

2020

COMPREHENSIVE ANNUAL FINANCIAL REPORT for the year ended December 31, 2020



CITY OF CENTENNIAL

centennialco.gov | 303.325.8000

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF CENTENNIAL, COLORADO



For The Year Ended
December 31, 2020

Prepared by:
Finance Department

CITY OF CENTENNIAL, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended December 31, 2020

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INTRODUCTORY SECTION





June 25, 2021

Honorable Mayor Stephanie Piko
Members of the City Council, and
Citizens of Centennial, Colorado

TRANSMITTAL LETTER

Formal Transmittal

The Comprehensive Annual Financial Report (“Annual Report”) of the City of Centennial, Colorado for the fiscal year ended December 31, 2020 is 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 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 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 and 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 Annual Report includes all financial activities for which the City Council is accountable to the citizens of the City, either by Charter or statute. All 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 in the Annual Report. 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 Rubin Brown, LLC audited the City’s financial statements for the year ended December 31, 2019; the resulting Independent Auditors’ Report is presented on Page 1 of this report.

Consistent with the prior year, this year’s financial report reflects the implementation of the Governmental Accounting Standards Board’s Statement Number 34 (“GASB 34”). This implementation provides better presentation and 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 Management's Discussion and Analysis ("MD&A"). This letter of transmittal complements 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 assesses and maintains effective internal controls over the accounting function and financial reporting. The City's internal controls over financial reporting provide reasonable assurance regarding the reliability of financial reporting and preparing financial statements for external purposes under 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. The City's internal controls adequately safeguard assets and provide reasonable assurance for the proper recording and reporting of financial transactions materially.

Policy updates and initiatives

The City Council approved a new Special Revenue Fund, the 'Street Fund', in 2020, for the purpose of accounting for street related revenues and expenditures within a single fund. This not only improves reporting for one of the City's largest and important service areas, but it also enhances communication to financial statement users regarding total street resources and costs. This fund accounts for transportation and street system-restricted revenues such as Motor Vehicle Use Taxes and state distributions of the Highway Users' Tax Fund (HUTF). It also accounts for street infrastructure operating and capital costs such as traffic signalization, street re-surfacing, sidewalks and street lights.

In 2020, the City Council also created a new Fiduciary Fund, the 'Custodial Fund', in response to the Governmental Accounting Standards Board Statement 84, Fiduciary Activities. The Custodial Fund accounts for the fiduciary activities not held in trust or an equivalent arrangement that meets specific criteria. Fiduciary funds are used to account for resources held for the benefit of outside parties of the government. Fiduciary funds are not reflected in the government-wide statements as the resources contained are not available to support the City of Centennial's own programs.

One major revenue source received in 2020 was \$10.4 million in Coronavirus Aid, Relief, and Economic Security Act (CARES) from the U.S. Treasury in response to the international pandemic. The City was a sub-recipient and receives funds via a reimbursement process established through an intergovernmental agreement with Arapahoe County. The City Council established several community grant programs to help local businesses, non-profits, and senior housing programs, of which 94% of the CARES funds supported. The CARES funds and expenditures were accounted for in the City's General Fund.

Also in 2020, two large construction projects began, affecting two General Improvement Districts, Willow Creek and Foxridge, as these districts are blended component units and are shown in the City's financial statements due to the City Council acting as the district boards. Foxridge property owners voted to approve a property tax levy to spend \$1,955,000 for a fence replacement project. General Obligation Bonds were issued in September to fund this project.

The Willow Creek district owners voted to spend \$4,340,000 to construct perimeter fencing, also using General Obligation Bonds to fund the project. The construction in progress and ensuing capital assets will be accounted for in the City's government-wide financial statements, Statement of Net Position.

Local Employment Activity

A Note on COVID-19

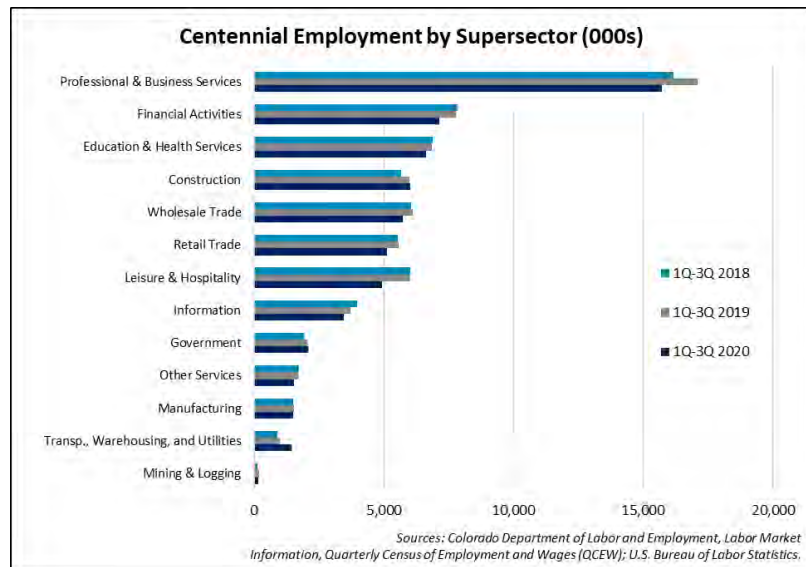
The COVID-19 pandemic, which was declared on March 11, 2020 by the World Health Organization, continues to affect every aspect of economic life throughout the world. Economic conditions deteriorated rapidly starting at the end of March 2020 and recessionary trends have continued to the present. While restrictive measures on business operations have begun to ease in certain industries and locations, the pandemic continues to challenge employment activity. The employment data presented in this report is through the third quarter of 2020. As such, the data reflects the significant impacts of the COVID Recession.

Total Employment

As annual 2020 data is not yet available, this report examines the employment data for the first three quarters of 2018, 2019, and 2020 so that like periods of time may be analyzed. For simplicity, these data periods may be referred to as 2018, 2019, and 2020, respectively.

- Businesses in Centennial employed an average of 61,553 people in 2020, a 6.2 percent decrease from 2019. Between 2018 and 2019, employment rose 2 percent. Employment in Metro Denver averaged over 1.6 million in 2020, a decrease of 4.6 percent from 2019.

Employment increased 2.4 percent between 2018 and 2019.



- In Centennial, ten of the 13 supersectors posted decreases from 2019 to 2020, compared with nine supersectors that reported increases from 2018 to 2019.
- The three largest employment supersectors in Centennial throughout the three-year period were professional and business services, financial activities, and education and health services.¹ These supersectors represented 48 percent of total employment in Centennial. The professional and business services supersector was also the largest supersector in Metro Denver.

¹ A detailed list of the types of companies found within each North American Industry Classification System (NAICS) sector may be found at <https://www.census.gov/naics/>.

- Professional and business services increased 5.6 percent in 2019 but decreased 7.9 percent in 2020, rising by 901 employees before falling by 1,348 employees. Financial activities, the second largest supersector, contracted by 1.1 percent in 2019 and 8.2 percent in 2020, resulting in 723 fewer employees over the two years. Education and health services employment declined 0.6 percent in 2019 and 3.1 percent in 2020, resulting in a decrease of 248 employees during the period.
- Professional and business services added the most jobs between 2018 and 2019, while transportation, warehousing, and utilities added the most jobs between 2019 and 2020, increasing by 448 positions. Mining and logging in Centennial recorded the largest over-the-year percentage decline of 20.9 percent, followed by leisure and hospitality (-17.7 percent) and other services (-9.3 percent).
- Twelve of the 13 supersectors in Metro Denver reported increases in employment between 2018 and 2019, whereas employment increased in only two of the supersectors from 2019 to 2020. Like Centennial, transportation, warehousing, and utilities reported the largest percentage increase of 5.9 percent from 2019 to 2020, followed by information (+0.9 percent).

Employment Indicators by Supersector

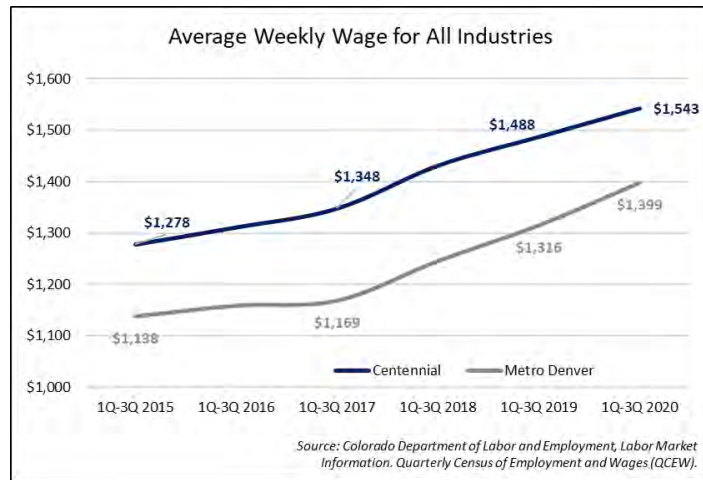
	Centennial					Metro Denver	
	Employment			% Change		% Change	
	1Q-3Q 2018	1Q-3Q 2019	1Q-3Q 2020	% Change 2018-19	% Change 2019-20	% Change 2018-19	% Change 2019-20
Total All Industries	64,360	65,629	61,553	2.0%	-6.2%	2.4%	-4.6%
Private Sector							
Mining & Logging	132	191	151	44.5%	-20.9%	8.5%	-11.0%
Construction	5,656	5,994	6,027	6.0%	0.5%	2.8%	-1.1%
Manufacturing	1,507	1,541	1,522	2.3%	-1.3%	1.9%	-1.7%
Wholesale Trade	6,055	6,105	5,731	0.8%	-6.1%	1.4%	-1.5%
Retail Trade	5,527	5,572	5,124	0.8%	-8.0%	-0.4%	-6.0%
Transp., Warehousing & Utilities	911	1,014	1,462	11.4%	44.2%	8.6%	5.9%
Information	3,981	3,734	3,449	-6.2%	-7.6%	1.5%	0.9%
Financial Activities	7,858	7,775	7,135	-1.1%	-8.2%	1.4%	-1.3%
Professional & Business Services	16,181	17,081	15,734	5.6%	-7.9%	3.7%	-2.1%
Education & Health Services	6,881	6,843	6,633	-0.6%	-3.1%	1.8%	-4.4%
Leisure & Hospitality	6,012	6,016	4,948	0.1%	-17.7%	1.8%	-22.1%
Other Services	1,721	1,692	1,535	-1.7%	-9.3%	2.0%	-9.7%
Government	1,924	2,055	2,093	6.8%	1.8%	2.5%	-1.4%

Note: Industry data may not add to all-industry total due to rounding, suppressed data, and employment that cannot be assigned to an industry.

Source: Colorado Department of Labor and Employment, Labor Market Information. Quarterly Census of Employment and Wages.

Average Wage

- Centennial's average weekly wage for all industries was \$1,543 in 2020, an increase of 3.7 percent compared with the 2019 average wage of \$1,488. The 2020 average weekly wage was 10.3 percent higher than the average weekly wage of Metro Denver, representing an additional \$144 per week.
- In 2019 and 2020, the highest average weekly wage in Centennial was in the information supersector (\$2,277 per week in 2020) while the lowest was in the leisure and hospitality supersector (\$463 per week in 2020).
- Nine of the 13 supersectors in Centennial recorded increases in the average weekly wage between 2019 and 2020. The professional and business services supersector reported the largest increase, rising 9.2 percent during the period, followed by retail trade (+8.9 percent) and government (+8.1 percent). The transportation, warehousing, and utilities supersector reported the largest over-the-year decrease of 15 percent, followed by mining and logging (-11.2 percent) and wholesale trade (-4 percent).



Centennial Business Counts and Average Wage by Supersector

	Business Count					Average Annual Wage				
	1Q-3Q 2018	1Q-3Q 2019	1Q-3Q 2020	% Change 2018-19	% Change 2019-20	1Q-3Q 2018	1Q-3Q 2019	1Q-3Q 2020	Change 2018-19	Change 2019-20
Total All Industries	5,008	5,115	5,224	2.1%	2.1%	\$1,432	\$1,488	\$1,543	3.9%	3.7%
Private Sector										
Mining & Logging	32	26	24	-18.8%	-7.7%	\$3,162	\$2,231	\$1,982	-29.4%	-11.2%
Construction	426	437	440	2.5%	0.6%	\$1,509	\$1,502	\$1,493	-0.4%	-0.6%
Manufacturing	90	93	92	3.3%	-1.1%	\$1,486	\$1,548	\$1,606	4.1%	3.8%
Wholesale Trade	447	454	448	1.6%	-1.3%	\$2,075	\$2,159	\$2,072	4.0%	-4.0%
Retail Trade	278	268	262	-3.5%	-2.5%	\$795	\$847	\$923	6.5%	8.9%
Transp., Warehousing & Utilities	63	65	71	3.7%	9.2%	\$924	\$893	\$759	-3.3%	-15.0%
Information	129	138	145	6.4%	5.1%	\$1,999	\$2,248	\$2,277	12.4%	1.3%
Financial Activities	770	788	815	2.3%	3.4%	\$1,806	\$1,917	\$1,927	6.1%	0.5%
Professional & Business Services	1,574	1,624	1,677	3.2%	3.3%	\$1,685	\$1,706	\$1,863	1.3%	9.2%
Education & Health Services	561	568	592	1.2%	4.2%	\$1,024	\$1,057	\$1,123	3.2%	6.2%
Leisure & Hospitality	280	289	282	3.2%	-2.3%	\$420	\$446	\$463	6.2%	3.9%
Other Services	338	348	362	3.1%	3.9%	\$885	\$921	\$975	4.1%	5.9%
Government	15	15	15	2.2%	-2.2%	\$1,376	\$1,490	\$1,610	8.3%	8.1%

Note: Industry data may not add to all-industry total due to rounding, suppressed data, and employment that cannot be assigned to an industry.
Source: Colorado Department of Labor and Employment, Labor Market Information, Quarterly Census of Employment and Wages (QCEW).

Business Counts

- Centennial added 109 businesses between 2019 and 2020, increasing to 5,224 businesses, a 2.1 percent increase. The number of businesses increased at the same 2.1 percent rate from 2018 to 2019 as the city added 107 businesses.
- Seven of the 13 supersectors recorded an increase in the number of businesses between 2019 and 2020, with the transportation, warehousing, and utilities supersector recording the largest percentage increase of 9.2 percent (6 businesses). The number of businesses in 11 of the 13

supersectors increased between 2018 and 2019, led by a 50-business increase in professional and business services.

- Retail trade and leisure and hospitality each lost 7 businesses between 2019 and 2020, the largest contractions during the period. Professional and business services added the most new businesses during the period (53 businesses), followed by financial activities (27 businesses) and education and health services (24 businesses).

Largest Employers in Centennial

The largest employers in Centennial represent a diverse mix of industries. Isolating the largest employers to just the city's primary employers (that is, excluding retail operations), these industries range from financial services to construction and engineering to high technology industries such as telecommunications, bioscience, and computer systems.

DRAFT

Centennial Largest Employers List - Private Non-Retail

Rank	Company	Product/Service	Employment
1	Comcast	Telecommunications	3,570
2	UnitedHealthcare	Insurance	2,770
3	Arrow Electronics	Electronic component wholesaler	1,880
4	Centura Health	Healthcare	1,740
5	United Launch Alliance (ULA)	Space launch systems	1,290
6	The Travelers Indemnity Company	Insurance	890
7	Sierra Nevada Corporation	Aerospace systems	730
8	RingCentral	Telecommunications	650
9	Standard & Poor's (McGraw-Hill Companies)	Business support services	620
10	Nordstrom	Credit card and corporate services	600
11	SEAKR Engineering	Engineering services	530
12	Amazon	Warehousing & distribution services	520
13	Zillow Group	Real estate database services	510
14	AlloSource	Tissue allograft provider	420
15	MasTec Advanced Technologies	Technology infrastructure	400
16	Travelport	Travel commerce	390
16	Cochlear Americas	Implantable hearing solutions	390
18	US Foods	Foodservice distribution	370
19	Haselden Construction	Construction services	340
20	Stolle Machinery	Fabricated metal machinery	320

Source: Development Research Partners, March 2021.

Prepared by:

Development Research Partners, Inc.
10184 West Belleview Ave, Ste 100
Littleton, Colorado 80127
303-991-0070
www.developmentresearch.net
March 2021

Overall, Centennial sales tax receipts were much lower in 2020 compared to 2019 by 6.6 percent. Excluding one-time sales tax audit revenue, sales tax revenues declined by 7.1 percent. Sales taxes represent 50% of the overall General Fund revenues for the City.

The City annually prepares an operating budget under 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 of the U.S. and Canada and the Governmental Accounting Standards Board requirements. In 2020, the City continued reviewing the City's Strategic Plan and ensure the annual budget was in alignment. The Plan is a projection of future expectations, and encompasses the Vision, Mission, Core Values and Goals and Strategies for the City.

The National Economic Landscape

Global, U.S., and Colorado economies faced a severe drop in economic activity in early 2020 as countries spanning the globe enacted strict measures to slow the rapid spread of the disease caused by the novel coronavirus (COVID-19). Swift and sweeping actions, including business closures, travel restrictions, and stay-at-home orders crippled business activity, disrupted the global supply of goods and services, and stunted consumer spending. In the U.S. and Colorado, these restrictions generally began in late March, reaching into early May.

For the year of 2020, the pandemic resulted in a 3.5 percent reduction to the U.S. Gross Domestic Product (GDP), 3.9 percent reduction in personal consumption of goods and services, 4.0 percent drop in business investment, and 12.9 percent reduction in exports.

Entering 2021 and based on the March 2021 Economic Outlook released by the State of Colorado, there are reasons for optimism: personal and non-corporate income is expected to grow by over 8% in FY 2021-22, corporate income to slightly increase, sales taxes to increase by over 4%, and motor fuel taxes to increase by over 5%. Nationally, the Gross Domestic Product (GDP) is projected to rebound in 2021 with a 6% growth in economic activity and continue growing by over 3% in 2022. Additionally, business investment outlook has rebounded at the end of 2020 and continues to improve.

The labor market recovered lost much of its momentum during the second half of 2020 as COVID cases surged nationally and public health restrictions temporarily tightened. The State's forecast showed modest growth in the U.S. and the State to begin in 2021, yet not to pre-pandemic levels in the short term. The U.S. unemployment rate should continue declining to just over 5% and in the State to just over 4% by the end of 2022.

With the increased vaccinations in the U.S., economic activity is slowly coming back to life. Consumers have shook off the pandemic blues as 2021 began, putting their 2020-21 stimulus checks to work buying cars and other goods, setting the stage for what could be the fastest growth in decades. And, as vaccinations continue and COVID business restrictions are eased, the personal savings accumulated during the year-long lockdown is resulting in an itch to go out and spend. "Consumers are feeling more confident about the outlook and will generally spend more freely," stated Gregory Daco, chief U.S. economist at Oxford Economics. Overall, GDP grew by 1.6 percent in the first three months of 2021, compared to 1.1 percent in Q4 of 2020. On an annualized basis, the first quarter growth in 2021 was 6.4 percent. At this pace, total economic output should return to pre-pandemic levels by the summer. For the year, the expected GDP growth rate of 7.5 percent would be the best performance since 1951.

Aided by several rounds of government relief payments, households were sitting on a collective \$4.1 trillion in savings in the first quarter, up from \$1.2 trillion before the pandemic began.

The shape of recovery. The economic and social response to the pandemic has not been uniform. Likewise, the geographic, industry, and household impacts has not been uniform, leading economists to call the recovery “K” shaped denoting the upper and lower legs of the K as the relative performance of various geographic areas, industries, and households. Fiscal relief packages have been enacted in most countries and have been targeted toward those industries and households most impacted. Because the pandemic destroyed supply of goods and services due to lockdowns and decimated demand, it is projected that relief efforts to date, though large, are unlikely to ignite runaway inflation. Looking past the pandemic, it is possible that some of the shocks brought about by the pandemic such as technology shock, may endure in the years to come. Digital transformation at the corporate level has the possibility to buttress productivity gains and enable greater diffusion of productivity beyond the pandemic.

2021 stimulus. In March, 2021, President Biden signed the American Rescue Plan Act (ARPA), which provides \$1.9T in federal spending for recession relief and recovery. Within the ARPA, there is \$350B in assistance to state and local governments of which the City’s allocation is estimated at close to \$9M (still to be determined).

