

CITY of CENTENNIAL

2014 BUDGET IN BRIEF



The Budget Process

The City's budget is the long-range plan by which financial policy is implemented and controlled. The City Charter, Colorado Constitution and the Colorado State Budget Law provide the basic legal requirements and timelines for the City's budget process.

City Council's goals, City-wide objectives, ordinances and resolutions provide policy direction that responds to the needs and desires of the community.

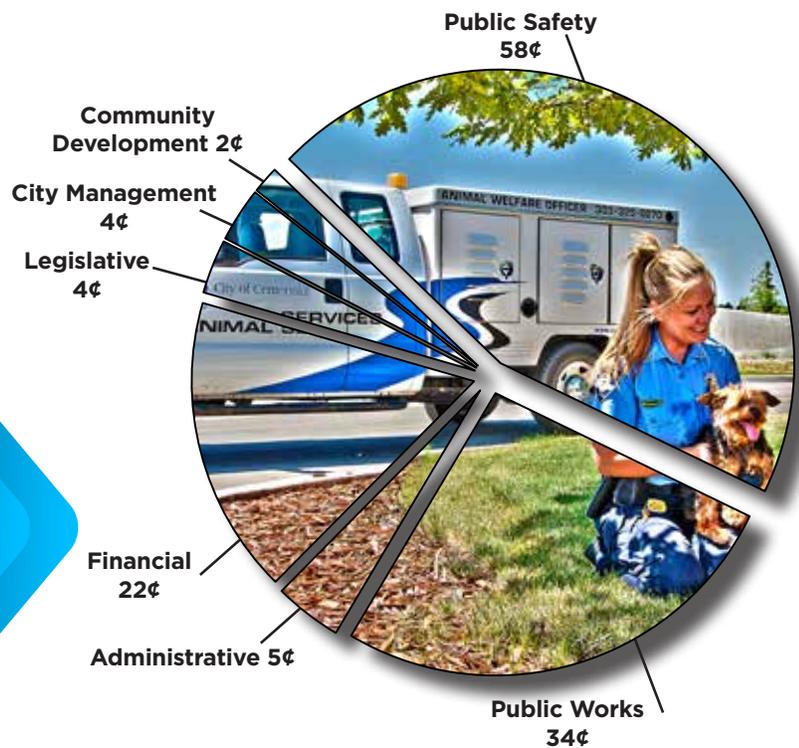
The City's budget is prepared on a calendar year basis as required by the City Charter. The budget must be balanced, which means that planned expenditures cannot exceed the sum of anticipated revenues and beginning fund balance. The City's fiscal year is January 1 through December 31.

The City of Centennial 2014 Annual Budget can be found on the City's website at www.centennialco.gov.

How much do City services cost you?

The City's General Fund Budget for 2014 is \$ 49.3 million (excluding fund transfers). The General Fund pays for most City services including public safety, public works, community development, finance and administrative functions, among others. For these General Fund services, the cost to serve each resident is expected to be \$ 1.29 per day, which is slightly lower than last year.

Public Safety	58¢
Public Works	34¢
Administrative	5¢
Financial	22¢
Legislative	4¢
City Management	4¢
Community Development	2¢
Total Cost of Services	\$1.29



Who pays for these services?

The City is able to provide these services through the collection of various revenue sources, including:

- **Sales Tax** – paid by consumers shopping at local businesses
- **Property Tax & Use Tax** – paid by citizens and property owners within the City
- **Intergovernmental** – amounts collected are based on a several factors dependent on the source of the funding
- **Fines & Fees** – paid by a variety of people doing business with the City



