

2014

Comprehensive Annual
Financial Report
For Year Ended December 31, 2014

Centennial



Centennial

Centennial, Colorado

(303) 325-8000

www.CentennialCO.gov

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF CENTENNIAL, COLORADO



For The Year Ended
December 31, 2014

Prepared by:
Finance Department



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CITY OF CENTENNIAL, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended December 31, 2014

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Introductory Section

Introductory Section





June 8, 2015

Honorable Mayor Cathy A. Noon
Members of the City Council, and
Citizens of Centennial, Colorado

TRANSMITTAL LETTER

Formal Transmittal

The Comprehensive Annual Financial Report (“CAFR”) of the City of Centennial, Colorado for the fiscal year ended December 31, 2014 is hereby formally transmitted. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, resides with the City. We believe that the data, as presented, is accurate in all material respects, that it is reported in a manner designed to present fairly the financial position and the results of operations of the City, and that all disclosures necessary to enable the reader to gain an understanding of the City’s financial position have been included.

City Profile

The City of Centennial, Colorado (the “City”) was incorporated on September 12, 2000 and elected its first officials on February 6, 2001. The City functions under a Council-Manager form of government since its current Home Rule Charter was adopted and approved by the voters on June 10, 2008. The City functions with a citywide elected mayor and eight council members. Two council members are elected from each of the City’s four districts. The City promotes the health and safety of its citizens by providing public works, law enforcement, animal control, engineering, and planning and zoning services. The City also serves the business community by providing business and sales tax licenses as well as liquor licenses. Citizens receive fire protection, libraries, park and recreation services, schools, water, and utilities through numerous special districts.

The City’s Financial Condition

The CAFR includes all financial activities for which the City Council is accountable to the citizens of the City, either by Charter or statute. All applicable funds, departments and offices are included in these financial statements as part of the Primary Government of the City. In addition, the general improvement districts, while legally separate entities, have significant financial and operational relationships with the City and are thus included in the CAFR. The City receives some of its funding from the federal government and hereby provides a schedule of financial assistance and other reports in the Single Audit Section of the CAFR, as required by the United States Office of Management and Budget Circular A-133. Colorado statutes and City Charter require an annual financial statement audit of the City’s accounts and financial records by an independent certified public accountant (“CPA”) as selected by the City Council. The CPA firm of Swanhorst & Company LLC conducted the audit of the City’s financial statements for

the year ended December 31, 2014; the resulting Independent Auditors' Report is presented in the front of the Financial Section of this report.

Consistent with the prior year, the current year's financial report reflects the implementation of the Governmental Accounting Standards Board's Statement Number 34 ("GASB 34"). This implementation is intended to provide better presentation and more complete information to the users of governmental financial statements. GASB 34 requires that management provide a narrative introduction, general overview, and analysis to accompany the basic financial statements, in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately behind the Independent Auditor's Report.

The City's management is responsible for assessing and maintaining effective internal controls over the accounting function and financial reporting. The City's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. As with any system of internal controls, the City's control over the accounting and financial reporting functions is inherently limited as the concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the likely benefits resulting from the control; and (2) the valuation of costs and benefits requires estimates and judgments by management. We believe the City's internal controls adequately safeguard assets and provide reasonable assurance for the proper recording and reporting of financial transactions in all material respects.

The national economy continues to show signs of positive growth and inflation has remained relatively stagnant. During 2014, real gross domestic product (GDP) increased 2.4% from the prior year. Personal consumption, nonresidential fixed investment, state and local government spending contributed to increases in GDP and offset the decline from federal government spending. Lower fuel prices have positively impacted spending in 2014 and recent Gallup polls indicate an improved outlook on the economy. US household wealth increased approximately 1.7% from 2013 based on the Federal Reserve reporting, due to growth in American stocks and portfolios and increased housing prices. Consumer spending also improved during the year, to include spending on vehicles and student loans.

Colorado's economy continued to improve during 2014 and growth is expected to continue in 2015. These improving conditions are supported by employment growth, with economists in Colorado noting that 2014 has reported the highest growth in employment in Colorado in this century. Colorado ranks within the top five states nationally for population growth, employment growth, wage and salary growth and personal income growth. While the Colorado economy is expected to continue to see growth in 2015, this growth will largely depend on activity at the federal level.

The local economy continued to experience growth during 2014, and is expected to continue positive growth during 2015. The residential housing market continues to be stable with modest growth due to interest rates remaining relatively low and home values on the rise. Inventory of homes on the market is low, with interest in multi-family construction beginning to boom. Commercial real estate markets also experienced some positive growth during the year with an increase in early 2015 of speculative commercial construction. Local retail sales continue to show signs of increased consumer confidence.

The City annually prepares an operating budget for each year in accordance with the City Charter, City policies, the Colorado Constitution, and Colorado State Budget Law(s). The City's budget process addresses the guidelines of the Government Finance Officers Association, while also incorporating City Council's goals, ordinances, and resolutions, which provide policy direction that responds to the needs

and desires of the community. The City also prepares a Five Year Strategic Plan. The Plan is a projection of future expectations, and encompasses both operating and capital spending as well as revenues. The Five Year Strategic Plan is used for current and future service and infrastructure decision making.

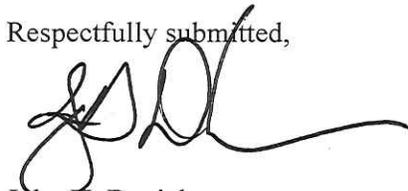
Awards and Acknowledgements

The report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada ("GFOA"). The GFOA has awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. This is the seventh year the City has been awarded the Certificate of Achievement. The Certificate of Achievement is valid for only one year. We believe that our current CAFR will meet the GFOA's Certificate of Achievement requirements and we are submitting it to the GFOA to determine its eligibility.

We sincerely appreciate the assistance of all City departments for their efforts throughout the year, and for their help in preparing this report. Additionally, we thank Swanhorst & Company for their assistance and for the professional manner in which they conducted the audit. We also acknowledge the cooperation and assistance of the Finance Department for their efforts throughout the year as we work together to conduct and report on the City's financial operations.

We also thank the members of the City's Audit Committee, and recognize the Mayor and City Council for their support, leadership, and continued desire to ensure the highest standards of professionalism in the management of the City's financial affairs.

Respectfully submitted,



John H. Danielson
City Manager



Dawn Priday, CPA
Finance Director/CFO



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Government Finance Officers Association

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

Presented to

**City of Centennial
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

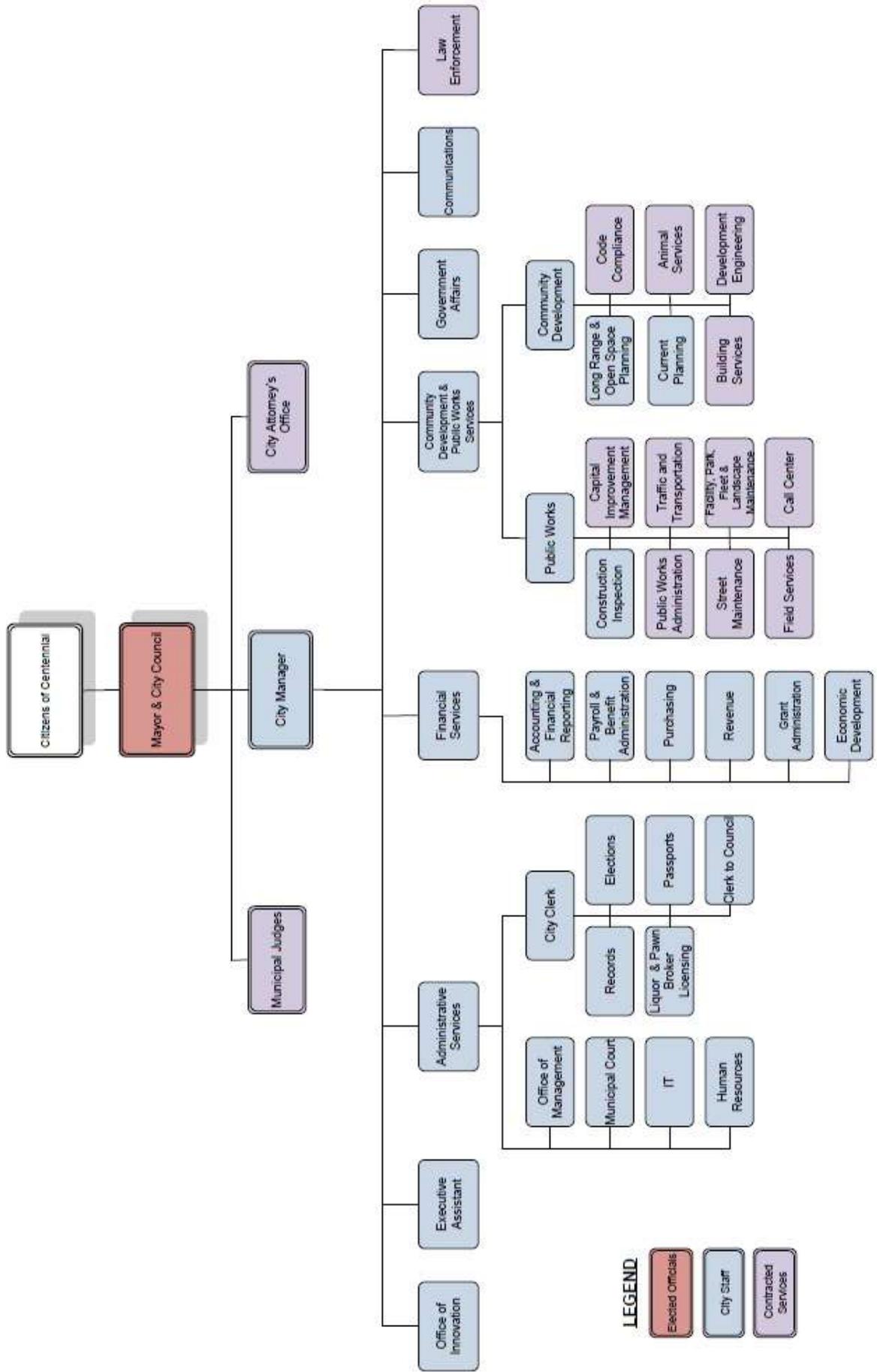
December 31, 2013

Executive Director/CEO



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City of Centennial 2014 Organizational Chart



LEGEND

- Elected Officials
- City Staff
- Contracted Services



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2014 Elected Officials and Term of Office:

Mayor



**Cathy Noon
January 2018**

Council District 1



**Vorry Moon
January 2016**



**Kathy Turley
January 2018**

Council District 2



**Keith Gardner
January 2016**



**Doris Truhlar
January 2018**

2014 Elected Officials and Term of Office (Continued):

Council District 3



**Ken Lucas, Mayor Pro Tem (2014)
January 2016**



**Mark Gotto
January 2018**

Council District 4

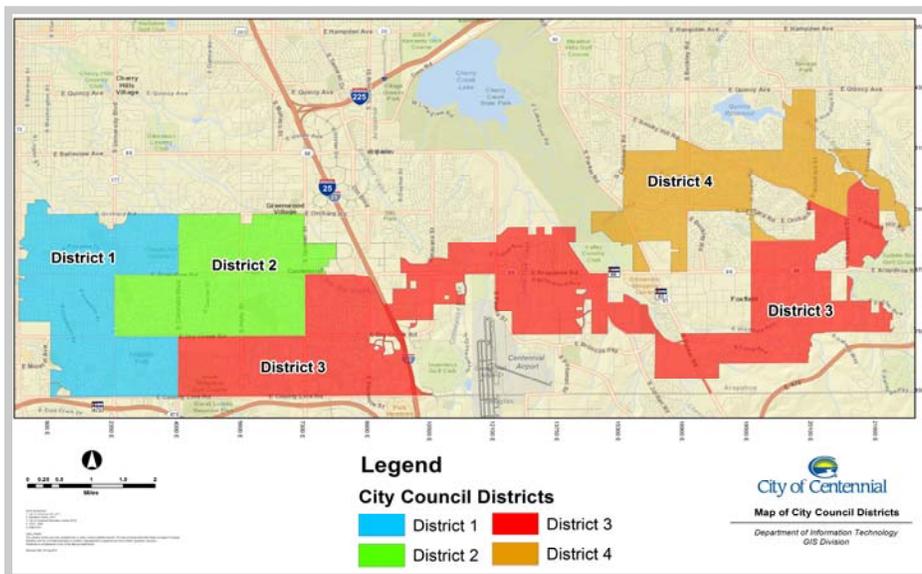


**Stephanie Piko
January 2016**



**Charles Whelan
January 2018**

District Map



Financial Section

Financial Section





Honorable Mayor and Members of the City Council
City of Centennial
Centennial, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Centennial as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Centennial, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Centennial as of December 31, 2014, and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters (Required Supplementary Information)

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

Other Matters (Other Information)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Centennial’s basic financial statements. The introductory section, combining and individual fund financial statements and schedules, statistical section, and local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and the local highway finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2015, on our consideration of the City of Centennial’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Centennial’s internal control over financial reporting and compliance.



May 13, 2015

This section of the City of Centennial's Comprehensive Annual Financial Report ("CAFR") offers readers a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2014. Readers are encouraged to consider the information presented here, in conjunction with the letter of transmittal, the basic financial statements, and the notes to the financial statements, contained in this report.

I. Financial Highlights

Taken as a whole, the City's increase in net position demonstrates the continued positive overall financial health of the City. One factor contributing to the City's overall financial health is voter approval for temporarily waiving the revenue limits of Article X, Section 20 of the Colorado Constitution from January, 2005 through December, 2014. The use of these revenues is restricted to costs for road and street repair/maintenance, public safety, and open space acquisition/maintenance.

In November, 2012 the City received voter approval to permanently extend the waiver of the revenue limits of Article X, Section 20 of the Colorado Constitution. As a result of this permanent waiver, the City may collect, retain, and spend revenues over the Taxpayer Bill of Rights (TABOR) revenue limitations from any and all sources. This will ensure the City's continued ability to fund City services and infrastructure projects.

At the close of the year, total assets of the City exceeded its liabilities (net position) by \$213.7 million. Unrestricted net position represents \$51.6 million, or 24.1%, of total net position which is available to meet ongoing and future obligations of the City.

- Total net position of the City increased by \$9.6 million, or 4.7%, compared to 2013. This net increase is the result of growth of services provided by the City in areas such as Permit/Plan Review fees and an increase in sales tax received. Additionally, the City has continued to manage costs and reduce expenses in various areas.
- The total cost of all City programs increased \$2.4 million, or 3.6%, to \$69.9 million compared to 2013. The cost of governmental activities program expenses increased \$2.5 million, or 3.9%, to \$66.9 million from 2013. The cost of business-type activities decreased by less than \$0.1 million, or .5%, to \$3.1 million in 2014.
- Compared to 2013, total revenues excluding transfers, increased \$1.2 million, or 1.5%, to \$79.5 million. Governmental activities revenue increased \$1.3 million, or 1.7%, to \$75.9 million. The change in these revenues is attributable to an increase in Charges for Services (\$0.5 million), Sales and Use Tax revenues (\$0.7 million), Property Tax revenues (\$0.6 million), Operating Grants and Contributions (\$0.2 million), and Intergovernmental Revenue and Franchise Fees, (each \$0.1 million).
- General Fund revenues increased by \$2.3 million, or 3.6%, as compared to the prior year.

- As of the close of the current fiscal year, the City's governmental funds reported an increase in the combined ending fund balances. The combined ending governmental fund balance is \$63.9 million, of which \$40.9 million represents unassigned fund balance. This unassigned fund balance is available for spending at the City's discretion within the purposes specified for the City's funds. It is important to note that the unassigned fund balance represents 60.9% of total governmental expenditures. It is the stated policy of the City to make every effort, even in difficult economic times, to maintain its fund balance for the General Fund at a level equal to no less than 25.0% of annual expenditures plus transfers. The General Fund fund balance of \$42.5 million is 68.3% of annual expenditures plus transfers.

II. Overview of the Financial Statements

Management's Discussion and Analysis is intended to provide an introduction to the City's basic financial statements. The City's basic financial statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements. Following these statements, this report provides additional supplementary information. The basic financial statements include two types of statements that present unique views of the City's financial position: (1) government-wide financial statements; and (2) fund financial statements.

1. Government-wide Financial Statements

The government-wide financial statements are intended to provide readers with a broad overview of the City's financial condition. They are presented using accounting methods very similar to a privately owned business, or the *economic resources* measurement focus, and full accrual accounting.

- *The Statement of Net Position* presents information on all of the City's assets and liabilities, with the balance between the two reported as *Net Position*. Over time, increases or decreases in net position can serve as an indicator of the City's financial condition.
- *The Statement of Activities* presents information showing how the City's net position changed during the given fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Capital expenditures are not included in this statement; however capital grant revenues are reported.

2. Fund Financial Statements

The fund financial statements focus on specific elements of the City's finances and report on fund-specific operations in more detail than the government-wide financial statements. A fund is a grouping of resources that are segregated for the purpose of carrying on a specific activity or attaining certain objectives in accordance with given regulations, restrictions, or limitations.

Governmental Funds

The governmental funds presentation is different from the governmental activities section of the government-wide financial statements even though these two statements account for essentially the same activities. Governmental funds, as presented, have a budgetary or *current financial resources* measurement focus and use the modified accrual basis of accounting. That is, the governmental funds presentation focuses on the City's near-term financial position and changes thereto.

Proprietary Funds

Proprietary funds are unlike governmental funds in that they report the business-type activities of the City.

- *Enterprise funds* account for the operation of governmental programs that are intended to be supported primarily by user fees. These fees are presented as business-type activities on the government-wide financial statements but are presented in greater detail in the fund financial statements. In both cases, enterprise funds are presented using the *economic resources* measurement focus and full accrual accounting.

3. Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a thorough understanding of the data provided in the government-wide and the fund financial statements.

III. Government-wide Financial Statement Analysis

Assets

As noted earlier, the Statement of Net Position can serve as an indicator of the overall financial condition of the City. As of December 31, 2014, the City had total assets of \$239.3 million and the City's assets exceeded its liabilities by \$213.7 million.

The following reflects the City's Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Assets						
Current and Other Assets	\$ 86,514,643	\$ 79,296,495	\$ 293,314	\$ 123,889	\$ 86,807,957	\$ 79,420,384
Capital Assets	152,471,869	153,105,667	24,314	10,592	152,496,183	153,116,259
Total Assets	238,986,512	232,402,162	317,628	134,481	239,304,140	232,536,643
Liabilities						
Long-term Liabilities	2,722,024	2,857,018	-	-	2,722,024	2,857,018
Other Liabilities	9,381,219	11,327,787	317,628	134,481	9,698,847	11,462,268
Total Liabilities	12,103,243	14,184,805	317,628	134,481	12,420,871	14,319,286
Deferred Inflows of Resources	13,151,162	14,077,049	-	-	13,151,162	14,077,049
Net Position						
Net Investment in						
Capital Assets	152,471,869	153,105,667	24,314	10,592	152,496,183	153,116,259
Restricted	9,528,493	9,515,406	91,577	92,070	9,620,070	9,607,476
Unrestricted	51,731,745	41,519,235	(115,891)	(102,662)	51,615,854	41,416,573
Total Net Position	\$ 213,732,107	\$ 204,140,308	\$ -	\$ -	\$ 213,732,107	\$ 204,140,308

Capital Assets

Capital assets include items such as infrastructure, buildings, equipment, land, and other tangible and intangible items. Infrastructure assets include streets, sidewalks, traffic signals, and drainage systems. The City uses these assets to provide services to the community and thus they are not available for immediate spending.

