



# 2022 Annual Comprehensive Financial Report

for the year ended December 31, 2022



**CITY OF CENTENNIAL, COLORADO**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**Year Ended December 31, 2022**

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# Introductory Section





July 27, 2023

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

The Comprehensive Annual Financial Report (“Annual Report”) of the City of Centennial, Colorado for the fiscal year ended December 31, 2022 is formally transmitted in conformity with generally accepted accounting principles in the United States of America (GAAP). The 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.

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, 2022; the resulting Independent Auditors’ Report is presented on Page 1 of this 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 while 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.

In addition to meeting the requirements of the City Charter and state statute, the audit included a federally mandated Single Audit designed to meet the needs of federal grantor agencies per the requirements of Title 2 U.S. Code of Federal Regulations Part 200, (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the City’s internal controls and compliance with legal requirements involved in the administration of federal awards. The reports issued by the independent auditors are presented in the compliance section at the end of this report.

GAAP 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.

## Profile of the City

The City of Centennial, Colorado (the “City”) was incorporated on September 12, 2000 and elected its first officials on February 6, 2001. The City became a home-rule City under Article XX of the Colorado Constitution June 17, 2008. The Home Rule Charter established a Council-Manager form of government. The City Council is the legislative power, which appoints the City Manager to execute the laws and administer the City Government. City Council is comprised of eight members, two elected from each District that serve four-year staggered terms. The Mayor serves a four year term and is elected at-large.

The City of Centennial is located in the southern region of the Denver Metropolitan Area. The City shares boundaries with the cities of Littleton, Greenwood Village, Aurora, Lone Tree, Town of Foxfield and Parker, and unincorporated areas of Arapahoe and Douglas counties. The City’s current incorporated area is more than 29 square miles located entirely within Arapahoe County. Centennial is home to approximately 108,000 residents and over 5,400 local businesses.

The City is a thriving community committed to excellence and reinforced by a unifying community vision of a innovative, healthy, and safe Centennial. 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, sales tax and liquor licenses. Citizens receive fire protection, libraries, park and recreation services, schools, water, and utilities through numerous special districts.

The City focuses on the Vision statement which states: The City of Centennial is a connected community where neighborhoods matter, education is embraced, businesses are valued, and innovation is absolute. Additionally, the mission states: Driven to provide exceptional service to the Centennial community. Along with the vision and mission statements, the City is committed to six goals and strategies, described below, which serves as the framework for the development of the annual operating and capital budgets.

- Economic Vitality - Centennial’s access to an educated workforce, superior infrastructure, and predictable policies provide an environment where businesses flourish.
- Fiscal Sustainability - Through prudent budgeting and investment practices, Centennial demonstrates fiscal responsibility and is resilient to economic change.
- Future Ready City Government - Our City government is attentive to the community’s current needs while anticipating change. Centennial is innovative and prepared to leverage technology and resources to benefit our community.
- Public Safety and Health - Centennial strives to be the safest City in Colorado and partners with other agencies to ensure access to public safety and health services that meet the needs of the community.
- Signature Centennial - Through intentional planning and community investment, Centennial is a desirable, inclusive community with a lasting built environment, memorable places, and experiences that bring people together.
- Transportation and Mobility - Centennial’s transportation network provides alternatives for the safe, efficient, and reliable movement of people, goods, and services.

The City annually prepares an operating budget under the City Charter, City policies, the Colorado Constitution, and Colorado State Budget Law(s). The budget serves as the foundation for the City's financial planning and control. The City Manager is required by the Home Rule Charter to present the budget before September 20<sup>th</sup> of each year. The City Council must hold public hearings and adopted the budget no later than December 15<sup>th</sup>. Control of budgeted expenditures is exercised at the Fund level. Department directors are responsible for all expenditures made against appropriated funds within their respective departments. The Finance Department may allocate resources within a fund for the purposes of monitoring and control, with the City Manager's written consent and quarterly notification to Council for intra-fund or project transfers and transfers from Personnel Services line items.

### Local Economy

Located along the I-25 corridor in South Metro Denver, Centennial is a leader in Information, Aerospace, Finance, and Professional Services. The City has twice the concentration of jobs in the information sector as Metro Denver, and three of the City's top 25 employers are in the aerospace industry; with United Launch Alliance at the top. These industries are served by a highly skilled labor force. Roughly 59 percent of Centennial residents over the age of 25 possess a bachelor's or Graduate Degree and the median household income is almost \$110,000.

Centennial businesses have access to the region through I-25 and light rail, and access to the world through Denver International Airport and Centennial Airport, the second most active general aviation airport in the U.S.

Centennial's local economy has rebounded well from the COVID-19 concerns in 2020 and has seen healthy growth in 2021 and 2022. The City's primary general revenue source, sales and use taxes, were strong in 2022. Sales tax revenue increased approximately 14% compared to the prior year. This increase was driven in large part by online retail. The unemployment rate for the Denver-Aurora-Lakewood Metropolitan area in which Centennial resides was 2.5% in December 2022, down from 4.2% in the prior year (Bureau of Labor Statistics).

### Long Term Financial Planning and Major Initiatives

In 2022, the City faced challenges with workloads with previously deferred projects along with rapid inflation, raising interest rates and ongoing supply-chain shortages with Public Works related purchases. However, the City had put itself in a positive position coming out of the pandemic to maintain its service levels and complete these capital projects despite the challenges.

In 2022, the City received the second (\$4.2 million) of two payments (total of \$8.4 million) under the Coronavirus State and Local Recovery Funds through ARPA. The City has utilized the federal funding to replace lost revenues in accordance with federal guidelines.

The City's fund balances are healthy and remain a particular strength of the City. It is the policy of Council to maintain a fund balance within the General Fund of 25% of expenditures. The fund balance as of December 31, 2022, has exceeded this requirement. In each major fund, City Council has made an intentional decision to commitment funds for known and anticipated projects or expenditures that the City will consider in the future. As a result, total budgeted expenditures may exceed total budgeted revenues in future years. The use of fund balance to balance the budget is a result of the City's practice to save for capital projects instead of incurring debt which results in expenditures exceeding revenues in certain years.

There are several major initiatives that will have an impact on the City of Centennial in the future. The District-Centennial is a major planned development that is in the initial stages of development. The District

is a 43.87-acre area west of I-25 between IKEA and the RTD Dry Creek light rail station. The area is zoned Urban Center (UC) and envisioned to be a dynamic, mixed-use area, similar to Centennial's The Streets at SouthGlenn. The District-Centennial will feature a network of walkable blocks, active streets, and public gathering spaces as required by the Jones District Regulating Plan. The proposed build-out for the development of all buildings within the District-Centennial is expected to take 10-20 years. The planned development is expected to have four million square feet of building floor area which may include for sale and for rent townhomes and apartments, office, hotels, retail, restaurants, public art, outdoor public plazas, and outdoor public and private spaces.

Another significant program that will positively impact the City's retail centers is the creation of the Retail Sustainability Program. This program will create a funding stream for City support of reinvestment and improvement in important local retail centers which are an important source of retail sales tax as well as the City's quality of life. The program is anticipated to be a total of \$5 million over the next several years.

The City of Centennial has launched a Housing Study to explore housing costs and availability in Centennial. The purpose of the study is to understand the entire spectrum of housing issues, define various needs for housing and identify priorities to provide a strategy to guide future policy decisions.

Transportation and Mobility continues to be important to the City with committed funds be dedicated for future projects. A major construction with the Arapahoe Road bridge over Big Dry Creek occurred throughout 2022. Future projects include Arapahoe Road Improvements, Orchard Road Widening and Alton Way Sidewalks and Street Lighting. A large portion of the City's fund balance has been committed funds for the implementation of the Transportation Master Plan. The strategic and visionary plan will impact the future of Transportation and Mobility in the City for years to come.

#### 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, 2022. This is the thirteenth year the City has been awarded the Certificate of Achievement. The Certificate of Achievement is valid for only one year. Our Annual Report will meet the GFOA's Certificate of Achievement requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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



Jeff Cadiz  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Centennial  
Colorado**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

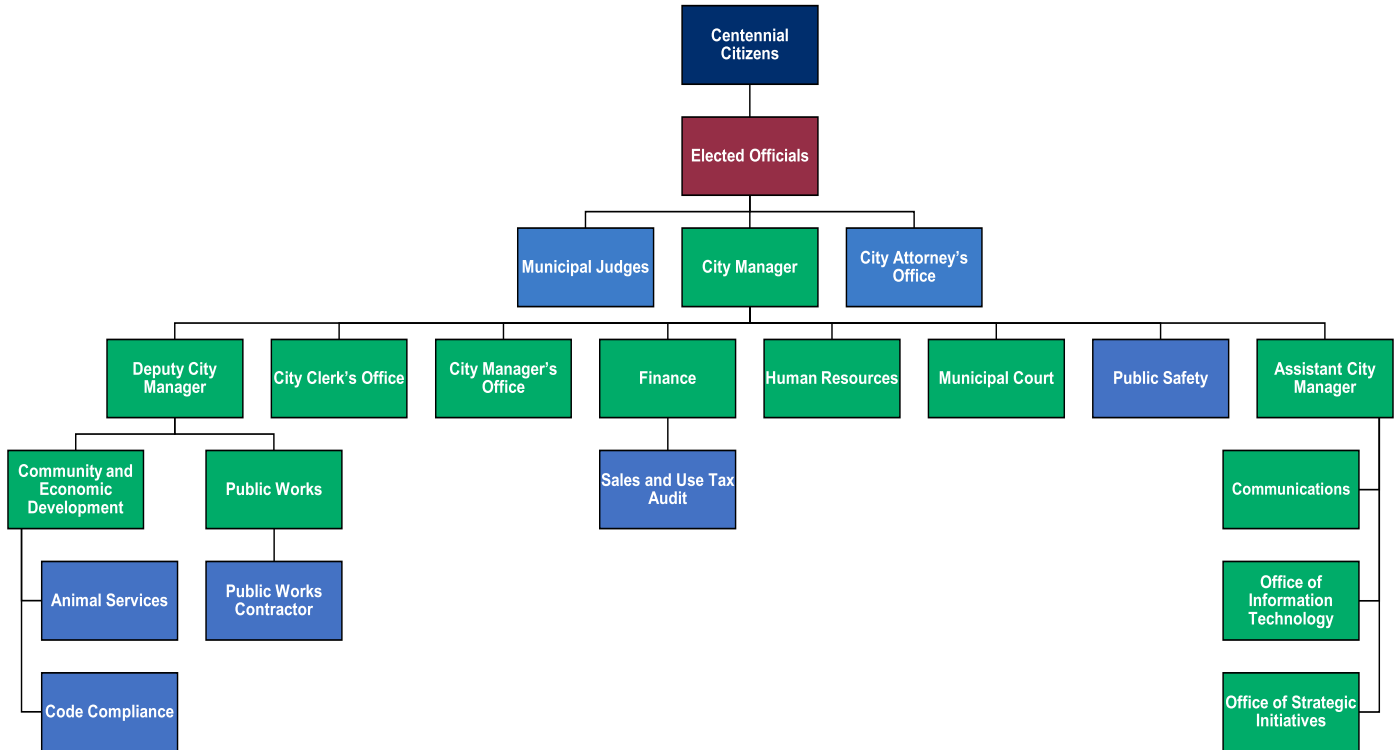
December 31, 2021

*Christopher P. Morill*

Executive Director/CEO

# Organizational Chart

A depiction of the City's departments and hierarchy



**CITY OF CENTENNIAL** 91.0 FTE

● Citizens ● Elected Officials ● City Staff ● Contracted Services

# Centennial City Council

CITY OF CENTENNIAL MAYOR



STEPHANIE PIKO



ROBYN CARNES



CANDACE MOON



TAMMY MAURER



CHRISTINE SWEETLAND



RICHARD HOLT



MIKE SUTHERLAND



MARLO ALSTON

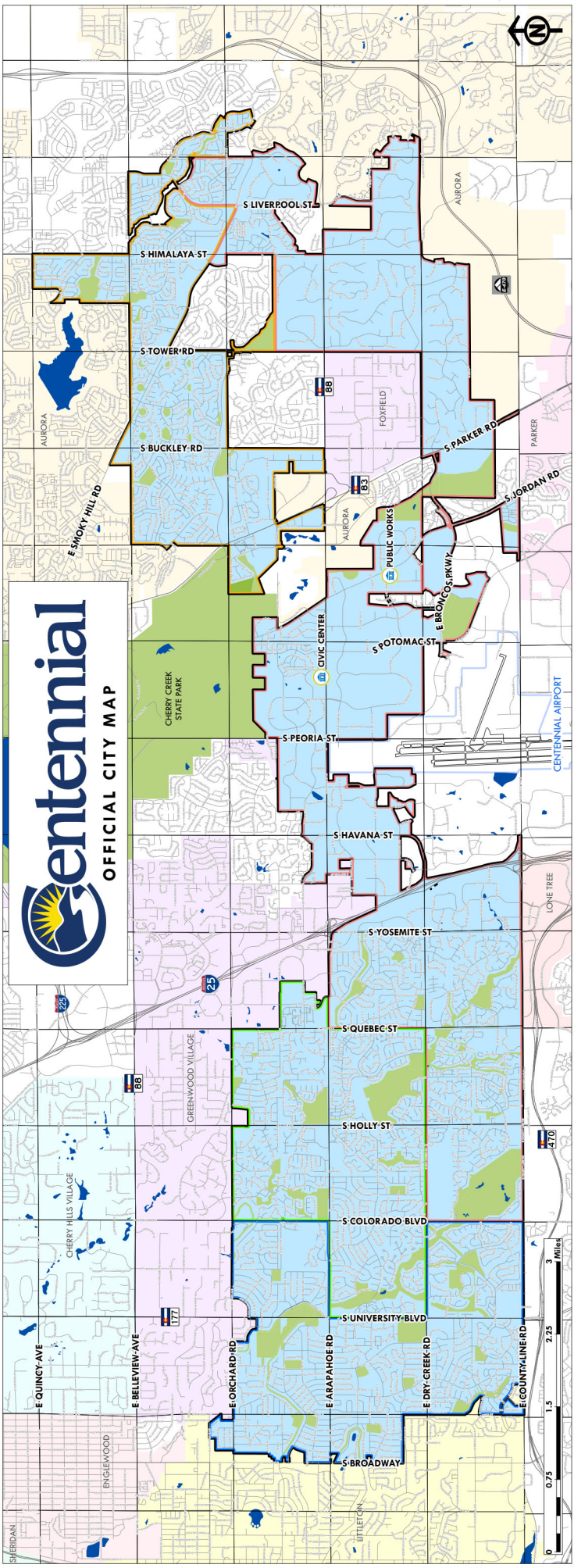


DON SHEEHAN

R 66 W R 65 W

R 67 W R 66 W

R 68 W R 67 W



4300 S  
4700 S  
5100 S  
5500 S  
5900 S  
6300 S  
6700 S  
7100 S  
7500 S  
7900 S  
8300 S

Address Ranges

T 55  
T 65

24100 E  
23300 E  
22500 E  
21700 E  
20900 E  
20100 E  
19300 E  
18500 E  
17700 E  
16900 E  
16100 E  
15300 E  
14500 E  
13700 E  
12900 E  
12100 E  
11300 E  
10500 E  
9700 E  
8900 E  
8100 E  
7300 E  
6500 E  
5600 E  
4800 E  
4000 E  
3200 E  
2400 E  
1600 E  
800 E  
0  
800 W  
1600 W



# Financial Section



1900 16<sup>th</sup> Street  
Suite 1700  
Denver, CO 80202

T: 303.698.1883  
E: info@rubinbrown.com  
www.RubinBrown.com

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

## **Independent Auditors' Report**

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

### **Report On The Audit Of The Financial Statements**

#### ***Opinions***

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 City of Centennial, Colorado (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2022, 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.

#### ***Emphasis Of Matter***

As described in Note 2 to the financial statements, effective January 1, 2022, the City changed its method of accounting for leases by adopting Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

### ***Basis For Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities Of Management For The Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities For The Audit Of The Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 to 20 and budgetary comparison on pages 58 to 62 information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 GAAS, 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.

### ***Supplementary 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 combining and individual fund financial statements and schedules; the Local Highway Finance Report; and 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* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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; the Local Highway Finance Report and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information, otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required By Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2023, 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 solely 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 the effectiveness of the City's 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 City's internal control over financial reporting and compliance.

*RubinBrown LLP*

July 27, 2023

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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, 2022. 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.

### 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.

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources, at December 31, 2022, by \$326.8 million (net position). Of this amount, \$125.0 million, or 38.2%, was unrestricted which is available to meet ongoing and future obligations of the City.
- Total net position of the City increased by \$24.5 million, or 8.1%, compared to 2021.
- Compared to 2021, total revenues excluding transfers, increased \$11.2 million, or 10.8%, to \$115.5 million. Governmental activities revenue increased \$10.5 million, or 10.5%, to \$110.6 million. The change in these revenues is attributable to an increase in Sales and Use tax revenues (\$8.1 million), increased property tax revenues (\$1.1 million), increased franchise fees (\$0.7 million), increased capital grants and contributions (\$0.6 million), increased miscellaneous revenues (\$1.3 million) but offset by decreased investment income (\$0.7 million) due to market adjustments rates and decreased operating grants and contributions (\$0.5 million).
- The total cost of all City programs increased by \$6.7 million, or 8.0%, to \$91.1 million compared to 2021. The cost of governmental activities program expenses increased by \$7.3 million, or 9.0%, to \$88.1 million compared to 2021. The cost of business-type activities decreased by \$0.5 million compared to 2021 due to a change in building services.
- General Fund revenues increased \$9.3 million, or 12.8% in 2022 compared to 2021. General Fund revenues were over budget \$11.3 million and total expenditures were under budget by \$3.8 million during 2021.

- 
- As of December 31, 2022, the City's total governmental funds reported a \$14.3 million increase in the combined ending fund balances. The combined ending governmental fund balance is \$144.9 million, of which \$39.3 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.
  - City Council policy to maintain its fund balance for the General Fund at no less than 25.0% of annual expenditures. The General Fund ending balance of \$43.1 million is 75.7% of 2022 General Fund expenditures.

### 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.

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## 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.

## 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, 2022, the City had total assets of \$368.2 million and the City's assets exceeded its liabilities by \$349.5 million.

The following reflects the City's Net Position:

|                                  | Governmental Activities |                | Business-Type Activities |              | Total Primary Government |                |
|----------------------------------|-------------------------|----------------|--------------------------|--------------|--------------------------|----------------|
|                                  | 2022                    | 2021           | 2022                     | 2021         | 2022                     | 2021           |
| <b>Assets</b>                    |                         |                |                          |              |                          |                |
| Current and Other Assets         | \$ 176,384,509          | \$ 158,332,250 | \$ 1,082,750             | \$ 1,228,763 | \$ 177,467,259           | \$ 159,561,013 |
| Capital Assets                   | 185,644,225             | 175,756,325    | 5,053,863                | 4,933,541    | 190,698,088              | 180,689,866    |
| Total Assets                     | 362,028,734             | 334,088,575    | 6,136,613                | 6,162,304    | 368,165,347              | 340,250,879    |
| Deferred Outflows of Resources   | 25,461                  | 27,420         | -                        | -            | 25,461                   | 27,420         |
| <b>Liabilities</b>               |                         |                |                          |              |                          |                |
| Long-term Liabilities            | 8,713,992               | 8,994,234      | -                        | -            | 8,713,992                | 8,994,234      |
| Other Liabilities                | 9,540,458               | 8,805,861      | 432,839                  | 781,342      | 9,973,297                | 9,587,203      |
| Total Liabilities                | 18,254,450              | 17,800,095     | 432,839                  | 781,342      | 18,687,289               | 18,581,437     |
| Deferred Inflows of Resources    | 22,507,730              | 19,377,954     | 222,301                  | -            | 22,730,031               | 19,377,954     |
| <b>Net Position</b>              |                         |                |                          |              |                          |                |
| Net Investment in Capital Assets | 179,193,403             | 171,135,457    | 5,053,863                | 4,933,541    | 184,247,266              | 176,068,998    |
| Restricted                       | 20,528,141              | 19,780,971     | -                        | -            | 20,528,141               | 19,780,971     |
| Unrestricted                     | 121,570,471             | 106,021,518    | 427,610                  | 447,421      | 121,998,081              | 106,468,939    |
| Total Net Position               | \$ 321,292,015          | \$ 296,937,946 | \$ 5,481,473             | \$ 5,380,962 | \$ 326,773,488           | \$ 302,318,908 |

### 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 \$190.7 million, or 51.8% of total assets.

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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 in the amount of \$25,461 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 Note 8 to the Financial Statements, decreased by \$272,613 overall; however, the City's obligation for Compensated Absences increased during 2022 by \$37,038 to \$462,508. During 2022, the City did not enter into any additional long-term debt agreements.

In 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 2022, the District made a principal payment of \$105,000 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. In 2022, the District made a principal payment of \$90,000 in addition to all scheduled interest payments.

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 of this project. In 2022, the District made a principal payment of \$70,000 in addition to all scheduled interest payments.

Additional information regarding the City's long-term debt may be found in Note 8 – Long-term Obligations in the Notes to the Financial Statements section of this report.

#### Deferred Inflow of Resources

The deferred inflow of resources of \$22,507,730 is recognized by the City as a result of property taxes levied in 2022 to finance the subsequent year's budget and for City lease receivables not available as current financial resources.

**Management's Discussion and Analysis  
for the Year Ended December 31, 2022**



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

|  | Governmental Activities |                       | Business-Type Activities |                     | Total Primary Government |                       |
|--|-------------------------|-----------------------|--------------------------|---------------------|--------------------------|-----------------------|
|  | 2022                    | 2021                  | 2022                     | 2021                | 2022                     | 2021                  |
| <b>Revenues</b>  |                         |                       |                          |                     |                          |                       |
| Program Revenues -   |                         |                       |                          |                     |                          |                       |
| Charges for Services   | \$ 1,469,509            | \$ 1,410,696          | \$ 4,793,967             | \$ 4,213,263        | \$ 6,263,476             | \$ 5,623,959          |
| Operating Grants and Contributions   | 9,866,661               | 10,371,865            | -                        | -                   | 9,866,661                | 10,371,865            |
| Capital Grants and Contributions   | 6,911,261               | 6,344,845             | 139,034                  | -                   | 7,050,295                | 6,344,845             |
| General Revenue -  |                         |                       |                          |                     |                          |                       |
| Sales and Use Taxes  | 64,740,772              | 56,681,506            | -                        | -                   | 64,740,772               | 56,681,506            |
| Property Taxes   | 19,303,243              | 18,226,802            | -                        | -                   | 19,303,243               | 18,226,802            |
| Other Taxes  | 902,772                 | 928,455               | -                        | -                   | 902,772                  | 928,455               |
| Unrestricted Franchise Fees  | 6,074,415               | 5,396,494             | -                        | -                   | 6,074,415                | 5,396,494             |
| Investment Income  | (886,388)               | (182,583)             | -                        | -                   | (886,388)                | (182,583)             |
| Loss on Disposition of Intergovernmental not restricted to specific programs | -                       | -                     | -                        | -                   | -                        | -                     |
| Miscellaneous  | 2,219,441               | 910,183               | -                        | -                   | 2,219,441                | 910,183               |
| <b>Total Revenues</b>  | <b>110,601,686</b>      | <b>100,088,263</b>    | <b>4,933,001</b>         | <b>4,213,263</b>    | <b>115,534,687</b>       | <b>104,301,526</b>    |
| <b>Expenses</b>  |                         |                       |                          |                     |                          |                       |
| General Government   | 13,314,822              | 12,151,531            | -                        | -                   | 13,314,822               | 12,151,531            |
| Community Services   | 2,360,739               | 2,406,990             | -                        | -                   | 2,360,739                | 2,406,990             |
| City Infrastructure  | 33,149,548              | 28,388,040            | -                        | -                   | 33,149,548               | 28,388,040            |
| Public Safety  | 31,352,394              | 30,053,397            | -                        | -                   | 31,352,394               | 30,053,397            |
| Culture and Recreation   | 1,742,438               | 1,789,509             | -                        | -                   | 1,742,438                | 1,789,509             |
| Urban Redevelopment  | 5,877,405               | 5,607,848             | -                        | -                   | 5,877,405                | 5,607,848             |
| Interest on Long-term Debt   | 277,469                 | 390,853               | -                        | -                   | 277,469                  | 390,853               |
| Land Use Service Fees  | -                       | -                     | 3,005,292                | 3,551,419           | 3,005,292                | 3,551,419             |
| <b>Total Expenses</b>  | <b>88,074,815</b>       | <b>80,788,168</b>     | <b>3,005,292</b>         | <b>3,551,419</b>    | <b>91,080,107</b>        | <b>84,339,587</b>     |
| <b>Increase (Decrease) Before Transfers</b>                                  |                         |                       |                          |                     |                          |                       |
| Transfers  | 22,526,871              | 19,300,095            | 1,927,709                | 661,844             | 24,454,580               | 19,961,939            |
| <b>Total</b>   | <b>1,827,198</b>        | <b>928,802</b>        | <b>(1,827,198)</b>       | <b>(928,802)</b>    | <b>-</b>                 | <b>-</b>              |
| <b>Increase (Decrease) in Net Position</b>                                   | <b>24,354,069</b>       | <b>20,228,897</b>     | <b>100,511</b>           | <b>(266,958)</b>    | <b>24,454,580</b>        | <b>19,961,939</b>     |
| <b>Net Position, Beginning of Year</b>                                       |                         |                       |                          |                     |                          |                       |
|  | 296,937,946             | 276,709,049           | 5,380,962                | 5,647,920           | 302,318,908              | 282,356,969           |
| <b>Net Position, End of Year</b>   | <b>\$ 321,292,015</b>   | <b>\$ 296,937,946</b> | <b>\$ 5,481,473</b>      | <b>\$ 5,380,962</b> | <b>\$ 326,773,488</b>    | <b>\$ 302,318,908</b> |

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Governmental activities increased the City's net position by \$24.4 million, or 8.2%. Key elements of this net increase were as follows:

- Sales and Use taxes increased by \$8.1 million, or 14.2%. The increase was due to business recovery after the pandemic and an increase in sales tax remitted from remote sellers.
- Property tax revenue increased by \$1.1 million, or 5.9%. This increase was primarily attributable to higher assessed property valuations for residential and commercial properties.
- Operating grants and contributions decreased \$0.5 million, or 4.9%. The decrease was primarily attributable to the lower revenues for the Highway User Tax Fund.
- Capital grants and contributions increased by \$0.6 million, or 8.9%. The majority of the increase was the result of contributions for culture and recreation.
- Unrestricted Franchise Fees increased by \$0.7 million, or 12.6%. The majority of the increase was the result of increased franchise fees from gas and electric utility providers due to increased gas and electric prices.
- Investment income decreased \$0.7 million or 385.5%. This decrease was attributable to the lower interest rates and market loss on investments.
- Miscellaneous revenues increased by \$1.3 million or 143.8%. The increase was a result of funds received from the sale of the Denver Broncos football club.
- General government expenses increased by \$1.2 million, or 9.6%. The increase is administration increases with salaries and benefits and specific projects in 2022.
- City Infrastructure increased by approximately \$4.8 million, due work completed in the street rehabilitation program and traffic signals.
- Public Safety expenses increased by approximately \$1.3 million related to the public safety contract with Arapahoe County Sheriff office.
- Business type activities' Net Position increased by about \$100,500 or 1.9% in 2022 due to land use fee receipts slightly higher than the cost of services offset by transfers out of the fund.