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, 2019. This is the eleventh year the City has been awarded the Certificate of Achievement. The Certificate of Achievement is valid for only one year. Our 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, the City thanks Rubin Brown, LLC for their assistance and for the professional manner 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,



Matt Sturgeon
City Manager



Doug Farnen, CPA
Finance Director/CFO



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

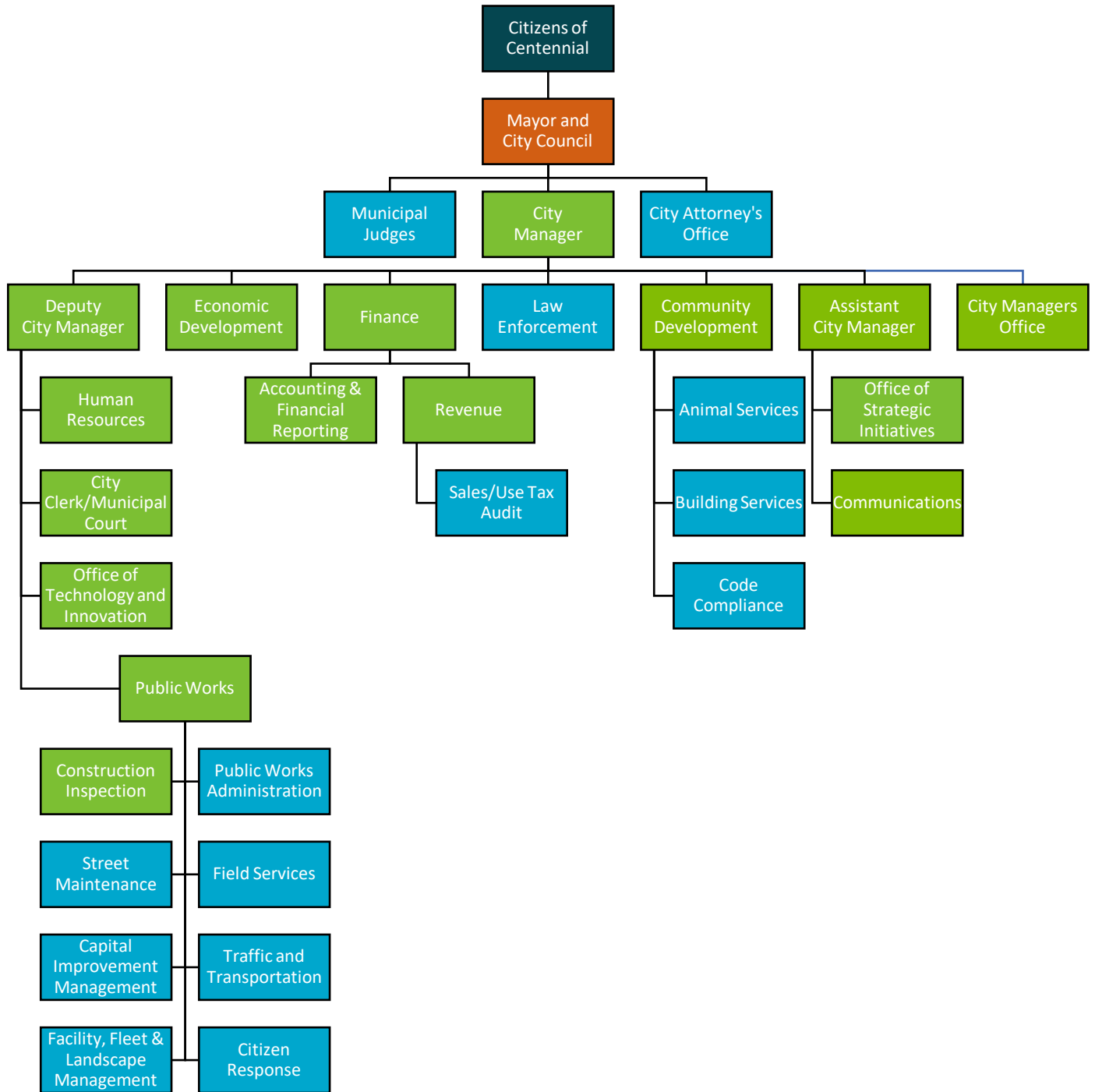
**City of Centennial
Colorado**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrell

Executive Director/CEO



MAYOR



STEPHANIE PIKO

COUNCIL DISTRICT ONE



CANDACE MOON



KATHY TURLEY

COUNCIL DISTRICT TWO



TAMMY MAURER



CHRISTINE SWEETLAND

COUNCIL DISTRICT THREE



MIKE SUTHERLAND



RICHARD HOLT

COUNCIL DISTRICT FOUR

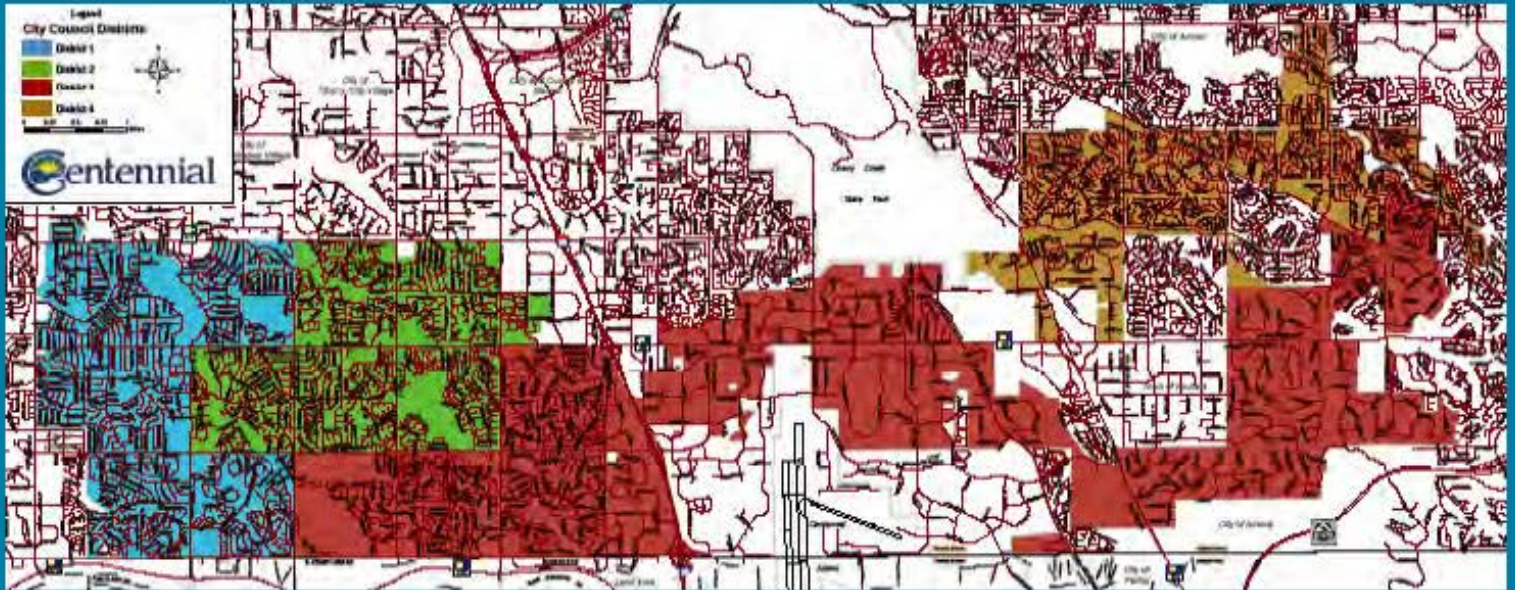


MARLO ALSTON



DON SHEEHAN

DISTRICT MAP



FINANCIAL SECTION



Independent Auditors' Report

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

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, Colorado (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements 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 entity's 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 entity's 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 as of December 31, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change In Accounting Principle

The City adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* (GASB 84). As a result of the implementation of GASB 84, the City now reports a Custodial Fund, as described in Note 2 to the financial statements. Our opinion is not modified with respect to the restatement.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, combining and individual fund financial statements and schedules, budgetary comparison schedules, the Local Highway Finance Report and introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards, combining and individual fund financial statements and schedules, budgetary comparison 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 such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, budgetary comparison schedules and the Local Highway Finance Report are 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 June 25, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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's internal control over financial reporting and compliance.

RubinBrown LLP

June 25, 2021

This section of the City of Centennial's Comprehensive Annual Financial Report ("Annual Report") offers readers a narrative overview and analysis of the financial activities of the City for the year ended December 31, 2020. 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 in November, 2012 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 \$282.4 million. Unrestricted net position represents \$77.9 million, or 27.6%, of total net position which is available to meet ongoing and future obligations of the City.

- Total net position of the City increased by \$4.1 million, or 1.5%, compared to 2019. This net increase is the result of net revenues above expenses for 2020. Comparatively, the 2020 increase in net position was \$6.5 million less than 2019's increase of \$10.6 million in net position due to higher overall expenditures.
- Compared to 2019, total revenues excluding transfers, increased \$5.6 million, or 5.9%, to \$100.6 million. Governmental activities revenue increased \$5.9 million, or 6.5%, to \$96.7 million. The change in these revenues is attributable to higher operating and capital grants and contributions (\$8.9 million) derived from \$10.4 million of Coronavirus Aid, Relief, and Economic Security (CARES) Act revenues, decreased Sales and Use tax revenues (\$3.4 million), increased property tax revenues (\$1.65 million), decreased investment income (\$0.9 million) due to lower market interest rates, and decreased Charges for Services/Miscellaneous Income (\$.2 million), resulting from reduced court fines in 2020. Business-Type activities revenue decreased by \$.3 million due to reduced building permit fees.
- The total cost of all City programs increased by \$12.1 million, or 14.4%, to \$96.5 million compared to 2019. The cost of governmental activities program expenses increased by \$12.2 million, or 15.1%, to \$92.9 million compared to 2019. The cost of business-type activities remained relatively unchanged, at \$3.6 million compared to 2019.
- Due to the pandemic, General Fund revenues decreased by \$7.4 million, or 9.3%, as compared to the prior year.

- As of the close of the current fiscal year, the City's governmental funds reported a \$10.6 million increase in the combined ending fund balances. The combined ending governmental fund balance is \$114.6 million, of which \$36.8 million represents unassigned fund balance. The 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 39.5% 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. The General Fund ending balance of \$38.8 million is 59.4% of annual expenditures.

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, liabilities, and deferred inflows and outflows with the balance 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.

Fiduciary Funds

Fiduciary funds represent the results of inflows and outflows of funds where the City maintains control of the underlying asset, however it is intended for the benefit of others. As such, these assets are not included in governmental financial statements as the resources are not available to pay governmental expenditures. The City maintains a Custodial Fund within the fiduciary fund structure.

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, 2020, the City had total assets of \$319.6 million and the City's assets exceeded its liabilities by \$301.4 million.

The following reflects the City's Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Assets						
Current and Other Assets	\$ 142,133,370	\$ 135,420,636	\$ 1,130,705	\$ 802,078	\$ 143,264,075	\$ 136,222,714
Capital Assets	171,175,320	170,849,082	5,115,818	5,293,911	176,291,138	176,142,993
Total Assets	313,308,690	306,269,718	6,246,523	6,095,989	319,555,213	312,365,707
Deferred Outflows of Resources	29,379	31,338	-	-	29,379	31,338
Liabilities						
Long-term Liabilities	9,325,631	2,369,974	-	-	9,325,631	2,369,974
Other Liabilities	8,269,113	12,614,947	598,603	521,531	8,867,716	13,136,478
Total Liabilities	17,594,744	14,984,921	598,603	521,531	18,193,347	15,506,452
Deferred Inflows of Resources	19,034,277	18,606,839	-	-	19,034,277	18,606,839
Net Position						
Net Investment in						
Capital Assets	170,658,621	170,849,082	5,115,818	5,293,911	175,774,439	176,142,993
Restricted	21,879,572	20,808,152	-	-	21,879,572	20,808,152
Unrestricted	84,170,856	81,052,062	532,102	280,547	84,702,958	81,332,609
Total Net Position	\$ 276,709,049	\$ 272,709,296	\$ 5,647,920	\$ 5,574,458	\$ 282,356,969	\$ 278,283,754

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 \$176.3 million, or 55.2% of total assets. Capital assets, net of depreciation decreased during 2020 by \$4.1 million, or 5.0%, as a result of \$1.1 million increases to streets, traffic signals, buildings and equipment less additional depreciation of \$5.2 million. Capital assets not being depreciated increased during 2020 by \$4.2 million, or 4.4%, due primarily additional easements and additional construction in progress related to 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.

Deferred Outflows of Resources

The deferred outflow of resources is the result of the Antelope General Improvement District General Obligation Refunding Bonds Series 2016. The loss on refunding is amortized at a rate of \$1,959 annually through the life of the bonds which will be repaid 2035.

Long-term Debt

The long-term debt of the City, as detailed in the Notes to the Financial Statements, increased by \$7,090,196 overall, due to the addition of two General Obligation Bond issuances. As part of this total, the City's obligation for Compensated Absences increased during 2020 by \$85,703 to \$392,324.

During 2005, the Antelope General Improvement District issued \$3.05 million of general obligation bonds. During 2016, the District issued Antelope General Improvement District Refunding Series 2016 refunding the original debt. In 2020, the District made a principal payment of \$100,000 in addition to all scheduled interest payments.

In September 2020, the Foxridge General Improvement District issued General Obligation Bonds Series 2020 in the principal amount of \$1,955,000. The 2020 Bonds were issued for the design and construction of perimeter fencing for the District. The District has begun construction and this project.

In September 2020, the Willow Creek GID 1 & 2 General Obligation Bonds Series 2020 were issued in the principal amount of \$4,340,000. The 2020 Bonds were issued for the purposes of (i) financing or reimbursing all or any part of the costs of acquiring, construction, and installation of perimeter fencing for 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. The District has begun construction and this project.

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.

Deferred Inflow of Resources

The deferred inflow of resources is recognized by the City as a result of property taxes levied in 2020 to finance the subsequent year's budget.

**Management's Discussion and Analysis
for the Year Ended December 31, 2020**



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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues -						
Charges for Services	\$ 1,143,957	\$ 1,421,664	\$ 3,806,968	\$ 4,088,465	\$ 4,950,925	\$ 5,510,129
Operating Grants and Contributions	16,129,070	7,803,754	-	-	16,129,070	7,803,754
Capital Grants and Contributions	4,735,239	4,236,438	-	-	4,735,239	4,236,438
General Revenue -						
Sales and Use Taxes	46,902,621	50,255,651	-	-	46,902,621	50,255,651
Property Taxes	18,017,770	16,365,571	-	-	18,017,770	16,365,571
Other Taxes	923,249	904,827	-	-	923,249	904,827
Unrestricted Franchise Fees	5,035,121	5,140,138	-	-	5,035,121	5,140,138
Investment Income	2,209,710	3,124,879	-	-	2,209,710	3,124,879
Loss on Disposition of Asset	-	-	-	-	-	-
Intergovernmental revenues not restricted to specific programs	-	-	-	-	-	-
Miscellaneous	409,986	349,364	-	-	409,986	349,364
	1,252,135	1,236,873	-	-	1,252,135	1,236,873
Total Revenues	96,758,858	90,839,159	3,806,968	4,088,465	100,565,826	94,927,624
Expenses						
General Government	24,093,629	16,147,507	-	-	24,093,629	16,147,507
Community Services	5,939,793	2,209,198	-	-	5,939,793	2,209,198
Public Safety	29,453,500	28,082,194	-	-	29,453,500	28,082,194
City Infrastructure	26,527,600	27,268,914	-	-	26,527,600	27,268,914
Culture and Recreation	1,304,302	1,008,401	-	-	1,304,302	1,008,401
Urban Redevelopment	5,482,950	5,937,804	-	-	5,482,950	5,937,804
Interest on Long-term Debt	128,472	80,102	-	-	128,472	80,102
Cost of Services	-	-	3,562,365	3,631,391	3,562,365	3,631,391
Total Expenses	92,930,246	80,734,120	3,562,365	3,631,391	96,492,611	84,365,511
Increase (Decrease) Before Transfers	3,828,612	10,105,039	244,603	457,074	4,073,215	10,562,113
Transfers	171,141	(5,117,384)	(171,141)	5,117,384	-	-
Increase (Decrease) in Net Position	3,999,753	4,987,655	73,462	5,574,458	4,073,215	10,562,113
Net Position, Beginning of Year	272,709,296	267,721,641	5,574,458	-	278,283,754	267,721,641
Net Position, End of Year	\$ 276,709,049	\$ 272,709,296	\$ 5,647,920	\$ 5,574,458	\$ 282,356,969	\$ 278,283,754

Governmental activities increased the City's net position by \$4.0 million, or 1.5%. Key elements of this net increase were as follows:

- Charges for Services decreased by \$0.3 million or 19.5% compared to 2019. This was mainly due to decreased court fines and fees.
- Sales and Use taxes slightly decreased by \$3.4 million, or 6.7%. The decrease was due to the pandemic and business closures for most of 2020.
- Property tax revenue increased by \$1.7 million 10.1%. This increase was primarily attributable to a bi-annual re-assessment in property valuations.
- Operating grants and contributions increased \$8.3 million or 106.7%. The increase was attributable to the CARES Grant receipts of \$10.4 million.
- Capital grants and contributions increased by \$.5 million or 11.8%. This increase was the result of federal capital projects being deferred to later years.
- Investment income decreased \$0.9 million or 29.3%. This decrease was attributable to the Federal Reserve lowering interest rates and lower investable market interest yields.
- Miscellaneous income was flat from 2019 to 2020.
- General government expenses increase by approximately \$7.9 million, due principally to the distribution of grant funds in relation to the CARES Act.
- Community services expenses increased by approximately \$3.7 million, due principally to the reclassification of assets and associated depreciation from City infrastructure.
- Public Safety expenses increased by approximately \$1.4 million related to the public safety contract with Arapahoe County Sheriff office.
- Expenses in various other program areas offset some of these increases.

Business type activities' Net Position increased by \$73,462 or 1.3% in 2020 due to land use fee receipts slightly higher than the cost of services.

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 decreased \$7.4 million, or 9.3% in 2020 compared to 2019.
 - Property Tax revenue received during 2020 is \$1.5 million or 13.3% more than collections in 2019. The increase of property tax was due to an overall increase of assessed valuation of property and all personal property being reassessed in 2020. The Arapahoe County Assessor is responsible for valuing all property within the City and re-assesses all personal property every odd year for even year collection.
 - Sales Tax revenue received during 2020 was \$5.5 million or 13.4% less than collections in 2019. The decrease was attributable to the creation of a new Street Fund (Special Revenue Fund) and moving \$2.8 million in sales tax receipts, voted as dedicated for transportation uses only. The remaining decrease was attributed to the pandemic and business closures.
 - Building Materials Use Tax revenue for 2020 was flat at \$2.9 million compared to 2019. Construction activity continued even during the pandemic.
 - Court fines revenue for 2020 is \$0.2 million, or 24.2% less than collections during 2019. Arapahoe County Sheriff's Office is responsible for public safety in the City and traffic citations decreased due to the pandemic and fewer cars on the road.
 - Intergovernmental revenues grew by \$3.0 million or 36.4% in 2020 compared to 2019. There were several changes attributable to this increase: \$10.4 million increase in federal grants (CARES), \$5.4 million decrease for transportation-restricted revenues moved to the new Street Fund.
 - Investment income for 2020 was \$.6 million, or over 23.3% less than investment income in 2019. This decrease was attributable to national interest rates lowered by the Federal Reserve to close to 0%, as a result of the pandemic.

Centennial Urban Redevelopment Authority (CURA) Fund

Centennial Urban Redevelopment Authority Fund revenues decreased by \$.3 million or 5.8% in 2020 compared to 2019 due to lower sales tax receipts resulting from COVID and business closures.

Capital Improvement Fund

In 2020, all of the fund revenues were moved to the new Street Fund, as these revenues are directly related to the City's transportation system.

Street Fund

This fund was newly created in 2020 and accounts for these main revenue types, restricted for transportation system purposes: a portion of sales taxes, motor vehicle use tax, Highway Users Tax Fund, Road and Bridge shareback funds, grants, and pavement degradation fees. In 2020, \$14.4 million was received in this fund, of which \$13.6 million was accounted for in the General Fund in past years and the balance accounted for in the Capital Improvement Fund.

Open Space Fund

The Open Space Fund revenues increased by \$0.3 million or 11.4% in 2020 compared to 2019 due to increased dedicated sales taxes collected by Arapahoe County. Investment income decreased by \$0.2 million or 55.9% due to investment maturities, re-invested at much lower market yields.

Non-Major Governmental Funds

The Foxridge and Willow Creek General Improvement Districts, presented as blended component units, sold bonds in 2020 with principal amounts of \$1,955,000 and \$4,340,000 respectively. The homeowners in both of these districts approved these debt issuances to build perimeter fences within their residential areas (Please see Note 6 – Long Term Obligations for more information).