Capital assets are the largest portion of the City's total assets representing \$152.5 or 63.7%, of total assets. Capital assets being depreciated increased during 2014 by \$2.7 million, or 2.1%, as a result of the completion of capital projects related to streets, traffic signals, park construction, buildings, and the addition of machinery and equipment. Capital assets not being depreciated increased during 2014 by \$1.0 million, or 1.0%, due to the net increase of construction in progress for infrastructure.

Additional information regarding the City's capital assets can be found in Note 5 – Capital Assets in the Notes to the Financial Statements section of this report.

Long-term Debt

The long-term debt of the City, as detailed in the Notes to the Financial Statements, has increased slightly overall. The City's obligation for Compensated Absences increased during 2014 from \$197,018 to \$214,495. During 2014, the City did not enter into any additional long-term debt agreements.

**Management's Discussion and Analysis
for the Year Ended December 31, 2014**



During 2005, the Antelope General Improvement District issued \$3.05 million of general obligation bonds, for which the District has made a principal payment during 2014 of \$70,000 in addition to all scheduled interest payments.

Additional information regarding the City's long-term debt may be found in Note 6 – Long-term Obligations in the Notes to the Financial Statements section of this report.

The following reflects the City's Change in Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues -						
Charges for Services	\$ 3,252,258	\$ 2,733,448	\$ 3,596,103	\$ 3,720,910	\$ 6,848,361	\$ 6,454,358
Operating Grants and Contributions	6,209,974	5,959,577	-	-	6,209,974	5,959,577
Capital Grants and Contributions	3,480,178	4,849,633	-	-	3,480,178	4,849,633
General Revenue -						
Sales and Use Taxes	42,076,714	41,304,023	-	-	42,076,714	41,304,023
Property Taxes	13,976,189	13,391,623	-	-	13,976,189	13,391,623
Other Taxes	628,585	586,360	-	-	628,585	586,360
Unrestricted Franchise Fees	5,128,961	5,011,913	-	-	5,128,961	5,011,913
Investment Income	177,993	69,801	-	-	177,993	69,801
Intergovernmental revenues not restricted to specific programs	568,105	363,051	-	-	568,105	363,051
Miscellaneous	445,389	354,910	-	-	445,389	354,910
Total Revenues	75,944,346	74,624,339	3,596,103	3,720,910	79,540,449	78,345,249
Expenses						
General Government	11,763,347	12,845,868	-	-	11,763,347	12,845,868
Community Services	22,174,239	21,819,639	-	-	22,174,239	21,819,639
City Infrastructure	24,731,604	22,215,397	-	-	24,731,604	22,215,397
Culture and Recreation	2,546,267	2,258,120	-	-	2,546,267	2,258,120
Urban Redevelopment	5,548,953	5,159,616	-	-	5,548,953	5,159,616
Interest on Long-term Debt	131,665	134,611	-	-	131,665	134,611
Land Use Service Fees	-	-	3,052,575	3,068,995	3,052,575	3,068,995
Total Expenses	66,896,075	64,433,251	3,052,575	3,068,995	69,948,650	67,502,246
Increase (Decrease) Before Transfers	9,048,271	10,191,088	543,528	651,915	9,591,799	10,843,003
Transfers	543,528	651,915	(543,528)	(651,915)	-	-
Increase (Decrease) in Net Position	9,591,799	10,843,003	-	-	9,591,799	10,843,003
Net Position, Beginning of Year	204,140,308	193,297,305	-	-	204,140,308	193,297,305
Net Position, End of Year	\$213,732,107	\$ 204,140,308	\$ -	\$ -	\$213,732,107	\$ 204,140,308

Governmental activities increased the City's net position by \$9.6 million, or 4.7%. Key elements of this net increase are as follows:

- Operating Grants and Contributions increased by \$0.3 million, or 4.2% compared to 2013. Amounts reported in this category include the Highway Users Tax Fund revenue and Road and Bridge Shareback funds.
- Sales and Use tax increased by \$0.8 million, or 1.9%. This change is primarily the result of higher revenues in the sales tax base that were offset by decreases in sales tax receipts from new business and compliance audits.
- Property tax increased by \$0.6 million, or 4.4% based on increased assessed valuations.
- Unrestricted Franchise Fees increased by \$0.1 million, or 2.3%. This change is primarily due to a slight increase in gas and electric rates combined with increased gas and electric usage.
- City Infrastructure expenses increased \$2.5 million, or 11.3%. During 2014, Capital Improvement funds were primarily utilized for street maintenance and traffic control and signals.
- Culture and Recreation expenses increased \$0.3 million, or 12.8% during the year. During 2014, Open Space funds were primarily utilized for maintenance of Centennial Link Trail, Amphitheatre maintenance, and Centennial Center Park maintenance.

Revenue attributable to Business-type activities decreased \$0.1 million, or 3.3%, compared to the prior year as a result of a decrease in Building Permit Fees, Building Plan Review Fees and Land Development Applications.

IV. Fund Financial Statement Analysis

As noted earlier, the City uses fund accounting to segregate resources for the purpose of carrying on a specific activity or attaining certain objectives in accordance with regulations, restrictions, or other limitations on the use of the funds.

Revenues

General Fund

- Overall, General Fund revenues increased \$2.3 million, or 3.6%, in 2014 compared to 2013.
 - Sales Tax revenue increased by \$1.1 million, or 3.4%. Overall, the City's sales tax base collections (excluding collections attributable to new development and compliance audits) have exceeded 2013 collections by \$2.2 million. Decreases that offset the sales

tax base include \$0.3 million attributable to a decrease in sales tax collections from new development and \$0.8 million attributable to a decrease in collections from sales tax compliance audits.

- Building Materials Use Tax revenue for 2014 is \$0.7 million, or 23.7% less compared to 2013. Permits for new residential and commercial construction and permits for One Stop/Miscellaneous construction have increased from 2013 levels. However, total valuation of these permits have decreased by \$43.5 million when compared to 2013. The decrease in total valuation is due to a large commercial development permit that was issued in 2013.
- Property Tax revenue for 2014 is \$0.2 million, or 2.9% more than collections during 2013. The increase in property tax collections is due to a slight increase in assessed valuations (3.7%) as compared to the prior year.
- Automobile Use Tax revenue for 2013 is \$0.4 million, or 10.1% more than amounts collected during 2013. This favorable variance is due to an increase in sales and registration of new vehicles. According to the Colorado Automobile Dealers Association (CADA), new registrations increased statewide by 6.8% from the prior year.
- Building Rent Recovery Revenue received during 2014 is \$0.5 million or over 100.0% more than collections during 2013 as a result of rent received from leasing the City's new Eagle Street property, which opened in January 2014.

Centennial Urban Redevelopment Authority (CURA) Fund

Centennial Urban Redevelopment Authority Fund revenues increased by \$0.5 million, or 7.5% as compared to 2013. Sales Tax collections in 2014 increased by \$0.1 million when compared to 2013. The increase in the sales tax collection is attributable to several new retail outlets opening during 2013 at The Streets at SouthGlenn. CURA receives 76% of sales tax collections once total collections exceed approximately \$1.9 million in a one year time span.

The increase in sales tax is complemented by an increase in property tax collections of \$0.2 million. The increase in property tax collections is the result of lower prior years' property valuations within the redevelopment area, as provided by the Arapahoe County Assessor's Office.

Capital Improvement Fund

Capital Improvement Fund revenues increased by \$0.1 million, or 12.7% compared to 2013. This increase is attributable to federal grant revenues of \$0.5 million for projects related to Vista Verde Neighborhood Improvements (Community Development Block Grant) and Signal Communication Improvements (DRCOG Grant). The increase in revenue was offset by a decrease of \$0.4 million in contributions for the Arapahoe Road – Waco to Himalaya and Potomac and Briarwood Signal projects that were received in 2013.

Expenditures

General Fund

- General Fund expenditures and transfers increased \$6.5 million, or 11.7%, in 2014 compared to 2013.
 - General Government expenditures increased \$0.2 million, or 0.4%, compared to 2013. This increase is attributable to the Office of Innovation expenditures in project specific areas of street lighting, telecommunications and conduit and collocation costs. Law enforcement expenditures increased from 2013 due to contracted service obligations and were offset by reduced Finance Department expenditures, realized through vacancy savings.
 - Transfers from the General Fund to the Capital Improvement Fund increased \$6.2 million, or 63.2% compared to 2013. This increase is due to a budget transfer to the Capital Improvement Fund for projects associated with street construction, traffic signals, and building maintenance and improvements. During 2013 funds were utilized for Vista Verde neighborhood improvements, the City's Street Rehabilitation program and building improvements to the new Public Works facility. In 2014, capital outlay in the Capital Improvement Fund increased for construction of the Arapahoe Road – Waco to Himalaya project, the Peakview/Dayton intersection, and Arapahoe Road and I-25 Interchange construction projects.

Centennial Urban Redevelopment Authority Fund

Centennial Urban Redevelopment Authority Fund expenditures for 2014 increased by \$0.5 million, or 7.5% compared to 2013. This increase is the result of higher sales and property tax pass-thru payments from the Authority to the Southglenn Metropolitan District.

Capital Improvement Fund

Capital Improvement Fund expenditures for 2014 were \$0.6 million, or 5.7% more than expenditures in 2013. This increase is attributable to the street rehabilitation program and the Arapahoe Road – Waco to Himalaya street project.

Fund Balance

The net change in the General Fund fund balance was an increase of \$4.3 million, increasing the fund balance to \$42,469,867. As of December 31, 2014, the General Fund fund balance as a percentage of 2014 expenditures and transfers out was 68.3%, which was in compliance with the City's minimum fund balance policy of 25% of expenditures and transfers out.

Economic peaks and planned savings allow the City the opportunity to increase fund balance; strong financial planning in turn, provides financial flexibility during economic downturns. Since incorporation, the City has increased the General Fund fund balance each year, with the exception

of 2006 where a significant amount was transferred to the Capital Improvement Fund for capital projects.

The net change in the Capital Improvement Fund fund balance was an increase of \$6.0 million, or 55.5% of 2014 expenditures. The increase in fund balance is primarily due a revised budget transfer for projects associated with street construction, to include the Arapahoe Road - Waco to Himalaya project and interchange construction projects; these projects will be continued through 2014 in the Capital Improvement Fund.

General Fund Budgetary Highlights

In total, the City's General Fund revenues for 2014 were \$3.3 million, or 5.3%, favorable to the amended budget, while total General Fund expenditures and transfers were \$5.3 million, or 7.8% favorable to the amended budget. During 2014, City Council amended the City's budget for various reasons; the primary reasons are described below.

- Budgeted Sales Tax revenue for 2014 is \$2.2 million, or 6.6 % favorable compared to budget. This favorable variance is the result of sales tax base (\$1.8 million) and compliance audit (\$0.8 million) revenues, partially offset by an unfavorable variance attributable to sales tax revenue from new business (\$0.4 million).
- Budgeted Building Materials Use Tax revenue for 2014 is \$0.2 million, or 4.2% favorable compared to budget. This favorable variance is the result of the increase in permits issued and several large construction projects in the City that were not anticipated during the budget process. These projects include an addition to the Comcast building and construction of a new 30,000 square foot retail store.
- Budgeted Highway Users Tax Fund revenue for 2014 is \$0.7 million, or 4.2% favorable to budget. The Highway Users Tax Fund amount available for distribution to all municipalities has increased compared to 2013, which was the basis utilized for the 2014 budget projections. Therefore, the increase in the total funds available for distribution was not anticipated during the 2014 budget process.
- The Office of Innovation budgeted several 2014 project, including fiber optic projects that were not completed during 2014. This department contributed \$0.8 million to the favorable variance to budget. These projects will likely carry over into 2015 for completion.
- Public Works expenditures during 2014 are \$0.8 million or 6.0% favorable compared to the budget. This favorable variance is due to lower than anticipated costs for contracted Public Works services and contract management. In addition, savings were realized for snow removal, asphalt and fuel materials during 2014 as compared to budget.

- Community Development Administration expenditures during 2014 are \$0.8 million or 75.6% favorable compared to the budget. This favorable variance is primarily due to funding set aside for the Dry Creek Light Rail Station project. It is anticipated these funds will be carried forward to 2015.
- Finance expenditures during 2015 are \$0.5 million for 21.1% favorable compared to budget. This favorable variance is due to vacancy savings and lower than anticipated costs relating to the City's Sales Tax Program.
- Information Technology expenditures and Facilities and fleet expenditures were each favorable by \$0.3 million to their respective budgets. Both departments have projects that were not completed in 2014 and this funding will likely carry over into 2015 to allow for project completion on GIS and website design and building and land improvements respectively.
- Municipal Court expenditures during 2014 are \$0.3 million or 12.8% favorable to budget. This favorable variance is primarily due personnel vacancy savings and amounts set aside, but not used for municipal court software. The Funding for the municipal court software will be utilized during 2015.
- Various other department expenditures contributed to the remaining favorable variance to budget. The favorable variance to the 2014 budget is mostly the result of lower than anticipated costs for contracted services as well as other unanticipated cost savings.

Economic Factors and Next Year's Budget

The 2015 Budget was developed to provide desired City services at the maximum level possible while maintaining financially responsible practices. While the City has been fortunate to be somewhat resilient to the impact of the downturn in the overall market in prior years, the City remains cautious about the local economy over the next several years. The 2015 and future budgets will respond to the challenge of balancing the on-going maintenance of infrastructure with the community's standards of excellence in public works, public safety, quality of life, and the increasing demands for services and facilities.

The City's budget is the long-range plan by which financial policy is implemented and controlled. City Council's goals, City-wide objectives, ordinances and resolutions provide policy direction that respond to the needs and desires of the community. The City's budget process is a continuous cycle that begins with City Council's strategic vision and planning, continues through the planning and development stages of the budget, and finishes with the final adoption of the budget by Council in November/December.

The total budget for 2015 is \$84,801,638. The total City budget is comprised of the funds listed below. Department directors prepared their 2015 budgets with a zero percent (0%) increase in

expenditures over the adopted 2014 budget, excluding increases for salaries, health care costs, and other types of expenditures beyond the control of the City (e.g. gas, asphalt, concrete, and other materials). Increases were also permitted for certain contractual obligations of the City, such as increases required by service providers. The zero percent (0%) increase over the 2014 Adopted Budget has made it more challenging for department directors to absorb cost increases while providing the same high level of service.

The 2015 Adopted Budget includes health care cost increases of 12%, 2%, and 7% for health, vision, and dental insurance costs, respectively, based on estimated projections. These changes represent an increase from the 2014 Adopted Budget.

General Fund

The Adopted General Fund Budget for 2015 is \$52,699,681, excluding fund transfers. The 2015 General Fund budget represents an increase of 7.0% from the 2014 Adopted Budget. This increase is primarily due to the City's contractual obligation with the public works and law enforcement service providers. Without the increases for these contractual obligations, the Adopted 2015 General Fund Budget would have increased approximately 3.2% from the 2014 Adopted Budget.

V. Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning the information provided in this report or other financial information should be addressed to Finance Director, City of Centennial, 13133 East Arapahoe Road, Centennial, Colorado 80112, or via telephone at (303) 325-8000.



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Basic Financial Statement



Basic Financial Statement

CITY OF CENTENNIAL, COLORADO
STATEMENT OF NET POSITION
December 31, 2014

	Primary Government		
	Governmental Activities	Business -Type Activities	Total
ASSETS			
Cash and investments	\$ 66,189,591	\$ 289,649	\$ 66,479,240
Taxes receivable	18,367,259	-	18,367,259
Other receivables	970,730	-	970,730
Intergovernmental receivables	904,618	-	904,618
Prepaid expenses	12,427	3,665	16,092
Deposits	70,018	-	70,018
Capital assets, not being depreciated	92,713,177	-	92,713,177
Capital assets, net of accumulated depreciation	59,758,692	24,314	59,783,006
Total assets	<u>238,986,512</u>	<u>317,628</u>	<u>239,304,140</u>
LIABILITIES			
Accounts payable	4,833,331	309,360	5,142,691
Retainage payable	42,567	-	42,567
Accrued liabilities	558,876	8,268	567,144
Other liabilities	452,402	-	452,402
Accrued interest payable	10,730	-	10,730
Developer contributions and escrow deposits	3,400,842	-	3,400,842
Non-current liabilities			
Due within one year	82,471	-	82,471
Due in more than one year	2,722,024	-	2,722,024
Total liabilities	<u>12,103,243</u>	<u>317,628</u>	<u>12,420,871</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	<u>13,151,162</u>	<u>-</u>	<u>13,151,162</u>
NET POSITION			
Net investment in capital assets	152,471,869	24,314	152,496,183
Restricted for:			
Emergency reserves	2,108,052	91,577	2,199,629
Parks and open space	6,144,254	-	6,144,254
District infrastructure	841,440	-	841,440
Urban redevelopment	434,747	-	434,747
Unrestricted	51,731,745	(115,891)	51,615,854
Total net position	<u>\$ 213,732,107</u>	<u>\$ -</u>	<u>\$ 213,732,107</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

CITY OF CENTENNIAL, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government				
Governmental activities:				
General government	\$ 11,763,347	\$ 277,175	\$ -	\$ -
Community services	22,174,239	2,158,468	-	-
City infrastructure	24,731,604	816,615	6,209,974	770,519
Culture and recreation	2,546,267	-	-	2,709,659
Urban redevelopment	5,548,953	-	-	-
Interest on long-term debt	131,665	-	-	-
Total governmental activities	<u>66,896,075</u>	<u>3,252,258</u>	<u>6,209,974</u>	<u>3,480,178</u>
Business-type activities:				
Land use	3,052,575	3,596,103	-	-
Total primary government	<u>\$ 69,948,650</u>	<u>\$ 6,848,361</u>	<u>\$ 6,209,974</u>	<u>\$ 3,480,178</u>

General revenues:
Sales tax
Use tax
Property tax
Auto use tax
Other taxes
Unrestricted franchise fees
Investment income
Intergovernmental revenues not
restricted to specific programs
Miscellaneous
Transfers
Total general revenues and transfers
Change in net position
Net Position - Beginning
Net Position - Ending

These financial statements should be read only in connection with
the accompanying notes to financial statements.