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## Fund Financial Statement Analysis

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

### Revenues

#### General Fund

Overall, General Fund revenues increased \$9.3 million, or 12.8% in 2022 compared to 2021.

- Property Tax revenue received during 2022 is \$0.7 million or 5.3% more than collections in 2021. The increase of property tax was due to a increase of assessed valuation of property and all personal property being reassessed in 2022. 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, so property taxes were re-assessed for taxes collected in 2022.
- Sales Tax revenue received during 2022 was \$6.0 million or 13.7% more than collections in 2021. The increase was attributable to recovery from the pandemic and an increase in sales tax from remote retailers that have been remitting sales tax as marketplace facilitator and economic nexus.
- Building Materials Use Tax revenue for 2022 was \$1.6 or 49.3% more compared to 2021. The increase was attributable to an increase in permits and several large construction projects in the City.
- Franchise Fee revenues for 2022 is \$0.7 million, or 12.6% more than collections during 2021. The increase in Franchise Fee revenues is from the fees received from the gas and electric utility providers. In 2022, prices for natural gas and electricity increased creating higher franchise fees.
- Investment income for 2022 was \$1.0 million less than investment income in 2021. This decrease was attributable market adjustments on the investments.
- Miscellaneous revenues for 2022 was \$1.3 million or 150.9% more than collections in 2021. The increase is from revenues received from the Metropolitan Football Stadium District from the sale of the Denver Broncos.

#### Centennial Urban Redevelopment Authority (CURA) Fund

Centennial Urban Redevelopment Authority Fund revenues increased by \$0.7 million or 12.9% in 2022 compared to 2021 due to higher sales tax and property tax receipts as a result of higher property assessments within CURA.

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### Street Fund

This fund accounts for revenues restricted for transportation system purposes: a portion of sales taxes, motor vehicle use tax, Highway Users Tax Fund (HUTF), Road and Bridge shareback funds, grants, and pavement degradation fees. In 2022, \$14.7 million was received in this fund, which was \$1.6 million or 9.9% less compared to 2021. The decrease was from lower HUTF revenues and from lower intergovernmental revenues received from projects.

### Open Space Fund

The Open Space Fund revenues increased by \$1.8 million or 42.4% in 2022 compared to 2021 due to increased dedicated sales taxes collected by Arapahoe County and intergovernmental revenues received from the County for work on the Lone Tree Creek Trail.

### Expenditures

#### General Fund

General Fund expenditures increased by \$3.2 million or 6.0% in 2022 compared to 2021. This increase in expenditures were due to the following expenditure category changes:

- General Government expenditures increased by \$0.4 million or 6.9% compared to 2021. This increase in expenditures is primarily due administration costs with salaries and benefits and costs related to specific projects.
- Finance and Administrative expenditures increased \$0.7 million or 12.8% compared to 2021. The primary increase was from salary and benefit increases as vacant positions were filled and from increases in professional services.
- Community Services expenditures increased by \$65 thousand or 3.5% in 2022 compared to 2021.
- City Infrastructure increased by \$0.8 million or 7.6% due to various increased expenditures for Public Works, including professional services.
- Public Safety expenditures increased by \$1.3 million or 4.3% due to increase in personnel costs increases along with an increase in service levels.
- Net Transfers from the General Fund to the Capital Improvement Fund, Street Fund, and the Land Use Fund decreased by \$18.3 million compared to 2021. This decrease was primarily due to an increase in transfers in 2021 to the Street Fund because capital projects were deferred in 2020 because of the pandemic. These capital projects are mainly funded by the General Fund.

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Centennial Urban Redevelopment Authority Fund

Centennial Urban Redevelopment Authority Fund expenditures for 2022 were higher by \$0.3 million or 4.8% compared to 2021 due expenditures related to the pass-through of sales and property taxes.

Street Fund

Street Fund expenditures for 2022 were \$6.3 million, or 35.6% more than expenditures in 2021. The increase is due to higher street related expenditures for the Street Rehabilitation Program (\$2.2 million), and higher Professional Services (\$0.9 million) and Capital Projects (\$3.6 million) compared to 2021, however, that increase was offset slightly by a decrease in expenditures for traffic control (\$0.4 million).

Open Space Fund

The Open Space Fund expenditures increased by \$3.8 million or 146.0%, mainly due to capital work on the Lone Tree Creek Trail and various costs related to other parks and trails projects.

**Fund Balance**

The net change in the General Fund ending fund balance was an increase of \$15.3 million, resulting in the fund balance of \$43,142,966. As of December 31, 2021, the General Fund ending fund balance as a percentage of 2022 expenditures is 75.7%, which is 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, except for 2006, 2015, 2017 and 2021, where a significant amount was transferred to the Capital Improvement Fund or Street 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 Street Fund recognized a net fund balance increase in 2022 of \$9.3 million. The majority of the fund balance was due to interfund transfers from the General Fund and Capital Improvement Fund. The total fund balance is \$64,617,581 of which \$40.1 million of fund balance committed for future capital projects.

The Open Space Fund recognized a net fund balance decrease of \$0.5 million due to work completed on capital projects, specifically the Lone Tree Creek Trail. The decrease resulted in an ending fund balance of \$16.1 with \$7.3 million committed for future capital projects.

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**General Fund Budgetary Highlights**

In total, the City's General Fund revenues for 2022 are \$11.3 million, or 15.9% favorable to the budget, while total General Fund expenditures are \$6.4 million, or 10.1% 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 2022 was \$8.8 million, or 21.4% favorable compared to budget. The City conservatively budgeted sales tax revenues as businesses recovery from the pandemic was unknown. In addition, changes to collection from remote sellers contributed to the increase compared to budget.
- Construction use tax revenue for 2022 was unfavorable by \$1.9 million or 68.0%. The construction use tax revenue is dependent on the number of construction projects in the City. There were a few large construction projects in the City along with a slight increase in residential permits activity in the City, as compared to budget.
- Franchise fees realized a \$1.0 million or 19.3% favorable variance compared to budget. This revenue was conservatively budgeted as disruptions to business closures and remote work were unknown. In 2022, price increases in natural gas and electricity were not anticipated which increased franchise fee revenues.
- Investment income for 2022 was \$2.8 million unfavorable compared to budget. This unfavorable variance is attributable to the market adjustments in the portfolio.
- Intergovernmental revenues for 2022 were favorable by \$0.7 million or 15.8%. This favorable variance is a result of the ARPA funding being slightly higher than budgeted and an increase in motor vehicle registrations.
- Miscellaneous revenues for 2022 were favorable by \$1.5 million or 207.9%. This favorable variance was a result of the City receiving funds from the Metropolitan Football Stadium District for the sale of the Denver Broncos. This one-time funding was not anticipated in the budget process.

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- General Fund expenditures were \$6.4 million or 10.1% favorable compared to budget and include the following:
    - General government expenditures were \$4.3 million or 40.9% favorable compared to budget. This was a result of lower operating costs. There were cost savings due to vacancy savings for unfilled positions and professional development. In addition, the law enforcement contract was less than anticipated and \$2.5 million budgeted for retail center revitalization was upsent.
    - Finance and Administration were \$0.8 million or 11.4% favorable to budget. The Office of Technology and Innovation expenditures were \$0.4 million favorable compared to budget. This variance is primarily due to reduced information technology and licensing costs within enterprise services. The Finance expenditures were \$0.2 million favorable to budget from vacancy savings, decreased costs related to sales tax audit and risk management.
    - Public Safety was \$1.0 million, or 3.0% favorable to budget. The favorable variance was from reduced contract costs of the Arapahoe County Sherriff's Office compared to costs at the time the budget was established. Due to timing of the County budget and the City budget, these variances are expected to occur in the future.

### **Economic Factors and Next Year's Budget**

Centennial's local economy has rebounded well from the COVID-19 concerns in 2020 and has seen healthy growth in 2021 and 2022. The City received funds in 2021 and 2022 through the American Rescue Plan Act which it utilized as revenue replacement. The City's primary general revenue source, sales and use taxes, were strong in 2022. Sales tax revenue increased approximately 14% compared to the prior year. This increase was driven in large part by online retail. Although the City has recovered from the pandemic over the last couple of years, there are new economic concerns with inflation and a potential recession. The City has sufficient fund balances reserved for future downturns in the economy.

The City now faces the challenges of cost increases, specifically for capital projects and public works expenditures. Staff is leaning into these challenges and utilizing our core values – collaboration, intentionality, service oriented, and innovation to develop longer term strategies. As part of this, Staff developed budget requests for 2023 and 2024 so that Council could consider the overall Proposed Budget for the 2023/24 biennium – a longer time frame than previously undertaken.

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The 2023 Budget contains expenditures for all funds of \$152.8 million, an increase of 7% over the 2022 Adopted Budget. The year-to-year budget increase is due to significant planned capital projects in the Street Fund as well as lower-than-budgeted expenditures in 2022. This includes one-time projects such as the replacement of the Arapahoe Road Bridge over Big Dry Creek. These projects, together with the new projects identified in the budget, were previously saved for by the City rather than incurring debt. This strategy also is reflected in the significant commitments made by the City to future projects and needs in the use of Committed Fund Balance throughout the 2023 Budget. Specific projects and programs are identified within each major fund and establish committed funding available for use by a future Council.

The Budget and Key Performance Areas comprise 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:

### **Transportation and Mobility**

Substantial funding continues to be dedicated to the construction, operations and maintenance of the City's largest single public asset. The ability for people and goods to move safely and efficiently through the community remains a key priority for the City. Council was asked to consider the impacts of significant grant funding from the Denver Regional Council of Governments; the strategy for managing traffic signals throughout the City with the pending completion of our initial Intelligent Transportation System network; and service-level adjustments for the Public Works services contract. There also is significant investment to implement the planned projects within the Transportation Master Plan, including sidewalks, pedestrian crossing improvements and future funding for efforts along the Smoky Hill Corridor.

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### **Public Safety and Health**

The City continues to enjoy a strong partnership with the Arapahoe County Sheriff's Office. The 2023 Budget includes increased investment in this partnership to ensure Centennial remains among the safest cities in Colorado. Additional funding for the Behavioral Health Response Program staffing is included, which expands the program to ensure coverage is available as needed. A pilot program in partnership with Arapahoe County to provide a coordinator for homeless services also is included, subject to the conditions of an intergovernmental agreement and development of an annual work plan.

### **Future-Ready City Government**

We continue to move forward with planning for future City operations and delivering services efficiently and effectively to the community. We are proposing to formalize virtual options for City services, including municipal court and certain building inspections. Investment in these areas will increase service levels and provide flexibility for residents and contractors to ensure we are meeting expectations.

### **Signature Centennial**

Council previously provided direction for Staff to research potential older adult and youth services in the community. As a result, an opportunity for partnership with a local nonprofit agency, including startup funding for 2023, is included in the budget. This will provide activities, programs and special events for older adults and youth in Centennial. Additionally, funding for a neighborhood mediation services pilot is proposed in the budget. Finally, funding for continued support for the management of the short-term rental program is included following the initial success of the license program previously established by Council.

### **Fiscal Sustainability**

The impacts of COVID-19 continue to inject uncertainty into the City's revenue picture. While revenues have remained better than initially predicted, Staff will remain vigilant and develop recommendations for adjustment if necessary. The City's Fund Balances are healthy and remain a particular strength of the City. Council provided policy direction, after consultation with the Centennial Budget Committee, to reorganize several funds and descriptions in the budget. This includes clarifying the purpose of the Street and Capital Funds, consolidation of the Land Use Fund into a General Fund department and updating the Open Space Fund descriptions to capture the intent of the voters with the reauthorization of the County-wide tax. Continuing improvements from prior years, recommended Committed Fund Balances were included in each major fund. These commitments are made intentionally for known and anticipated projects or expenditures that the City will consider in the future.



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**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, 2022**

|   | <b>Primary Government</b>          |                                     |                       |
|---|------------------------------------|-------------------------------------|-----------------------|
|   | <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>Total</b>          |
| <b>ASSETS</b>                                     |                                    |                                     |                       |
| Cash, cash equivalents, and investments           | \$ 143,695,591                     | \$ 762,534                          | \$ 144,458,125        |
| Taxes receivable                                  | 25,532,232                         | —                                   | 25,532,232            |
| Other receivables                                 | 945,766                            | 96,733                              | 1,042,499             |
| Intergovernmental receivables                     | 2,334,461                          | —                                   | 2,334,461             |
| Lease receivables                                 | 3,392,761                          | 216,667                             | 3,609,428             |
| Deposits  | 8,000                              | —                                   | 8,000                 |
| Prepaid expenses                                  | 475,698                            | 6,816                               | 482,514               |
| Capital assets, not being depreciated             | 115,954,668                        | 182,302                             | 116,136,970           |
| Capital assets, net of accumulated depreciation   | 69,676,057                         | 4,871,561                           | 74,547,618            |
| Lease RTU assets, net of accumulated amortization | 13,500                             | —                                   | 13,500                |
| <b>Total assets</b>                               | <b>362,028,734</b>                 | <b>6,136,613</b>                    | <b>368,165,347</b>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>             |                                    |                                     |                       |
| Deferred amount on refunding                      | 25,461                             | —                                   | 25,461                |
| <b>LIABILITIES</b>                                |                                    |                                     |                       |
| Accounts payable                                  | 6,498,730                          | 125,731                             | 6,624,461             |
| Retainage payable                                 | 838,227                            | —                                   | 838,227               |
| Accrued liabilities                               | 444,696                            | —                                   | 444,696               |
| Accrued interest payable                          | 127,299                            | —                                   | 127,299               |
| Developer contributions and deposits              | 1,198,076                          | —                                   | 1,198,076             |
| Unearned revenue                                  | —                                  | 307,108                             | 307,108               |
| Non-current liabilities                           |                                    |                                     |                       |
| Due within one year                               | 433,430                            | —                                   | 433,430               |
| Due in more than one year                         | 8,713,992                          | —                                   | 8,713,992             |
| <b>Total liabilities</b>                          | <b>18,254,450</b>                  | <b>432,839</b>                      | <b>18,687,289</b>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>              |                                    |                                     |                       |
| Property taxes                                    | 19,077,789                         | —                                   | 19,077,789            |
| Leases  | 3,429,941                          | 222,301                             | 3,652,242             |
|   | <b>22,507,730</b>                  | <b>222,301</b>                      | <b>22,730,031</b>     |
| <b>NET POSITION</b>                               |                                    |                                     |                       |
| Net investment in capital assets                  | 179,190,480                        | 5,053,863                           | 184,244,343           |
| Restricted for:                                   |                                    |                                     |                       |
| Emergency reserves                                | 3,158,336                          | —                                   | 3,158,336             |
| Parks and open space                              | 12,603,473                         | —                                   | 12,603,473            |
| District infrastructure                           | 1,532,637                          | —                                   | 1,532,637             |
| Urban redevelopment                               | 189,761                            | —                                   | 189,761               |
| Unrestricted                                      | 124,617,328                        | 427,610                             | 125,044,938           |
| <b>Total net position</b>                         | <b>\$ 321,292,015</b>              | <b>\$ 5,481,473</b>                 | <b>\$ 326,773,488</b> |

**CITY OF CENTENNIAL, COLORADO**

**STATEMENT OF ACTIVITIES  
For The Year Ended December 31, 2022  
Page 1 of 2**

| <b><u>Functions/Programs</u></b> | <b><u>Expenses</u></b> | <b><u>Program Revenues</u></b>             |  |  |
|----------------------------------|------------------------|--|--|--|
|                                  |                        | <b><u>Charges<br/>for<br/>Services</u></b> | <b><u>Operating<br/>Grants and<br/>Contributions</u></b> | <b><u>Capital<br/>Grants and<br/>Contributions</u></b> |
| Primary government               |                        |  |  |  |
| Governmental activities:         |                        |  |  |  |
| General government               | \$ 13,314,822          | \$ 1,425,678                               | \$ 4,808,071   | \$ —   |
| Community services               | 2,360,739              | 43,831                                     | —  | —  |
| City infrastructure              | 33,149,548             | —  | 5,058,590  | 473,661  |
| Public safety                    | 31,352,394             | —  | —  | 6,437,600  |
| Culture and recreation           | 1,742,438              | —  | —  | —  |
| Urban redevelopment              | 5,877,405              | —  | —  | —  |
| Interest on long-term debt       | 277,469                | —  | —  | —  |
| Total governmental activities    | <u>88,074,815</u>      | <u>1,469,509</u>                           | <u>9,866,661</u>   | <u>6,911,261</u>                                       |
| Business-type activities:        |                        |  |  |  |
| Land use                         | 2,677,779              | 4,660,212                                  | —  | —  |
| Fiber                            | 327,513                | 133,755                                    | —  | 139,034  |
| Total business-type activities   | <u>3,005,292</u>       | <u>4,793,967</u>                           | <u>—</u>   | <u>139,034</u>   |
| Total primary government         | <u>\$ 91,080,107</u>   | <u>\$ 6,263,476</u>                        | <u>\$ 9,866,661</u>                                      | <u>\$ 7,050,295</u>                                    |

**CITY OF CENTENNIAL, COLORADO**

**STATEMENT OF ACTIVITIES  
For The Year Ended December 31, 2022  
Page 2 of 2**

|                                      | <b>Net (Expense) Revenue and<br/>Change in Net Position</b> |                                     |                       |
|--------------------------------------|---|-------------------------------------|-----------------------|
|                                      | <b>Primary Government</b>                                   |                                     |                       |
|                                      | <b>Governmental<br/>Activities</b>                          | <b>Business-Type<br/>Activities</b> | <b>Total</b>          |
|                                      | \$ (7,081,073)  | \$ —                                | \$ (7,081,073)        |
|                                      | (2,316,908)   | —                                   | (2,316,908)           |
|                                      | (27,617,297)  | —                                   | (27,617,297)          |
|                                      | (24,914,794)  | —                                   | (24,914,794)          |
|                                      | (1,742,438)   | —                                   | (1,742,438)           |
|                                      | (5,877,405)   | —                                   | (5,877,405)           |
|                                      | (277,469)   | —                                   | (277,469)             |
|                                      | <u>(69,827,384)</u>   | <u>—</u>                            | <u>(69,827,384)</u>   |
|                                      | —   | 1,982,433                           | 1,982,433             |
|                                      | —   | (54,724)                            | (54,724)              |
|                                      | —   | 1,927,709                           | 1,927,709             |
|                                      | <u>(69,827,384)</u>   | <u>1,927,709</u>                    | <u>(67,899,675)</u>   |
| General revenues:                    |   |                                     |                       |
| Sales tax                            | 53,430,052  | —                                   | 53,430,052            |
| Use tax                              | 4,694,325   | —                                   | 4,694,325             |
| Property tax                         | 19,303,243  | —                                   | 19,303,243            |
| Motor vehicle use tax                | 6,616,395   | —                                   | 6,616,395             |
| Other taxes                          | 902,772   | —                                   | 902,772               |
| Unrestricted franchise fees          | 6,074,415   | —                                   | 6,074,415             |
| Investment loss                      | (886,388)   | —                                   | (886,388)             |
| Miscellaneous                        | 2,219,441   | —                                   | 2,219,441             |
| Transfers                            | 1,827,198   | (1,827,198)                         | —                     |
| Total general revenues and transfers | <u>94,181,453</u>   | <u>(1,827,198)</u>                  | <u>92,354,255</u>     |
| Change in net position               | 24,354,069  | 100,511                             | 24,454,580            |
| Net Position - Beginning             | 296,937,946   | 5,380,962                           | 302,318,908           |
| Net Position - Ending                | <u>\$ 321,292,015</u>                                       | <u>\$ 5,481,473</u>                 | <u>\$ 326,773,488</u> |

**CITY OF CENTENNIAL, COLORADO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

**December 31, 2022**

**Page 1 of 2**

|   | <b>General<br/>Fund</b> | <b>Centennial<br/>Urban<br/>Redevelopment<br/>Authority<br/>Fund</b> | <b>Capital<br/>Improvement<br/>Fund</b> |
|---|-------------------------|--|---|
| <b>ASSETS</b>   |                         |  |   |
| Cash, cash equivalents, and investments                                       | \$ 40,724,370           | \$ 163,128   | \$ 12,377,025                           |
| Taxes receivable  | 19,004,447              | 5,212,076  | —                                       |
| Other receivables   | 910,196                 | —  | —                                       |
| Intergovernmental receivables   | —                       | 26,633   | —                                       |
| Lease receivables   | 3,392,761               | —  | —                                       |
| Deposits  | 8,000                   | —  | —                                       |
| Prepays   | —                       | —  | 475,698                                 |
| Total assets  | <u>\$ 64,039,774</u>    | <u>\$ 5,401,837</u>  | <u>\$ 12,852,723</u>                    |
| <br><b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES,<br/>AND FUND BALANCE</b>   |                         |  |   |
| <b>LIABILITIES</b>  |                         |  |   |
| Accounts payable  | \$ 3,282,038            | \$ —   | \$ 637,014                              |
| Retainage payable   | —                       | —  | 40,446                                  |
| Accrued liabilities   | 430,967                 | —  | —                                       |
| Developer contributions and deposits  | 748,001                 | —  | —                                       |
| Total liabilities   | <u>4,461,006</u>        | <u>—</u>   | <u>677,460</u>                          |
| <br><b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                         |  |   |
| Property taxes  | 13,005,861              | 5,212,076  | —                                       |
| Leases  | 3,429,941               | —  | —                                       |
| Total deferred inflows of resources   | <u>16,435,802</u>       | <u>5,212,076</u>   | <u>—</u>                                |
| <br><b>FUND BALANCE</b>   |                         |  |   |
| Nonspendable:   |                         |  |   |
| Deposits  | 8,000                   | —  | —                                       |
| Prepays   | —                       | —  | 475,698                                 |
| Restricted for:   |                         |  |   |
| Emergency reserves  | 1,880,945               | —  | 272,433                                 |
| Parks and Open Space  | —                       | —  | —                                       |
| District Infrastructure   | —                       | —  | —                                       |
| Urban Redevelopment   | —                       | 189,761  | —                                       |
| Committed for:  |                         |  |   |
| Committed for future capital projects   | 1,928,000               | —  | 3,000,000                               |
| Assigned to:  |                         |  |   |
| City infrastructure   | —                       | —  | 8,427,132                               |
| Unassigned  | 39,326,021              | —  | —                                       |
| Total fund balance  | <u>43,142,966</u>       | <u>189,761</u>   | <u>12,175,263</u>                       |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCE</b> | <u>\$ 64,039,774</u>    | <u>\$ 5,401,837</u>  | <u>\$ 12,852,723</u>                    |

