

The following financial report analysis offers readers a narrative overview of the financial activities of the City for the period ended June 30, 2013; this period will be referred to as Year-to-Date (YTD). The monthly financial statement package includes statements for the following funds: General Fund, Land Use Fund, Capital Improvement Fund, Conservation Trust Fund, Open Space Fund, General Improvement District Funds, and the Centennial Urban Redevelopment Authority Fund. Readers are encouraged to consider the information presented here in conjunction with the unaudited financial statements attached to this report. In addition, please refer to the Executive Summary in the 2013 Annual Budget for an explanation of variances between the 2012 and 2013 Adopted Budgets.

Summary of the June, 2013 YTD Financial Statements

GENERAL FUND – COMPARISON TO PRIOR YEAR FOR THE SAME PERIOD

Revenues

The following table is a summary comparison of the primary revenue sources year-to-date for 2012 and 2013:

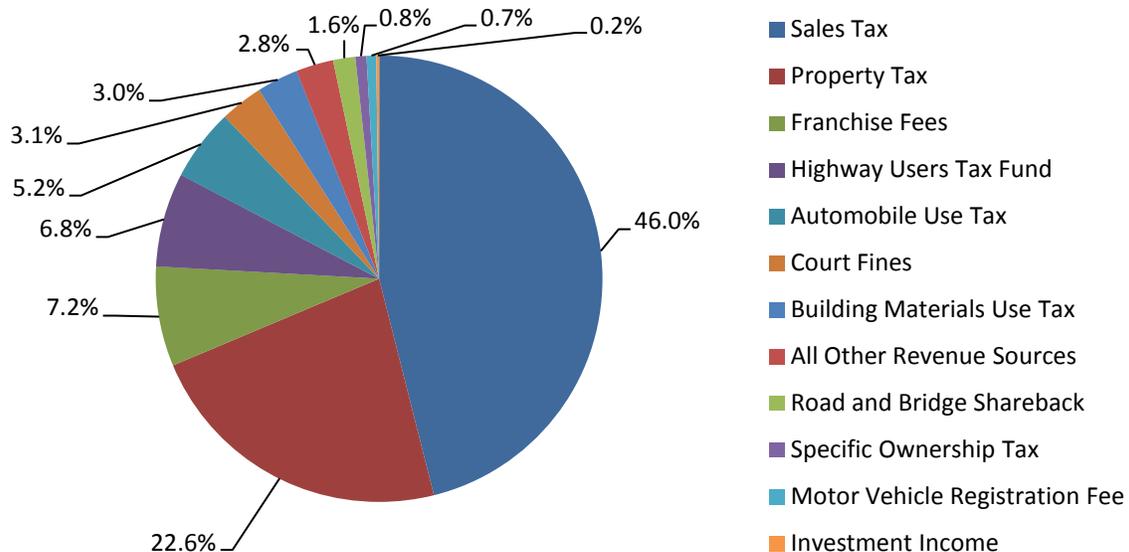
(dollar amounts in millions)

	YTD 2013	YTD 2012	\$ Variance	% Variance
Retail Sales Tax	\$ 15.8	\$ 14.0*	\$ 1.8	12.4%
Property Tax	7.8	7.6	0.2	2.3%
Building Materials Use Tax	1.0	0.8	0.2	31.4%
Highway Users Tax Fund	2.3	2.4	(0.1)	-2.0%
Franchise Fees	2.5	2.3	0.2	7.8%
Specific Ownership Tax	0.3	0.3	-	6.3%
Motor Vehicle Registration Fees	0.2	0.2	-	7.8%
Automobile Use Tax	1.8	1.6	0.2	10.1%
Road and Bridge Shareback	0.6	0.6	-	0.7%
Court Fines	1.1	1.1	-	-0.9%
Investment Income	-	-	-	28.0%
All Other Revenue Sources	0.9	0.7	0.2	17.8%
	<u>\$ 34.3</u>	<u>\$ 31.6</u>	<u>\$ 2.7</u>	<u>8.4%</u>

Note: Dollar amounts shown have been rounded; percentages are actual based on whole dollars.

*Amounts previously reported for fiscal year 2012 have been restated due to further clarification on GASB Statement No.33.

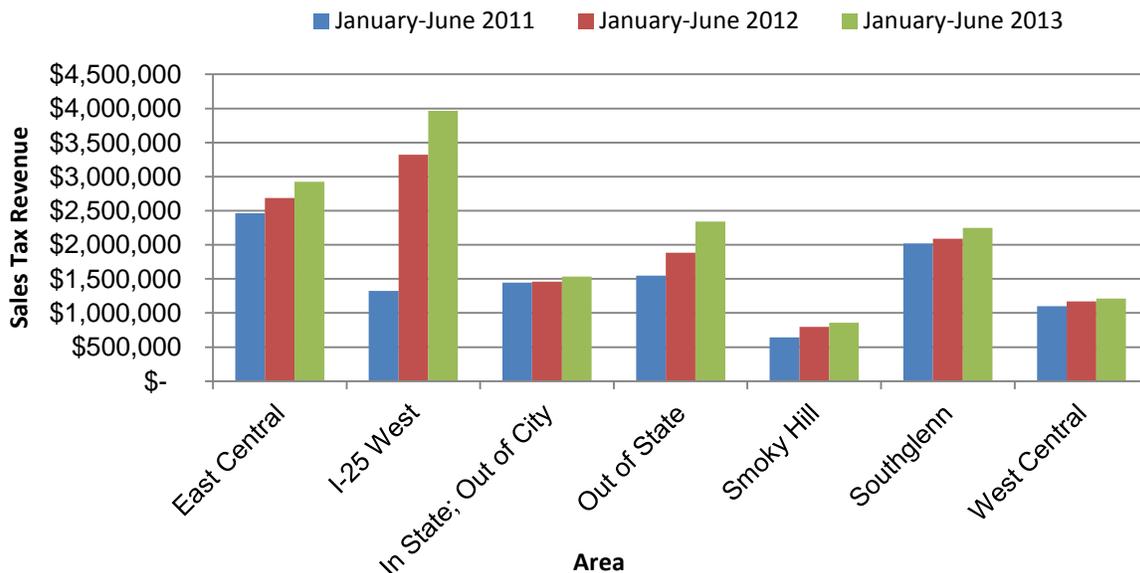
2013 YTD Revenues by Source, as a Percentage of Total Revenues