**Net (Expense) Revenue and
Change in Net Position**

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (11,486,172)	\$ -	\$ (11,486,172)
(20,015,771)	-	(20,015,771)
(16,934,496)	-	(16,934,496)
163,392	-	163,392
(5,548,953)	-	(5,548,953)
(131,665)	-	(131,665)
(53,953,665)	-	(53,953,665)
-	543,528	543,528
(53,953,665)	543,528	(53,410,137)
35,673,588	-	35,673,588
2,279,161	-	2,279,161
13,976,189	-	13,976,189
4,123,965	-	4,123,965
628,585	-	628,585
5,128,961	-	5,128,961
177,993	-	177,993
568,105	-	568,105
445,389	-	445,389
543,528	(543,528)	-
63,545,464	(543,528)	63,001,936
9,591,799	-	9,591,799
204,140,308	-	204,140,308
\$ 213,732,107	\$ -	\$ 213,732,107

**CITY OF CENTENNIAL, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014**

	General Fund	Centennial Urban Redevelopment Authority Fund	Capital Improvement Fund
ASSETS			
Cash and investments	\$ 43,486,977	\$ 423,543	\$ 14,723,082
Taxes receivable	13,140,225	4,843,514	-
Other receivables	936,361	32,319	-
Intergovernmental receivables	475,955	-	428,663
Prepaid items	12,427	-	-
Deposits	-	-	70,018
Total assets	<u>58,051,945</u>	<u>5,299,376</u>	<u>15,221,763</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts payable	3,242,690	21,873	1,089,894
Retainage payable	-	-	42,567
Accrued liabilities	558,876	-	-
Other liabilities	452,402	-	-
Developer contributions and deposits	3,400,842	-	-
Total liabilities	<u>7,654,810</u>	<u>21,873</u>	<u>1,132,461</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	7,927,268	4,842,756	-
Grants	-	-	209,233
Total deferred inflows of resources	<u>7,927,268</u>	<u>4,842,756</u>	<u>209,233</u>
FUND BALANCE			
Nonspendable:			
Prepaid items	12,427	-	-
Deposits	-	-	70,018
Restricted for:			
Emergency reserves	1,531,979	-	480,220
Parks and Open Space	-	-	-
District Infrastructure	-	-	-
Urban Redevelopment	-	434,747	-
Assigned to:			
City infrastructure	-	-	13,329,831
Unassigned	40,925,461	-	-
Total fund balance	<u>42,469,867</u>	<u>434,747</u>	<u>13,880,069</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 58,051,945</u>	<u>\$ 5,299,376</u>	<u>\$ 15,221,763</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

Total Nonmajor Funds	Total Governmental Funds
\$ 7,555,989	\$ 66,189,591
383,520	18,367,259
2,050	970,730
-	904,618
-	12,427
-	70,018
<u>7,941,559</u>	<u>86,514,643</u>
478,874	4,833,331
-	42,567
-	558,876
-	452,402
-	3,400,842
<u>478,874</u>	<u>9,288,018</u>
381,138	13,151,162
-	209,233
<u>381,138</u>	<u>13,360,395</u>
-	12,427
-	70,018
95,853	2,108,052
6,144,254	6,144,254
841,440	841,440
-	434,747
-	13,329,831
-	40,925,461
<u>7,081,547</u>	<u>63,866,230</u>
<u>\$ 7,941,559</u>	<u>\$ 86,514,643</u>



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**CITY OF CENTENNIAL, COLORADO
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2014**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds	\$	63,866,230
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets	\$	221,614,055
Less accumulated depreciation	<u>(69,142,186)</u>	152,471,869
Revenues in the statement of activities that do not provide current financial resources are deferred in the funds.		
		209,233
Long-term liabilities, including bonds payable, accrued interest payable, and accrued compensated absences are not due and payable in the current year and, therefore, are not reported in governmental funds.		
Bonds payable	\$	(2,590,000)
Accrued interest payable	(10,730)	
Accrued compensated absences	<u>(214,495)</u>	(2,815,225)
Total net position of governmental activities		<u><u>\$ 213,732,107</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

CITY OF CENTENNIAL, COLORADO
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	General Fund	Centennial Urban Redevelopment Authority Fund	Capital Improvement Fund
REVENUES			
Taxes	\$ 50,795,046	\$ 5,513,089	\$ -
Intergovernmental	6,778,079	914,242	804,633
Charges for services	3,207,304	-	44,954
Franchise fees	5,128,961	-	-
Investment income	170,065	-	-
Miscellaneous	405,370	35,864	-
Total revenues	<u>66,484,825</u>	<u>6,463,195</u>	<u>849,587</u>
EXPENDITURES			
Current			
General government	11,640,388	-	-
Community services	22,174,239	-	-
City infrastructure	12,540,953	-	7,841,549
Culture and recreation	-	-	-
Urban redevelopment	-	6,463,195	-
Capital outlay	407,469	-	2,925,214
Debt service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>46,763,049</u>	<u>6,463,195</u>	<u>10,766,763</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>19,721,776</u>	<u>-</u>	<u>(9,917,176)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	543,528	-	15,962,383
Transfers out	(15,962,383)	-	-
Total other financing sources (uses)	<u>(15,418,855)</u>	<u>-</u>	<u>15,962,383</u>
NET CHANGE IN FUND BALANCE	4,302,921	-	6,045,207
FUND BALANCE - BEGINNING OF YEAR	<u>38,166,946</u>	<u>434,747</u>	<u>7,834,862</u>
FUND BALANCE - END OF YEAR	<u>\$ 42,469,867</u>	<u>\$ 434,747</u>	<u>\$ 13,880,069</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

Total Nonmajor Funds	Total Governmental Funds
\$ 373,353	\$ 56,681,488
2,809,659	11,306,613
-	3,252,258
-	5,128,961
7,928	177,993
4,155	445,389
<u>3,195,095</u>	<u>76,992,702</u>
-	11,640,388
-	22,174,239
134,246	20,516,748
1,414,462	1,414,462
-	6,463,195
1,485,662	4,818,345
70,000	70,000
131,916	131,916
<u>3,236,286</u>	<u>67,229,293</u>
<u>(41,191)</u>	<u>9,763,409</u>
-	16,505,911
-	(15,962,383)
-	543,528
(41,191)	10,306,937
<u>7,122,738</u>	<u>53,559,293</u>
<u>\$ 7,081,547</u>	<u>\$ 63,866,230</u>



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CITY OF CENTENNIAL, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balance - total governmental funds	\$	10,306,937
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlay	\$	3,686,540	
Less current year depreciation		<u>(4,320,338)</u>	(633,798)

Repayments of long-term obligations are reported as expenditures in governmental funds, however they reduce long-term liabilities in the Statement of Net Position and do not effect the Statement of Activities.	70,000
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Certain revenues will not be collected for several months after the City's fiscal year end; these revenues are not considered available resources and are deferred in the governmental funds.	(134,114)
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued compensated absences	\$	(17,477)	
Change in accrued interest payable		<u>251</u>	(17,226)

Change in net position of governmental activities	\$	<u>9,591,799</u>
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These financial statements should be read only in connection with
the accompanying notes to financial statements.

CITY OF CENTENNIAL, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUND
December 31, 2014

	Business-Type Activities
	Land Use
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 289,649
Prepaid expenses	3,665
Total current assets	293,314
Noncurrent assets:	
Equipment, net of accumulated depreciation	24,314
Total noncurrent assets	24,314
Total assets	317,628
LIABILITIES	
Current liabilities:	
Accounts payable	309,360
Accrued liabilities	8,268
Total liabilities	317,628
NET POSTION	
Net investment in capital assets	24,314
Restricted for:	
Emergency reserves	91,577
Unrestricted	(115,891)
Total net position	\$ -

These financial statements should be read only in connection with
the accompanying notes to financial statements.

CITY OF CENTENNIAL, COLORADO
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
For the Year Ended December 31, 2014

	Business-Type Activities
	Land Use
OPERATING REVENUE	
Building permits, licenses and fees	\$ 2,803,873
Contractor's licenses and bus shelter fees	324,020
Land use permits and other income	468,210
Total operating revenue	3,596,103
OPERATING EXPENSES	
Personnel services	445,819
Contracted services	2,330,916
Services & supplies	269,542
Depreciation expense	6,298
Total operating expenses	3,052,575
OPERATING INCOME BEFORE TRANSFERS	543,528
Transfers Out	(543,528)
CHANGE IN NET POSITION	-
NET POSITION - BEGINNING OF YEAR	-
NET POSITION - END OF YEAR	\$ -

These financial statements should be read only in connection with
the accompanying notes to financial statements.

CITY OF CENTENNIAL, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended December 31, 2014

	Business-Type Activities
	Land Use
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 3,584,103
Cash paid to employees	(446,607)
Cash paid to vendors	(2,406,834)
Net cash provided by operating activities	730,662
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers out	(543,528)
Net cash used by non-capital financing activities	(543,528)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(20,020)
Net cash used by capital and related financing activities	(20,020)
NET INCREASE IN CASH AND CASH EQUIVALENTS	167,114
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	122,535
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 289,649
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 543,528
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	6,298
Increase in prepaid expenses	(2,311)
Increase in accounts payable	195,935
Decrease in accrued liabilities	(788)
Decrease in unearned revenue	(12,000)
Net adjustments	187,134
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 730,662

These financial statements should be read only in connection with
the accompanying notes to financial statements.



Notes to the Financial Statements

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 – DEFINITION OF REPORTING ENTITY

The City of Centennial, Colorado (the “City”) is located in the southern region of the Denver Metropolitan area, was incorporated on September 12, 2000, and elected its first officials on February 6, 2001. On June 17, 2008, the citizens voted to become a Home Rule City, as authorized by Article 20 of the Colorado State Constitution. The City operates under a Council/ Manager form of government with City Council consisting of a citywide elected mayor and eight council members where two council members are elected from each of the City’s four districts.

The City promotes the health and safety of its citizens by providing public works, law enforcement, animal control, engineering, and planning and zoning services. The City also serves the business community by providing liquor licenses. City citizens receive fire protection, libraries, park and recreation services, schools, water and utilities through special districts.

The financial reporting entity consists of the City, organizations for which the City is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the City. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the City. In addition, any legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the City.

Based on the application of these criteria, the following component units are included in the City’s reporting entity because of the significance of their operational or financial relationship with the City.

General Improvement Districts

During 2002, Arapahoe County transferred governing responsibility and accountability of three General Improvement Districts (GIDs) to the City. The transferred GIDs include Foxridge General Improvement District, Cherry Park General Improvement District, and Walnut Hills General Improvement District. During 2004, Antelope General Improvement District was created for the purpose of acquiring, contracting, installing and providing a water system of underground water pipelines to furnish water service within the district. The GIDs are legally separate from the City; members of the City Council, including the Mayor, are the board members of the Districts, with each member serving terms commensurate with their term as Mayor or member of City Council, and management of the City has operational responsibility for the GIDs. For financial reporting purposes, the GIDs are reported in the City’s financial statements as blended component units in a single fund. Separate financial statements for the GIDs are not prepared.

Centennial Urban Redevelopment Authority

The Centennial Urban Redevelopment Authority (CURA) was established in 2005 pursuant to Part 1 of Article 25 of Title 31, Colorado Revised Statutes (the “Urban Renewal Law”) which provides for the creation and operation of an urban renewal authority to function in the City. The purpose of CURA is to develop, redevelop or rehabilitate the blighted area within the Southglenn Mall Redevelopment area. The Authority is a separate legal entity from the City; members of the City Council, including the Mayor, are the commissioners of the Authority, with each member serving terms commensurate with their term as Mayor or member of City Council, and management of the City has operational responsibility for CURA. For financial reporting purposes, the Authority is reported as a blended component unit in the City’s financial statements. Separate financial statements for the Authority are not prepared.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 1 – DEFINITION OF REPORTING ENTITY (CONTINUED)

Certain services are provided to residents of the City by the following entities, which are not component units of the City.

Water and Sanitation services are provided by Southeast Englewood Water District, South Englewood Sanitation District, Southeast Metro Storm Water Authority, Willows Water District, South Arapahoe Sanitation District, Arapahoe Estates Water District, Southgate Water and Sanitation District, Arapahoe County Water and Wastewater Authority, East Cherry Creek Valley Water and Sanitation District, Havana Water District, Castlewood Water and Sanitation District, Denver Water, and East Valley Water and Sanitation District.

Fire protection services are provided by Littleton Fire Protection District, South Metro-Parker Fire District (merged during 2008), and Cunningham Fire Protection District.

Parks and recreation services are provided by South Suburban Parks and Recreation District, Arapahoe Park and Recreation District, and the Arapahoe Recreation District.

Library services are provided by the Arapahoe Library District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America (US GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The City's basic financial statements consist of government-wide statements including a Statement of Net Position and a Statement of Activities, and fund financial statements that provide a more detailed level of financial information. The following summary of significant accounting policies is presented to assist the reader in evaluating the City's financial statements.

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The City's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These financial statements include all of the activities of the City's primary government and its blended component units in the governmental activities column; business-type activities are included in a separate column. The effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. Both statements distinguish between governmental activities, which normally are supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for support. The government-wide focus relates to the sustainability of the City as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements (continued)

Government-wide Financial Statements (continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment of the City are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each function or segment of the City is funded from the general revenues of the City.

Fund Financial Statements

All financial transactions of the City are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated in one column as Nonmajor Funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide and Proprietary Fund Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the proprietary fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. For example, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities. Contributed infrastructure assets are recorded as capital contributions when received.

Governmental Fund Financial Statements

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are taxes, intergovernmental revenues, franchise fees, and investment income. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures, other than interest on long-term obligations, are recorded when the fund liability is incurred or the long-term obligation is paid. Principal and interest on long-term debt are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Compensated absences are recorded only when payment is due.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Proprietary Fund Financial Statements

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses or capital contributions.

When both restricted and unrestricted resources are available for a specific use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the City reports the following major governmental funds:

The ***General Fund*** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The ***Centennial Urban Redevelopment Authority Fund*** primarily accounts for sales and property tax increments received, as well as the related payments made pursuant to the Public Finance Agreement concerning the Streets at SouthGlenn redevelopment.

The ***Capital Improvement Fund*** accounts for resources used for the acquisition, construction, and improvements of infrastructure and other City assets. Revenues for this fund are primarily derived from the City's General Fund and intergovernmental grants.

The City reports the following proprietary fund:

The ***Land Use Fund*** accounts for City building and land use operations financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis, be financed or recovered primarily through user charges. The Land Use Fund accounts for the fees and other revenues collected for services provided by the Planning and Development Department.

Assets, Liabilities, and Net Position/Fund Balance

Cash and investments

The City's cash and cash equivalents include amounts that are readily convertible to cash and are not subject to significant risk from changes in interest rates. Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position/Fund Balance (continued)

The City follows the practice of pooling cash of most funds to maximize daily investment earnings. Except when required by trust or other agreements, all cash is deposited to, and disbursed from, applicable fund operating accounts. Cash in excess of immediate operating requirements is swept from operating accounts to investment accounts.

Receivables

Receivables are reported net of an allowance for uncollectible accounts, where applicable.

Property taxes receivable

Property taxes attach as an enforceable lien on property on January 1 and are levied by City Council based on assessed valuations determined by the County Assessor each year. The levy is set annually by December 15, by certification to the County Commissioners. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or if in equal installments at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November. The County Treasurer remits the taxes collected monthly to the City.

Property taxes levied for the previous year, but collected in the subsequent year, are recorded in the governmental funds as taxes receivable and deferred inflows of resources in the year there is an enforceable lien and the amount is measurable. Amounts deferred are subsequently recorded as revenue in the year they are available or collected.

Prepaid expenses

Certain payments to vendors reflect costs applicable to future years and are recorded as prepaid expenses/items in both government-wide and fund financial statements using the consumption method.

Capital assets

Capital assets, which include property, plant, equipment, and all infrastructure assets owned by the City (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the proprietary fund in the fund financial statements. Purchases or construction of capital assets are recorded as expenditures in the governmental funds. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and a useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if the actual historical cost is not available. Donated capital assets are recorded at estimated fair value at the date of donation. Contributed infrastructure by developers or other governmental entities is recorded as capital contributions and additions to the systems at fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position/Fund Balance (continued)

Capital assets are depreciated using the straight-line method of depreciation over the estimated economic useful lives as follows:

Buildings	50 Years
Machinery and equipment	3 - 5 Years
Infrastructure:	
Bridges	50 Years
Storm drainage system	75 Years
Streets and sidewalks	20 Years
Signals	10 Years
Signs	20 Years

Deferred outflows/inflows of resources

Deferred inflows include property taxes earned, but levied for a subsequent year. In addition, grants not available as current financial resources are reported as deferred inflows in the governmental fund financial statements.

Compensated absences

The City's compensated absences policy allows employees to accumulate earned but unused paid time off (PTO) benefits of at least 3.08 hours per pay period depending on length of service and employment status (an increase in PTO hours occurs when an employee reaches 4 years of service and again at 7 years of service; part-time employees earn PTO at a different rate than full-time employees). Employees may carry over PTO hours equivalent to the annual accrual for the employee during the immediately preceding year. Such carry-over leave must be used within the year into which it is carried over. PTO hours accrued above the carry-over amount during the preceding calendar year, and not used by December 31, will be forfeited, and will not be paid by the City. In the event of separation from the City, an employee is paid 100% of accumulated PTO benefits.

In the governmental fund financial statements, compensated absences are recognized as current salary costs when paid. In the government-wide and proprietary fund financial statements, compensated absences are reported when earned. The City's General Fund is used to liquidate compensated absences of the governmental activities.

Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and bond discounts in the year of issue. The face amount of the debt issued is reported as other financing sources.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position/Fund Balance (continued)

Long-term obligations (continued)

Issuance costs, whether or not withheld from the debt proceeds received, are reported as current expenses or expenditures.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Fund balance

In the fund financial statements, governmental funds report fund balances based on financial reporting standards that establish criteria for classifying fund balances into specifically defined classifications to make the nature and extent of constraints more useful and understandable. The classifications comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances may be classified as nonspendable, restricted, committed, assigned, or unassigned.

- Nonspendable Fund Balance - Nonspendable amounts are those that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash, including inventories and prepaids.
- Restricted Fund Balance - Restricted amounts are those that are restricted for specific purpose. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation that are legally enforceable. For example, the Fund Balances of the Open Space and Conservation Trust Funds are reported as Restricted for parks and open space, as the use of fund resources is restricted for specific uses as defined by Arapahoe County and the State of Colorado, respectively.

Fund Balances Restricted for emergency reserves constitute fiscal year spending as defined by a 1992 amendment to the State Constitution, Article X, Section 20 (TABOR), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only and, if used, to be repaid within one year. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary/fringe benefit increases. These reserves are required to be three percent (3%) or more of fiscal year spending (as defined by TABOR); these reserves are included in the Fund Balance in the category “Restricted”. The use of this reserve is restricted to the purpose for which it was established and can be used solely for declared emergencies.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position/Fund Balance (continued)

- Committed Fund Balance – Committed amounts are those that can only be used for specific purposes pursuant to constraints imposed by the City Council by ordinance. The committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts. This classification also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- Assigned Fund Balance - Assigned amounts are those that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. City Council may assign fund balances as directed in the City’s approved Fund Balance & Reserve Policy.
- Unassigned Fund Balance - Unassigned amounts represent the remaining fund balance after amounts are set aside for other classifications.

