public Safety					
Emergency Communications	1,846,723	75,199	(336,607)	404,773	1,990,088
Police	14,904,303	1,526,875	(3,809,630)	(22,454)	12,599,094
Fire	13,221,552	813,629	(1,244,530)	643,557	13,434,208
Building Inspection	225,752	55,325	(65,464)	21,238	236,851
Total Public Safety	30,198,330	2,471,028	(5,456,231)	1,047,114	28,260,241
Public Works					
Highways and Streets	16,189,851	1,440,550	(2,587,834)	8,160,178	23,202,745
Culture and Recreation					
Library, Recreation and Television	21,861,360	411,806	(5,431,092)	(876,003)	15,966,071
Parks and Open Space	20,715,676	5,076,914	(1,848,935)	1,449,595	25,393,250
Total Culture and Recreation	42,577,036	5,488,720	(7,280,027)	573,592	41,359,321
Total City	132,350,563	10,725,716	(19,517,729)	(756,315)	122,802,235
ACLC					
General Government					
Buildings	32,991,244	—	—	—	32,991,244
Total Reporting Entity	\$ 165,341,807	\$ 10,725,716	\$ (19,517,729)	\$ (756,315)	\$ 155,793,479

EXHIBIT H-4**CITY OF AURORA, COLORADO****GENERAL LONG-TERM DEBT ACCOUNT GROUP
COMBINING SCHEDULE OF GENERAL LONG-TERM DEBT
DECEMBER 31, 1999**

	<u>City</u>	<u>AURA</u>	<u>ACLC</u>	<u>Totals</u>
OTHER DEBITS				
Amount available in debt service funds	\$ 685,336	\$ 1,673,750	\$ 3,588,865	\$ 5,947,951
Amount to be provided for retirement of general long-term debt	<u>48,080,751</u>	<u>1,056,250</u>	<u>20,526,135</u>	<u>69,663,136</u>
TOTAL OTHER DEBITS	<u>\$ 48,766,087</u>	<u>\$ 2,730,000</u>	<u>\$ 24,115,000</u>	<u>\$ 75,611,087</u>
LIABILITIES				
Accrued compensated absences	\$ 15,305,622	\$ —	\$ —	\$ 15,305,622
General obligation bonds payable	14,460,000	—	—	14,460,000
Revenue bonds payable	17,470,000	2,730,000	—	20,200,000
Certificates of participation	—	—	24,115,000	24,115,000
Special assessment bonds payable	520,000	—	—	520,000
Capitalized leases	809,186	—	—	809,186
Net pension obligation	<u>201,279</u>	<u>—</u>	<u>—</u>	<u>201,279</u>
TOTAL LIABILITIES	<u>\$ 48,766,087</u>	<u>\$ 2,730,000</u>	<u>\$ 24,115,000</u>	<u>\$ 75,611,087</u>

OTHER SCHEDULES

Schedule of Indebtedness - All Funds

This schedule provides a summary of all debt of the City outstanding at year-end.

Schedule of Debt Service Requirements - General Long-Term Debt

This schedule provides a summary of debt service requirements to maturity by revenue source for all governmental funds.

Schedule of Debt Service Requirements - Proprietary Funds

This schedule provides a summary of debt service requirements to maturity by revenue source for all proprietary funds.

Schedule of Conduit Debt Outstanding

This schedule provides a summary of revenue bonds issued by the City to provide financial assistance to private-sector and non-profit entities.

Schedule of Pooled Investments

This schedule lists the investments held by the City in its pooled accounts at year-end.

Counties, Cities, & Towns Annual Statement of Receipts & Expenditures for Roads, Bridges and Streets

This report is required supplemental information for all local governments which receive highway user taxes from the State of Colorado.

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EXHIBIT I-1
CITY OF AURORA, COLORADO
**SCHEDULE OF INDEBTEDNESS - ALL FUNDS
DECEMBER 31, 1999**

	Interest Rates	Dates		Authorized and Issued	Bonds	
		Issue	Maturity		Outstanding	Current Maturities
GENERAL OBLIGATION DEBT						
Supported by General Fund revenues						
Public safety	4.55 - 5.55%	12/1/95	2000-2009	\$ 4,855,000	\$ 3,780,000	\$ 300,000
Park and street refundings	4.75 - 5.00%	7/1/92	2000	9,040,000	600,000	600,000
Park and street refundings	5.30%	8/1/92	2001	400,000	400,000	—
Alameda & I-225 Interchange	4.50 - 4.80%	6/1/98	2000-2012	10,000,000	9,680,000	565,000
Total supported by General Fund revenues				24,295,000	14,460,000	1,465,000
Supported by Water revenues						
09/93 Refunding	4.625 - 4.75%	9/15/93	2000-2014	114,800,000	88,270,000	6,890,000
12/89 Refunding	6.70 - 6.90%	8/1/89	2000-2014	24,452,709	14,780,000	2,950,000
12/96 Refunding	4.15 - 4.90%	12/1/96	2000-2006	2,615,000	2,560,000	20,000
Unamortized bond discounts				—	(3,239,880)	—
Total supported by Water revenues				141,867,709	102,370,120	9,860,000
REVENUE BONDS						
Supported by General Fund revenues						
Sports Park	4.75 - 5.125%	7/1/99	2000-2014	17,470,000	17,470,000	170,000
Supported by Water revenues						
05/99 Governmental Agency bond	4.485%	5/1/99	2000-2014	14,999,899	14,999,899	821,104
Unamortized bond discounts				—	(93,478)	—
Unamortized bond premium				—	412,038	—
Total supported by Water revenues				14,999,899	15,318,459	821,104
Supported by Sewer revenues						
08/92 Refunding	4.375 - 4.50%	8/1/92	2000	7,350,000	1,305,000	1,305,000
07/93 Refunding	4.10 - 4.65%	7/15/93	2000-2002	11,180,000	4,230,000	1,340,000
07/99 Governmental Agency bond	5.00%	7/27/99	2000-2014	24,124,366	24,124,366	1,399,450
Unamortized bond discounts				—	(203,738)	—
Unamortized bond premium				—	109,975	—
Total supported by Sewer revenues				42,654,366	29,565,603	4,044,450
Supported by Golf revenues						
Golf Course Enterprise System	4.60 - 6.20%	11/1/95	2000-2015	7,395,000	6,665,000	265,000
Unamortized bond discount				—	(88,278)	—
Total supported by Golf revenues				7,395,000	6,576,722	265,000
WATER NOTES						
Supported by Water revenues						
Water Rights No. R/B-I-One	5.00%	11/19/99	2000-2009	253,987	253,987	25,399
Water Rights No. R/B-I-Two	5.00%	11/19/99	2000-2009	249,125	249,125	24,912
				503,112	503,112	50,311
SPECIAL IMPROVEMENT DISTRICTS						
05/96 Refunding	4.75 - 5.50%	5/15/96	2000-2001	1,800,000	520,000	210,000
Total Special Improvement Districts				1,800,000	520,000	210,000
INCLUDABLE ENTITIES						
AURA tax increment revenue refunding bonds	4.75 - 5.80%	5/15/96	2000-2007	3,580,000	2,730,000	250,000
ALC certificates of participation	5.30 - 6.25%	6/1/94	2000-2009	35,875,000	24,115,000	2,925,000
Total Includable Entities				39,455,000	26,845,000	3,175,000
TOTAL INDEBTEDNESS				\$ 290,440,086	\$ 213,629,016	\$ 20,060,865

EXHIBIT I-2

CITY OF AURORA, COLORADO

SCHEDULE OF DEBT SERVICE REQUIREMENTS
GENERAL LONG-TERM DEBT
DECEMBER 31, 1999

Year	General Obligation Bonds Supported by General Fund Revenues		Revenue Bonds Supported by General Fund Revenues		Tax Increment Revenue Refunding Bonds Supported by AURA Revenues		Special Assessment Bonds		Capitalized Leases Supported by General Fund Revenues		Certificates of Participation Supported by ACLC Revenues		Total Principal and Interest Requirements to Maturity
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2000	\$ 1,465,000	\$ 688,025	\$ 170,000	\$ 934,839	\$ 250,000	\$ 150,392	\$ 210,000	\$ 28,338	\$ 254,466	\$ 47,599	\$ 2,925,000	\$ 1,453,683	\$ 8,577,342
2001	1,305,000	607,750	500,000	846,705	260,000	137,642	310,000	17,050	269,435	32,631	1,495,000	1,289,882	7,071,095
2002	945,000	555,322	945,000	812,386	270,000	124,252	—	—	285,285	16,781	1,575,000	1,204,668	6,733,694
2003	990,000	511,312	990,000	766,430	285,000	109,942	—	—	—	—	1,670,000	1,112,530	6,435,214
2004	1,035,000	465,037	1,040,000	717,568	300,000	94,695	—	—	—	—	1,775,000	1,014,000	6,441,300
2005	1,085,000	416,272	1,095,000	665,527	320,000	78,195	—	—	—	—	1,880,000	907,500	6,447,494
2006	1,135,000	364,945	1,150,000	610,805	335,000	60,275	—	—	—	—	1,995,000	794,700	6,445,725
2007	1,190,000	310,870	1,205,000	552,649	710,000	41,180	—	—	—	—	2,200,000	675,000	6,884,699
2008	1,245,000	253,707	1,270,000	490,774	—	—	—	—	—	—	2,330,000	537,500	6,126,981
2009	1,310,000	193,455	1,335,000	425,649	—	—	—	—	—	—	6,270,000	391,875	9,925,979
2010	875,000	129,570	1,400,000	357,274	—	—	—	—	—	—	—	—	2,761,844
2011	920,000	89,320	1,475,000	285,399	—	—	—	—	—	—	—	—	2,769,719
2012	960,000	46,080	1,550,000	209,774	—	—	—	—	—	—	—	—	2,765,854
2013	—	—	1,630,000	129,459	—	—	—	—	—	—	—	—	1,759,459
2014	—	—	1,715,000	43,947	—	—	—	—	—	—	—	—	1,758,947
Totals	\$ 14,460,000	\$ 4,631,665	\$ 17,470,000	\$ 7,849,185	\$ 2,730,000	\$ 796,573	\$ 520,000	\$ 45,388	\$ 809,186	\$ 97,011	\$ 24,115,000	\$ 9,381,338	\$ 82,905,346

EXHIBIT I-3

CITY OF AURORA, COLORADO

SCHEDULE OF DEBT SERVICE REQUIREMENTS
 PROPRIETARY FUNDS
 DECEMBER 31, 1999

Year	General Obligation Bonds Supported by Water Revenues		Revenue Bonds Supported by Water Revenues		Notes Supported by Water Revenues		Revenue Bonds Supported by Sewer Revenues		Revenue Bonds Supported by Golf Revenues		Capitalized Leases Supported by Golf Revenues		Total Principal and Interest Requirements to Maturity
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2000	\$ 9,860,000	\$ 4,311,745	\$ 821,104	\$ 60,888	\$ 50,311	\$ 25,156	\$ 4,044,450	\$ 572,363	\$ 265,000	\$ 391,772	\$ 123,055	\$ 27,397	\$ 20,553,241
2001	10,135,000	3,992,192	837,204	325,987	50,311	22,640	2,766,772	749,539	280,000	378,257	153,615	18,436	19,709,953
2002	10,430,000	3,658,514	858,670	399,414	50,311	20,124	2,868,304	672,029	295,000	363,558	115,215	10,037	19,741,176
2003	8,195,000	3,309,784	885,504	375,736	50,311	17,609	1,426,364	563,252	315,000	347,628	112,218	5,160	15,603,566
2004	8,750,000	3,063,009	906,971	351,318	50,311	15,093	1,458,658	532,230	335,000	329,672	—	—	15,792,262
2005	6,990,000	2,730,916	933,804	324,194	50,311	12,578	1,496,336	490,342	350,000	310,577	—	—	13,689,058
2006	7,335,000	2,404,962	960,638	296,270	50,311	10,062	1,539,396	447,372	370,000	290,628	—	—	13,704,639
2007	6,380,000	2,062,281	982,104	274,254	50,311	7,547	1,577,072	410,316	390,000	269,167	—	—	12,403,052
2008	6,700,000	1,767,206	1,008,938	250,604	50,312	5,031	1,620,132	370,522	410,000	246,157	—	—	12,428,902
2009	5,865,000	1,457,331	1,030,404	225,600	50,312	2,516	1,663,192	327,760	435,000	222,583	—	—	11,279,698
2010	6,160,000	1,186,075	1,057,238	199,588	—	—	1,711,634	274,206	460,000	197,570	—	—	11,246,311
2011	6,470,000	893,475	1,094,804	163,046	—	—	1,770,842	219,092	485,000	171,120	—	—	11,267,379
2012	6,800,000	586,150	1,132,372	125,206	—	—	1,819,284	168,240	520,000	141,050	—	—	11,292,302
2013	2,695,000	263,150	1,202,138	86,068	—	—	1,873,110	115,996	550,000	108,810	—	—	6,894,272
2014	2,845,000	135,138	1,288,006	44,518	—	—	2,023,820	60,468	585,000	74,710	—	—	7,056,660
2015	—	—	—	—	—	—	—	—	620,000	38,440	—	—	658,440
Totals	\$ 105,610,000	\$ 31,821,928	\$ 14,999,899	\$ 3,502,691	\$ 503,112	\$ 138,356	\$ 29,659,366	\$ 5,973,727	\$ 6,665,000	\$ 3,881,699	\$ 504,103	\$ 61,030	\$ 203,320,911

EXHIBIT I-4

CITY OF AURORA, COLORADO

SCHEDULE OF CONDUIT DEBT OUTSTANDING
DECEMBER 31, 1999

Trustee	Issue Type*	Dated Date	Description	Funding Source	December 31, 1999 Outstanding
Bank One	(EDB)	04/15/94	Refunding Rev Bonds (Community College of Aurora), 1994	lease pymt	\$ 10,715,000
US Bank	(IDB)	11/15/84	(TE Properties) Commercial Office Products, 1984	loan pymt	4,010,000
US Bank	(IDB)	03/01/87	YMCA of Metro Denver	loan pymt	600,000
Norwest Bank	(IDB)	07/29/94	Optima Batteries, Series B (\$5.515 mil. non rated)	loan pymt	4,500,000
Norwest Bank	(IDB)	07/29/94	Optima Batteries, Series A (\$3.4 mil. COP backed conv floaters)	loan pymt	3,430,000
US Bank	(MF)	04/21/98	Dayton 98 Series A	rental pymt	8,605,000
US Bank	(MF)	04/21/98	Dayton 98 Series B	rental pymt	1,325,000
US Bank	(MF)	04/21/98	Dayton 98 Series C	rental pymt	410,000
US Bank	(MF)	04/21/98	Dayton 98 Series D	rental pymt	550,000
Norwest Bank	(MF)	08/01/96	Aurora Meadows Apt Project Rev Ref. 1996	rental pymt	13,400,000
US Bank	(SF)	11/13/81	Rev Bonds 1981 Series A (private placement)	mortg pymt	2,625,000
BNY	(SF)	09/01/84	Rev Bonds Series 1984 A (defeased and non-defeased escrow)	mortg pymt	1,712,870
Zions Bank	(SF)	11/01/93	Rev Bonds Series 1993 A	mortg pymt	7,780,000
US Bank	(JWA)	04/01/84	Aurora - Colorado Springs JWA Bonds	svc revenue	3,750,000
Total conduit debt outstanding					<u>\$ 63,412,870</u>

- * EDB Educational Development Bond
- IDB Industrial Development Bond
- MF Multi-Family
- SF Single Family
- JWA Joint Water Authority



EXHIBIT I-5

CITY OF AURORA, COLORADO

SCHEDULE OF POOLED INVESTMENTS
DECEMBER 31, 1999

Investment Description	Coupon Rate	Maturity Date	Original Cost	Carrying/ Fair Value	Par Value
Federal Farm Credit	0.000	10/24/00	\$ 650,963	\$ 658,122	\$ 690,000
Federal Home	0.000	12/18/01	1,272,035	1,297,731	1,470,000
Loan Bank	0.000	01/17/02	3,328,045	3,395,925	3,870,000
FICO Strip	0.000	05/02/01	4,616,380	4,759,711	5,186,000
Federal National	0.000	08/15/00	9,209,423	9,635,000	10,000,000
Mortgage Assn.	4.980	09/22/00	3,005,577	2,969,100	3,000,000
	0.000	02/01/01	4,509,612	4,668,000	5,000,000
	0.000	02/12/01	1,804,400	1,863,600	2,000,000
	0.000	02/15/01	1,540,217	1,700,000	1,700,000
	0.000	08/15/01	18,090,299	18,503,300	20,500,000
Resolution	0.000	01/15/01	3,683,574	3,799,305	4,050,000
Funding Corp.	0.000	04/15/01	2,162,023	2,231,359	2,405,000
	0.000	10/15/01	2,593,830	2,644,754	2,959,000
ColoTrust Plus+	5.840	01/03/00	5,114,171	5,114,171	5,114,171
Commercial Paper	5.900	01/03/00	1,978,367	1,999,345	2,000,000
	5.800	01/07/00	3,959,400	3,996,133	4,000,000
	5.820	01/12/00	1,979,630	1,996,443	2,000,000
	5.830	01/18/00	2,972,308	2,991,741	3,000,000
	0.000	02/02/00	1,978,767	1,989,547	2,000,000
	0.000	02/04/00	3,961,462	3,977,409	4,000,000
	0.000	02/09/00	1,980,778	1,986,849	2,000,000
	0.000	03/06/00	2,959,000	2,967,500	3,000,000
	5.970	03/15/00	2,957,215	2,963,185	3,000,000
	5.550	04/03/00	1,923,533	1,976,800	2,000,000
Corporate Notes	5.375	04/01/00	962,860	997,100	1,000,000
	6.110	06/09/00	1,519,215	1,497,300	1,500,000
	5.710	07/27/00	1,994,320	1,990,600	2,000,000
	6.670	09/12/00	1,018,577	1,000,400	1,000,000
	5.000	10/06/00	1,971,200	1,981,000	2,000,000
	5.850	01/15/01	1,989,847	1,982,600	2,000,000
	6.200	03/15/01	1,995,460	1,990,000	2,000,000
	6.350	03/19/01	1,011,530	994,700	1,000,000
	6.500	04/01/01	1,428,380	1,395,704	1,403,000
	6.700	05/29/01	1,010,400	998,200	1,000,000
	6.730	06/01/01	1,006,300	997,600	1,000,000
	5.740	07/09/01	1,003,025	985,000	1,000,000
	5.770	08/27/01	1,987,838	1,942,610	1,975,000