**CITY OF CENTENNIAL, COLORADO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2022  
Page 2 of 2**

| <b>Street<br/>Fund</b> | <b>Open<br/>Space<br/>Fund</b> | <b>Total<br/>Nonmajor<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|------------------------|--------------------------------|-------------------------------------|---|
| \$ 65,701,573          | \$ 14,753,868                  | \$ 9,975,627                        | \$ 143,695,591                          |
| 455,857                | —                              | 859,852                             | 25,532,232                              |
| 31,615                 | —                              | 3,955                               | 945,766                                 |
| 315,603                | 1,992,225                      | —                                   | 2,334,461                               |
| —                      | —                              | —                                   | 3,392,761                               |
| —                      | —                              | —                                   | 8,000                                   |
| —                      | —                              | —                                   | 475,698                                 |
| <u>\$ 66,504,648</u>   | <u>\$ 16,746,093</u>           | <u>\$ 10,839,434</u>                | <u>\$ 176,384,509</u>                   |
| <br>                   |                                |                                     |   |
| \$ 975,743             | \$ 435,305                     | \$ 1,168,630                        | \$ 6,498,730                            |
| 461,249                | 177,422                        | 159,110                             | 838,227                                 |
| —                      | 13,729                         | —                                   | 444,696                                 |
| 450,075                | —                              | —                                   | 1,198,076                               |
| <u>1,887,067</u>       | <u>626,456</u>                 | <u>1,327,740</u>                    | <u>8,979,729</u>                        |
| <br>                   |                                |                                     |   |
| —                      | —                              | 859,852                             | 19,077,789                              |
| —                      | —                              | —                                   | 3,429,941                               |
| —                      | —                              | 859,852                             | 22,507,730                              |
| <br>                   |                                |                                     |   |
| —                      | —                              | —                                   | 8,000                                   |
| —                      | —                              | —                                   | 475,698                                 |
| 717,673                | 194,489                        | 92,796                              | 3,158,336                               |
| —                      | 8,620,998                      | 3,982,475                           | 12,603,473                              |
| —                      | —                              | 4,576,571                           | 4,576,571                               |
| —                      | —                              | —                                   | 189,761                                 |
| 40,050,000             | 7,304,150                      | —                                   | 52,282,150                              |
| 23,849,908             | —                              | —                                   | 32,277,040                              |
| —                      | —                              | —                                   | 39,326,021                              |
| <u>64,617,581</u>      | <u>16,119,637</u>              | <u>8,651,842</u>                    | <u>144,897,050</u>                      |
| <br>                   |                                |                                     |   |
| <u>\$ 66,504,648</u>   | <u>\$ 16,746,093</u>           | <u>\$ 10,839,434</u>                | <u>\$ 176,384,509</u>                   |

**CITY OF CENTENNIAL, COLORADO**

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**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
December 31, 2022**

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

Total fund balance - governmental funds \$ 144,897,050

Capital assets and RTU assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

|  |                      |             |
|--|----------------------|-------------|
| Capital and leased RTU assets                  | \$ 289,953,657       |             |
| Less accumulated depreciation and amortization | <u>(104,309,432)</u> | 185,644,225 |

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                | \$ (7,805,000)   |             |
| Deferred amount on refunding | 25,461           |             |
| Bond premiums payable        | (867,876)        |             |
| Lease liability              | (12,038)         |             |
| Accrued interest payable     | (127,299)        |             |
| Accrued compensated absences | <u>(462,508)</u> | (9,249,260) |

|   |  |                       |
|---|--|-----------------------|
| Total net position of governmental activities |  | <u>\$ 321,292,015</u> |
|---|--|-----------------------|

# CITY OF CENTENNIAL, COLORADO

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For The Year Ended December 31, 2022

Page 1 of 2

|  | <b>General<br/>Fund</b> | <b>Centennial<br/>Urban<br/>Redevelopment<br/>Authority<br/>Fund</b> | <b>Capital<br/>Improvement<br/>Fund</b> |
|--|-------------------------|--|---|
| <b>REVENUES</b>  |                         |  |   |
| Taxes  | \$ 68,769,766           | \$ 5,876,989   | \$ —                                    |
| Intergovernmental  | 5,276,256               | —  | —                                       |
| Charges for services   | 1,425,678               | —  | —                                       |
| Franchise fees   | 6,074,415               | —  | —                                       |
| Investment income (loss)   | (1,297,418)             | —  | —                                       |
| Miscellaneous  | 2,219,866               | 73,865   | —                                       |
| Total revenues   | 82,468,563              | 5,950,854  | —                                       |
| <b>EXPENDITURES</b>  |                         |  |   |
| Current:   |                         |  |   |
| General government   | 12,307,138              | —  | —                                       |
| Community services   | 2,355,441               | —  | —                                       |
| City infrastructure  | 10,847,617              | —  | 966,466                                 |
| Public safety  | 31,352,394              | —  | —                                       |
| Culture and recreation   | —                       | —  | —                                       |
| Urban redevelopment  | —                       | 5,877,405  | —                                       |
| Capital outlay   | 120,744                 | —  | 1,109,458                               |
| Debt service:  |                         |  |   |
| Principal  | 9,989                   | —  | —                                       |
| Interest   | 243                     | —  | —                                       |
| Total expenditures   | 56,993,566              | 5,877,405  | 2,075,924                               |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | 25,474,997              | 73,449   | (2,075,924)                             |
| <b>OTHER FINANCING SOURCES (USES)</b>                                |                         |  |   |
| Transfers in   | 2,048,198               | —  | —                                       |
| Transfers out  | (12,221,000)            | —  | (6,500,000)                             |
| Total other financing sources (uses)                                 | (10,172,802)            | —  | (6,500,000)                             |
| <b>NET CHANGE IN FUND BALANCE</b>                                    | 15,302,195              | 73,449   | (8,575,924)                             |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>                              | 27,840,771              | 116,312  | 20,751,187                              |
| <b>FUND BALANCE - END OF YEAR</b>                                    | \$ 43,142,966           | \$ 189,761   | \$ 12,175,263                           |

**CITY OF CENTENNIAL, COLORADO**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

**For The Year Ended December 31, 2022**

**Page 2 of 2**

| <b>Street<br/>Fund</b> | <b>Open<br/>Space<br/>Fund</b> | <b>Total<br/>Nonmajor<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|------------------------|--------------------------------|-------------------------------------|---|
| \$ 9,416,395           | \$ —                           | \$ 883,637                          | \$ 84,946,787                           |
| 5,183,312              | 5,702,729                      | 740,871                             | 16,903,168                              |
| 43,831                 | —                              | —                                   | 1,469,509                               |
| —                      | —                              | —                                   | 6,074,415                               |
| —                      | 289,545                        | 121,485                             | (886,388)                               |
| 55,294                 | —                              | —                                   | 2,349,025                               |
| <u>14,698,832</u>      | <u>5,992,274</u>               | <u>1,745,993</u>                    | <u>110,856,516</u>                      |
| —                      | —                              | —                                   | 12,307,138                              |
| —                      | —                              | —                                   | 2,355,441                               |
| 17,502,659             | —                              | 157,525                             | 29,474,267                              |
| —                      | —                              | —                                   | 31,352,394                              |
| —                      | 571,731                        | 579,654                             | 1,151,385                               |
| —                      | —                              | —                                   | 5,877,405                               |
| 6,419,777              | 5,911,220                      | 1,676,534                           | 15,237,733                              |
| —                      | —                              | 265,000                             | 274,989                                 |
| —                      | —                              | 313,083                             | 313,326                                 |
| <u>23,922,436</u>      | <u>6,482,951</u>               | <u>2,991,796</u>                    | <u>98,344,078</u>                       |
| <u>(9,223,604)</u>     | <u>(490,677)</u>               | <u>(1,245,803)</u>                  | <u>12,512,438</u>                       |
| 18,500,000             | —                              | —                                   | 20,548,198                              |
| —                      | —                              | —                                   | (18,721,000)                            |
| <u>18,500,000</u>      | <u>—</u>                       | <u>—</u>                            | <u>1,827,198</u>                        |
| 9,276,396              | (490,677)                      | (1,245,803)                         | 14,339,636                              |
| <u>55,341,185</u>      | <u>16,610,314</u>              | <u>9,897,645</u>                    | <u>130,557,414</u>                      |
| <u>\$ 64,617,581</u>   | <u>\$ 16,119,637</u>           | <u>\$ 8,651,842</u>                 | <u>\$ 144,897,050</u>                   |

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**CITY OF CENTENNIAL, COLORADO**

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**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT  
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
For The Year Ended December 31, 2022**

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

|  |                    |                   |
|--|--------------------|-------------------|
| Net change in fund balance - total governmental funds  | \$                 | 14,339,636        |
| 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  | \$                 | 15,237,733        |
| Less current year depreciation and amortization  | <u>(5,242,278)</u> | 9,995,455         |
| The net effect of various miscellaneous transactions involving capital assets (i.e., dispositions, adjustments) is to decrease net position.   |                    | (129,584)         |
| 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.  |                    | 274,989           |
| Certain revenues were recognized in prior yea at the government wide, these revenues were considered available resources and recognized in the governmental funds in the current year.   |                    | (125,246)         |
| 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: |                    |                   |
| Amortization of bond premiums  | 34,662             |                   |
| Amortization of deferred amount on refunding   | <u>(1,959)</u>     | 32,703            |
| 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   | (37,038)           |                   |
| Change in accrued interest payable   | <u>3,154</u>       | (33,884)          |
| Change in net position of governmental activities  | <u>\$</u>          | <u>24,354,069</u> |

**CITY OF CENTENNIAL, COLORADO**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
December 31, 2022**

|   | <u>Enterprise Funds</u> |                     | <u>Total<br/>Enterprise<br/>Funds</u> |
|---|-------------------------|---------------------|---------------------------------------|
|   | <u>Land Use</u>         | <u>Fiber</u>        |                                       |
| <b>ASSETS</b>                                   |                         |                     |                                       |
| Current assets:                                 |                         |                     |                                       |
| Cash and cash equivalents                       | \$ 174,157              | \$ 588,377          | \$ 762,534                            |
| Accounts receivable                             | —                       | 96,733              | 96,733                                |
| Leases receivable                               | —                       | 216,667             | 216,667                               |
| Prepaid expenses                                | 6,816                   | —                   | 6,816                                 |
| Total current assets                            | <u>180,973</u>          | <u>901,777</u>      | <u>1,082,750</u>                      |
| Noncurrent assets:                              |                         |                     |                                       |
| Capital assets, not being depreciated           | —                       | 182,302             | 182,302                               |
| Capital assets, net of accumulated depreciation | —                       | 4,871,561           | 4,871,561                             |
| Total noncurrent assets                         | <u>—</u>                | <u>5,053,863</u>    | <u>5,053,863</u>                      |
| Total assets                                    | <u>180,973</u>          | <u>5,955,640</u>    | <u>6,136,613</u>                      |
| <b>LIABILITIES</b>                              |                         |                     |                                       |
| Current liabilities:                            |                         |                     |                                       |
| Accounts payable                                | 102,549                 | 23,182              | 125,731                               |
| Unearned revenue                                | —                       | 307,108             | 307,108                               |
| Total liabilities                               | <u>102,549</u>          | <u>330,290</u>      | <u>432,839</u>                        |
| <b>DEFERRED INFLOWS OF RESOURCES</b>            |                         |                     |                                       |
| Leases  | —                       | 222,301             | 222,301                               |
| <b>NET POSTION</b>                              |                         |                     |                                       |
| Net investment in capital assets                | —                       | 5,053,863           | 5,053,863                             |
| Unrestricted                                    | 78,424                  | 349,186             | 427,610                               |
| Total net position                              | <u>\$ 78,424</u>        | <u>\$ 5,403,049</u> | <u>\$ 5,481,473</u>                   |

**CITY OF CENTENNIAL, COLORADO**

**STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
For The Year Ended December 31, 2022**

|   | <u>Enterprise Funds</u> |                     | <u>Total<br/>Enterprise<br/>Funds</u> |
|---|-------------------------|---------------------|---------------------------------------|
|   | <u>Land Use</u>         | <u>Fiber</u>        |                                       |
| <b>OPERATING REVENUE</b>  |                         |                     |                                       |
| Building permits, licenses and fees   | \$ 3,073,567            | \$ —                | \$ 3,073,567                          |
| Contractor's licenses and bus shelter fees                                    | 253,180                 | —                   | 253,180                               |
| Land use permits and other income   | 1,333,465               | 96,733              | 1,430,198                             |
| Leased property revenue   | —                       | 37,022              | 37,022                                |
| Total operating revenue   | <u>4,660,212</u>        | <u>133,755</u>      | <u>4,793,967</u>                      |
| <b>OPERATING EXPENSES</b>   |                         |                     |                                       |
| Personnel services  | 1,708,648               | —                   | 1,708,648                             |
| Contracted services   | 147,571                 | 17,523              | 165,094                               |
| Professional services   | —                       | 5,893               | 5,893                                 |
| Services and supplies   | 821,560                 | 41,642              | 863,202                               |
| Contingency   | —                       | 70,937              | 70,937                                |
| Depreciation expense  | —                       | 191,518             | 191,518                               |
| Total operating expenses  | <u>2,677,779</u>        | <u>327,513</u>      | <u>3,005,292</u>                      |
| <b>OPERATING INCOME (LOSS) BEFORE TRANSFERS<br/>AND CAPITAL CONTRIBUTIONS</b> | <u>1,982,433</u>        | <u>(193,758)</u>    | <u>1,788,675</u>                      |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                         |                     |                                       |
| Capital contributions   | —                       | 139,034             | 139,034                               |
| Transfers in  | 221,000                 | —                   | 221,000                               |
| Transfers out   | (2,048,198)             | —                   | (2,048,198)                           |
| Total other financing sources (uses)  | <u>(1,827,198)</u>      | <u>139,034</u>      | <u>(1,688,164)</u>                    |
| <b>CHANGE IN NET POSITION</b>   | 155,235                 | (54,724)            | 100,511                               |
| <b>NET POSITION - BEGINNING OF YEAR</b>                                       | <u>(76,811)</u>         | <u>5,457,773</u>    | <u>5,380,962</u>                      |
| <b>NET POSITION - END OF YEAR</b>   | <u>\$ 78,424</u>        | <u>\$ 5,403,049</u> | <u>\$ 5,481,473</u>                   |

**CITY OF CENTENNIAL, COLORADO**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For The Year Ended December 31, 2022**

|   | Enterprise Funds |              | Total<br>Enterprise<br>Funds |
|---|------------------|--------------|------------------------------|
|   | Land Use         | Fiber        |                              |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                  |              |                              |
| Cash received from customers  | \$ 5,034,600     | \$ 22,972    | \$ 5,057,572                 |
| Cash paid to employees  | (1,708,648)      | —            | (1,708,648)                  |
| Cash paid to vendors  | (1,324,597)      | (115,029)    | (1,439,626)                  |
| Net cash provided by (used in) operating activities   | 2,001,355        | (92,057)     | 1,909,298                    |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>  |                  |              |                              |
| Transfers in  | 221,000          | —            | 221,000                      |
| Transfers out   | (2,048,198)      | —            | (2,048,198)                  |
| Net cash used in non-capital financing activities   | (1,827,198)      | —            | (1,827,198)                  |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                               |                  |              |                              |
| Purchases of capital assets   | —                | (172,806)    | (172,806)                    |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                                   | 174,157          | (264,863)    | (90,706)                     |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>   | —                | 853,240      | 853,240                      |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>   | \$ 174,157       | \$ 588,377   | \$ 762,534                   |
| <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES</b> |                  |              |                              |
| Operating income (loss)   | \$ 1,982,433     | \$ (193,758) | \$ 1,788,675                 |
| Adjustments to reconcile operating income to net cash provided by operating activities:       |                  |              |                              |
| Depreciation expense  | —                | 191,518      | 191,518                      |
| Change in assets and liabilities:   |                  |              |                              |
| Receivables   | 374,388          | (91,099)     | 283,289                      |
| Prepaid expenses  | (5,681)          | —            | (5,681)                      |
| Accounts payable  | (349,785)        | 20,966       | (328,819)                    |
| Unearned revenue  | —                | (19,684)     | (19,684)                     |
| Net adjustments   | 18,922           | 101,701      | 120,623                      |
| <b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>                                    | \$ 2,001,355     | \$ (92,057)  | \$ 1,909,298                 |

**CITY OF CENTENNIAL, COLORADO**

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**STATEMENT OF FIDUCIARY NET POSITION -  
FIDUCIARY FUND  
December 31, 2022**

|  | <u><b>Custodial<br/>Fund</b></u> |
|--|----------------------------------|
| <b>ASSETS</b>                                      |                                  |
| Cash and cash equivalents                          | \$ 3,594,086                     |
| <b>LIABILITIES</b>                                 |                                  |
| Accounts payable and other liabilities             | 1,778,170                        |
| Due to local governments                           | <u>1,768,080</u>                 |
| Total liabilities                                  | <u>3,546,250</u>                 |
| <b>NET POSITION, Restricted For Other Entities</b> | <u>\$ 47,836</u>                 |

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**CITY OF CENTENNIAL, COLORADO**

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**STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION -  
FIDUCIARY FUND  
For The Year Ended December 31, 2022**

|   | <b>Custodial<br/>Fund</b> |
|---|---------------------------|
|   | <hr/>                     |
| <b>ADDITIONS</b>                            |                           |
| Sales tax collections for other governments | \$ 461,624                |
| Fee collections for other governments       | 259,451                   |
| Total additions                             | <hr/> 721,075 <hr/>       |
| <b>DEDUCTIONS</b>                           |                           |
| Payment of sales tax to other governments   | 444,193                   |
| Payment of SIA Escrow                       | 229,046                   |
| Total deductions                            | <hr/> 673,239 <hr/>       |
| <b>NET CHANGE IN FIDUCIARY NET POSITION</b> | 47,836                    |
| <b>NET POSITION - BEGINNING OF YEAR</b>     | <hr/> — <hr/>             |
| <b>NET POSITION - END OF YEAR</b>           | <hr/> \$ 47,836 <hr/>     |



# Notes to the Financial Statements

**CITY OF CENTENNIAL, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**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**

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### Notes To Basic Financial Statements (*Continued*)

#### **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

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### Notes To Basic Financial Statements (*Continued*)

#### 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

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### Notes To Basic Financial Statements (*Continued*)

#### 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.

## CITY OF CENTENNIAL, COLORADO

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### Notes To Basic Financial Statements (*Continued*)

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major proprietary funds:

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

The ***Fiber Fund***, an enterprise 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 taxes and other fees collected on behalf of other governments and individuals. The Custodial Fund accounts for the fiduciary activities that are not held in trust or an equivalent arrangement that meets specific criteria and are 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.

##### Assets, Liabilities, and Net Position/Fund Balance

###### Cash, Cash Equivalents, 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.

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.

## **CITY OF CENTENNIAL, COLORADO**

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### Notes To Basic Financial Statements (*Continued*)

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

###### 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 for which they are levied for and attach and enforceable lien on the property. Amounts deferred are subsequently recorded as revenue in the year they are available or collected.

###### Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its re-acquisition price.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

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

###### 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, rights of way, and street subsurfaces and are capitalized at historical cost.

## CITY OF CENTENNIAL, COLORADO

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### Notes To Basic Financial Statements (*Continued*)

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

###### Capital Assets (continued)

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:

|                         |             |
|-------------------------|-------------|
| 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    |

###### Leases

As of January 1, 2022, the beginning of the period of adoption, the City has implemented the provisions of GASB 87, *Leases*. For arrangements where the City is a lessee, a lease liability and a right-to-use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent the City's right to use an underlying asset for the lease term and lease liabilities represent the City's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of the lease payments over the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The RTU asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs, and is amortized on a straight-line basis over its useful life. RTU assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

For arrangements in which the City is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term, on both the fund which is expected to receive the lease payments, and on the government-wide statement. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods and are also recognized on a straight-line basis over the lease term.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses an estimated incremental borrowing rate, that represents the rate at which it could borrow funds for a term equivalent to the lease agreements, as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

## CITY OF CENTENNIAL, COLORADO

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### Notes To Basic Financial Statements (*Continued*)

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

###### Leases (continued)

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

###### Compensated Absences

The City's compensated absences policy allows employees to accumulate earned but unused paid time off (PTO) benefits of at least 6.154 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.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service 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 or enabling legislation that are legally enforceable.

## CITY OF CENTENNIAL, COLORADO

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### Notes To Basic Financial Statements (*Continued*)

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

###### 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

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### Notes To Basic Financial Statements (*Continued*)

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

###### Fund Balance (continued)

As of December 31, 2022, 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, 2022 follows:

|   |    |                    |
|---|----|--------------------|
| Petty Cash                                    | \$ | 404                |
| Cash Deposits                                 |    | 2,484,276          |
| Investments                                   |    | 145,567,531        |
| Total Cash, Cash Equivalents, and Investments | \$ | <u>148,052,211</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, 2022, the City had bank deposits of \$2,531,293 insured and collateralized with securities held by the financial institutions' agents, but not in the City's name.

## CITY OF CENTENNIAL, COLORADO

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### Notes To Basic Financial Statements (*Continued*)

#### NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

The City's Cash and Investments includes \$3,594,086 of fiduciary funds not available to meet general government obligations.

|   |                       |
|---|-----------------------|
| Cash, Cash Equivalents, and Investments                                   | \$ 148,052,211        |
| Less: Custodial Fund  | <u>(3,594,086)</u>    |
| Net Cash, Cash Equivalents, and Investments for<br>general government use | <u>\$ 144,458,125</u> |

#### Investments

The City is required to comply with State statutes and the City's Investment Policy which specify instruments meeting defined rating, maturity, and concentration 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 and instrumentality 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.

# CITY OF CENTENNIAL, COLORADO

## Notes To Basic Financial Statements (*Continued*)

### NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

#### Investments (continued)

At December 31, 2022, 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+        | 14.15%      | \$ 20,601,552         | \$ 2,936,316         | \$ 7,053,339         | \$ 7,031,405         | \$ 3,580,493        |
| US Treasury Notes                 | AA+        | 9.27%       | 13,491,047            | 3,699,399            | 5,136,485            | 2,866,636            | 1,788,526           |
| Non-US Government Securities      | AAA        | 0.51%       | 740,096               | 740,096              | —                    | —                    | —                   |
| Corporate Notes                   | AAA        | 1.00%       | 1,458,427             | —                    | —                    | 1,458,427            | —                   |
| Corporate Notes                   | AA+        | 0.24%       | 345,319               | 345,319              | —                    | —                    | —                   |
| Corporate Notes                   | AA         | 0.45%       | 660,002               | —                    | —                    | 660,002              | —                   |
| Municipal Bonds                   | AA2/AAA    | 3.97%       | 5,784,561             | 3,122,957            | 1,992,150            | 669,453              | —                   |
| Brokered CD's                     | NA         | 3.90%       | 5,678,813             | 1,210,766            | 1,169,772            | 1,996,921            | 1,301,354           |
| Wells Fargo MMA                   | NA         | 0.18%       | 263,816               | 263,816              | —                    | —                    | —                   |
| UMB MMA                           | NA         | 2.45%       | 3,562,133             | 3,562,133            | —                    | —                    | —                   |
| Non-Brokered CD's                 | NA         | 6.91%       | 10,058,061            | —                    | 5,796,861            | 4,261,200            | —                   |
| Local Government Investment Pools | AAAm       | 56.97%      | 82,923,704            | 82,923,704           | —                    | —                    | —                   |
| <b>Total</b>                      |            | <b>100%</b> | <b>\$ 145,567,531</b> | <b>\$ 98,804,506</b> | <b>\$ 21,148,607</b> | <b>\$ 18,944,044</b> | <b>\$ 6,670,373</b> |

*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.

## CITY OF CENTENNIAL, COLORADO

### Notes To Basic Financial Statements (Continued)

#### NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

##### Investments (Continued)

*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.

At December 31, 2022, the City's investments balances at fair value hierarchy are as follows:

| <b>Investment Type</b>                 | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>          |
|--|----------------|----------------|----------------|-----------------------|
| US Agency Securities                   | \$ —           | \$ 20,601,552  | \$ —           | \$ 20,601,552         |
| US Treasury Securities                 | —              | 13,491,047     | —              | 13,491,047            |
| Non-US Government Securities           | —              | 740,096        | —              | 740,096               |
| Corporate Bonds                        | —              | 2,463,748      | —              | 2,463,748             |
| Municipal Bonds                        | —              | 5,784,561      | —              | 5,784,561             |
| Brokered CD's                          | —              | 5,678,813      | —              | 5,678,813             |
| Investment Not Measured at Fair Value: |                |                |                |                       |
| Non-Brokered CD's                      |                |                |                | 10,058,061            |
| Local Government Investment Pools      |                |                |                | 82,923,704            |
| Total Investments                      |                |                |                | <u>\$ 145,567,531</u> |

##### Local Government Investment Pools

As of December 31, 2022, the City of Centennial has invested \$47,507,616 in Colorado Local Government Liquid Asset Trust + (ColoTrust) and \$34,075,143 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](http://www.colotrust.com). Information related to CSAFE CORE can be found on their website, [www.csafe.org](http://www.csafe.org).

Additionally, the City has invested \$1,340,945 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. Certificates of deposit are valued at amortized cost.

## CITY OF CENTENNIAL, COLORADO

### Notes To Basic Financial Statements (Continued)

#### NOTE 4 - INTERFUND TRANSFERS

The following schedule summarizes the City's interfund transfer activity for the year ended December 31, 2022:

| <u>Transfers Out</u>     | <u>Transfers In</u> |                    |                      |               |
|--------------------------|---------------------|--------------------|----------------------|---------------|
|                          | <u>General Fund</u> | <u>Street Fund</u> | <u>Land Use Fund</u> | <u>Total</u>  |
| General Fund             | \$ —                | \$ 12,000,000      | \$ 221,000           | \$ 12,221,000 |
| Capital Improvement Fund | —                   | 6,500,000          | —                    | 6,500,000     |
| Land Use Fund            | 2,048,198           | —                  | —                    | 2,048,198     |
| Total                    | \$ 2,048,198        | \$ 18,500,000      | \$ 221,000           | \$ 20,769,198 |

The transfer of \$12,000,000 from the General Fund to the Street Fund was made to provide necessary funding for street maintenance items previously budgeted in the General Fund. The transfer of \$221,000 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 \$2,048,198 from the Land Use Fund to the General Fund was to fund general governmental activities in the General Fund. The transfer of \$6,500,000 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.