As of December 31, 2014, the City had in place a minimum fund balance policy which states that the overall fund balance of the General Fund shall equal no less than twenty-five percent (25%) of annual expenditures, including transfers. Additionally, the City had in place a ten percent (10%) operating reserve in the General Fund totaling \$6,218,190 which is to be used for emergency purposes as designated by City Council. The City of Centennial has not established a formal policy for its use of restricted and unrestricted (committed, assigned, and unassigned) fund balance. However, if expenditures are incurred for a specific purpose, the City uses restricted fund balance first if the expenditure meets the restricted purpose, followed by committed amounts, assigned amounts, and finally, by unassigned amounts.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - CASH AND INVESTMENTS

A summary of cash and investments at December 31, 2014, follows:

Petty Cash	\$	650
Cash Deposits		17,492,678
Investments		<u>48,985,912</u>
Total		<u>\$ 66,479,240</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all units of local government to deposit cash in eligible, as determined by state regulators, public depositories. Eligible public depositories must pledge eligible collateral, as determined by the PDPA, for any amounts in excess of the required FDIC insurance having a market value in excess of 102% of the aggregate uninsured public deposits. The PDPA allows the institution to create a single collateral pool for all public funds, however eligible collateral must be held in the custody of any Federal Reserve Bank or any branch thereof, or of any depository trust company which is a member of the Federal Reserve System and supervised by the State Banking Board.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Cash Deposits (continued)

The State Commissioners for banks and financial services are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2014, the City had bank deposits of \$17,372,150 collateralized with securities held by the financial institutions' agents, but not in the City's name.

Investments

The City is required to comply with State statutes and the City's Investment Policy which specify instruments meeting defined rating, maturity, and concentration in which local governments may invest, which include the following. Custodial risk is not addressed by State statutes or by City policy.

- Obligations of the United States and certain U.S. government agency securities
- Certain corporate or bank securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The City's policy is to invest funds to attain a market rate of return throughout budgetary and economic cycles while preserving and protecting capital in the overall portfolio; the primary investment goals are safety, liquidity, and maximizing yield while avoiding speculation.

At December 31, 2014, the City's investment balances were as follows:

Investment	S&P Rating	% of Total	Fair Value	Maturities		
				Less than 1 year	1-2 years	3-5 years
U.S. Agency	AA+	18.30%	\$ 8,963,692	\$ -	\$ 1,000,050	\$ 7,963,642
U.S. Treasury Notes	N/A	4.59%	2,247,320	-	758,065	1,489,255
Corporate Notes	AA+	3.08%	1,507,630	1,006,515	-	501,115
Corporate Notes	AA	2.05%	1,002,120	-	1,002,120	-
Commercial Paper	A-1	5.10%	2,498,900	2,498,900	-	-
Wells Fargo Treasury Plus Money Mkt	AAAam	0.00%	1,477	1,477	-	-
Local Government Investment Pool	AAAam	66.88%	32,764,773	32,764,773	-	-
		100.00%	\$ 48,985,912	\$ 36,271,665	\$ 2,760,235	\$ 9,954,012

Interest Rate Risk – The City's investment policy limits the final maturity of investments in U.S. Treasury and Agency securities to a maximum of five years, or as dictated by state statutes governing said investments. Likewise, investments in corporate notes cannot have a final maturity exceeding 3 years from the date of purchase.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

Credit Risk – The City’s investment policy limits investments in U.S. Agency securities to a five year maturity if the security has the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs). In the event that an agency security carries a rating lower than the highest category by any NRSRO, the security is eligible for purchase subject to any statutory limits regarding final maturity and rating as permitted by State law. Corporate notes must be rated at least AA- or the equivalent by two or more NRSROs. Commercial paper must be rated at least A-1 or the equivalent at the time of purchase by at least two NRSROs and rated not less by all NRSROs that rate the commercial paper. State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission’s Rule 2a-7, and either assets of one billion dollars or the highest rating issued by a NRSRO.

Concentration of Credit Risk – The City’s investment policy requires that at no time shall the aggregate investment in corporate notes, commercial paper, and banker’s acceptances exceed 50% of the City’s total investment portfolio. Furthermore, investments in corporate notes and commercial paper shall not individually exceed 25% of the City’s investment portfolio, and no more than 5% of the City’s investment portfolio may be invested in the obligations of any one issuer of corporate debt or commercial paper. Investments in U.S. agency securities shall not exceed 90% of the City’s total portfolio and no more than 30% of the portfolio can be invested in any one issuer of agency securities. As of December 31, 2014 the City held investments in the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation, totaling 9% and 5%, of the total portfolio, respectively.

Local Government Investment Pools

As of December 31, 2014, the City had \$32,764,773 invested in the Colorado Local Government Liquid Asset Trust (Colotrust) and the Colorado Surplus Asset Fund Trust (CSAFE). The Trusts are investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Trusts. The Trusts operate in conformity with the Securities and Exchange Commission’s Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended, and operate with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. Investments of the Trusts are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian’s internal records identify the investments owned by the participating governments.

NOTE 4 – INTERFUND TRANSFERS

The following schedule summarizes the City’s interfund transfer activity for the year ended December 31, 2014.

Transfers Out	Transfers In		
	Capital Improvement Fund	General Fund	Total
General Fund	\$ 15,962,383	\$ -	\$ 15,962,383
Land Use Fund	-	543,528	543,528
	\$ 15,962,383	\$ 543,528	\$ 16,505,911

The transfer of \$15,962,383 from the General Fund to the Capital Improvement Fund was made to provide necessary funding for 2014 budgeted capital projects. The transfer from the Land Use Fund to the General Fund for \$543,528 was to reimburse the General Fund for past contributions.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 5 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2014 is as follows:

	<u>Balance at December 31, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2014</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land, easements, and rights of way	\$ 20,127,969	\$ 531,221	\$ -	\$ 20,659,190
Streets - subsurface	69,357,410	-	-	69,357,410
Construction in progress	2,229,242	3,362,137	2,894,802	2,696,577
Total capital assets, not being depreciated	<u>91,714,621</u>	<u>3,893,358</u>	<u>2,894,802</u>	<u>92,713,177</u>
Capital assets, being depreciated:				
Streets and sidewalks	68,534,106	1,800,554	-	70,334,660
Drainage	21,094,588	-	-	21,094,588
Traffic signals	7,842,422	488,535	-	8,330,957
Traffic signs	1,872,290	-	-	1,872,290
Bridges	16,530,480	-	-	16,530,480
Buildings	9,560,092	182,737	-	9,742,829
Comprehensive plan	89,234	-	-	89,234
Equipment	689,682	216,158	-	905,840
Total capital assets being depreciated	<u>126,212,894</u>	<u>2,687,984</u>	<u>-</u>	<u>128,900,878</u>
Less accumulated depreciation for:				
Streets and sidewalks	43,047,485	2,681,953	-	45,729,438
Drainage	8,672,241	281,263	-	8,953,504
Traffic signals	5,313,199	472,810	-	5,786,009
Traffic signs	1,510,287	108,768	-	1,619,055
Bridges	5,262,313	405,838	-	5,668,151
Buildings	664,680	261,992	-	926,672
Comprehensive plan	21,173	2,232	-	23,405
Equipment	330,470	105,482	-	435,952
Total accumulated depreciation	<u>64,821,848</u>	<u>4,320,338</u>	<u>-</u>	<u>69,142,186</u>
Total capital assets being depreciated, net	<u>61,391,046</u>	<u>(1,632,354)</u>	<u>-</u>	<u>59,758,692</u>
Governmental activities capital assets, net	<u>\$ 153,105,667</u>	<u>\$ 2,261,004</u>	<u>\$ 2,894,802</u>	<u>\$ 152,471,869</u>

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 5 – CAPITAL ASSETS (CONTINUED)

	<u>Balance at December 31, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2014</u>
<u>Business type Activities:</u>				
Capital assets, being depreciated:				
Equipment	\$ 134,156	\$ 20,020	\$ -	\$ 154,176
Total capital assets being depreciated	<u>134,156</u>	<u>20,020</u>	<u>-</u>	<u>154,176</u>
Less accumulated depreciation for:				
Equipment	123,564	6,298	-	129,862
Total accumulated depreciation	<u>123,564</u>	<u>6,298</u>	<u>-</u>	<u>129,862</u>
Total capital assets being depreciated, net	<u>10,592</u>	<u>13,722</u>	<u>-</u>	<u>24,314</u>
Governmental activities capital assets, net	<u>\$ 10,592</u>	<u>\$ 13,722</u>	<u>\$ -</u>	<u>\$ 24,314</u>

Depreciation expense of the governmental activities was charged to the city infrastructure and general government programs in the amounts of \$4,214,856 and \$105,482, respectively.

NOTE 6 – LONG-TERM OBLIGATIONS

Long-term obligation transactions as of December 31, 2014 are summarized below.

	<u>Balance at December 31, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at December 31, 2014</u>	<u>Due Within One Year</u>
<u>Governmental Activities:</u>					
Bonds payable					
Antelope GID Bonds	\$ 2,660,000	\$ -	\$ 70,000	\$ 2,590,000	\$ 75,000
Total Bonds Payable	<u>2,660,000</u>	<u>-</u>	<u>70,000</u>	<u>2,590,000</u>	<u>75,000</u>
Compensated absences	197,018	320,889	303,412	214,495	7,471
Total long-term obligations	<u>\$ 2,857,018</u>	<u>\$ 320,889</u>	<u>\$ 373,412</u>	<u>\$ 2,804,495</u>	<u>\$ 82,471</u>

General Obligation Bonds

During September, 2005, Antelope General Improvement District issued \$3,050,000 of general obligation bonds with interest rates varying from 3.25% to 5.125% payable semi-annually on June 1 and December 1 commencing on June 1, 2006 through December, 2035. The bonds maturing on and before December 1, 2016 are subject to redemption prior to maturity at the option of the District, in whole or in part in integral multiples of \$5,000, and if in part in such order of maturities as the District may determine and by lot within a maturity, on December 1, 2015 and on any date thereafter, at a redemption price equal to the principal amount redeemed plus accrued interest to the redemption date.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 6 – LONG-TERM OBLIGATIONS (CONTINUED)

The bonds were issued for the purposes of: (i) financing or reimbursing all or any part of the costs of acquiring, construction, relocating, installing and providing a system of water pipelines to furnish municipal water service within the District; (ii) providing capitalized interest to pay a portion of debt service on the bonds; and (iii) pay the costs of issuance of the bonds. Although the District issued bonds for the purposes stated above, and has recorded the related obligation, the water system is owned and maintained by the Arapahoe County Water and Wastewater Authority (ACWWA) and therefore no corresponding asset is recorded by the District.

Bonds outstanding and related interest requirements as of December 31, 2014, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 75,000	\$ 128,756	\$ 203,756
2016	75,000	125,456	200,456
2017	80,000	121,987	201,987
2018	85,000	118,287	203,287
2019	90,000	114,356	204,356
2020-2024	505,000	504,632	1,009,632
2025-2029	650,000	367,176	1,017,176
2030-2034	835,000	182,706	1,017,706
2035	195,000	9,994	204,994
Totals	<u>\$ 2,590,000</u>	<u>\$ 1,673,350</u>	<u>\$ 4,263,350</u>

NOTE 7 – OPERATING LEASES

The City leases certain office equipment and storage facilities. Leases related to property not having elements of ownership are classified as operating leases. Lease payments are recorded as expenses or expenditures when due. Total expenditures on such leases for the year ended December 31, 2014 were approximately \$32,010.

The City had leases for certain office equipment through May 2017. Monthly rent is comprised of a base amount and an amount based upon usage. These leases generally do not have purchase options; however, the City may renew the terms of each agreement upon expiration.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 8 – COMMITMENTS AND CONTINGENCIES

The City entered into construction contracts for various capital projects which are not complete as of December 31, 2014. The total unexpended commitments at December 31, 2014 are \$1,664,337 as detailed below.

<u>Projects</u>	<u>Total Contract Amount</u>	<u>Remaining Contract Amount</u>
ARPD Park & Trail Improvements	\$ 875,000	\$ 133,075
Arapahoe Road ITS Improvements	293,834	48,608
Arapahoe Road - Waco/ Himalaya	1,254,376	385,212
Installation of Conduit & Fiber - Dry Creek to Smoky Hill	450,841	105,606
Little Dry Creek Trail Improvements	32,450	2,950
SSPRD Park & Trail Improvements	3,094,350	665,753
Hazard Elimination	183,492	26,045
University Blvd. Infill Sidewalk	67,050	67,050
Peakview & Dayton Intersection	156,000	156,000
Update to Ten Year CIP Plan	79,880	74,038
Total	<u>\$ 6,487,273</u>	<u>\$ 1,664,337</u>

Commitments – Economic Development

The City has entered into certain agreements in an effort to promote economic development and re-development within the City. While the parties to the agreements and the various components therein are different, there are certain fundamentals that are consistent within each of the agreements, as described below.

1. Within each project, the City has agreed to either forego a portion of its sales and/or property tax, or pay a portion of its sales and/or property tax, in order to reimburse the property owners for construction and maintenance of public improvements.
2. In an effort to promote immediate economic development, the property owners have paid for and installed the improvements in advance.
3. Within each project agreement, the City has only committed to foregoing or reimbursing sales and use taxes generated within the given project area. The City has not committed to foregoing or reimbursing property developers from revenues not directly generated within the given project area.
4. In each project area, the revenues to the City were either zero or declining. As such, the City was in a position to both enhance its economic base on improve overall economic vitality in areas surrounding the specific projects.
5. Each financial agreement is set to terminate at either a date certain, or when a given amount of funds have been paid to reimburse the project developers, whichever occurs first.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 8 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Commitments – Economic Development (continued)

6. In no instance has the City incurred or credit enhanced any debts or entered in to any lease/purchase arrangements related to these agreements and project areas.

7. Since the reimbursements are payable solely from the sales, use and property tax revenue increments generated by each project area, long-term debt is not required to be reported on the City’s financial statements.

The following table presents a summary of the funding obligations related to economic development commitments of the City.

Project Name	Maximum Amount Committed ⁽¹⁾	Termination of Agreement ⁽²⁾	Description of Sharing Agreement	Amount of Tax Shared with Developer ⁽³⁾
The Streets at Southglenn	Up To \$85,000,000	11/21/2030	76% of 2.5% Sales Tax Exceeding \$1,937,569 Million Base	\$2,583,094
			All Property Tax Increment in Excess of Base	\$21,696,862
IKEA Store	\$18,000,000 - Sales Tax No Maximum - Use Tax	07/31/2021	75% of 2.5% Sales Tax for 3 years due to early opening, then 50% of 2.5% Sales Tax for balance of the agreement.	\$8,735,632
			25% of 2.5% Use Tax	\$215,601
Centennial Center	Up To \$1,400,000	12/31/2020	50% of 2.5% Sales Tax	\$0

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 8 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Commitments – Economic Development (continued)

	Maximum Amount Committed⁽¹⁾	Termination of Agreement⁽²⁾	Description of Sharing Agreement	Amount of Tax Shared with Developer⁽³⁾
United Launch Alliance	Up To \$200,000 Use Tax	03/15/2015	50% of 2.5% Use Tax	\$38,025
Centennial Promenade	Up to \$13,000,000 – Sales Tax	12/31/2020	50% of 2.5% Sales Tax	\$3,619,622
Recreational Equipment, Inc. (REI)	Up to \$300,000 Sales Tax	Once \$300,000 is reached	50% of 2.5% Sales Tax	\$300,000
Viewhouse Centennial	Up to termination of agreement (no maximum amount committed)	8/31/2019	50% of 2.5% Sales Tax as long as \$187,500 of the Sales Tax remitted annually	\$0
Centennial East Corporate Center (12 Agreements)	N/A (4)	12/31/2019	100% of Business personal Property Taxes Levied	\$0
			100% Property Tax	\$0
			100% of Construction Use Tax Levied	\$0
			100% of Automobile Use Tax Levied	\$0
			100% of Any Business Licensing Fees	\$0
			100% of Any Business Licensing Fees	\$175

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 8 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Commitments – Economic Development (continued)

	Maximum Amount Committed⁽¹⁾	Termination of Agreement⁽²⁾	Description of Sharing Agreement	Amount of Tax Shared with Developer⁽³⁾
R and R, LLC	No Maximum – Use Tax	12/31/2024	100% of construction use tax for 5 years after Effective Date; 50% of construction use tax for 6 th -10 th years of Agreement	\$0
Jordan-Arapahoe , LLP	No Maximum- Use Tax	12/31/2024	100% of construction use tax for 5 years after Effective Date; 50% of construction use tax for 6 th -10 th years of Agreement	\$0
Topgolf USA Centennial, LLC	No Maximum- Sales Tax	5 Years After Effective Date of Opening	75% of all Sales Tax Revenue produced by business for first year; 66% for second year; 50% for third-fifth years	\$0
Jones District	Up to \$9,500,000- Use Tax	June 16, 2039	100% of 2.5% Use Tax	\$0
Waddill Enterprises, LLC	No Maximum- Sales Tax	5 years after Effective Date of Opening	50% of 2.5% Sales Tax	\$0
	No Maximum- Use Tax	Use tax paid in 2014-2018	100% of 2.5% Use Tax	\$0
Dry Creek Corporation	No Maximum- Use Tax	12/31/2024	100% of 2.5% Use Tax	\$0
Panorama Corporate Center	No Maximum- Use Tax	12/31/2025	100% of 2.5% Use Tax	\$0

(1) Maximum amount committed includes amounts to be reimbursed or waived, but does not include interest or other costs.

(2) The amount required to be reimbursed will terminate on the termination date, or when the reimbursement obligation has been satisfied, whichever occurs first.

**CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE 8 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Commitments – Economic Development (continued)

- (3) The amount stated represents the total amount shared with the developer over the life of the agreement. Amount of tax shared with developer is net of associated collection fees.
- (4) There is no maximum amount committed, however there is a termination date of the agreement.

Litigation

Notices of claims for damages have been filed with the City and forwarded to its insurer, Colorado Intergovernmental Risk Sharing Agency (CIRSA). After consideration of applicable insurance policy coverage, and the relative merits of each claim or lawsuit, and consultation with CIRSA and the City Attorney, it is the opinion of the City that the potential ultimate liability resulting from these actions, if any, will not have a material adverse financial effect on the City.

Grants

The City receives revenue from various federal and state grant programs, which are subject to final review and approval as to permissible of expenditures by the respective grantor agencies.

Tax, Spending and Debt Limitations

Article X, Section 20 (TABOR) of the State Constitution has several limitations, including those for new tax revenue, expenditures, property taxes and the issuance of debt. These provisions of the Constitution are complex and subject to legal and judicial interpretation. In the opinion of management, the City is in compliance with such provisions. On November 6, 2012, the City's electors approved Ballot Issue Number 2D providing voter authorization for the City to retain and spend revenues derived from any and all sources, in existence at that time or in the future, in excess of the spending or other limitations as set forth in Article X, Section 20 of the Colorado Constitution.

NOTE 9 – EMPLOYEE RETIREMENT PLAN

The City has a defined contribution money purchase pension plan (City of Centennial Money Purchase Plan) authorized by City Council and administered by ICMA Retirement Corporation. The City Council is authorized to amend the Plan provisions, and determines the contributions made by the City. The Plan covers all employees of the City who have met certain eligibility requirements. The City contributes on behalf of each participant 10% of earnings for the Plan year. Each Participant is required to contribute to the plan as a condition of participation in the Plan. Participant contributions during 2014 were 8% of pre-tax earnings. The City's contribution to the plan was \$362,109 for the year ending December 31, 2014. There is no liability on the part of the City beyond its annual contribution.

NOTE 10 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; thefts; damage to, or destruction of, assets; errors or omissions; injuries to employees; or acts of God. The City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a joint self-insurance pool created by intergovernmental agreement of 174 municipalities to provide property, worker's compensation, general and automobile liability and public officials' coverage to its members. CIRSA is governed by a seven member Board elected by and from its members.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 10 – RISK MANAGEMENT (CONTINUED)

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and that amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.