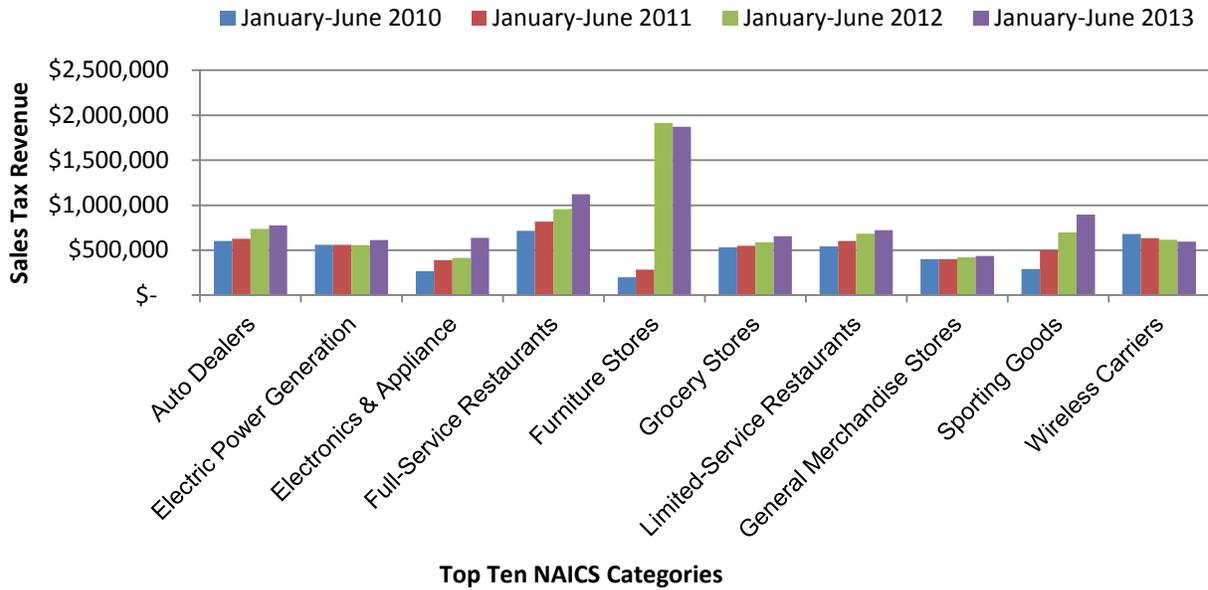
Retail Sales Tax

Retail Sales Tax revenue year-to-date is \$1.8 million or 12.4% more than the same period in 2012. Overall, the City's Sales Tax base collections (excluding collections attributable to new development, audits and delinquent accounts) have exceeded 2012 collections by \$1.4 million. Through our analysis of tax filings, the \$1.4 million increase can be attributed to new business (outside of new developments) and corporate capital improvement purchases. In addition, the City has received approximately \$0.4 million in sales tax revenue year-to-date from the Streets at SouthGlenn (new businesses) and Centennial Promenade (annexed businesses) which was not received during the same period in the prior year.

Interestingly, sales tax revenues for June 2013 alone show an increase of \$0.5 million over June 2012. Analysis of City accounts shows 43.0% of this \$0.5 million increase in June 2013 over June 2012 comes from one geographical area within the City - I-25 West (from I-25 west to Colorado Boulevard and from Orchard Road south to County Line Road). Further analysis indicates the increase is largely due to the addition of several new restaurants, retail stores and increased software/computer sales. The remainder of the variance is attributable to growing consumer spending. The following graph illustrates where sales tax revenue is being generated (geographically) over a three year period for the months of January through June of each year.



In reviewing the City's top ten North American Industry Classification System (NAICS) codes for the last four years, the City has experienced both growth and slow down in some of its core sectors. Sales related to electronics and appliance stores, full-service restaurants, sporting goods and communications equipment manufacturing continue to grow at a faster pace year-to-date when compared to the same period in the prior year. As the economy continues to improve, businesses appear to be investing in their hardware and software which has contributed to the growth in some of the above mentioned sectors. Increases in sales tax revenues in the Sporting Goods sector are attributable to the addition of a new retail store. The remainder of the increases over the prior year can be attributed to growing consumer spending. The graph below illustrates both the growth and/or slow down in each of the City's top ten NAICS sectors for the months of January through June of each year.



The table below represents a different way of analyzing actual sales tax collected year-to-date 2013 when compared to the same period in the prior year. The table is summarized by North American Industry Classification System (NAICS) codes.