Expenditures

General Fund

- General Fund expenditures increased by \$3.0 million or 4.8% in 2020 compared to 2019. This increase in expenditures reduced net revenues due to the following expenditure category changes:
 - General Government expenditures increased \$7.9 million or 51.7% compared to 2019. This increase in expenditures is primarily due to \$10.4 million increased program costs associated with CARES funding; without these expenditures, there would be an overall decrease of \$2.6 million. Centennial disbursed 94% of funds in the form of grants to Centennial businesses and entities providing services to Centennial residents. Included in this were small business grants, nonprofit services grants, and residential care settings grants.
 - Finance and Administrative expenditures increased \$0.2 million or 3.2% compared to 2019. The primary increase was for incremental health benefit premium increases.
 - Community Services expenditures increased by \$0.1 million or 4.6% in 2020 compared to 2019.
 - City Infrastructure decreased by \$6.3 million or 38.2% due to the new Street Fund and moving associated street costs from the General Fund to the new fund.

- Planning and Development expenditures increased by \$.04 million or 8.9% mainly due to incremental personnel costs.
- Public Safety expenditures increased by \$1.4 million or 4.9% due to the incremental personnel costs increases along with new legislation requiring all officers carry body worn cameras.
- Capital outlay expenditures were flat in 2020 compared to 2019.
- Net Transfers from the General Fund to the Capital Improvement Fund, Street Fund, and the Land Use Fund decreased \$7.8 million or 55.2% compared to 2019. This decrease was primarily due to the pandemic and capital project deferrals to future years; these projects are mainly funded by the General Fund.

Centennial Urban Redevelopment Authority Fund

Centennial Urban Redevelopment Authority Fund expenditures for 2020 were lower by \$.5 million or 7.7% compared to 2019 due to lower sales tax revenues to pass thru to the Southglenn Metropolitan District.

Street Fund

This was a newly created fund in 2020; this fund accounts for operations and capital projects related to the City's transportation system which includes traffic signals, sidewalks, along with streets infrastructure. For 2020, street related costs were \$17.5 million.

Capital Improvement Fund

Capital Improvement Fund expenditures for 2020 were \$7.4 million, or 85.1% less than expenditures in 2019 due to moving this full amount of capital projects to the new street fund for street rehabilitation, sidewalk, and traffic signal projects.

Open Space Fund

The Open Space Fund expenditures increased by \$1.4 million or 213.8% due various costs related to parks and trails projects, and project deferrals from previous years.

Fund Balance

The net change in the General Fund ending fund balance was an increase of \$1.4 million, resulting in increasing the fund balance to \$38,838,187. As of December 31, 2020, the General Fund ending fund balance as a percentage of 2020 expenditures is 59.4%, which was in compliance with the City's minimum fund balance policy of 25% of expenditures.

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 ending fund balance each year, with the

exception of 2006, 2015, and 2017, where a significant amount was transferred to the Capital Improvement Fund for capital projects. In the near term, transfers will be necessary to fund capital projects related to the Street and Capital Improvement Funds.

The new Street Fund recognized a net fund balance increase in 2020 of \$24.7 million. The majority of the fund balance was due to interfund transfers from the Capital Improvement Fund and also reflect \$19.5 million of fund balance committed for future capital projects.

The Capital Improvement Fund recognized a net fund balance decrease of \$23.8 million due to the aforementioned transfers to the Street Fund, resulting in an ending fund balance of \$24.2 million with \$2.0 million committed for future capital projects.

The Open Space Fund recognized a net fund balance increase of \$1.4 million for projects anticipated to be completed in upcoming years, resulting in an ending fund balance of \$15.0 with \$6.8 million committed for future capital projects.

General Fund Budgetary Highlights

In total, the City's General Fund revenues for 2020 are \$2.4 million, or 3.3% unfavorable to the amended budget, while total General Fund expenditures are \$5.6 million, or 7.9% favorable to the amended budget. Several factors contributed to the favorable variance to the amended budget; the primary reasons are described below:

- Sales Tax revenue for 2020 was \$2.7 million, or 6.9% unfavorable compared to budget. The pandemic caused many health issues and State-issued business closures for most of 2020.
- Construction use tax revenue for 2020 was unfavorable by \$.2 million or 8.0% due to elasticity in this revenue source and slightly lower building activity in the City, as compared to budget.
- Other tax revenues for 2020 was favorable to budget by \$.1 million or 13.6% due to higher than expected cigarette tax receipts.
- Franchise fees realized a \$.2 million or 3.4% unfavorable variance due to the pandemic's business closures resulting in lower overall franchise fees from electric utility revenues.
- Court fines for 2020 were unfavorable by \$.2 million or 28.9% due to the pandemic and reduced car volumes/traffic citations.
- Investment Income for 2020 was \$.5 million, or 33.5% favorable compared to budget. This favorable variance is attributable to additional time certificates-of-deposit the City was able to secure before the pandemic.

-
- Miscellaneous revenue for 2020 was favorable to the budget by \$.3 million or 43.9% due to additional health premium rebates, rental revenues, and City administrative fees charged to the General Improvement Districts.
 - General Fund expenditures were \$5.6 million or 7.9% favorable compared to budget and include the following:
 - General government expenditures were \$4.3 million or 19.5% favorable compared to budget. This was a result of lower operating costs due to the pandemic. When COVID started, the City intentionally limited discretionary costs such as professional development, professional services and special projects that were not essential. The Office of Strategic Initiative expenditures were \$1.3 million favorable compared to budget with reduced costs for project specific items. The Communications department also comprised a significant favorable variance to the budget.
 - Finance and Administration were \$0.8 million or 11.2% favorable to budget. The Office of Technology and Innovation expenditures were \$0.7 million, or 17.9% favorable compared to budget. This variance is primarily due to reduced information technology and licensing costs, as a result of the city-wide operational cost reductions.
 - City Infrastructure expenditures are \$.5 million, or 4.3% favorable to budget and include the following:
 - Reduced facilities contract costs along with special project costs. The facilities contract favorable variance is the result of over-budgeting the contract cost.

Economic Factors and Next Year's Budget

The preparation of the 2021 Budget was challenging. In the midst of a global pandemic, the City is experiencing reductions in revenue and deferred projects and expenditures. City Staff has leaned into these challenges, calling upon the organization's core values of collaboration, intentionality, being service-oriented, and innovation. Despite these difficult times, Staff continues to respond to the needs of the community by changing how we do business and adding new approaches for us to serve the residents and businesses of Centennial.

The 2021 Budget contains expenditures for all City Funds of \$104.5 million (excluding transfers), an increase of 10% over the 2020 Adopted Budget. The increase in 2021 is largely due to one-time capital projects in the Street and Open Space Funds that the City had previously saved for rather than incurring debt, the completion of deferred projects from the 2020 Adopted Budget, and costs associated with compliance with Senate Bill 20-217.

The 2021 Budget was prepared from a zero-based budget perspective. This method requires departments and service areas to assume no expenditures will carryforward from the prior year and each department to build their budget requests from scratch. While time-intensive and requiring extensive review by Staff, this process was necessary for this year's budget cycle in order to ensure that the public resources we are entrusted with are managed to the absolute strictest levels. Staff utilized strategic and policy direction from City Council together with the context of the 2020 calendar year in order to develop recommendations for the Budget.

The Budget comprises many diverse components that work together to deliver on the vision of Centennial as a:

- Connected community;
- Where neighborhoods matter;
- Education is embraced;
- Businesses are valued; and
- Innovation absolute.

Within the components of the City's vision, there are several important projects or programs to highlight that illustrate the commitment this budget makes to our community. These include Fiscal Health and Sustainability, Vehicular and Pedestrian Mobility, Safe and Effective Law Enforcement, and our Information Technology Strategy.

Fiscal Health and Sustainability

During the onset of COVID-19, City Staff worked with City Council to develop revised revenue and expenditure estimates for the 2020 fiscal year. While the financial picture to date has not been as catastrophic as initially predicted, we must remain vigilant and recognize we will continue to face uncertainty moving into 2021. Staff continues to monitor the financial situation and make recommendations for adjustment as necessary.

In the 2021 Budget, Council will notice that three key components. First, retaining a significant fund balance in the General Fund is recommended in order to protect against sustained downturns in the economy. This fund balance will ensure that City operations can continue providing services to our community. Second, transferring fund balance from the Capital Fund to the Streets Fund will ensure that major capital projects anticipated to have been completed in 2020 or planned for 2021 can be completed without threatening operations and maintenance activities. Finally, overall expenditure levels have been held to a minimum through a variety of budgeting and management actions pending additional financial information. This budgeting philosophy will allow the City to continue to monitor economic and fiscal health and adjust expenditures if the economic picture improves.

Vehicular and Pedestrian Mobility

Mobility within the City is reliant upon interconnections between multiple varied systems. These systems include:

-
- Centennial's road network, moving vehicular traffic within and through the City;
 - Centennial's pedestrian network, allowing for safe movement of pedestrians between and around neighborhoods in the community; and
 - Centennial's Intelligent Transportation System, or ITS, providing a connected traffic management system within the City.

The 2021 Budget addresses major components of each of these systems, providing for both ongoing operations and maintenance and significant capital investment.

General Fund

The Adopted General Fund Budget for 2021 is \$57,977,760, excluding fund transfers. The 2021 General fund budget represents a decrease of 4.5% from the 2020 Adopted Budget. Due to fiscal uncertainty, the General Fund Ending fund balance budget was set at \$24.3 million or 41.9% of the 2021 operating expenditures. This additional fund balance will provide more flexibility in the future, should the City need more reserves.

The City will be updating its five-year financial forecast in 2021, during the mid-year Strategic Planning session with the City Council. This forecast was deferred in 2020 due to the murky fiscal outlook in the short and long-term. It now appears a bit more optimistic for 2021, given current favorable economic data which supports a shorter term recovery, rather than the longer period initially forecasted.

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.

BASIC FINANCIAL STATEMENTS



CITY OF CENTENNIAL, COLORADO
STATEMENT OF NET POSITION
December 31, 2020

	Primary Government		
	Governmental Activities	Business -Type Activities	Total
ASSETS			
Cash and investments	\$ 114,339,626	\$ 1,072,962	\$ 115,412,588
Taxes receivable	23,993,626	-	23,993,626
Other receivables	1,143,202	-	1,143,202
Intergovernmental receivables	2,388,579	57,743	2,446,322
Deposits	8,987	-	8,987
Prepaid expenses	259,350	-	259,350
Capital assets, not being depreciated	99,322,346	-	99,322,346
Capital assets, net of accumulated depreciation	71,852,974	5,115,818	76,968,792
Total assets	313,308,690	6,246,523	319,555,213
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	29,379	-	29,379
LIABILITIES			
Accounts payable	4,978,862	250,161	5,229,023
Retainage payable	261,250	-	261,250
Accrued liabilities	1,305,884	1,968	1,307,852
Other liabilities	164,336	346,474	510,810
Accrued interest payable	64,801	-	64,801
Developer contributions and deposits	1,195,087	-	1,195,087
Non-current liabilities			
Due within one year	298,893	-	298,893
Due in more than one year	9,325,631	-	9,325,631
Total liabilities	17,594,744	598,603	18,193,347
DEFERRED INFLOWS OF RESOURCES			
Property taxes	19,034,277	-	19,034,277
NET POSITION			
Net investment in capital assets	170,658,621	5,115,818	175,774,439
Restricted for:			
Emergency reserves	1,904,872	-	1,904,872
Parks and open space	18,462,760	-	18,462,760
District infrastructure	7,876,271	-	7,876,271
Urban redevelopment	451,565	-	451,565
Unrestricted	77,354,960	532,102	77,887,062
Total net position	\$ 276,709,049	\$ 5,647,920	\$ 282,356,969

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, 2020

<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	\$ 24,093,629	\$ 514,720	\$ 10,355,354	\$ 218,650
Community services	5,939,793	629,237	-	-
Public safety	29,453,500	-	-	-
City infrastructure	26,527,600	-	5,773,716	681,153
Culture and recreation	1,304,302	-	-	3,835,436
Urban redevelopment	5,482,950	-	-	-
Interest on long-term debt	128,472	-	-	-
Total governmental activities	<u>92,930,246</u>	<u>1,143,957</u>	<u>16,129,070</u>	<u>4,735,239</u>
Business-type activities:				
Land use	3,268,305	3,709,446	-	-
Fiber	294,060	97,522	-	-
Total business-type activities	<u>3,562,365</u>	<u>3,806,968</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 96,492,611</u>	<u>\$ 4,950,925</u>	<u>\$ 16,129,070</u>	<u>\$ 4,735,239</u>

General revenues:
Sales tax
Use tax
Property tax
Motor vehicle 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
\$ (13,004,905)	\$ -	\$ (13,004,905)
(5,310,556)	-	(5,310,556)
(29,453,500)	-	(29,453,500)
(20,072,731)	-	(20,072,731)
2,531,134	-	2,531,134
(5,482,950)	-	(5,482,950)
(128,472)	-	(128,472)
(70,921,980)	-	(70,921,980)
-	441,141	441,141
-	(196,538)	(196,538)
-	244,603	244,603
(70,921,980)	244,603	(70,677,377)
38,740,407	-	38,740,407
2,852,813	-	2,852,813
18,017,770	-	18,017,770
5,309,401	-	5,309,401
923,249	-	923,249
5,035,121	-	5,035,121
2,209,710	-	2,209,710
409,986	-	409,986
1,252,135	-	1,252,135
171,141	(171,141)	-
74,921,733	(171,141)	74,750,592
3,999,753	73,462	4,073,215
272,709,296	5,574,458	278,283,754
\$ 276,709,049	\$ 5,647,920	\$ 282,356,969

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

CITY OF CENTENNIAL, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020

	General Fund	Centennial Urban Redevelopment Authority Fund	Capital Improvement Fund
ASSETS			
Cash and investments	\$ 36,869,283	\$ 509,211	\$ 24,372,504
Taxes receivable	17,226,114	5,936,655	-
Other receivables	1,087,665	-	55,537
Intergovernmental receivables	1,008,229	35,000	-
Deposits	8,987	-	-
Prepaid items	259,350	-	-
Total assets	<u>56,459,628</u>	<u>6,480,866</u>	<u>24,428,041</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts payable	2,967,262	22,646	196,267
Retainage payable	2,540	-	-
Accrued liabilities	972,721	317,611	-
Other liabilities	164,336	-	-
Developer contributions and deposits	874,776	-	-
Total liabilities	<u>\$ 4,981,635</u>	<u>\$ 340,257</u>	<u>\$ 196,267</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	12,551,175	5,654,044	-
Grants and contributions	88,631	35,000	55,537
Total deferred inflows of resources	<u>12,639,806</u>	<u>5,689,044</u>	<u>55,537</u>
FUND BALANCE			
Nonspendable:			
Prepaid items	259,350	-	-
Restricted for:			
Emergency reserves	1,810,106	-	-
Parks and Open Space	-	-	-
District Infrastructure	-	-	-
Urban Redevelopment	-	451,565	-
Committed for 2021 capital projects			2,000,000
Assigned to:			
City infrastructure	-	-	22,176,237
Unassigned	36,768,731	-	-
Total fund balance	<u>38,838,187</u>	<u>451,565</u>	<u>24,176,237</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 56,459,628</u>	<u>\$ 6,480,866</u>	<u>\$ 24,428,041</u>

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

Street Fund	Open Space Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 25,399,674	\$ 15,514,810	\$ 11,674,144	\$ 114,339,626
-	-	830,857	23,993,626
-	-	-	1,143,202
1,345,350	-	-	2,388,579
-	-	-	8,987
-	-	-	259,350
26,745,024	15,514,810	12,505,001	142,133,370

1,065,664	469,156	257,867	4,978,862
243,579	9,405	5,726	261,250
750	-	14,802	1,305,884
-	-	-	164,336
320,311	-	-	1,195,087
\$ 1,630,304	\$ 478,561	\$ 278,395	\$ 7,905,419

-	-	829,058	19,034,277
431,931	-	-	611,099
431,931	-	829,058	19,645,376

-	-	-	259,350
-	60,264	34,502	1,904,872
-	8,160,089	3,486,775	11,646,864
-	-	7,876,271	7,876,271
-	-	-	451,565
19,475,929	6,815,896	-	28,291,825
5,206,860	-	-	27,383,097
-	-	-	36,768,731
24,682,789	15,036,249	11,397,548	114,582,575
\$ 26,745,024	\$ 15,514,810	\$ 12,505,001	\$ 142,133,370

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

CITY OF CENTENNIAL, COLORADO
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2020

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

Total fund balance - governmental funds	\$ 114,582,575
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets	\$ 265,739,674	
Less accumulated depreciation	<u>(94,564,354)</u>	171,175,320

Revenues in the statement of activities that do not provide current financial resources are deferred in the funds.	611,099
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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	\$ (8,295,000)	
Deferred amount on refunding	29,379	
Bond premiums payable	(937,199)	
Accrued interest payable	(64,801)	
Accrued compensated absences	<u>(392,324)</u>	(9,659,945)

Total net position of governmental activities	<u><u>\$ 276,709,049</u></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 REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2020

	General Fund	Centennial Urban Redevelopment Authority Fund	Capital Improvement Fund
REVENUES			
Taxes	\$ 51,797,903	\$ 5,543,152	\$ -
Intergovernmental	11,123,723	-	-
Charges for services	1,107,784	-	-
Franchise fees	5,035,121	-	-
Investment income	2,002,882	-	-
Miscellaneous	911,208	-	-
Total revenues	<u>71,978,621</u>	<u>5,543,152</u>	<u>-</u>
EXPENDITURES			
Current			
General government	23,168,414	-	-
Community services	2,317,972	-	-
City infrastructure	10,275,759	-	-
Public safety	29,453,500	-	-
Culture and recreation	-	-	-
Urban redevelopment	-	5,482,950	-
Capital outlay	171,197	-	1,311,000
Debt service			
Principal	-	-	-
Interest	-	-	-
Bond Issuance Costs	-	-	-
Total expenditures	<u>65,386,842</u>	<u>5,482,950</u>	<u>1,311,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>6,591,779</u>	<u>60,202</u>	<u>(1,311,000)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,151,294	-	-
Transfers out	(6,328,663)	-	(22,469,000)
Bond Proceeds	-	-	-
Total other financing sources (uses)	<u>(5,177,369)</u>	<u>-</u>	<u>(22,469,000)</u>
NET CHANGE IN FUND BALANCE	1,414,410	60,202	(23,780,000)
FUND BALANCE - BEGINNING OF YEAR	<u>37,423,777</u>	<u>391,363</u>	<u>47,956,237</u>
FUND BALANCE - END OF YEAR	<u>\$ 38,838,187</u>	<u>\$ 451,565</u>	<u>\$ 24,176,237</u>

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

Street Fund	Open Space Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 8,109,401	\$ -	\$ 393,184	\$ 65,843,640
5,935,490	3,228,997	606,439	20,894,649
36,173	-	-	1,143,957
-	-	-	5,035,121
-	174,301	32,527	2,209,710
305,589	-	-	1,216,797
14,386,653	3,403,298	1,032,150	96,343,874
-	-	-	23,168,414
-	-	-	2,317,972
15,374,004	-	133,462	25,783,225
-	-	-	29,453,500
-	705,312	480,714	1,186,026
-	-	-	5,482,950
2,147,370	1,303,496	355,879	5,288,942
-	-	100,000	100,000
-	-	82,375	82,375
-	-	142,630	142,630
17,521,374	2,008,808	1,295,060	93,006,034
(3,134,721)	1,394,490	(262,910)	3,337,840
27,817,510	-	-	28,968,804
-	-	-	(28,797,663)
-	-	7,136,490	7,136,490
27,817,510	-	7,136,490	7,307,631
24,682,789	1,394,490	6,873,580	10,645,471
-	13,641,759	4,523,968	103,937,104
\$ 24,682,789	\$ 15,036,249	\$ 11,397,548	\$ 114,582,575

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, 2020

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

Net change in fund balance - total governmental funds	\$	10,645,471
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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	\$ 5,288,942		
Less current year depreciation	<u>(4,962,704)</u>		326,238

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 affect the Statement of Activities.			100,000
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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.			196,335
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Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:			
Issuance of long-term bond debt	(6,295,000)		
Premiums upon bond issuance	(841,491)		
Amortization of bond premiums	13,798		
Amortization of deferred amount on refunding	<u>(1,959)</u>		(7,124,652)

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	\$ (85,703)		
Change in accrued interest payable	<u>(57,936)</u>		(143,639)

Change in net position of governmental activities	\$	<u><u>3,999,753</u></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, 2020