(Continued)

Investment Description	Coupon Rate	Maturity Date	Original Cost	Carrying/ Fair Value	Par Value
Corporate Notes	7.000	09/15/01	\$ 4,586,351	\$ 4,480,370	\$ 4,475,000
(continued)	6.500	10/15/01	1,998,800	1,979,000	2,000,000
	5.710	01/15/02	994,090	975,000	1,000,000
	7.570	03/11/02	1,030,480	1,013,200	1,000,000
	5.700	05/03/02	2,000,000	1,950,000	2,000,000
	6.800	05/15/02	999,862	995,300	1,000,000
	6.500	09/15/02	1,986,527	1,982,500	2,000,000
US Treasury Notes	0.000	02/15/00	9,499,550	9,934,400	10,000,000
	0.000	05/15/00	4,691,700	4,900,000	5,000,000
	0.000	05/15/00	4,682,907	4,900,000	5,000,000
	0.000	11/15/00	7,329,720	7,600,000	8,000,000
	0.000	02/15/01	9,048,431	9,346,900	10,000,000
	0.000	05/15/01	8,960,800	9,206,300	10,000,000
	0.000	11/15/01	8,757,300	8,918,800	10,000,000
	0.000	02/15/02	4,307,650	4,390,650	5,000,000
TOTAL POOLED INVESTMENTS			<u>\$ 178,004,129</u>	<u>\$ 181,410,264</u>	<u>\$ 190,297,171</u>

This schedule represents City pooled investments. The City's financial statements include other investments that are not located in the investment pool. Investments with maturities of three months or less from date of purchase are cash and cash equivalents.

(Concluded)

COUNTIES, CITIES & TOWNS ANNUAL STATEMENT OF RECEIPTS & EXPENDITURES FOR ROADS, BRIDGES AND STREETS

COUNTY/CITY/TOWN: AuroraCALENDAR YEAR OF REPORT: 1999

(ROUND ALL AMOUNTS TO THE NEAREST DOLLAR)

I. SCHEDULE OF RECEIPTS FOR ROAD, BRIDGE AND STREET PURPOSES**A. LOCAL SOURCES**

1. Property Tax/Special Assessments	<u>-</u>
2. General Fund Appropriations	<u>-</u>
3. Other: Transfers from funds other than General	<u>6,348,000</u>
4. Traffic Fines	<u>3,404,917</u>
5. Sales Tax	<u>5,322,049</u>
6a. From County: Adams, Arapahoe, Douglas	<u>948,416</u>
b. City/Town	<u>-</u>
7. Bond Proceeds (net of issuance cost)	<u>-</u>
8. Note Proceeds (net of issuance cost)	<u>-</u>
9. Specific Ownership Taxes	<u>2,046,694</u>
TOTAL (A) LOCAL SOURCES	<u>18,070,076</u>
<u>B. PRIVATE CONTRIBUTIONS</u>	<u>5,149,238</u>

C. STATE SOURCES

1. Highway Users Tax	<u>7,781,838</u>
2. Motor Vehicle Registration Fees	<u>790,686</u>
3. Other	<u>-</u>
TOTAL (C) STATE SOURCES	<u>8,572,524</u>

D. FEDERAL SOURCES

1. Forest Service	<u>-</u>
2. Mineral Leasing	<u>-</u>
3. Payments in Lieu of Taxes	<u>-</u>
4. FEMA	<u>-</u>
5. HUD	<u>-</u>
6. Other	<u>-</u>
TOTAL (D) FEDERAL SOURCES	<u>-</u>

<u>E. TOTAL RECEIPTS (A+B+C+D)</u>	<u>31,791,838</u>
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<u>F. UNSPENT BALANCES BEGINNING OF YEAR</u> (must equal ending balance of previous year)	<u>2,661,147</u>
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<u>G. TOTAL RECEIPTS AND BALANCES (E+F)</u>	<u>34,452,985</u>
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II. SCHEDULE OF EXPENDITURES FOR ROAD, BRIDGE AND STREET PURPOSES**A. DIRECT HIGHWAY EXPENDITURES**

1. Right-of-Way	684,056
2. Preliminary and Construction Engineering	2,095,805
3. Total Construction	
A. Capacity Improvements	6,197,637
B. System Preservation	4,147,075
C. Safety Improvements	1,389,941
4. Maintenance of Conditions	7,048,798
5. Snow and Ice Removal	981,795
6. Traffic Services	1,609,703
7. Administration	1,908,518
8. Traffic Enforcement	5,166,841
TOTAL (A) DIRECT HIGHWAY EXPENDITURES	31,230,169

B. DEBT PAYMENTS ON BONDS AND NOTES

1. Interest on Bonds	858,875
2. Interest on Notes	-
3. Redemption on Bonds (net value)	2,270,000
4. Redemption on Notes (net value)	-
TOTAL (B) DEBT PAYMENT	3,128,875

C. PAYMENTS TO OTHER GOVERNMENTS

1a. To County _____	-
b. To City _____	-
2. To Department of Transportation	93,941
TOTAL (C) PAYMENTS TO OTHER GOVERNMENTS	93,941

D. OTHER HIGHWAY PURPOSES

<u>E. TOTAL EXPENDITURES (A+B+C+D)</u>	34,452,985
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F. BALANCE END OF YEAR

(unspent receipts)

<u>G. TOTAL EXPENDITURES AND BALANCES (E+F)</u>	34,452,985
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III. SCHEDULE OF CHANGE IN DEBT STATUS FOR ROAD, BRIDGE AND STREET OBLIGATIONS

(Show all entries at par value, face amount of issue)

	<u>BONDS</u>	<u>NOTES</u>
<u>A. BONDS AND NOTES OUTSTANDING BEGINNING OF YEAR</u>	<u>13,470,000</u>	<u>-</u>
<u>B. AMOUNT ISSUED DURING YEAR (par value)</u>		
1. Original issues this year	<u>-</u>	<u>-</u>
2. Refunding issues	<u>-</u>	<u>-</u>
<u>C. AMOUNT REDEEMED DURING YEAR (par value)</u>		
1. From current receipts or reserves	<u>2,270,000</u>	<u>-</u>
2. From refunding issues	<u>-</u>	<u>-</u>
<u>D. BONDS AND NOTES OUTSTANDING END OF YEAR</u>	<u>11,200,000</u>	<u>-</u>

NOTE: TOTAL RECEIPTS AND BALANCES MUST EQUAL TOTAL EXPENDITURES AND BALANCES

**PLEASE GIVE THE FOLLOWING INFORMATION FOR THE PERSON TO CONTACT FOR QUESTIONS
REGARDING THE REPORT.**

NAME: Raisa Nikolayevsky

PHONE: (303) 739 - 7793

FAX: (303) 739 - 7779

E-MAIL: mikolay@ci.aurora.co.us

SUPPLEMENTARY FINANCIAL DISCLOSURES

Disclosure Report - Aurora Urban Renewal Authority Tax Increment Revenue Refunding Bonds, Series 1996

These schedules provide required continuing disclosure information for the undertaking dated May 29, 1996 for Aurora Urban Renewal Authority Tax Increment Revenue Refunding Bonds, Series 1996.

Disclosure Report - General Obligation Water Refunding Bonds, Series 1996

These schedules provide required continuing disclosure information for the undertaking dated December 20, 1996 for City of Aurora, Colorado General Obligation Water Refunding Bonds, Series 1996.

Disclosure Report - Golf Course Enterprise System Revenue Bonds, Series 1995

These schedules provide required continuing disclosure information for the undertaking dated November 7, 1995 for City of Aurora, Colorado Golf Course Enterprise System Revenue Bonds - Series 1995.

Disclosure Report - Special Assessment Refunding Bonds, Series 1996

These schedules provide required continuing disclosure information for the undertaking dated May 29, 1996 for City of Aurora, Colorado Special Assessment Refunding Bonds, Series 1996.

Disclosure Report - General Obligation Bonds, Series 1998

These schedules provide required continuing disclosure information for the undertaking dated June 17, 1998 for the City of Aurora, Colorado General Obligation Bonds, Series 1998.

Disclosure Report - General Fund Bonds, Series 1999

These schedules provide required continuing disclosure information for the undertaking dated July 12, 1999 for the City of Aurora, Colorado General Fund Bonds, Series 1999.

SUPPLEMENTARY FINANCIAL DISCLOSURES (continued)

Disclosure Report - Drinking Water Revenue Bonds, Series 1999

These schedules provide required continuing disclosure information for the undertaking dated April 23, 1999 for the Colorado Water Resources and Power Development Authority (CWR&PDA) Drinking Water Revenue Bonds, under which the City of Aurora is obligated as evidenced by a governmental agency bond.

Disclosure Report - Clean Water Revenue Bonds, Series 1999

These schedules provide required continuing disclosure information for the undertaking dated July 7, 1999 for the Colorado Water Resources and Power Development Authority (CWR&PDA) Clean Water Revenue Bonds, under which the City of Aurora is obligated as evidenced by a governmental agency bond.

EXHIBIT J-1**CITY OF AURORA, COLORADO****AURORA URBAN RENEWAL AUTHORITY
TAX INCREMENT REVENUE REFUNDING BONDS, SERIES 1996
DISCLOSURE REPORT
DECEMBER 31, 1999**

The following information is presented pursuant to continuing disclosure undertaking dated May 29, 1996 for the Aurora Urban Renewal Authority Tax Increment Revenue Refunding Bonds, Series 1996.

**Sales Tax Collections in the
Urban Renewal Project Area 1995-1999**

<u>Year ended December 31,</u>	<u>Collected in Urban Renewal Project Area (1)</u>
1995	\$ 500,900
1996	443,521
1997	395,222
1998	446,008
1999	593,163

- (1) The base year sales tax in the Urban Renewal Project Area was zero. All sales taxes collected in the project area are treated as Sales Tax Increment Revenues.

The incremental assessed valuation of taxable property in the Urban Renewal Project Area was as follows in the years 1995-1999:

<u>Collection Year</u>	<u>Incremental Assessed Valuation</u>	<u>Total Rate of Levy</u>	<u>Property Tax Increment</u>
1995	\$ 1,846,980	98.835	\$ 182,546
1996	1,756,060	97.928	171,967
1997	1,729,530	97.317	168,318
1998	2,069,310	89.852	185,932
1999	3,628,490	88.747	322,018

(Continued)

EXHIBIT J-1**CITY OF AURORA, COLORADO****AURORA URBAN RENEWAL AUTHORITY
TAX INCREMENT REVENUE REFUNDING BONDS, SERIES 1996
DISCLOSURE REPORT
DECEMBER 31, 1999**

The following mill levies were imposed by the individual overlapping taxing entities of the Urban Renewal Project Area in the tax years 1995-1999:

**Mill Levies of Overlapping Taxing Entities
of the Urban Renewal Project Area**

<u>Overlapping Entities</u>	<u>Tax Year/Collection Year</u>				
	<u>1994/95</u>	<u>1995/96</u>	<u>1996/97</u>	<u>1997/98</u>	<u>1998/99</u>
City of Aurora	11.605	12.003	12.000	11.940	11.507
Arapahoe County	16.973	16.973	16.973	15.960	15.549
Adams-Arapahoe School District 28J	69.477	68.172	67.595	61.203	60.935
Urban Drainage and Flood Control District	.780	.780	.749	.749	.756
	<u>98.835</u>	<u>97.928</u>	<u>97.317</u>	<u>89.852</u>	<u>88.747</u>

(Continued)

EXHIBIT J-1

CITY OF AURORA, COLORADO

AURORA URBAN RENEWAL AUTHORITY TAX INCREMENT REVENUE REFUNDING BONDS, SERIES 1996 DISCLOSURE REPORT DECEMBER 31, 1999

Businesses Operating in the Urban Renewal Project Area

As of December 31, 1999, the following business establishments most recently operated within the Urban Renewal Project Area:

<u>Name</u>	<u>Type of Business</u>	<u>Square Feet of Space</u>
Right Cuts	Hair Cutting	1,300
Aurora Foot Clinic	Medical	2,000
Sam's Furniture Outlet	Retail	3,600
Gart Sports	Sporting Goods	55,080
Black Eyed Pea	Restaurant	5,000
ADT Security Systems	Security Services	136,445
Century Theaters	Movie Theater	58,696

The restaurant and retail sales industries are intensely competitive and no assurance can be given that any of the businesses presently providing tax increment revenues within the Urban Renewal Project Area will remain willing or able to continue operating in their present locations for any particular period of time.

(Continued)

EXHIBIT J-1

CITY OF AURORA, COLORADO

**AURORA URBAN RENEWAL AUTHORITY
TAX INCREMENT REFUNDING BONDS, SERIES 1996
DISCLOSURE REPORT
DECEMBER 31, 1999**

Aurora Urban Renewal Authority Summary of Revenues, Expenditures and Changes in Fund Balance for the Years Ended December 31,					
	1995	1996	1997	1998	1999
REVENUES					
Taxes					
Property	\$ 178,912	\$ 169,455	\$ 187,663	\$ 182,844	\$ 314,666
Sales	500,900	443,521	395,222	446,008	593,163
Total taxes	679,812	612,976	582,885	628,852	907,829
Investment income	203,263	200,467	215,599	225,176	205,495
Miscellaneous revenue	—	—	—	5,000	—
Total revenues	883,075	813,443	798,484	859,028	1,113,324
EXPENDITURES					
Current					
General Government	—	118,846	900	—	7,383
Debt Service					
Principal	175,000	175,000	215,000	225,000	235,000
Interest and fiscal changes	259,780	203,795	182,162	172,595	161,907
Total expenditures	434,780	497,641	398,062	397,595	404,290
Excess of revenues over expenditures	448,295	315,802	400,422	461,433	709,034
OTHER FINANCING SOURCES (USES)					
Proceeds of refunding bonds	—	3,580,000	—	—	—
Payments to refunded bond escrow	—	(3,524,788)	—	—	—
Operating transfers in	—	—	—	—	265,000
Operating transfers out	(70,000)	(36,283)	(300,000)	(700,000)	(3,435,720)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	378,295	334,731	100,422	(238,567)	(2,461,686)
FUND BALANCE - JANUARY 1	3,494,046	3,872,341	4,273,581	4,374,003	4,135,436
Prior Period Adjustment, GASB 22	—	66,509	—	—	—
FUND BALANCE - DECEMBER 31	<u>\$ 3,872,341</u>	<u>\$ 4,273,581</u>	<u>\$ 4,374,003</u>	<u>\$ 4,135,436</u>	<u>\$ 1,673,750</u>

(Concluded)

EXHIBIT J-2**CITY OF AURORA, COLORADO****GENERAL OBLIGATION WATER REFUNDING BONDS, SERIES 1996****DISCLOSURE REPORT****DECEMBER 31, 1999**

Water Fund Comparative Statement of Revenues, Expenses and Changes in Retained Earnings For the Years Ended December 31,					
	1995	1996	1997	1998	1999
OPERATING REVENUES					
Charges for services					
Water customers	\$ 24,824,629	\$ 30,049,378	\$ 28,822,575	\$ 30,231,916	\$ 32,710,309
Water fire protection	304,925	317,303	325,134	330,692	341,182
Miscellaneous	392,227	9,250	32,777	9,756	7,624
Total operating revenues	25,521,781	30,375,931	29,180,486	30,572,364	33,059,115
OPERATING EXPENSES BEFORE DEPRECIATION	11,479,948	12,240,040	11,707,171	12,894,040	15,538,521
Operating income before depreciation	14,041,833	18,135,891	17,473,315	17,678,324	17,520,594
Depreciation	3,728,135	3,793,140	3,938,470	4,281,950	15,732,652
Operating income	10,313,698	14,342,751	13,534,845	13,396,374	1,787,942
NON-OPERATING REVENUES (EXPENSES)					
Investment income	1,499,195	1,510,300	2,080,062	2,124,558	1,577,655
Miscellaneous revenue	21,477	37,801	61,823	21,746	—
Interest expense	(7,521,140)	(5,691,075)	(5,034,422)	(4,591,054)	(4,456,917)
Gain (loss) on disposal of assets	67,705	56,460	44,673	(1,392,084)	(5,467,719)
Amortization expense	(911,161)	(681,014)	(742,007)	(786,934)	(822,482)
Income (loss) on equity in joint venture	203,994	198,862	(132,887)	(118,589)	(111,107)
Net non-operating expenses	(6,639,930)	(4,568,666)	(3,722,758)	(4,742,357)	(9,280,570)
Operating transfers in	200,000	—	—	—	—
Net income (loss)	3,873,768	9,774,085	9,812,087	8,654,017	(7,492,628) (1)
Retained earnings - January 1	84,154,907	88,028,675	97,802,760	107,614,847	114,005,652
Restatements:					
Depreciation expense	—	—	—	(2,263,212)	—
Retained earnings - December 31	\$ 88,028,675	\$ 97,802,760	\$ 107,614,847	\$ 114,005,652	\$ 106,513,024

- (1) Loss is due to disposal of certain facilities and equipment and reduction in certain estimated useful asset lives. The change in estimated useful asset life resulted in an approximate \$2,000,000 increase in annual depreciation expense, and approximately \$9,000,000 of depreciation applicable to years prior to 1999.