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Required Supplementary Information



Required Supplementary Information

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales tax	\$ 32,852,531	\$ 33,490,529	\$ 35,673,588	\$ 2,183,059
Use tax	1,600,000	1,600,000	2,279,161	679,161
Property tax	8,182,269	8,188,998	8,114,897	(74,101)
Auto use tax	3,867,021	3,867,021	4,123,965	256,944
Other taxes	551,621	573,974	603,435	29,461
Franchise fees	4,875,617	5,085,889	5,128,961	43,072
Court fines	1,949,209	1,990,782	2,076,600	85,818
Charges for services	667,457	1,146,654	1,130,704	(15,950)
Investment income	188,700	188,700	170,065	(18,635)
Intergovernmental	6,181,141	6,337,729	6,778,079	440,350
Miscellaneous	140,470	675,500	405,370	(270,130)
Total revenues	61,056,036	63,145,776	66,484,825	3,339,049
EXPENDITURES				
Current				
General government	9,010,003	10,235,843	8,452,787	1,783,056
Finance & administration	4,191,308	4,381,372	3,187,601	1,193,771
Community services	22,630,377	22,553,416	22,174,239	379,177
City infrastructure	13,024,900	13,687,304	12,288,223	1,399,081
Planning & development	412,095	1,035,596	252,730	782,866
Capital outlay	-	-	407,469	(407,469)
Total expenditures	49,268,683	51,893,531	46,763,049	5,130,482
REVENUE OVER (UNDER) EXPENDITURES	11,787,353	11,252,245	19,721,776	8,469,531
OTHER FINANCING SOURCES (USES)				
Transfers in	218,669	367,834	543,528	175,694
Transfers out	(9,071,883)	(15,962,383)	(15,962,383)	-
Total other financing sources (uses)	(8,853,214)	(15,594,549)	(15,418,855)	175,694
NET CHANGE IN FUND BALANCE	2,934,139	(4,342,304)	4,302,921	8,645,225
FUND BALANCE - BEGINNING OF YEAR	32,164,010	38,166,946	38,166,946	-
FUND BALANCE - END OF YEAR	\$ 35,098,149	\$ 33,824,642	\$ 42,469,867	\$ 8,645,225

See the accompanying independent auditors' report.

**CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
CENTENNIAL URBAN REDEVELOPMENT AUTHORITY FUND
For the Year Ended December 31, 2014**

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Property tax	\$ 5,408,778	\$ 5,500,000	\$ 5,513,089	\$ 13,089
Intergovernmental	1,118,209	1,118,209	914,242	(203,967)
Miscellaneous	150,000	150,000	35,864	(114,136)
Total revenue	<u>6,676,987</u>	<u>6,768,209</u>	<u>6,463,195</u>	<u>(305,014)</u>
EXPENDITURES				
Sales tax sharing pass-thru	1,118,209	1,118,209	914,242	203,967
Property tax sharing pass-thru	5,408,778	5,500,000	5,513,089	(13,089)
Professional services	150,000	150,000	35,864	114,136
Contingencies	-	434,747	-	434,747
Total expenditures	<u>6,676,987</u>	<u>7,202,956</u>	<u>6,463,195</u>	<u>739,761</u>
NET CHANGE IN FUND BALANCE	-	(434,747)	-	434,747
FUND BALANCE - BEGINNING OF YEAR	-	434,747	434,747	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 434,747</u>	<u>\$ 434,747</u>

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2014

NOTE 1 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary information

The City adopts an annual budget for all governmental funds on a basis consistent with generally accepted accounting principles. Budgetary comparisons for the Enterprise Fund are presented on a non-GAAP budgetary basis. Capital outlay is budgeted as an expenditure, and depreciation is not budgeted.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- Prior to September 20th, the City Manager submits to the City Council a proposed operating budget by fund, department and object for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Upon receipt of the proposed budget, City Council publishes a notice indicating that such proposed budget is available for inspection and open for public hearing.
- Prior to December 15th, the budget is legally adopted through City Council resolution. All operating budget appropriations lapse at year-end, although unexpended appropriations may be re-appropriated for the next year.
- The legal level of budgetary control is exercised at the fund level. The City Manager is authorized to transfer budgeted amounts between departments within the same fund, with subsequent notification to City Council. City Council must approve any revisions that alter the total expenditures of any fund.



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Combining & Individual
Fund Financial
Statements & Schedule



Combining & Individual Fund Financial Statements & Schedule

CITY OF CENTENNIAL, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2014

	Open Space Fund	Conservation Trust Fund	General Improvement District Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 4,758,197	\$ 1,932,542	\$ 865,250	\$ 7,555,989
Taxes receivable	-	-	383,520	383,520
Other receivables	-	-	2,050	2,050
Total assets	<u>4,758,197</u>	<u>1,932,542</u>	<u>1,250,820</u>	<u>7,941,559</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
LIABILITIES				
Accounts payable	<u>415,687</u>	<u>46,175</u>	<u>17,012</u>	<u>478,874</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	<u>-</u>	<u>-</u>	<u>381,138</u>	<u>381,138</u>
FUND BALANCE				
Restricted for:				
Emergency reserves	68,468	16,155	11,230	95,853
Parks and Open Space	4,274,042	1,870,212	-	6,144,254
District Infrastructure	-	-	841,440	841,440
Total fund balance	<u>4,342,510</u>	<u>1,886,367</u>	<u>852,670</u>	<u>7,081,547</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 4,758,197</u>	<u>\$ 1,932,542</u>	<u>\$ 1,250,820</u>	<u>\$ 7,941,559</u>

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Open Space Fund	Conservation Trust Fund	General Improvement District Fund	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	\$ -	\$ 373,353	\$ 373,353
Intergovernmental	2,273,257	536,402	-	2,809,659
Investment income	4,863	2,084	981	7,928
Miscellaneous	4,155	-	-	4,155
Total revenues	<u>2,282,275</u>	<u>538,486</u>	<u>374,334</u>	<u>3,195,095</u>
EXPENDITURES				
Current				
City infrastructure	-	-	134,246	134,246
Culture and recreation	1,229,049	185,413	-	1,414,462
Capital Outlay	894,766	590,896	-	1,485,662
Debt service				
Principal	-	-	70,000	70,000
Interest	-	-	131,916	131,916
Total expenditures	<u>2,123,815</u>	<u>776,309</u>	<u>336,162</u>	<u>3,236,286</u>
NET CHANGE IN FUND BALANCE	158,460	(237,823)	38,172	(41,191)
FUND BALANCE - BEGINNING OF YEAR	<u>4,184,050</u>	<u>2,124,190</u>	<u>814,498</u>	<u>7,122,738</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,342,510</u>	<u>\$ 1,886,367</u>	<u>\$ 852,670</u>	<u>\$ 7,081,547</u>

See the accompanying independent auditors' report.

**CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
For the Year Ended December 31, 2014**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Intergovernmental	\$ 891,800	\$ 1,270,297	\$ 804,633	\$ (465,664)
Developer Contributions	-	277,938	-	(277,938)
Charges for services	31,817	31,817	44,954	13,137
Total revenue	<u>923,617</u>	<u>1,580,052</u>	<u>849,587</u>	<u>(730,465)</u>
EXPENDITURES				
Rehabilitation				
Street rehabilitation program	6,600,000	7,587,500	7,648,369	(60,869)
Major/minor structures	150,000	162,505	-	162,505
Professional services	387,500	515,500	193,180	322,320
Capital outlay				
Land Improvements	-	12,603	-	12,603
Streets	1,622,000	12,407,800	1,700,126	10,707,674
Sidewalks	596,000	776,544	-	776,544
Traffic control & signals	190,000	1,530,079	748,222	781,857
Major Capital Project Reserve	300,000	939,440	-	939,440
Buildings	150,000	746,390	218,545	527,845
Vista Verde Neighborhood Improvements	-	378,497	258,321	120,176
Total expenditures	<u>9,995,500</u>	<u>25,056,858</u>	<u>10,766,763</u>	<u>14,290,095</u>
REVENUE OVER (UNDER) EXPENDITURES	(9,071,883)	(23,476,806)	(9,917,176)	13,559,630
OTHER FINANCING SOURCES				
Transfers in	<u>9,071,883</u>	<u>15,962,383</u>	<u>15,962,383</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	(7,514,423)	6,045,207	13,559,630
FUND BALANCE - BEGINNING OF YEAR	<u>829,902</u>	<u>7,834,862</u>	<u>7,834,862</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 829,902</u>	<u>\$ 320,439</u>	<u>\$ 13,880,069</u>	<u>\$ 13,559,630</u>

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
OPEN SPACE FUND
For the Year Ended December 31, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Intergovernmental	\$ 1,900,000	\$ 2,170,000	\$ 2,273,257	\$ 103,257
Investment income	7,515	7,515	4,863	(2,652)
Miscellaneous	-	-	4,155	4,155
Total revenue	1,907,515	2,177,515	2,282,275	104,760
EXPENDITURES				
Culture and recreation	140,000	552,663	1,229,049	(676,386)
Capital outlay	1,750,000	5,378,639	894,766	4,483,873
Contingencies	17,515	430,263	-	430,263
Total expenditures	1,907,515	6,361,565	2,123,815	4,237,750
NET CHANGE IN FUND BALANCE	-	(4,184,050)	158,460	4,342,510
FUND BALANCE - BEGINNING OF YEAR	-	4,184,050	4,184,050	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 4,342,510	\$ 4,342,510

See the accompanying independent auditors' report.

**CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
For the Year Ended December 31, 2014**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Intergovernmental	\$ 567,362	\$ 567,362	\$ 536,402	\$ (30,960)
Investment income	3,000	3,000	2,084	(916)
Total revenue	<u>570,362</u>	<u>570,362</u>	<u>538,486</u>	<u>(31,876)</u>
EXPENDITURES				
Culture and recreation	152,500	194,536	185,413	9,123
Capital outlay	400,000	2,343,813	590,896	1,752,917
Contingencies	17,862	156,203	-	156,203
Total expenditures	<u>570,362</u>	<u>2,694,552</u>	<u>776,309</u>	<u>1,918,243</u>
NET CHANGE IN FUND BALANCE	-	(2,124,190)	(237,823)	1,886,367
FUND BALANCE - BEGINNING OF YEAR	-	2,124,190	2,124,190	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,886,367</u>	<u>\$ 1,886,367</u>

See the accompanying independent auditors' report.

**CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL IMPROVEMENT DISTRICT FUND
For the Year Ended December 31, 2014**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Property tax	\$ 356,380	\$ 349,335	\$ 348,203	\$ (1,132)
Specific ownership tax	16,022	16,154	25,150	8,996
Investment income	1,110	1,110	981	(129)
Total revenue	373,512	366,599	374,334	7,735
EXPENDITURES				
Current				
City infrastructure	319,064	318,959	134,246	184,713
Debt service				
Principal	70,000	70,000	70,000	-
Interest	131,766	131,766	131,916	(150)
Contingencies	-	501,976	-	501,976
Total expenditures	520,830	1,022,701	336,162	686,539
NET CHANGE IN FUND BALANCE	(147,318)	(656,102)	38,172	694,274
FUND BALANCE - BEGINNING OF YEAR	147,318	814,498	814,498	-
FUND BALANCE - END OF YEAR	\$ -	\$ 158,396	\$ 852,670	\$ 694,274

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
LAND USE FUND
For the Year Ended December 31, 2014

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUE				
Building permits, licenses, and fees	\$ 2,400,000	\$ 2,930,000	\$ 2,803,873	\$ (126,127)
Contractor's licenses and bus shelter fees	320,000	335,000	324,020	(10,980)
Land use permits and other income	412,000	412,000	468,210	56,210
Transfers in	400,000	400,000	-	(400,000)
Total revenue	<u>3,532,000</u>	<u>4,077,000</u>	<u>3,596,103</u>	<u>(480,897)</u>
EXPENDITURES				
Personnel services	413,464	443,341	445,819	(2,478)
Contracted services	2,106,705	2,511,705	2,330,916	180,789
Services & supplies	393,162	354,120	269,542	84,578
Transfers out	618,669	767,834	543,528	224,306
Total expenditures	<u>3,532,000</u>	<u>4,077,000</u>	<u>3,589,805</u>	<u>487,195</u>
CHANGE IN NET POSITION - BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	6,298	<u>\$ 6,298</u>
ADJUSTMENT TO GAAP BASIS				
Depreciation			<u>(6,298)</u>	
CHANGE IN NET POSITION - GAAP BASIS			<u>\$ -</u>	

See the accompanying independent auditors' report.



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Statistical Section

Statistical Section



STATISTICAL SECTION OVERVIEW

Statistical tables are used to provide a historical financial review. The various tables provide information which is useful in analyzing the existing financial position of the City and identifying potential trends.

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

REVENUE CAPACITY

These schedules contain information to help the reader assess the City's significant local revenue sources which are sales and use tax and property tax.

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

OPERATING INFORMATION

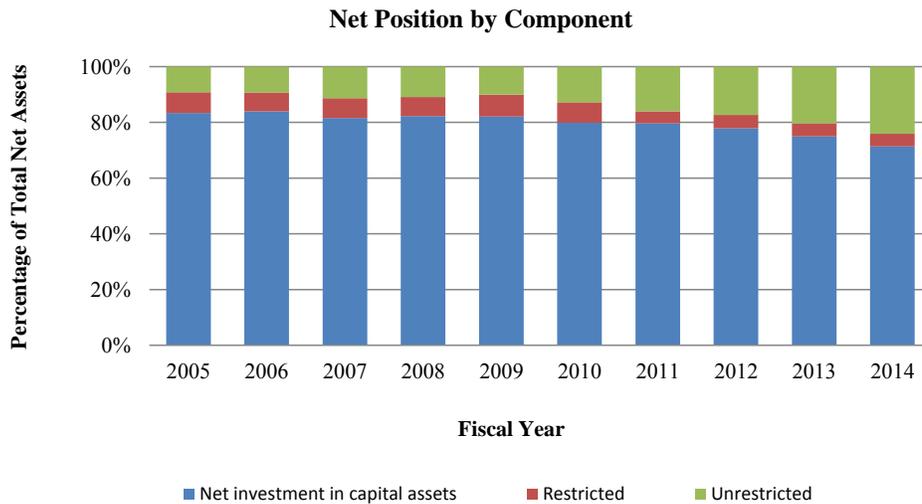
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

**TABLE 1
CITY OF CENTENNIAL, COLORADO**

NET POSITION BY COMPONENT

**LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(Unaudited)**

	Fiscal Year		
	2005	2006	2007
Governmental activities			
Net investment in capital assets	\$ 108,778,435	\$ 130,732,395	\$ 127,795,949
Restricted	9,733,262	10,433,346	11,038,753
Unrestricted	12,042,726	14,505,095	17,798,842
Total governmental activities net position	<u>130,554,423</u>	<u>155,670,836</u>	<u>156,633,544</u>
Business-type activities			
Net investment in capital assets	-	-	-
Restricted	-	-	-
Unrestricted	-	-	-
Total business-type activities net position	<u>-</u>	<u>-</u>	<u>-</u>
Primary government			
Net investment in capital assets	108,778,435	130,732,395	127,795,949
Restricted	9,733,262	10,433,346	11,038,753
Unrestricted	12,042,726	14,505,095	17,798,842
Total primary government net position	<u>\$ 130,554,423</u>	<u>\$ 155,670,836</u>	<u>\$ 156,633,544</u>



The information for this table was obtained from the Statement of Net Position, a statement required by GASB Statement No. 34 and updated by GASB Statement No. 63. The City of Centennial implemented GASB Statement No. 34 in 2004 and GASB Statement No. 63 in 2012. 2011 net position has been restated.

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
\$ 134,743,623	\$ 137,465,454	\$ 137,094,255	\$ 144,592,118	\$ 150,533,967	\$ 153,105,667	\$ 152,496,183
11,127,772	13,226,398	12,652,880	7,656,451	9,180,350	9,515,406	9,620,070
17,882,572	17,002,149	22,116,122	29,311,672	33,582,988	41,519,235	51,615,854
163,753,967	167,694,001	171,863,257	181,560,241	193,297,305	204,140,308	213,732,107
-	96,713	65,256	39,654	31,891	10,592	24,314
-	94,714	89,755	88,726	94,106	92,070	91,577
-	(191,427)	(155,011)	(128,380)	(125,997)	(102,662)	(115,891)
-	-	-	-	-	-	-
134,743,623	137,562,167	137,159,511	144,631,772	150,565,858	153,116,259	152,520,497
11,127,772	13,321,112	12,742,635	7,745,176	9,274,456	9,607,476	9,711,647
17,882,572	16,810,722	21,961,111	29,183,292	33,456,991	41,416,573	51,499,963
\$ 163,753,967	\$ 167,694,001	\$ 171,863,257	\$ 181,560,241	\$ 193,297,305	\$ 204,140,308	\$ 213,732,107

2014 Net Position

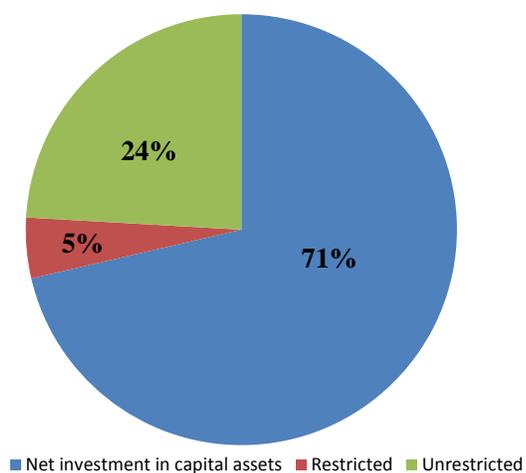


TABLE 2
CITY OF CENTENNIAL, COLORADO

CHANGE IN NET POSITION

LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2005	2006	2007
<u>Governmental activities</u>			
Expenses			
General government	\$ 3,861,990	\$ 4,726,923	\$ 5,533,732
Community services	18,254,999	19,258,142	20,838,991
City infrastructure	17,672,259	20,548,344	20,656,685
Culture and recreation	838	154	91,185
Urban redevelopment	-	-	607,222
Interest on long-term debt	69,443	155,962	165,240
Total governmental activities expenses	<u>39,859,529</u>	<u>44,689,525</u>	<u>47,893,055</u>
Program Revenues			
Charges for services			
General government	45,165	47,089	47,070
Community services	1,896,948	1,611,702	2,059,722
City infrastructure	149,891	177,056	202,963
Urban redevelopment	-	-	683,752
Operating grants and contributions	3,953,546	4,388,857	4,319,189
Capital grants and contributions	1,901,246	3,285,607	4,038,680
Total governmental activities program revenues	<u>7,946,796</u>	<u>9,510,311</u>	<u>11,351,376</u>
Total governmental activities net program expense	<u>31,912,733</u>	<u>35,179,214</u>	<u>36,541,679</u>
General revenues and other changes in net position			
Taxes			
Sales tax	17,617,030	17,570,207	18,736,167
Use tax	1,151,536	1,126,889	1,237,313
Property tax	7,190,345	7,440,169	7,525,978
Auto use tax	4,376,188	3,515,870	3,994,315
Other taxes	960,794	957,501	964,459
Unrestricted franchise fees	4,043,502	4,208,875	4,253,003
Investment income	665,845	1,264,658	1,657,727
Intergovernmental revenues not restricted to specific programs	-	-	-
Miscellaneous	19,069	66,093	264,919
Contributions	-	150,421	-
Insurance proceeds	-	44,783	-
Transfers	(1,149,317)	(961,648)	(1,129,494)
Total general revenues and other changes in net position	<u>34,874,992</u>	<u>35,383,818</u>	<u>37,504,387</u>
Total governmental activities change in net position	<u>\$ 2,962,259</u>	<u>\$ 204,604</u>	<u>\$ 962,708</u>

The information for this table was obtained from the Statement of Activities, a statement required by GASB Statement No. 34 and updated by GASB Statement No. 63. The City of Centennial implemented GASB Statement No. 34 in 2004 and GASB Statement No. 63 in 2012. 2011 net position has been restated.