#### NOTE 5 - LEASE RECEIVABLES

##### Governmental Activities Leases

The City has entered into property leases with two companies. The leases provide use of certain City property to accommodate wireless broadcast communication equipment. These leases at inception have 15-year initial terms, with one five-year additional option period. The leases expire in January 2039 and January 2042, which includes all consecutive renewal periods expected to be exercised by the lessees.

The City has entered into two property leases with one company that provide use of certain City property to accommodate broadcast communication equipment. These leases at inception have 5-year initial terms with four and five optional 5-year renewal periods, expiring in November 2035 and January 2034, respectively, which includes all consecutive renewal periods expected to be exercised by the lessee.

The City has entered into an office space lease with a company for an initial term of one year with four one-year renewal options. The lease was remeasured during 2022 as a result of an amendment for a five-year term with no renewal options. The lease expires in December 2028.

Lease principal and interest received during the year ended December 31, 2022 was \$495,052 and \$36,876, respectively. Principal and interest expected to maturity of these lease receivables are as follows:

## CITY OF CENTENNIAL, COLORADO

### Notes To Basic Financial Statements (Continued)

#### NOTE 5 - LEASE RECEIVABLES (CONTINUED)

##### Governmental Activities Leases (continued)

| <b>Year Ending<br/>December 31,</b> | <b>Principal</b>    | <b>Interest</b>     | <b>Total</b>        |
|-------------------------------------|---------------------|---------------------|---------------------|
| 2023                                | \$ 539,286          | \$ 69,192           | \$ 608,478          |
| 2024                                | 531,561             | 103,536             | 635,097             |
| 2025                                | 520,296             | 138,119             | 658,415             |
| 2026                                | 512,027             | 174,115             | 686,142             |
| 2027                                | 500,520             | 209,920             | 710,440             |
| 2028 - 2032                         | 699,974             | 387,693             | 1,087,667           |
| 2033 - 2037                         | 88,479              | 88,955              | 177,434             |
| 2038 - 2042                         | 619                 | 1,024               | 1,643               |
|                                     | <u>\$ 3,392,762</u> | <u>\$ 1,172,554</u> | <u>\$ 4,565,316</u> |

##### Business-Type Activities Leases

The City has entered into fiber network leases with a school district and various companies. The leases provide use of certain number of fiber strands within the City's fiber optic network. At inception, the lease terms are as follows:

- Three of the leases have initial 20-year terms with one optional 5-year renewal period with expirations ranging from December 2028 and December 2045, which includes the consecutive renewal period which is expected to be exercised by the lessees.
- Two leases have initial terms of five years with one optional 5-year extension period and expire in December 2028 and December 2029, which includes the consecutive renewal period which is expected to be exercised by the lessees.
- One lease has an initial term of five years with two optional 5-year extension periods and expires in December 2033, which includes all consecutive renewal periods expected to be exercised by the lessee.

Lease principal received during the year ended December 31, 2022 was \$20,894. Principal and interest expected to maturity of these lease receivables are as follows:

| <b>Year Ending<br/>December 31,</b> | <b>Principal</b>  | <b>Interest</b>   | <b>Total</b>      |
|-------------------------------------|-------------------|-------------------|-------------------|
| 2023                                | \$ 26,142         | \$ 1,503          | \$ 27,645         |
| 2024                                | 24,986            | 2,956             | 27,942            |
| 2025                                | 23,885            | 4,362             | 28,247            |
| 2026                                | 22,837            | 5,723             | 28,560            |
| 2027                                | 21,840            | 7,044             | 28,884            |
| 2028 - 2032                         | 55,054            | 29,139            | 84,193            |
| 2033 - 2037                         | 22,323            | 23,415            | 45,738            |
| 2038 - 2042                         | 17,787            | 30,880            | 48,667            |
| 2043 - 2047                         | 1,812             | 4,269             | 6,081             |
|                                     | <u>\$ 216,666</u> | <u>\$ 109,291</u> | <u>\$ 325,957</u> |

# CITY OF CENTENNIAL, COLORADO

## Notes To Basic Financial Statements (Continued)

### NOTE 6 - CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2022 is as follows:

|  | Balance at<br>December 31,<br>2021 | Increases            | Decreases           | Balance at<br>December 31,<br>2022 |
|--|------------------------------------|----------------------|---------------------|------------------------------------|
| <b>Governmental Activities:</b>                              |                                    |                      |                     |                                    |
| Capital assets, not being depreciated:                       |                                    |                      |                     |                                    |
| Land, Easements and ROW                                      | \$ 24,130,125                      | \$ 15,000            | \$ —                | \$ 24,145,125                      |
| Streets - Subsurface   | 69,607,410                         | —                    | —                   | 69,607,410                         |
| Construction in progress                                     | 14,648,166                         | 12,611,635           | 5,057,668           | 22,202,133                         |
| Total capital assets,<br>not being depreciated               | <u>108,385,701</u>                 | <u>12,626,635</u>    | <u>5,057,668</u>    | <u>115,954,668</u>                 |
| Capital assets, being depreciated:                           |                                    |                      |                     |                                    |
| Streets/Sidewalks/Trails                                     | 97,364,195                         | 5,203,781            | —                   | 102,567,976                        |
| Drainage   | 21,130,856                         | —                    | —                   | 21,130,856                         |
| Traffic signals  | 10,843,463                         | 1,659,002            | —                   | 12,502,465                         |
| Traffic signs  | 1,977,951                          | —                    | —                   | 1,977,951                          |
| Street lights  | —                                  | 75,121               | —                   | 75,121                             |
| Major bridges  | 16,530,480                         | —                    | —                   | 16,530,480                         |
| Buildings  | 14,603,126                         | —                    | —                   | 14,603,126                         |
| Comprehensive plan   | 503,872                            | —                    | —                   | 503,872                            |
| Equipment  | 2,356,019                          | 601,280              | —                   | 2,957,299                          |
| Fiber  | 1,127,816                          | —                    | —                   | 1,127,816                          |
| Total capital assets being depreciated                       | <u>166,437,778</u>                 | <u>7,539,184</u>     | <u>—</u>            | <u>173,976,962</u>                 |
| Leased RTU assets:   |                                    |                      |                     |                                    |
| Equipment  | 22,027                             | —                    | —                   | 22,027                             |
| Less accumulated depreciation and amortization:              |                                    |                      |                     |                                    |
| Streets/Sidewalks/Trails                                     | 63,826,653                         | 3,025,178            | —                   | 66,851,831                         |
| Drainage   | 11,159,913                         | 316,479              | —                   | 11,476,392                         |
| Traffic signals  | 8,939,260                          | 661,364              | —                   | 9,600,624                          |
| Traffic signs  | 1,936,333                          | 24,237               | —                   | 1,960,570                          |
| Street lights  | —                                  | 4,118                | —                   | 4,118                              |
| Major bridges  | 8,429,184                          | 389,955              | —                   | 8,819,139                          |
| Buildings  | 3,486,574                          | 473,612              | —                   | 3,960,186                          |
| Comprehensive plan   | 60,310                             | 19,901               | —                   | 80,211                             |
| Equipment  | 1,024,496                          | 262,934              | —                   | 1,287,430                          |
| Fiber  | 204,431                            | 55,973               | —                   | 260,404                            |
| Leased RTU assets  | —                                  | 8,527                | —                   | 8,527                              |
| Total accumulated depreciation and amortization              | <u>99,067,154</u>                  | <u>5,242,278</u>     | <u>—</u>            | <u>104,309,432</u>                 |
| Total capital assets being<br>depreciated and amortized, net | <u>67,392,651</u>                  | <u>2,296,906</u>     | <u>—</u>            | <u>69,689,557</u>                  |
| Governmental activities<br>capital assets, net               | <u>\$ 175,778,352</u>              | <u>\$ 14,923,541</u> | <u>\$ 5,057,668</u> | <u>\$ 185,644,225</u>              |

**CITY OF CENTENNIAL, COLORADO**

Notes To Basic Financial Statements (*Continued*)

**NOTE 6 - CAPITAL ASSETS (CONTINUED)**

|  | <b>Balance at<br/>December 31,<br/>2021</b> | <b>Increases</b>  | <b>Decreases</b> | <b>Balance at<br/>December 31,<br/>2022</b> |
|--|---|-------------------|------------------|---|
| <b><u>Business type Activities:</u></b>      |   |                   |                  |   |
| Capital assets, not being depreciated:       |   |                   |                  |   |
| Construction in progress                     | \$ —  | \$ 311,840        | \$ —             | \$ 311,840                                  |
| Capital assets, being depreciated:           |   |                   |                  |   |
| Building                                     | 49,559                                      | —                 | —                | 49,559                                      |
| Equipment                                    | 199,088                                     | —                 | —                | 199,088                                     |
| Fiber Infrastructure                         | 5,365,228                                   | —                 | —                | 5,365,228                                   |
| Total capital assets being depreciated       | <u>5,613,875</u>                            | <u>—</u>          | <u>—</u>         | <u>5,613,875</u>                            |
| Less accumulated depreciation for:           |   |                   |                  |   |
| Building                                     | 3,075                                       | 1,037             | —                | 4,112                                       |
| Equipment                                    | 189,933                                     | 4,323             | —                | 194,256                                     |
| Fiber Infrastructure                         | 487,326                                     | 186,158           | —                | 673,484                                     |
| Total accumulated depreciation               | <u>680,334</u>                              | <u>191,518</u>    | <u>—</u>         | <u>871,852</u>                              |
| Total capital assets being depreciated, net  | <u>4,933,541</u>                            | <u>(191,518)</u>  | <u>—</u>         | <u>4,742,023</u>                            |
| Business type activities capital assets, net | <u>\$ 4,933,541</u>                         | <u>\$ 120,322</u> | <u>\$ —</u>      | <u>\$ 5,053,863</u>                         |

Depreciation and amortization expense of the governmental activities was charged to the general government, city infrastructure, culture and recreation program, and community services in the amounts of \$970,646, \$3,675,281, \$591,053, and \$5,298, respectively. Depreciation expense of business type activities was charged to the Fiber Fund in the amounts of \$191,518. No depreciation was charged to the Land Use Fund.

**NOTE 7 - LEASE LIABILITIES**

The City has entered into a 2-year lease agreement for copiers. Lease payments are due monthly at an interest rate of 0.48% until July 2024 with no renewal options. Lease principal and interest of \$9,989 and \$243, respectively, was included in debt service for the General Fund for the year ended December 31, 2022.

The future minimum lease payments and the net present value of these minimum lease payments are as follows:

| <b>Year Ending<br/>December 31,</b> | <b>Principal</b> | <b>Interest</b> | <b>Amount</b>    |
|-------------------------------------|------------------|-----------------|------------------|
| 2023                                | \$ 7,730         | \$ 673          | \$ 8,403         |
| 2024                                | 4,308            | 593             | 4,901            |
|                                     | <u>\$ 12,038</u> | <u>\$ 1,266</u> | <u>\$ 13,304</u> |

**CITY OF CENTENNIAL, COLORADO**

Notes To Basic Financial Statements (*Continued*)

**NOTE 8 - LONG-TERM OBLIGATIONS**

Long-term obligation transactions as of December 31, 2022 are summarized below.

|                                    | Balance at<br>December 31,<br>2021 | Additions         | Reductions        | Balance at<br>December 31,<br>2022 | Due<br>Within<br>One Year |
|------------------------------------|------------------------------------|-------------------|-------------------|------------------------------------|---------------------------|
| <b>Governmental Activities:</b>    |                                    |                   |                   |                                    |                           |
| General Obligation Bonds:          |                                    |                   |                   |                                    |                           |
| Antelope GID Bonds (Refunded )     | \$ 1,900,000                       | \$ —              | \$ 105,000        | \$ 1,795,000                       | \$ 105,000                |
| Willow Creek GID Bonds Series 2020 | 4,300,000                          | —                 | 70,000            | 4,230,000                          | 75,000                    |
| Direct Placement Debt:             |                                    |                   |                   |                                    |                           |
| Foxridge GID Bonds Series 2020     | 1,870,000                          | —                 | 90,000            | 1,780,000                          | 90,000                    |
| Total Bonds Payable                | \$ 8,070,000                       | \$ —              | \$ 265,000        | \$ 7,805,000                       | \$ 270,000                |
| Lease liabilities                  | 22,027                             | —                 | 9,989             | 12,038                             | 7,730                     |
| Bond premiums                      | 902,538                            | —                 | 34,662            | 867,876                            | 34,662                    |
| Compensated absences               | 425,470                            | 437,370           | 400,332           | 462,508                            | 121,038                   |
| Total long-term obligations        | <u>\$ 9,420,035</u>                | <u>\$ 437,370</u> | <u>\$ 709,983</u> | <u>\$ 9,147,422</u>                | <u>\$ 433,430</u>         |

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, 2022 are as follows:

| <u>Year</u> | <u>Principal</u>    | <u>Interest</u>   | <u>Total</u>        |
|-------------|---------------------|-------------------|---------------------|
| 2023        | \$ 105,000          | \$ 74,275         | \$ 179,275          |
| 2024        | 110,000             | 71,125            | 181,125             |
| 2025        | 110,000             | 66,725            | 176,725             |
| 2026        | 120,000             | 62,325            | 182,325             |
| 2027        | 125,000             | 57,525            | 182,525             |
| 2028-2032   | 715,000             | 187,875           | 902,875             |
| 2033-2035   | 510,000             | 36,050            | 546,050             |
|             | <u>\$ 1,795,000</u> | <u>\$ 555,900</u> | <u>\$ 2,350,900</u> |

## CITY OF CENTENNIAL, COLORADO

### Notes To Basic Financial Statements (*Continued*)

#### NOTE 8 - LONG-TERM OBLIGATIONS (CONTINUED)

##### General Obligation Bonds (continued)

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 1<sup>st</sup> and December 31<sup>st</sup> 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.

Debt service requirements on long-term debt as of December 31, 2022, are as follows:

| <u>Year</u> | <u>Principal</u>    | <u>Interest</u>   | <u>Total</u>        |
|-------------|---------------------|-------------------|---------------------|
| 2023        | \$ 90,000           | \$ 41,187         | \$ 131,187          |
| 2024        | 90,000              | 39,216            | 129,216             |
| 2025        | 95,000              | 37,245            | 132,245             |
| 2026        | 95,000              | 35,165            | 130,165             |
| 2027        | 100,000             | 33,084            | 133,084             |
| 2028 - 2032 | 520,000             | 132,242           | 652,242             |
| 2033 - 2037 | 555,000             | 72,488            | 627,488             |
| 2038 - 2039 | 235,000             | 9,514             | 244,514             |
|             | <u>\$ 1,780,000</u> | <u>\$ 400,140</u> | <u>\$ 2,180,140</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 1<sup>st</sup> and December 31<sup>st</sup> of year.

##### General Obligation Bonds – Willow Creek

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 2023.

## CITY OF CENTENNIAL, COLORADO

### Notes To Basic Financial Statements (Continued)

#### NOTE 8 - LONG-TERM OBLIGATIONS (CONTINUED)

Bonds outstanding and related interest requirements as of December 31, 2022, are as follows:

| <u>Year</u> | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>        |
|-------------|---------------------|---------------------|---------------------|
| 2023        | \$ 75,000           | \$ 190,050          | \$ 265,050          |
| 2024        | 80,000              | 186,300             | 266,300             |
| 2025        | 80,000              | 182,300             | 262,300             |
| 2026        | 85,000              | 178,300             | 263,300             |
| 2027        | 90,000              | 174,050             | 264,050             |
| 2028 - 2032 | 525,000             | 797,750             | 1,322,750           |
| 2033 - 2037 | 665,000             | 653,250             | 1,318,250           |
| 2038 - 2042 | 850,000             | 471,050             | 1,321,050           |
| 2043 - 2047 | 1,045,000           | 275,400             | 1,320,400           |
| 2048 - 2050 | 735,000             | 59,600              | 794,600             |
|             | <u>\$ 4,230,000</u> | <u>\$ 3,168,050</u> | <u>\$ 7,398,050</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 1<sup>st</sup> and December 31<sup>st</sup> of year.

#### NOTE 9 - COMMITMENTS AND CONTINGENCIES

The City entered into construction contracts for various capital projects which are not complete as of December 31, 2022. The total unexpended commitments at December 31, 2022 are \$6,598,206 as detailed below:

| <u>Project</u>                     | <u>Total Contract Amount</u> | <u>Remaining Contract Amount</u> |
|------------------------------------|------------------------------|----------------------------------|
| Center Park Expansion              | \$ 4,019,339                 | \$ 470,889                       |
| Lone Tree Creek Trail              | 1,754,426                    | 563,522                          |
| East-West Trail Design             | 575,000                      | 10,297                           |
| Centennial Center Park             | 684,212                      | 43                               |
| Arapahoe Bridge over BDC           | 11,102,489                   | 5,531,873                        |
| Arapahoe & Clarkson Traffic Signal | 122,465                      | 6,101                            |
| Holly St & Easter Hawk Signal      | 78,378                       | 15,481                           |
| Totals                             | <u>\$ 18,336,309</u>         | <u>\$ 6,598,206</u>              |

#### 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.

## CITY OF CENTENNIAL, COLORADO

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### Notes To Basic Financial Statements (*Continued*)

#### **NOTE 9 - COMMITMENTS AND CONTINGENCIES (CONTINUED)**

##### *Commitments – Economic Development (continued)*

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.

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.

## CITY OF CENTENNIAL, COLORADO

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### Notes To Basic Financial Statements *(Continued)*

#### NOTE 9 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

##### Commitments – Economic Development (continued)

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, 2022 is:

| <u>Tax Abatement Program</u>          | <u>Amount of<br/>Taxes Abated<br/>during the<br/>Fiscal Year</u> |
|---------------------------------------|--|
| Major Retail Development Projects     |  |
| Sales/Use Tax                         | \$ 143,230   |
| Redevelopment/Revitalization Projects |  |
| Sales/Use Tax                         | 620,579  |
| <u>Total</u>                          | <u>\$ 763,808</u>  |

##### 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.

## **CITY OF CENTENNIAL, COLORADO**

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### Notes To Basic Financial Statements (*Continued*)

#### **NOTE 10 - 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 2021 were 8% of pre-tax earnings. The City's contributions to the Plan were \$690,718 for the year ending December 31, 2022.

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 2022, City matching contributions to the 457 plan based on employee contributions to the 457 plan were \$191,740. 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.

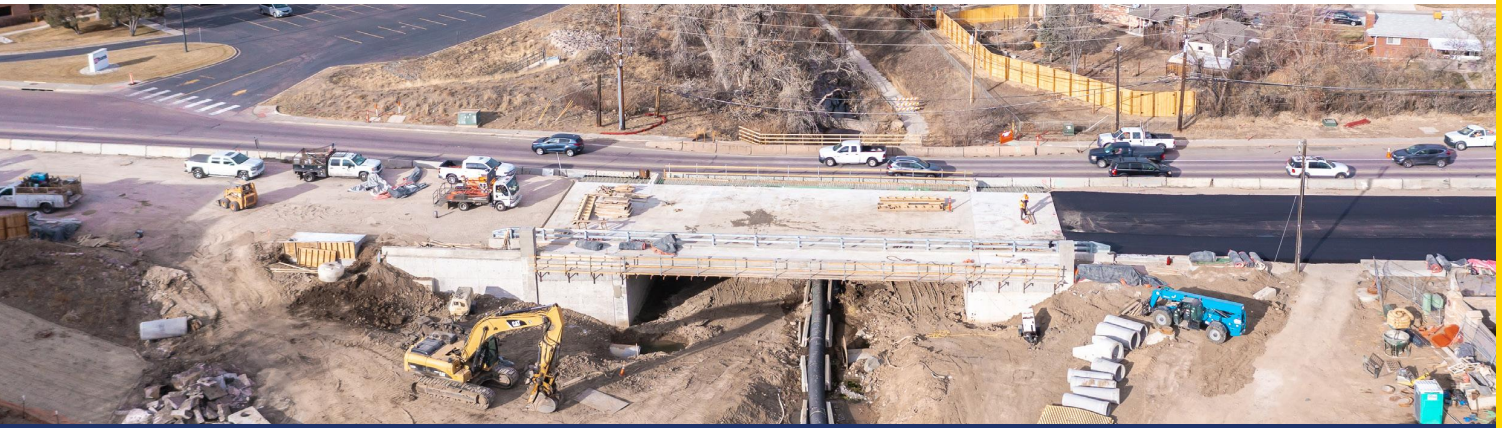
#### **NOTE 11 - RISK MANAGEMENT**

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 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.



# Required Supplementary Information

**CITY OF CENTENNIAL, COLORADO**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND**

**For The Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                       | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-----------------------|-----------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>          |                           |   |
| <b>REVENUES</b>                             |                       |                       |                           |   |
| Sales tax                                   | \$ 41,240,000         | \$ 41,240,000         | \$ 50,046,151             | \$ 8,806,151  |
| Use tax                                     | 2,795,000             | 2,795,000             | 4,694,325                 | 1,899,325   |
| Property tax                                | 12,950,000            | 12,950,000            | 13,182,436                | 232,436   |
| Other taxes                                 | 896,500               | 896,500               | 846,854                   | (49,646)  |
| Franchise fees                              | 5,093,000             | 5,093,000             | 6,074,415                 | 981,415   |
| Court fines                                 | 753,800               | 753,800               | 606,443                   | (147,357)   |
| Charges for services                        | 695,600               | 695,600               | 819,235                   | 123,635   |
| Investment income (loss)                    | 1,450,000             | 1,450,000             | (1,297,418)               | (2,747,418)   |
| Intergovernmental                           | 4,555,390             | 4,555,390             | 5,276,256                 | 720,866   |
| Miscellaneous                               | 721,000               | 721,000               | 2,219,866                 | 1,498,866   |
| Total revenues                              | <u>71,150,290</u>     | <u>71,150,290</u>     | <u>82,468,563</u>         | <u>11,318,273</u>   |
| <b>EXPENDITURES</b>                         |                       |                       |                           |   |
| Current:                                    |                       |                       |                           |   |
| General government:                         |                       |                       |                           |   |
| General government                          | 10,852,450            | 10,614,630            | 6,269,058                 | 4,345,572   |
| Finance & administration                    | 6,555,980             | 6,812,560             | 6,038,080                 | 774,480   |
| Community services:                         |                       |                       |                           |   |
| Community services                          | 1,975,210             | 1,991,860             | 1,942,109                 | 49,751  |
| Planning & development                      | 692,340               | 715,830               | 413,332                   | 302,498   |
| City infrastructure                         | 10,909,080            | 10,950,180            | 10,847,617                | 102,563   |
| Public safety                               | 32,325,100            | 32,325,100            | 31,352,394                | 972,706   |
| Capital outlay                              | —                     | —                     | 120,744                   | (120,744)   |
| Debt Service:                               |                       |                       |                           |   |
| Principal                                   | —                     | —                     | 9,989                     | (9,989)   |
| Interest                                    | —                     | —                     | 243                       | (243)   |
| Total expenditures                          | <u>63,310,160</u>     | <u>63,410,160</u>     | <u>56,993,566</u>         | <u>6,416,594</u>  |
| <b>EXCESS OF REVENUES OVER EXPENDITURES</b> | <u>7,840,130</u>      | <u>7,740,130</u>      | <u>25,474,997</u>         | <u>17,734,867</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                       |                       |                           |   |
| Transfers in                                | 160,090               | 160,090               | 2,048,198                 | 1,888,108   |
| Transfers out                               | (12,000,000)          | (12,221,000)          | (12,221,000)              | —   |
| Total other financing sources (uses)        | <u>(11,839,910)</u>   | <u>(12,060,910)</u>   | <u>(10,172,802)</u>       | <u>1,888,108</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>           | <u>\$ (3,999,780)</u> | <u>\$ (4,320,780)</u> | <u>15,302,195</u>         | <u>\$ 19,622,975</u>  |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>     |                       |                       | <u>27,840,771</u>         |   |
| <b>FUND BALANCE - END OF YEAR</b>           |                       |                       | <u>\$ 43,142,966</u>      |   |

**CITY OF CENTENNIAL, COLORADO**

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**BUDGETARY COMPARISON SCHEDULE**  
**CENTENNIAL URBAN REDEVELOPMENT AUTHORITY FUND**  
**For The Year Ended December 31, 2022**

|   | Budget Amounts |            | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|------------|-------------------|---|
|   | Original       | Final      |                   |   |
| <b>REVENUE</b>                          |                |            |                   |   |
| Sales tax                               | \$ 510,000     | \$ 510,000 | \$ 583,901        | \$ 73,901   |
| Property tax                            | 5,650,000      | 5,650,000  | 5,293,088         | (356,912)   |
| Miscellaneous                           | 100,000        | 100,000    | 73,865            | (26,135)  |
| Investment income                       | 500            | 500        | —                 | (500)   |
| Total revenue                           | 6,260,500      | 6,260,500  | 5,950,854         | (309,646)   |
| <b>EXPENDITURES</b>                     |                |            |                   |   |
| Sales tax sharing pass-thru             | 510,000        | 510,000    | 583,901           | (73,901)  |
| Property tax sharing pass-thru          | 5,565,250      | 5,565,250  | 5,293,497         | 271,753   |
| Professional services                   | 185,250        | 185,250    | 7                 | 185,243   |
| Total expenditures                      | 6,260,500      | 6,260,500  | 5,877,405         | 383,095   |
| <b>NET CHANGE IN FUND BALANCE</b>       | \$ —           | \$ —       | 73,449            | \$ 73,449   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> |                |            | 116,312           |   |
| <b>FUND BALANCE - END OF YEAR</b>       |                |            | \$ 189,761        |   |