EXHIBIT J-2**CITY OF AURORA, COLORADO****GENERAL OBLIGATION WATER REFUNDING BONDS, SERIES 1996
DISCLOSURE REPORT
DECEMBER 31, 1999**

The following information is presented pursuant to continuing disclosure undertaking dated December 20, 1996 for the City of Aurora, Colorado General Obligation Water Refunding Bonds, Series 1996.

THE WATER SYSTEM

The table below gives a statistical indication of the growth of the Water System during the past 5 years.

Year	Total Number of Water Taps (1)	Increase in Taps	% Increase	Total Miles of Water Pipe	Million Gallons Supplied	Daily Average Consumption (in Millions of Gallons)
1995	58,187	599	1.0	911.98	13,454	36.9
1996	59,204	1,017	1.7	933.02	16,140	44.2
1997	59,771	567	1.0	948.68	15,832	43.4
1998	60,393	622	1.0	980.94	16,395	44.9
1999	61,366	973	1.6	1,012.66	14,601	40.0

(1) Includes inactive and stubbed taps.

(Continued)

EXHIBIT J-2**CITY OF AURORA, COLORADO****GENERAL OBLIGATION WATER REFUNDING BONDS, SERIES 1996
DISCLOSURE REPORT
DECEMBER 31, 1999**

The City used 44,808 acre feet of water in 1999 (one acre foot is 325,850 gallons). At the end of 1999, the City had approximately 121,856 acre feet of available water in carryover storage (the excess of the year's runoff over Aurora's annual demand). Recent years' water usage and carryover storage have been as follows:

<u>Year</u>	<u>End of Year Carryover Storage</u>	<u>Supplied</u>	<u>Billed Consumption</u>	<u>Metered Sales</u>
1995	112,984 a.f.	45,049 a.f.	37,534 a.f.	\$ 24,177,800
1996	104,978 a.f.	49,532 a.f.	45,589 a.f.	29,255,847
1997	116,797 a.f.	48,587 a.f.	45,468 a.f.	27,588,114
1998	106,519 a.f.	50,315 a.f.	45,211 a.f.	27,856,838
1999	121,856 a.f.	44,808 a.f.	45,422 a.f.	32,405,600

The City's raw water system is expected to require capital expenditures aggregating approximately \$25,500,000 in the years 2000 through 2004 for the construction/renovation of facilities and acquisition of water rights to serve the City's population and other commercial development. These expenditures are expected to be funded from Water System revenues, including tap fees and direct developer contributions. Other expenditures are expected to be made as warranted for distribution and treatment facilities.

Funds generated from tap and development fees have been as follows in the years 1995-1999:

<u>Year</u>	<u>Tap & Development Fees</u>
1995	\$ 6,602,910
1996	6,161,802
1997	8,023,146
1998	8,822,388
1999	12,893,000

(Concluded)

EXHIBIT J-3**CITY OF AURORA, COLORADO****GOLF COURSE ENTERPRISE SYSTEM REVENUE BONDS, SERIES 1995
DISCLOSURE REPORT
DECEMBER 31, 1999**

The following information is presented pursuant to disclosure undertaking dated November 7, 1995 for the City of Aurora, Colorado Golf Course Enterprise System Revenue Bonds, Series 1995.

Revenue Coverage

The City estimates that, if the Bonds had been outstanding, the Net Pledged Revenues produced by the System in the last five complete fiscal years would have covered the estimated average annual debt service requirements of the Bonds as follows:

	<u>1995*</u>	<u>1996*</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Net Pledged Revenues (1)	\$ 1,369,015	\$ 1,228,860	\$ 1,132,279	\$ 1,961,412	\$ 2,506,142
Average Annual Debt	\$ 649,055	\$ 649,055	\$ 649,055	\$ 649,055	\$ 649,055
Coverage Ratio	2.11	1.89	1.74	3.02	3.86

(1) Calculated by adding operating income before depreciation and net non-operating revenue before amortization, interest expense and gain or loss on disposal of assets.

* restated to exclude gain or loss on disposal of assets

Course Usage

Usage of courses in the Golf Course System has been as follows in the last five full years:

<u>Course</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Meadow Hills	59,417	61,853	60,572	61,420	63,211
Aurora Hills	55,994	55,830	57,504	61,426	60,690
Springhill	51,895	52,536	52,558	54,347	54,146
Centre Hills	38,582	41,622	45,386	45,577	44,157
Saddle Rock	—	—	23,460	44,385	48,102
Fitzsimons	—	—	—	—	45,418

(Continued)

EXHIBIT J-3

CITY OF AURORA, COLORADO

GOLF COURSE ENTERPRISE SYSTEM REVENUE BONDS, SERIES 1995 DISCLOSURE REPORT DECEMBER 31, 1999

Green Fee Rates

The current green fees for the courses included in the Golf Course System are as follows:

	Meadow Hills	Aurora Hills	Springhill	Centre Hills	Saddle Rock	Fitzsimons (6)
18-Hole Resident - Weekday	\$ 17.00	\$ 15.00	\$ 13.00	\$ N/A	\$ 25.00	\$ 15.00
18-Hole Resident - Weekend	20.00	17.00	15.00	N/A	34.00	17.00
18-Hole Non-Resident - Weekday	22.00	18.00	16.00	N/A	30.00	18.00
18-Hole Non-Resident - Weekend	24.00	20.00	18.00	N/A	34.00	20.00
18-Hole Resident Junior - Weekday	9.00	8.00	7.00	N/A	14.00	8.00
18-Hole Resident Senior - Weekday	10.00	9.00	8.00	N/A	16.00	9.00
9-Hole Resident - Weekday	10.00	9.00	8.50	5.25 (1)	12.50	9.00
9-Hole Resident - Weekend	11.00	10.00	9.00	6.00 (2)	17.00	10.00
9-Hole Non-Resident - Weekday	13.00	11.00	10.00	6.75 (3)	15.00	11.00
9-Hole Non-Resident - Weekend	15.00	13.00	12.00	8.00 (4)	17.00	13.00
9-Hole Resident Junior - Weekday	5.75	5.00	4.50	3.50 (5)	7.00	5.00
9-Hole Resident Senior - Weekday	6.25	5.50	5.00	3.50 (5)	8.00	5.50

(1) \$4.25 additional 9 holes same day.

(2) \$4.75 additional 9 holes same day.

(3) \$5.75 additional 9 holes same day.

(4) \$7.00 additional 9 holes same day.

(5) \$2.75 additional 9 holes same day.

(6) Continuing annual members \$400/year and \$2.00/9 holes.

The City of Aurora manages the course for FRA and pays a lease of \$150,000/year and receives a management fee ranging from \$52,400 in the first year to \$61,000 in the final year. The City receives 30% of net golf revenues from the golf course in excess of the \$150,000.

(Continued)

EXHIBIT J-3

CITY OF AURORA, COLORADO

**GOLF COURSE ENTERPRISE SYSTEM REVENUE BONDS
DISCLOSURE REPORT
DECEMBER 31, 1999**

Golf Fund Comparative Statement of Revenues, Expenses and Changes in Retained Earnings For the Years Ended December 31,					
	1995	1996	1997	1998	1999
OPERATING REVENUES					
Charges for services	\$ 3,722,552	\$ 3,908,510	\$ 4,892,212	\$ 5,986,326	\$ 7,115,491
Miscellaneous	—	147	—	—	—
Total operating revenues	3,722,552	3,908,657	4,892,212	5,986,326	7,115,491
OPERATING EXPENSES BEFORE DEPRECIATION	2,846,881	3,330,195	4,121,295	4,572,949	6,065,401
Operating income before depreciation	875,671	578,462	770,917	1,413,377	1,050,090
Depreciation	345,507	390,911	459,366	660,848	858,775
Operating income	530,164	187,551	311,551	752,529	191,315
NON-OPERATING REVENUES (EXPENSES)					
Investment income	389,006	459,326	331,150	256,229	281,567
Miscellaneous revenue	104,338	191,072	30,206	291,806	1,174,485
Interest expense	(210,767)	(240,629)	(284,235)	(363,637)	(605,018)
Gain (loss) on disposal of assets	(4,455)	739	—	(41,274)	(183,034)
Amortization expense	(1,079)	(12,943)	(12,944)	(12,943)	(12,943)
Net non-operating revenues	277,043	397,565	64,177	130,181	655,057
Operating transfers out	—	—	(62,338)	—	—
Net income	807,207	585,116	313,390	882,710	846,372
Retained earnings - January 1	4,190,930	4,998,137	5,583,253	5,896,643	6,786,291
Prior period adjustment					
Depreciation expense	—	—	—	6,938	—
Retained earnings - December 31	<u>\$ 4,998,137</u>	<u>\$ 5,583,253</u>	<u>\$ 5,896,643</u>	<u>\$ 6,786,291</u>	<u>\$ 7,632,663</u>

(Concluded)

EXHIBIT J-4**CITY OF AURORA, COLORADO****SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 1996****DISCLOSURE REPORT****DECEMBER 31, 1999**

This information is presented pursuant to continuing disclosure undertaking dated May 29, 1996 for City of Aurora, Colorado Special Assessment Refunding Bonds, Series 1996.

**Schedule of Outstanding Assessments
December 31, 1999**

Special Improvement District	Number of Parcels Assessed	Outstanding Assessments December 31
1-89	25	\$ 110,616
2-89	96	134,243
3-89	4	94,955
1-90	10	118,403
2-91	136	28,990
Totals	271	\$ 487,207

The City has special assessment receivables outstanding that are not included in the Series 1996 refunding.

(Concluded)

EXHIBIT J-5**CITY OF AURORA, COLORADO****GENERAL OBLIGATION BONDS, SERIES 1998****DISCLOSURE REPORT****DECEMBER 31, 1999**

Required Disclosure	Exhibit Reference
General Fund Operating History	Exhibit J-9
Sources of Revenues	Statistical Section, Exhibit iv
Sales, Use and Lodgers Tax Receipts	Statistical Section, Exhibit vi
Property Tax Levies and Collections	Statistical Section, Exhibit vii
Ten Principal Property Taxpayers	Statistical Section, Exhibit xix
Mill Levies of Direct and Primary	
Overlapping Governments	Statistical Section, Exhibit x
Authorized, Issued and Outstanding Debt	Schedule of Indebtedness Exhibit I-1
Long Term Debt Schedules	Schedule of Debt Service Requirements - General Long Debt, Exhibit 1-2 and Schedule of Debt Service Requirements - Proprietary Funds, Exhibit I-3
Direct and Overlapping General Obligation Debt	Statistical Section, Exhibit xii
Historical Summary of Debt Ratios	Statistical Section, Exhibit xiv
History of Outstanding Debt	Exhibit J-9
Legal Debt Margin	Statistical Section, Exhibit xi

(Concluded)

EXHIBIT J-6**CITY OF AURORA, COLORADO****GENERAL FUND BONDS, SERIES 1999****DISCLOSURE REPORT****DECEMBER 31, 1999**

Required Disclosure	Exhibit Reference
General Fund Operating History	Exhibit J-9
Sources of Revenues	Statistical Section, Exhibit iv
Sales, Use and Lodgers Tax Receipts	Statistical Section, Exhibit vi
Property Tax Levies and Collections	Statistical Section, Exhibit vii
Ten Principal Property Taxpayers	Statistical Section, Exhibit xix
Mill Levies of Direct and Primary	
Overlapping Governments	Statistical Section, Exhibit x
Authorized, Issued and Outstanding Debt	Schedule of Indebtedness Exhibit I-1
Long Term Debt Schedules	Schedule of Debt Service Requirements - General Long Debt, Exhibit 1-2 and Schedule of Debt Service Requirements - Proprietary Funds, Exhibit I-3
Direct and Overlapping General Obligation Debt	Statistical Section, Exhibit xii
Historical Summary of Debt Ratios	Statistical Section, Exhibit xiv
History of Outstanding Debt	Exhibit J-9
Legal Debt Margin	Statistical Section, Exhibit xi

(Concluded)

EXHIBIT J-7**CITY OF AURORA, COLORADO****DRINKING WATER REVENUE BONDS, SERIES 1999****DISCLOSURE REPORT****DECEMBER 31, 1999****Water System Customer Information**

The System serves a customer base which has grown as follows in the years 1995 through 1999.

Years December 31	Total Estimated Residential Meters
1995	56,746
1996	57,477
1997	58,614
1998	59,354
1999	58,543

The Enterprise classifies its System customers as business, residential and other. A breakdown of the usage and revenues as of December 31, 1999 is as follows:

Classification	Percent of Consumption	Percent of Billed Revenues
Business	15%	15%
Residential	55%	55%
Other (1)	30%	30%

(1) Includes tertiary, irrigation and raw water customers.

The following table sets forth the ten largest consumers of the System which, in the aggregate, accounted for approximately 2.0% of total billed System revenue during 1999.

Ten Largest Customers of the System

Consumers	Billed Revenue	
Buckley ANG Base	\$ 233,351	
Holiday Inn Denver SE	172,689	
Kingsley Management Corp.	136,728	
Heatheridge Pine Apartments	102,558	
The Parks Apartments	101,602	
Timberleaf Apartments	72,134	
Woodshire East Mobile Home Park	70,294	
The Medical Center of Aurora	69,814	
American Timberleaf Partners	69,743	
UCHSC Main Building	64,017	
	<u>\$ 1,092,930</u>	based on partial year

(Continued)

EXHIBIT J-7**CITY OF AURORA, COLORADO****DRINKING WATER REVENUE BONDS, SERIES 1999****DISCLOSURE REPORT****DECEMBER 31, 1999****Water System Financial Information****System Rates and Charges**

<u>Meter Size</u>	<u>Service Charge</u>
5/8" & 3/4"	\$ 2.69
1"	3.69
1 1/2"	5.91
2"	8.58
3"	17.00
4"	45.83
6"	90.17
8"	112.36

Tap Fees

<u>Service Size (Inches)</u>	<u>Single Family Detached</u>	<u>Single Family Attached</u>	<u>Irr/Single Family Attached</u>	<u>Multi-Family</u>	<u>Commercial</u>
5/8" & 3/4"	\$ 5,950	\$ 4,160	\$ 190	\$ 4,590	\$ 6,540
1"	12,300	8,540	227	11,730	13,410
1 1/2"	13,160	18,920	483	26,060	29,430
2"	—	—	770	55,400	52,100
3"	—	—	1,092	128,900	121,800
4"	—	—	1,888	226,000	215,200
6"	—	—	—	—	482,700
8"	—	—	—	—	842,500
					<u>\$ 1,763,680</u>

Tap Fee Revenue

1995	\$ 6,451,124
1996	5,897,576
1997	7,692,761
1998	8,605,558
1999	12,135,147

(Continued)

EXHIBIT J-7**CITY OF AURORA, COLORADO****DRINKING WATER REVENUE BONDS, SERIES 1999****DISCLOSURE REPORT****DECEMBER 31, 1999**

Comparative schedules of System revenues and expenditures for the years ended December 31, 1995 through December 31, 1999 are shown on Exhibit J-2.

Budget Summary

	<u>2000 Budget</u>
Funds Available - January 1	\$ 22,812,258
Revenues	46,556,900
Uses of funds	
Operating expenditures	18,629,128
Debt related	15,375,000
Capital projects	<u>27,068,000</u>
Total uses	61,072,128
Change in funds available	<u>(14,515,228)</u>
Funds Available - December 31	<u>\$ 8,297,030</u>

Historical Debt Service Coverage

**Schedule of Coverage of Debt Service
Requirements of Bonds Payable from Net Revenues
1995 - 1999**

<u>Year</u>	<u>Gross Revenues (1)</u>	<u>Direct Operating Expenses</u>	<u>Available for Debt Service</u>	<u>Debt Service Requirements (2)</u>	<u>Debt Service Coverage</u>
1995	\$ 33,623,886	\$ 11,479,948	\$ 22,143,938	\$ 29,840,577	0.74
1996	37,721,480	12,240,040	25,481,440	14,958,830	1.70
1997	38,925,783	11,707,171	27,218,612	14,776,628	1.84
1998	41,181,862	12,894,040	28,287,822	14,301,601	1.98
1999	47,180,964	15,538,521	31,642,443	14,226,544	2.22

(1) Includes rates, charges, tap and development fees and investment income

(2) Includes debt service on GO water bonds, water refunding bonds and water rights notes payable

(Concluded)

EXHIBIT J-8
CITY OF AURORA, COLORADO
CLEAN WATER REVENUE BONDS, SERIES 1999
DISCLOSURE REPORT
DECEMBER 31, 1999

Sewer System Customer Information

The System serves a customer base which has grown as follows in the years 1995 through 1999.