	Business-Type Activities Land Use	Business-Type Activities Fiber	Total Business-Type Activities
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 238,164	\$ 834,798	\$ 1,072,962
Intergovernmental receivable	-	57,743	57,743
Total current assets	<u>238,164</u>	<u>892,541</u>	<u>1,130,705</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	-	5,115,818	5,115,818
Total noncurrent assets	<u>-</u>	<u>5,115,818</u>	<u>5,115,818</u>
Total assets	<u>238,164</u>	<u>6,008,359</u>	<u>6,246,523</u>
LIABILITIES			
Current liabilities:			
Accounts payable	236,196	13,965	250,161
Accrued liabilities	1,968	-	1,968
Unearned revenue	-	346,474	346,474
Total liabilities	<u>238,164</u>	<u>360,439</u>	<u>598,603</u>
NET POSTION			
Net investment in capital assets	-	5,115,818	5,115,818
Restricted for:			
Unrestricted	-	532,102	532,102
Total net position	<u>\$ -</u>	<u>\$ 5,647,920</u>	<u>\$ 5,647,920</u>

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, 2020

	Business-Type Activities Land Use	Business-Type Activities Fiber	Total Business-Type Activities
OPERATING REVENUE			
Building permits, licenses and fees	\$ 2,501,231	\$ -	\$ 2,501,231
Contractor's licenses and bus shelter fees	214,925	-	214,925
Land use permits and other income	993,290	-	993,290
Other Intergovernmental Revenue	-	60,338	60,338
Leased Property Revenue	-	37,184	37,184
Total operating revenue	<u>3,709,446</u>	<u>97,522</u>	<u>3,806,968</u>
OPERATING EXPENSES			
Personnel services	530,717	-	530,717
Contracted services	2,586,259	76,653	2,662,912
Services & supplies	151,329	22,159	173,488
Depreciation expense	-	195,248	195,248
Total operating expenses	<u>3,268,305</u>	<u>294,060</u>	<u>3,562,365</u>
OPERATING INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	441,141	(196,538)	244,603
Transfers In	710,153	270,000	980,153
Transfers Out	<u>(1,151,294)</u>	<u>-</u>	<u>(1,151,294)</u>
CHANGE IN NET POSITION	-	73,462	73,462
NET POSITION - BEGINNING OF YEAR	<u>-</u>	<u>5,574,458</u>	<u>5,574,458</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 5,647,920</u></u>	<u><u>\$ 5,647,920</u></u>

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, 2020

	Business-Type Activities Land Use	Business-Type Activities Fiber	Total Business-Type Activities
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 3,721,324	\$ 111,436	\$ 3,832,760
Cash paid to employees	(540,190)	-	(540,190)
Cash paid to vendors	(2,718,738)	(99,221)	(2,817,959)
Net cash provided by operating activities	<u>462,396</u>	<u>12,215</u>	<u>474,611</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	710,153	270,000	980,153
Transfers out	(1,151,294)	-	(1,151,294)
Net cash provided by (used in) non-capital financing activities	<u>(441,141)</u>	<u>270,000</u>	<u>(171,141)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	-	(17,156)	(17,156)
Net cash used by capital and related financing activities	<u>-</u>	<u>(17,156)</u>	<u>(17,156)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	21,255	265,059	286,314
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>216,909</u>	<u>569,739</u>	<u>786,648</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 238,164</u></u>	<u><u>\$ 834,798</u></u>	<u><u>\$ 1,072,962</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES			
Operating income (loss)	\$ 441,141	\$ (196,538)	\$ 244,603
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	-	195,248	195,248
Increase (Decrease) in accounts receivable	11,878	57,743	69,621
Increase (Decrease) in prepaid expenses	3,552	-	3,552
Increase (Decrease) in accounts payable	15,298	-	15,298
Increase (decrease) in accrued liabilities	(9,473)	(411)	(9,884)
Increase in unearned revenue	-	(43,827)	(43,827)
Net adjustments	<u>21,255</u>	<u>208,753</u>	<u>230,008</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 462,396</u></u>	<u><u>\$ 12,215</u></u>	<u><u>\$ 474,611</u></u>

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

CITY OF CENTENNIAL, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2020

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 3,060,119
Total assets	<u>3,060,119</u>
LIABILITIES	
Accounts payable and other liabilities	1,527,514
Due to local governments	<u>1,532,605</u>
Total liabilities	<u>3,060,119</u>
NET POSITION	<u><u>\$ -</u></u>

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

CITY OF CENTENNIAL, COLORADO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended December 31, 2020

	<u>Custodial Funds</u>
ADDITIONS	
Sales tax collections for other governments	\$ 277,721
SIA escrow	763,944
In lieu transactions	<u>483,470</u>
Total additions	<u>1,525,135</u>
DEDUCTIONS	
Payment of sales tax to other governments	263,785
Payment of SIA Escrow	763,944
Payment of in lieu transactions	483,470
Administrative expense	<u>13,936</u>
Total deductions	<u>1,525,135</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-
NET POSITION - BEGINNING OF YEAR	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

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, 2020

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 blended 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. During 2020, Willow Creek General Improvement district was created for the purpose of management of the Willow Creek area in a manner similar to the other GIDs. 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. 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, 2020

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 Fire District, 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 state and local 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, 2020

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 funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated in one column as Nonmajor Funds. The total fund balances for all governmental funds is reconciled to the total net position for governmental activities as shown on the Statement of Net Position. The net change in fund balance is reconciled to the total change in net position as shown on the Statement of Activities in the government-wide financial statements.

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 funds. 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, 2020

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 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 **Street Fund** accounts for resources used for the used for the acquisition, construction, maintenance and improvements of infrastructure related to streets. Revenues from this fund are primarily derived from the Auto Use Tax, intergovernmental revenue, sales tax, and the City's General Fund.

The **Open Space Fund** accounts for a county-wide ¼ cent sales tax to pay for the preservation of open space in Arapahoe County. Funds may be used to acquire, maintain or improve open space, parks or trails. This fund has been classified as a City nonmajor fund in the past yet due to the assets within this fund, it now qualifies as a major fund.

The City reports the following nonmajor fund:

The **Conservation Trust Fund** accounts for net lottery proceeds received from the State of Colorado on a per capita basis. Funds may be used to acquire, develop or maintain new conservation sites or for capital improvements and maintenance of recreational facilities.

The City reports the following nonmajor proprietary funds:

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

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

collected for services provided by the Planning and Development Department. The City elected to show the Land Use Fund as major for comparability purposes.

The **Fiber Fund** accounts for the City operations and maintenance costs associated with the City's fiber backbone network. The City operates a 432-fiber strand backbone that connects key City sites, passes community anchor institutions and enables both existing and new broadband providers to tie into the infrastructure. The Fiber Fund accounts for the leased property revenue and other revenues collected for services associated with fiber strand rental.

The City Reports the following fiduciary fund:

The **Custodial Fund** accounts for custodial assets held on behalf of other governments and individuals. In 2020 the City created the Custodial Fund to account for the fiduciary activities that are not held in trust or an equivalent arrangement that meets specific criteria. Fiduciary funds are used to account for resources held for the benefit of outside parties of the government. As such, Fiduciary funds are not reflected in the government-wide statements as the resources contained are not available to support the City of Centennial's own programs.

The City accounts for five **General Improvement Districts (GID's): Antelope, Foxridge, Cherry Park, Walnut Hills, and Willow Creek**. These general improvement districts are blended component units and were created to provide services to the defined district area for operating and maintenance costs within each individual district.

The City has elected relief under GASB 95, postponing implementation of the following Statement by one year or longer:

The effective dates of the following pronouncements are postponed: • Statement No. 87, Leases • Implementation Guide No. 2019-3, Leases.

The City has Implemented GASB 88 Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements in response to direct placement of debt for the Foxridge GID. The City has implemented GASB statement no. 84, Fiduciary Activities, and created a Custodial Fund in response to guidance on the presentation of custodial assets and liabilities.

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.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

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 in the previous year, but collected in the subsequent year, are recorded 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/items

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 infrastructure assets owned by the City (e.g. roads, bridges, sidewalks, and similar items) acquired since 2004, 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 machinery and equipment with an individual cost of \$5,000 or greater, land, easements and buildings, and infrastructure with the same individual cost threshold, and an estimated useful life in excess of 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 the acquisition value on the date of donation. Contributed infrastructure by developers or other governmental entities is recorded as capital contributions and additions to the systems at the acquisition value. Interest accrued during construction is not capitalized.

Intangible assets included in capital assets not being depreciated consist of easements and rights of way and are capitalized at historical cost.

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

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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
Fiber Cable	30 Years
Comprehensive Plan	40 Years

Deferred inflows of resources

Deferred inflows include property taxes accrued, 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 or have matured and due at year end. 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 and proprietary fund 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.

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/deferred outflows and liabilities/deferred inflows. 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, or imposed by law through constitutional provisions

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

or enabling legislation that are legally enforceable.

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 prepaid items.
- 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.

- 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 or resolution. 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 related to capital projects 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 Fund Balance is applicable only to the General Fund and represents the remaining fund balance after amounts are set aside for other classifications.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

As of December 31, 2020, 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. The City of Centennial has established a formal policy for its use of restricted and unrestricted (committed, assigned, and unassigned) fund balance. 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. Additionally, the City of Centennial also established a formal policy to maintain a reserve within the Street Fund equal to twenty-five (25%) of the Street Fund operating expenditures and maintains compliance with the minimum fund balance policy.

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, 2020 follows:

Petty Cash	\$ 650
Cash Deposits	(169,921)
Investments	118,641,978
Total Cash and Investments	<u>\$ 118,472,707</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.

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, 2020, the City had bank deposits of \$4,259,240 insured and collateralized with securities held by the financial institutions' agents, but not in the City's name.

The City's Cash and Investments includes \$3,060,119 of fiduciary funds not available to meet general government obligations.

Cash and Investments	\$ 118,472,707
Less: Custodial Fund	<u>(3,060,119)</u>
Net Cash and Investments for general government use	<u>\$ 115,412,588</u>

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

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

- 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
- Negotiable and non-brokered certificates of deposits
- Interest bearing bank accounts
- Municipal bonds

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, 2020, the City's investment balances were as follows:

Investment	S&P Rating	% of Total	Value	Maturities			
				Less than 1 Year	1-2 Years	2-3 Years	3-5 Years
US Agency	AA+	14.91%	17,692,680	3,538,822	\$ 3,870,212	\$ 1,534,975	\$ 8,748,671
US Treasury Notes	AA+	3.31%	3,927,334	3,396,104	-	531,230	-
Corporate Notes	AAA	1.08%	1,287,075		1,287,075	-	-
Corporate Notes	AA+	2.65%	3,145,165	1,001,430	2,143,735	-	-
Corporate Notes	AA	0.85%	1,013,710	1,013,710	-	-	-
Corporate Notes	AA-	2.32%	2,755,254	443,252	2,312,002	-	-
Municipal Bonds	Aaa	6.26%	7,431,753	751,298	546,774	3,247,239	2,886,442
Brokered CD's	NA	7.81%	9,271,555	1,235,970	4,794,315	3,241,270	-
Wells Fargo MMA	NA	0.00%	1,511	1,511	-	-	-
UMB MMA	NA	5.89%	6,982,371	6,982,371	-	-	-
Non-Brokered CD's	NA	9.16%	10,863,602	1,270,969	-	9,592,633	-
Local Government Investment Pools	AAAm	45.74%	54,269,968	54,269,968	-	-	-
Total		100.00%	118,641,978	73,905,405	\$ 14,954,113	\$ 18,147,347	\$ 11,635,113

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

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 three years from the date of purchase.

Credit Risk – Securities rated in the highest rating category by each of the nationally recognized statistical rating organizations (NRSROs) may be purchased, subject to maturity limits. 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 and either maintain 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, corporate debt, 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.

Fair Value Measurements – The City reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quotes prices in active markets for similar investments, or other observable input (negotiable certificates of deposits are valued on matrix pricing based on securities’ relationship to benchmark quoted prices); and Level 3 inputs are unobservable inputs.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

At December 31, 2020, the City's investments balances at fair value hierarchy are as follows:

Investment Type	Level 1	Level 2	Level 3	Total
US Agency Securities	\$ -	\$ 17,692,680	\$ -	\$ 17,692,680
US Treasury Securities	-	3,927,334	-	3,927,334
Corporate Bonds	-	8,201,204	-	8,201,204
Municipal Bonds	-	7,431,753	-	7,431,753
Brokered CD's	-	9,271,555	-	9,271,555
Money Market Funds	6,983,882	-	-	6,983,882
Total Investments by Fair Value Level	<u>\$ 6,983,882</u>	<u>\$ 46,524,526</u>	<u>\$ -</u>	<u>\$ 53,508,408</u>
Non-Brokered CD's				10,863,602
Local Government Investment Pools				54,269,968
Total Investments				<u>\$ 118,641,978</u>

Local Government Investment Pools

As of December 31, 2020, the City of Centennial has invested \$27,951,562 in Colorado Local Government Liquid Asset Trust + (ColoTrust) and \$25,001,092 in the Colorado Surplus Asset Trust (CSAFE CORE). ColoTrust and CSAFE CORE are valued using a NAV per share (or its equivalent) of the investments and do not have unfunded commitments. ColoTrust does not have redemption restrictions or redemption notice periods. CSAFE CORE has a required 24-hour redemption notice and a limit of 3 monthly withdrawals. The investments conform to its permitted investment and will meet Standard & Poor's investment guidance to achieve a rating of AAAM, the highest attainable rating for a Local Government Pool. Information related to ColoTrust can be found on their website, www.colotrust.com Information related to CSAFE CORE can be found on their website, www.csafe.org.

Additionally, the City has invested \$1,317,314 in Colorado Statewide Investment Program (CSIP). CSIP is valued at amortized cost. The investments are a short-term portfolio rated AAAM by standard and Poor's.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 – INTERFUND TRANSFERS

The following schedule summarizes the City’s interfund transfer activity for the year ended December 31, 2020:

Transfers Out	Transfers In				
	Land Use Fund	Fiber Fund	Street Fund	General Fund	Total
General Fund	\$ 710,153	\$ 270,000	\$ 5,348,510	\$ -	\$ 6,328,663
Land Use Fund	-	-		1,151,294	1,151,294
Capital Improvement Fund	-	-	22,469,000	-	22,469,000
TOTAL	\$ 710,153	\$ 270,000	\$ 27,817,510	\$ 1,151,294	\$ 29,948,957

The transfer of \$5,348,510 from the General Fund to the Street Fund was made to provide necessary funding for 2020 street maintenance items previously budgeted in the General Fund. The transfer of \$710,153 from the General Fund to the Land Use Fund was for remittance of Use Tax in conjunction with the operations of the Land Use Fund. The transfer of \$270,000 from the General Fund to the Fiber Fund was to support the maintenance needs of the fiber backbone. The transfer \$1,151,294 from the Land Use Fund to the General Fund was to reimburse the General Fund for unallocated costs. The transfer of \$22,469,000 from the Capital Improvement Fund to the Street Fund was to fund infrastructure items previously budgeted in the Capital Improvement Fund that have now moved to the Street Fund.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2020 is as follows:

	Balance at December 31, 2019	Increases	Decreases	Balance at December 31, 2020
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land, Easements and ROW	\$ 23,884,165	\$ 217,960	\$ -	\$ 24,102,125
Streets - Subsurface	69,607,410	-	-	69,607,410
Construction in progress	1,614,795	4,583,835	585,819	5,612,811
Total capital assets, not being depreciated	95,106,370	4,801,795	585,819	99,322,346
Capital assets, being depreciated:				
Streets/Sidewalks/Trails	96,513,053	641,443	-	97,154,496
Drainage	21,130,856	-	-	21,130,856
Traffic signals	10,775,819	-	-	10,775,819
Traffic signs	1,977,951	-	-	1,977,951
Major bridges	16,530,480	-	-	16,530,480
Buildings	14,398,823	204,303	-	14,603,126
Comprehensive plan	503,872	-	-	503,872
Equipment	2,385,693	227,219	-	2,612,912
Fiber	1,127,816	-	-	1,127,816
Total capital assets being depreciated	165,344,363	1,072,965	-	166,417,328
Less accumulated depreciation for:				
Streets/Sidewalks/Trails	58,023,409	2,962,640	-	60,986,049
Drainage	10,536,683	311,615	-	10,848,298
Traffic signals	7,921,591	537,224	-	8,458,815
Traffic signs	1,890,063	23,135	-	1,913,198
Major bridges	7,658,730	387,495	-	8,046,225
Buildings	2,570,795	456,495	-	3,027,290
Comprehensive plan	21,434	19,438	-	40,872
Equipment	879,572	212,133	-	1,091,705
Fiber	99,373	52,529	-	151,902
Total accumulated depreciation	89,601,650	4,962,704	-	94,564,354
Total capital assets being depreciated, net	75,742,713	(3,889,739)	-	71,852,974
Governmental activities capital assets, net	\$ 170,849,083	\$ 912,056	\$ 585,819	\$ 171,175,320

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5 – CAPITAL ASSETS (CONTINUED)

	Balance at December 31, 2019	Increases	Decreases	Balance at December 31, 2020
<u>Business type Activities:</u>				
Capital assets, being depreciated:				
Building	\$ 49,559	\$ -	\$ -	\$ 49,559
Equipment	193,412	5,676	-	199,088
Fiber Infrastructure	5,340,233	11,480	-	5,351,713
Total capital assets being depreciated	<u>5,583,205</u>	<u>17,156</u>	<u>-</u>	<u>5,600,360</u>
Less accumulated depreciation for:				
Building	1,025	1,025	-	2,050
Equipment	165,660	11,866	-	177,526
Fiber Infrastructure	122,609	182,357	-	304,966
Total accumulated depreciation	<u>289,294</u>	<u>195,248</u>	<u>-</u>	<u>484,542</u>
Total capital assets being depreciated, net	<u>5,293,911</u>	<u>(178,092)</u>	<u>-</u>	<u>5,115,818</u>
Business type activities capital assets, net	<u>\$ 5,293,911</u>	<u>\$ (178,092)</u>	<u>\$ -</u>	<u>\$ 5,115,818</u>

Depreciation expense of the governmental activities was charged to the general government, city infrastructure, culture and recreation program, and community services in the amounts of \$848,444, \$3,621,821, \$478,232, and \$14,207, respectively. Depreciation expense of business type activities was charged to the Fiber Fund in the amounts of \$195,248. No depreciation was charged to the Land Use Fund.

NOTE 6 – LONG-TERM OBLIGATIONS

Long-term obligation transactions as of December 31, 2020 are summarized below.

	Balance at December 31, 2019	Additions	Reductions	Balance at December 31, 2020	Due Within One Year
<u>Governmental Activities:</u>					
General Obligation Bonds:					
Antelope GID Bonds (Refunded)	\$ 2,100,000	\$ -	\$ 100,000	\$ 2,000,000	\$ 100,000
Willow Creek GID Bonds Series 2020	-	4,340,000	-	4,340,000	40,000
Direct Placement Debt:					
Foxridge GID Bonds Series 2020	-	1,955,000	-	1,955,000	85,000
Total Bonds Payable	<u>\$ 2,100,000</u>	<u>\$ 6,295,000</u>	<u>\$ 100,000</u>	<u>\$ 8,295,000</u>	<u>\$ 225,000</u>
Bond premiums	109,507	841,491	13,798	937,200	34,661
Compensated absences	306,621	506,409	420,706	392,324	39,232
Total long-term obligations	<u>\$ 2,516,128</u>	<u>\$ 7,642,900</u>	<u>\$ 534,504</u>	<u>\$ 9,624,524</u>	<u>\$ 298,893</u>

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 6 – LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds

In March 2016, the Antelope General Improvement District issued General Obligation Refunding Bonds Series 2016, in the principal amount of \$2,495,000. Proceeds of this issuance were used to refund \$2,515,000 of General Obligation Bonds Series 2005. The 2005 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. As a result, the refunded debt has been removed from the financial statements.

Bonds outstanding and related interest requirements as of December 31, 2020, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 100,000	\$ 79,375	\$ 179,375
2022	105,000	76,375	181,375
2023	105,000	74,275	179,275
2024	110,000	71,125	181,125
2025	110,000	66,725	176,725
2026 - 2030	655,000	253,675	908,675
2031 - 2035	815,000	90,100	905,100
	<u>\$ 2,000,000</u>	<u>\$ 711,650</u>	<u>\$ 2,711,650</u>

The General Obligation Refunding Bonds, Series 2016 are due on December 1 of each year to 2035, with interest varying from 2.0% to 5.0%, payable semi-annually on June 1st and December 31st of year.