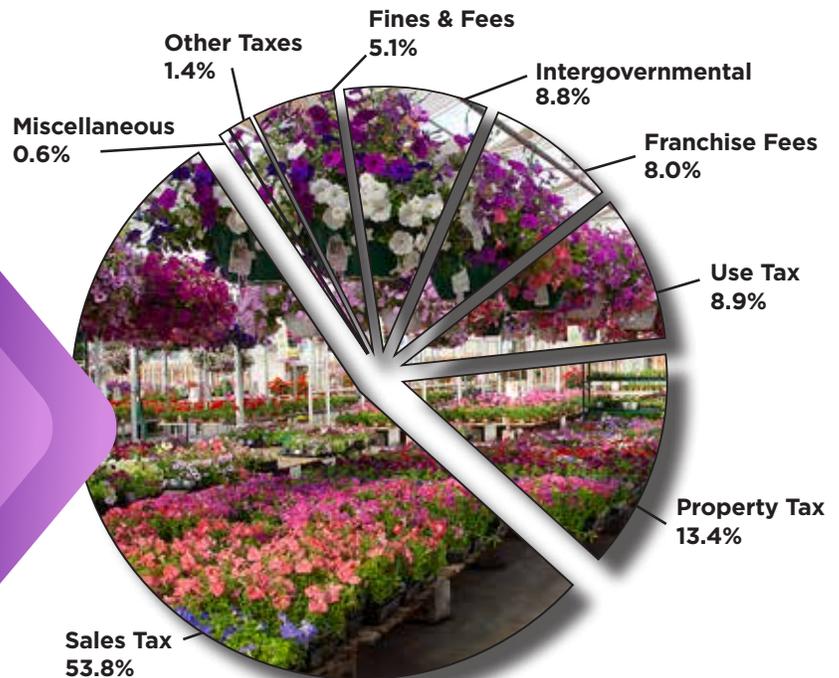
General Fund Revenues - \$61.1 Million

Where does the money come from?

- **Sales Tax** accounts for more than half of all General Fund revenues.
- **Property Tax** is the General Fund's second largest revenue source. The voter approved mill levy is 4.982 mills.
- **Automobile Use Tax** and **Building Materials Use Tax** make up the City's Use Tax revenue.
- **Franchise Fees** include Cable Franchise Fees and Gas/Electric Franchise Fees. These fees are compensation for benefits and privileges granted under various agreements.
- **Intergovernmental** revenue includes monies collected by and received from the federal government, state, and county, such as the Highway Users Tax Fund (HUTF), Road & Bridge Shareback funds and grants.
- **Fines and Fees** revenue includes court fines, permit fees and licensing fees, among other various sources.
- **Other Taxes** includes Specific Ownership and Cigarette taxes.
- **Miscellaneous** revenue includes items such as Business/Sales Tax Licensing and investment income.

General Fund Revenues

Sales Tax	\$ 32,852,531	53.8%
Property Tax	8,182,269	13.4%
Use Tax	5,467,021	8.9%
Franchise Fees	4,875,617	8.0%
Intergovernmental	5,363,901	8.8%
Fines and Fees	3,090,964	5.1%
Other Taxes	833,033	1.4%
Miscellaneous	390,700	0.6%
Total Revenues	\$61,056,036	100.0%



2014 Budget Highlights - Revenue

Budgeted revenues for the General Fund are expected to increase from the 2013 Adopted Budget by \$3.1 million (5.3 percent). Sales Tax and Use Tax are the driving sources of this increase.

- The City has experienced a large increase in Sales Tax revenue primarily due to the growing success of Centennial retail properties such as the Streets at SouthGlenn and the Centennial Promenade. An overall increase in consumer spending has also contributed to the increase in Sales Tax.
- Automobile and Building Materials Use Tax revenues have increased primarily as a result of an increase in consumer confidence and several large, one-time building projects.
- Property tax has remained relatively consistent within the last year.



General Fund Expenditures - \$49.3 Million (excluding transfers)

Where does the money go?

- **Public Works** and **Public Safety** services make up approximately 71 percent of General Fund expenditures.
 - Public Works provides several services including: snow plowing, traffic signal maintenance, street light/traffic signal utilities, and road repair and maintenance.
 - Public Safety provides Law Enforcement, Municipal Court and Animal Services.
- **Administrative** services, such as Human Resources, Communications and Information Technology support functions within the City.
- The costs associated with **Financial** services include sales tax collection and administration, auditing, payments according to revenue sharing agreements, and Economic Development services.
- **Legislative** services include the City Attorney's Office, City Clerk's Office and Elected Officials.
- **City Management** includes the City Manager's Office, and the Office of Innovation.
- **Community Development** includes Code Compliance services and Community Development Administration.