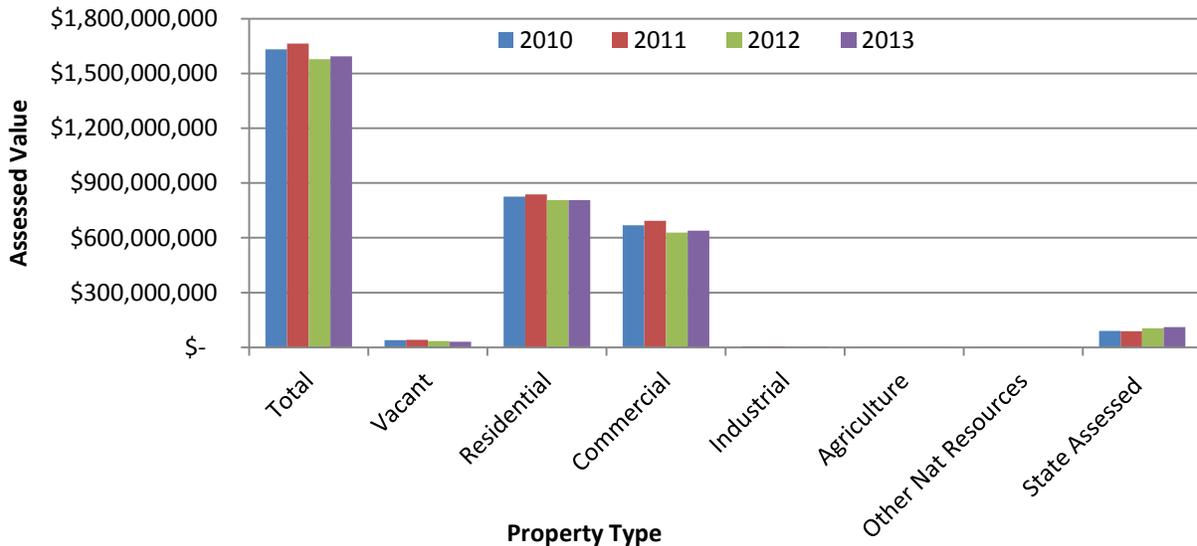
2013 & 2012 year-to-date through June 2013 – Current Top 25 Sales by 4-digit NAICS Code

NAICS Description	2013 YTD	% of Total	2012 YTD	% Change
1 Furniture Stores	\$1,878,341	15.4%	\$1,924,188	-2.4%
2 Full-Service Restaurants	1,133,622	9.3%	963,840	17.6%
3 Sporting Goods, Hobby, and Musical Instrument Stores	897,953	7.4%	697,078	28.8%
4 Automobile Dealers	775,370	6.4%	737,697	5.1%
5 Limited-Service Eating Places	726,795	6.0%	687,032	5.8%
6 Grocery Stores	655,288	5.4%	586,813	11.7%
7 Electronics and Appliance Stores	641,428	5.3%	418,117	53.4%
8 Electric Power Generation, Transmission and Distribution	612,126	5.0%	554,965	10.3%
9 Wireless Telecommunications Carriers (except Satellite)	596,102	4.9%	619,971	-3.9%
10 Other General Merchandise Stores	436,116	3.6%	423,017	3.1%
11 Department Stores	411,242	3.4%	359,548	14.4%
12 Communications Equipment Manufacturing	319,924	2.6%	8,068	3865.4%
13 Software Publishers	296,371	2.4%	20,460	1348.5%
14 Commercial and Industrial Machinery and Equipment Rental and Leasing	288,282	2.4%	402,051	-28.3%
15 Beer, Wine, and Liquor Stores	273,135	2.2%	256,714	6.4%
16 Automotive Parts, Accessories, and Tire Stores	252,354	2.1%	262,901	-4.0%
17 Automotive Repair and Maintenance	241,728	2.0%	219,783	10.0%
18 Direct Selling Establishments	238,286	2.0%	129,862	83.5%
19 Wired Telecommunications Carriers	235,509	1.9%	248,509	-5.2%
20 Jewelry, Luggage, and Leather Goods Stores	235,266	1.9%	236,390	-0.5%
21 Clothing Stores	232,358	1.9%	152,198	52.7%
22 Health and Personal Care Stores	212,038	1.7%	210,696	0.6%
23 Other Miscellaneous Store Retailers	208,554	1.7%	194,339	7.3%
24 Traveler Accommodation	207,170	1.7%	185,363	11.8%
25 Home Furnishings Stores	194,434	1.6%	170,872	13.8%
Total*	\$12,199,793	100.0%	\$10,670,475	

*Total does not agree to sales tax revenue reported on the accompanying financial statements as this table only represents the top 25 NAICS codes and does not include audit revenue.

Property Tax

Property Tax revenue year-to-date 2013 is \$0.1 million or 2.3% more than collections year-to-date in 2012. While the majority of property tax revenue is received by June of each year, the City anticipates that by year-end property tax collections will increase by as much as \$0.2 million over collections in the prior year primarily as a result of an increase in assessed valuations as provided by the Arapahoe County Assessor's Office. The following graph shows historical assessed property valuations by type for collections years 2010 through 2013:



Building Materials Use Tax

Building Materials Use Tax revenue year-to-date 2013 is \$0.2 million or more than 31.4% more than collections year-to-date in 2012. This favorable variance is primarily the result of the issuance of several large building permits for new commercial projects. These projects include an 84-unit assisted living and memory care community, the construction of an indoor/outdoor tennis facility, a gun club, and a new retail development. Overall, year-to-date the City has experienced an increase in the total number of permits issued (8.7%) and an increase in the total valuation on projects (66.4%), resulting in increased use tax collections compared to the prior year.

Highway Users Tax Fund

Highway Users Tax Fund (HUTF) revenue year-to-date 2013 is \$0.1 million or 2.0% less than collections year-to-date 2012. This decrease is due to a 1.5% decrease in the City's monthly HUTF distribution ratio from the State of Colorado compared to the prior year. The State's current fiscal year began in July 2012, which is when the City's decreased distribution ratio took effect. Additionally, the amount distributed by the State of Colorado to all municipalities year-to-date for HUTF collections has decreased by 0.5% when compared to the same period last year.

Franchise Fees

Franchise Fee revenues year-to-date 2013 are \$0.2 million, or 7.8% more than collections year-to-date in 2012. Unseasonably cooler weather in the first quarter of 2013 contributed to an increase in both gas and electric consumption, which contributed to an increase in franchise fee collections year-to-date 2013 when compared to the same period in 2012. In addition, a slight increase in average gas and electric rates year-to-date 2013 over those charged during the same period in 2012 contributed to an increase in franchise fee collections.