General Obligation Bonds Foxridge

In September 2020, the Foxridge General Improvement District General Obligation Bond Series 2020 were issued via direct placement, in the principal amount of \$1,955,000. The 2020 Bonds were issued for the purposes of: (i) financing or reimbursing all or any part of the costs of acquiring, construction, and installation of perimeter fencing for 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. The District has outstanding notes related to construction of this fencing project; the District assesses a mill levy under general obligation debt annually, sufficient to service the debt requirements of each year.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 6 – LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds Foxridge(continued)

Debt service requirements on long-term debt as of December 31, 2020, are as follows:

Year	Principal	Interest	Total
2021	\$ 85,000	\$ 53,648	\$ 138,648
2022	90,000	43,158	133,158
2023	90,000	41,187	131,187
2024	90,000	39,216	129,216
2025	95,000	37,245	132,245
2026 - 2030	500,000	154,361	654,361
2031 - 2035	555,000	97,311	652,311
2036 - 2039	450,000	30,820	480,820
	<u>\$ 1,955,000</u>	<u>\$ 496,946</u>	<u>\$ 2,451,946</u>

The Foxridge General Obligation Bonds, Series 2020 are due on December 1 of each year to 2039 with interest varying from 2.19% to 2.68%, payable semi-annually on June 1st and December 31st of year.

General Obligation Bonds

In September 2020, the Willow Creek GID 1 & 2 General Obligation Bonds Series 2020 were issued, in the principal amount of \$4,340,000. The 2020 Bonds were issued for the purposes of (i) financing or reimbursing all or any part of the costs of acquiring, construction, and installation of perimeter fencing for 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. The District has begun construction on this project and anticipates its completion by the end of 2022.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 6 – LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (continued)

Bonds outstanding and related interest requirements as of December 31, 2020, are as follows:

Year	Principal	Interest	Total
2021	\$ 40,000	\$ 224,883	\$ 264,883
2022	70,000	193,550	263,550
2023	75,000	190,050	265,050
2024	80,000	186,300	266,300
2025	80,000	182,300	262,300
2026 - 2030	475,000	846,500	1,321,500
2031 - 2035	605,000	715,250	1,320,250
2036 - 2040	770,000	548,250	1,318,250
2041 - 2045	970,000	354,400	1,324,400
2046 - 2050	1,175,000	145,000	1,320,000
	<u>\$ 4,340,000</u>	<u>\$ 3,586,483</u>	<u>\$ 7,926,483</u>

The Willow Creek General Obligation Bonds, Series 2020 are due on December 1 of each year to 2050 with interest varying from 4.0% to 5.0%, payable semi-annually on June 1st and December 31st of year.

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, 2020 were \$16,798.

The City has leases for certain office equipment through July 2022. 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.

As of December 31, 2020, the City had future minimum lease payments with a remaining term of more than one year as follows:

<u>Year Ending December 31,</u>	<u>Minimum Lease Payments</u>
2021	\$ 23,981
2022	11,988
	<u>\$ 35,969</u>

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Project	Total Contract Amount	Remaining Contract Amount
Infill Sidewalk Program - Design SH177 County Line Rd & Orchard Rd.	\$ 6,028,666	\$ 496,688
University Blvd Infill SW Design	912,139	325,097
Quebec & County Line Rd Intersection Improvements	640,478	638,836
Big Dry Creek Bridge	574,156	19,307
Colorado Blvd - Orchard RD - Corridor Study	149,300	39,952
Additional Services	731,285	306,915
Arapahoe & York Intersection Improvements	32,852	10,382
Traffic Signals	785,368	617,922
IT Upgrades	673,693	89,596
ITS Master Plan/IT System Upgrades	617,072	67,519
Fiber: Underground utility - material & labor	276,823	145,603
SSPRD Park & Trail Improvements	813,125	813,125
Civic Center Park Maintenance/repair	548,913	250,675
Trails	1,808,896	1,310,911
Professional Services - Other	14,917,876	1,068,583
	\$ 29,510,642	\$ 6,201,111

The City entered into construction contracts for various capital projects which are not complete as of December 31, 2020. The total unexpended commitments at December 31, 2020 are \$6,201,111 as detailed below:

Commitments – Economic Development

The City has entered into various agreements in an effort to promote economic development and re-development within the City. These agreements offer reductions in sales tax, use tax (including construction use tax and automobile use tax), property taxes, and business licensing fees.

The City derives authority for tax abatement under the Economic Development Incentive Policy approved by City Council in 2007. Under this policy businesses are eligible to receive tax abatements based on various project criteria: Major Retail Development, Major Primary Employment, Commercial/Mixed-Use Annexation, and Redevelopment/Revitalization. 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. In an effort to promote immediate economic development, property owners have paid for and installed the improvements in advance. In each project area, the revenues to the City were either zero or declining. As such, the City was in a position to enhance its economic base or improve overall economic vitality in areas surrounding the specific projects.

Major Retail Development project criteria provides sales and use tax abatements to further encourage retail development in the area. Criteria for an incentive agreement include significant private-sector financial investment, projects that promote a higher or better use of the property and provide positive fiscal and economic impact to the City. Criteria also include the requirement that the development add new and unique tenants to the market and /or trade area. These projects must mitigate any perceived or potential negative impacts to the surrounding area and additionally minimize the negative impact on consumer spending from existing projects in the City.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 8 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Major Primary Employment project criteria provides sales and/or property tax abatements to encourage business growth within the City. Criteria for an incentive agreement include significant private-sector financial investment and provide quality employment opportunities for the City's citizens and the region. Quality employment opportunities are currently defined as a minimum of fifty new jobs at a pay rate equal to 66% (excluding benefits) of the City's median household income. Major Primary Employment projects will demonstrate a positive direct and/or indirect fiscal and economic impact to the City. These proposed projects must mitigate any perceived or potential negative impacts to the surrounding area and additionally demonstrate a long-term commitment.

Commercial/Mixed Use Annexation project criteria provides sales/use, property, and business license fee tax abatements to enable the annexation of fully developed, partially developed, or vacant land that is commercial or mixed-use in nature. Criteria for these incentive agreements include a demonstration of reasonable potential for positive fiscal and economic benefit to the City. These proposed projects must be a geographically logical addition to the City and reasonably served by the City and its service/infrastructure providers. Additionally, criteria include the requirement that the project mitigate any perceived or potential negative impacts to the surrounding area.

Redevelopment/Revitalization project criteria provides sales and/or property tax abatements to encourage the redevelopment and/or revitalization of areas that have experienced either no growth or negative growth within the City. Criteria for these incentive agreements include projects that meet or exceed the goals and objectives of the City's Comprehensive plan and amendments with significant new private-sector financial investment designed to provide positive fiscal and economic impact to the City. These proposed projects must promote a higher and better use of the property or improve the financial performance and viability of the existing property. Additionally, proposed projects must be consistent with the community's vision and mitigate any perceived or potential negative impacts to the surrounding area, while being respectful of existing adjacent property types.

Parties to the incentive agreements and the various components therein are different, however each financial agreement is set to expire at either a date certain, or when a given amount of funds have been paid to reimburse the project developers, whichever occurs first. In no instance has the City incurred credit or enhanced any debts or entered into any lease/purchase arrangements related to these agreements and project areas.

As 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. Information relevant to the disclosure of these projects for the fiscal year ended December 31, 2020 is:

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 8 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated during the Fiscal Year</u>
Major Retail Development Projects	
Sales/Use Tax	\$ 1,642,469
Commercial/Mixed Use Annexaton Projects	
Sales Tax	959,711
Redevelopment/Revitalization Projects	
Sales/Use Tax	299,041
Total	<u><u>\$ 2,901,221</u></u>

CARES ACT

On March 11, 2020, the World Health Organization ("WHO") recognized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary store closures, and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had a significant adverse impact upon many sectors of the economy, including the businesses located within the City and City services.

The COVID-19 pandemic remains an evolving situation. The extent of the impact of COVID-19 on the City and financial results will depend on future developments, vaccinations toward 'herd immunity, continued outbreaks, and the related impact on consumer confidence and spending, all of which remain uncertain.

We considered the impact of the COVID-19 pandemic on the assumptions and estimates used and determined that there were no material adverse impacts on the financial statements for the year ended December 31, 2020.

On March 27, 2020, the federal CARES Act (established the Coronavirus Relief Fund (the "Fund") was signed by President Trump and appropriated \$150 billion to the Fund. Under the CARES Act, the Fund was to be used to make payments for specified Coronavirus public health-related uses to States and certain local governments; the District of Columbia and U.S. Territories; and Tribal governments.

Arapahoe County, Colorado, due to its population of over 500,000, qualified for funds and received a distribution of \$114.57M from the Treasury Department. This amount was shared with cities within the County. Through discussions between the County and cities in Arapahoe County, the County distributed funds based on a 55/45 split with the county receiving 55% of the funds and allocating 45% to municipalities based on population. Based upon these formulas, the City of Centennial received \$10.29M for eligible incurred expenses for the period of March 1, 2020 through 12/30/2020. The City subsequently received another \$.10M from the County in 2020, for a total CARES allocation of \$10.39M. The City spent 100% of these funds on or before 12/30/20.

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 8 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Grants

The City receives revenue from various federal and state grant programs, which are subject to final review and approval 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 established a defined contribution money purchase pension plan (City of Centennial Money Purchase Plan) authorized by City Council and administered by One America (American United Life Insurance Company). This plan is referenced further as 401(a) and the plan serves as a substitute for contributions to social security under FICA. 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. 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. Employer contributions vest at 62% upon hiring, with vesting at 71% at year one, 80% at year two, 90% at year three, and 100% at year four. Participant contributions during 2020 were 8% of pre-tax earnings. The City's contributions to the Plan were \$612,640 for the year ending December 31, 2020.

The City has also established a 457 plan for deferred compensation. Effective July 1, 2016 the City amended the money purchase plan to allow employer matching contributions of up to 3%, based on employee contributions to the 457 plan. In 2020, City matching contributions to the 401 plan based on employee contributions to the 457 plan were \$161,298. There is no liability on the part of the City beyond its annual contribution and all investments of the employer match plan are held for the exclusive benefit of the employees.

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 with 275 current government members that was created by intergovernmental agreement 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.

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

CITY OF CENTENNIAL, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

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.

NOTE 11– SUBSEQUENT EVENTS

On March 15, 2021, President Biden signed into law the American Rescue Plan Act of 2021 which provides approximately \$1.9T in spending to address the continued impact of COVID-19. The American Rescue Plan Act is a follow up to the CARES Act from March 2020, and to the Consolidated Appropriations Act of 2021 devoted to COVID-19 relief, which was adopted in late December, 2020.

As far as the American Rescue Plan Act relates to the City of Centennial, state, local, and territorial governments will receive \$360B in funding for economic relief and another \$20B in funding for public transit systems. Among other uses, state and local recipients can use the funds to provide aid to households, small businesses, nonprofits, and industries such as tourism and hospitality and to provide premium pay to essential employees or grants to their employers. In addition, these funds can provide government services affected by a revenue reduction during the pandemic, and to make investments in water, sewer, and broadband infrastructure. Funds can be used to cover costs incurred through the end of 2024. At this time, the approximate funding for the City is estimated to be \$8.0M.

On May 16, the Tri-County Health Department (TCHD) moved Arapahoe County to Level Clear on the Simplified Dial, entering Phase 2 Observation Period of the Public Health Order Simplified COVID-19 Dial issued in April. Under the Level Clear, Arapahoe County will enter a 90-day observational Period during which businesses, schools, restaurants and other facilities will be able to open at 100 percent capacity. There will be no further restrictions beyond the state’s mask-wearing requirements for indoor spaces and any state public health orders still in effect.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Sales tax	\$ 38,300,000	\$ 38,300,000	\$ 35,641,366	\$ (2,658,634)
Use tax	3,100,000	3,100,000	2,852,813	(247,187)
Property tax	12,400,000	12,400,000	12,406,544	6,544
Other taxes	790,000	790,000	897,180	107,180
Franchise fees	5,211,000	5,211,000	5,035,121	(175,879)
Court fines	825,000	825,000	586,612	(238,388)
Charges for services	594,500	594,500	521,172	(73,328)
Investment income	1,500,000	1,500,000	2,002,882	502,882
Intergovernmental	760,000	11,051,697	11,123,723	72,026
Miscellaneous	633,300	633,300	911,208	277,908
Total revenues	<u>64,113,800</u>	<u>74,405,497</u>	<u>71,978,621</u>	<u>(2,426,876)</u>
EXPENDITURES				
Current				
General government	11,166,040	22,052,996	17,669,717	4,383,279
Finance & administration	6,131,740	6,290,063	5,498,697	791,366
Community services	2,099,650	1,927,174	1,822,086	105,088
City infrastructure	10,676,660	10,741,678	10,275,759	465,919
Planning & development	570,470	520,066	495,886	24,180
Public safety	30,056,400	29,460,680	29,453,500	7,180
Capital outlay	-	-	171,197	(171,197)
Total expenditures	<u>60,700,960</u>	<u>70,992,657</u>	<u>65,386,842</u>	<u>5,605,815</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,412,840</u>	<u>3,412,840</u>	<u>6,591,779</u>	<u>3,178,939</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,123,960	1,123,960	1,151,294	27,334
Transfers out	<u>(9,981,170)</u>	<u>(9,981,170)</u>	<u>(6,328,663)</u>	<u>3,652,507</u>
Total other financing sources (uses)	<u>(8,857,210)</u>	<u>(8,857,210)</u>	<u>(5,177,369)</u>	<u>3,679,841</u>
NET CHANGE IN FUND BALANCE	<u>\$ (5,444,370)</u>	<u>\$ (5,444,370)</u>	<u>1,414,410</u>	<u>\$ 6,858,780</u>
FUND BALANCE - BEGINNING OF YEAR			<u>37,423,777</u>	
FUND BALANCE - END OF YEAR			<u>\$ 38,838,187</u>	

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
CENTENNIAL URBAN REDEVELOPMENT AUTHORITY FUND
For the Year Ended December 31, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Sales tax	\$ 860,000	\$ 860,000	\$ 299,041	\$ (560,959)
Property tax	5,200,000	5,200,000	5,244,111	44,111
Miscellaneous	106,000	106,000	-	(106,000)
Investment Income	2,000	2,000	-	(2,000)
Total revenue	<u>6,168,000</u>	<u>6,168,000</u>	<u>5,543,152</u>	<u>(624,848)</u>
EXPENDITURES				
Sales tax sharing pass-thru	860,000	860,000	-	860,000
Property tax sharing pass-thru	5,122,000	5,122,000	-	5,122,000
Professional services	186,000	186,000	-	186,000
CURA expenses	-	-	5,482,950	(5,482,950)
Total expenditures	<u>6,168,000</u>	<u>6,168,000</u>	<u>5,482,950</u>	<u>685,050</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	60,202	<u>\$ (1,309,898)</u>
FUND BALANCE - BEGINNING OF YEAR			<u>391,363</u>	
FUND BALANCE - END OF YEAR			<u>\$ 451,565</u>	

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
STREET FUND
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Sales tax	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ -
Motor Vehicle Use Tax	5,200,000	5,200,000	5,309,401	109,401
Highway Users Tax Fund (HUTF)	5,467,000	5,467,000	4,823,385	(643,615)
Road and Bridge Shareback	622,000	622,000	599,528	(22,472)
Federal grant funds	641,000	641,000	-	(641,000)
Intergovernmental revenue	-	-	512,577	512,577
Pavement Degradation Fees	45,000	45,000	36,173	(8,827)
Developer and other contributions	-	-	25,000	25,000
Miscellaneous income	-	-	280,589	280,589
Total revenue	<u>14,775,000</u>	<u>14,775,000</u>	<u>14,386,653</u>	<u>(388,347)</u>
EXPENDITURES				
Rehabilitation				
Concrete replacement program	105,000	105,000	64,639	40,361
Materials - Snow removal & fuel	780,000	780,000	735,073	44,927
Street rehabilitation program	7,500,000	6,300,000	6,212,529	87,471
Major/minor structures	50,000	27,000	31,033	(4,033)
Traffic signals	3,155,000	3,505,000	2,963,932	541,068
Professional services	5,455,960	5,624,120	5,477,701	146,419
Capital outlay				
Capital projects	1,800,000	1,226,060	234,368	991,692
Streets	1,672,210	570,100	437,073	133,027
Sidewalks	1,800,000	2,050,000	1,365,026	684,974
Land acquisition	200,000	200,000	-	200,000
Contingency	218,000	2,348,890	-	2,348,890
Total expenditures	<u>22,736,170</u>	<u>22,736,170</u>	<u>17,521,374</u>	<u>5,214,796</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,961,170)	(7,961,170)	(3,134,721)	4,826,449
OTHER FINANCING SOURCES				
Transfers in	<u>29,905,170</u>	<u>29,905,170</u>	<u>27,817,510</u>	<u>(2,087,660)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 21,944,000</u>	<u>\$ 21,944,000</u>	<u>24,682,789</u>	<u>\$ 2,738,789</u>
FUND BALANCE - BEGINNING OF YEAR			<u>-</u>	
FUND BALANCE - END OF YEAR			<u>\$ 24,682,789</u>	

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
OPEN SPACE FUND
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Intergovernmental	\$ 2,900,000	\$ 2,900,000	\$ 3,228,997	\$ 328,997
Investment income	275,000	275,000	174,301	(100,699)
Total revenue	<u>3,175,000</u>	<u>3,175,000</u>	<u>3,403,298</u>	<u>228,298</u>
EXPENDITURES				
Culture and recreation	210,000	195,000	705,312	(510,312)
Capital outlay	7,226,000	4,768,950	1,303,496	3,465,454
Contingencies		2,472,050	-	2,472,050
Total expenditures	<u>7,436,000</u>	<u>7,436,000</u>	<u>2,008,808</u>	<u>5,427,192</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,261,000.00)</u>	<u>\$ (4,261,000.00)</u>	1,394,490	<u>\$ 5,655,490.00</u>
FUND BALANCE - BEGINNING OF YEAR			<u>13,641,759</u>	
FUND BALANCE - END OF YEAR			<u>\$ 15,036,249</u>	

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.

COMBINING & INDIVIDUAL FINANCIAL STATEMENTS & SCHEDULES



CITY OF CENTENNIAL, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2020

	Conservation Trust Fund	Cherry Park General Improvement District	Walnut Hills General Improvement District
ASSETS			
Cash and investments	\$ 3,506,525	\$ 149,881	\$ 727,519
Taxes receivable	-	59,841	90,868
Total assets	<u>3,506,525</u>	<u>209,722</u>	<u>818,387</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts payable	1,969	942	1,534
Retainage payable	-	-	-
Accrued liabilities	-	2,601	2,600
Total liabilities	<u>1,969</u>	<u>3,543</u>	<u>4,134</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	-	59,558	90,438
Total liabilities	<u>-</u>	<u>59,558</u>	<u>90,438</u>
FUND BALANCE			
Restricted for:			
Emergency reserves	17,781	796	1,565
Parks and Open Space	3,486,775	-	-
District Infrastructure	-	145,825	722,250
Total fund balance	<u>3,504,556</u>	<u>146,621</u>	<u>723,815</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 3,506,525</u>	<u>\$ 209,722</u>	<u>\$ 818,387</u>

See the accompanying independent auditors' report.

Foxridge General Improvement District	Willow Creek General Improvement District	Antelope General Improvement District	Total Nonmajor Governmental Funds
\$ 2,148,751	\$ 5,073,667	\$ 67,801	\$ 11,674,144
206,469	297,919	175,760	830,857
<u>2,355,220</u>	<u>5,371,586</u>	<u>243,561</u>	<u>12,505,001</u>
125,526	127,896	-	257,867
5,726	-	-	5,726
3,501	3,500	2,600	14,802
<u>134,753</u>	<u>131,396</u>	<u>2,600</u>	<u>278,395</u>
206,141	297,919	175,002	829,058
<u>206,141</u>	<u>297,919</u>	<u>175,002</u>	<u>829,058</u>
8,672	-	5,688	34,502
-	-	-	3,486,775
2,005,654	4,942,271	60,271	7,876,271
<u>2,014,326</u>	<u>4,942,271</u>	<u>65,959</u>	<u>11,397,548</u>
<u>\$ 2,355,220</u>	<u>\$ 5,371,586</u>	<u>\$ 243,561</u>	<u>\$ 12,505,001</u>

CITY OF CENTENNIAL, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2020

	Conservation Trust Fund	Cherry Park General Improvement District	Walnut Hills General Improvement District
REVENUES			
Taxes	\$ -	\$ 61,420	\$ 94,203
Intergovernmental	606,439	-	-
Investment income	23,020	1,405	5,139
Total revenues	<u>629,459</u>	<u>62,825</u>	<u>99,342</u>
EXPENDITURES			
Current			
City infrastructure	-	26,527	40,489
Culture and recreation	480,714	-	-
Capital Outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Bond Issuance Costs	-	-	-
Total expenditures	<u>480,714</u>	<u>26,527</u>	<u>40,489</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>148,745</u>	<u>36,298</u>	<u>58,853</u>
OTHER FINANCING SOURCES (USES)			
Bond Proceeds	-	-	-
NET CHANGE IN FUND BALANCE	148,745	36,298	58,853
FUND BALANCE - BEGINNING OF YEAR	<u>3,355,811</u>	<u>110,323</u>	<u>664,962</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,504,556</u>	<u>\$ 146,621</u>	<u>\$ 723,815</u>

See the accompanying independent auditors' report.