<u>Years December 31</u>	<u>Total Estimated Residential Meters</u>
1995	56,746
1996	57,477
1997	58,614
1998	59,354
1999	58,543

The Enterprise classifies its System customers as business and residential. A breakdown of the usage and revenues as of December 31, 1999 is as follows:

<u>Classification</u>	<u>Percent of Consumption</u>	<u>Percent of Billed Revenues</u>
Business	16%	16%
Residential	84%	84%
Totals	100%	100%

The following table sets forth the ten largest consumers of the System which, in the aggregate, accounted for approximately 2.0% of total billed System revenue during 1999.

Ten Largest Customers of the System

<u>Consumers</u>	<u>Billed Revenue</u>	
Buckley ANG Base	\$ 82,867	
Holiday Inn Denver SE	71,276	
Kingsley Management Corp.	42,806	
Heatheridge Pine Apartments	39,957	
The Parks Apartments	31,081	
Woodshire East Mobile Home Park	27,834	
The Medical Center of Aurora	25,159	
American Timberleaf Apartments	24,268	
Timberleaf Partners	24,218	
UCHSC Main Building	10,646	
	<u>\$ 377,112</u>	based on partial year

(Continued)

EXHIBIT J-8
CITY OF AURORA, COLORADO
CLEAN WATER REVENUE BONDS, SERIES 1999
DISCLOSURE REPORT
DECEMBER 31, 1999

Sewer System Financial Information

System Rates and Charges

<u>Meter Size</u>	<u>Service Charge</u>
5/8" & 3/4"	\$ 1.61
1"	4.03
1 1/2"	8.05
2"	12.88
3"	28.18
4"	80.50
6"	161.00
8"	161.00

Tap Fees

<u>Service Size (Inches)</u>	<u>City</u>	<u>Metro Wastewater District</u>
3/4 SF	\$ 635	\$ 1,375
3/4"	1,588	2,613
1"	3,239	6,188
1 1/2"	7,620	15,125
2"	12,065	27,500
3"	26,035	57,750
4"	49,530	104,500
6"	152,400	330,000
8"	219,075	474,375

<u>Tap Fee Revenue</u>		
1995	\$	1,179,554
1996		851,686
1997		1,470,200
1998		1,622,042
1999		1,697,574

(Continued)

EXHIBIT J-8**CITY OF AURORA, COLORADO****CLEAN WATER REVENUE BONDS, SERIES 1999****DISCLOSURE REPORT****DECEMBER 31, 1999****Storm Sewer Rates and Charges**

The City imposes storm drainage fees upon the owners of property served by the System's storm sewer facilities, and charges developers a \$1,033 per acre storm drainage development fee at the time building permits are issued. The storm drainage fee is \$3.65 per month for single family detached and individually-metered single family attached dwellings. The storm drainage fee is \$3.65 per month plus \$2.89 per month for each additional unit for multifamily and master-metered single family attached dwellings. For commercial and industrial buildings, the storm drainage fee is \$3.65 per month for the first 2,500 square feet of gross floor space plus \$2.89 for each additional 2,500 square feet of gross floor space or portion thereof.

Budget Summary

	2000 Budget
Funds Available - January 1	\$ 21,914,309
Sources of funds	
Revenues	25,970,800
Proceeds from borrowing	330,000
Total sources	26,300,800
Uses of funds	
Operating expenditures	18,749,146
Debt related	4,754,500
Capital projects	16,609,000
Total uses	40,112,646
Change in funds available	(13,811,846)
Funds Available - December 31	8,102,463
Principal receivable - loan to Golf	6,400,000
Bond reserve for debt service	(2,500,000)
Adjusted funds available - December 31	\$ 12,002,463

Historical Debt Service Charge

Schedule of Coverage of Debt Service
Requirements of Bonds Payable from Net Revenues
1995 - 1999

Year	Gross Revenues (1)	Direct Operating Expenses	Available for Debt Service	Debt Service Requirements (2)	Debt Service Coverage
1995	\$ 20,925,507	\$ 12,979,952	\$ 7,945,555	\$ 2,594,380	3.06
1996	22,784,284	14,793,644	7,990,640	2,595,345	3.08
1997	24,111,154	15,269,434	8,841,720	2,603,950	3.40
1998	24,722,245	14,678,050	10,044,195	2,609,698	3.85
1999	26,420,990	16,534,343	9,886,647	2,623,143	3.77

(1) Includes rates, changes, tap and development fees and investment income

(2) Includes debt service on the City's 1992 and 1993 Bonds as of the beginning of calendar year

(Continued)

EXHIBIT J-8**CITY OF AURORA, COLORADO****CLEAN WATER REVENUE BONDS, SERIES 1999
DISCLOSURE REPORT
DECEMBER 31, 1999**

City of Aurora, Colorado Sewer Fund Comparative Statement of Revenues, Expenses and Changes in Retained Earnings For the Years Ended December 31,					
	1995	1996	1997	1998	1999
OPERATING REVENUES					
Charges for services	\$ 17,254,497	\$ 19,280,299	\$ 19,775,423	\$ 20,197,761	\$ 21,518,092
Miscellaneous	—	48,118	—	450	—
Total operating revenues	17,254,497	19,328,417	19,775,423	20,198,211	21,518,092
OPERATING EXPENSES					
Personal services	3,069,958	3,143,741	3,496,126	3,744,179	4,099,758
Supplies	205,556	281,823	286,085	507,257	568,429
Other services and charges	9,704,438	11,368,080	11,487,223	10,426,614	11,866,156
Depreciation	2,303,490	2,368,708	2,393,709	2,583,244	2,698,842
Total operating expenses	15,283,442	17,162,352	17,663,143	17,261,294	19,233,185
Operating income	1,971,055	2,166,065	2,112,280	2,936,917	2,284,907
NON-OPERATING REVENUES (EXPENSES)					
Interest	1,928,995	1,951,879	2,118,469	2,312,251	1,690,088
Miscellaneous revenue	7,401	190,511	11,717	112,191	105,101
Interest expense	(571,937)	(396,982)	(221,650)	(68,436)	(81,605)
Gain (loss) on disposal of assets	18,168	28,479	5,777	(667,797)	(169,534)
Amortization expense	(42,995)	(42,995)	(42,995)	(42,995)	(47,098)
Net non-operating revenues (expenses)	1,339,632	1,730,892	1,871,318	1,645,214	1,496,952
NET INCOME	3,310,687	3,896,957	3,983,598	4,582,131	3,781,859
RETAINED EARNINGS - JANUARY 1 AS RESTATED	48,646,598	51,957,285	55,854,242	59,756,940	64,339,071
RETAINED EARNINGS - DECEMBER 31	\$ 51,957,285	\$ 55,854,242	\$ 59,837,840	\$ 64,339,071	\$ 68,120,930

(Concluded)

EXHIBIT J-9

CITY OF AURORA, COLORADO

CONTINUING DISCLOSURE INFORMATION
DECEMBER 31, 1999

Combined General, TABOR Reserve and Policy Reserve Funds (1) Statement of Revenues, Expenditures and Changes in Fund Balance (GAAP Basis) For the Years Ended December 31,					
	1995	1996	1997	1998	1999
REVENUES					
Taxes	\$ 112,243,565	\$ 119,894,208	\$ 127,046,518	\$ 137,883,780	\$ 146,466,221
Licenses and permits	3,068,356	3,656,516	4,093,884	4,703,725	5,373,101
Intergovernmental	8,903,321	9,811,525	13,805,722	10,608,129	10,924,976
Charges for services	3,925,092	4,080,866	4,449,459	5,026,677	5,202,091
Fines and forfeits	2,587,385	2,660,058	3,068,732	3,166,427	3,369,937
Investment income	1,933,803	2,249,717	2,453,914	2,907,701	1,771,553
Miscellaneous	292,023	299,776	354,304	418,121	1,918,926
Total revenues	132,953,545	142,652,666	155,272,533	164,714,560	175,026,805
EXPENDITURES					
Current					
General government	23,732,151	24,458,140	26,624,613	28,154,640	30,229,874
Public safety	59,167,892	64,756,895	72,519,670	71,429,986	75,838,669
Public works	13,658,120	15,509,503	15,228,396	15,016,811	15,335,661
Culture and recreation	9,724,898	11,461,662	12,094,059	12,367,848	13,541,627
Total current	106,283,061	116,186,200	126,466,738	126,969,285	134,945,831
Capital outlay	3,327,212	5,881,501	5,494,077	4,911,921	3,459,620
Debt service	286,464	157,634	—	302,066	303,997
Total expenditures	109,896,737	122,225,335	131,960,815	132,183,272	138,709,448
Excess (deficiency) of revenues over expenditures	23,056,808	20,427,331	23,311,718	32,531,288	36,317,357
Net other financing uses (3)	(17,376,520)	(19,166,630)	(21,109,828)	(28,894,477)	(25,726,731)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,680,288	1,260,701	2,201,890	3,636,811	10,590,626
Prior period adjustment (2)	—	9,635,781	—	—	—
Residual equity transfers in	73,365	596,814	—	—	—
Fund balance - beginning of year	22,906,978	28,660,631	40,153,927	42,355,817	45,992,628
Fund balance - end of year	\$ 28,660,631	\$ 40,153,927	\$ 42,355,817	\$ 45,992,628	\$ 56,583,254

- (1) This schedule contains the activities of the General Fund, the TABOR Reserve Fund and the 10% Policy Reserve Fund. In 1995-1997, the TABOR and Policy Reserves were included in the General Fund. At the end of 1998, the TABOR Reserve Fund was transferred from the General Fund to the Emergency Contingency Fund and then to a separate fund early in 1999. The Policy Reserve was transferred to a separate fund in 1999.
- (2) Beginning in 1996, generally accepted accounting principles (GAAP) require that sales and use taxes which were due to the City, but not yet received, be reported as revenues. For prior years, the City recorded these revenues when they were received. The prior period adjustment in 1996 shows the effect on fund balance if this accounting principle had been in practice in previous years.
- (3) Net other financing uses consist primarily of transfers to other funds. Transfers among the General Fund, the TABOR Reserve Fund and the Policy Reserve Fund have been eliminated in this schedule.

(Continued)

EXHIBIT J-9

CITY OF AURORA, COLORADO

CONTINUING DISCLOSURE INFORMATION
DECEMBER 31, 1999

Combined General, TABOR Reserve and Policy Reserve Funds (1) Comparative Statements of
Revenues, Expenditures and Changes in Funds Available, Actual and Budget
(Non-GAAP Budgetary Basis)
For the Years Ended December 31,

	1995		1996		1997		1998		1999	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
REVENUES										
Taxes	\$ 112,243,565	\$ 108,414,000	\$ 119,222,506	\$ 116,485,000	\$ 126,546,626	\$ 124,058,000	\$ 136,645,727	\$ 130,738,184	\$ 144,895,863	\$ 141,129,591
Licenses and permits	3,068,356	2,765,000	3,656,516	2,857,000	4,093,884	3,454,000	4,703,725	4,188,084	5,373,101	4,940,672
Intergovernmental	8,903,321	8,246,000	8,796,901	8,790,000	8,906,136	8,655,000	9,575,653	9,395,254	9,892,500	10,121,433
Charges for services	3,925,092	3,469,000	4,080,866	4,426,000	4,449,459	4,996,100	5,026,676	4,746,600	5,202,091	5,088,697
Fines and forfeits	2,587,385	2,250,000	2,660,058	2,706,000	3,068,732	2,941,000	3,166,427	2,302,000	3,369,937	3,595,787
Investment income	1,933,803	1,300,000	2,249,717	1,944,000	2,453,914	2,415,000	2,939,470	2,551,737	2,469,749	2,562,100
Miscellaneous	1,562,916	1,253,000	1,383,283	1,037,537	1,166,079	743,000	677,669	654,825	3,606,321	2,394,739
Total revenues	134,224,438	127,697,000	142,049,847	138,245,537	150,684,830	147,262,100	162,735,347	154,576,684	174,809,562	169,833,019
EXPENDITURES										
Municipal court	3,233,495	3,328,857	3,318,973	3,522,569	3,435,255	3,699,117	3,663,539	3,824,751	3,745,435	3,962,273
City attorney	2,322,080	2,375,793	2,465,110	2,557,972	2,658,590	2,753,987	2,854,204	2,905,697	3,171,487	3,171,487
General management	6,081,289	6,444,093	5,373,374	5,706,148	5,582,306	5,934,948	6,564,343	6,780,881	8,143,524	8,386,299
Administrative services	14,382,243	14,515,205	12,850,471	13,303,994	11,513,059	12,132,949	12,387,483	12,540,809	12,062,017	12,240,763
Operations group management	25,324,570	25,518,398	29,064,741	29,272,131	29,098,558	29,769,792	28,747,275	29,003,268	30,196,630	30,520,168
Community services	65,017,450	65,284,293	73,127,429	73,594,548	77,978,901	78,271,307	80,273,770	80,337,803	85,021,420	85,484,456
Transfers and other payments	15,587,177	16,110,651	17,417,770	17,131,490	20,450,901	19,715,629	27,122,997	28,492,513	24,750,754	25,174,009
Prior year encumbrances (3)	(946,953)	(946,953)	(3,477,519)	(3,477,519)	(2,753,834)	(2,753,834)	(1,734,741)	(1,734,741)	(1,308,791)	(1,308,791)
Total expenditures	131,001,351	132,630,337	140,140,349	141,611,333	147,963,736	149,523,895	159,878,870	162,150,981	165,782,476	167,630,664
Excess (deficiency) of revenues over expenditures	3,223,087	(4,933,337)	1,909,498	(3,365,796)	2,721,094	(2,261,795)	2,856,477	(7,574,297)	9,027,086	2,202,355
Fund available - beginning of year	21,960,025	18,847,000	25,183,112	25,374,000	27,092,610	26,837,619	29,813,704	28,678,517	32,670,181	27,430,927
Fund available - end of year	25,183,112	\$ 13,913,663	27,092,610	\$ 22,008,204	29,813,704	\$ 24,575,824	32,670,181	\$ 21,104,220	41,697,267	29,633,282
Reserved for police	(7,594,488)		(9,252,185)		(10,240,213)		(10,865,085)		(11,308,354)	
Reserved for emergencies	(4,250,000)		(4,350,000)		(4,600,000)		(4,807,000)		(5,057,863)	
Council designations	—		—		—		—		(9,273,474)	
Funds available - after reservations and designations	\$ 13,338,624		\$ 13,490,425		\$ 14,973,491		\$ 16,998,096		\$ 16,057,576	
Reconciliation of funds available to fund balance:										
Funds available - end of year	\$ 25,183,112		\$ 27,092,610		\$ 29,813,704		\$ 32,670,181		\$ 41,697,267	
Encumbrances - end of year	3,477,519		2,753,834		1,734,741		1,308,791		2,000,167	
Sales, use and lodgers tax accruals	—		10,307,483		10,807,372		12,045,425		13,615,783	
Adjust investments to fair value	—		—		—		(31,769)		(729,963)	
Fund balance - end of year	\$ 28,660,631		\$ 40,153,927		\$ 42,355,817		\$ 45,992,628		\$ 56,583,254	

(1) This schedule contains the activities of the General Fund, the TABOR emergency reserve, and City's 10% Policy "Reserve". In 1995-1997, the TABOR and Policy Reserves were included within the General Fund. At the end of 1998, the TABOR Reserve was transferred from the General Fund to the Emergency Contingency Fund and then to a separate fund early in 1999. The Policy "Reserve" was transferred from the General Fund to a separate fund in 1999.

(2) Some amounts on this schedule have been reclassified and restated from the presentation in the Comprehensive Annual Financial Reports for consistency.

(3) Prior year encumbrances are amounts included in the current expenditures which were reported as spent against the prior year budget.