General Fund Expenditures

Public Safety	\$ 22,190,508	45.0%
Public Works	13,024,900	26.5%
Administrative	1,967,003	4.0%
Financial	8,305,926	16.9%
Legislative	1,484,276	3.0%
City Management	1,444,106	2.9%
Community Development	851,964	1.7%
Total Expenditures	\$49,268,683	100.0%



2014 Budget Highlights - Expenditures

Budgeted expenditures for the General Fund are expected to increase from the 2013 Adopted Budget by \$0.4 million (0.7 percent), excluding fund transfers to the Land Use Fund and Capital Improvement Fund. This increase is primarily due to compensation changes for contracted services pursuant to contractual obligations, which represent 53% of the city's total expenditures.

Do You KNOW?

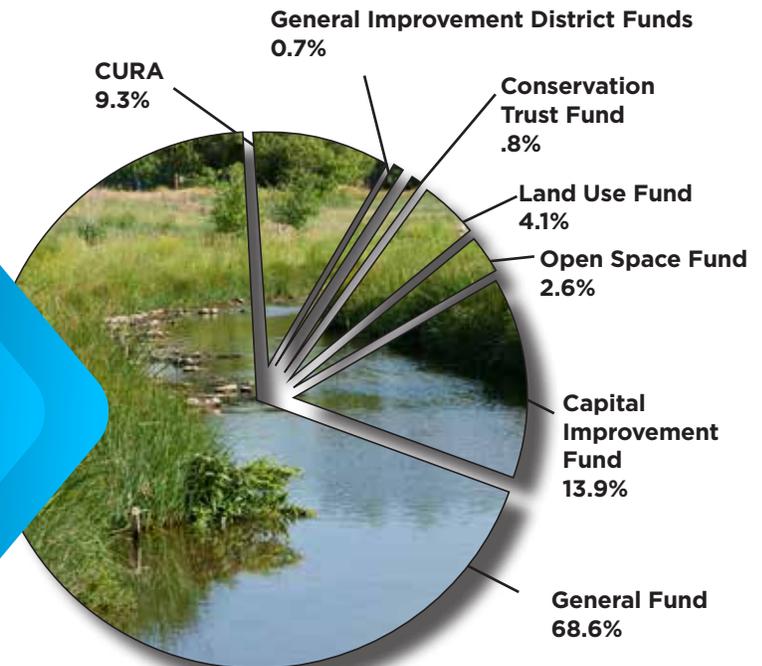
For the 8th consecutive year, Centennial is named the "Safest City" in Colorado with a population of more than 75,000. Centennial ranked 41st out of 432 cities in the nation.

The report is issued by CQ Press in its annual publication *City Crime Rankings 2012-2013: Crime in Metropolitan America*.

2014 Budget Appropriations by Fund - Total: \$71.8 Million

Budget appropriations are specific amounts of money authorized by the City Council for approved expenditures. Annual amounts are appropriated by fund. Each fund has a different purpose, as described below. Majority of expenses are for public works, public safety and capital cost.

General Fund	\$49,268,683	68.6%
Capital Improvement Fund	9,995,500	13.9%
Open Space Fund	1,890,000	2.6%
Land Use Fund	2,913,331	4.1%
Conservation Trust Fund	552,500	0.8%
General Improvement District Funds	520,830	0.7%
CURA	6,676,997	9.3%
Total Expenditures	\$71,817,841	100.0%



Fund Descriptions

- The **General Fund** makes up approximately 69 percent of the total City budget. This is the City's main operating fund.
- The **Capital Improvement Fund**, which makes up approximately 14 percent of the total City budget, is used for capital projects and programs such as the Street Rehabilitation Program and various street/intersection improvements.
- **Open Space Fund** and **Conservation Trust Fund** are both primarily used for park and trail acquisition, improvements and maintenance. These funds are restricted and must be used for specific uses.
- The **Land Use Fund** is the City's only enterprise fund. The Land Use Fund provides building services and contractor licensing among other services. The services are supported primarily by user fees.
- The **General Improvement District (GID) Funds** and the **Centennial Urban Redevelopment Authority (CURA) Fund** are special revenue funds. Each of the funds brings in revenue that must be used for a specific purpose.

Do You KNOW?

In 2013, the City transformed an abandoned lumber yard into its first owned facility for Public Works, Animal Services, Code Compliance and the 24/7 Citizen Response Center. Since Centennial's incorporation

the City has contracted public works services and leased facilities. Over time, the facility will pay for itself through lease arrangements the City has with its contractors.



For more information, contact the City Finance Director at 303-325-8000

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