Automobile Use Tax

Automobile Use Tax revenue year-to-date 2013 is \$0.2 million, or 10.1% more than collections year-to-date in 2012. Despite volatile gas prices, according to a recent Thomson Reuters reading on consumer sentiment, consumer confidence is the strongest it's been in nearly six years. Combine this with strong

demand for new vehicles and the State of Colorado experienced another month of increased automobile registrations. Data provided by the Colorado Automotive Dealers Association shows that during June 2013 new car and truck registrations have increased 6.1% statewide when compared to June 2012. Additionally, auto registrations in total have increased a total of 13.2% during 2013 when compared to the same period in 2012. When analyzing registration data specific to the City of Centennial, total registrations year-to-date 2013 have increased by 7.9% when compared to the same period in the prior year.

All Other Revenue Sources

All Other Revenue Sources year-to-date 2013 are \$0.3 million or 17.8% more than collections during the same period in 2012. This increase is partially the result of increased revenues related to business and sales tax licenses, passport fees, and cigarette taxes when compared to the prior year.

Additionally, the City has recognized \$0.1 million year-to-date for one-time deferred revenue which was not recognized in 2012. In 2005, as part of a development agreement entered into by the City and Cherry Creek Center, the City received funds in the amount of \$0.1 million for the purposes of providing law enforcement services to the development area. Since that time the City has provided law enforcement services and has therefore recognized the \$0.1 million in deferred revenue.

Expenditures

Total expenditures and transfers year-to-date are \$1.2 million, or 4.5% less than expenditures year-to-date in 2012. The net decrease is attributable to variances in the City Manager's Office, Human Resources, Information Technology, Communications, Finance, Nondepartmental and Public Works Departments, as well as transfers to the Land Use and Capital Improvement Funds.

- City Manager's Office expenditures are \$0.1 million more than expenditures year-to-date in 2012. The increase is primarily due to expenditures related to salary and benefits. These expenditures have increased compared to the prior year as a result of a net transfer of 1.5 FTE positions to the City Manager's Office in 2013. Additionally, vacancy savings were realized at the beginning of 2012 which were not realized during 2013, thus contributing to this increase in expenditures compared to the prior year.
- Human Resources expenditures are \$0.3 million less than expenditures year-to-date in 2012. The decrease is due to the transfer of risk management administration to the Finance Department in 2013. All expenditures related to the administration of the risk management function were charged to the Human Resources Department during 2012.
- Information Technology expenditures are \$0.1 million more than expenditures year-to-date in 2012. The increase is primarily due to the transfer of salary and benefit expenditures to the Information Technology Department in 2013 which were charged to the Facilities and Fleet Department during the same period in 2012.
- Communications expenditures are \$0.1 million more than expenditures year-to-date in 2012. This increase is due to higher expenditures related to salary and benefits. These expenditures have increased compared to the prior year as a result of the transfer of 2.5 FTE positions from the City Manager's Office to the Communications Department in 2013.
- Finance expenditures are \$0.4 million more than expenditures year-to-date in 2012. The increase is primarily due to the transfer of the risk management function to the Finance Department. Expenditures related to the administration of the risk management function were charged to the Human Resources Department during 2012. Additionally, expenditures related to auditing services for the sales tax program year-to-date 2013 have outpaced those incurred during the same period in 2012.

- Nondepartmental expenditures are \$0.6 million less than expenditures year-to-date in 2012. This decrease is due to incentive payments for agreements associated with Centennial Promenade, IKEA, and the Streets at Southglenn taking place earlier in 2012, than in 2013.
- Public Works expenditures are \$0.1 million less than expenditures year-to-date in 2012. This decrease is the result of several factors, including decreased expenditures for salary and wages as a result of the reclassification of 1.0 FTE position to the City Manager's Office, as well as other organizational changes. Additionally, year-to-date 2013 expenditures for snow removal materials are below those incurred during the same period in 2012.
- Land Use Fund Transfers are \$0.3 million less than transfers year-to-date in 2012. The decrease is partially due to lower expenditures related to salary and benefits in the Land Use Fund, which have decreased compared to the prior year due to organizational changes made during the latter part of 2012. Additionally, revenues within the Land Use Fund have outpaced those reported during the same period in 2012, thus decreasing the amount transferred from the General Fund to the Land Use Fund compared to the prior year.
- Capital Improvement Fund Transfers are \$0.7 million less than transfers year-to-date in 2012. During 2012 it was anticipated that projects in the Capital Improvement Fund would begin earlier in the year, thus necessitating a higher monthly transfer from the General Fund to the Capital Improvement Fund during the first half of 2012. However, during 2013 monthly transfers to the Capital Improvement Fund are scheduled to increase during the summer months of the year when projects are anticipated to get underway.

GENERAL FUND – COMPARISON TO BUDGET
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The City's annual budget is examined on a monthly basis and year-to-date actual receipts and expenditures are compared to the budget on a line item or departmental basis. Monthly budget allocations represent a portion of the annual budget that is assigned to each month for comparative purposes. The allocation amount may be either 1/12th of the total amount budgeted for the year, or a specific percentage for that month based on actual receipts or expenditures in prior years. The analysis below compares year to date actual amounts to the year to date 2013 budget amounts.

Revenues

The following table is a summary comparison of primary revenue sources; the table compares actual revenue compared to budget.