**CITY OF CENTENNIAL, COLORADO**

**BUDGETARY COMPARISON SCHEDULE**

**STREET FUND**

**For The Year Ended December 31, 2022**

|  | <u>Budget Amounts</u> |                       |                           | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-----------------------|-----------------------|---------------------------|---|
|  | <b>Original</b>       | <b>Final</b>          | <b>Actual<br/>Amounts</b> |   |
| <b>REVENUE</b>   |                       |                       |                           |   |
| Sales tax  | \$ 2,800,000          | \$ 2,800,000          | \$ 2,800,000              | \$ —  |
| Motor Vehicle Use Tax  | 5,800,000             | 5,800,000             | 6,616,395                 | 816,395   |
| Highway Users Tax Fund (HUTF)  | 4,650,000             | 4,650,000             | 4,077,351                 | (572,649)   |
| Intergovernmental:   |                       |                       |                           |   |
| Road and Bridge Shareback  | 605,000               | 605,000               | 632,300                   | 27,300  |
| Other  | 2,215,000             | 2,215,000             | 473,661                   | (1,741,339)   |
| Pavement degradation fees  | 40,000                | 40,000                | 43,831                    | 3,831   |
| Miscellaneous  | —                     | —                     | 55,294                    | 55,294  |
| Total revenue  | <u>16,110,000</u>     | <u>16,110,000</u>     | <u>14,698,832</u>         | <u>(1,411,168)</u>  |
| <b>EXPENDITURES</b>  |                       |                       |                           |   |
| Rehabilitation:  |                       |                       |                           |   |
| City Infrastructure  | —                     | —                     | 66,798                    | (66,798)  |
| Concrete replacement program   | 130,000               | 130,000               | 54,164                    | 75,836  |
| Materials - snow removal and fuel                                    | 810,000               | 810,000               | 721,940                   | 88,060  |
| Street rehabilitation program  | 7,760,000             | 9,110,000             | 9,539,602                 | (429,602)   |
| Major/minor structures   | 420,000               | 420,000               | 48,443                    | 371,557   |
| Traffic signals  | 1,237,500             | 1,237,500             | 1,184,529                 | 52,971  |
| Professional services  | 9,234,650             | 9,334,650             | 5,848,462                 | 3,486,188   |
| Capital outlay:  |                       |                       |                           |   |
| Capital projects   | 11,700,000            | 11,700,000            | 4,255,852                 | 7,444,148   |
| Streets  | 2,231,300             | 2,231,300             | 1,240,663                 | 990,637   |
| Sidewalks  | 1,435,000             | 2,140,000             | 609,500                   | 1,530,500   |
| Land acquisition   | 500,000               | 500,000               | 15,000                    | 485,000   |
| Traffic control  | 2,678,000             | 3,747,000             | 298,762                   | 3,448,238   |
| Contingency  | —                     | —                     | 38,721                    | (38,721)  |
| Total expenditures   | <u>38,136,450</u>     | <u>41,360,450</u>     | <u>23,922,436</u>         | <u>17,438,014</u>   |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | <b>(22,026,450)</b>   | <b>(25,250,450)</b>   | <b>(9,223,604)</b>        | <b>16,026,846</b>   |
| <b>OTHER FINANCING SOURCES</b>                                       |                       |                       |                           |   |
| Transfers in   | <u>18,500,000</u>     | <u>18,500,000</u>     | <u>18,500,000</u>         | <u>—</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>                                    | <b>\$ (3,526,450)</b> | <b>\$ (6,750,450)</b> | <b>9,276,396</b>          | <b>\$ 16,026,846</b>  |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>                              |                       |                       | <u>55,341,185</u>         |   |
| <b>FUND BALANCE - END OF YEAR</b>                                    |                       |                       | <u>\$ 64,617,581</u>      |   |

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**CITY OF CENTENNIAL, COLORADO****BUDGETARY COMPARISON SCHEDULE  
OPEN SPACE FUND****For The Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                       | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-----------------------|-----------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>          |                           |   |
| <b>REVENUE</b>                          |                       |                       |                           |   |
| Intergovernmental                       | \$ 5,650,200          | \$ 5,650,200          | \$ 5,696,729              | \$ 46,529   |
| Investment income                       | 150,000               | 150,000               | 289,545                   | 139,545   |
| Miscellaneous                           | —                     | —                     | 6,000                     | 6,000   |
| Total revenue                           | <u>5,800,200</u>      | <u>5,800,200</u>      | <u>5,992,274</u>          | <u>192,074</u>  |
| <b>EXPENDITURES</b>                     |                       |                       |                           |   |
| Culture and recreation                  | 1,269,410             | 1,602,685             | 571,731                   | 1,030,954   |
| Capital outlay                          | 11,135,000            | 11,635,000            | 5,911,220                 | 5,723,780   |
| Total expenditures                      | <u>12,404,410</u>     | <u>13,237,685</u>     | <u>6,482,951</u>          | <u>6,754,734</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>       | <u>\$ (6,604,210)</u> | <u>\$ (7,437,485)</u> | <u>(490,677)</u>          | <u>\$ 6,946,808</u>   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> |                       |                       | <u>16,610,314</u>         |   |
| <b>FUND BALANCE - END OF YEAR</b>       |                       |                       | <u>\$ 16,119,637</u>      |   |

# CITY OF CENTENNIAL, COLORADO

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## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

### 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 (GAAP). 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 20<sup>th</sup>, 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 15<sup>th</sup>, 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.
- Beginning with 2023, the City's budget process is on a biennial basis. At the end of the first year of the biennial budget, City Council will be asked to consider revisions to subsequent year's budget.



# Combining and Individual Financial Statements and Schedules

**CITY OF CENTENNIAL, COLORADO**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

**December 31, 2022**

**Page 1 of 2**

|   | <b>Conservation<br/>Trust<br/>Fund</b> | <b>Cherry Park<br/>General<br/>Improvement<br/>District</b> | <b>Walnut Hills<br/>General<br/>Improvement<br/>District</b> |
|---|--|---|--|
| <b>ASSETS</b>   |  |   |  |
| Cash, cash equivalents, and investments                                       | \$ 4,038,704                           | \$ 225,972  | \$ 781,745   |
| Taxes receivable  | —                                      | 66,048  | 100,490  |
| Other receivable  | —                                      | 283   | 430  |
| Total assets  | <u>4,038,704</u>                       | <u>292,303</u>  | <u>882,665</u>   |
| <b>LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCE</b>       |  |   |  |
| <b>LIABILITIES</b>  |  |   |  |
| Accounts payable  | 38,839                                 | —   | 39   |
| Retainage payable   | —                                      | —   | —  |
| Total liabilities   | <u>38,839</u>                          | <u>—</u>  | <u>39</u>  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |  |   |  |
| Property taxes  | —                                      | 66,048  | 100,490  |
| <b>FUND BALANCE</b>   |  |   |  |
| Restricted for:   |  |   |  |
| Emergency reserves  | 17,390                                 | 799   | 2,714  |
| Parks and Open Space  | 3,982,475                              | —   | —  |
| District Infrastructure   | —                                      | 225,456   | 779,422  |
| Total fund balance  | <u>3,999,865</u>                       | <u>226,255</u>  | <u>782,136</u>   |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCE</b> | <u>\$ 4,038,704</u>                    | <u>\$ 292,303</u>   | <u>\$ 882,665</u>  |

**CITY OF CENTENNIAL, COLORADO**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

**December 31, 2022**

**Page 2 of 2**

|   | <b>Foxridge<br/>General<br/>Improvement<br/>District</b> | <b>Willow Creek<br/>General<br/>Improvement<br/>District</b> | <b>Antelope<br/>General<br/>Improvement<br/>District</b> | <b>Total<br/>Nonmajor<br/>Governmental<br/>Funds</b> |
|---|--|--|--|--|
| <b>ASSETS</b>   |  |  |  |  |
| Cash, cash equivalents, and investments                                       | \$ 638,742   | \$ 4,239,038   | \$ 51,426  | \$ 9,975,627   |
| Taxes receivable  | 207,620  | 297,494  | 188,200  | 859,852  |
| Other receivable  | 948  | 1,381  | 913  | 3,955  |
| Total assets  | <u>847,310</u>   | <u>4,537,913</u>   | <u>240,539</u>   | <u>10,839,434</u>                                    |
| <b>LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCE</b>       |  |  |  |  |
| <b>LIABILITIES</b>  |  |  |  |  |
| Accounts payable  | 2,817  | 1,126,838  | 97   | 1,168,630  |
| Retainage payable   | 83,897   | 75,213   | —  | 159,110  |
| Total liabilities   | <u>86,714</u>  | <u>1,202,051</u>   | <u>97</u>  | <u>1,327,740</u>                                     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |  |  |  |  |
| Property taxes  | <u>207,620</u>   | <u>297,494</u>   | <u>188,200</u>   | <u>859,852</u>                                       |
| <b>FUND BALANCE</b>   |  |  |  |  |
| Restricted for:   |  |  |  |  |
| Emergency reserves  | 4,908  | 61,265   | 5,720  | 92,796   |
| Parks and Open Space  | —  | —  | —  | 3,982,475  |
| District Infrastructure   | 548,068  | 2,977,103  | 46,522   | 4,576,571  |
| Total fund balance  | <u>552,976</u>   | <u>3,038,368</u>   | <u>52,242</u>  | <u>8,651,842</u>                                     |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCE</b> | <u>\$ 847,310</u>  | <u>\$ 4,537,913</u>  | <u>\$ 240,539</u>  | <u>\$ 10,839,434</u>                                 |

**CITY OF CENTENNIAL, COLORADO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2022**

Page 1 of 2

|   | <b>Conservation<br/>Trust<br/>Fund</b> | <b>Cherry Park<br/>General<br/>Improvement<br/>District</b> | <b>Walnut Hills<br/>General<br/>Improvement<br/>District</b> |
|---|--|---|--|
| <b>REVENUES</b>                         |  |   |  |
| Taxes                                   | \$ —                                   | \$ 64,837   | \$ 98,464  |
| Intergovernmental                       | 740,871                                | —   | —  |
| Investment income                       | 74,638                                 | 4,156   | 13,759   |
| Total revenues                          | <u>815,509</u>                         | <u>68,993</u>   | <u>112,223</u>   |
| <b>EXPENDITURES</b>                     |  |   |  |
| Current:                                |  |   |  |
| City infrastructure                     | —                                      | 26,648  | 90,464   |
| Culture and recreation                  | 579,654                                | —   | —  |
| Capital outlay                          | —                                      | —   | —  |
| Debt service:                           |  |   |  |
| Principal                               | —                                      | —   | —  |
| Interest                                | —                                      | —   | —  |
| Total expenditures                      | <u>579,654</u>                         | <u>26,648</u>   | <u>90,464</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>       | <u>235,855</u>                         | <u>42,345</u>   | <u>21,759</u>  |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> | <u>3,764,010</u>                       | <u>183,910</u>  | <u>760,377</u>   |
| <b>FUND BALANCE - END OF YEAR</b>       | <u>\$ 3,999,865</u>                    | <u>\$ 226,255</u>   | <u>\$ 782,136</u>  |

**CITY OF CENTENNIAL, COLORADO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
For The Year Ended December 31, 2022  
Page 2 of 2**

|   | <b>Foxridge<br/>General<br/>Improvement<br/>District</b> | <b>Willow Creek<br/>General<br/>Improvement<br/>District</b> | <b>Antelope<br/>General<br/>Improvement<br/>District</b> | <b>Total<br/>Nonmajor<br/>Governmental<br/>Funds</b> |
|---|--|--|--|--|
| <b>REVENUES</b>                         |  |  |  |  |
| Taxes                                   | \$ 217,406   | \$ 316,873   | \$ 186,057   | \$ 883,637   |
| Intergovernmental                       | —  | —  | —  | 740,871  |
| Investment income                       | 6,234  | 20,287   | 2,411  | 121,485  |
| Total revenues                          | <u>223,640</u>   | <u>337,160</u>   | <u>188,468</u>   | <u>1,745,993</u>                                     |
| <b>EXPENDITURES</b>                     |  |  |  |  |
| Current:                                |  |  |  |  |
| City infrastructure                     | 30,475   | 758  | 9,180  | 157,525  |
| Culture and recreation                  | —  | —  | —  | 579,654  |
| Capital outlay                          | —  | 1,676,534  | —  | 1,676,534  |
| Debt service:                           |  |  |  |  |
| Principal                               | 90,000   | 70,000   | 105,000  | 265,000  |
| Interest                                | 43,158   | 193,550  | 76,375   | 313,083  |
| Total expenditures                      | <u>163,633</u>   | <u>1,940,842</u>   | <u>190,555</u>   | <u>2,991,796</u>                                     |
| <b>NET CHANGE IN FUND BALANCE</b>       | <u>60,007</u>  | <u>(1,603,682)</u>   | <u>(2,087)</u>   | <u>(1,245,803)</u>                                   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> | <u>492,969</u>   | <u>4,642,050</u>   | <u>54,329</u>  | <u>9,897,645</u>                                     |
| <b>FUND BALANCE - END OF YEAR</b>       | <u>\$ 552,976</u>  | <u>\$ 3,038,368</u>  | <u>\$ 52,242</u>   | <u>\$ 8,651,842</u>                                  |

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**CITY OF CENTENNIAL, COLORADO**

**BUDGETARY COMPARISON SCHEDULE  
CONSERVATION TRUST FUND  
For The Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                  | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-----------------------|------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>     |                           |   |
| <b>REVENUE</b>                          |                       |                  |                           |   |
| Intergovernmental                       | \$ 625,000            | \$ 625,000       | \$ 740,871                | \$ 115,871  |
| Investment income                       | 10,000                | 10,000           | 74,638                    | 64,638  |
| Total revenue                           | <u>635,000</u>        | <u>635,000</u>   | <u>815,509</u>            | <u>180,509</u>  |
| <b>EXPENDITURES</b>                     |                       |                  |                           |   |
| Culture and recreation                  | <u>600,000</u>        | <u>600,000</u>   | <u>579,654</u>            | <u>20,346</u>   |
| <b>NET CHANGE IN FUND BALANCE</b>       | <u>\$ 35,000</u>      | <u>\$ 35,000</u> | <u>235,855</u>            | <u>\$ 200,855</u>   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> |                       |                  | <u>3,764,010</u>          |   |
| <b>FUND BALANCE - END OF YEAR</b>       |                       |                  | <u>\$ 3,999,865</u>       |   |

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**CITY OF CENTENNIAL, COLORADO**

**BUDGETARY COMPARISON SCHEDULE  
CHERRY PARK GENERAL IMPROVEMENT DISTRICT  
For The Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                  |                           | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-----------------------|------------------|---------------------------|---|
|   | <b>Original</b>       | <b>Final</b>     | <b>Actual<br/>Amounts</b> |   |
| <b>REVENUE</b>                          |                       |                  |                           |   |
| Property tax                            | \$ 61,350             | \$ 61,350        | \$ 60,672                 | \$ (678)  |
| Specific ownership tax                  | 3,000                 | 3,000            | 4,165                     | 1,165   |
| Investment income                       | 2,000                 | 2,000            | 4,156                     | 2,156   |
| Total revenue                           | <u>66,350</u>         | <u>66,350</u>    | <u>68,993</u>             | <u>2,643</u>  |
| <b>EXPENDITURES</b>                     |                       |                  |                           |   |
| City infrastructure                     | <u>53,330</u>         | <u>53,330</u>    | <u>26,648</u>             | <u>26,682</u>   |
| <b>NET CHANGE IN FUND BALANCE</b>       | <u>\$ 13,020</u>      | <u>\$ 13,020</u> | <u>42,345</u>             | <u>\$ 29,325</u>  |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> |                       |                  | <u>183,910</u>            |   |
| <b>FUND BALANCE - END OF YEAR</b>       |                       |                  | <u>\$ 226,255</u>         |   |

**CITY OF CENTENNIAL, COLORADO**

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**BUDGETARY COMPARISON SCHEDULE**  
**WALNUT HILLS GENERAL IMPROVEMENT DISTRICT**  
**For The Year Ended December 31, 2022**

|   | Budget Amounts |             | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-------------|-------------------|---|
|   | Original       | Final       |                   |   |
| <b>REVENUE</b>                          |                |             |                   |   |
| Property tax                            | \$ 92,600      | \$ 92,600   | \$ 92,139         | \$ (461)  |
| Specific ownership tax                  | 5,500          | 5,500       | 6,325             | 825   |
| Investment income                       | 5,000          | 5,000       | 13,759            | 8,759   |
| Total revenue                           | 103,100        | 103,100     | 112,223           | 9,123   |
| <b>EXPENDITURES</b>                     |                |             |                   |   |
| City infrastructure                     | 126,000        | 126,000     | 90,464            | 35,536  |
| <b>NET CHANGE IN FUND BALANCE</b>       | \$ (22,900)    | \$ (22,900) | 21,759            | \$ 44,659   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> |                |             | 760,377           |   |
| <b>FUND BALANCE - END OF YEAR</b>       |                |             | \$ 782,136        |   |

**CITY OF CENTENNIAL, COLORADO**

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**BUDGETARY COMPARISON SCHEDULE**  
**FOX RIDGE GENERAL IMPROVEMENT DISTRICT**  
**For The Year Ended December 31, 2022**

|   | Budget Amounts |            |                   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|------------|-------------------|---|
|   | Original       | Final      | Actual<br>Amounts |   |
| <b>REVENUE</b>                          |                |            |                   |   |
| Property tax                            | \$ 204,600     | \$ 204,600 | \$ 203,405        | \$ (1,195)  |
| Specific ownership tax                  | 5,000          | 5,000      | 14,001            | 9,001   |
| Investment income                       | 1,500          | 1,500      | 6,234             | 4,734   |
| Total revenue                           | 211,100        | 211,100    | 223,640           | 12,540  |
| <b>EXPENDITURES</b>                     |                |            |                   |   |
| Current:                                |                |            |                   |   |
| City infrastructure                     | 53,820         | 53,820     | 30,475            | 23,345  |
| Debt service:                           |                |            |                   |   |
| Principal                               | 90,000         | 90,000     | 90,000            | —   |
| Interest                                | 43,160         | 43,160     | 43,158            | 2   |
| Total expenditures                      | 186,980        | 186,980    | 163,633           | 23,347  |
| <b>NET CHANGE IN FUND BALANCE</b>       | \$ 24,120      | \$ 24,120  | 60,007            | \$ 35,887   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> |                |            | 492,969           |   |
| <b>FUND BALANCE - END OF YEAR</b>       |                |            | \$ 552,976        |   |

**CITY OF CENTENNIAL, COLORADO**

**BUDGETARY COMPARISON SCHEDULE  
WILLOW CREEK GENERAL IMPROVEMENT DISTRICT  
For The Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                       | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-----------------------|-----------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>          |                           |   |
| <b>REVENUE</b>                          |                       |                       |                           |   |
| Property tax                            | \$ 297,550            | \$ 297,550            | \$ 296,495                | \$ (1,055)  |
| Specific ownership tax                  | 7,000                 | 7,000                 | 20,378                    | 13,378  |
| Investment income                       | 3,000                 | 3,000                 | 20,287                    | 17,287  |
| Total revenue                           | <u>307,550</u>        | <u>307,550</u>        | <u>337,160</u>            | <u>29,610</u>   |
| <b>EXPENDITURES</b>                     |                       |                       |                           |   |
| Current:                                |                       |                       |                           |   |
| City infrastructure                     | 4,622,900             | 4,622,900             | 758                       | 4,622,142   |
| Capital Outlay                          | —                     | —                     | 1,676,534                 | (1,676,534)   |
| Debt service:                           |                       |                       |                           |   |
| Principal                               | 70,000                | 70,000                | 70,000                    | —   |
| Interest                                | 193,550               | 193,550               | 193,550                   | —   |
| Total expenditures                      | <u>4,886,450</u>      | <u>4,886,450</u>      | <u>1,940,842</u>          | <u>2,945,608</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>       | <u>\$ (4,578,900)</u> | <u>\$ (4,578,900)</u> | <u>(1,603,682)</u>        | <u>\$ 2,975,218</u>   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> |                       |                       | <u>4,642,050</u>          |   |
| <b>FUND BALANCE - END OF YEAR</b>       |                       |                       | <u>\$ 3,038,368</u>       |   |

**CITY OF CENTENNIAL, COLORADO**

**BUDGETARY COMPARISON SCHEDULE  
ANTELOPE GENERAL IMPROVEMENT DISTRICT  
For The Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                   |                           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-----------------------|-------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>      | <u>Actual<br/>Amounts</u> |   |
| <b>REVENUE</b>                          |                       |                   |                           |   |
| Property tax                            | \$ 175,000            | \$ 175,000        | \$ 175,008                | \$ 8  |
| Specific ownership tax                  | 8,000                 | 8,000             | 11,049                    | 3,049   |
| Investment income                       | 400                   | 400               | 2,411                     | 2,011   |
| Total revenue                           | <u>183,400</u>        | <u>183,400</u>    | <u>188,468</u>            | <u>5,068</u>  |
| <b>EXPENDITURES</b>                     |                       |                   |                           |   |
| Current:                                |                       |                   |                           |   |
| City infrastructure                     | 9,875                 | 9,875             | 9,180                     | 695   |
| Debt service:                           |                       |                   |                           |   |
| Principal                               | 105,000               | 105,000           | 105,000                   | —   |
| Interest                                | 76,375                | 76,375            | 76,375                    | —   |
| Total expenditures                      | <u>191,250</u>        | <u>191,250</u>    | <u>190,555</u>            | <u>695</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>       | <u>\$ (7,850)</u>     | <u>\$ (7,850)</u> | <u>(2,087)</u>            | <u>\$ 4,373</u>   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b> |                       |                   | <u>54,329</u>             |   |
| <b>FUND BALANCE - END OF YEAR</b>       |                       |                   | <u>\$ 52,242</u>          |   |

**CITY OF CENTENNIAL, COLORADO**

**BUDGETARY COMPARISON SCHEDULE  
CAPITAL IMPROVEMENT FUND  
For The Year Ended December 31, 2022**

|  | <u>Budget Amounts</u>  |                        | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|------------------------|------------------------|---------------------------|---|
|  | <u>Original</u>        | <u>Final</u>           |                           |   |
| <b>EXPENDITURES</b>  |                        |                        |                           |   |
| Rehabilitation:  |                        |                        |                           |   |
| Professional services  | \$ —                   | \$ —                   | \$ 966,466                | \$ (966,466)  |
| Capital outlay:  |                        |                        |                           |   |
| ITS Master Plan  | 1,005,000              | 1,469,050              | 544,365                   | 924,685   |
| ITS systems  | 1,870,000              | 2,120,000              | 326,995                   | 1,793,005   |
| Equipment  | 200,000                | 330,000                | 229,367                   | 100,633   |
| Building Improvements  | 1,910,340              | 2,050,340              | 8,731                     | 2,041,609   |
| Total expenditures   | <u>4,985,340</u>       | <u>5,969,390</u>       | <u>2,075,924</u>          | <u>3,893,466</u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | (4,985,340)            | (5,969,390)            | (2,075,924)               | 3,893,466   |
| <b>OTHER FINANCING SOURCES (USES)</b>                                |                        |                        |                           |   |
| Transfers out  | <u>(6,500,000)</u>     | <u>(6,500,000)</u>     | <u>(6,500,000)</u>        | —   |
| Total other financing sources (uses)                                 | <u>(6,500,000)</u>     | <u>(6,500,000)</u>     | <u>(6,500,000)</u>        | —   |
| <b>NET CHANGE IN FUND BALANCE</b>                                    | <u>\$ (11,485,340)</u> | <u>\$ (12,469,390)</u> | <u>(8,575,924)</u>        | <u>\$ 3,893,466</u>   |
| <b>FUND BALANCE - BEGINNING OF YEAR</b>                              |                        |                        | <u>20,751,187</u>         |   |
| <b>FUND BALANCE - END OF YEAR</b>                                    |                        |                        | <u>\$ 12,175,263</u>      |   |

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**CITY OF CENTENNIAL, COLORADO**

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**BUDGETARY COMPARISON SCHEDULE****LAND USE FUND****For The Year Ended December 31, 2022**

|  | <u>Budget Amounts</u> |                  | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-----------------------|------------------|---------------------------|---|
|  | <u>Original</u>       | <u>Final</u>     |                           |   |
| <b>REVENUE</b>   |                       |                  |                           |   |
| Building permits, licenses, and fees                                 | \$ 2,573,000          | \$ 2,573,000     | \$ 3,073,567              | \$ 500,567  |
| Contractor's licenses and bus shelter fees                           | 240,000               | 240,000          | 253,180                   | 13,180  |
| Land use permits and other income                                    | 1,290,000             | 1,290,000        | 1,333,465                 | 43,465  |
| Total revenue  | <u>4,103,000</u>      | <u>4,103,000</u> | <u>4,660,212</u>          | <u>557,212</u>  |
| <b>EXPENDITURES</b>  |                       |                  |                           |   |
| Personnel services   | 1,969,460             | 1,969,460        | 1,708,648                 | 260,812   |
| Contracted services  | 915,810               | 915,810          | 147,571                   | 768,239   |
| Services & supplies  | 1,057,640             | 1,278,640        | 821,560                   | 457,080   |
| Total expenditures   | <u>3,942,910</u>      | <u>4,163,910</u> | <u>2,677,779</u>          | <u>1,486,131</u>  |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENDITURES</b> | 160,090               | (60,910)         | 1,982,433                 | 2,043,343   |
| <b>OTHER FINANCING SOURCES (USES)</b>                                |                       |                  |                           |   |
| Transfers in   | —                     | 221,000          | 221,000                   | —   |
| Transfers out  | (160,090)             | (160,090)        | (2,048,198)               | (1,888,108)   |
| Total other financing sources (uses)                                 | <u>(160,090)</u>      | <u>60,910</u>    | <u>(1,827,198)</u>        | <u>(1,888,108)</u>  |
| <b>CHANGE IN NET POSITION</b>  | <u>\$ —</u>           | <u>\$ —</u>      | 155,235                   | <u>\$ 155,235</u>   |