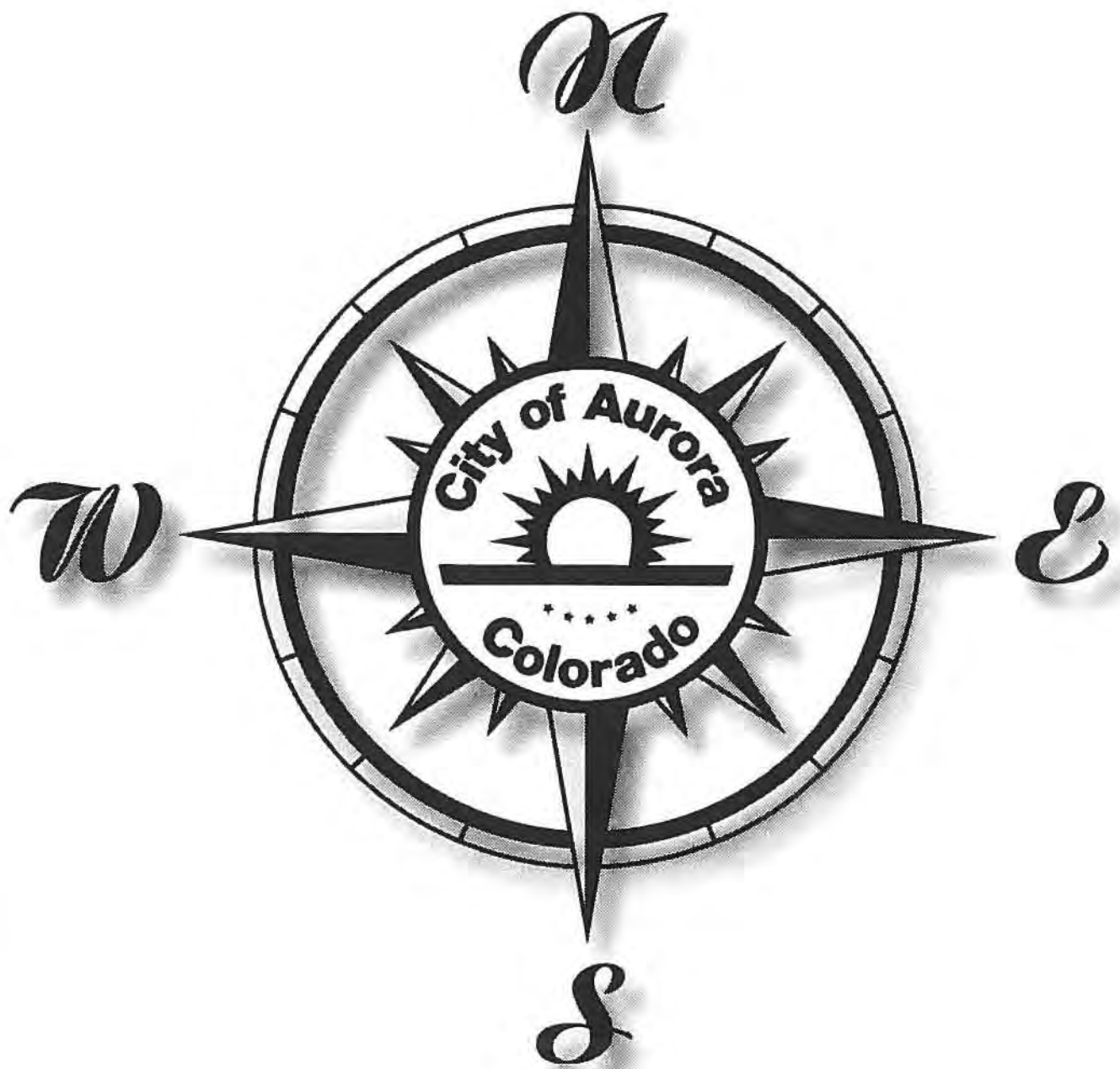
EXHIBIT J-9**CITY OF AURORA, COLORADO****CONTINUING DISCLOSURE INFORMATION
DECEMBER 31, 1999**

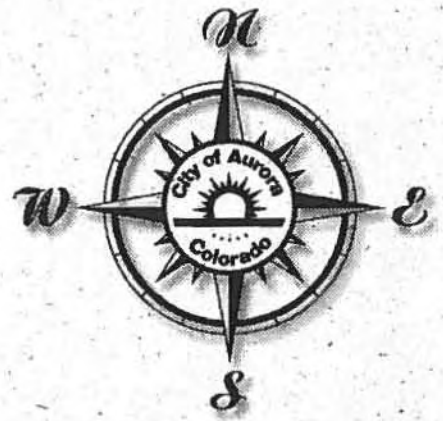
**City of Aurora, Colorado
History of Outstanding Debt
1995 -1999**

Years Ended December 31	Total Outstanding Debt (1)
1995	\$ 152,570,000
1996	142,905,000
1997	132,555,000
1998	131,725,000
1999	120,070,000

- (1) Figure represents gross general obligation debt and includes self-supporting General Obligation Water Bonds. Figure excludes revenue bonds, capitalized lease obligations and water rights contracts payable.

(Concluded)





Statistical Section

- **Revenues and Expenditures**
- **Taxes and Assessments**
- **Debt**
- **Economic and
Demographic Statistics**

ABOUT THE STATISTICAL TABLES

REVENUES AND EXPENDITURES STATISTICS

Exhibit i **Exhibit ii**

GOVERNMENTAL EXPENDITURES BY FUNCTION

These tables present general information on recurring governmental expenditures during the last ten years. The tables include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. They do not include expenditures of the leasing corporation ACLC. The expenditures are categorized as General Government, Public Safety, Public Works, Culture and Recreation, Debt Service and Capital Outlay.

Exhibit iii **Exhibit iv**

GOVERNMENTAL REVENUES BY SOURCE

These tables present general information on recurring governmental revenues during the last ten years. The tables include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. They do not include revenues of the leasing corporation ACLC. Major governmental revenue sources are: taxes, licenses and permits, intergovernmental revenues, charges for services, fines and forfeitures and miscellaneous revenues such as interest income on investments and special assessments.

Exhibit v **Exhibit vi**

GOVERNMENTAL TAX REVENUES BY SOURCE

These tables present detailed information on the tax revenues portion of governmental revenues. They include tax revenues of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. Tax revenues are derived primarily from property taxes, sales, use and lodgers taxes, specific ownership taxes and gross receipts business taxes such as franchise and occupational privilege.

TAXES AND ASSESSMENT STATISTICS

Exhibit vii

PROPERTY TAX LEVIES AND COLLECTIONS

This table presents comparative data regarding the City's property tax revenues. Data presented includes the total property tax levy, current and delinquent tax collections/refunds, TABOR excess collections and tax credit and tax collections related to the City's tax increment financing district. Property tax levies and collections are reported in the General Fund and the Debt Service Funds.

ABOUT THE STATISTICAL TABLES (Continued)

Exhibit viii

SPECIAL ASSESSMENT COLLECTIONS

This table presents information pertaining to the levy and collection of special assessments. These assessments are levied on properties that benefit from construction projects financed by special improvement districts. Special assessment levies and collections are reported in the Debt Service Funds.

Exhibit ix

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Property taxes are levied based on the assessed value of the property. The assessed value is a percentage of the estimated actual value. Assessed and estimated actual value data is obtained from Certifications of Valuation provided by Adams County, Arapahoe County and Douglas County. Colorado statutes provide counties with procedures for the valuation of property for assessment purposes.

Exhibit x

PROPERTY TAX RATES - DIRECT AND PRIMARY OVERLAPPING GOVERNMENTS

This table shows a combined presentation of the City's property tax rates together with the property tax rates of primary overlapping entities. The primary overlapping entities of the City are: Adams County, Arapahoe County, Aurora School District 28 J and the Cherry Creek School District. This table provides an overall view of the total property tax rates applicable to property taxpayers.

DEBT STATISTICS

Exhibit xi

COMPUTATION OF LEGAL DEBT MARGIN

This table shows the calculation of the maximum amount of general obligation debt allowable under the provisions of the City Charter and the current net amount of debt outstanding that is applicable to the calculated debt limit. Subtracting the net amount of debt outstanding from the maximum amount allowed results in the legal debt margin. In 1992, Colorado voters approved an amendment to the state constitution (TABOR) which requires new general obligation debt to be authorized by voters. Consequently, the computation of the City's legal debt margin has little significance.

ABOUT THE STATISTICAL TABLES (Continued)

Exhibit xii

DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT

This table shows a combined presentation of the City's outstanding general obligation debt, the outstanding general obligation debt of overlapping entities and the amount of overlapping debt applicable to the City. Overlapping entities with general obligation debt consist primarily of Aurora School District 28 J, Cherry Creek School District and other special purpose taxing entities such as water, sanitation and metropolitan districts. This table provides an overall view of the total outstanding general obligation debt applicable to taxpayers.

Exhibit xiii

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GOVERNMENTAL EXPENDITURES

This table presents detailed information on general obligation debt principal and interest expenditures compared to total governmental expenditures. Debt principal and interest expenditures are recorded in the Debt Service Funds. Governmental expenditures data includes the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds, but excludes the leasing corporation ACLC.

Exhibit xiv

RATIO OF NET GENERAL OBLIGATION BONDED DEBT AND CERTIFICATES OF PARTICIPATION TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

Net general obligation bonded debt is calculated by subtracting the funds available for general obligation debt in Debt Service Funds, and the amount of general obligation debt being repaid by Enterprise Funds, from the total amount of general obligation debt outstanding. Net general obligation bonded debt, shown both separately, and combined with the certificates of participation of the leasing corporation, ACLC, are presented as a percentage of the total assessed value of taxable property and as a net bonded debt amount per capita.

Exhibit xv

SCHEDULE OF REVENUE BOND COVERAGE

Some revenue bond obligations require the City to maintain certain water, sewer, storm drainage or golf course revenues in amounts sufficient to repay the interest and principal of the revenue bonds. Dividing the revenue bond debt service requirements by the net revenues available for revenue bond debt service results in the "coverage ratio".

ABOUT THE STATISTICAL TABLES (Continued)

ECONOMIC AND DEMOGRAPHIC STATISTICS

Exhibit xvi

PROPERTY VALUES AND CONSTRUCTION

This table represents general statistical information on commercial and residential construction activity and the assessed and estimated actual value of real property.

Exhibit xvii

DEMOGRAPHIC STATISTICS

This table presents non-financial information pertaining to City population, estimated median family income and general unemployment rates.

Exhibit xviii

MAJOR EMPLOYERS

This table lists the major public and private employers located in the City, including the type of business or industry and the approximate number of employees for each employer listed.

Exhibit xix

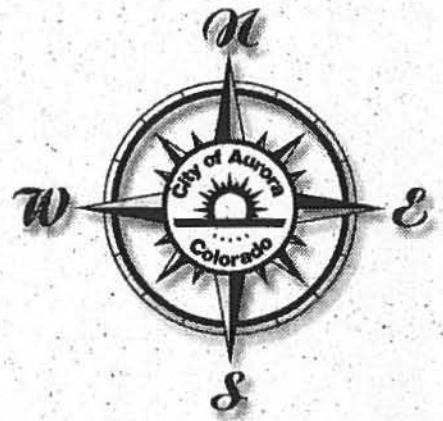
TEN PRINCIPAL PROPERTY TAXPAYERS

This table lists the major property taxpayers based on assessed value of their property located in the City. The assessed value of each taxpayer's property is also presented as a percentage of the City total assessed property value.

Exhibit xx

MISCELLANEOUS STATISTICAL DATA

This table presents detailed non-financial information regarding City, infrastructure, fire and police protection, recreation, utilities, schools and voter registrations.



- **Revenues and Expenditures Statistics**

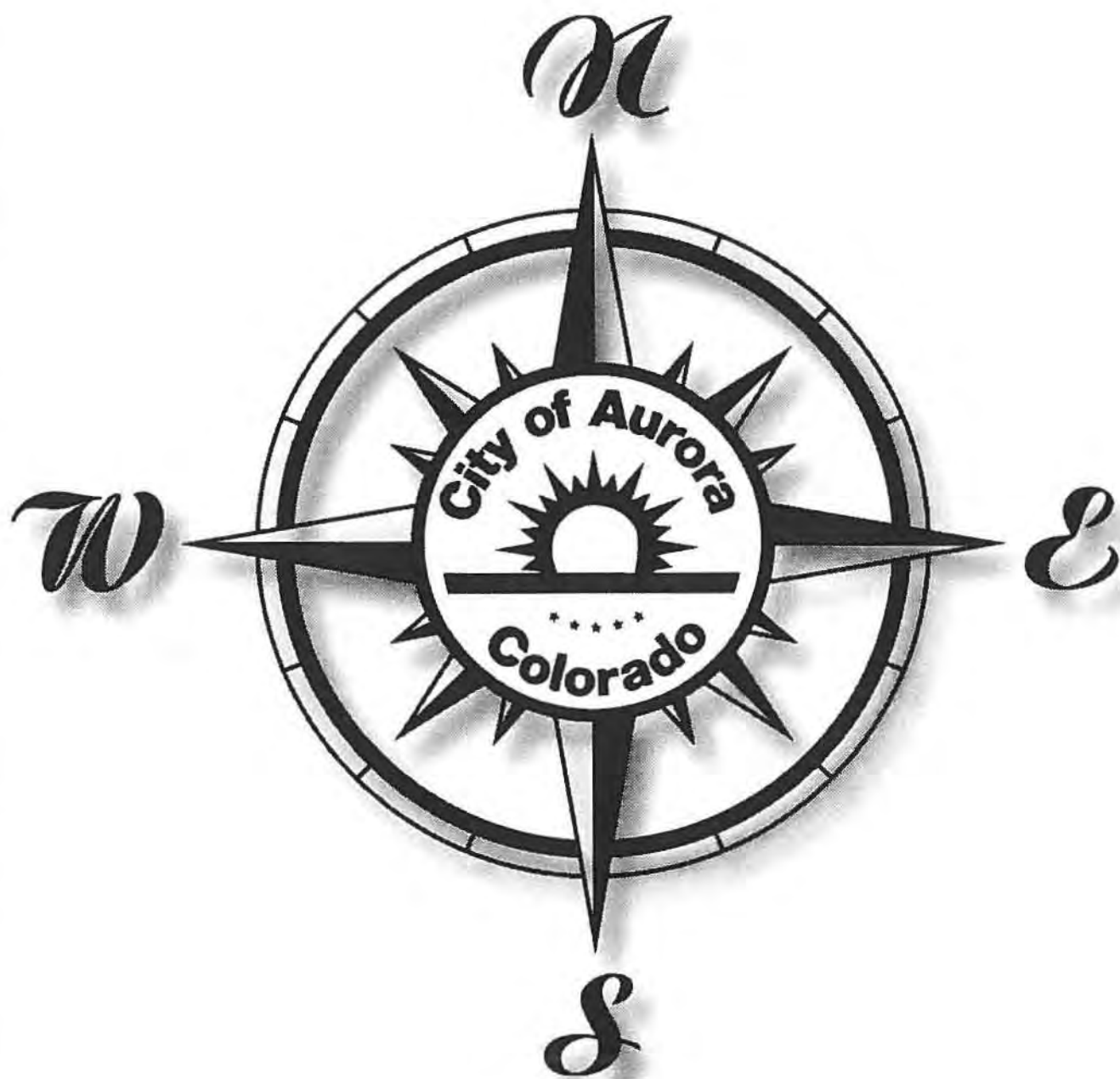
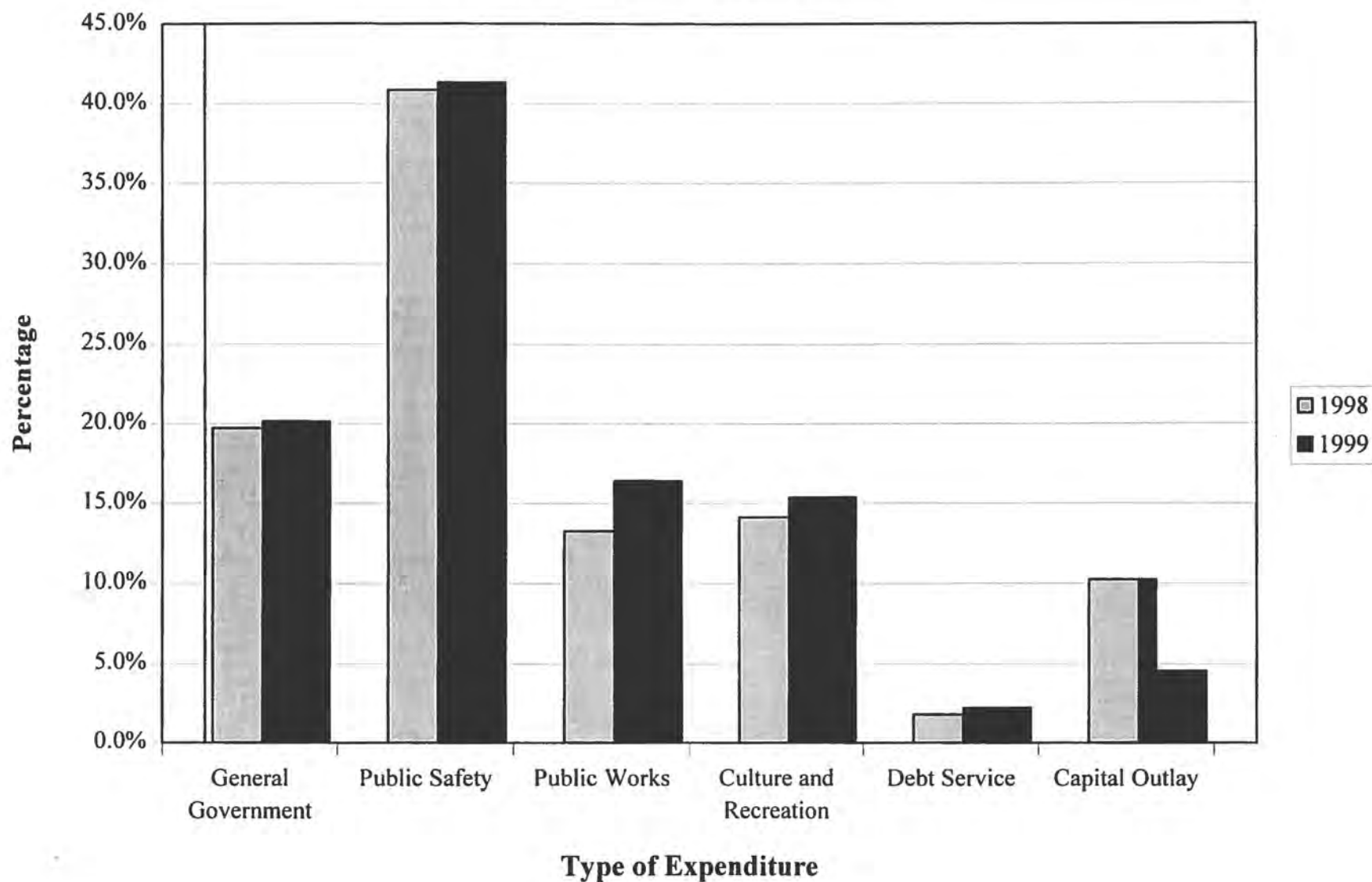