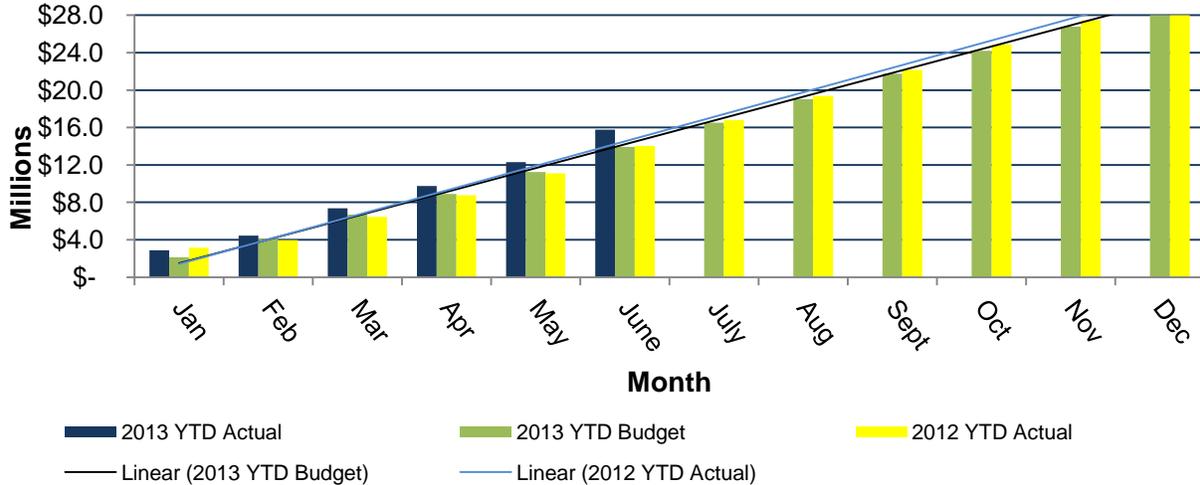
	<i>(dollar amounts in millions)</i>			
	Actual YTD	Budget YTD	\$	%
	2013	2013	Variance	Variance
Retail Sales Tax	\$ 15.8	\$ 13.9	\$ 1.9	13.4%
Property Tax	7.7	7.8	(0.1)	-0.9%
Building Materials Use Tax	1.0	0.6	0.4	69.8%
Highway Users Tax Fund	2.3	2.3	-	1.4%
Franchise Fees	2.5	2.4	0.1	4.4%
Specific Ownership Tax	0.3	0.3	-	8.9%
Motor Vehicle Registration Fees	0.2	0.2	-	9.1%
Automobile Use Tax	1.8	1.6	0.2	11.2%
Road and Bridge Shareback	0.6	0.6	-	0.0%
Court Fines	1.1	1.1	-	0.1%
Investment Income	-	-	-	-17.1%
All Other Revenue Sources	1.0	0.7	0.3	26.6%
	<u>\$ 34.3</u>	<u>\$ 31.5</u>	<u>\$ 2.8</u>	<u>8.8%</u>

Note: Dollar amounts shown have been rounded; percentages are actual based on whole dollars.

Retail Sales Tax

Retail Sales Tax revenue is \$1.9 million, or 13.4% favorable compared to budget. This favorable variance is primarily due to sales tax base collections outpacing budgeted figures. Year-to-date, sales tax base receipts (excluding collections attributable to new development, audits and delinquent accounts) are \$1.5 million or 16.0% favorable compared to the budgeted sales tax base. The City's budgeted numbers were projected using a 2.0% increase in base collections over 2012 actual collections. The City continues to see continued growth in its sales tax base as a result of its sales tax compliance efforts. For the first six months of 2013, the City has licensed an additional 248 businesses. In addition, new retail establishments and annexed businesses not considered in the Adopted Budget have contributed to the overall favorable variance (\$0.4 million).

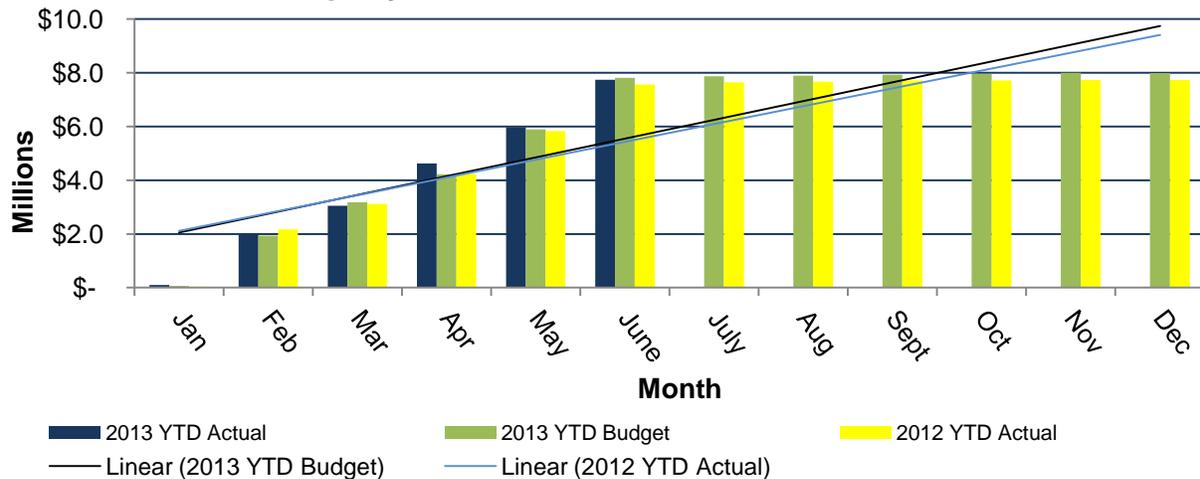
Sales Tax Revenue - Current & Prior Year



Property Tax

Property Tax revenue is \$0.1 million, or 0.9% unfavorable compared to budget. This unfavorable variance is primarily due to the timing of property tax payments as compared to monthly budget allocations. The City anticipates that by the end of 2013 the amount of property tax collected will be in line with the amount budgeted.