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
\$ 6,747,868	\$ 5,854,992	\$ 5,927,832	\$ 8,491,057	\$ 10,953,334	\$ 12,845,868	\$ 11,763,347
21,354,389	21,549,041	21,408,592	21,577,444	21,736,983	21,819,639	22,174,239
17,720,544	17,487,628	20,013,733	20,568,461	22,482,836	22,215,397	24,731,604
84,784	581,646	367,583	496,048	736,800	2,258,120	2,546,267
952,348	519,967	1,231,387	5,000,756	5,843,043	5,159,616	5,548,953
146,415	144,466	142,238	139,905	137,299	134,611	131,665
<u>47,006,348</u>	<u>46,137,740</u>	<u>49,091,365</u>	<u>56,273,671</u>	<u>61,890,295</u>	<u>64,433,251</u>	<u>66,896,075</u>
74,780	148,014	208,659	160,262	245,346	251,061	277,175
2,300,601	2,293,552	2,368,455	2,236,483	2,095,843	2,201,469	2,158,468
354,223	486,346	321,054	375,545	387,630	280,918	816,615
1,979,802	1,293,553	-	-	-	-	-
4,070,855	4,308,859	4,847,044	5,111,685	5,354,851	5,959,577	6,209,974
5,257,705	4,741,687	3,947,075	6,654,649	7,872,115	4,849,633	3,480,178
<u>14,037,966</u>	<u>13,272,011</u>	<u>11,692,287</u>	<u>14,538,624</u>	<u>15,955,785</u>	<u>13,542,658</u>	<u>12,942,410</u>
<u>32,968,382</u>	<u>32,865,729</u>	<u>37,399,078</u>	<u>41,735,047</u>	<u>45,934,510</u>	<u>50,890,593</u>	<u>53,953,665</u>
18,620,968	17,992,951	20,624,581	27,917,744	32,782,443	34,569,315	35,673,588
3,265,367	2,001,964	2,060,641	1,677,317	2,003,344	2,987,611	2,279,161
7,989,318	8,132,734	9,506,280	12,930,171	13,301,715	13,391,623	13,976,189
3,522,055	3,084,446	3,064,792	3,178,645	3,458,033	3,747,097	4,123,965
890,664	819,445	797,403	519,284	539,677	586,360	628,585
4,827,977	4,235,611	4,653,673	4,749,865	4,646,174	5,011,913	5,128,961
832,298	131,382	84,158	40,173	146,534	69,801	177,993
-	255,033	252,382	253,944	267,307	363,051	568,105
534,366	582,696	367,958	277,132	453,685	354,910	445,389
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(394,208)	(175,466)	408,848	(112,244)	72,662	651,915	543,528
<u>40,088,805</u>	<u>37,060,796</u>	<u>41,820,716</u>	<u>51,432,031</u>	<u>57,671,574</u>	<u>61,733,596</u>	<u>63,545,464</u>
<u>\$ 7,120,423</u>	<u>\$ 4,195,067</u>	<u>\$ 4,421,638</u>	<u>\$ 9,696,984</u>	<u>\$ 11,737,064</u>	<u>\$ 10,843,003</u>	<u>\$ 9,591,799</u>

TABLE 2
CITY OF CENTENNIAL, COLORADO

CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

(Accrual basis of accounting)
(Unaudited)

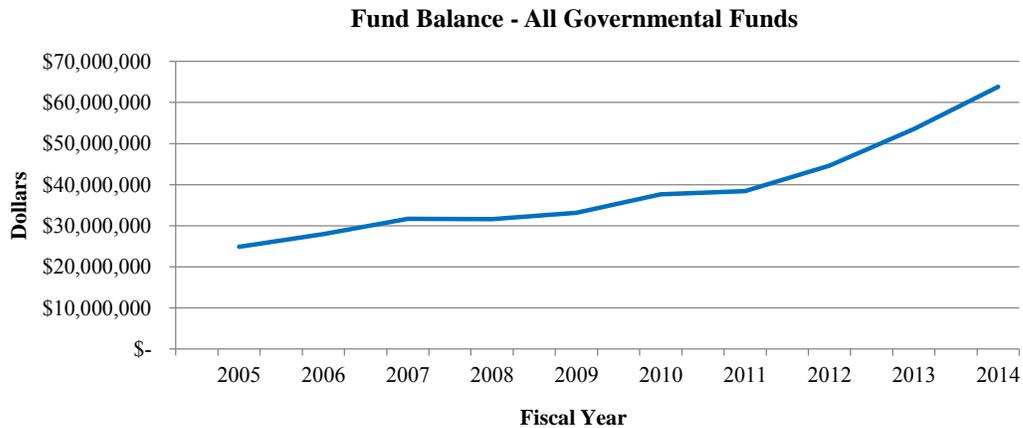
	Fiscal Year		
	2005	2006	2007
<u>Business-type activities</u>			
Expenses			
Land use fund	\$ 3,418,462	\$ 3,274,235	\$ 4,029,924
Total expenses	<u>3,418,462</u>	<u>3,274,235</u>	<u>4,029,924</u>
Revenues			
Land use service fees	2,269,145	2,312,587	2,900,430
Total revenues	<u>2,269,145</u>	<u>2,312,587</u>	<u>2,900,430</u>
Operating income (loss) before transfers	<u>(1,149,317)</u>	<u>(961,648)</u>	<u>(1,129,494)</u>
Transfers	1,149,317	961,648	1,129,494
Total business-type activities change in net position	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government change in net position	<u>\$ 2,962,259</u>	<u>\$ 204,604</u>	<u>\$ 962,708</u>

The information for this table was obtained from the Statement of Activities, a statement required by GASB Statement No. 34 and updated by GASB Statement No. 63. The City of Centennial implemented GASB Statement No. 34 in 2004 and GASB Statement No. 63 in 2012. 2011 net position has been restated.

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
\$ 3,548,937	\$ 3,157,146	\$ 2,991,828	\$ 2,957,524	\$ 3,136,858	\$ 3,068,995	\$ 3,052,575
<u>3,548,937</u>	<u>3,157,146</u>	<u>2,991,828</u>	<u>2,957,524</u>	<u>3,136,858</u>	<u>3,068,995</u>	<u>3,052,575</u>
3,154,729	2,901,680	3,400,676	2,845,280	3,209,520	3,720,910	3,596,103
<u>3,154,729</u>	<u>2,901,680</u>	<u>3,400,676</u>	<u>2,845,280</u>	<u>3,209,520</u>	<u>3,720,910</u>	<u>3,596,103</u>
(394,208)	(255,466)	408,848	(112,244)	72,662	651,915	543,528
394,208	175,466	(408,848)	112,244	(72,662)	(651,915)	(543,528)
<u>-</u>	<u>(80,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 7,120,423</u>	<u>\$ 4,115,067</u>	<u>\$ 4,421,638</u>	<u>\$ 9,696,984</u>	<u>\$ 11,737,064</u>	<u>\$ 10,843,003</u>	<u>\$ 9,591,799</u>

TABLE 3
CITY OF CENTENNIAL, COLORADO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2005	2006	2007
General fund			
Restricted	\$ 2,206,000	\$ 1,350,000	\$ 1,490,558
Unrestricted	13,051,979	13,016,866	13,199,627
Total general fund	<u>15,257,979</u>	<u>14,366,866</u>	<u>14,690,185</u>
All other governmental funds			
Restricted	5,787,262	7,184,418	9,683,858
Unrestricted, reported in			
Capital improvement fund reserve	3,810,951	6,452,295	7,294,171
Total all other governmental funds	<u>9,598,213</u>	<u>13,636,713</u>	<u>16,978,029</u>
Total all governmental funds	<u>\$ 24,856,192</u>	<u>\$ 28,003,579</u>	<u>\$ 31,668,214</u>



The information for this table was obtained from the Balance Sheet. The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the implementation of GASB Statement No. 34. 2011 fund balance has been restated.

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
\$ 1,298,064	\$ 1,261,298	\$ 1,288,696	\$ 1,486,008	\$ 1,375,311	\$ 1,652,850	\$ 1,544,406
13,507,740	16,806,731	20,701,513	28,028,751	28,276,576	36,514,096	40,925,461
<u>14,805,804</u>	<u>18,068,029</u>	<u>21,990,209</u>	<u>29,514,759</u>	<u>29,651,887</u>	<u>38,166,946</u>	<u>42,469,867</u>
9,916,754	11,981,515	11,379,095	6,184,205	7,809,048	7,934,067	8,066,532
6,875,088	3,143,991	4,294,525	2,766,780	7,127,165	7,458,280	13,329,831
<u>16,791,842</u>	<u>15,125,506</u>	<u>15,673,620</u>	<u>8,950,985</u>	<u>14,936,213</u>	<u>15,392,347</u>	<u>21,396,363</u>
<u>\$ 31,597,646</u>	<u>\$ 33,193,535</u>	<u>\$ 37,663,829</u>	<u>\$ 38,465,744</u>	<u>\$ 44,588,100</u>	<u>\$ 53,559,293</u>	<u>\$ 63,866,230</u>

TABLE 4
CITY OF CENTENNIAL, COLORADO
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2005	2006	2007
Revenues			
Taxes	\$ 31,295,893	\$ 30,610,636	\$ 32,458,232
Intergovernmental	5,854,792	7,674,464	8,153,516
Charges for services	2,092,004	1,835,847	2,993,507
Franchise fees	4,043,502	4,208,875	4,253,003
Investment income	665,845	1,264,658	1,657,727
Miscellaneous	19,069	66,093	264,919
Total revenues	<u>43,971,105</u>	<u>45,660,573</u>	<u>49,780,904</u>
Expenditures			
Current			
General government	3,790,743	4,414,270	5,535,338
Community services	18,275,441	19,456,398	20,877,510
City infrastructure	11,331,710	15,251,848	13,729,987
Culture & recreation	135,308	154	91,185
Urban redevelopment	-	-	607,222
Capital Outlay			
General government	15,000	-	20,615
Capital improvement	2,173,292	1,115,982	3,948,517
Debt Service			
Principal	-	1,305,966	15,000
Interest and fiscal charges	41,903	202,124	161,401
Debt issuance costs	42,954	-	-
Total expenditures	<u>35,806,351</u>	<u>41,746,742</u>	<u>44,986,775</u>
Revenue over expenditures	<u>8,164,754</u>	<u>3,913,831</u>	<u>4,794,129</u>
Other Financing Sources (Uses)			
Transfers in	2,807,000	5,058,700	3,880,306
Transfers out	(3,956,317)	(6,020,348)	(5,009,800)
Debt proceeds	3,004,250	-	-
Contributions	-	150,421	-
Insurance proceeds	-	44,783	-
Total other financing sources (uses)	<u>1,854,933</u>	<u>(766,444)</u>	<u>(1,129,494)</u>
Net change in fund balances	<u>\$ 10,019,687</u>	<u>\$ 3,147,387</u>	<u>\$ 3,664,635</u>
Debt service as a percentage of noncapital expenditures	0.25%	3.85%	0.43%

The information for this table was obtained from the Statement of Revenue, Expenditures, and Changes in Fund Balances. The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the implementation of GASB Statement No. 34. 2011 fund balance has been restated.

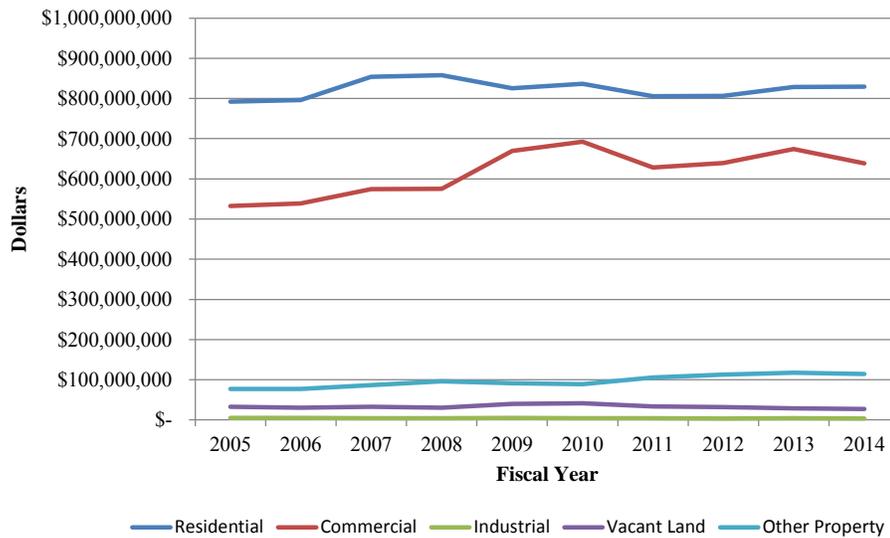
Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
\$ 34,288,372	\$ 32,031,540	\$ 36,053,697	\$ 46,223,161	\$ 52,085,212	\$ 55,282,006	\$ 56,681,488
9,120,836	9,462,623	8,005,719	10,602,518	11,030,082	11,625,012	11,306,613
4,709,406	4,221,465	2,898,168	2,772,290	2,728,819	2,733,448	2,760,913
4,827,977	4,235,611	4,653,673	4,749,865	4,646,174	5,011,913	5,128,961
832,298	131,382	84,158	40,173	146,534	69,801	177,993
534,366	582,696	367,958	277,132	453,685	354,910	936,734
54,313,255	50,665,317	52,063,373	64,665,139	71,090,506	75,077,090	76,992,702
6,707,616	5,837,442	6,053,572	8,433,765	10,929,433	11,434,747	11,640,388
21,354,389	21,549,041	21,408,592	21,577,444	21,736,983	21,819,639	22,174,239
13,843,150	11,620,237	16,015,936	16,708,347	18,465,990	19,492,958	20,516,748
84,784	581,646	367,583	496,048	736,800	2,258,120	1,414,462
952,348	421,892	1,231,387	5,000,756	5,843,043	6,010,887	6,463,195
7,839,369	1,138,228	2,428,907	11,329,499	6,884,042	1,737,119	1,893,131
3,006,383	7,540,825	293,519	-	242,000	3,799,486	2,925,214
55,000	60,000	60,000	65,000	65,000	70,000	70,000
146,576	144,651	142,431	140,121	137,521	134,856	131,916
-	-	-	-	-	-	-
53,989,615	48,893,962	48,001,927	63,750,980	65,040,812	66,757,812	67,229,293
323,640	1,771,355	4,061,446	914,159	6,049,694	8,319,278	9,763,409
900,000	2,483,847	5,882,430	4,686,487	15,004,327	10,433,915	16,505,911
(1,294,208)	(2,659,313)	(5,473,582)	(4,798,731)	(14,931,665)	(9,782,000)	(15,962,383)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(394,208)	(175,466)	408,848	(112,244)	72,662	651,915	543,528
\$ (70,568)	\$ 1,595,889	\$ 4,470,294	\$ 801,915	\$ 6,122,356	\$ 8,971,193	\$ 10,306,937
0.47%	0.51%	0.45%	0.39%	0.35%	0.34%	0.32%

TABLE 5
CITY OF CENTENNIAL, COLORADO
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

(Unaudited)

Taxable Real and Personal Property				
Fiscal Year	Residential Property	Commercial Property	Industrial Property	Vacant Land
2005	\$ 792,602,600	\$ 532,113,790	\$ 4,864,190	\$ 32,511,050
2006	796,434,140	539,134,290	4,762,920	30,744,550
2007	853,954,730	574,216,450	4,300,230	32,639,130
2008	858,294,520	575,249,170	4,073,630	30,689,950
2009	825,768,350	669,231,830	5,188,900	39,676,100
2010	836,719,860	692,470,620	4,342,740	41,195,980
2011	805,653,220	628,640,180	3,950,100	33,667,080
2012	806,330,190	639,120,040	3,749,580	31,861,900
2013	828,687,270	674,005,480	3,853,830	28,528,060
2014	829,759,643	638,791,805	3,203,964	27,076,642

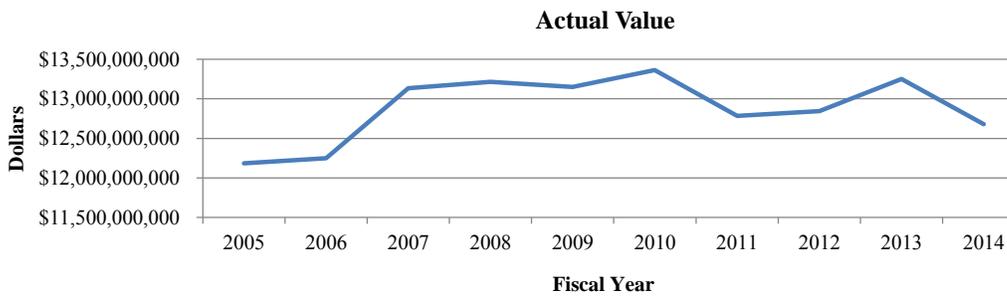
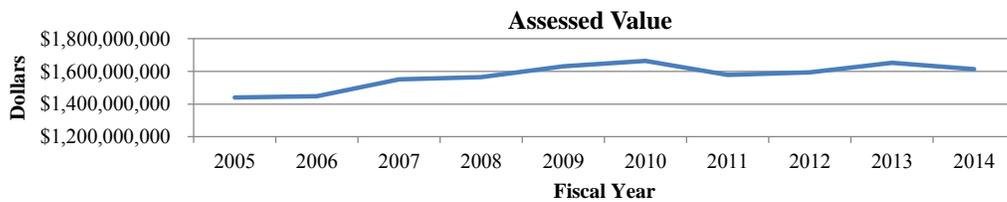
Assessed Value by Property Type



The information for this table was provided by Public Finance Associates and the Arapahoe County Assessor's Office.

Taxable Real and Personal Property

	Other Property¹	Total Taxable Assessed Value³	Mill Levy²	Actual Value	Assessed Value as a Percentage of Actual Value
\$	77,203,820	\$ 1,439,295,450	5.031	\$12,186,690,250	11.81%
	76,888,530	1,447,964,430	5.031	12,251,481,778	11.82%
	86,587,340	1,551,697,880	4.958	13,133,258,542	11.82%
	95,876,250	1,564,183,520	5.054	13,215,858,210	11.84%
	91,294,120	1,631,159,300	5.047	13,150,665,012	12.40%
	89,317,930	1,664,047,130	5.077	13,363,879,048	12.45%
	105,985,000	1,577,895,580	5.077	12,783,754,657	12.34%
	112,373,110	1,593,434,820	5.129	12,843,506,833	12.41%
	117,278,110	1,652,352,750	5.073	13,250,414,532	12.47%
	114,499,519	1,613,331,573	5.015	12,681,267,675	12.72%



(1) Includes State assessed, Agriculture and Other assessed values.