Exhibit i

**GOVERNMENTAL EXPENDITURES BY FUNCTION
AS A PERCENTAGE OF TOTAL EXPENDITURES**

For the Years Ended December 31, 1998 and 1999



Notes: See Exhibit ii

City of Aurora, Colorado

Exhibit ii

GOVERNMENTAL EXPENDITURES BY FUNCTION

Last Ten Years

Year	General Government		Public Safety		Public Works		Culture and Recreation		Debt Service		Capital Outlay		Total Governmental Expenditures
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1990	\$ 22,659,691	20.0%	\$ 44,496,661	39.3%	\$ 21,693,043	19.1%	\$ 12,394,607	10.9%	\$ 9,798,819	8.6%	\$ 2,240,046	2.0%	\$ 113,282,867
1991	24,447,503	21.6%	46,317,189	41.0%	21,544,927	19.1%	11,383,798	10.1%	7,259,856	6.4%	1,976,982	1.8%	112,930,255
1992	26,267,634	21.1%	50,270,892	40.4%	26,935,482	21.6%	12,626,157	10.1%	5,658,616	4.5%	2,762,545	2.2%	124,521,326
1993	28,090,306	21.9%	54,345,824	42.5%	18,299,539	14.3%	21,072,642	16.5%	4,502,602	3.5%	1,674,584	1.3%	127,985,497
1994	33,237,189	24.9%	56,032,921	41.9%	18,223,545	13.6%	20,652,050	15.5%	5,483,951	4.1%	(b)	-	133,629,656
1995	36,342,145	25.6%	61,910,836	43.7%	18,219,918	12.9%	21,283,480	15.0%	3,991,079	2.8%	(b)	-	141,747,458
1996	40,075,282	25.8%	66,450,153	42.7%	20,199,090	13.0%	23,184,836	14.9%	5,620,197	3.6%	10,206,710	6.6%	155,529,558
1997	34,565,012	19.8%	74,375,714	42.6%	23,670,034	13.6%	24,075,364	13.8%	4,998,315	2.9%	12,753,585	7.3%	174,438,024
1998	35,964,131	19.7%	74,457,704	40.8%	24,163,364	13.3%	25,749,696	14.1%	3,297,304	1.8%	18,657,436	10.2%	182,289,635
1999	38,568,574	20.1%	79,114,723	41.3%	31,397,331	16.4%	29,439,757	15.4%	4,252,535	2.2%	8,718,653	4.6%	191,491,573

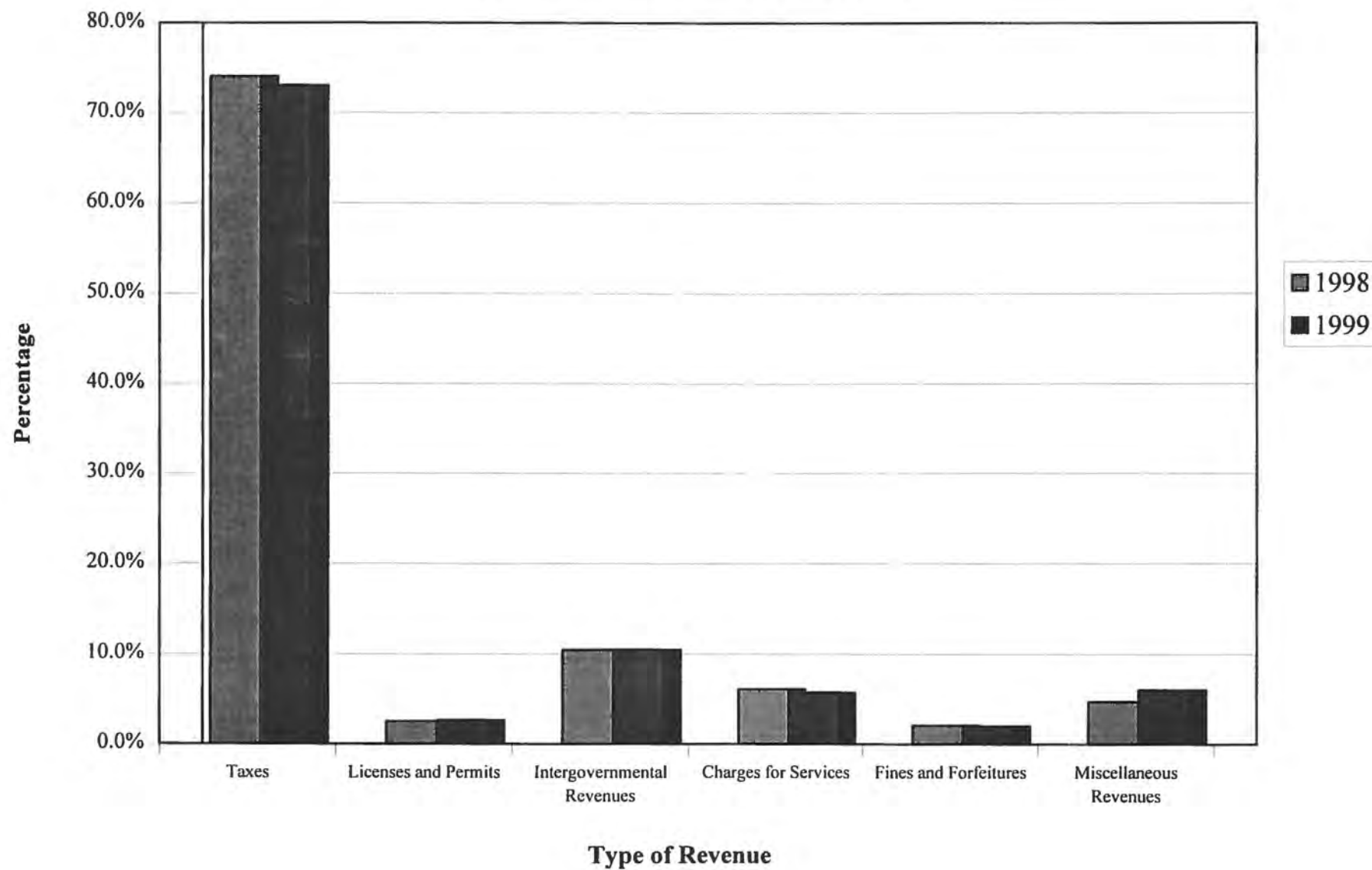
Notes:

- (a) This schedule includes the General, Special Revenue, Debt Service and Capital Projects Funds. This schedule does not include expenditures of the ACLC.
- (b) For the years 1994 and 1995, Capital Outlay was included within the various functions.

Exhibit iii

**GOVERNMENTAL REVENUES BY SOURCE
AS A PERCENTAGE OF TOTAL REVENUES**

For the Years Ended December 31, 1998 and 1999



Notes: See Exhibit iv

City of Aurora, Colorado

GOVERNMENTAL REVENUES BY SOURCE

Last Ten Years

Year	Taxes (a)		Licenses and Permits		Intergovernmental Revenues (b)		Charges for Services		Fines and Forfeitures		Miscellaneous Revenues (c)		Total Governmental Revenues
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1990	\$ 82,491,032	74.1%	\$ 1,839,811	1.7%	\$ 14,430,826	13.0%	\$ 3,925,483	3.5%	\$ 1,430,206	1.3%	\$ 7,152,258	6.4%	\$ 111,269,616
1991	88,249,065	74.9%	2,125,511	1.8%	15,318,897	13.0%	3,885,433	3.3%	1,436,811	1.2%	6,872,867	5.8%	117,888,584
1992	93,427,044	75.0%	2,311,798	1.9%	17,388,831	14.0%	3,895,041	3.1%	1,453,972	1.2%	6,156,396	4.9%	124,633,082
1993	99,659,416	74.6%	2,349,464	1.8%	13,268,609	9.9%	9,611,859	7.2%	1,697,634	1.3%	7,052,444	5.3%	133,639,426
1994	109,655,214	74.4%	2,975,315	2.0%	13,283,161	9.0%	9,802,087	6.6%	2,115,231	1.4%	9,622,103	6.5%	147,453,111
1995	112,905,695	73.5%	3,068,356	2.0%	16,154,790	10.5%	10,129,848	6.6%	2,590,510	1.7%	8,760,446	5.7%	153,609,645
1996	120,507,184	73.8%	3,656,516	2.2%	16,995,934	10.4%	9,679,998	5.9%	2,660,058	1.6%	9,897,200	6.1%	163,396,890
1997	127,629,403	71.8%	4,093,884	2.3%	23,172,683	13.0%	10,325,247	5.8%	3,068,732	1.7%	9,353,996	5.3%	177,643,945
1998	138,512,632	74.1%	4,703,725	2.5%	19,619,408	10.5%	11,438,078	6.1%	3,883,813	2.1%	8,847,460	4.7%	187,005,116
1999	148,878,651	73.1%	5,373,101	2.6%	21,439,172	10.5%	11,702,854	5.7%	4,038,670	2.0%	12,302,894	6.0%	203,735,342

Notes: This schedule includes the General, Special Revenue, Debt Service, and Capital Projects Funds. This schedule does not include revenues of leasing corporation ACLC.

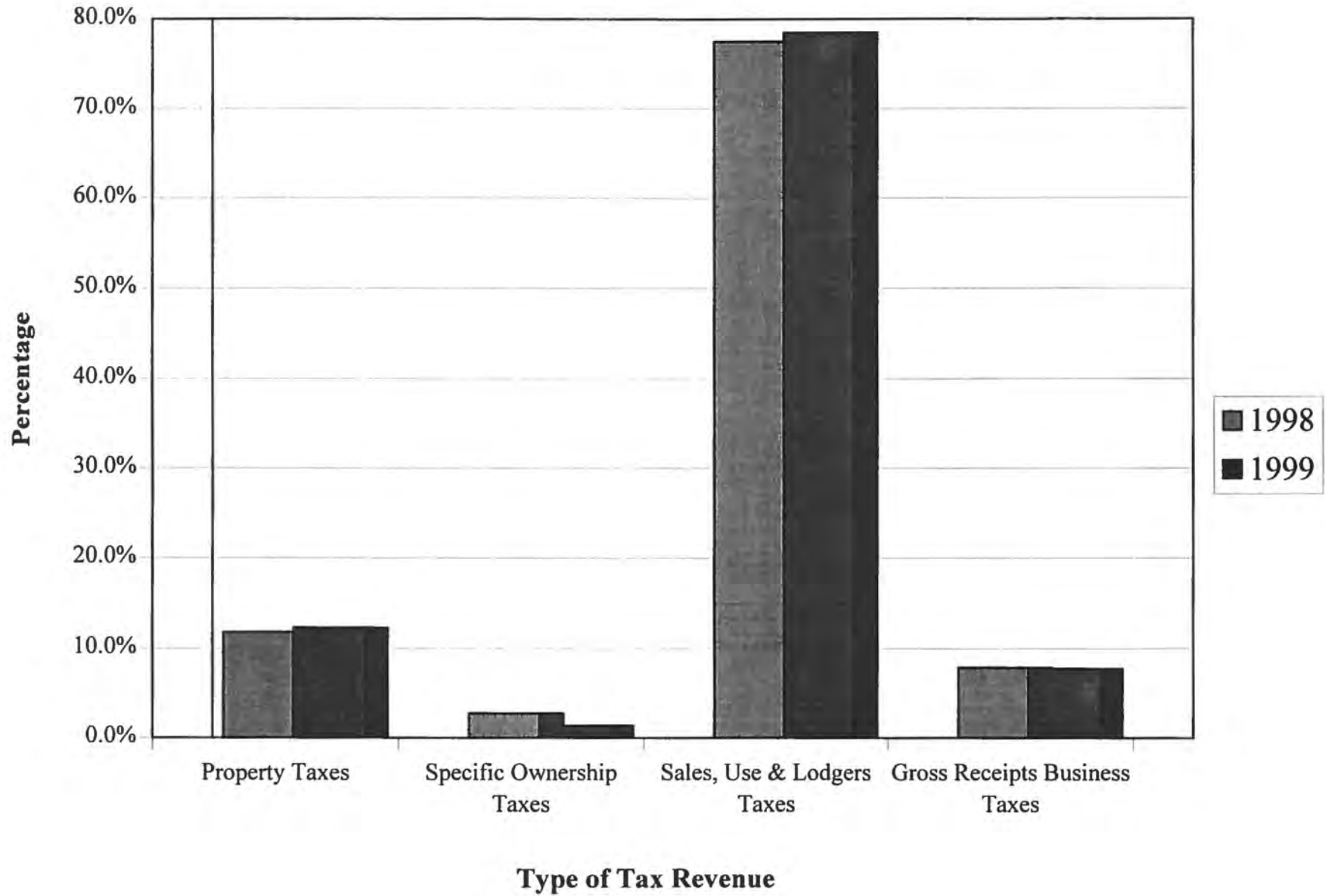
(a) Tax revenues are derived primarily from sales and use taxes, property taxes and gross receipts business taxes. Sales and use taxes are shown on the accrual basis for 1994-1999.

(b) Intergovernmental revenues are primarily State shared revenues and governmental grants.

(c) Includes special assessments, miscellaneous revenues and investment income.