Foxridge General Improvement District	Willow Creek General Improvement District	Antelope General Improvement District	Total Nonmajor Governmental Funds
\$ 71,815	\$ -	\$ 165,746	\$ 393,184
-	-	-	606,439
2,505	2	456	32,527
<u>74,320</u>	<u>2</u>	<u>166,202</u>	<u>1,032,150</u>
59,649	6,933	(136)	133,462
-	-	-	480,714
229,421	126,458	-	355,879
-	-	100,000	100,000
-	-	82,375	82,375
36,800	105,830	-	142,630
<u>325,870</u>	<u>239,221</u>	<u>182,239</u>	<u>1,295,060</u>
<u>(251,550)</u>	<u>(239,219)</u>	<u>(16,037)</u>	<u>(262,910)</u>
<u>1,955,000</u>	<u>5,181,490</u>	<u>-</u>	<u>7,136,490</u>
1,703,450	4,942,271	(16,037)	6,873,580
310,876	-	81,996	4,523,968
<u>\$ 2,014,326</u>	<u>\$ 4,942,271</u>	<u>\$ 65,959</u>	<u>\$ 11,397,548</u>

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
EXPENDITURES				
Rehabilitation				
Professional services	\$ 1,774,120	\$ 848,850	\$ 317,507	\$ 531,343
Capital outlay				
Fiber Optic Backbone	-	45,000	45,000	-
Equipment	42,000	35,000	34,679	321
ITS Master Plan	1,745,000	1,100,000	609,508	490,492
Major Capital Project Reserve	-	1,811,270	-	1,811,270
Fiber Optic Backbone	600,000	321,000	304,306	16,694
Total expenditures	<u>4,161,120</u>	<u>4,161,120</u>	<u>1,311,000</u>	<u>2,850,120</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,161,120)	(4,161,120)	(1,311,000)	2,850,120
OTHER FINANCING SOURCES				
Transfers in	1,500,000	1,500,000	-	(1,500,000)
Transfers out	<u>(22,469,000)</u>	<u>(22,469,000)</u>	<u>(22,469,000)</u>	<u>-</u>
Total other financing sources	<u>(20,969,000)</u>	<u>(20,969,000)</u>	<u>(22,469,000)</u>	<u>(1,500,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (25,130,120)</u>	<u>\$ (25,130,120)</u>	(23,780,000)	<u>\$ 1,350,120</u>
FUND BALANCE - BEGINNING OF YEAR			<u>47,956,237</u>	
FUND BALANCE - END OF YEAR			<u>\$ 24,176,237</u>	

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Intergovernmental	\$ 640,000	\$ 640,000	\$ 606,439	\$ (33,561)
Investment income	70,000	70,000	23,020	(46,980)
Total revenue	<u>710,000</u>	<u>710,000</u>	<u>629,459</u>	<u>(80,541)</u>
EXPENDITURES				
Culture and recreation	<u>540,000</u>	<u>540,000</u>	<u>480,714</u>	<u>59,286</u>
NET CHANGE IN FUND BALANCE	<u>\$ 170,000</u>	<u>\$ 170,000</u>	<u>148,745</u>	<u>\$ (21,255)</u>
FUND BALANCE - BEGINNING OF YEAR			<u>3,355,811</u>	
FUND BALANCE - END OF YEAR			<u>\$ 3,504,556</u>	

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
CHERRY PARK GENERAL IMPROVEMENT DISTRICT
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Property tax	\$ 59,000	\$ 59,000	\$ 57,325	\$ (1,675)
Specific ownership tax	4,000	4,000	4,095	95
Investment income	1,500	1,500	1,405	(95)
Total revenue	<u>64,500</u>	<u>64,500</u>	<u>62,825</u>	<u>(1,675)</u>
EXPENDITURES				
Current				
City infrastructure	51,900	51,900	26,527	25,373
Professional services	2,500	2,500	-	2,500
Total expenditures	<u>54,400</u>	<u>54,400</u>	<u>26,527</u>	<u>27,873</u>
NET CHANGE IN FUND BALANCE	<u>\$ 10,100</u>	<u>\$ 10,100</u>	36,298	<u>\$ 26,198</u>
FUND BALANCE - BEGINNING OF YEAR			<u>110,323</u>	
FUND BALANCE - END OF YEAR			<u>\$ 146,621</u>	

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
WALNUT HILLS GENERAL IMPROVEMENT DISTRICT
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Property tax	\$ 89,500	\$ 89,500	\$ 87,968	\$ (1,532)
Specific ownership tax	5,500	5,500	6,235	735
Investment income	14,000	14,000	5,139	(8,861)
Total revenue	<u>109,000</u>	<u>109,000</u>	<u>99,342</u>	<u>(9,658)</u>
EXPENDITURES				
Current				
City infrastructure	111,150	111,150	40,489	70,661
Professional services	3,000	3,000	-	3,000
Total expenditures	<u>114,150</u>	<u>114,150</u>	<u>40,489</u>	<u>73,661</u>
NET CHANGE IN FUND BALANCE	<u>\$ (5,150)</u>	<u>\$ (5,150)</u>	58,853	<u>\$ 64,003</u>
FUND BALANCE - BEGINNING OF YEAR			<u>664,962</u>	
FUND BALANCE - END OF YEAR			<u>\$ 723,815</u>	

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOXTRIDGE GENERAL IMPROVEMENT DISTRICT
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Property tax	\$ 68,500	\$ 67,100	\$ 67,060	\$ (40)
Specific ownership tax	4,000	4,500	4,755	255
Investment income	5,000	4,000	2,505	(1,495)
Total revenue	<u>77,500</u>	<u>75,600</u>	<u>74,320</u>	<u>(1,280)</u>
EXPENDITURES				
Current				
City infrastructure	55,250	1,273,650	59,649	1,214,001
Professional services	2,500	2,500	-	2,500
Capital Outlay	-	-	229,421	(229,421)
Debt service:				
Bond Issuance Costs	-	-	36,800	(36,800)
Total expenditures	<u>57,750</u>	<u>1,276,150</u>	<u>325,870</u>	<u>950,280</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>19,750</u>	<u>(1,200,550)</u>	<u>(251,550)</u>	<u>949,000</u>
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	1,955,000	1,955,000	3,910,000
NET CHANGE IN FUND BALANCE	<u>\$ 19,750</u>	<u>\$ 754,450</u>	1,703,450	<u>\$ 949,000</u>
FUND BALANCE - BEGINNING OF YEAR			<u>310,876</u>	
FUND BALANCE - END OF YEAR			<u>\$ 2,014,326</u>	

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
WILLOW CREEK GENERAL IMPROVEMENT DISTRICT
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Investment income	\$ -	\$ -	\$ 2	\$ 2
EXPENDITURES				
Current				
City infrastructure	-	390,000	6,933	383,067
Capital Outlay	-	-	126,458	(126,458)
Debt service:				
Bond issuance costs	-	-	105,830	(105,830)
Total expenditures	-	390,000	239,221	150,779
REVENUES OVER (UNDER) EXPENDITURES	-	(390,000)	(239,219)	150,781
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	5,181,490	5,181,490	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ 4,791,490</u>	4,942,271	<u>\$ 150,781</u>
FUND BALANCE - BEGINNING OF YEAR			-	
FUND BALANCE - END OF YEAR			<u>\$ 4,942,271</u>	

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
ANTELOPE GENERAL IMPROVEMENT DISTRICT
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Property tax	\$ 155,000	\$ 155,000	\$ 154,762	\$ (238)
Specific ownership tax	10,000	10,000	10,984	984
Investment income	500	500	456	(44)
Total revenue	<u>165,500</u>	<u>165,500</u>	<u>166,202</u>	<u>702</u>
EXPENDITURES				
Current				
City infrastructure	2,325	2,325	(136)	2,461
Professional services	6,250	6,250	-	6,250
Debt service				
Principal	100,000	100,000	100,000	-
Interest	82,375	82,375	82,375	-
Total expenditures	<u>190,950</u>	<u>190,950</u>	<u>182,239</u>	<u>8,711</u>
NET CHANGE IN FUND BALANCE	<u>\$ (25,450)</u>	<u>\$ (25,450)</u>	(16,037)	<u>\$ 9,413</u>
FUND BALANCE - BEGINNING OF YEAR			<u>81,996</u>	
FUND BALANCE - END OF YEAR			<u>\$ 65,959</u>	

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
LAND USE FUND
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUE				
Building permits, licenses, and fees	\$ 3,609,000	\$ 3,609,000	\$ 2,501,231	\$ (1,107,769)
Contractor's licenses and bus shelter fees	240,000	240,000	214,925	(25,075)
Land use permits and other income	267,300	267,300	993,290	725,990
Transfers in	775,000	775,000	710,153	(64,847)
Total revenue	<u>4,891,300</u>	<u>4,891,300</u>	<u>4,419,599</u>	<u>(471,701)</u>
EXPENDITURES				
Personnel services	611,740	569,451	530,717	38,734
Contracted services	2,824,700	2,080,700	2,586,259	(505,559)
Services & supplies	330,900	427,450	151,329	276,121
Contingencies	-	689,739	-	689,739
Transfers out	1,123,960	1,123,960	1,151,294	(27,334)
Total expenditures	<u>4,891,300</u>	<u>4,891,300</u>	<u>4,419,599</u>	<u>471,701</u>
CHANGE IN NET POSITION - BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ADJUSTMENT TO GAAP BASIS				
Depreciation			<u>\$ -</u>	
CHANGE IN NET POSITION - GAAP BASIS			<u>\$ -</u>	

See the accompanying independent auditors' report.

CITY OF CENTENNIAL, COLORADO
BUDGETARY COMPARISON SCHEDULE
FIBER WORKS FUND
For the Year Ended December 31, 2020

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Leased Property Revenue	\$ -	\$ 30,000	\$ 37,184	\$ 7,184
Miscellaneous Revenue	-	-	60,338	60,338
Transfers in	-	270,000	270,000	-
Total revenue	-	300,000	367,522	67,522
EXPENDITURES				
Contracted Services	205,000	205,000	76,653	128,347
Professional Services	130,000	130,000	-	130,000
Services & Supplies	30,000	30,000	22,159	7,841
Total expenditures	365,000	365,000	98,812	266,188
CHANGE IN NET POSITION - BUDGETARY BASIS	<u>\$ (365,000)</u>	<u>\$ (65,000)</u>	<u>\$ 268,710</u>	<u>\$ 333,710</u>
ADJUSTMENT TO GAAP BASIS				
Depreciation			<u>\$ (195,248)</u>	
CHANGE IN NET POSITION - GAAP BASIS			<u>\$ 73,462</u>	

See the accompanying independent auditors' report.

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

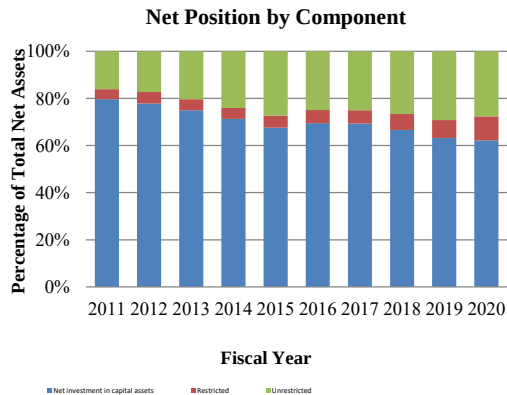
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

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)

	2011	2012
Governmental activities		
Net investment in capital assets	\$ 144,592,118	\$ 150,533,967
Restricted	7,656,451	9,180,350
Unrestricted	29,311,672	33,582,988
Total governmental activities net position	181,560,241	193,297,305
Business-type activities		
Net investment in capital assets	39,654	31,891
Restricted	88,726	94,106
Unrestricted	(128,380)	(125,997)
Total business-type activities net position	-	-
Primary government		
Net investment in capital assets	144,631,772	150,565,858
Restricted	7,745,176	9,274,456
Unrestricted	29,183,292	33,456,991
Total primary government net position	\$ 181,560,241	\$ 193,297,305



2011 Fund balance has been restated. GASB 54 was implemented in 2011. 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 63 in 2012. 2011 net position has been restated.

Fiscal Year							
2013	2014	2015	2016	2017	2018	2019	2020
\$ 153,105,667	\$ 152,496,183	\$ 157,122,370	\$ 171,757,225	\$ 173,788,950	\$ 178,442,156	\$ 170,849,082	170,658,621
9,515,406	9,620,070	11,690,081	13,582,948	14,246,010	18,018,713	20,808,152	28,695,468
41,519,235	51,615,854	63,493,761	61,624,556	62,665,756	71,260,772	81,052,062	77,354,960
204,140,308	213,732,107	232,306,212	246,964,729	250,700,716	267,721,641	272,709,296	276,709,049
10,592	24,314	15,015	11,011	7,007	3,003	5,293,911	5,115,818
92,070	91,577	119,355	96,665	-	-	-	-
(102,662)	(115,891)	(134,370)	(107,676)	(7,007)	(3,003)	280,547	532,102
-	-	-	-	-	-	5,574,458	5,647,920
153,116,259	152,520,497	157,137,385	171,768,236	173,795,957	178,445,159	176,142,993	175,774,439
9,607,476	9,711,647	11,809,436	13,679,613	14,246,010	18,018,713	20,808,152	28,695,468
41,416,573	51,499,963	63,359,391	61,516,880	62,658,749	71,257,769	81,332,609	77,887,062
\$ 204,140,308	\$ 213,732,107	\$ 232,306,212	\$ 246,964,729	\$ 250,700,716	\$ 267,721,641	\$ 278,283,754	282,356,969

2020 Net Position

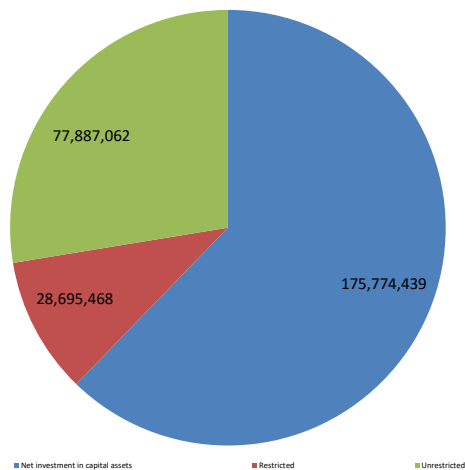


TABLE 2
CITY OF CENTENNIAL, COLORADO

CHANGE IN NET POSITION

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

	2011	2012	2013
<u>Governmental activities</u>			
Expenses			
General government	\$ 8,491,057	\$ 10,953,334	\$ 12,845,868
Community services	21,577,444	21,736,983	21,819,639
Public safety	-	-	-
City infrastructure	20,568,461	22,482,836	22,215,397
Culture and recreation	496,048	736,800	2,258,120
Urban redevelopment	5,000,756	5,843,043	5,159,616
Interest on long-term debt	139,905	137,299	134,611
Total governmental activities expenses	<u>56,273,671</u>	<u>61,890,295</u>	<u>64,433,251</u>
Program Revenues			
Charges for services			
General government	160,262	245,346	251,061
Community services	2,236,483	2,095,843	2,201,469
City infrastructure	375,545	387,630	280,918
Urban redevelopment	-	-	-
Operating grants and contributions	5,111,685	5,354,851	5,959,577
Capital grants and contributions	6,654,649	7,872,115	4,849,633
Total governmental activities program revenues	<u>14,538,624</u>	<u>15,955,785</u>	<u>13,542,658</u>
Total governmental activities net program expense	<u>41,735,047</u>	<u>45,934,510</u>	<u>50,890,593</u>
General revenues and other changes in net position			
Taxes			
Sales tax	27,917,744	32,782,443	34,569,315
Use tax	1,677,317	2,003,344	2,987,611
Property tax	12,930,171	13,301,715	13,391,623
Auto use tax	3,178,645	3,458,033	3,747,097
Other taxes	519,284	539,677	586,360
Unrestricted franchise fees	4,749,865	4,646,174	5,011,913
Investment income	40,173	146,534	69,801
Gain (loss) on disposition of capital asset	-	-	-
Intergovernmental revenues not restricted to specific programs	253,944	267,307	363,051
Miscellaneous	277,132	453,685	354,910
Transfers	(112,244)	72,662	651,915
	<u>51,432,031</u>	<u>57,671,574</u>	<u>61,733,596</u>
	<u>\$ 9,696,984</u>	<u>\$ 11,737,064</u>	<u>\$ 10,843,003</u>

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

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						
2014	2015	2016	2017	2018	2019	2020
\$ 11,763,347	\$ 13,170,287	\$ 14,114,326	\$ 14,808,323	\$ 15,174,146	\$ 16,147,507	\$ 24,093,629
22,174,239	23,768,969	24,916,037	24,816,782	26,336,562	2,209,198	5,939,793
-	-	-	-	-	28,082,194	29,453,500
24,731,604	24,689,639	26,167,030	34,723,870	28,189,556	27,268,914	26,527,600
2,546,267	1,044,536	961,942	1,288,741	743,593	1,008,401	1,304,302
5,548,953	4,633,280	5,088,383	4,496,833	5,884,743	5,937,804	5,482,950
131,665	128,631	57,175	84,840	82,950	80,102	128,472
66,896,075	67,435,342	71,304,893	80,219,389	76,411,550	80,734,120	\$ 92,930,246
277,175	235,142	278,988	286,647	362,178	604,145	\$ 514,720
2,158,468	1,849,415	1,688,580	1,349,682	1,060,950	817,519	629,237
816,615	806,834	1,051,392	814,035	860,869	-	-
-	-	-	-	-	-	-
6,209,974	6,488,723	6,583,898	6,734,040	7,990,505	7,803,754	16,129,070
3,480,178	9,147,000	4,660,672	4,162,707	5,205,695	4,322,270	4,735,239
12,942,410	18,527,114	14,263,530	13,347,111	15,480,197	13,547,688	\$ 22,008,266
53,953,665	48,908,228	57,041,363	66,872,278	60,931,353	67,186,432	70,921,980
35,673,588	38,315,195	38,770,237	39,447,977	42,143,309	41,940,230	38,740,407
2,279,161	3,542,288	3,923,583	2,156,392	3,338,082	2,876,529	2,852,813
13,976,189	12,903,382	14,711,539	14,511,077	16,071,067	16,365,571	18,017,770
4,123,965	4,594,045	5,185,531	5,375,813	5,365,455	5,438,892	5,309,401
628,585	639,194	759,369	872,264	824,236	904,827	923,249
5,128,961	5,059,425	5,027,299	5,201,692	5,216,214	5,140,138	5,035,121
177,993	186,853	484,303	759,217	1,843,798	3,124,879	2,209,710
-	-	-	(61,367)	-	-	-
568,105	451,599	321,733	762,127	346,565	349,364	409,986
445,389	866,927	1,593,655	938,541	1,911,434	1,151,041	1,252,135
543,528	923,425	922,631	644,532	892,118	(5,117,384)	171,141
63,545,464	67,482,333	71,699,880	70,608,265	77,952,278	72,174,087	74,921,733
\$ 9,591,799	\$ 18,574,105	\$ 14,658,517	\$ 3,735,987	\$ 17,020,925	\$ 4,987,655	\$ 3,999,753

TABLE 2

CITY OF CENTENNIAL, COLORADO

CHANGE IN NET POSITION
LAST TEN FISCAL YEARS(Accrual basis of accounting)
(Unaudited)

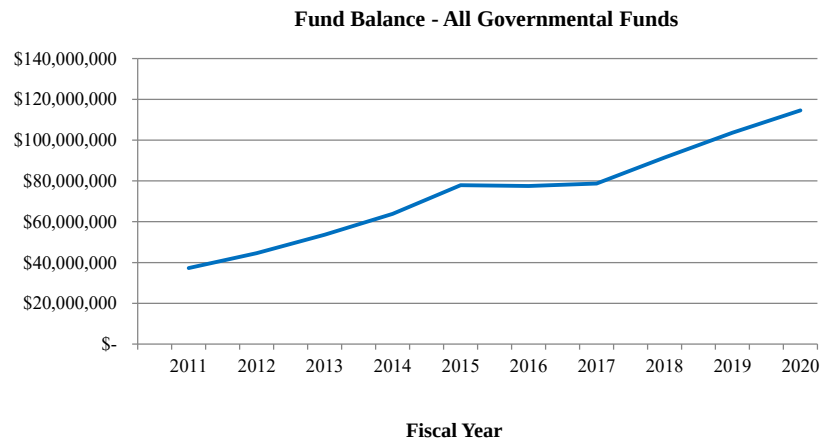
	2011	2012	2013
<u>Business-type activities</u>			
Expenses			
Land use fund and fiber fund	\$ 2,957,524	\$ 3,136,858	\$ 3,068,995
Total expenses	<u>2,957,524</u>	<u>3,136,858</u>	<u>3,068,995</u>
Revenues			
Land use service fees and fiber fees	2,845,280	3,209,520	3,720,910
Total revenues	<u>2,845,280</u>	<u>3,209,520</u>	<u>3,720,910</u>
Operating income (loss) before transfers	<u>(112,244)</u>	<u>72,662</u>	<u>651,915</u>
Transfers	112,244	(72,662)	(651,915)
Total business-type activities change in net position	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government change in net position	<u>\$ 9,696,984</u>	<u>\$ 11,737,064</u>	<u>\$ 10,843,003</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						
2014	2015	2016	2017	2018	2019	2020
\$ 3,052,575	\$ 3,978,514	\$ 3,222,152	\$ 2,845,123	\$ 3,958,426	\$ 3,631,391	\$ 3,562,365
3,052,575	3,978,514	3,222,152	2,845,123	3,958,426	3,631,391	3,562,365
3,596,103	4,901,939	4,144,783	3,489,655	4,850,544	4,088,465	3,806,968
3,596,103	4,901,939	4,144,783	3,489,655	4,850,544	4,088,465	3,806,968
543,528	923,425	922,631	644,532	892,118	457,074	244,603
(543,528)	(923,425)	(922,631)	(644,532)	(892,118)	5,117,384	(171,141)
-	-	-	-	-	5,574,458	73,462
\$ 9,591,799	\$ 18,574,105	\$ 14,658,517	\$ 3,735,987	\$ 17,020,925	\$ 10,562,113	\$ 4,073,215

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

	2011	2012	2013	2014
General fund				
Nonspendable	\$ 13,762	\$ 4,009	\$ 1,493	\$ 12,427
Restricted	1,472,246	1,371,302	1,651,357	1,531,979
Assigned	5,301,033	-	-	-
Unassigned	21,536,729	28,276,576	36,514,096	40,925,461
Total general fund	<u>28,323,770</u>	<u>29,651,887</u>	<u>38,166,946</u>	<u>42,469,867</u>
All other governmental funds				
Nonspendable			70,018	70,018
Restricted	6,184,205	7,809,048	7,864,049	7,996,514
Committed				
Assigned	2,766,780	7,127,165	7,458,280	13,329,831
Total all other governmental funds	<u>8,950,985</u>	<u>14,936,213</u>	<u>15,392,347</u>	<u>21,396,363</u>
Total all governmental funds	<u>\$ 37,274,755</u>	<u>\$ 44,588,100</u>	<u>\$ 53,559,293</u>	<u>\$ 63,866,230</u>



The information for this table was obtained from the Balance Sheet.