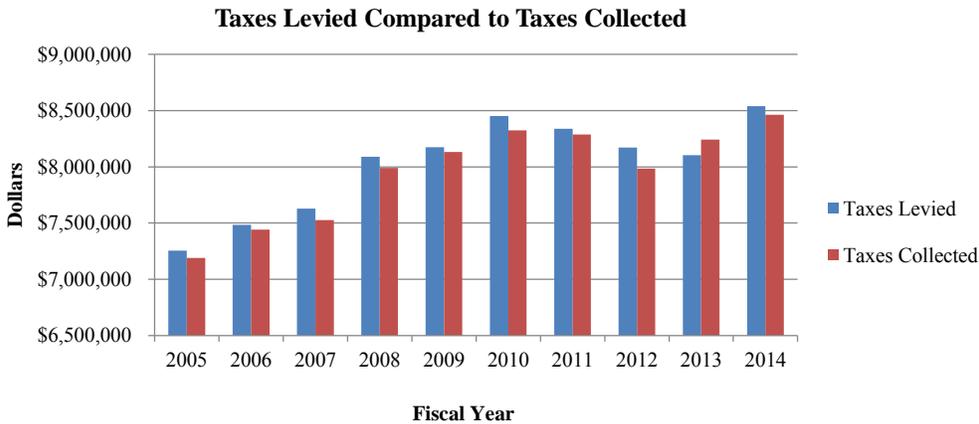
(2) The reduction in the 2007 mill levy is a temporary reduction and is the mill levy applicable to only the City of Centennial, not the General Improvement Districts.

(3) Beginning in 2008, total taxable assessed value includes the valuation of property included in the Centennial Urban Redevelopment Authority; this amount has been excluded in the City's Certification of Tax.

**TABLE 6
CITY OF CENTENNIAL, COLORADO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

(Unaudited)

Fiscal Year	Taxes Levied for Collection in the Fiscal Year ¹	Collected within the Fiscal Year of the Levy	
		Amount ²	Percentage of Levy
2005	\$ 7,255,601	\$ 7,190,345	99.101%
2006	7,483,962	7,440,169	99.415%
2007	7,628,936	7,525,978	98.650%
2008	8,088,081	7,989,318	98.779%
2009	8,172,853	8,132,734	99.509%
2010	8,450,787	8,322,818	98.486%
2011	8,339,583	8,286,203	99.360%
2012	8,172,727	7,984,301	97.694%
2013	8,104,801	8,243,117	101.707%
2014	8,538,323	8,463,100	99.119%



(1) Data obtained from Certification of Tax Levies for the General Fund and each General Improvement District; amount does not include taxes levied for collection for the Centennial Urban Redevelopment Authority as this amount represents the increment attributable to the redevelopment area and applicable tax levies.

(2) Data obtained from Table 10, Revenues by Source, Governmental Funds.

Arapahoe County is the collection agent for the City and does not provide data indicating to which levy year delinquent tax collections relate, and therefore the collection of delinquent taxes are not reported on this table. Typically less than 2% of the total taxes levied each year are delinquent. For Fiscal Year 2013, the City collected delinquent taxes at least equal to 1.707%; the exact amount of delinquent taxes collected is unknown, as this separate information is not provided by Arapahoe County.

The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the implementation of GASB Statement No. 34.

**TABLE 7
CITY OF CENTENNIAL, COLORADO**

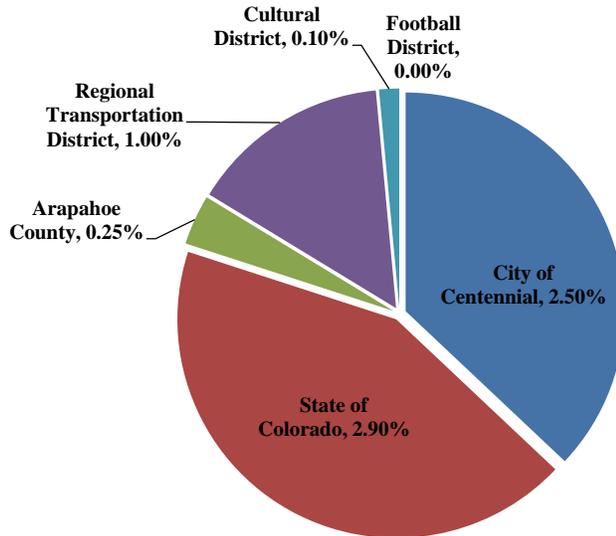
DIRECT AND OVERLAPPING SALES TAX RATES

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	City of Centennial	State of Colorado	Arapahoe County	Regional Transportation District	Cultural District	Football District	Total
2005	2.50%	2.90%	0.25%	1.00%	0.10%	0.10%	6.85%
2006	2.50%	2.90%	0.25%	1.00%	0.10%	0.10%	6.85%
2007	2.50%	2.90%	0.25%	1.00%	0.10%	0.10%	6.85%
2008	2.50%	2.90%	0.25%	1.00%	0.10%	0.10%	6.85%
2009	2.50%	2.90%	0.25%	1.00%	0.10%	0.10%	6.85%
2010	2.50%	2.90%	0.25%	1.00%	0.10%	0.10%	6.85%
2011	2.50%	2.90%	0.25%	1.00%	0.10%	0.10%	6.85%
2012	2.50%	2.90%	0.25%	1.00%	0.10%	0.10%	6.85%
2013	2.50%	2.90%	0.25%	1.00%	0.10%	0.00%	6.75%
2014	2.50%	2.90%	0.25%	1.00%	0.10%	0.00%	6.75%

Direct and Overlapping Sales Tax Rates



The information for this table was obtained from annual Colorado Municipal League (CML) Financial Condition Reports, City annual financial statements, and the Arapahoe County Finance Department. Information has been presented for all years available.

TABLE 8
CITY OF CENTENNIAL, COLORADO
GENERAL SALES TAX REVENUE, REMITTERS BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Accommodation and Food Service	Administrative Support, Waste Management and Remediation	Arts, Entertainment and Recreation	Construction	Educational Services
2005	\$ 2,666,571	\$ 148,641	\$ 6,253	\$ 94,371	\$ 37,382
2006	2,784,120	208,292	5,430	125,629	48,998
2007	2,907,889	221,959	6,277	167,805	33,423
2008	2,916,546	201,703	11,142	108,623	12,884
2009	2,710,339	128,220	13,916	185,144	29,399
2010	3,154,244	187,868	6,685	242,605	50,597
2011	3,478,385	204,754	50,884	245,183	74,579
2012	3,907,917	235,344	88,912	390,521	76,669
2013	4,393,073	243,380	98,107	303,080	35,123
2014	4,907,666	206,222	123,155	671,418	17,338

(continued)

The information for this table was obtained from the Colorado Department of Revenue.

The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the first year information is available.

	Finance and Insurance	Healthcare and Social Assistance	Information	Mining	Professional, Scientific and Technical Services
\$	187,863	\$ 75,589	\$ 1,998,341	\$ 34,362	\$ 492,929
	145,008	70,079	2,308,814	44,370	366,530
	134,518	75,176	2,430,547	44,339	400,002
	144,254	79,692	2,488,893	48,218	443,339
	129,778	66,424	1,859,609	24,562	244,087
	110,647	83,936	2,344,054	28,308	620,785
	121,119	96,535	2,498,242	30,980	639,787
	147,666	103,892	2,460,400	40,721	1,118,743
	205,453	105,989	2,623,327	43,466	883,521
	223,940	106,657	2,410,509	59,180	777,654

(continued)

**TABLE 8
CITY OF CENTENNIAL, COLORADO**

GENERAL SALES TAX REVENUE, REMITTERS BY TYPE

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Public Administration	Real Estate, Rental and Leasing	Utilities	Wholesale Trade	Other Remitters	Total
2005	\$ 23,082	\$ 594,342	\$ 918,030	\$ 527,308	\$ 9,811,966	\$ 17,617,030
2006	23,789	571,768	935,920	512,835	9,418,625	17,570,207
2007	18,038	579,290	946,226	641,626	10,129,052	18,736,167
2008	17,989	581,958	1,106,171	694,251	9,765,305	18,620,968
2009	28,195	498,303	978,302	328,524	10,768,149	17,992,951
2010	39,197	772,453	1,147,683	699,110	11,136,408	20,624,581
2011	46,140	899,378	1,193,441	809,886	17,528,451	27,917,744
2012	45,575	1,197,449	1,172,699	827,769	20,968,166	32,782,443
2013	46,894	626,742	1,294,802	1,084,729	22,581,629	34,569,315
2014	53,619	1,323,164	1,375,769	1,792,930	21,624,367	35,673,588

This information for this table was obtained from the Colorado Department of Revenue.

The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the first year information is available.



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TABLE 9
CITY OF CENTENNIAL, COLORADO
PRINCIPAL PROPERTY TAXPAYERS
2005 and 2014
(Unaudited)

<u>Taxpayer</u>	2005		
	<u>Taxable Assessed Value</u>	<u>Ranking</u>	<u>Percentage of Total City Assessed Value</u>
Crescent Real Estate Funding VIII LP	\$ 7,250,010	1	0.504%
Oppenheimer Funds LLC	7,078,900	2	0.492%
Cacade Investments LLC	6,235,000	3	0.433%
National Digital Television	5,945,010	4	0.413%
California State Teachers	5,896,790	5	0.410%
Marc-Caley LLC	5,220,010	6	0.363%
California State Teachers	5,121,980	7	0.356%
RREEF America REIT II Corporation	4,582,000	8	0.318%
FSP Highland Place I Corp	4,495,000	9	0.312%
Columbia Regency Retail Partners LLC	3,770,000	10	0.262%
Total	<u>\$ 55,594,700</u>		<u>4.539%</u>
<u>Taxpayer</u>	2014		
	<u>Taxable Assessed Value</u>	<u>Ranking</u>	<u>Percentage of Total City Assessed Value</u>
GK Peakview Tower, LLC	\$ 12,470,000	1	0.773%
IKEA Property, Inc	11,901,310	2	0.738%
Legacy III Centennial, LLC	11,890,000	3	0.737%
GS Centennial, LLC	10,355,320	4	0.642%
Cole of Centennial CO, LLC	8,120,000	5	0.503%
OFI Global Asset Management	7,830,000	6	0.485%
Southglenn Property Holdings, LLC	6,786,000	7	0.421%
National Digital Television	5,800,000	8	0.360%
Waterview I-III LLC	5,365,001	9	0.333%
Southglenn Property Holdings, LLC	5,266,400	10	0.326%
Total	<u>\$ 85,784,031</u>		<u>5.317%</u>

Information on this table was obtained from the Arapahoe County Assessor's Office; 2005 data is estimated.

Total assessed value represents values reported on Table 5, Assessed and Actual Value of Taxable Property.

Information is presented for the first year information is available

**TABLE 10
CITY OF CENTENNIAL, COLORADO**

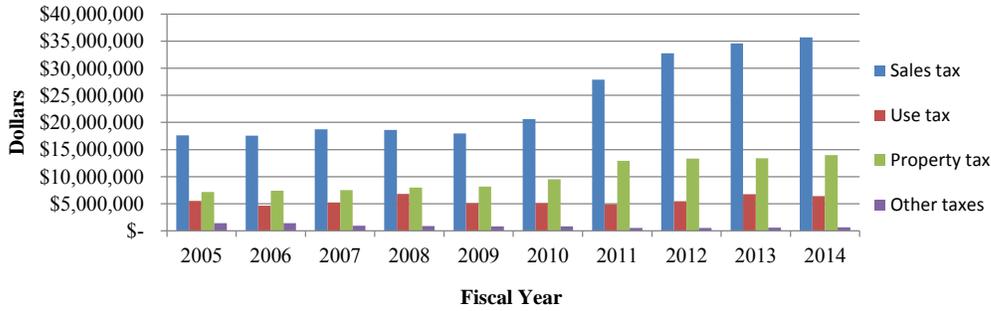
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

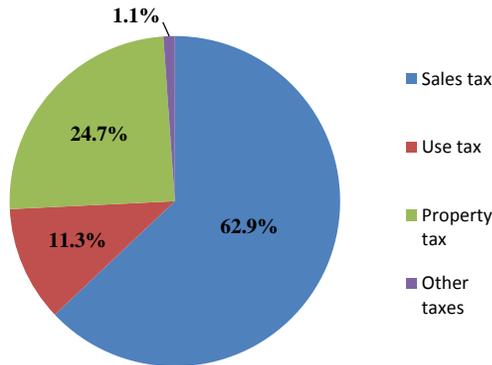
(Unaudited)

Fiscal year	Sales tax	Use tax	Property tax	Other taxes	Total
2005	\$ 17,617,030	\$ 5,527,724	\$ 7,190,345	\$ 1,381,243	\$ 31,716,342
2006	17,570,207	4,642,760	7,418,809	1,409,224	31,041,000
2007	18,736,167	5,231,628	7,525,978	964,459	32,458,232
2008	18,620,968	6,787,422	7,989,318	890,664	34,288,372
2009	17,992,951	5,086,410	8,132,734	819,445	32,031,540
2010	20,624,581	5,125,433	9,506,280	797,403	36,053,697
2011	27,917,744	4,855,962	12,930,171	519,284	46,223,161
2012	32,782,443	5,461,377	13,301,715	539,677	52,085,212
2013	34,569,315	6,734,708	13,391,623	586,360	55,282,006
2014	35,673,588	6,403,126	13,976,189	628,585	56,681,488

Tax Revenues By Source



2014 Tax Revenues by Source



The information for this table was obtained from the Statement of Revenue, Expenditures and Changes in Fund Balances.

The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year and correspond with the implementation of GASB Statement No. 34.

**TABLE 11
CITY OF CENTENNIAL, COLORADO**

**RATIOS OF:
OUTSTANDING DEBT BY TYPE,
OUTSTANDING GENERAL BONDED DEBT
AND LEGAL DEBT MARGIN**

LAST TEN FISCAL YEARS

(Unaudited)

	Fiscal Year		
	2005	2006	2007
Outstanding debt by type			
Governmental activities			
General obligation bonds	\$ -	\$ 3,050,000	\$ 3,035,000
Total Primary Government outstanding debt	\$ -	\$ 3,050,000	\$ 3,035,000
Percentage of personal income ¹	0.0%	0.1%	0.1%
Per capita ¹	\$ -	\$ 30	\$ 31
Outstanding general bonded debt			
General obligation bonds	\$ -	\$ 3,050,000	\$ 3,035,000
Percentage of personal income ¹	0.0%	0.1%	0.1%
Per capita ¹	\$ -	\$ 30	\$ 31
Legal debt margin			
Debt limit ²	\$ 365,600,708	\$ 367,544,453	\$ 393,997,756
Total net debt applicable to limit	-	3,050,000	3,035,000
Legal debt margin	\$ 365,600,708	\$ 364,494,453	\$ 390,962,756
Legal debt margin as a percentage of the debt limit	100.0%	99.2%	99.2%

¹ Refer to Table 13, Demographic and Economic Statistics for personal income and population.

² State statutes limit the City's outstanding general debt to no more than 3% of actual property values.

Beginning in 2008, the City was no longer subject to the 3% statutory limitation as the City became home rule. Article XII of the City's Home Rule Charter does not provide a limit on bonded indebtedness; rather, it is left to the discretion of the City Council subject to the constitutional requirements of TABOR or other constitutional provisions.

The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the implementation of GASB Statement No. 34.

Demographic and economic statistical data was not available for this report from sources consistent with those in the prior years. Although the City believes demographic and economic statistics have remained relatively consistent with the prior years, "NA" or "Not Applicable" has been reported here as the actual data is not available.

General obligation bond debt reported on this Table represents the debt of Antelope General Improvement District.

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
\$ 2,980,000	\$ 2,920,000	\$ 2,860,000	\$ 2,795,000	\$ 2,730,000	\$ 2,660,000	\$ 2,590,000
\$ 2,980,000	\$ 2,920,000	\$ 2,860,000	\$ 2,795,000	\$ 2,730,000	\$ 2,660,000	\$ 2,590,000
NA	NA	0.1%	NA	0.1%	0.1%	0.1%
NA	NA	\$ 28	NA	\$ 27	\$ 26	\$ 24
\$ 2,980,000	\$ 2,920,000	\$ 2,860,000	\$ 2,795,000	\$ 2,730,000	\$ 2,660,000	\$ 2,590,000
NA	NA	0.1%	NA	0.1%	0.1%	0.1%
NA	NA	\$ 28	NA	\$ 27	\$ 26	\$ 24
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

TABLE 12
CITY OF CENTENNIAL, COLORADO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2014

(Unaudited)

Governmental Unit	General Obligation Debt Outstanding	Estimated Percentage Applicable¹	Estimated Share of Overlapping Debt
Arapahoe Estates Water District	\$ 288,631	100.00%	\$ 288,631
Arapahoe Water and Wastewater Authority	149,251,383	40.91%	61,058,741
Centennial 25 Metropolitan District	630,000	100.00%	630,000
Cherry Creek School District No. 5	495,520,000	16.77%	83,098,704
Dove Valley Metropolitan District	47,910,000	42.14%	20,189,274
East Smoky Hill Metropolitan District 1	3,765,000	26.70%	1,005,255
East Smoky Hill Metropolitan District 2	6,965,000	0.06%	4,179
East Valley Metropolitan District	414,117	100.00%	414,117
Estancia Metropolitan District	4,110,000	100.00%	4,110,000
Goodman Metropolitan District	3,145,000	0.47%	14,782
Havana Water and Sanitation District	3,860,000	8.51%	328,486
Heritage Greens Metropolitan District	3,270,000	100.00%	3,270,000
Inverness Metropolitan Improvement District	4,660,000	0.98%	45,668
Inverness Water & Sanitation District	14,565,000	0.65%	94,673
Littleton Public Schools	129,545,000	36.24%	46,947,108
Liverpool Metropolitan District	3,035,000	61.93%	1,879,576
Panorama Metropolitan District	5,695,000	64.67%	3,682,957
Parker Jordan Metropolitan District	13,590,000	51.38%	6,982,542
Piney Creek Village Metropolitan District	6,070,000	100.00%	6,070,000
Saddle Rock South Metropolitan District	14,865,000	0.21%	31,217
South Suburban Recreation Park District	15,715,000	37.92%	5,959,128
Southeast Public Improvement Metropolitan District	3,330,000	39.63%	1,319,679
Southglenn Metropolitan District	79,000,000	100.00%	79,000,000
Valley Club Pointe Metropolitan District	6,072,921	100.00%	6,072,921
Subtotal Overlapping Debt	<u>\$ 1,015,272,052</u>		<u>\$ 332,497,635</u>
Antelope Water System Improvement District	2,590,000	100.00%	2,590,000
Subtotal Direct Debt	<u>\$ 2,590,000</u>		<u>\$ 2,590,000</u>
Total Direct and Overlapping Debt	<u><u>\$ 1,017,862,052</u></u>		<u><u>\$ 335,087,635</u></u>

(1) The stated percentage represents the amount of the governmental unit which lies within the boundaries of the City. These percentages were provided by each of the governmental units.