**GOVERNMENTAL TAX REVENUES BY SOURCE
AS A PERCENTAGE OF TOTAL TAX REVENUES**

For the Years Ended December 31, 1998 and 1999



Notes: See Exhibit vi

City of Aurora, Colorado

Exhibit vi

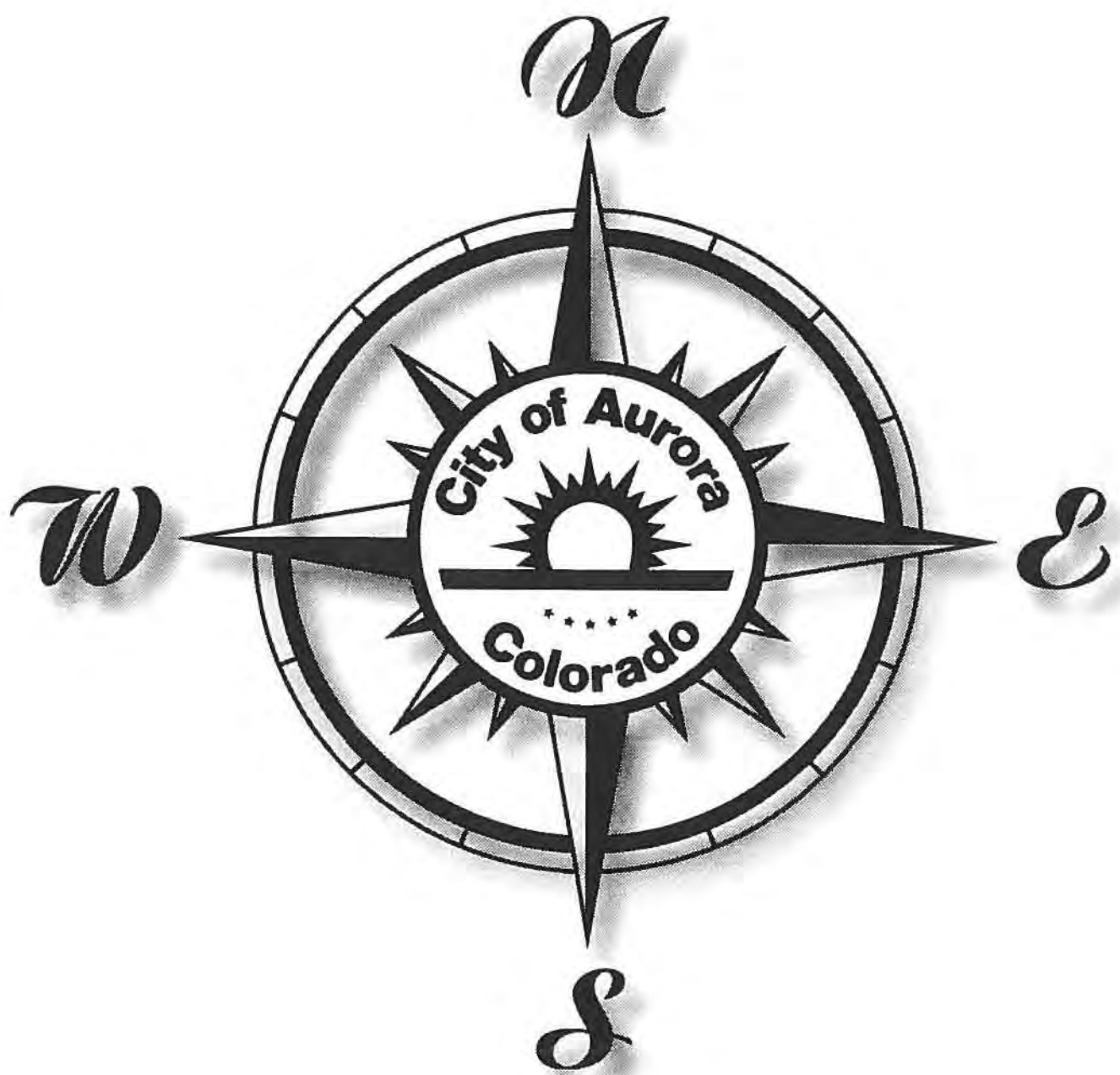
GOVERNMENTAL TAX REVENUES BY SOURCE

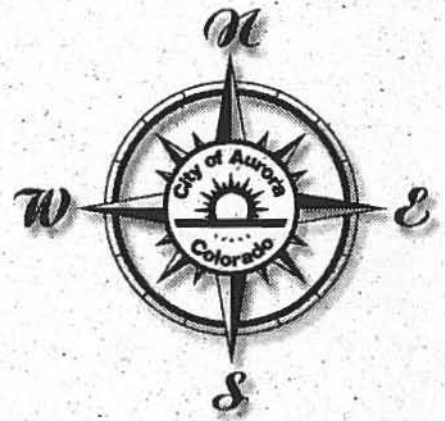
Last Ten Years

Year	Property Taxes (a)		Specific Ownership Taxes (b)		Sales, Use & Lodgers Taxes (c)		Gross Receipts Business Taxes (d)		Total Governmental Tax Revenues
	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1990	\$ 14,411,825	17.5%	\$ 990,761	1.2%	\$ 58,830,931	71.3%	\$ 8,257,515	10.0%	\$ 82,491,032
1991	14,530,249	16.5%	1,027,594	1.2%	63,940,445	72.5%	8,750,777	9.9%	88,249,065
1992	14,450,537	15.5%	1,083,113	1.2%	69,047,916	73.9%	8,845,478	9.5%	93,427,044
1993	14,614,261	14.7%	1,130,652	1.1%	74,647,638	74.9%	9,266,865	9.3%	99,659,416
1994	14,196,272	12.9%	2,525,635	2.3%	83,333,439	76.0%	9,599,868	8.8%	109,655,214
1995	14,101,767	12.5%	2,753,160	2.4%	86,330,670	76.5%	9,720,098	8.6%	112,905,695
1996	15,240,618	12.6%	2,882,584	2.4%	92,176,565	76.5%	10,207,417	8.5%	120,507,184
1997	15,636,192	12.3%	3,584,761	2.8%	97,819,715	76.6%	10,588,735	8.3%	127,629,403
1998	16,378,085	11.8%	3,782,492	2.7%	107,400,908	77.5%	10,951,147	7.9%	138,512,632
1999	18,225,450	12.2%	3,081,293	2.1%	116,093,149	78.0%	11,478,759	7.7%	148,878,651

Notes: This schedule includes the General, Special Revenue, and Debt Service Funds tax revenues.

- (a) In 1998 and 1999, property tax revenues were collected in excess of the limits imposed under the Taxpayer Bill of Rights (TABOR) Amendment. Amounts collected in excess of the limit were recorded as deferred revenue. Taxpayers were given a "temporary tax credit" for these excess collections in the form of a reduction in the subsequent year tax levy which reduced the amount they were required to pay.
- (b) Specific Ownership Taxes include miscellaneous taxes for 1994 - 1999.
- (c) Sales, Use & Lodgers Taxes include miscellaneous taxes for 1990 - 1993. Sales, Use & Lodgers Taxes for 1994 - 1999 are shown using the accrual basis.
- (d) Includes franchise and occupational privilege taxes.





- **Taxes and Assessments Statistics**

City of Aurora, Colorado

Exhibit vii

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

Collection Year	Total Tax Levy (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Collections/ (Refunds) (b)	Total Tax Collections	Collections as % of Current Tax Levy	TABOR (c)		Tax Increment Collections	Total Property Tax Revenues
							Excess Collections	Tax Credit		
1990	\$ 14,556,160	\$ 14,378,561	98.78%	\$ (28,378)	\$ 14,350,183	98.58%	\$ -	\$ -	\$ 17,220	\$ 14,367,403
1991	14,597,168	14,313,280	98.06%	386	14,313,666	98.06%	-	-	157,331	14,470,997
1992	14,653,012	14,387,361	98.19%	(113,362)	14,273,999	97.41%	-	-	137,706	14,411,705
1993	14,878,136	14,603,491	98.15%	(220,543)	14,382,948	96.67%	-	-	197,480	14,580,428
1994	14,127,000	13,930,669	98.61%	24,263	13,954,932	98.78%	-	-	203,244	14,158,176
1995	14,015,390	13,939,300	99.46%	(82,642)	13,856,658	98.87%	-	-	178,912	14,035,570
1996	15,085,751	15,033,843	99.66%	8,236	15,042,079	99.71%	-	-	169,455	15,211,534
1997	15,462,063	15,429,441	99.79%	(1,516)	15,427,925	99.78%	-	-	187,664	15,615,589
1998	17,974,286	17,862,322	99.38%	(3,337)	17,858,985	99.36%	(1,663,744)	-	182,844	16,378,085
1999	17,726,529	17,575,493	99.15%	(79,042)	17,496,451	98.70%	(1,235,123)	1,649,456	314,666	18,225,450

Notes:

- (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) In 1998 and 1999, property tax revenues were collected in excess of the limits imposed under the Taxpayer Bill of Rights (TABOR) Amendment. Taxpayers were given a "temporary tax credit" for these excess collections in the form of a reduction in the following year tax levy which reduced the amount they were required to pay. Amounts collected in excess of the limit are recognized as deferred revenue in the year collected and as revenue in the following year.

City of Aurora, Colorado

Exhibit viii

SPECIAL ASSESSMENT COLLECTIONS

Last Ten Years

(Principal Only)

Collection Year	Assessments Receivable Beginning of Year	New Assessments Levied and Adjustments	Assessments Collected	Assessments Receivable End of Year
1990	\$ 5,657,452	\$ 778,350	\$ 1,315,932	\$ 5,127,084
1991	5,127,084	2,066,817	1,892,049	5,301,852
1992	5,301,852	2,726,636	1,378,330	6,650,158
1993	6,650,158	-	1,293,149	5,357,009
1994	5,357,009	85,670	1,027,997	4,414,682
1995	4,414,682	178,070	935,144	3,657,608
1996	3,657,608	-	710,199	2,947,409
1997	2,947,409	-	706,627	2,240,782
1998	2,240,782	(8,602)	667,665	1,564,515
1999	1,564,515	-	473,694	1,090,821

City of Aurora, Colorado

Exhibit ix

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Years

Assessment Year	Real Property (a)			Total		Change in Actual Value	Percent of Total Assessed Value to Estimated Actual Value
	Assessed Value Adams County	Assessed Value Arapahoe County (b)	Assessed Value Douglas County	Assessed Value	Estimated Actual Value		
1990	\$ 201,925,370	\$ 1,275,069,950	\$ 2,360	\$ 1,476,997,680	\$ 7,841,923,710	\$ (149,276,290)	18.8%
1991	179,173,470	1,084,041,030	2,360	1,263,216,860	6,871,030,070	(970,893,640)	18.4%
1992	182,579,100	1,099,463,890	2,360	1,282,045,350	6,996,145,034	125,114,964	18.3%
1993	164,276,490	1,053,041,090	2,480	1,217,320,060	7,251,725,211	255,580,177	16.8%
1994	166,325,210	1,041,374,990	2,480	1,207,702,680	7,283,889,539	32,164,328	16.6%
1995	170,913,640	1,087,671,790	2,360	1,258,587,790	8,548,525,681	1,264,636,142	14.7%
1996	178,329,990	1,111,893,870	2,360	1,290,226,220	8,573,889,782	25,364,101	15.0%
1997	215,086,006	1,292,289,910	2,360	1,507,378,276	10,179,360,569	1,605,470,787	14.8%
1998	237,253,350	1,306,561,110	2,480	1,543,816,940	10,420,035,339	240,674,770	14.8%
1999	292,819,650	1,594,238,220	2,480	1,887,060,350	12,500,191,290	2,080,155,951	15.1%

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. Assessed value is a percentage of estimated actual value. Each year's assessed value is based on the prior year's estimated actual value.

The assessed valuation percentage is established each year and was as follows: Residential: 1990 - 15%; 1991 - 14.3%; 1992 - 14.34%; 1993 and 1994 - 12.86%; 1995 and 1996 - 10.36%; 1997, 1998 and 1999 - 9.74%.

All other classes of property were assessed at 29% of estimated actual value.

(a) Includes both real and some business personal property.

(b) Does not include tax increment financing district assessed valuation of: \$1,948,640 - 1990; \$1,518,820 - 1991; \$2,186,760 - 1992; \$2,109,750 - 1993; \$1,846,980 - 1994; \$1,756,060 - 1995; \$1,729,530 - 1996; \$2,069,310 - 1997; \$3,628,490 - 1998 and \$8,090,420 - 1999.

City of Aurora, Colorado

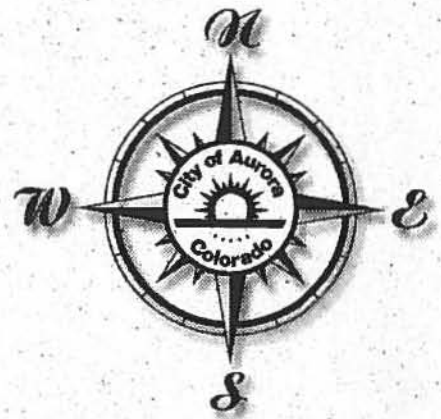
Exhibit x

PROPERTY TAX RATES - DIRECT AND PRIMARY OVERLAPPING GOVERNMENTS

Last Ten Years

(Per \$1,000 of Assessed Valuation)

Assessment Year	Collection Year	City of Aurora	Counties		Schools		Total Tax Rate - City of Aurora and:		
			Adams	Arapahoe	Aurora 28J	Cherry Creek	Adams County and Aurora Schools 28J	Arapahoe County and Aurora Schools 28J	Arapahoe County and Cherry Creek Schools
1990	1991	9.883	25.450	14.733	58.471	59.760	93.804	83.087	84.376
1991	1992	11.605	26.779	16.973	64.749	68.242	103.133	93.327	96.820
1992	1993	11.605	26.779	16.973	64.626	71.520	103.010	93.204	100.098
1993	1994	11.605	26.779	16.973	69.518	71.482	107.902	98.096	100.060
1994	1995	11.605	26.779	16.973	69.477	70.546	107.861	98.055	99.124
1995	1996	12.003	26.779	16.973	68.172	66.217	106.954	97.148	95.193
1996	1997	12.000	26.779	16.973	67.595	63.770	106.374	96.568	92.743
1997	1998	11.940	26.528	15.960	61.203	57.444	99.671	89.103	85.344
1998	1999	11.507	26.168	15.549	60.935	61.059	98.610	87.991	88.115
1999	2000	11.796	25.273	13.706	53.799	53.093	90.868	79.301	78.595



- **Debt Statistics**

City of Aurora, Colorado

Exhibit xi

COMPUTATION OF LEGAL DEBT MARGIN

In accordance with Aurora Charter Article XI

The computation of the City's legal debt margin as of December 31, 1999 is as follows:

Assessed valuation:

Arapahoe County	\$	1,594,238,220	(a)
Adams County		292,819,650	
Douglas County		2,480	
Total	\$	<u>1,887,060,350</u>	

Debt limit - Three (3) percent of assessed valuation \$ 56,611,811

Amount of debt outstanding: (a)

Total bonded debt	\$	189,384,265	
Other debt		<u>25,931,401</u>	
Total	\$	215,315,666	

Less:

Net assets in debt service funds \$ 190,400

Other deductions allowed by law:

General obligation bonds exempt from limit	3,780,000	(b)
General obligation water bonds	105,610,000	
Capitalized lease obligations	1,213,289	
Certificates of participation	24,115,000	
Water notes	503,112	
Revenue bonds:		
General fund	17,470,000	
Water	14,999,899	
Sewer	29,659,366	
Golf	6,665,000	
Special assessment	<u>520,000</u>	
Total deductions		<u>204,826,066</u>

Total amount of debt applicable to debt limit 10,489,600

Legal Debt Margin \$ 46,122,211 (c)

(a) Computation does not include assessed valuation of tax increment financing district or related debt outstanding.

(b) These bonds are exempt from the general obligation debt limit by voter approval and per Section 11-19-1 of the City Charter.

(c) A 1992 Amendment of the Colorado Constitution requires the City receive voter approval in advance for creation of any multiple fiscal year obligation other than refinancing bonded debt at a lower interest rate or when adequate cash reserves are pledged irrevocably and held for payments in all future fiscal years.

City of Aurora

Exhibit xii

DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT

As of December 31, 1999

		Debt Outstanding	Amount Applicable to City of Aurora	Percent Applicable to City of Aurora
Jurisdiction				
<i>Direct:</i>				
	City of Aurora (a)	\$ 14,460,000	\$ 14,460,000	100.00%
<i>Overlapping:</i>				
	Aurora School District 28J	108,950,000	71,907,000	66.00%
	Cherry Creek School District	391,400,000	98,084,840	25.06%
	Other (b)	176,404,451	89,986,817	51.01%
	Total overlapping debt:	676,754,451	259,978,657	
Total Direct and Overlapping Debt		\$ 691,214,451	\$ 274,438,657	

Notes:

- (a) Excludes general obligation water system bonds which are paid from water system revenues.
- (b) Approximately 40 other taxing entities overlap the City in whole or in part. Sixteen of these entities report general obligation debt outstanding, including but not limited to, Aurora Centertech Metropolitan District, Tower Metropolitan District and Heather Gardens Metropolitan District.

City of Aurora, Colorado

Exhibit xiii

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL OBLIGATION BONDED DEBT TO TOTAL GOVERNMENTAL EXPENDITURES**

Last Ten Years

Year	Principal (a)	Interest (a)	Total Debt Service	Total Governmental Expenditures (b)	Percent of Debt Service to Governmental Expenditures
1990	\$ 2,785,000	\$ 1,431,473	\$ 4,216,473	\$ 113,282,867	3.7%
1991	2,755,000	1,214,435	3,969,435	112,930,255	3.5%
1992	1,195,613	768,116	1,963,729	124,521,326	1.6%
1993	1,705,000	699,195	2,404,195	127,985,497	1.9%
1994	2,170,000	525,218	2,695,218	133,629,656	2.0%
1995	1,355,000	513,874	1,868,874	141,747,458	1.3%
1996	1,660,000	578,055	2,238,055	155,529,558	1.4%
1997	1,735,000	505,265	2,240,265	174,438,024	1.3%
1998	1,820,000	397,156	2,217,156	182,289,635	1.2%
1999	2,235,000	1,023,345	3,258,345	191,491,573	1.7%

Notes:

- (a) Schedule includes general obligation bonds serviced by the Debt Service Fund. General obligation water bonds serviced by water fund revenues are excluded. Two Parks and Streets bond issues were refunded in 1992 which resulted in a decrease in debt service in 1992 and subsequent years.
- (b) General Government Expenditures include the General, Special Revenue, Debt Service, and Capital Projects Funds but exclude leasing corporation ACLC.

City of Aurora, Colorado

Exhibit xiv

RATIO OF NET GENERAL OBLIGATION (GO) BONDED DEBT AND CERTIFICATES OF PARTICIPATION (COP's) TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

Year	Population (a)	Assessed Value (b)	Last Ten Years				Net General Obligation Bonded Debt to Assessed Value	Net General Obligation Bonded Debt Per Capita	Outstanding COP's of Leasing Corp ACLC	GO Bonds & COP's to Assessed Value	GO Bonds & COP's to Debt per Capita
			Gross General Obligation Bonded Debt (c)	Less: Debt Service Fund Balance	Debt Payable from Water Revenues	Net General Obligation Bonded Debt					
1990	222,103	1,476,997,680	185,557,709	6,826	170,279,709	15,271,174	1.0%	69	-	-	-
1991	224,150	1,263,216,860	185,350,000	3,734	172,845,000	12,501,266	1.0%	56	-	-	-
1992	230,700	1,282,045,350	179,310,000	63,630	167,025,000	12,221,370	1.0%	53	-	-	-
1993	238,992	1,217,320,060	175,235,000	63,860	164,655,000	10,516,140	0.9%	44	-	-	-
1994	240,595	1,207,702,680	170,420,000	61,731	162,010,000	8,091,491	0.7%	34	-	-	-
1995	247,000	1,258,897,790	152,570,000	63,355	140,660,000	11,846,645 (d)	0.9%	48	35,240,000	3.7%	191
1996	250,000	1,290,226,220	142,905,000	65,711	132,655,000	10,184,289 (d)	0.8%	41	32,680,000	3.3%	171
1997	253,000	1,507,378,276	132,555,000	65,959	124,040,000	8,449,041 (d)	0.6%	33	29,995,000	2.6%	152
1998	256,248	1,543,816,940	131,725,000	294,476	115,030,000	16,400,524 (d)	1.1%	64	27,085,000	2.8%	170
1999	258,875	1,887,060,350	120,070,000	446,998	105,610,000	14,013,002 (d)	0.7%	54	24,115,000	2.0%	147

Notes:

- (a) The 1990 population was based on the 1990 U.S. Census. Source for 1997 - 1999 data is Clarion & Assoc. Assessed values of real property are obtained from Certifications of Valuation provided by the Assessor's offices of Adams, Arapahoe and Douglas counties.
- (b) Does not include tax increment financing district assessed valuation of: \$241,630 - 1989; \$1,948,640 - 1990; \$1,518,820 - 1991; \$2,186,760 - 1992; \$2,109,750 - 1993; \$1,846,980 - 1994; \$1,756,060 - 1995; \$1,729,530 - 1996; \$2,069,310 - 1997; \$3,628,490 - 1998 and \$8,090,420 - 1999.
- (c) Gross general obligation bonded debt includes general obligation bonds supported by General Fund revenues and general obligation water bonds which are paid from Water Fund revenues but are a contingent general obligation of the City.
- (d) Includes 1995 general obligation public safety bonds which are excluded from debt limit calculation per Section 11-19-1 of the City Charter.