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**CITY OF CENTENNIAL, COLORADO**

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**BUDGETARY COMPARISON SCHEDULE  
FIBER WORKS FUND  
For The Year Ended December 31, 2022**

|   | <u>Budget Amounts</u> |                     | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-----------------------|---------------------|---------------------------|---|
|   | <u>Original</u>       | <u>Final</u>        |                           |   |
| <b>REVENUE</b>                                  |                       |                     |                           |   |
| Leased property revenue                         | \$ 38,190             | \$ 38,190           | \$ 37,022                 | \$ (1,168)  |
| Other income                                    | —                     | —                   | 96,733                    | 96,733  |
| Total revenue                                   | <u>38,190</u>         | <u>38,190</u>       | <u>133,755</u>            | <u>95,565</u>   |
| <b>EXPENDITURES</b>                             |                       |                     |                           |   |
| Contracted Services                             | 275,000               | 365,000             | 17,523                    | 347,477   |
| Professional Services                           | 50,000                | 50,000              | 5,893                     | 44,107  |
| Services & Supplies                             | 30,000                | 30,000              | 41,642                    | (11,642)  |
| Contingency                                     | 100,000               | 100,000             | 70,937                    | 29,063  |
| Total expenditures                              | <u>455,000</u>        | <u>545,000</u>      | <u>135,995</u>            | <u>409,005</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>           |                       |                     |                           |   |
| Capital Contributions                           | —                     | —                   | 139,034                   | 139,034   |
| <b>CHANGE IN NET POSITION - BUDGETARY BASIS</b> | <u>\$ (416,810)</u>   | <u>\$ (506,810)</u> | <u>136,794</u>            | <u>\$ 504,570</u>   |
| <b>ADJUSTMENT TO GAAP BASIS</b>                 |                       |                     |                           |   |
| Depreciation                                    |                       |                     | <u>(191,518)</u>          |   |
| <b>CHANGE IN NET POSITION - GAAP BASIS</b>      |                       |                     | <u>\$ (54,724)</u>        |   |



# Statistical Section



# **CITY OF CENTENNIAL, COLORADO**

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## **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 the 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)**

|   | <b>2013</b>           | <b>2014</b>           | <b>2015</b>           | <b>2016</b>           |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental activities                     |                       |                       |                       |                       |
| Net investment in capital assets            | \$ 153,105,667        | \$ 152,496,183        | \$ 157,122,370        | \$ 171,757,225        |
| Restricted                                  | 9,515,406             | 9,620,070             | 11,690,081            | 13,582,948            |
| Unrestricted                                | 41,519,235            | 51,615,854            | 63,493,761            | 61,624,556            |
| Total governmental activities net position  | <u>204,140,308</u>    | <u>213,732,107</u>    | <u>232,306,212</u>    | <u>246,964,729</u>    |
| Business-type activities                    |                       |                       |                       |                       |
| Net investment in capital assets            | 10,592                | 24,314                | 15,015                | 11,011                |
| Restricted                                  | 92,070                | 91,577                | 119,355               | 96,665                |
| Unrestricted                                | (102,662)             | (115,891)             | (134,370)             | (107,676)             |
| Total business-type activities net position | <u>—</u>              | <u>—</u>              | <u>—</u>              | <u>—</u>              |
| Primary government                          |                       |                       |                       |                       |
| Net investment in capital assets            | 153,116,259           | 152,520,497           | 157,137,385           | 171,768,236           |
| Restricted                                  | 9,607,476             | 9,711,647             | 11,809,436            | 13,679,613            |
| Unrestricted                                | 41,416,573            | 51,499,963            | 63,359,391            | 61,516,880            |
| Total primary government net position       | <u>\$ 204,140,308</u> | <u>\$ 213,732,107</u> | <u>\$ 232,306,212</u> | <u>\$ 246,964,729</u> |

The information for this table was obtained from the Statement of Net Position, a statement required by GASB Statement No. 34 and updated by GASB Statement No. 63. The City of Centennial implemented GASB Statement

|    | <b>2017</b> | <b>2018</b>    | <b>2019</b>    | <b>2020</b>    | <b>2021</b>    | <b>2022</b>    |
|----|-------------|----------------|----------------|----------------|----------------|----------------|
| \$ | 173,788,950 | \$ 178,442,156 | \$ 170,849,082 | \$ 170,658,621 | \$ 171,135,457 | \$ 179,190,480 |
|    | 14,246,010  | 18,018,713     | 20,808,152     | 28,695,468     | 19,780,971     | 17,484,207     |
|    | 62,665,756  | 71,260,772     | 81,052,062     | 77,354,960     | 106,021,518    | 124,617,328    |
|    | 250,700,716 | 267,721,641    | 272,709,296    | 276,709,049    | 296,937,946    | 321,292,015    |
|    | 7,007       | 3,003          | 5,293,911      | 5,115,818      | 4,933,541      | 5,053,863      |
|    | —           | —              | —              | —              | —              | —              |
|    | (7,007)     | (3,003)        | 280,547        | 532,102        | 447,421        | 427,610        |
|    | —           | —              | 5,574,458      | 5,647,920      | 5,380,962      | 5,481,473      |
|    | 173,795,957 | 178,445,159    | 176,142,993    | 175,774,439    | 176,068,998    | 184,244,343    |
|    | 14,246,010  | 18,018,713     | 20,808,152     | 28,695,468     | 19,780,971     | 17,484,207     |
|    | 62,658,749  | 71,257,769     | 81,332,609     | 77,887,062     | 106,468,939    | 125,044,938    |
| \$ | 250,700,716 | \$ 267,721,641 | \$ 278,283,754 | \$ 282,356,969 | \$ 302,318,908 | \$ 326,773,488 |

**TABLE 2  
CITY OF CENTENNIAL, COLORADO**

**CHANGE IN NET POSITION**

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

|   | <b>2013</b>          | <b>2014</b>          | <b>2015</b>          | <b>2016</b>          |
|---|----------------------|----------------------|----------------------|----------------------|
| <b>Expenses</b>   |                      |                      |                      |                      |
| <b>Governmental activities</b>  |                      |                      |                      |                      |
| General government  | \$ 12,845,868        | \$ 11,763,347        | \$ 13,170,287        | \$ 14,114,326        |
| Community services  | 21,819,639           | 22,174,239           | 23,768,969           | 24,916,037           |
| City infrastructure   | 22,215,397           | 24,731,604           | 24,689,639           | 26,167,030           |
| Public safety   | —                    | —                    | —                    | —                    |
| Culture and recreation  | 2,258,120            | 2,546,267            | 1,044,536            | 961,942              |
| Urban redevelopment   | 5,159,616            | 5,548,953            | 4,633,280            | 5,088,383            |
| Interest on long-term debt  | 134,611              | 131,665              | 128,631              | 57,175               |
| Total governmental activities expenses                                | <u>64,433,251</u>    | <u>66,896,075</u>    | <u>67,435,342</u>    | <u>71,304,893</u>    |
| <b>Business-type activities</b>                                       |                      |                      |                      |                      |
| Land use fund and fiber fund  | 3,068,995            | 3,052,575            | 3,978,514            | 3,222,152            |
| Total business-type activities expenses                               | <u>3,068,995</u>     | <u>3,052,575</u>     | <u>3,978,514</u>     | <u>3,222,152</u>     |
| Total primary government expenses                                     | <u>\$ 67,502,246</u> | <u>\$ 69,948,650</u> | <u>\$ 71,413,856</u> | <u>\$ 74,527,045</u> |
| <b>Program Revenues</b>   |                      |                      |                      |                      |
| <b>Governmental activities</b>  |                      |                      |                      |                      |
| <b>Charges for services</b>   |                      |                      |                      |                      |
| General government  | \$ 251,061           | \$ 277,175           | \$ 235,142           | \$ 278,988           |
| Community services  | 2,201,469            | 2,158,468            | 1,849,415            | 1,688,580            |
| City infrastructure   | 280,918              | 816,615              | 806,834              | 1,051,392            |
| Urban redevelopment   | —                    | —                    | —                    | —                    |
| Operating grants and contributions                                    | 5,959,577            | 6,209,974            | 6,488,723            | 6,583,898            |
| Capital grants and contributions                                      | 4,849,633            | 3,480,178            | 9,147,000            | 4,660,672            |
| Total governmental activities program revenues                        | <u>13,542,658</u>    | <u>12,942,410</u>    | <u>18,527,114</u>    | <u>14,263,530</u>    |
| <b>Business-type activities</b>                                       |                      |                      |                      |                      |
| <b>Charges for services</b>   |                      |                      |                      |                      |
| Land use fund and fiber fund  | 3,720,910            | 3,596,103            | 4,901,939            | 4,144,783            |
| Capital grants and contributions                                      | —                    | —                    | —                    | —                    |
| Total business-type activities revenues                               | <u>3,720,910</u>     | <u>3,596,103</u>     | <u>4,901,939</u>     | <u>4,144,783</u>     |
| Total primary government revenues                                     | <u>\$ 17,263,568</u> | <u>\$ 16,538,513</u> | <u>\$ 23,429,053</u> | <u>\$ 18,408,313</u> |
| <b>Net program revenues (expenses)</b>                                |                      |                      |                      |                      |
| Governmental activities   | \$ 50,890,593        | \$ 53,953,665        | \$ 48,908,228        | \$ 57,041,363        |
| Business-type activities  | <u>(651,915)</u>     | <u>(543,528)</u>     | <u>(923,425)</u>     | <u>(922,631)</u>     |
| Total primary government net revenues                                 | <u>\$ 50,238,678</u> | <u>\$ 53,410,137</u> | <u>\$ 47,984,803</u> | <u>\$ 56,118,732</u> |
| <b>General revenues and other changes in net position</b>             |                      |                      |                      |                      |
| <b>Governmental activities</b>  |                      |                      |                      |                      |
| <b>Taxes</b>  |                      |                      |                      |                      |
| Sales tax   | 34,569,315           | 35,673,588           | 38,315,195           | 38,770,237           |
| Use tax   | 2,987,611            | 2,279,161            | 3,542,288            | 3,923,583            |
| Property tax  | 13,391,623           | 13,976,189           | 12,903,382           | 14,711,539           |
| Motor vehicle use tax   | 3,747,097            | 4,123,965            | 4,594,045            | 5,185,531            |
| Other taxes   | 586,360              | 628,585              | 639,194              | 759,369              |
| Unrestricted franchise fees   | 5,011,913            | 5,128,961            | 5,059,425            | 5,027,299            |
| Investment income   | 69,801               | 177,993              | 186,853              | 484,303              |
| Gain (loss) on disposition of capital asset                           | —                    | —                    | —                    | —                    |
| Intergovernmental revenues not restricted                             | 363,051              | 568,105              | 451,599              | 321,733              |
| Miscellaneous   | 354,910              | 445,389              | 866,927              | 1,593,655            |
| Transfers   | 651,915              | 543,528              | 923,425              | 922,631              |
| Total governmental activities   | <u>61,733,596</u>    | <u>63,545,464</u>    | <u>67,482,333</u>    | <u>71,699,880</u>    |
| <b>Business-type activities</b>                                       |                      |                      |                      |                      |
| Transfers   | <u>(651,915)</u>     | <u>(543,528)</u>     | <u>(923,425)</u>     | <u>(922,631)</u>     |
| Total business-type activities  | <u>(651,915)</u>     | <u>(543,528)</u>     | <u>(923,425)</u>     | <u>(922,631)</u>     |
| Total primary government general revenues and changes in net position | <u>\$ 61,081,681</u> | <u>\$ 63,001,936</u> | <u>\$ 66,558,908</u> | <u>\$ 70,777,249</u> |
| <b>Change In Net Position</b>   |                      |                      |                      |                      |
| Governmental activities   | \$ 10,843,003        | \$ 9,591,799         | \$ 18,574,105        | \$ 14,658,517        |
| Business-type activities  | <u>—</u>             | <u>—</u>             | <u>—</u>             | <u>—</u>             |
| Total primary government change in net position                       | <u>\$ 10,843,003</u> | <u>\$ 9,591,799</u>  | <u>\$ 18,574,105</u> | <u>\$ 14,658,517</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 and GASB Statement No. 63 in 2012.

|    | 2017       | 2018          | 2019          | 2020          | 2021          | 2022          |
|----|------------|---------------|---------------|---------------|---------------|---------------|
| \$ | 14,808,323 | \$ 15,174,146 | \$ 16,147,507 | \$ 24,093,629 | \$ 12,151,531 | \$ 13,314,822 |
|    | 24,816,782 | 26,336,562    | 2,209,198     | 5,939,793     | 2,406,990     | 2,360,739     |
|    | 34,723,870 | 28,189,556    | 27,268,914    | 26,527,600    | 28,388,041    | 33,149,548    |
|    | —          | —             | 28,082,194    | 29,453,500    | 30,053,397    | 31,352,394    |
|    | 1,288,741  | 743,593       | 1,008,401     | 1,304,302     | 1,789,509     | 1,742,438     |
|    | 4,496,833  | 5,884,743     | 5,937,804     | 5,482,950     | 5,607,848     | 5,877,405     |
|    | 84,840     | 82,950        | 80,102        | 128,472       | 390,853       | 277,469       |
|    | 80,219,389 | 76,411,550    | 80,734,120    | 92,930,246    | 80,788,168    | 88,074,815    |
|    | 2,845,123  | 3,958,426     | 3,631,391     | 3,562,365     | 3,551,419     | 3,005,292     |
|    | 2,845,123  | 3,958,426     | 3,631,391     | 3,562,365     | 3,551,419     | 3,005,292     |
| \$ | 83,064,512 | \$ 80,369,976 | \$ 84,365,511 | \$ 96,492,611 | \$ 84,339,587 | \$ 91,080,107 |
| \$ | 286,647    | \$ 362,178    | \$ 604,145    | \$ 514,720    | \$ 1,361,226  | \$ 1,425,678  |
|    | 1,349,682  | 1,060,950     | 817,519       | 629,237       | 49,470        | 43,831        |
|    | 814,035    | 860,869       | —             | —             | —             | —             |
|    | —          | —             | —             | —             | —             | —             |
|    | 6,734,040  | 7,990,505     | 7,803,754     | 16,129,070    | 10,371,865    | 16,777,922    |
|    | 4,162,707  | 5,205,695     | 4,322,270     | 4,735,239     | 6,344,845     | —             |
|    | 13,347,111 | 15,480,197    | 13,547,688    | 22,008,266    | 18,127,406    | 18,247,431    |
|    | 3,489,655  | 4,850,544     | 4,088,465     | 3,806,968     | 4,213,263     | 4,793,967     |
|    | —          | —             | —             | —             | —             | 139,034       |
|    | 3,489,655  | 4,850,544     | 4,088,465     | 3,806,968     | 4,213,263     | 4,933,001     |
| \$ | 16,836,766 | \$ 20,330,741 | \$ 17,636,153 | \$ 25,815,234 | \$ 22,340,669 | \$ 23,180,432 |
| \$ | 66,872,278 | \$ 60,931,353 | \$ 67,186,432 | \$ 70,921,980 | \$ 62,660,762 | \$ 69,827,384 |
|    | (644,532)  | (892,118)     | (457,074)     | (244,603)     | (661,844)     | (1,927,709)   |
| \$ | 66,227,746 | \$ 60,039,235 | \$ 66,729,358 | \$ 70,677,377 | \$ 61,998,918 | \$ 67,899,675 |
|    | 39,447,977 | 42,143,309    | 41,940,230    | 38,740,407    | 47,184,113    | 53,430,052    |
|    | 2,156,392  | 3,338,082     | 2,876,529     | 2,852,813     | 3,144,057     | 4,694,325     |
|    | 14,511,077 | 16,071,067    | 16,365,571    | 18,017,770    | 18,226,802    | 19,303,243    |
|    | 5,375,813  | 5,365,455     | 5,438,892     | 5,309,401     | 6,353,336     | 6,616,395     |
|    | 872,264    | 824,236       | 904,827       | 923,249       | 928,455       | 902,772       |
|    | 5,201,692  | 5,216,214     | 5,140,138     | 5,035,121     | 5,396,494     | 6,074,415     |
|    | 759,217    | 1,843,798     | 3,124,879     | 2,209,710     | (182,583)     | (886,388)     |
|    | (61,367)   | —             | —             | —             | —             | —             |
|    | 762,127    | 346,565       | 349,364       | 409,986       | —             | —             |
|    | 938,541    | 1,911,434     | 1,151,041     | 1,252,135     | 910,183       | 2,219,441     |
|    | 644,532    | 892,118       | (5,117,384)   | 171,141       | 928,802       | 1,827,198     |
|    | 70,608,265 | 77,952,278    | 72,174,087    | 74,921,733    | 82,889,659    | 94,181,453    |
|    | (644,532)  | (892,118)     | 5,117,384     | (171,141)     | (928,802)     | (1,827,198)   |
|    | (644,532)  | (892,118)     | 5,117,384     | (171,141)     | (928,802)     | (1,827,198)   |
| \$ | 69,963,733 | \$ 77,060,160 | \$ 77,291,471 | \$ 74,750,592 | \$ 81,960,857 | \$ 92,354,255 |
| \$ | 3,735,987  | \$ 17,020,925 | \$ 4,987,655  | \$ 3,999,753  | \$ 20,228,897 | \$ 24,354,069 |
|    | —          | —             | 5,574,458     | 73,462        | (266,958)     | 100,511       |
| \$ | 3,735,987  | \$ 17,020,925 | \$ 10,562,113 | \$ 4,073,215  | \$ 19,961,939 | \$ 24,454,580 |

**TABLE 3  
CITY OF CENTENNIAL, COLORADO**

**FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS  
(Modified accrual basis of accounting)  
(Unaudited)**

|                                    | <b>2013</b>          | <b>2014</b>          | <b>2015</b>          | <b>2016</b>          |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund                       |                      |                      |                      |                      |
| Nonspendable                       | \$ 1,493             | \$ 12,427            | \$ 15,196            | \$ 20,568            |
| Restricted                         | 1,651,357            | 1,531,979            | 1,359,857            | 1,938,105            |
| Committed                          | —                    | —                    | —                    | —                    |
| Assigned                           | —                    | —                    | —                    | —                    |
| Unassigned                         | 36,514,096           | 40,925,461           | 35,171,177           | 34,695,067           |
| Total general fund                 | <u>38,166,946</u>    | <u>42,469,867</u>    | <u>36,546,230</u>    | <u>36,653,740</u>    |
| All other governmental funds       |                      |                      |                      |                      |
| Nonspendable                       | 70,018               | 70,018               | —                    | —                    |
| Restricted                         | 7,864,049            | 7,996,514            | 10,330,224           | 11,644,843           |
| Committed                          | —                    | —                    | —                    | —                    |
| Assigned                           | 7,458,280            | 13,329,831           | 30,987,832           | 29,232,796           |
| Total all other governmental funds | <u>15,392,347</u>    | <u>21,396,363</u>    | <u>41,318,056</u>    | <u>40,877,639</u>    |
| Total all governmental funds       | <u>\$ 53,559,293</u> | <u>\$ 63,866,230</u> | <u>\$ 77,864,286</u> | <u>\$ 77,531,379</u> |

The information for this table was obtained from the Balance Sheet

|    | <b>2017</b> | <b>2018</b>   | <b>2019</b>    | <b>2020</b>    | <b>2021</b>    | <b>2022</b>    |
|----|-------------|---------------|----------------|----------------|----------------|----------------|
| \$ | 36,742      | \$ —          | \$ —           | \$ 259,350     | \$ 255,854     | \$ 8,000       |
|    | 1,650,809   | 2,388,553     | 2,251,247      | 1,810,106      | 1,434,500      | 1,880,945      |
|    | —           | —             | —              | —              | —              | 1,928,000      |
|    | —           | —             | —              | —              | —              | —              |
|    | 30,280,241  | 30,544,350    | 34,885,069     | 36,768,731     | 26,150,417     | 39,326,021     |
|    | 31,967,792  | 32,932,903    | 37,136,316     | 38,838,187     | 27,840,771     | 43,142,966     |
|    | —           | —             | 185            | —              | 21,677         | 475,698        |
|    | 12,595,201  | 15,630,160    | 18,556,905     | 20,069,466     | 18,346,471     | 18,647,196     |
|    | —           | —             | —              | 28,291,825     | 20,677,800     | 50,354,150     |
|    | 34,173,741  | 42,886,009    | 47,956,237     | 27,383,097     | 63,670,695     | 32,277,040     |
|    | 46,768,942  | 58,516,169    | 66,513,327     | 75,744,388     | 102,716,643    | 101,754,084    |
| \$ | 78,736,734  | \$ 91,449,072 | \$ 103,649,643 | \$ 114,582,575 | \$ 130,557,414 | \$ 144,897,050 |

**TABLE 4**  
**CITY OF CENTENNIAL, COLORADO**

**CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS**

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

|  | 2013          | 2014          | 2015          | 2016          |
|--|---------------|---------------|---------------|---------------|
| <b><u>Revenues</u></b>                       |               |               |               |               |
| Taxes  | \$ 55,282,006 | \$ 56,681,488 | \$ 59,994,104 | \$ 63,350,259 |
| Intergovernmental                            | 11,625,012    | 11,306,613    | 17,190,904    | 12,207,519    |
| Charges for services                         | 2,733,448     | 2,760,913     | 2,891,391     | 3,018,960     |
| Franchise fees                               | 5,011,913     | 5,128,961     | 5,059,425     | 5,027,299     |
| Investment income                            | 69,801        | 177,993       | 186,853       | 484,303       |
| Miscellaneous                                | 354,910       | 936,734       | 866,927       | 1,593,655     |
| Total revenues                               | 75,077,090    | 76,992,702    | 86,189,604    | 85,681,995    |
| <b><u>Expenditures</u></b>                   |               |               |               |               |
| Current                                      |               |               |               |               |
| General government                           | 11,434,747    | 11,640,388    | 13,003,591    | 14,040,336    |
| Community services                           | 21,819,639    | 22,174,239    | 23,768,969    | 24,916,037    |
| City infrastructure                          | 19,492,958    | 20,516,748    | 21,059,173    | 22,784,539    |
| Public Safety                                | —             | —             | —             | —             |
| Culture & recreation                         | 2,258,120     | 1,414,462     | 1,044,536     | 961,941       |
| Urban redevelopment                          | 6,010,887     | 6,463,195     | 5,622,583     | 5,996,585     |
| Capital Outlay                               |               |               |               |               |
| General government                           | 1,737,119     | 1,893,131     | 962,046       | 1,180,550     |
| Capital improvement                          | 3,799,486     | 2,925,214     | 7,450,169     | 16,886,431    |
| Debt Service                                 |               |               |               |               |
| Principal                                    | 70,000        | 70,000        | 75,000        | 115,000       |
| Interest and fiscal charges                  | 134,856       | 131,916       | 128,906       | 63,804        |
| Bond issuance costs                          | —             | —             | —             | 68,801        |
| Miscellaneous                                | —             | —             | —             | —             |
| Total expenditures                           | 66,757,812    | 67,229,293    | 73,114,973    | 87,014,024    |
| Excess (Deficiency) of Revenues              |               |               |               |               |
| Over Expenditures                            | 8,319,278     | 9,763,409     | 13,074,631    | (1,332,029)   |
| <b><u>Other Financing Sources (Uses)</u></b> |               |               |               |               |
| Transfers in                                 | 10,433,915    | 16,505,911    | 27,250,711    | 21,773,915    |
| Transfers out                                | (9,782,000)   | (15,962,383)  | (26,327,286)  | (20,851,284)  |
| Bond Proceeds                                | —             | —             | —             | —             |
| Total other financing sources (uses)         | 651,915       | 543,528       | 923,425       | 999,122       |
| Net change in fund balances                  | \$ 8,971,193  | \$ 10,306,937 | \$ 13,998,056 | \$ (332,907)  |
| Debt service as a percentage of              |               |               |               |               |
| non capital expenditures (a)                 | 0.33%         | 0.32%         | 0.32%         | 0.36%         |