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 15,196	\$ 20,568	\$ 36,742			\$ 259,350
1,359,857	1,938,105	1,650,809	2,388,553	2,251,247	1,810,106
-	-	-	-	-	-
35,171,177	34,695,067	30,280,241	30,544,350	34,885,069	36,768,731
36,546,230	36,653,740	31,967,792	32,932,903	37,136,316	38,838,187
-	-	-	-	185	-
10,330,224	11,644,843	12,595,201	15,630,160	18,556,905	20,069,466
					28,291,825
30,987,832	29,232,796	34,173,741	42,886,009	47,956,237	27,383,097
41,318,056	40,877,639	46,768,942	58,516,169	66,513,327	75,744,388
\$ 77,864,286	\$ 77,531,379	\$ 78,736,734	\$ 91,449,072	\$ 103,649,643	\$ 114,582,575

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

	2011	2012	2013	2014
Revenues				
Taxes	\$ 46,223,161	\$ 52,085,212	\$ 55,282,006	\$ 56,681,488
Intergovernmental	10,602,518	11,030,082	11,625,012	11,306,613
Charges for services	2,772,290	2,728,819	2,733,448	2,760,913
Franchise fees	4,749,865	4,646,174	5,011,913	5,128,961
Investment income	40,173	146,534	69,801	177,993
Miscellaneous	277,132	453,685	354,910	936,734
Total revenues	64,665,139	71,090,506	75,077,090	76,992,702
Expenditures				
Current				
General government	8,433,765	10,929,433	11,434,747	11,640,388
Community services	21,577,444	21,736,983	21,819,639	22,174,239
City infrastructure	16,708,347	18,465,990	19,492,958	20,516,748
Public Safety				
Culture & recreation	496,048	736,800	2,258,120	1,414,462
Urban redevelopment	5,000,756	5,843,043	6,010,887	6,463,195
Capital Outlay				
General government	11,329,499	6,884,042	1,737,119	1,893,131
Capital improvement	-	242,000	3,799,486	2,925,214
Debt Service				
Principal	65,000	65,000	70,000	70,000
Interest and fiscal charges	140,121	137,521	134,856	131,916
Bond issuance costs	-	-	-	-
Total expenditures	63,750,980	65,040,812	66,757,812	67,229,293
Excess (Deficiency) of Revenues Over Expenditures	914,159	6,049,694	8,319,278	9,763,409
Other Financing Sources (Uses)				
Transfers in	4,686,487	15,004,327	10,433,915	16,505,911
Transfers out	(4,798,731)	(14,931,665)	(9,782,000)	(15,962,383)
Bond Proceeds	-	-	-	-
Total other financing sources (uses)	(112,244)	72,662	651,915	543,528
Net change in fund balances	\$ 801,915	\$ 6,122,356	\$ 8,971,193	\$ 10,306,937
	0.39%	0.35%	0.34%	0.32%

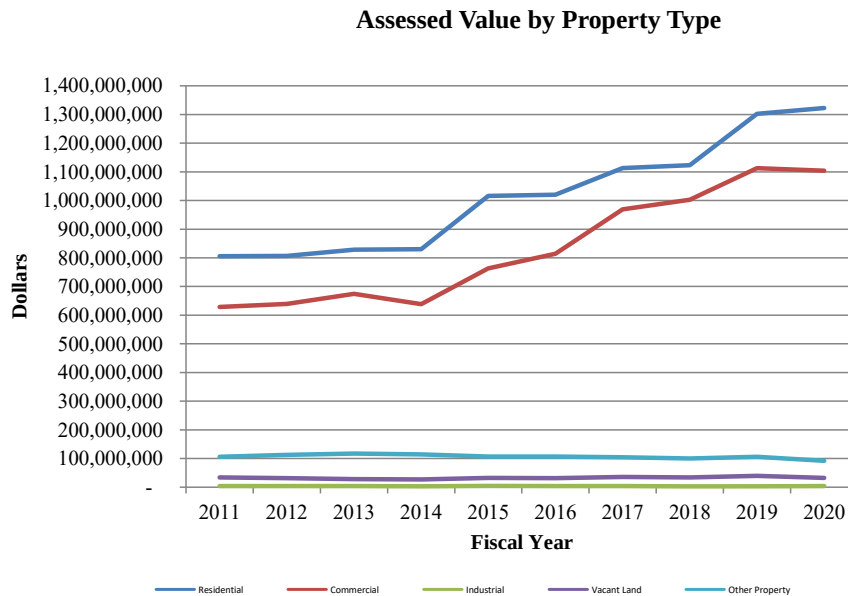
2011 Fund balance has been restated. GASB 54 was implemented in 2011.

The information for this table was obtained from the Statement of Revenue, Expenditures, and Changes in Fund Balances. Statistical information is presented from 2011 through the current year to correspond with the implementation of GASB Statement No. 34. 2011 fund balance has been Typically less than 2% of the total taxes levied each year are delinquent. For Fiscal Year 2013, the City collected

Fiscal Year						
2014	2015	2016	2017	2018	2019	2020
\$ 56,681,488	\$ 59,994,104	\$ 63,350,259	\$ 62,363,523	\$ 66,853,891	\$ 66,731,854	\$ 65,843,640
11,306,613	17,190,904	12,207,519	12,093,284	14,797,573	12,884,167	20,894,649
2,760,913	2,891,391	3,018,960	2,450,364	2,283,997		1,143,957
5,128,961	5,059,425	5,027,299	5,201,692	5,216,214	5,140,138	5,035,121
177,993	186,853	484,303	759,217	1,843,798	3,124,879	2,209,710
936,734	866,927	1,593,655	938,541	247,327	1,236,873	1,216,797
76,992,702	86,189,604	85,681,995	83,806,621	91,242,800	89,117,911	96,343,874
11,640,388	13,003,591	14,040,336	14,606,351	14,474,292	15,275,805	23,168,414
22,174,239	23,768,969	24,916,037	24,816,782	26,336,562	2,197,430	2,317,972
20,516,748	21,059,173	22,784,539	30,894,582	24,079,363	23,386,889	25,783,225
					28,082,194	29,453,500
1,414,462	1,044,536	961,941	1,288,740	625,313	890,125	1,186,026
6,463,195	5,622,583	5,996,585	5,441,620	5,884,743	5,937,804	5,482,950
1,893,131	962,046	1,180,550	678,348	856,735	523,581	5,288,942
2,925,214	7,450,169	16,886,431	5,339,500	6,808,288	2,063,344	-
70,000	75,000	115,000	90,000	95,000	95,000	100,000
131,916	128,906	63,804	89,875	88,075	85,225	82,375
-	-	68,801	-	-	-	142,630
67,229,293	73,114,973	87,014,024	83,245,798	79,248,371	78,537,397	93,006,034
9,763,409	13,074,631	(1,332,029)	560,823	11,994,429	10,580,514	3,337,840
16,505,911	27,250,711	21,773,915	24,494,532	(835,133)	14,453,666	28,968,804
(15,962,383)	(26,327,286)	(20,851,284)	(23,850,000)	(22,835,133)	(14,142,021)	(28,797,663)
-	-	-	-	-	-	7,136,490
543,528	923,425	999,122	644,532	(23,670,266)	311,645	7,307,631
\$ 10,306,937	\$ 13,998,056	\$ (332,907)	\$ 1,205,355	\$ (11,675,837)	\$ 10,892,159	\$ 10,645,471
0.32%	0.32%	0.36%	0.23%	0.26%	0.24%	0.37%

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
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
2015	1,015,627,930	762,947,109	4,518,504	32,702,013
2016	1,019,871,345	814,015,395	3,983,920	31,562,557
2017	1,112,772,144	968,672,714	3,754,593	35,448,815
2018	1,123,395,670	1,002,914,864	2,894,307	33,969,718
2019	1,302,471,291	1,112,726,035	3,489,330	39,601,772
2020	1,322,505,381	1,104,151,307	4,047,890	32,817,618

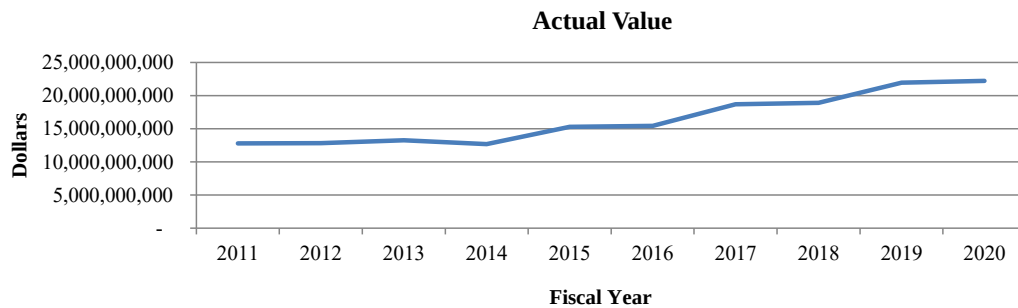
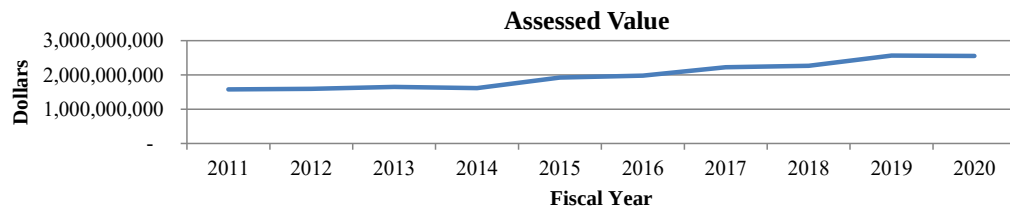


2011 Fund balance has been restated. GASB 54 was implemented in 2011.

Typically less than 2% of the total taxes levied each year are delinquent. For Fiscal Year 2013, the C

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

Taxable Real and Personal Property				
Other Property ¹	Total Taxable Assessed Value ²	Mill Levy	Actual Value	Assessed Value as a Percentage of Actual Value
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%
106,858,997	1,922,654,553	5.030	15,296,547,327	12.57%
107,203,490	1,976,636,707	5.026	15,440,461,365	12.80%
104,722,985	2,225,371,251	5.006	18,685,635,379	11.91%
100,287,106	2,263,461,665	5.003	18,903,059,214	11.97%
105,987,930	2,564,276,358	5.002	21,936,670,880	11.69%
91,991,016	2,555,513,212	5.033	22,220,868,997	11.50%



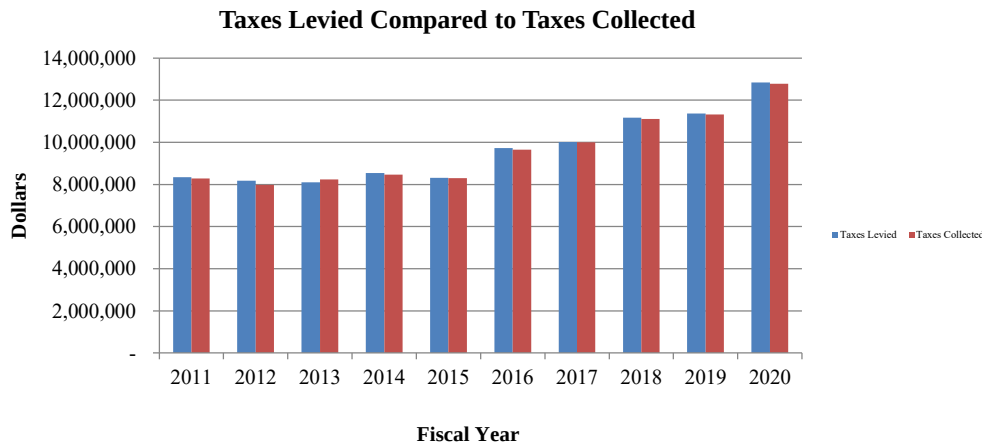
(1) Includes State assessed.

(2) 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
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%
2015	8,308,406	8,294,394	99.831%
2016	9,720,882	9,646,430	99.234%
2017	10,011,556	10,000,114	99.886%
2018	11,164,661	11,103,326	99.451%
2019	11,367,786	11,315,197	99.537%
2020	12,837,052	12,773,659	99.506%



(1) Data obtained from Certification of Tax Levies for the General Fund and each General Improvement District;

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

(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.

Statistical information is presented from 2011 through the current year and corresponds with the implementation of GASB No. 34.

**TABLE 7
CITY OF CENTENNIAL, COLORADO**

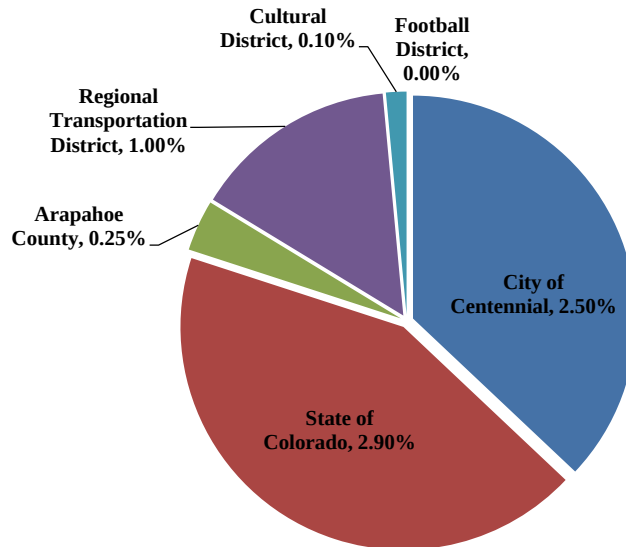
DIRECT AND OVERLAPPING SALES TAX RATES

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year	City of Centennial	State of Colorado	Arapahoe County	Regional Transportation District	Cultural District	Football District	Total
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%
2015	2.50%	2.90%	0.25%	1.00%	0.10%	0.00%	6.75%
2016	2.50%	2.90%	0.25%	1.00%	0.10%	0.00%	6.75%
2017	2.50%	2.90%	0.25%	1.00%	0.10%	0.00%	6.75%
2018	2.50%	2.90%	0.25%	1.00%	0.10%	0.00%	6.75%
2019	2.50%	2.90%	0.25%	1.00%	0.10%	0.00%	6.75%
2020	2.50%	2.90%	0.25%	1.00%	0.10%	0.00%	6.75%

Direct and Overlapping Sales Tax Rates



2011 Fund balance has been restated. GASB 54 was implemented in 2011.
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 Services	Arts, Entertainment and Recreation	Construction	Educational Services
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
2015	5,453,979	243,243	374,477	482,058	18,370
2016	5,554,529	254,511	779,653	533,473	20,433
2017	5,836,937	307,217	631,709	470,598	23,352
2018	6,126,189	233,835	545,909	458,780	27,253
2019	6,470,742	229,838	734,506	362,760	37,216
2020	4,691,246	238,745	370,996	405,667	26,392

(continued)

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

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

Finance and Insurance	Healthcare and Social Assistance	Information	Mining	Professional, Scientific and Technical Services
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
319,362	95,153	3,529,595	50,744	913,342
306,858	109,693	2,384,231	53,296	1,224,532
343,358	115,280	2,609,724	75,898	944,264
381,451	125,240	3,420,275	93,017	1,084,223
410,959	110,862	2,686,330	74,484	1,027,099
385,556	88,482	2,403,571	57,560	988,391

(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
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
2015	55,505	1,657,637	1,331,587	1,592,739	22,197,404	38,315,195
2016	54,299	1,460,806	1,295,873	1,397,895	23,338,139	38,770,237
2017	49,410	1,607,614	1,371,880	1,601,462	23,459,274	39,447,977
2018	40,889	1,569,077	1,396,634	1,879,993	23,872,288	41,255,053
2019	40,320	1,652,007	1,398,689	2,402,276	23,507,947	41,146,035
2020	44,323	1,717,831	1,320,522	2,615,026	23,087,058	38,441,366

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

TABLE 9
CITY OF CENTENNIAL, COLORADO
PRINCIPAL PROPERTY TAXPAYERS

2011 and 2020

(Unaudited)

<u>Taxpayer</u>	2011		
	<u>Taxable Assessed Value</u>	<u>Ranking</u>	<u>Percentage of Total City Assessed Value</u>
Crescent Peak View Tower	\$ 13,050,000	1	0.800%
Legacy III Centennial LLC	9,860,010	2	0.604%
Oppenheimer Funds LLC	7,685,000	3	0.471%
California State Teachers	6,960,000	4	0.427%
National Digital Television	6,235,010	5	0.382%
Lexington Centennial LLC	5,510,000	6	0.338%
California State Teachers	5,336,000	7	0.327%
USF Propco I, LLC	4,897,520	8	0.300%
RREEF America REIT II Corporation	4,582,000	9	0.281%
FSP Highland Place I Corporation	4,350,010	10	0.267%
Total	<u>\$ 68,465,550</u>		<u>4.197%</u>
<u>Taxpayer</u>	2020		
	<u>Taxable Assessed Value</u>	<u>Ranking</u>	<u>Percentage of Total City Assessed Value</u>
DCS Owner LLC	\$ 21,460,000	1	0.948%
CEGM Centennial LLC	19,115,930	2	0.845%
Cascades Owner LLC	17,960,860	3	0.794%
Ikea Property Inc	16,298,000	4	0.720%
GK Peakview Tower LLC	15,205,570	5	0.672%
Inova Office II LLC	13,665,090	6	0.604%
GS Centennial LLC	12,280,340	7	0.543%
OFI Global Asset Management	9,399,770	8	0.415%
Briarwood Acquisition LLC	9,102,230	9	0.402%
GS Centennial LLC	9,057,280	10	0.400%
Total	<u>\$ 143,545,070</u>		<u>6.342%</u>

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

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

**TABLE 10
CITY OF CENTENNIAL, COLORADO**

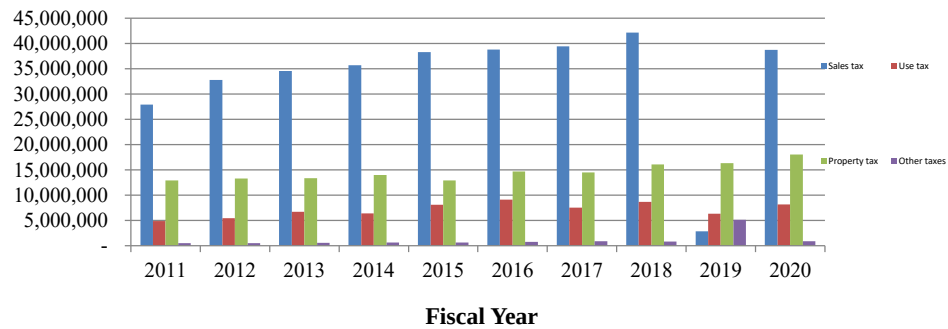
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal year	Sales tax	Use tax	Property tax	Other taxes	Total
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
2015	38,315,195	8,136,333	12,903,382	639,194	59,994,104
2016	38,770,237	9,109,114	14,711,539	759,369	63,350,259
2017	\$ 39,447,977	\$ 7,532,205	\$ 14,511,077	\$ 872,264	\$ 62,363,523
2018	\$ 42,143,309	\$ 8,703,537	\$ 16,071,067	\$ 824,236	\$ 67,742,149
2019	\$ 2,876,529	\$ 6,343,719	\$ 16,365,571	\$ 5,140,138	\$ 30,725,957
2020	\$ 38,740,407	\$ 8,162,214	\$ 18,017,770	\$ 923,249	\$ 65,843,640

Tax Revenues By Source



2020 Tax Revenues by Source

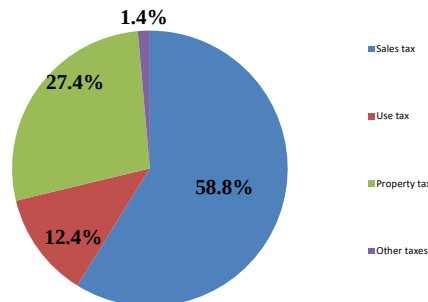


TABLE 11
CITY OF CENTENNIAL, COLORADO

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

LAST TEN FISCAL YEARS

(Unaudited)

Outstanding debt by type	2011	2012	2013
Governmental activities			
General obligation bonds	\$ 2,795,000	\$ 2,730,000	\$ 2,660,000
Notes from direct borrowings and direct placement			
Bond premiums			
Total Primary Government outstanding debt	<u>\$ 2,795,000</u>	<u>\$ 2,730,000</u>	<u>\$ 2,660,000</u>
Percentage of personal income ¹	NA	0.1%	0.1%
Per capita ¹	NA	\$ 27	\$ 26
Outstanding general bonded debt			
General obligation bonds	<u>\$ 2,795,000</u>	<u>\$ 2,730,000</u>	<u>\$ 2,660,000</u>
Percentage of personal income ¹	NA	0.1%	0.1%
Per capita ¹	NA	\$ 27	\$ 26
Legal debt margin			
Debt limit	\$ -	\$ -	\$ -
Total net debt applicable to limit	-	-	-
Legal debt margin	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Legal debt margin as a percentage of the debt limit	0.0%	0.0%	0.0%

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

Effective in 2008, the City became a home rule City, thus the City is no longer subject to the 3% statutory limitations for the legal debt margin.