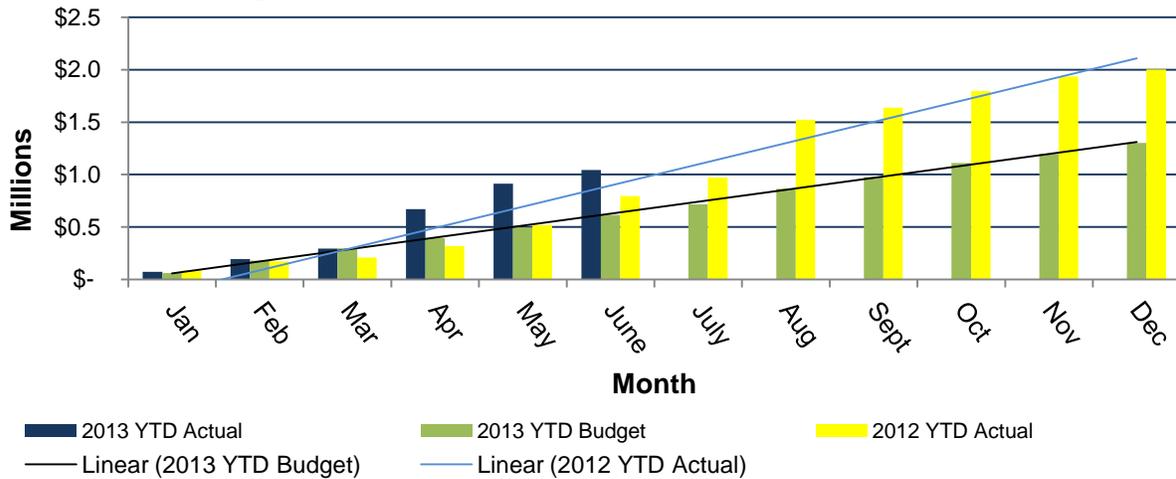
Property Tax Revenue - Current & Prior Year



Building Materials Use Tax

Building Materials Use Tax revenue is \$0.4 million, or 69.8% favorable compared to budget. This favorable variance is the result of the issuance of several large building permits for commercial projects which were not anticipated in the budget. These projects include an 84-unit assisted living and memory care community, the construction of an indoor/outdoor tennis facility, a gun club and a new retail development.

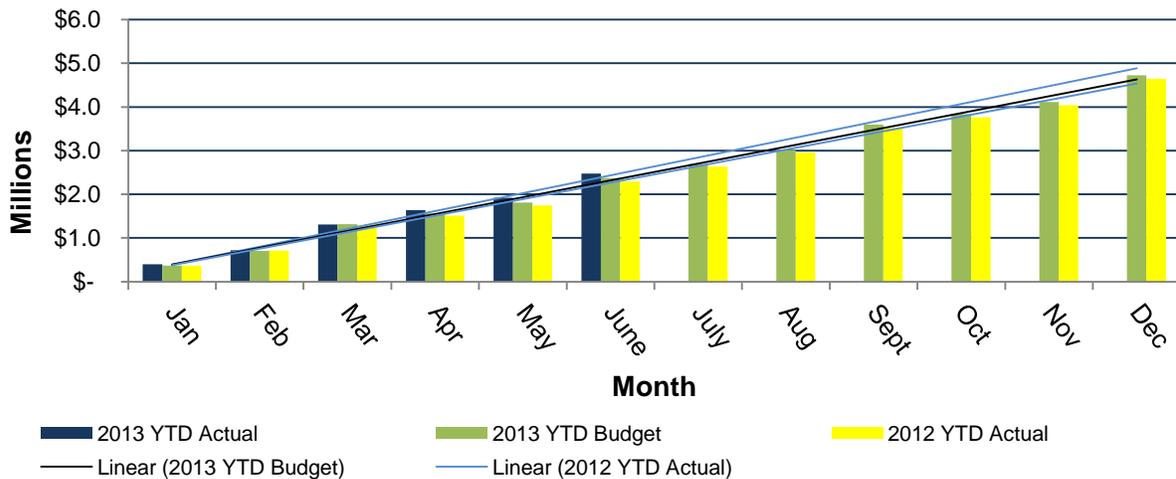
Building Materials Use Tax Revenue - Current & Prior Year



Franchise Fees

Franchise Fee revenue YTD is \$0.1 million, or 4.4%, favorable compared to budget. This favorable variance is primarily due to electric franchise fee collections being higher than anticipated in the budget. This favorable variance in electric franchise fee revenue can be attributed to higher usage as a result of cooler than usual weather in the first quarter of 2013, in addition to an increase in electric and gas rates in the second quarter of 2013 which were not anticipated in the budget.

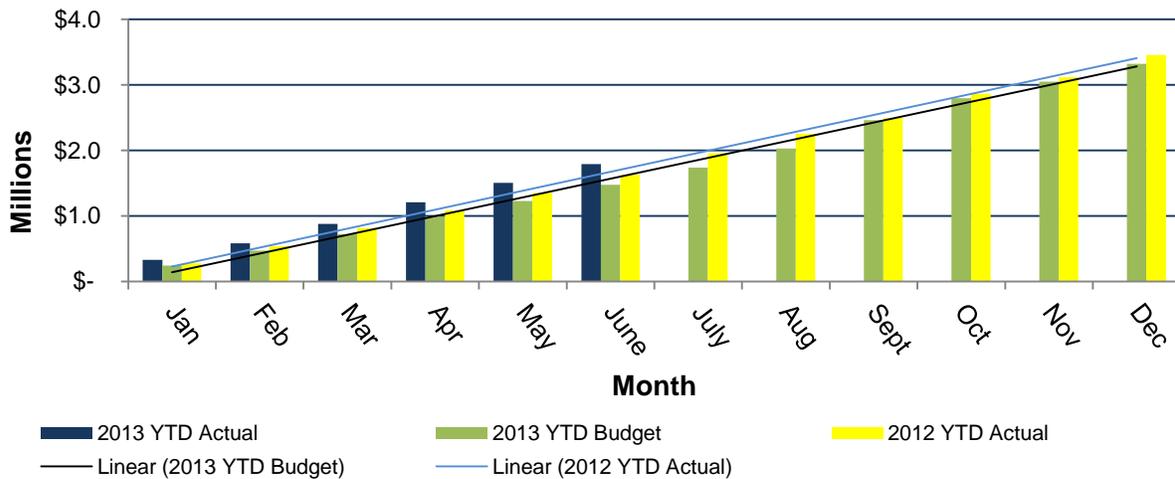
Franchise Fee Revenue - Current & Prior Year



Automobile Use Tax

Automobile Use Tax revenue is \$0.2 million, or 11.2% favorable compared to budget. Current automobile industry information indicates an overall increase in new car sales at the state and national levels, making 2013 the best year for the industry since 2007. Due to the volatility of this revenue source there was a conservative approach taken when budgeting this revenue for 2013.