(a) This calculation is performed as follows: Total debt service (principal plus interest) divided by total noncapital expenditure

|    | 2017         | 2018            | 2019          | 2020          | 2021          | 2022          |
|----|--------------|-----------------|---------------|---------------|---------------|---------------|
| \$ | 62,363,523   | \$ 66,853,891   | \$ 66,731,854 | \$ 65,843,640 | \$ 75,836,763 | \$ 84,946,787 |
|    | 12,093,284   | 14,797,573      | 12,884,167    | 20,894,649    | 17,202,563    | 16,903,168    |
|    | 2,450,364    | 2,283,997       |               | 1,143,957     | 1,410,696     | 1,469,509     |
|    | 5,201,692    | 5,216,214       | 5,140,138     | 5,035,121     | 5,396,494     | 6,074,415     |
|    | 759,217      | 1,843,798       | 3,124,879     | 2,209,710     | (182,583)     | (886,388)     |
|    | 938,541      | 247,327         | 1,236,873     | 1,216,797     | 910,183       | 2,349,025     |
|    | 83,806,621   | 91,242,800      | 89,117,911    | 96,343,874    | 100,574,116   | 110,856,516   |
|    | 14,606,351   | 14,474,292      | 15,275,805    | 23,168,414    | 11,217,450    | 12,307,138    |
|    | 24,816,782   | 26,336,562      | 2,197,430     | 2,317,972     | 2,393,921     | 2,355,441     |
|    | 30,894,582   | 24,079,363      | 23,386,889    | 25,783,225    | 25,009,008    | 29,474,267    |
|    | —            | —               | 28,082,194    | 29,453,500    | 30,053,397    | 31,352,394    |
|    | 1,288,740    | 625,313         | 890,125       | 1,186,026     | 1,272,625     | 1,151,385     |
|    | 5,441,620    | 5,884,743       | 5,937,804     | 5,482,950     | 5,607,848     | 5,877,405     |
|    | 678,348      | 856,735         | 523,581       | 5,288,942     | 9,368,024     | 15,237,733    |
|    | 5,339,500    | 6,808,288       | 2,063,344     | —             | —             | —             |
|    | 90,000       | 95,000          | 95,000        | 100,000       | 225,000       | 274,989       |
|    | 89,875       | 88,075          | 85,225        | 82,375        | 357,906       | 313,326       |
|    | —            | —               | —             | 142,630       | —             | —             |
|    | —            | —               | —             | —             | 22,900        | —             |
|    | 83,245,798   | 79,248,371      | 78,537,397    | 93,006,034    | 85,528,079    | 98,344,078    |
|    | 560,823      | 11,994,429      | 10,580,514    | 3,337,840     | 15,046,037    | 12,512,438    |
|    | 24,494,532   | (835,133)       | 14,453,666    | 28,968,804    | 35,017,462    | 20,548,198    |
|    | (23,850,000) | (22,835,133)    | (14,142,021)  | (28,797,663)  | (34,088,660)  | (18,721,000)  |
|    | —            | —               | —             | 7,136,490     | —             | —             |
|    | 644,532      | (23,670,266)    | 311,645       | 7,307,631     | 928,802       | 1,827,198     |
| \$ | 1,205,355    | \$ (11,675,837) | \$ 10,892,159 | \$ 10,645,471 | \$ 15,974,839 | \$ 14,339,636 |

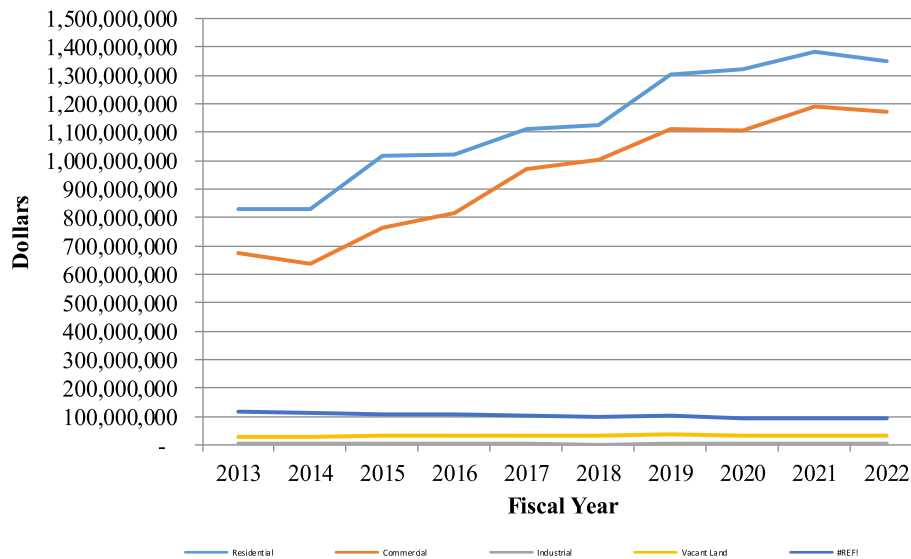
0.23%                      0.26%                      0.24%                      0.37%                      0.80%                      0.71%

as (total expenditures less capital outlay)

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

| <b>Taxable Real and Personal Property</b> |   |  |                            |                    |
|---|---|--|----------------------------|--------------------|
| <b>Fiscal Year</b>                        | <b>Residential Property<sup>1</sup></b> | <b>Commercial Property<sup>2</sup></b> | <b>Industrial Property</b> | <b>Vacant Land</b> |
| 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         |
| 2021                                      | 1,380,491,416                           | 1,188,366,472                          | 3,514,064                  | 32,497,970         |
| 2022                                      | 1,350,643,405                           | 1,173,090,634                          | 3,699,863                  | 31,512,993         |

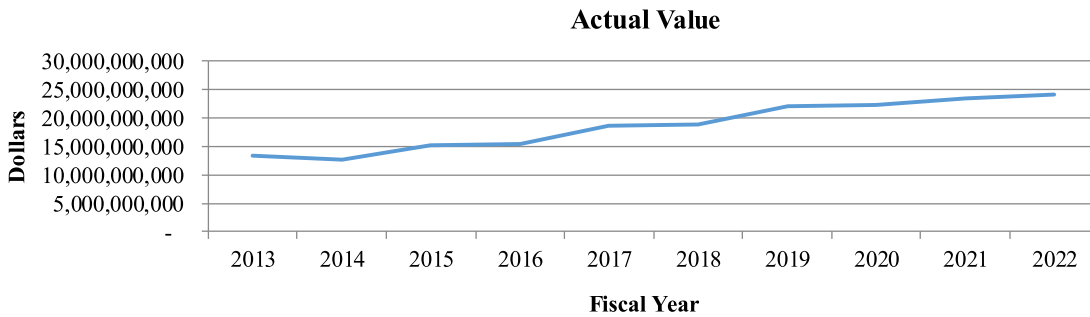
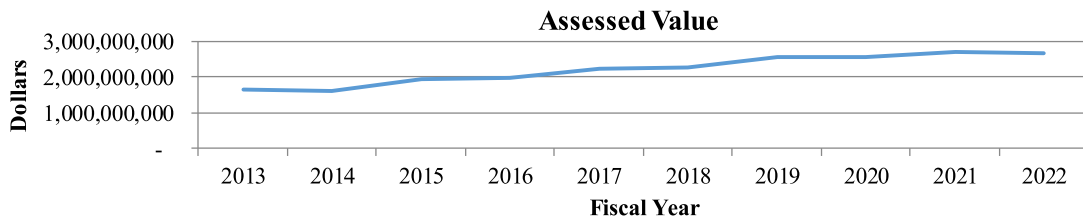
**Assessed Value by Property Type**



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

**Taxable Real and Personal Property**

| <b>Other Property<sup>3</sup></b> | <b>Total Taxable Assessed Value<sup>4</sup></b> | <b>Mill Levy</b> | <b>Actual Value</b> | <b>Assessed Value as a Percentage of Actual Value</b> |
|-----------------------------------|---|------------------|---------------------|---|
| 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%  |
| 94,579,776                        | 2,699,449,698                                   | 5.013            | 23,359,631,190      | 11.56%  |
| 95,715,792                        | 2,654,662,687                                   | 5.013            | 23,995,493,743      | 11.06%  |



(1) Includes Residential and Residential Multi-Family assessed.

(2) Includes Commercial and Commercial Renew Energy assessed.

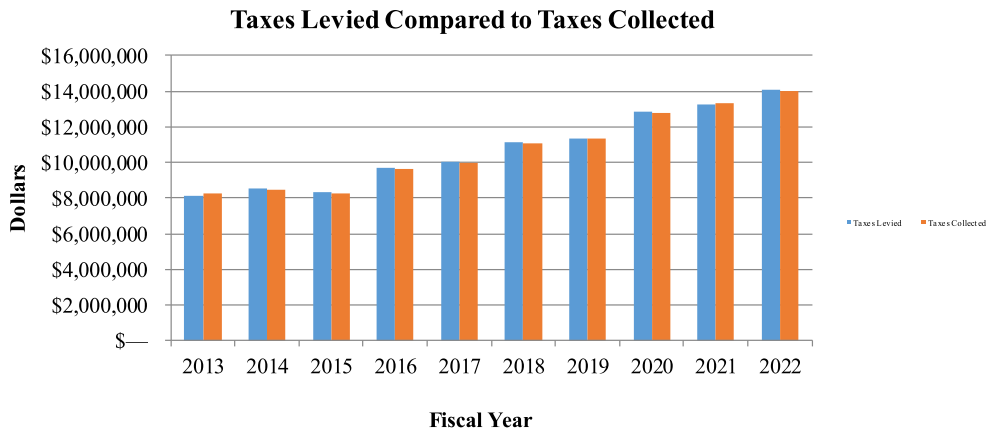
(3) Includes Agricultural, Agricultural Agribusiness, Natural Resource, Producing Mines, Oil and Gas and State assessed.

(4) 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<br>for Collection<br>in the Fiscal Year <sup>1</sup> | Collected within the<br>Fiscal Year of the Levy |                       |
|-------------|---|---|-----------------------|
|             |   | Amount  | Percentage<br>of Levy |
| 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%               |
| 2021        | 13,262,206  | 13,346,487                                      | 100.635%              |
| 2022        | 14,062,150  | 14,010,648                                      | 99.634%               |



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

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 2021, the City collected delinquent taxes at least equal to 0.635%; the exact amount of delinquent taxes collected is unknown, as this separate information is not provided by Arapahoe County.

Statistical information is presented from 2013 through the current year and corresponds with the implementation of GASB No. 34.

**TABLE 7  
CITY OF CENTENNIAL, COLORADO**

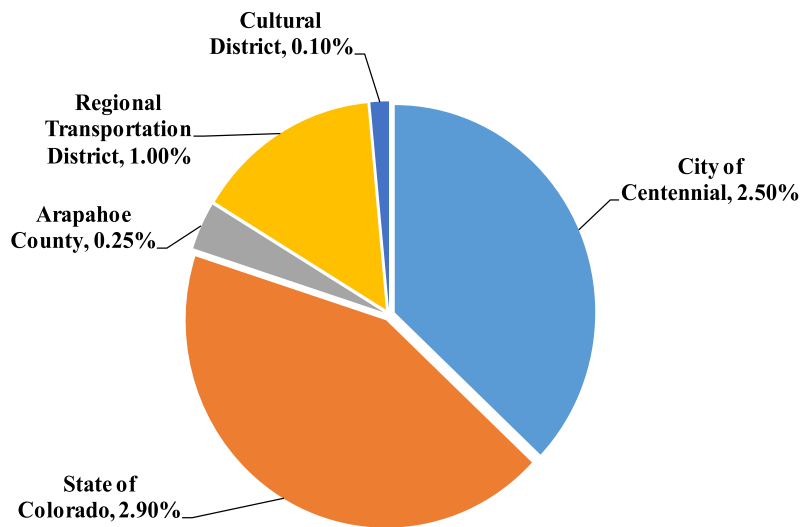
**DIRECT AND OVERLAPPING SALES TAX RATES**

**LAST TEN FISCAL YEARS**

**(Unaudited)**

| <b>Fiscal Year</b> | <b>City of Centennial</b> | <b>State of Colorado</b> | <b>Arapahoe County</b> | <b>Regional Transportation District</b> | <b>Cultural District</b> | <b>Total</b> |
|--------------------|---------------------------|--------------------------|------------------------|---|--------------------------|--------------|
| 2013               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2014               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2015               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2016               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2017               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2018               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2019               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2020               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2021               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |
| 2022               | 2.50%                     | 2.90%                    | 0.25%                  | 1.00%                                   | 0.10%                    | 6.75%        |

**Direct and Overlapping Sales Tax Rates**



**TABLE 8  
CITY OF CENTENNIAL, COLORADO**

**GENERAL SALES TAX REVENUE, REMITTERS BY TYPE**

**LAST TEN FISCAL YEARS**

**(Unaudited)**

| <b>Fiscal Year</b> | <b>Accommodation<br/>and Food<br/>Service</b> | <b>Administrative<br/>Support,<br/>Waste<br/>Management<br/>and<br/>Remediation<br/>Services</b> | <b>Arts,<br/>Entertainment<br/>and Recreation</b> | <b>Construction</b> | <b>Educational<br/>Services</b> |
|--------------------|---|--|---|---------------------|---------------------------------|
| 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                          |
| 2021               | 5,754,802                                     | 307,271  | 596,524   | 485,676             | 40,277                          |
| 2022               | 6,438,450                                     | 400,741  | 748,871   | 515,983             | 52,056                          |

(continued)

| <b>Finance and<br/>Insurance</b> | <b>Healthcare and<br/>Social<br/>Assistance</b> | <b>Information</b> | <b>Mining</b> | <b>Professional,<br/>Scientific and<br/>Technical<br/>Services</b> |
|----------------------------------|---|--------------------|---------------|--|
| 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  |
| 395,886                          | 94,804  | 2,824,469          | 88,127        | 768,099  |
| 362,449                          | 88,875  | 4,346,626          | 104,397       | 1,257,624  |

(continued)

| <b>Public<br/>Administration</b> | <b>Real Estate,<br/>Rental and<br/>Leasing</b> | <b>Utilities</b> | <b>Wholesale<br/>Trade</b> | <b>Other<br/>Remitters</b> | <b>Total</b> |
|----------------------------------|--|------------------|----------------------------|----------------------------|--------------|
| 46,894                           | 626,742  | 1,294,802        | 1,084,729                  | 22,581,629                 | 34,569,315   |
| 53,619                           | 1,323,164                                      | 1,375,769        | 1,792,930                  | 21,624,367                 | 35,673,588   |
| 55,505                           | 1,657,637                                      | 1,331,587        | 1,592,739                  | 22,197,404                 | 38,315,195   |
| 54,299                           | 1,460,806                                      | 1,295,873        | 1,397,895                  | 23,338,139                 | 38,768,221   |
| 49,410                           | 1,607,614                                      | 1,371,880        | 1,601,462                  | 23,459,274                 | 39,447,977   |
| 40,889                           | 1,569,077                                      | 1,396,634        | 1,879,993                  | 23,872,288                 | 41,255,053   |
| 40,320                           | 1,652,007                                      | 1,398,689        | 2,402,276                  | 23,507,947                 | 41,146,035   |
| 44,323                           | 1,717,831                                      | 1,320,522        | 2,615,026                  | 23,087,058                 | 38,441,366   |
| 60,990                           | 1,745,439                                      | 1,452,899        | 3,082,286                  | 29,112,758                 | 46,810,307   |
| 69,060                           | 1,824,904                                      | 1,617,151        | 4,072,535                  | 30,952,937                 | 52,852,659   |

**TABLE 9**  
**CITY OF CENTENNIAL, COLORADO**  
**PRINCIPAL PROPERTY TAXPAYERS**

**2013 and 2022**

**(Unaudited)**

| <b><u>Taxpayer</u></b>                | <b>2013</b>                          |                       |   |
|---------------------------------------|--------------------------------------|-----------------------|---|
|                                       | <b><u>Taxable Assessed Value</u></b> | <b><u>Ranking</u></b> | <b><u>Percentage of Total City Assessed Value</u></b> |
| GK Peakview Tower, LLC                | \$ 14,210,000                        | 1                     | 0.860%  |
| IKEA Property, Inc                    | 11,901,310                           | 2                     | 0.720%  |
| Legacy III Centennial, LLC            | 11,890,000                           | 3                     | 0.720%  |
| GS Centennial, LLC                    | 10,355,320                           | 4                     | 0.627%  |
| Cole of Centennial CO, LLC            | 8,120,000                            | 5                     | 0.491%  |
| OFI Global Asset Management           | 7,830,000                            | 6                     | 0.474%  |
| Southglenn Property Holdings, LLC     | 7,401,380                            | 7                     | 0.448%  |
| Southglenn Property Holdings, LLC     | 6,786,000                            | 8                     | 0.411%  |
| National Digital Television           | 5,800,000                            | 9                     | 0.351%  |
| California State Teacher's Retirement | 5,365,001                            | 10                    | 0.325%  |
| Total                                 | <u>\$ 89,659,011</u>                 |                       | <u>5.426%</u>   |
| <b><u>Taxpayer</u></b>                | <b>2022</b>                          |                       |   |
|                                       | <b><u>Taxable Assessed Value</u></b> | <b><u>Ranking</u></b> | <b><u>Percentage of Total City Assessed Value</u></b> |
| Drawbridge Panaorama LLC              | \$ 22,330,000                        | 1                     | 0.841%  |
| CEGM Centennial LLC                   | 19,115,930                           | 2                     | 0.720%  |
| Cascades Owner LLC                    | 17,347,800                           | 3                     | 0.653%  |
| LPG Geddes LLC                        | 16,547,980                           | 4                     | 0.623%  |
| Peakview Tower Owner LLC              | 15,471,210                           | 5                     | 0.583%  |
| Ikea Property Inc                     | 14,935,000                           | 6                     | 0.563%  |
| GS Centennial LLC                     | 13,711,200                           | 7                     | 0.516%  |
| HCA-HealthOne LLC                     | 11,405,042                           | 8                     | 0.430%  |
| KCP NNN II Fee Owner 3 LLC            | 9,937,430                            | 9                     | 0.374%  |
| Tucson Office LLC                     | 9,642,790                            | 10                    | 0.363%  |
| Total                                 | <u>\$ 150,444,382</u>                |                       | <u>5.667%</u>   |

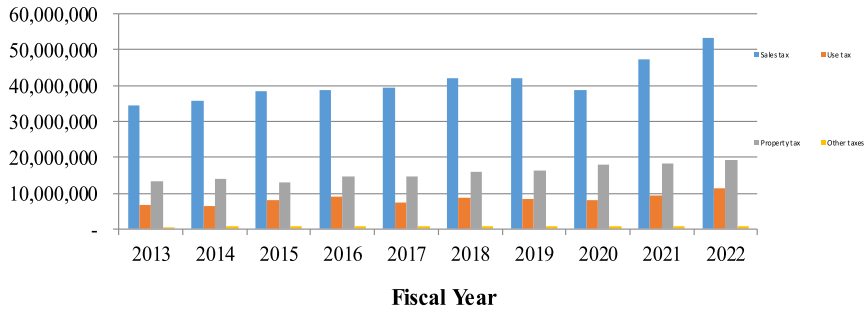
**TABLE 10  
CITY OF CENTENNIAL, COLORADO  
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

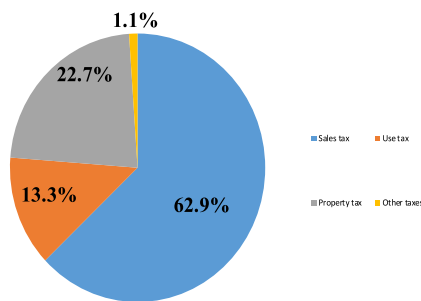
**(Unaudited)**

| <b>Fiscal year</b> | <b>Sales tax</b> | <b>Use tax</b> | <b>Property tax</b> | <b>Other taxes</b> | <b>Total</b> |
|--------------------|------------------|----------------|---------------------|--------------------|--------------|
| 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               | 41,940,230       | 8,315,421      | 16,365,571          | 904,827            | 67,526,049   |
| 2020               | 38,740,407       | 8,162,214      | 18,017,770          | 923,249            | 65,843,640   |
| 2021               | 47,184,112       | 9,497,394      | 18,120,333          | 928,454            | 75,730,293   |
| 2022               | 53,436,560       | 11,341,196     | 19,307,243          | 903,756            | 84,988,755   |

**Tax Revenues By Source**



**2022 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)**

| <b>Outstanding debt by type</b>                        | <b>2013</b>        | <b>2014</b>        | <b>2015</b>        | <b>2016</b>        |
|--|--------------------|--------------------|--------------------|--------------------|
| Governmental activities                                |                    |                    |                    |                    |
| General obligation bonds                               | \$2,660,000        | \$2,590,000        | \$2,515,000        | \$2,380,000        |
| Notes from direct borrowings and direct placement      |                    |                    |                    |                    |
| Bond premiums  |                    |                    |                    |                    |
| Total Primary Government<br>outstanding debt           | <u>\$2,660,000</u> | <u>\$2,590,000</u> | <u>\$2,515,000</u> | <u>\$2,380,000</u> |
| Percentage of personal income <sup>1</sup>             | 0.1%               | 0.0%               | 0.0%               | 0.00%              |
| Per capita <sup>1</sup>                                | \$26               | \$24               | \$23               | \$22               |
| <b>Outstanding general bonded debt</b>                 |                    |                    |                    |                    |
| General obligation bonds                               | <u>\$2,660,000</u> | <u>\$2,590,000</u> | <u>\$2,515,000</u> | <u>\$2,380,000</u> |
| Percentage of personal income <sup>1</sup>             | 0.1%               | 0.1%               | 0.0%               | 0.00%              |
| Per capita <sup>1</sup>                                | \$26               | \$24               | \$23               | \$22               |
| <b>Legal debt margin</b>                               |                    |                    |                    |                    |
| Debt limit   | \$-                | \$-                | \$-                | \$-                |
| Total net debt applicable to limit                     | <u>-</u>           | <u>-</u>           | <u>-</u>           | <u>-</u>           |
| Legal debt margin                                      | <u>\$-</u>         | <u>\$-</u>         | <u>\$-</u>         | <u>\$-</u>         |
| Legal debt margin as a percentage<br>of the debt limit | 0.0%               | 0.0%               | 0.0%               | 0.00%              |

<sup>1</sup> 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

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.

| <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$2,290,000 | \$2,195,000 | \$2,100,000 | \$6,340,000 | \$6,200,000 | \$6,025,000 |
|             |             |             | 1,955,000   | 1,870,000   | 1,780,000   |
| 123,196     | 116,352     | 109,507     | 937,200     | 902,539     | 867,875     |
| \$2,413,196 | \$2,311,352 | \$2,209,507 | \$9,232,200 | \$8,972,539 | \$8,672,875 |
| 0.10%       | 0.00%       | 0.00%       | 0.10%       | 0.10%       | 0.10%       |
| \$22        | \$21        | \$20        | \$83        | \$83        | \$81        |
| \$2,413,196 | \$2,311,352 | \$2,209,507 | \$9,232,200 | \$8,972,539 | \$8,672,875 |
| 0.10%       | 0.00%       | 0.00%       | 0.10%       | 0.10%       | 0.10%       |
| \$22        | \$21        | \$20        | \$83        | \$83        | \$81        |
| \$-         | \$-         | \$-         | \$-         | \$-         | \$-         |
| -           | -           | -           | -           | -           | -           |
| \$-         | \$-         | \$-         | \$-         | \$-         | \$-         |
| 0.00%       | 0.00%       | 0.00%       | 0.00%       | 0.00%       | 0.00%       |

**TABLE 12  
CITY OF CENTENNIAL, COLORADO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

**AS OF DECEMBER 31, 2022**

**(Unaudited)**

| <b>Governmental Unit</b>                    | <b>General<br/>Obligation<br/>Debt<br/>Outstanding</b> | <b>Estimated<br/>Percentage<br/>Applicable<sup>1</sup></b> | <b>Estimated<br/>Share of<br/>Overlapping<br/>Debt</b> |
|---|--|--|--|
| Arapahoe Park & Recreation District         | \$ -   | 35.86%   | -  |
| Arapahoe Water and Wastewater Authority     | 93,500,000   | 46.56%   | 43,533,600   |
| Cherry Creek School District No. 5          | 607,430,000  | 17.82%   | 108,244,026  |
| Dove Valley Metropolitan District           | 36,405,000   | 48.28%   | 17,576,334   |
| East Smoky Hill Metropolitan District 1     | 2,680,000  | 26.69%   | 715,292  |
| East Smoky Hill Metropolitan District 2     | 3,365,000  | 0.06%  | 2,019  |
| Estancia Metropolitan District              | 4,110,000  | 100.00%  | 4,110,000  |
| Heritage Greens Metropolitan District       | 1,960,000  | 100.00%  | 1,960,000  |
| Littleton Public Schools                    | 382,571,195  | 36.24%   | 138,643,801  |
| Liverpool Metropolitan District             | 1,225,000  | 61.93%   | 758,643  |
| Panorama Metropolitan District              | 955,000  | 100.00%  | 955,000  |
| Parker Jordan Metropolitan District         | -  | 52.05%   | -  |
| Piney Creek Village Metropolitan District   | 4,545,000  | 0.10%  | 4,545  |
| Saddle Rock Metropolitan District           | 5,230,000  | 0.21%  | 10,983   |
| Saddle Rock South Metropolitan District #4  | 10,825,000   | 0.15%  | 16,238   |
| South Suburban Park and Recreation District | 36,485,000   | 46.42%   | 16,936,337   |
| South Metro Fire District                   | -  | 16.85%   | -  |
| Southglenn Metropolitan District            | 60,255,000   | 100.00%  | 60,255,000   |
| Valley Club Pointe Metropolitan District    | 2,250,000  | 100.00%  | 2,250,000  |
| Subtotal Overlapping Debt                   | \$ 1,253,791,195                                       |  | \$ 395,971,817   |
| Foxridge General Improvement District       | 1,780,000  | 100.00%  | 1,780,000  |
| Willow Creek General Improvement District   | 5,008,900  | 100.00%  | 5,008,900  |
| Antelope Water System Improvement District  | 1,883,975  | 100.00%  | 1,883,975  |
| Subtotal Direct Debt                        | \$ 8,672,875   |  | \$ 8,672,875   |
| Total Direct and Overlapping Debt           | <u>\$ 1,262,464,070</u>                                |  | <u>\$ 404,644,692</u>                                  |

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

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)

| <b>Fiscal Year</b> | <b>Population<sup>1</sup></b> | <b>Personal Income</b> | <b>Per Capita Personal Income<sup>2</sup></b> | <b>Median Age<sup>3</sup></b> | <b>High School Graduate or Higher<sup>4</sup></b> | <b>Unemployment Rate<sup>5</sup></b> |
|--------------------|-------------------------------|------------------------|---|-------------------------------|---|--------------------------------------|
| 2013               | 103,743                       | 5,061,620,970          | 48,790  | 40.5                          | 96.60%  | 6.50%                                |
| 2014               | 106,114                       | 5,490,656,702          | 51,743  | 41.1                          | 88.60%  | 4.80%                                |
| 2015               | 107,201                       | 5,632,876,545          | 52,545  | 40.9                          | 92.80%  | 3.60%                                |
| 2016               | 109,726                       | 5,974,800,152          | 54,452  | 42.4                          | 92.80%  | 3.00%                                |
| 2017               | 109,932                       | 4,066,681,149          | 56,642  | 42.4                          | 92.80%  | 2.50%                                |
| 2018               | 110,227                       | 6,750,632,161          | 61,243  | 41.0                          | 93.00%  | 2.90%                                |
| 2019               | 110,882                       | 7,067,729,562          | 63,741  | 41.2                          | 92.50%  | 2.50%                                |
| 2020               | 110,937                       | 7,613,606,310          | 68,630  | 36.9                          | 92.40%  | 7.10%                                |
| 2021               | 108,152                       | 8,032,124,584          | 74,267  | 36.8                          | 92.30%  | 5.50%                                |
| 2022               | 106,966                       | 8,847,157,860          | 82,710  | 36.7                          | 92.10%  | 2.80%                                |

(1) 2013-2022 data was obtained from the US Census Bureau.