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.

Demographic and economic statistical data was not available for this report from sources consistent with those

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

General obligation bond debt reported on this Table represents the debt of Antelope General Improvement District and Willow Creek General Improvement District. Notes from direct borrowing and direct placement represents bond debt of Foxridge General Improvement District.

Fiscal Year						
2014	2015	2016	2017	2018	2019	2020
\$ 2,590,000	\$ 2,515,000	\$ 2,380,000	\$ 2,290,000	\$ 2,195,000	\$ 2,100,000	\$ 6,340,000
			123,196	116,352	109,507	\$ 1,955,000
						937,200
\$ 2,590,000	\$ 2,515,000	\$ 2,380,000	\$ 2,413,196	\$ 2,311,352	\$ 2,209,507	\$ 9,232,200
0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.2%
\$ 24	\$ 23	\$ 22	\$ 22	\$ 21	\$ 20	\$ 83
\$ 2,590,000	\$ 2,515,000	\$ 2,380,000	\$ 2,413,196	\$ 2,311,352	\$ 2,209,507	\$ 9,232,200
0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.2%
\$ 24	\$ 23	\$ 22	\$ 22	\$ 21	\$ 20	\$ 83
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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, 2020

(Unaudited)

Governmental Unit	General Obligation Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Arapahoe Park & Recreation District	\$ 2,650,000	35.86%	950,290
Arapahoe Water and Wastewater Authority	132,148,383	46.56%	61,528,287
Cherry Creek School District No. 5	560,170,000	17.82%	99,822,294
Dove Valley Metropolitan District	39,300,000	48.28%	18,974,040
East Smoky Hill Metropolitan District 1	2,950,000	26.69%	787,355
East Smoky Hill Metropolitan District 2	4,355,000	0.06%	2,613
Estancia Metropolitan District	4,110,000	100.00%	4,110,000
Heritage Greens Metropolitan District	2,380,000	100.00%	2,380,000
Littleton Public Schools	416,751,195	36.24%	151,030,633
Liverpool Metropolitan District	1,750,000	61.93%	1,083,775
Panorama Metropolitan District	2,230,000	100.00%	2,230,000
Parker Jordan Metropolitan District	7,870,725	52.05%	4,096,712
Piney Creek Village Metropolitan District	4,960,000	0.10%	4,960
Saddle Rock Metropolitan District	6,875,000	0.21%	14,438
Saddle Rock South Metropolitan District #4	12,230,000	0.15%	18,345
South Suburban Recreation Park District	39,235,000	46.42%	18,212,887
Southglenn Metropolitan District	66,240,000	100.00%	11,315,197
Valley Club Pointe Metropolitan District	2,250,000	100.00%	12,773,659
Subtotal Overlapping Debt	\$ 1,308,455,303		\$ 389,335,485
Foxridge General Improvement District	1,955,000	100.00%	1,955,000
Willow Creek General Improvement District	4,340,000	100.00%	4,340,000
Antelope Water System Improvement District	2,000,000	100.00%	2,000,000
Subtotal Direct Debt	\$ 8,295,000		\$ 8,295,000
Total Direct and Overlapping Debt	\$ 1,316,750,303		\$ 397,630,485

(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
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%
2015	107,201	4,433,404,556	41,356	40.9	92.80%	4.20%
2016	109,726	4,537,828,456	41,356	42.4	92.80%	3.70%
2017	109,932	4,066,681,149	36,993	42.4	92.80%	2.00%
2018	110,227	4,999,676,266	45,358	41.0	93.00%	3.30%
2019	110,882	5,291,621,686	47,723	41.2	97.50%	2.70%
2020	110,937	4,486,625,091	40,443	36.9	97.40%	7.30%

** 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.

(1) 2010-2012 data was obtained from the US Census Bureau.

2013-2015 data obtained from the US Census Bureau Estimates.

2020 data obtained from the US Census Bureau Estimates.

(2) Data was obtained from the Colorado Department of Labor and Employment and is county-wide (Arapahoe County).

2010-2012 was obtained from the U.S. Census Bureau.

2020 was obtained from FRED...fred.stlouisfed.org

(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.

2020 Data obtained from Arapahoe County Demographics

(4) Data is based upon Colorado Department of Education and is county-wide (Arapahoe County).

2010 data was calculated based on information from Applied Geographic Solutions.

2012 and 2013 data was obtained from the Bureau of Labor Statistics.

Colorado Department of Education.

2020 data was obtained from the Bureau of Labor Statistics.

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

of Labor and Employment. 2010 data was obtained from Applied Geographic Solutions. 2012 and 2018 data was obtained from the Bureau of Labor Statistics.

2020 was obtained from FRED...fred.stlouisfed.org

Typically less than 2% of the total taxes levied each year are delinquent. For Fiscal Year 2013, the City collected

TABLE 14
CITY OF CENTENNIAL, COLORADO

PRINCIPAL EMPLOYERS

2020 and 2011*

(Unaudited)

<u>Top Ten Employers</u>	<u>2020 Rank</u>	<u>Top Ten Employers</u>	<u>2011* Rank</u>
Comcast	1	Oppenheimer Management Corporation	1
Arrow Electronics	2	Mediaone Group, Incorporated	2
United Healthcare	3	United Launch Alliance	3
Centura Health	4	US Foodservice, Incorporated	4
United Launch Alliance	5	Jones Knowledge, Incorporated	5
Nordstrom Bank	6	United Healthcare Services, Incorporated	6
Sierra Nevada Corp.	7	South Metro Fire Rescue Authority	7
Zillow Group	8	Saunders Construction, Inc.	8
Standard & Poor's (McGraw-Hill Companies)	9	US Security Associates, Incorporated	9
SEAKR Engineering	10	National Cinemedia, LLC	10
<u>Employees by NAICS Industries</u>	<u>Total Employees 2020</u>	<u>Employees by NAICS Industries</u>	<u>Total Employees 2011*</u>
Finance and Insurance, and Real Estate, and Rental and Leasing	7,881	Finance and Insurance, and Real Estate, and Rental and Leasing	11,315,197
Professional, Scientific, and Management, and Administrative, and Waste Management Services	16,251	Professional, Scientific, and Management, and Administrative, and Waste Management Services	12,773,659
Construction	5,710	Construction	3,378
Retail Trade	5,566	Retail Trade	4,450
Educational Services, and Health Care, and Social Assistance	6,845	Educational Services, and Health Care, and Social Assistance	5,516
Arts, Entertainment, and Recreation, and Accommodation, and Food Services	6,104	Arts, Entertainment, and Recreation, and Accommodation, and Food Services	3,816
Wholesale Trade	5,639	Wholesale Trade	3,389
Information	4,005	Information	2,924
Other Services (except Public Administration)	1,722	Other Services (except Public Administration)	1,231
Public Administration	1,959	Public Administration	950
Manufacturing	1,512	Manufacturing	1,320
Transportation and Warehousing, and Utilities	921	Transportation and Warehousing, and Utilities	579
Agriculture, Forestry, Fishing and Hunting, Mining	115	Agriculture, Forestry, Fishing and Hunting, Mining	179
Total	<u>64,230</u>	Total	<u>24,116,588</u>

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

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

TABLE 15
CITY OF CENTENNIAL, COLORADO

FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31

LAST TEN FISCAL YEARS

(Unaudited)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government	10.0	13.5	17.3	25.3	24.50	24.50	28.50	34.00	34.00	26.50
Community services	5.0	5.5	4.5	3.0	9.75	9.75	9.75	4.00	4.00	4.00
Finance & administration	17.0	13.5	15.0	17.5	19.50	19.50	18.50	17.00	17.00	31.00
Planning & development	13.0	9.0	8.5	5.0	3.50	3.50	3.50	9.00	9.00	7.00
City infrastructure	5.0	5.0	3.0	3.5	6.00	6.00	6.00	5.00	5.00	6.50
Total	<u>50.0</u>	<u>46.5</u>	<u>48.3</u>	<u>54.3</u>	<u>63.25</u>	<u>63.25</u>	<u>66.25</u>	<u>69.00</u>	<u>69.00</u>	<u>75.00</u>

2011 Fund balance has been restated. GASB 54 was implemented in 2011.

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

(Unaudited)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Recreation ⁽¹⁾										
Acres of developed park	-	17.12	17.12	17.12	17.12	17.12	11.00	11.00	11.00	11.00
Acres of open space parks	-	54.62	54.62	54.62	54.62	54.62	107.00	214.00	214.00	214.00
Public Works ⁽²⁾										
Maintenance facility	-	-	1	1	1	1	1	1	1	1
Miles of streets	412	418	417	428	428	431	431	433	433	433
Number of street lights	4,057	4,042	4,043	4,222	4,222	4,222	4,222	4,222	4,222	4,222
Number of fleet vehicles	6	6	6	6	6	6	7	7	7	8
Number of equipment pieces in the fleet ⁽³⁾	NA	NA	NA	NA	NA	NA	NA	2	2	2

(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 has begun to purchase its own infrastructure for recreation purposes.

(2) Law Enforcement services, including assets, are provided by the Arapahoe County Sheriff's Office through and 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.

2011 Fund balance has been restated. GASB 54 was implemented in 2011.
The information for this table was obtained from the City's Public Works Department.

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

	2011	2012	2013
General Government			
Administrative Services			
Citations processed	19,654	18,645	18,794
Employment applications processed	1,040	950	907
New hires processed	9.0	12.0	13.0
Computer service requests	1,250	1,175	1,467
Finance			
Accounts payable checks issued ⁽¹⁾	2,207	2,545	2,928
Purchasing card transactions	1,050	1,148	1,105
Sales/use tax accounts ⁽²⁾	3,618	3,855	4,033
Tax audits conducted and completed	91	113	70
City Management			
Ordinances and resolutions approved by City Council	131	108	133
Citizen surveys received	1	1	-
Community Development			
Building permits issued	5,151	7,256	5,582
Building inspections performed	14,745	15,454	15,859
Code enforcement cases ⁽³⁾	2,756	1,539	1,011
Public Safety			
Calls for service	45,360	46,086	45,541
Average response time to Priority 1 calls ⁽⁴⁾	8.6	6.3	4.9
Hours spent on proactive patrol ⁽⁵⁾	3.6	1.5	1.3
Total arrests	3,025	2,572	2,300
Public Works			
Vehicles in fleet	6	6	6
Lane miles receiving snow & ice control ⁽⁶⁾	66,528	34,584	56,658
Lane miles swept	5,811	7,579	8,929

(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 Sheriff's Office was unable to get the proactive patrol metric due to switching their records management system.

(6) The number of lane miles receiving snow and ice control maintenance is based upon the total number of miles driven.

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

Fiscal Year						
2014	2015	2016	2017	2018	2019	2020
17,559	16,146	13,767	11,535	9,041	6,261	5,890
1,185	1,282	549	239	492	361	455
17.0	20.0	14.0	7.0	18.0	14.0	14.0
2,146	2,261	2,385	1,259	1,724	1,620	1,960
3,052	3,169	2,985	3,067	2,783	2,269	2,028
1,309	1,410	2,480	2,724	2,760	2,807	1,423
4,254	4,460	4,585	4,889	5,090	5,854	6,331
64	96	96	79	72	88	83
121	117	121	90	110	103	72
-	3	3	3	6	7	7
8,649	10,787	5,813	5,510	10,395	7,287	6,498
26,894	30,476	19,687	23,300	29,390	23,099	21,059
922	884	958	1,100	1,129	1,300	1,103
48,740	49,410	55,502	53,227	39,759	41,811	43,165
4.4	4.4	3.5	4.0	4.2	4.0	4.0
4.6	4.4	4.4	4.4	N/A	N/A	N/A
2,364	2,377	2,506	2,170	1,835	1,183	973
6	6	6	8	9	9	9
55,610	57,310	56,430	37,866	45,984	84,543	79,553
11,122	8,645	8,710	10,502	10,000	10,900	10,900

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 \$750,000 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.

**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***

Honorable Mayor and Members
of the City Council
Centennial, Colorado

We have audited, in accordance with the 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, Colorado (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a 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 internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control 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'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 financial statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RubinBrown LLP

June 25, 2021

**Independent Auditors' Report On Compliance
For Each Major Federal Program And Report
On Internal Control Over Compliance
Required By The Uniform Guidance**

Honorable Mayor and Members
of the City Council
Centennial, Colorado

Report On Compliance For Each Major Federal Program

We have audited the City of Centennial, Colorado's (the City) compliance with the types of compliance requirements described in the Office of Management and Budget's *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2020. The City'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 federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City'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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Those standards and the Uniform Guidance 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'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's compliance.

Opinion On Each Major Federal Program

In our opinion, the City 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, 2020.

Report On Internal Control Over Compliance

Management of the City 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'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 the Uniform Guidance, 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'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 a 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 a 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 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Honorable Mayor and Members
of the City Council
Centennial, Colorado

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

RubinBrown LLP

June 25, 2021

CITY OF CENTENNIAL, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended December 31, 2020

Federal Grantor/Pass-Through Grantor/ Program Or Cluster Title	Federal CFDA #	Program, Sub Prog. & Object #	Pass-Through Entity Identifying Number	2020 Federal Expenditures	Expenditures To Subrecipients
U.S. Department Of Housing And Urban Development					
Passed Through Arapahoe County:					
Community Development Block Grant	14.218	Community Development Block Grant		\$ 218,650	—
Community Development Block Grant	14.218	Nourish Meals on Wheels - COVID-19 Pandemic Response		25,000	—
Subtotal CDBG - Entitlement Grants Cluster				243,650	—
Total U.S. Department Of Housing And Urban Development				243,650	—
U.S. Department Of Treasury					
Passed through Arapahoe County:					
Caronavirus Relief Fund	21.019	CARES Act/Obj #: 54135	84-6000740	9,212,854	—
Caronavirus Relief Fund	21.019	CCIMPCOVID/Obj #: 60110	84-6000740	95,909	—
Caronavirus Relief Fund	21.019	COVID/see below	84-6000740	262,661	—
Caronavirus Relief Fund	21.019	TELECOMM/Obj #: 54135	84-6000740	16,012	—
Caronavirus Relief Fund	21.019	NPFT Grant/Obj #: 55011	84-6000740	249,162	—
Caronavirus Relief Fund	21.019	RCS Grant/Obj #: 55011	84-6000740	232,060	—
Caronavirus Relief Fund	21.019	ESIMPCOVID/Obj #: 53013, 55011	84-6000740	78,539	—
Caronavirus Relief Fund	21.019	PHSYSCOVID/Obj #:55011	84-6000740	5,133	—
Caronavirus Relief Fund	21.019	ACCTRCARES/Obj #: 55011	84-6000740	100,000	—
Caronavirus Relief Fund	21.019	STAFF TIME/		103,023	—
Total U.S Department Of Treasury				10,355,353	—
Total Expenditures Of Federal Awards				\$ 10,599,003	—

See the notes to schedule of expenditures of federal awards.

CITY OF CENTENNIAL, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2020

1. Basis Of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) presents the activity of all federal award programs of the City of Centennial, Colorado (the City), for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets or cash flows of the City.

2. Summary Of Significant Accounting

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost

The City has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, Section 414.

CITY OF CENTENNIAL, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For The Year Ended December 31, 2020

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with the accounting principles generally accepted in the United States of America:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ yes	_____ ☒ no
Significant deficiency(ies) identified?	_____ yes	_____ ☒ none reported
Noncompliance material to financial statements noted?	_____ yes	_____ ☒ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ yes	_____ ☒ no
Significant deficiency(ies) identified?	_____ yes	_____ ☒ none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ yes	_____ ☒ no
-----------	--

Identification of major programs:

CFDA No.	Name Of Federal Program Or Cluster
----------	------------------------------------

21.019	Coronavirus Relief Fund
--------	-------------------------

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
--	-----------

Auditee qualified as low-risk auditee?	_____ yes	_____ ☒ no
--	-----------	--

CITY OF CENTENNIAL, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*) For The Year Ended December 31, 2020

Section II - Financial Statement Findings

There were no findings related to the audit of the City of Centennial's financial statements that are required to be reported under *Government Auditing Standards*.

Section III - Federal Award Findings And Questioned Costs

There were no findings related to the audit of the City of Centennial's federal awards for the year ended December 31, 2020.

LOCAL HIGHWAY FINANCE REPORT

STATE:

Colorado

YEAR ENDING (mm/yy):

12/20

This Information From The Records Of:
City of CentennialPrepared 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)	7,874,347
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	8,055,387
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	1,245,074
2. General fund appropriations	(8,099,563)	b. Snow and ice removal	890,117
3. Other local imposts (from page 2)	9,971,074	c. Other	944,112
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	3,079,303
5. Transfers from toll facilities		4. General administration & miscellaneous	3,143,826
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,473,034
a. Bonds - Original Issues		6. Total (1 through 5)	23,625,898
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)	1,871,511	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	5,232,584	2. Notes:	
D. Receipts from Federal Government (from page 2)	322,676	a. Interest	
E. Total receipts (A.7 + B + C + D)	7,426,772	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)	23,625,898

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
		7,426,772	23,625,898		(16,199,126)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
12/20

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	312,474	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	6,858,600	g. Other Misc. Receipts	
6. Total (1. through 5.)	9,971,074	h. Other	0
c. Total (a. + b.)	9,971,074	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	4,823,115	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	409,470	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	322,676
f. Total (a. through e.)	409,470	g. Total (a. through f.)	322,676
4. Total (1. + 2. + 3.f)	5,232,584	3. Total (1. + 2.g)	
		(Carry forward to page 1)	

III. EXPENDITURES 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		31,295	1,622,705
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		0	6,022,041
(3). System Preservation		0	194,197
(4). System Enhancement & Operation		756,147	35,405
(5). Total Construction (1) + (2) + (3) + (4)	0	756,147	6,251,643
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	787,442	7,874,347
		(Carry forward to page 1)	

Notes and Comments:



CITY OF CENTENNIAL

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