Auto Use Tax Revenue - Current & Prior Year



Expenditures

Total expenditures and transfers are \$2.0 million, or 7.5% favorable compared to budget. The net overall favorable variance is primarily attributable to the Economic Development, Information Technology, Finance, Nondepartmental, and Public Works Departments, as well as transfers from the Land Use Fund.

- Economic Development expenditures are \$0.1 million or 49.4% favorable to budget. This favorable variance is partially due to unused funds year-to-date for the I-25 Corridor Sub-area Plan as a result of this particular project getting started later in the year than anticipated. Additionally, budgeted funds for Meetings/Training/Travel remained partially unused through the end June as plans to attend certain meetings and training events were postponed.
- Information Technology expenditures are \$0.1 million or 14.1% favorable to budget. This favorable variance is primarily due to lower than anticipated expenditures related to website redesign and hosting services, as well as upgrades to Council Chambers equipment. This favorable variance is expected to diminish throughout the year as work related to these projects is completed.
- Finance expenditures are \$0.1 million or 4.4% favorable to budget. This favorable variance is primarily due to lower than anticipated expenditures related to salaries and benefits. This favorable variance is expected to diminish throughout the year
- Nondepartmental expenditures are \$0.8 million or 37.1% favorable to budget. This favorable variance is attributable to lower than anticipated expenditures related to incentive agreement payments. This favorable variance is expected to diminish throughout the remainder of the year as payments are made for these agreements.
- Public Works expenditures are \$0.4 million, or 7.3% favorable to budget. This favorable variance is attributable to expenditures related to professional services and traffic signal maintenance and repairs. Traffic signal maintenance and repair costs are budgeted using historical data and actual costs are billed to the City when maintenance and repairs are performed. These expenditures year-to-date have been less than anticipated in the budget as a result of a decline in the actual amount of costs billed to the City year-to-date.

The favorable variance related to professional services is primarily the result of a timing difference between monthly budget allocations and actual expenditures. Budget has been allocated year-to-date for a large Public Works project, however, minimal expenditures related to this project have been incurred to date.

- Land Use Fund transfers are \$0.3 million, or more than 100% favorable to budget. This favorable variance is due to revenues earned in the Land Use Fund being greater than anticipated in the budget, thus resulting in a decrease in the amount transferred from the General Fund to support the Land Use Fund.

LAND USE FUND

Comparison to Prior Year

Revenue

- Revenue year-to-date 2013 is \$0.3 million, or 22.7% more than revenue collected during the same period in 2012. The total number of permits issued year-to-date 2013 has increased by 226 or 8.6% in comparison to the same period in 2012. Additionally, total valuations on building permits have increased 66.4% over valuations on permits issued during the same period in the prior year. Lastly, the total number of land development applications year-to-date 2013 has increased by 6 or 6.7% in comparison to the same period in 2012. Each of these increases in the total number of permits/land development applications and associated valuations has contributed to the total increase in revenues collected compared to the prior year.

Expenses

- Expenditures year-to-date are \$0.1 million, or 3.5% more than expenditures year-to-date during the prior year. Expenses related to professional engineering services and building services have increased when compared to the prior year as a result of increased building activity. As building activity increases, building related expenses increase as well due to the direct relationship between revenues and expenses. These increased expenses are offset by a decrease in year-to-date payroll and benefit costs when compared to the prior year, as a result of organizational changes in the latter part of 2012.

Comparison to Budget

Revenue

- Revenue is \$0.6 million, or 43.5% favorable compared to budget. This favorable variance is due to higher than anticipated collections for building permits (\$0.5 million) and land development application fees (\$0.1 million) as a result of several large commercial remodel applications.

Expenses

- Expenses are \$0.2 million, or 19.4% unfavorable compared to budget. This unfavorable variance is primarily due to higher than anticipated expenses related to plan review fees and permitting and inspection services as a result of several large commercial remodel projects reviewed by the City. These increased expenses are offset by a corresponding increase in revenue as explained above.

CAPITAL IMPROVEMENT FUND

Comparison to Prior Year

Revenue

- Revenue year-to-date 2013 is \$0.8 million or 61.7% less than revenue collected during the same period in 2012. During 2012 grant funds (\$1.3) were received for the Arapahoe Road Reconstruction project, upgrades to the City's signal master system, and enhancements to the weather station equipment. During 2013, grant funds and contributions have decreased compared to year-to-date 2012. During 2013 funds have been received for Vista Verde Neighborhood Improvements and the Arapahoe Road, Waco to Himalaya, project design fees (\$0.5).

Expenditures

- Expenditures year-to-date are \$1.5 million, or 77.6% more than expenditures year-to-date during the prior year. During 2012, funds were utilized (\$1.2) for the Arapahoe Road Reconstruction project, enhancements to weather station equipment, and upgrades to the City's signal master system. However in 2013, the timing of expenditures has differed compared to the prior year, and funds have primarily been utilized for Vista Verde Neighborhood Improvements and the City's Street Rehabilitation program (\$2.7). While Street Rehabilitation program expenditures were incurred during 2012, those expenditures occurred later in the year when compared to 2013.

Comparison to Budget

Revenue

- Revenue is \$0.5 million, or more than 100.0% favorable compared to budget. The favorable variance is partially due to the actual receipt of federal grant revenue outpacing monthly budget allocations. Year-to-date, federal grant revenue has been received for Vista Verde Neighborhood Improvements (Community Development Block Grant) and Signal Communication Improvements (DRCOG Grant) (\$0.3), which was not anticipated in the Adopted Budget. Additionally, a contribution was received from Arapahoe County related to their share of the project design fees for the Arapahoe Road, Waco to Himalaya, project (\$0.2). This contribution from the County was also anticipated to be received later in the year.