The information for this table was primarily obtained from each governmental unit.

**TABLE 13
CITY OF CENTENNIAL, COLORADO**

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	Population¹	Personal Income	Per Capita Personal Income²	Median Age³	High School Graduation Rates⁴	Unemployment Rate⁵
2005	100,463	\$ 4,723,067,019	\$ 47,013	35.6	85.49%	5.20%
2006	100,309	4,961,082,522	49,458	35.9	78.18%	4.30%
2007	98,826	4,887,736,308	49,458	36.2	78.13%	3.80%
2008	** NA	NA	NA	NA	NA	NA
2009	** NA	NA	NA	NA	NA	NA
2010	100,377	3,878,968,788	38,644	40.5	95.60%	4.80%
2011	** NA	NA	NA	NA	NA	NA
2012	102,603	4,171,222,362	40,654	40.5	96.80%	7.00%
2013	103,743	4,227,734,736	40,752	40.5	96.60%	6.50%
2014	106,114	4,384,948,822	41,323	41.1	88.60%	4.00%

(1) 2003-2005 data was obtained from Colorado Municipal League (CML) reports; 2006-2007 data was obtained from the Denver Regional Council of Governments (DRCOG). 2010-2012 data was obtained from the U.S. Census Bureau.

(2) Data was obtained from the Colorado Department of Labor and Employment and is county-wide (Arapahoe County). 2007 Per Capita Personal Income is carry-over from 2006 as current data was not available at the time of this report. 2010-2012 data was obtained from the U.S. Census Bureau.

(3) Data obtained from the Department of Local Government (DOLA) website and is county-wide (Arapahoe County). 2010 - 2012 data was obtained from the U.S. Census Bureau.

(4) Data is based upon Colorado Department of Education and is county-wide (Arapahoe County). Graduation rate calculation modified beginning in 2006. 2010 data was calculated based on information from Applied Geographic Solutions. 2012 data was obtained from the U.S. Census Bureau. 2014 data was calculated based on graduation information from Colorado Department of Education.

(5) Data represents the Unemployment Rate for Arapahoe County and is based on information from the Colorado Department of Labor and Employment. 2010 data was obtained from Applied Geographic Solutions. 2012 and 2013 data was obtained from the Bureau of Labor Statistics.

** Demographic and economic statistical data was not available for this report from sources consistent with those in the prior years. Although the City believes demographic and economic statistics have remained relatively consistent with the prior years, "NA" or "Not Applicable" has been reported here as the actual data is not available.

**TABLE 14
CITY OF CENTENNIAL, COLORADO**

PRINCIPAL EMPLOYERS

2014 and 2005

(Unaudited)

<u>Top Ten Employers</u>	<u>2014 Rank</u>	<u>Top Ten Employers</u>	<u>2005 Rank</u>
Oppenheimer Management Corporation	1	Oppenheimer Management Corporation	1
Comcast (formerly Mediaone Group, Inc)	2	US Foodservice, Incorporated	2
United Launch Alliance	3	Citicorp Diners Club, Incorporated	3
Pearson eCollege	4	Charles Schwab & Company, Incorporated	4
Connexions, Inc	5	Galileo International, Incorporated	5
US Foodservice, Inc.	6	Mediaone Group, Incorporated	6
Saunders Construction	7	American Family Mutual Insurance Company	7
AlloSource	8	McGraw Hill Incorporated	8
National CineMedia	9	Nationwide Mutual Insurance	9
IKEA Centennial	10	First Tennessee Bank	10
<u>Employees by NAICS Industries</u>	<u>Total Employees</u>	<u>Employees by NAICS Industries</u>	<u>Total Employees</u>
Finance and Insurance, and Real Estate, and Rental and Leasing	6,292	Finance and Insurance, and Real Estate, and Rental and Leasing	9,517
Professional, Scientific, and Management, and Administrative, and Waste Management Services	8,703	Professional, Scientific, and Management, and Administrative, and Waste Management Services	9,782
Construction	2,548	Construction	4,467
Retail Trade	5,986	Retail Trade	5,821
Educational Services, and Health Care, and Social Assistance	10,979	Educational Services, and Health Care, and Social Assistance	5,814
Arts, Entertainment, and Recreation, and Accommodation, and Food Services	3,880	Arts, Entertainment, and Recreation, and Accommodation, and Food Services	3,962
Wholesale Trade	1,950	Wholesale Trade	3,332
Information	2,385	Information	3,014
Other Services (except Public Administration)	2,576	Other Services (except Public Administration)	1,292
Public Administration	1,612	Public Administration	1,119
Manufacturing	3,372	Manufacturing	1,264
Transportation and Warehousing, and Utilities	2,246	Transportation and Warehousing, and Utilities	504
Agriculture, Forestry, Fishing and Hunting, Mining	612	Agriculture, Forestry, Fishing and Hunting, Mining	166
Total	<u>53,141</u>	Total	<u>50,054</u>

The classification codes are obtained from the North American Industry Classification System (NAICS).

The information for this table was partially obtained from the U.S. Census Bureau (2013 Employees by NAICS Industries). The total number of employees for each of the employers listed above is not available.

TABLE 15
CITY OF CENTENNIAL, COLORADO
FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government	5.0	5.0	8.0	12.0	13.5	12.5	10.0	13.5	17.3	25.3
Community services	10.0	11.0	11.0	5.0	5.0	6.0	5.0	5.5	4.5	3.0
Finance & administration	12.0	12.0	13.0	13.0	13.0	16.0	17.0	13.5	15.0	17.5
Planning & development	0.0	1.0	9.0	15.5	14.0	14.0	13.0	9.0	8.5	5.0
City infrastructure	0.0	0.0	0.0	1.0	1.5	1.5	5.0	5.0	3.0	3.5
Total	<u>27.0</u>	<u>29.0</u>	<u>41.0</u>	<u>46.5</u>	<u>47.0</u>	<u>50.0</u>	<u>50.0</u>	<u>46.5</u>	<u>48.3</u>	<u>54.3</u>

The information for this table was obtained from the City's Finance Department.

The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the implementation of GASB Statement No. 34.

TABLE 16
CITY OF CENTENNIAL, COLORADO
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

(Unaudited)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Recreation ⁽¹⁾										
Cultural arts facility	-	-	-	-	-	-	-	-	-	-
Acres of developed park	-	-	-	-	-	-	-	17.12	17.12	17.12
Acres of open space parks	-	-	-	-	-	-	-	54.62	54.62	54.62
Miles of trails	-	-	-	-	-	-	-	-	-	-
Police ⁽²⁾										
Patrol and investigations vehicles	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Police motorcycles	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Public Works ⁽³⁾										
Maintenance facility	-	-	-	-	-	-	-	-	1	1
Miles of streets	408	408	408	408	412	412	412	418	417	428
Number of street lights	3,626	3,642	3,711	3,979	3,987	3,992	4,057	4,042	4,043	4,222
Number of fleet vehicles	2	2	6	6	6	6	6	6	6	6
Number of equipment pieces in the fleet	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(1) Prior to 2012 all parks and recreation services, including assets, were provided through the South Suburban Parks & Recreation (SSPRD) District and the Arapahoe Park and Recreation District (APRD). While SSPRD and APRD still provide these services, the City's has begun to purchase its own infrastructure for recreation purposes.

(2) Law Enforcement services, including assets, are provided by the Arapahoe County Sheriffs Office through an Intergovernmental Agreement.

(3) Public Works services, including assets, are provided by the Arapahoe County Public Works Department through an Intergovernmental Agreement (through June, 2008) and by CH2MHill OMI (beginning July 1, 2009). Therefore, the number of fleet vehicles reported represents only those fleet vehicles belonging to the City, and does not include any equipment pieces in the fleet as these assets are owned by the City's service provider. The number of fleet vehicles reported here are used for all City purposes.

The information for this table was obtained from the City's Public Works Department.

The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the implementation of GASB Statement No. 34.



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TABLE 17
CITY OF CENTENNIAL, COLORADO
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year		
	2005	2006	2007
General Government			
Administrative Services			
Citations processed	14,493	14,506	17,837
Employment applications processed	637	709	771
New hires processed	15	13	23
Computer service requests	NA	185	265
Finance			
Accounts payable checks issued ⁽¹⁾	1,270	1,567	1,795
Purchasing card transactions	287	296	381
Payroll checks/direct deposits processed ⁽⁷⁾	NA	NA	NA
Sales/use tax accounts ⁽²⁾	3,807	4,322	3,597
Tax audits conducted and completed	NA	NA	NA
City Management			
Ordinances and resolutions approved by City Council	119	139	160
Citizen surveys received	NA	NA	2
Community Development			
Building permits issued	4,827	3,866	4,329
Building inspections performed	13,683	11,639	13,048
Code enforcement cases ⁽³⁾	645	762	1,504
Public Safety			
Calls for service	49,371	48,931	48,876
Average response time to Priority 1 calls ⁽⁴⁾	6.4	6.5	6.6
Hours spent on proactive patrol ⁽⁵⁾	4.4	4.4	4.2
Total arrests	4,620	4,936	4,903
Public Works			
Vehicles in fleet	2	2	6
Turf areas repaired with sod or seed	-	-	-
Athletic field inspections	-	-	-
Lane miles receiving snow & ice control maintenance ⁽⁶⁾	130,014	89,163	171,042
Lane miles swept	7,364	7,287	5,562

(1) The number of checks issued is based upon the number of check stock used during the calendar year.

(2) The number of Sales and Use tax accounts is based upon vendors actively filing sales tax returns.

(3) The number of cases includes code enforcement of residential and commercial properties, and does not include the total number of violations, inspections, or right-of-way sign removal.

(4) The response time is in the number of minutes.

(5) The number of hours is based upon the average daily hours on patrol per Deputy.

(6) The number of lane miles receiving snow & ice control maintenance is based upon the total number of miles driven. During 2008, the City's snow routes did not change from prior years, rather the City changed snow removal providers.

(7) The number of payroll checks/direct deposits processed is not applicable as the City utilizes an outside payroll provider. The City generally processes a total of 38 payroll wire transfers per year.

The information for this table was obtained from the following City departments/divisions/ offices: Municipal Court, Human Resources, Information Technology, Finance, City Clerk, Building, Public Safety, Code Enforcement and Public Works.

The City of Centennial incorporated during 2001. Statistical information is presented from 2005 through the current year to correspond with the implementation of GASB Statement No. 34.

Fiscal Year						
2008	2009	2010	2011	2012	2013	2014
20,694	21,405	19,372	19,654	18,645	18,794	17,559
764	1,906	2,172	1,040	950	907	1,185
22	16.5	9.0	9.0	12.0	13.0	17.0
529	1,710	1,856	1,250	1,175	1,467	2,146
1,951	2,067	2,131	2,207	2,545	2,928	3,052
680	706	812	1,050	1,148	1,105	1,309
NA	NA	NA	NA	NA	NA	NA
2,783	2,922	3,245	3,618	3,855	4,033	4,254
NA	1	115	91	113	70	64
146	113	119	131	108	133	121
-	-	1	1	1	-	-
4,031	7,592	6,490	5,151	7,256	5,582	8,649
13,187	14,646	14,600	14,745	15,454	15,859	26,894
2,085	3,581	3,264	2,756	1,539	1,011	922
46,652	44,770	44,318	45,360	46,086	45,541	48,740
10.0	10.0	10.0	8.6	6.3	4.9	4.4
3.7	3.6	3.6	3.6	1.5	1.3	4.6
3,525	3,490	3,027	3,025	2,572	2,300	2,364
6	6	6	6	6	6	6
-	-	-	-	-	-	-
-	-	-	-	-	-	-
41,756	73,009	43,238	66,828	34,584	56,658	55,610
8,467	7,216	4,415	5,811	7,579	8,929	11,122



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Compliance Section



Compliance Section

COMPLIANCE SECTION OVERVIEW

SINGLE AUDIT

Schedule of Expenditures of Federal Awards, which is required for all state and local governments with more than \$500,000 of federal expenditures.

OTHER REPORTS

Local Highway Finance Report, which is an annual statement of receipts and expenditures required to be submitted annually to the Colorado Department of Transportation as part of the mileage certification process.



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Honorable Mayor and Members of the City Council
City of Centennial
Centennial, Colorado

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Centennial as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Centennial, and have issued our report thereon dated May 13, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Centennial's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Centennial's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Centennial's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City of Centennial's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the City of Centennial's internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Centennial's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Centennial's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Centennial's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



May 13, 2015



Honorable Mayor and Members of the City Council
City of Centennial
Centennial, Colorado

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE,
AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

Report on Compliance for Each Major Federal Program

We have audited the City of Centennial's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Centennial's major federal programs for the year ended December 31, 2014. The City of Centennial's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Centennial's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Centennial's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Centennial's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Centennial complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the City of Centennial is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Centennial's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Centennial's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the City of Centennial's internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Centennial as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Centennial. We issued our report thereon dated May 13, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Centennial's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



May 13, 2015

CITY OF CENTENNIAL, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2014

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unmodified

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted?

yes no

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

Type of auditors' report issued on compliance for major federal programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

yes no

Identification of major federal program:

20.205 Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?

yes no

Financial Statement Findings

The audit of the financial statements did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose fraud, violations of provisions of contracts and grant agreements, or abuse that were material to those financial statements.

Federal Awards Findings and Questioned Costs

The audit of federal awards did not disclose significant deficiencies in internal control that would be considered material weaknesses, and did not disclose instances of noncompliance or abuse that were material to those federal awards.

CITY OF CENTENNIAL, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2014

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Transportation Passed through Colorado Department of Transportation Highway Planning and Construction	20.205	\$ 412,198
U.S. Department of Housing and Urban Development Passed through Arapahoe County, Colorado Community Development Block Grant	14.218	<u>258,321</u>
Total Expenditures of Federal Awards		<u><u>\$ 670,519</u></u>

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2014

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, using the accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Centennial
	YEAR ENDING : December 2014

This Information From The Records Of (example - City of _ or County of _) Prepared By: Linda Gregory
Phone: 303-754-3368

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	3,376,697
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	13,381,935
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	977,270
2. General fund appropriations	7,047,972	b. Snow and ice removal	521,831
3. Other local imposts (from page 2)	8,483,835	c. Other	0
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	1,499,101
5. Transfers from toll facilities		4. General administration & miscellaneous	1,939,449
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,459,746
a. Bonds - Original Issues		6. Total (1 through 5)	21,656,928
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	15,531,807	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	5,578,809	2. Notes:	
D. Receipts from Federal Government (from page 2)	546,312	a. Interest	
E. Total receipts (A.7 + B + C + D)	21,656,928	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	21,656,928

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		21,656,928	21,656,928		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2014

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,800,000	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	325,270	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	5,358,565	g. Other Misc. Receipts	
6. Total (1. through 5.)	8,483,835	h. Other	0
c. Total (a. + b.)	8,483,835	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	5,040,835	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	537,974	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	546,312
f. Total (a. through e.)	537,974	g. Total (a. through f.)	546,312
4. Total (1. + 2. + 3.f)	5,578,809	3. Total (1. + 2.g)	
			(Carry forward to page 1)

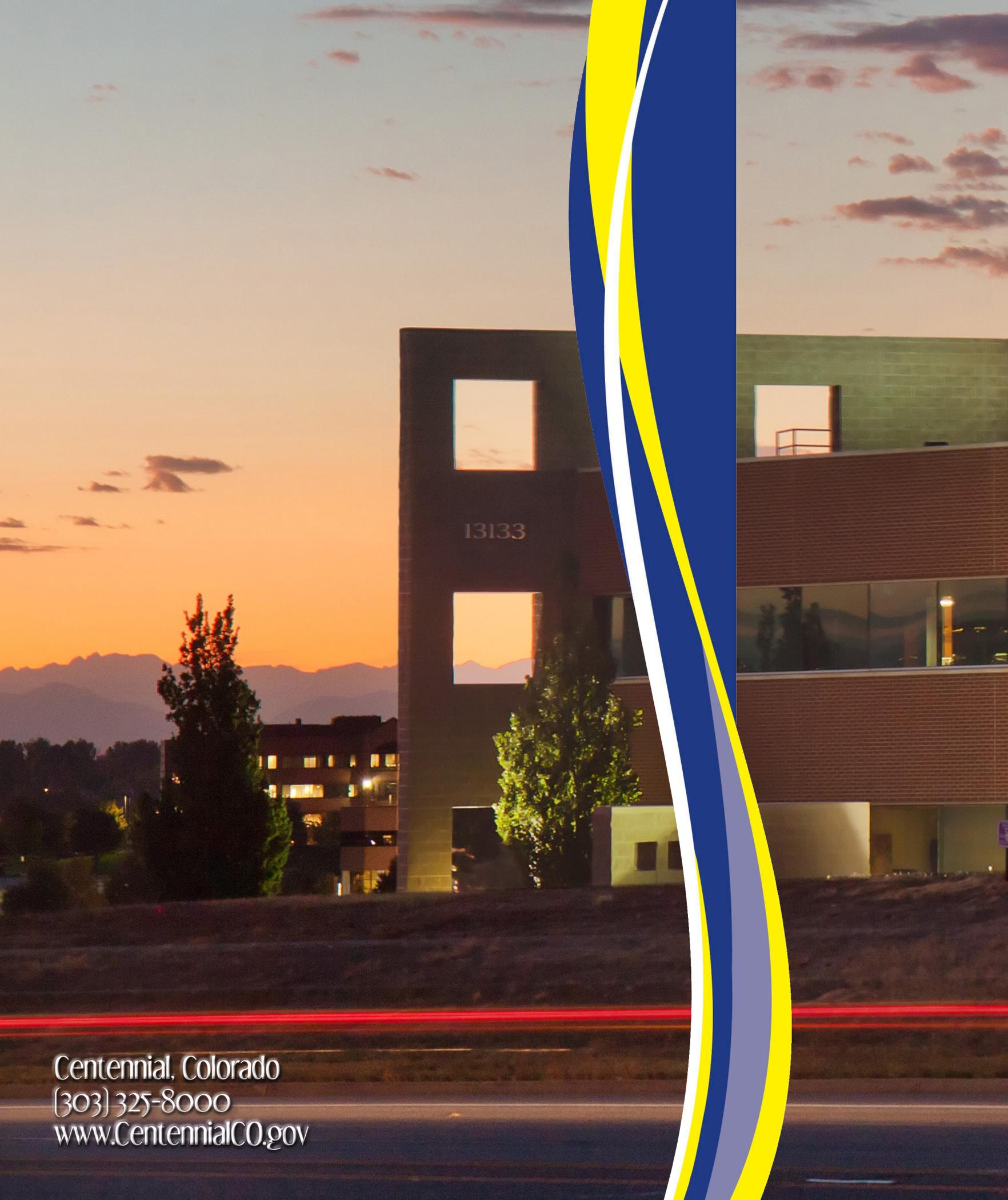
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		1,163,982	1,163,982
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		1,460,571	1,460,571
(3). System Preservation		3,922	3,922
(4). System Enhancement & Operation		748,222	748,222
(5). Total Construction (1) + (2) + (3) + (4)	0	2,212,715	2,212,715
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	3,376,697	3,376,697
			(Carry forward to page 1)

Notes and Comments:



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Centennial, Colorado
(303) 325-8000
www.CentennialCO.gov