Exhibit xv

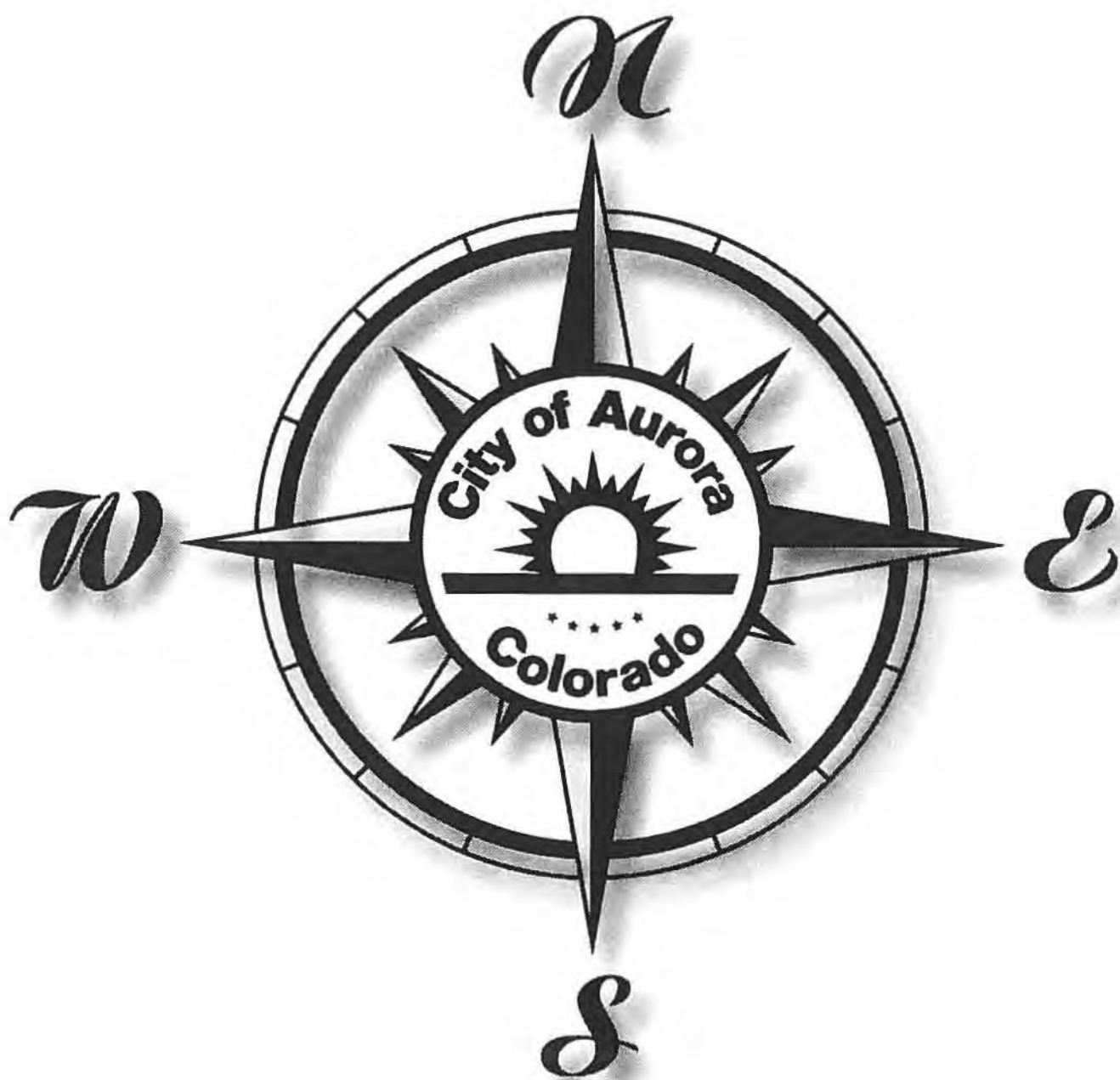
SCHEDULE OF REVENUE BOND COVERAGE

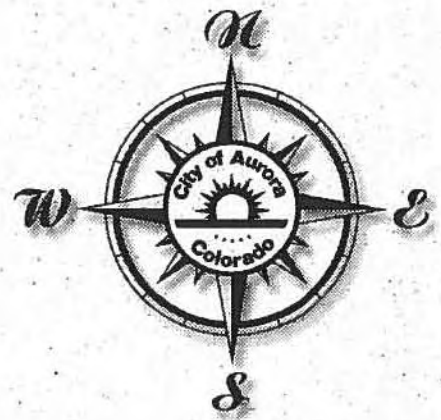
Last Ten Years

Year	Gross Revenue (b)	Expenses (c)	Net Revenue Available For Debt Service	Debt Service Requirements (d)			Coverage Ratio (e)
				Principal	Interest	Total	
1990	\$ 45,322,826	\$ 20,345,903	\$ 24,976,923	\$ 5,505,000	\$ 13,387,613	\$ 18,892,613	1.32
1991	45,228,860	21,819,487	23,409,373	6,715,000	12,761,421	19,476,421	1.20
1992	44,689,719	22,375,562	22,314,157	7,130,000	10,725,791	17,855,791	1.25
1993	46,694,942	22,483,419	24,211,523	6,305,000	12,800,098	19,105,098	1.27
1994	48,945,726	24,811,290	24,134,436	4,455,000	8,738,379	13,193,379	1.83
1995 (a)	46,233,346	24,459,900	21,773,446	7,975,000	8,279,410	16,254,410	1.34
1996 (a)	53,394,839	27,033,684	26,361,155	12,615,000	6,718,752	19,333,752	1.36
1997 (a)	58,481,548	30,236,147	28,245,401	11,289,227	6,572,154	17,861,381	1.58
1998	61,875,682	32,145,039	29,730,643	11,457,198	6,157,837	17,615,035	1.69
1999	66,521,594	38,138,265	28,383,329	12,014,969	5,576,186	17,591,155	1.61

Notes: The City has outstanding bonds payable from water, sewer and golf revenues. This schedule includes the revenues, expenses and debt service requirements for the Water, Sewer and Golf Funds which support these bonds.

- (a) Golf Course Revenue Bonds in the amount of \$7,395,000 were issued during 1995 for the construction of Saddle Rock Golf Course. The construction was completed on June 30, 1997. The revenues, expenses and debt service requirements for these bonds were not included in this schedule for 1995, 1996 and the first six months of 1997 because the interest costs were capitalized during construction and the golf course did not generate revenues until construction was completed.
- (b) Includes charges for services, intergovernmental revenue, interest income, and miscellaneous revenues. Gross Revenue has been restated for the years 1990 - 1998 accordingly.
- (c) Includes operating expenses such as personal services, supplies and other services and charges.
- (d) Includes general obligation water bonds which are being paid from water revenues.
- (e) Net Revenue Available for Debt Service divided by Total Debt Service Requirements.





- **Economic and Demographic Statistics**

City of Aurora, Colorado

Exhibit xvi

PROPERTY VALUES AND CONSTRUCTION

Last Ten Years

Year	Non-Residential Construction (New)		Residential Construction (New)		Additions/ Alterations/Repairs		Property Values	
	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value	Assessed (a)	Estimated Actual
1990	112	\$ 18,782,639	116	\$ 13,171,483	2,664	\$ 42,558,789	\$ 1,476,997,680	\$ 7,841,923,710
1991	131	21,694,099	460	50,197,998	4,064	36,055,635	1,263,216,860	6,871,030,070
1992	104	4,626,189	571	55,942,514	3,957	41,737,801	1,282,045,350	6,996,145,034
1993	80	12,075,388	510	46,425,817	2,832	35,705,756	1,217,320,060	7,251,725,211
1994	129	29,982,166	824	80,616,925	4,713	43,350,523	1,207,702,680	7,283,889,539
1995	144	23,471,807	852	90,406,959	4,721	49,500,483	1,258,587,790	8,548,525,681
1996	152	47,176,690	930	87,665,982	2,628	57,965,031	1,290,226,220	8,573,889,782
1997	195	77,697,956	844	122,702,349	2,769	104,487,279	1,507,378,276	10,179,360,569
1998	253	100,349,049	1,184	165,057,620	3,693	80,117,473	1,543,816,940	10,420,035,339
1999	224	62,943,622	1,722	251,945,536	6,324	62,837,685	1,887,060,350	12,500,191,290

Notes: Property values are obtained from Certifications of Valuation provided by Adams, Arapahoe and Douglas counties. Construction data is provided by the City Building Department.

(a) Does not include tax increment financing district assessed valuation of: \$1,948,640 - 1990; \$1,518,820 - 1991; \$2,186,760 - 1992; \$2,109,750 - 1993; \$1,846,980 - 1994; \$1,756,060 - 1995; \$1,729,530 - 1996; \$2,069,310 - 1997; \$3,628,490 - 1998 and \$8,090,420 - 1999.

Exhibit xvii

City of Aurora, Colorado

DEMOGRAPHIC STATISTICS

Last Ten Years

Year	Population (a)	Median Family Income (b)	Unemployment Rate (c)
1990	222,103	\$ 34,675	4.3%
1991	224,150	35,993	4.4%
1992	230,700	37,325	5.4%
1993	238,992	38,900	4.5%
1994	240,595	40,619	3.8%
1995	247,000	42,366	3.6%
1996	250,000	43,541	3.5%
1997	253,000	45,021	2.6%
1998	256,248	46,102	3.0%
1999	258,875	47,441	2.5%

Notes:

- (a) Data was provided by the City's Planning Department. The 1990 population was based on the 1990 U.S. Census. Source for 1997 - 1999 data is Clarion & Assoc.
- (b) Data for 1990 - 1999 has been restated based upon information from the City's Planning Department. The Median Family Income is based upon 1989 Census data, and projected forward based upon the rate of inflation. Source - Bureau of Labor Statistics.
- (c) Data was provided by the City's Planning Department. Source - Colorado Department of Labor and Employment.

Exhibit xviii

City of Aurora, Colorado

MAJOR EMPLOYERS

December 31, 1999

Public Institutions (a)	Approximate Number of Employees	Corporations (b)	Approximate Number of Employees	Type of Industry
Buckley Air National Guard Base	10,029 (c)	ADT Security Systems	1,660	Security Services
Aurora Public Schools (Full time only)	3,428	Raytheon (Formerly Hughes Aircraft)	1,500	Aerospace Manufacturing
Cherry Creek Public Schools	2,507	Kaiser Permanente	1,140	Health Care
City of Aurora	2,390	OEA, Inc.	1,100	Air Bag System Manufacturing
Regional Transportation District - East Facility	525	Medical Center of Aurora	1,000	Health Care
U.S. Postal Service	479	TRW Systems Integration Group	800	Aerospace Manufacturing
		SUPERVALU, INC	750	Food Distribution Center
		UNIPAC Service Corporation	740	Financial Services/Student Loan Processing
		US West	700	Telecommunications

Notes:

(a) Data was provided by the City's Planning Department

(b) Data was provided by Aurora Economic Development Council, Inc.

(c) Includes military and civilian personnel

City of Aurora, Colorado

Exhibit xix

TEN PRINCIPAL REAL PROPERTY TAXPAYERS

December 31, 1999

Taxpayer	Type of Industry	Assessed Valuation of Property	Percentage of Total Assessed Valuation
U.S. West Communications	Telecommunications	\$ 38,884,500	2.06%
Public Service Co of Colorado	Gas/Electric Utilities	34,124,580	1.81%
Columbia Health One, LLC	Healthcare	13,949,000	0.74%
Glenborough Properties	Real Estate	11,960,860	0.63%
Aberdeen Land Co.	Real Estate	10,439,020	0.55%
ProLogis (formerly Security Capital Industrial Trust)	Real Estate	7,827,980	0.41%
IBM Credit Corp.	Equipment Leasing	7,239,130	0.38%
Retail Property Trust	Real Estate	6,960,000	0.37%
Nationwide Hospitality	Hotel Management	6,090,010	0.32%
Kaiser Foundation Health Plan	Healthcare	5,800,000	0.31%
		<u>\$ 143,275,080</u>	<u>7.59%</u>

Notes: Property values are provided by Assessor offices of Adams and Arapahoe Counties. The Total Assessed Value in the assessment year 1999 is \$1,887,060,350.

City of Aurora, Colorado

Exhibit xx

MISCELLANEOUS STATISTICAL DATA

For the Ten Years Ended December 31, 1999

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

City of Aurora	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Area - Square Miles	131.92	135.48	135.48	135.48	136.83	136.83	136.83	140.15	140.15	140.15
Miles of Improved Streets	669.23	859.70	860.50	863.28	863.28	800.00	812.00	874.85	875.00	915.00
Miles of Sanitary Sewer	678.27	679.60	682.00	686.70	694.58	700.89	715.44	722.86	734.86	753.16
Number of Water Taps	55,771	55,839	56,064	56,760	57,588	58,187	59,204	59,771	60,393	61,366
Number of Sanitary Sewer Taps	61,100	61,116	61,365	61,598	62,298	62,869	63,884	64,599	65,455	67,011
Number of Municipal Employees (a)	1,971	1,922	1,929	1,986	2,037	2,137	2,199	2,254	2,315	2,390
Building Permits:										
Permits Issued	2,892	4,655	4,632	3,422	5,666	5,717	3,710	3,808	5,130	8,270
Value of Buildings (millions)	74.51	107.95	102.31	94.21	153.95	163.38	192.81	304.89	345.52	377.73
Fire Protection:										
Number of Fire Stations	11	11	11	11	11	11	11	11	11	11
Number of Employees (a)	291	289	291	293	293	295	297	297	313	320

Exhibit xx

City of Aurora, Colorado

MISCELLANEOUS STATISTICAL DATA

For the Ten Years Ended December 31, 1999

City of Aurora	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<hr/>										
Police Protection:										
Number of Employees (a)	590	582	574	583	599	676	724	736	745	754
Number of Law Violations (Part I Crime) (b)	17,935	19,785	20,016	20,367	20,464	16,902	16,299	16,521	14,529	14,303
Patrol Vehicles	91	87	90	91	106	111	115	126	123	127
Detention Facilities	1	1	1	1	1	1	1	1	1	1
Recreation:										
Parks - Number of Acres	6,885	6,885	6,885	6,885	6,920	6,920	6,920	7,370	7,370	7,380
Number of Playgrounds	60	60	64	64	64	64	64	64	64	65
Number of Golf Courses	4	4	4	4	4	4	4	5	6	6
Number of Swimming Pools	9	9	9	9	9	9	9	10	10	10
Education (c):										
Number of Schools:										
Elementary	42	42	42	42	42	42	42	42	42	43
Junior High/Middle	10	10	10	10	10	10	10	10	10	10

Senior High/High	6	6	6	6	6	6	6	6	7	7
Alternative High School	2	2	2	2	2	2	2	2	2	2
Vocational/Technical	1	1	1	1	1	1	1	1	1	1
Number of Teachers/Administrative Personnel (d)	5,070	6,000	6,676	6,676	7,331	7,743	4,313	3,790	4,094	5,935
Number of Students	41,993	42,101	46,957	47,925	44,245	44,989	46,192	46,851	47,962	48,588

Elections:

Number of Registered Voters (e)	(f)	96,784	(f)	106,834	(f)	116,800	133,198	98,641	135,693	94,297
Number Voting in Last Election	(f)	20,035	(f)	38,387	(f)	38,197	64,947	43,619	65,445	41,592
% of Registered Voters Voting in Last Election	(f)	20.7%	(f)	35.9%	(f)	32.7%	49.0%	44.0%	48.0%	47.0%

Notes:

- (a) Regular full time budgeted positions. The number of municipal employees includes police and fire personnel
- (b) The 1995 decrease is due to revision of Part I Crime definition. This revision has been made to conform with the federal government criteria for Part I Crime.
- (c) Figures include all Aurora School District 28 J schools and Cherry Creek School District schools located in the City of Aurora. Cherry Creek School District schools with Aurora mailing addresses that are located in unincorporated Arapahoe county are excluded. The number of teachers and administrative personnel has been restated for all years to reflect the total number of personnel employed at Aurora and Cherry Creek schools located in the City of Aurora.
- (d) The number of teachers and administrative personnel prior to 1996 includes part-time and full-time personnel. Beginning in 1996, this data only includes full-time personnel.
- (e) The significant decreases in the number of registered voters is due to the county purge process.
- (f) Data not available