Expenditures

- Expenditures are \$1.0 million, or 22.3% favorable compared to budget. The favorable variance is the result of monthly budget allocations related to Civic Center building improvements, City-wide street resurface treatments and upgrades to the City's signal master system outpacing actual expenditures. These favorable variances are offset by an unfavorable variance in Vista Verde Neighborhood Improvements as a result of actual expenditures outpacing monthly budget allocations. In both cases, these variances appear to be timing issues and are expected to diminish throughout the remainder of the year.

CONSERVATION TRUST FUND

Comparison to Prior Year

Revenue

- Revenue year-to-date 2013 is in line with revenue year-to-date in 2012.

Expenditures

- Expenditures year-to-date 2013 are in line with expenditures year-to-date in 2012.

Comparison to Budget

Revenue

- Revenue year-to-date 2013 is in line with the Budget.

Expenditures

- Expenditures year-to-date 2013 are in line with the Budget.

OPEN SPACE FUND

Comparison to Prior Year

Revenue

- Revenue year-to-date 2013 is \$0.4 million or 19.1% more than revenue collected year-to-date in 2012. While the City has entered into several Open Space grant agreements, the receipt of

funds from these grants varies from year to year based upon the terms and conditions of the grant agreements.

Additionally, the City receives Open Space Sales Tax revenues from Arapahoe County on an annual basis. The County distributes fifty percent of revenue derived from the 0.25% tax based on population of incorporated cities and towns. In 2013 the City received in excess of \$0.2 million more in Open Space Sales Tax from the County when compared to 2012, thus contributing to this overall favorable variance.

Expenditures

- Expenditures year-to-date 2013 are \$1.0 million, or more than 100% over expenditures during the same period in the prior year. During 2012, year-to-date Open Space funds were utilized primarily for park maintenance and enhancements and construction of Centennial Link Trail (\$0.2). However, Open Space funds year-to-date 2013 have been utilized for the Parker Jordan Open Space Trail (\$0.6), Centennial Center Park overflow parking lot construction (\$0.1), and enhancements to community parks such as Indian Ridge, Toll Gate, Fox Hill, and Smoky Hill parks (\$0.5).

Comparison to Budget

Revenue

- Open Space revenue is \$0.6 million, or 33.1% favorable to budget. This favorable variance is attributable to the receipt of \$0.4 million in Cherry Creek Regional Trail grant revenue which was not included in the 2013 Adopted Budget. The remainder of the variance, \$0.2 million, is due to higher than expected Open Space Sales Tax revenue receipts. The 2013 Adopted Budget projected no increase in Open Space Sales Tax revenues as a result of flat sales tax revenue trends during 2011 and 2012. Per information from Arapahoe County, total County Open Space revenue is 12% higher when compared to the prior year.

Expenditures

- Expenditures year-to-date 2013 are \$0.2 million, or 11.8% favorable to budget. This favorable variance is primarily due to budget allocations for project management costs and enhancements to the Centennial Center Park overflow parking lot outpacing actual expenditures. This favorable variance is expected to diminish throughout the year as this project gets underway and costs are billed to the City.

GENERAL IMPROVEMENT DISTRICT FUNDS

Comparison to Prior Year

Revenue

- Revenue received year-to-date 2013 for the consolidated GID Funds is \$0.1 million or 39.1% more than revenue collected year-to-date in 2012. This increase is attributable to higher property tax collections in the Antelope General Improvement District as a result of an increase in the 2012 mill levy and resulting property tax collections in 2013.

Expenditures

- Expenditures year-to-date 2013 are consistent with expenditures year-to-date in 2012.

Comparison to Budget

Revenue

- Revenue year-to-date 2013 is in line with the Budget.

Expenditures

- Expenditures are \$0.1 million or 57.5% favorable to budget. This favorable variance is primarily due to lower than anticipated expenditures related to Contracted Services within the

Foxridge and Walnut Hills GIDs. This favorable variance is expected to diminish throughout the year as projects get underway and are billed to the GIDs.

CENTENNIAL URBAN REDEVELOPMENT AUTHORITY FUND
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Comparison to Prior Year

Revenue

- Revenue received year-to-date 2013 is \$0.4 million, or 7.8% less than revenues collected year-to-date in 2012. This variance is partially the result of decreased property tax collections (\$0.3) year-to-date 2013 when compared to 2012. This decrease in property tax collections is the result of a reduction in assessed valuations for properties within the redevelopment area, as provided by the Arapahoe County Assessor's Office. This decrease in property tax collections year-to-date is offset by an increase in Sales tax collections (\$0.1) when compared to the prior year.

In addition to a reduction in property tax collections, the Authority has experienced a reduction in construction funds (\$0.2) when compared to the prior year. During 2012 funds were received for the installation of a new traffic signal at the intersection of Arapahoe Road and Vine Street. This project was completed during 2012.

Expenditures

- Expenditures year-to-date 2013 are \$0.4 million, or 7.6% less than the prior year. This decrease is a result of the timing of expenditures for property tax pass-thru payments by the Authority to the Southglenn Metropolitan District (\$0.3). Additionally, construction service costs have decreased in 2013 compared to those incurred during the same period in 2012 (\$0.2). These decreases are offset by an increase in sales tax pass thru payments, by the Authority to the Southglenn Metropolitan District (\$0.1).

Comparison to Budget

Revenue

- Revenue received is \$0.6 million, or 9.8% unfavorable compared to budget. The City anticipates property tax revenues to be \$0.3 million less than the amount budgeted due to a reduction in assessed valuations by the Arapahoe County Assessor's Office. This variance between the amounts budgeted and assessed will be addressed in the 2013 Revised Budget. In addition, budget allocations for Sales Tax collections have outpaced actual receipts by \$0.2 million. This unfavorable variance related to Sales Tax collections is expected to diminish throughout the remainder of the year.

Expenditures

- Expenditures are \$0.6 million, or 9.8% favorable compared to budget. This favorable variance is primarily due to budget allocations related to property tax and sales tax pass-thru payments by the Authority to the Southglenn Metropolitan District exceeding actual monthly expenditures. This favorable variance is expected to diminish throughout the remainder of the year.