(2) Data based upon county-wide (Arapahoe County). 2013-2022 was obtained from Colorado Dept of Labor and Employment, Bureau of Economic Analysis and Arapahoe County.

(3) Data is based upon county-wide (Arapahoe County). Data was obtained from the U.S. Census Bureau. 2013-2022

(4) Data is based upon county-wide (Arapahoe County). 2013 and 2022 data was obtained from the Bureau of Labor Statistics and Colorado Department of Education.

(5) Data is based upon annual rate for regional area Denver-Aurora-Lakewood, CO. 2013 and 2022 data was obtained from the Bureau of Labor Statistics.

**TABLE 14  
CITY OF CENTENNIAL, COLORADO**

**PRINCIPAL EMPLOYERS**

**2022 and 2013**

**(Unaudited)**

| <b><u>Top Ten Employers</u></b>   | <b><u>2022<br/>Rank</u></b>                 | <b><u>Top Ten Employers</u></b>   | <b><u>2013<br/>Rank</u></b>                |
|---|---|---|--|
| Comcast   | 1   | Oppenheimer Management Corporation  | 1  |
| United Healthcare   | 2   | Comcast (formerly Mediaone Group, Inc)  | 2  |
| Arrow Electronics   | 3   | United Launch Alliance  | 3  |
| Centura Health  | 4   | Pearson eCollege  | 4  |
| United Launch Alliance (ULA)  | 5   | Connexions, Inc   | 5  |
| The Travelers Indemnity Company   | 6   | US Foodservice, Inc.  | 6  |
| Sierra Nevada Corp.   | 7   | Saunders Construction   | 7  |
| Ring Central  | 8   | AlloSource  | 8  |
| MasTec Advanced Technologies  | 9   | National CineMedia  | 9  |
| Nordstrom   | 10  | IKEA Centennial   | 10   |
|   |   |   |  |
| <b><u>Employees by NAICS Industries</u></b>   | <b><u>Total<br/>Employees<br/>2022*</u></b> | <b><u>Employees by NAICS Industries</u></b>   | <b><u>Total<br/>Employees<br/>2013</u></b> |
| Finance and Insurance, and Real Estate, and Rental and Leasing                              | 7,075                                       | Finance and Insurance, and Real Estate, and Rental and Leasing                              | 6,292                                      |
| Professional, Scientific, and Management, and Administrative, and Waste Management Services | 15,733                                      | Professional, Scientific, and Management, and Administrative, and Waste Management Services | 8,703                                      |
| Construction  | 6,596                                       | Construction  | 2,548                                      |
| Retail Trade  | 5,597                                       | Retail Trade  | 5,986                                      |
| Educational Services, and Health Care, and Social Assistance                                | 7,078                                       | Educational Services, and Health Care, and Social Assistance                                | 10,979                                     |
| Arts, Entertainment, and Recreation, and Accommodation, and Food Services                   | 5,005                                       | Arts, Entertainment, and Recreation, and Accommodation, and Food Services                   | 3,880                                      |
| Wholesale Trade   | 5,317                                       | Wholesale Trade   | 1,950                                      |
| Information   | 3,458                                       | Information   | 2,385                                      |
| Other Services (except Public Administration)   | 1,532                                       | Other Services (except Public Administration)   | 2,576                                      |
| Public Administration   | 2,137                                       | Public Administration   | 1,612                                      |
| Manufacturing   | 1,586                                       | Manufacturing   | 3,372                                      |
| Transportation and Warehousing, and Utilities   | 1,296                                       | Transportation and Warehousing, and Utilities   | 2,246                                      |
| Agriculture, Forestry, Fishing and Hunting, Mining  | 131   | Agriculture, Forestry, Fishing and Hunting, Mining  | 612  |
| Total   | <u>62,541</u>                               | Total   | <u>53,141</u>                              |

\*Total Employees by NAICS Industry reflects 2021 figures. Updated figures for 2022 will be provided to the City in Q3 2023. The Classification codes are obtained from the North American Industry Classification System. (NAICS).

**TABLE 15**  
**CITY OF CENTENNIAL, COLORADO**

**FULL-TIME EQUIVALENT EMPLOYEES AS OF DECEMBER 31, 2022**

**LAST TEN FISCAL YEARS**

(Unaudited)

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|                          | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General government       | 17.3        | 25.3        | 24.50       | 24.50       | 28.50       | 34.00       | 34.00       | 26.50       | 24.00       | 24.00       |
| Community services       | 4.5         | 3.0         | 9.75        | 9.75        | 9.75        | 4.00        | 4.00        | 4.00        | 3.00        | 3.00        |
| Finance & administration | 15.0        | 17.5        | 19.50       | 19.50       | 18.50       | 17.00       | 17.00       | 31.00       | 32.50       | 34.50       |
| Planning & development   | 8.5         | 5.0         | 3.50        | 3.50        | 3.50        | 9.00        | 9.00        | 7.00        | 23.00       | 23.00       |
| City infrastructure      | 3.0         | 3.5         | 6.00        | 6.00        | 6.00        | 5.00        | 5.00        | 6.50        | 6.50        | 6.50        |
| Total                    | 48.3        | 54.3        | 63.25       | 63.25       | 66.25       | 69.00       | 69.00       | 75.00       | 89.00       | 91.00       |

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

|  | 2013  | 2014  | 2015  | 2016  | 2017   | 2018   | 2019   | 2020   | 2021   | 2022   |
|--|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|
| <b>Recreation <sup>(1)</sup></b>                       |       |       |       |       |        |        |        |        |        |        |
| Acres of developed park                                | 17.12 | 17.12 | 17.12 | 17.12 | 11.00  | 11.00  | 11.00  | 11.00  | 11.00  | 11.00  |
| Acres of open space parks                              | 54.62 | 54.62 | 54.62 | 54.62 | 107.00 | 214.00 | 214.00 | 214.00 | 214.00 | 214.00 |
| Miles of trails  | -     | -     | -     | -     | -      | -      | -      | -      | -      | -      |
| <b>Public Works <sup>(2)</sup></b>                     |       |       |       |       |        |        |        |        |        |        |
| Maintenance facility                                   | 1     | 1     | 1     | 1     | 1      | 1      | 1      | 1      | 1      | 1      |
| Miles of streets                                       | 417   | 428   | 428   | 431   | 431    | 433    | 433    | 433    | 436    | 436    |
| Number of street lights                                | 4,043 | 4,222 | 4,222 | 4,222 | 4,222  | 4,222  | 4,222  | 4,222  | 4,222  | 4,222  |
| Number of fleet vehicles                               | 6     | 6     | 6     | 6     | 7      | 7      | 7      | 8      | 10     | 12     |
| Number of equipment pieces in the fleet <sup>(3)</sup> | NA    | NA    | NA    | NA    | NA     | 2      | 2      | 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 Jacobs (formerly CH2MHill OMI) (beginning July 1, 2009). Therefore, the number of fleet vehicles reported represents only those fleet vehicles belonging to the City, and does not include any equipment pieces in the fleet as these assets are owned by the City's service provider. The number of fleet vehicles reported here are used for all City purposes.

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

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

|  | 2013   | 2014   | 2015   | 2016   |
|--|--------|--------|--------|--------|
| <b>General Government</b>                                |        |        |        |        |
| Administrative Services                                  |        |        |        |        |
| Citations processed                                      | 18,794 | 17,559 | 16,146 | 13,767 |
| Employment applications processed                        | 907    | 1,185  | 1,282  | 549    |
| New hires processed                                      | 13.0   | 17.0   | 20.0   | 14.0   |
| Computer service requests                                | 1,467  | 2,146  | 2,261  | 2,385  |
| Finance  |        |        |        |        |
| Accounts payable checks issued <sup>(1)</sup>            | 2,928  | 3,052  | 3,169  | 2,985  |
| Purchasing card transactions                             | 1,105  | 1,309  | 1,410  | 2,480  |
| Sales/use tax accounts <sup>(2)</sup>                    | 4,033  | 4,254  | 4,460  | 4,585  |
| Tax audits conducted and completed                       | 70     | 64     | 96     | 96     |
| City Management  |        |        |        |        |
| Ordinances and resolutions approved<br>by City Council   | 133    | 121    | 117    | 121    |
| Citizen surveys received                                 | -      | -      | 3      | 3      |
| Community Development                                    |        |        |        |        |
| Building permits issued                                  | 5,582  | 8,649  | 10,787 | 5,813  |
| Building inspections performed                           | 15,859 | 26,894 | 30,476 | 19,687 |
| Code enforcement cases <sup>(3)</sup>                    | 1,011  | 922    | 884    | 958    |
| Public Safety  |        |        |        |        |
| Calls for service  | 45,541 | 48,740 | 49,410 | 55,502 |
| Average response time to Priority 1 calls <sup>(4)</sup> | 4.9    | 4.4    | 4.4    | 3.5    |
| Hours spent on proactive patrol <sup>(5)</sup>           | 1.3    | 4.6    | 4.4    | 4.4    |
| Total arrests  | 2,300  | 2,364  | 2,377  | 2,506  |
| Public Works   |        |        |        |        |
| Vehicles in fleet  | 6      | 6      | 6      | 6      |
| Lane miles receiving snow & ice control <sup>(6)</sup>   | 56,658 | 55,610 | 57,310 | 56,430 |
| Lane miles swept   | 8,929  | 11,122 | 8,645  | 8,710  |

(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 with an active sales tax license.

(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.

| 2017   | 2018   | 2019   | 2020   | 2021   | 2022   |
|--------|--------|--------|--------|--------|--------|
| 11,535 | 9,041  | 6,261  | 5,890  | 5,052  | 5,000  |
| 239    | 492    | 361    | 455    | 365    | 391    |
| 7.0    | 18.0   | 14.0   | 14.0   | 26.0   | 41.0   |
| 1,259  | 1,724  | 1,620  | 1,960  | 2,350  | 2,520  |
| 3,067  | 2,783  | 2,269  | 2,028  | 1,915  | 3,279  |
| 2,724  | 2,760  | 2,807  | 1,423  | 1,572  | 2,092  |
| 4,889  | 5,090  | 5,854  | 6,331  | 6,740  | 7,725  |
| 79     | 72     | 88     | 83     | 44     | 46     |
| 90     | 110    | 103    | 72     | 100    | 107    |
| 3      | 6      | 7      | 7      | 6      | 6      |
| 5,510  | 10,395 | 7,287  | 6,498  | 6,519  | 6,165  |
| 23,300 | 29,390 | 23,099 | 21,059 | 21,372 | 20,855 |
| 1,100  | 1,129  | 1,300  | 1,103  | 1,150  | 1,011  |
| 53,227 | 39,759 | 41,811 | 43,165 | 46,768 | 46,940 |
| 4.0    | 4.2    | 4.0    | 4.0    | 4.0    | 5.1    |
| 4.4    | N/A    | N/A    | N/A    | N/A    | N/A    |
| 2,170  | 1,835  | 1,183  | 973    | 923    | 1,177  |
| 8      | 9      | 9      | 9      | 12     | 12     |
| 37,866 | 45,984 | 84,543 | 79,553 | 47,956 | 74,891 |
| 10,502 | 10,000 | 10,900 | 10,900 | 10,900 | 9,500  |



# Compliance Section



## **CITY OF CENTENNIAL, COLORADO**

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### **COMPLIANCE SECTION OVERVIEW**

#### **SINGLE AUDIT**

A compliance audit in accordance with Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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.



1900 16<sup>th</sup> Street  
Suite 1700  
Denver, CO 80202

T: 303.698.1883  
E: info@rubinbrown.com  
www.RubinBrown.com

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

## **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  
City of 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 City of Centennial, Colorado (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 27, 2023.

### **Report On 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, and therefore, material weaknesses, or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001, that we consider to be a material weakness.

### **Report On 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*.

### **City's Response To Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs and corrective action plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

### **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*

July 27, 2023

## **Independent Auditors' Report On Compliance For The Major Federal Program, Report On Internal Control Over Compliance**

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

### **Report On Compliance The Major Federal Program**

#### ***Opinion On The Major Federal Program***

We have audited City of Centennial, Colorado's (the City) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget's *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2022. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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 its major federal program for the year ended December 31, 2022.

#### ***Basis For Opinion On The Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibility under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities For The Audit Of Compliance section of our report.

We are required to be independent of the City and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

### ***Responsibilities Of Management For Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

### ***Auditors' Responsibilities For The Audit Of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-002. Our opinion on each major federal program is not modified with respect to these matters. *Government Auditing Standards* requires the auditor to perform limited procedures on the City’s response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs and corrective action plan. The City’s response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

### **Report On Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors’ Responsibilities For The Audit Of Compliance section above 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.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a material weakness.

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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

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*

July 27, 2023

**CITY OF CENTENNIAL, COLORADO**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2022**

| Federal Grantor/Pass-Through Grantor/<br>Program Or Cluster Title | Grantor's<br>Identification<br>Number | Federal<br>Assistance Listing<br>Number | Federal<br>Expenditures | Expenditures To<br>Subrecipients |
|---|---------------------------------------|---|-------------------------|----------------------------------|
| <b>U.S. Department Of Housing And Urban Development</b>           |                                       |   |                         |                                  |
| Passed Through Arapahoe County:                                   |                                       |   |                         |                                  |
| Community Development Block Grant                                 | *                                     | 14.218                                  |                         |                                  |
| Subtotal CDBG- Entitlement Grants Cluster                         |                                       |   | \$ 127,258              | —                                |
| <b>Total U.S. Department Of Housing And Urban Development</b>     |                                       |   | <u>127,258</u>          | <u>—</u>                         |
| <b>U.S. Department Of Transportation</b>                          |                                       |   |                         |                                  |
| Passed Through State Department of Transportation:                |                                       |   |                         |                                  |
| Highway Planning and Construction                                 | 18-HA1-XC-00044                       | 20.205                                  |                         |                                  |
| Subtotal Highway Planning and Construction Cluster                |                                       |   | 20,002                  | —                                |
| <b>Total U.S. Department Of Housing And Urban Development</b>     |                                       |   | <u>20,002</u>           | <u>—</u>                         |
| <b>U.S. Department Of Treasury</b>                                |                                       |   |                         |                                  |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds      | *                                     | 21.027                                  | 4,244,773               | —                                |
| <b>Total U.S Department Of Treasury</b>                           |                                       |   | <u>4,244,773</u>        | <u>—</u>                         |
| <b>Total Expenditures Of Federal Awards</b>                       |                                       |   | <u>\$ 4,392,033</u>     | <u>—</u>                         |

\*Unavailable

# CITY OF CENTENNIAL, COLORADO

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## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2022

### 1. Organization

The accompanying schedule of expenditures of federal awards presents the activity of all federal award programs of City of Centennial, Colorado (the City), for the year ended December 31, 2022. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on the schedule.

### 2. Basis Of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the modified accrual basis of accounting. The information in the accompanying schedule is presented in accordance with the 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). Therefore, some amounts presented in the schedule may differ from the amounts presented in, or used in, the preparation of the basic financial statements.

### 3. Indirect Costs

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**

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For The Year Ended December 31, 2022**

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**Section I - Summary Of Auditors' Results**

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**Financial Statements**

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

Unmodified

Internal control over financial reporting:

|   |   |   |
|---|---|---|
| Material weakness(es) identified?                     | <input checked="" type="checkbox"/> yes | <input type="checkbox"/> no                       |
| Significant deficiency(ies) identified?               | <input type="checkbox"/> yes            | <input checked="" type="checkbox"/> none reported |
| Noncompliance material to financial statements noted? | <input type="checkbox"/> yes            | <input checked="" type="checkbox"/> no            |

**Federal Awards**

Internal control over the major federal program:

|   |   |   |
|---|---|---|
| Material weakness(es) identified?       | <input checked="" type="checkbox"/> yes | <input type="checkbox"/> no                       |
| Significant deficiency(ies) identified? | <input type="checkbox"/> yes            | <input checked="" type="checkbox"/> none reported |

Type of auditors' report issued on compliance for the major federal program:

Unmodified

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

|   |                             |
|---|-----------------------------|
| <input checked="" type="checkbox"/> yes | <input type="checkbox"/> no |
|---|-----------------------------|

Identification of the major federal program:

**AL No.**

**Name Of Federal Program Or Cluster**

---

21.027

COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

|                              |  |
|------------------------------|--|
| <input type="checkbox"/> yes | <input checked="" type="checkbox"/> no |
|------------------------------|--|

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**CITY OF CENTENNIAL, COLORADO**

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)  
For The Year Ended December 31, 2022**

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**Section II - Financial Statement Findings**

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**Finding 2022-001 Material Weakness, Internal Control Over Financial Reporting**

***Criteria Or Specific Requirement:*** 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.

***Condition/Context:*** During the course of the audit, we noted various adjustments, accruals and deferrals not recorded during the year-end closing process, including omitted capitalization of capital expenditures.

***Cause:*** The City did not have sufficient and consistent finance/accounting department staffing in place throughout the year. The City's accounting software did not function correctly to capture all capital expenditures for capitalization and depreciation of completed construction in progress.

***Effect:*** Certain account balances required revision or corrections during the audit process.

***Identification As A Repeat Finding:*** 2021-001

***Recommendation:*** The City should continue to evaluate the sufficiency of finance/accounting department staffing and accounting software functionality and assign duties including preparation and review of the related information.

***Views Of Responsible Officials And Planned Corrective Action:*** The City agrees with the finding and has put together a correction action plan for the finding. See corrective action plan included in this report.

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**CITY OF CENTENNIAL, COLORADO**

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)**  
**For The Year Ended December 31, 2022**

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**Section III - Federal Award Findings And Questioned Costs**

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**Finding 2022-002**

**Reporting**

**Material Weakness, Internal Control Over Compliance and Compliance**

***ALN 21.027: COVID-19 Coronavirus State and Local Fiscal Recovery Funds***

***Federal Agency:*** U.S. Department Of Treasury

***Pass-Through Entity:*** N/A

***Criteria Or Specific Requirement:*** The Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) provide direct payments to states, U.S. territories, tribal governments, metropolitan cities, counties and nonentitlement units of local government may be utilized to provide government services, to the extent COVID-19 caused a reduction in revenues collected in the most recent full fiscal year, incurred between March 3, 2021 and December 31, 2024.

***Condition/Context:*** In our audit, we noted the City inaccurately reported a certain element of the Performance and Expenditure report.

***Cause:*** The City did not have sufficient internal controls in place to ensure that accounting staff were appropriately trained on federal grant requirements related to reporting of CSLFRF expenditures.

***Effect:*** Without adequate controls over federal expenditures reporting, the City may not detect an error in reporting requirements.

***Questioned Costs:*** N/A

***Identification As A Repeat Finding:*** N/A

***Recommendation:*** We recommend the City improve its internal controls by ensuring the personnel responsible are appropriately trained on federal grant requirements.

***Views Of Responsible Officials And Planned Corrective Action:*** The City agrees with the finding and has put together a correction action plan for the finding. See corrective action plan included in this report.



## CORRECTIVE ACTION PLAN

### For the Year Ended December 31, 2022

#### **Finding 2022-001**

#### **Material Weakness, Internal Control Over Financial Reporting**

**Personnel Responsible for Corrective Action:** Jeff Cadiz, Finance Director

**Anticipated Completion Date:** August 1, 2023

#### **Corrective Action Plan:**

The City agrees with the auditor's recommendation to evaluate the sufficiency of finance/accounting department staffing and accounting software functionality. Management understands the importance of having sufficient and consistent finance and accounting staff throughout the year. The City has recently hired qualified staff, ensures staff are properly trained, and has assigned duties including preparation and review of related accounting information. Additionally, the City has implemented a schedule ensuring accounting functions (including account reconciliations, capital asset record keeping, general journal entries and preparation of financial statements) are performed monthly. To ensure the accounting software is functioning correctly to capture all capital expenditures for capitalization and depreciation, finance staff will work with IT staff and the software provider to identify the issue in the system. If a solution to software functionality cannot be found, the City will manually review all expenditure activity to ensure all capital expenditures are captured and properly capitalized and depreciated.



**Finding 2022-002**

**Material Weakness, Internal Control Over Compliance and Compliance, Reporting**

**Personnel Responsible for Corrective Action:** Jeff Cadiz, Finance Director

**Anticipated Completion Date:** January 1, 2023

**Corrective Action Plan:**

The City agrees with the auditor's recommendation to improve its internal controls by ensuring personnel responsible are appropriately trained in federal grant requirements. Additionally, The City has implemented a process that ensures federal expenditure accounting and reporting is reviewed and approved by a second individual to ensure errors are detected and corrected prior to reporting.



## **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**For the Year Ended December 31, 2022**

### **Finding 2021-001**

#### **Material Weakness, Internal Control Over Financial Reporting**

##### ***Summary of Prior Audit Finding:***

The City experienced significant turnover in several key finance/accounting department roles in addition to some extended absences due to personal matters of a key roles. This created challenges, delays and inconsistency for the City in completing several accounting functions, including account reconciliations, capital asset recordkeeping and accruals.

**Initial Reporting Year:** 2021

**Status:** See 2022-001

### **Finding 2021-002**

#### **Material Weakness, Internal Control Over Compliance, Period of Performance**

##### ***Summary of Prior Audit Finding:***

The City did not correctly utilize CSLFRF for expenditures. Specifically, the City utilized funding for expenditures incurred from the period of January 1, 2021 through February 28, 2021 resulting in an overstatement of federal expenditures of \$4,244,773. After being notified of the error, the City corrected its financial records to utilize \$4,244,773 of eligible expenditures as alternate expenditures.

**Initial Reporting Year:** 2021

**Status:** Correction Action Taken

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

|                                     |                               |
|-------------------------------------|-------------------------------|
| <b>LOCAL HIGHWAY FINANCE REPORT</b> | STATE:<br>Colorado            |
|                                     | YEAR ENDING (mm/yy):<br>12/22 |

|   |   |
|---|---|
| This Information From The Records Of:<br>City of Centennial | Prepared By: Sarah Slaga<br>Phone: 303-754-3448 |
|---|---|

**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     |
|---|-------------|---|------------|
| <b>A. Receipts from local sources:</b>                      |             | <b>A. Local highway disbursements:</b>            |            |
| 1. Local highway-user taxes                                 |             | 1. Capital outlay (from page 2)                   | 10,482,176 |
| a. Motor Fuel (from Item I.A.5.)                            |             | 2. Maintenance:                                   | 9,063,060  |
| b. Motor Vehicle (from Item I.B.5.)                         |             | 3. Road and street services:                      |            |
| c. Total (a.+b.)  |             | a. Traffic control operations                     | 1,260,965  |
| 2. General fund appropriations                              | (8,936,777) | b. Snow and ice removal                           | 248,583    |
| 3. Other local imposts (from page 2)                        | 11,381,834  | c. Other  | 941,689    |
| 4. Miscellaneous local receipts (from page 2)               | (1,921)     | d. Total (a. through c.)                          | 2,451,237  |
| 5. Transfers from toll facilities                           |             | 4. General administration & miscellaneous:        | 1,522,617  |
| 6. Proceeds of sale of bonds and notes:                     |             | 5. Highway law enforcement and safety             | 1,675,326  |
| a. Bonds - Original Issues                                  |             | 6. Total (1 through 5)                            | 25,194,416 |
| b. Bonds - Refunding Issues                                 |             | <b>B. Debt service on local obligations:</b>      |            |
| c. Notes  |             | 1. Bonds:   |            |
| d. Total (a. + b. + c.)                                     | 0           | a. Interest                                       |            |
| 7. Total (1 through 6)                                      | 2,443,136   | b. Redemption                                     |            |
| <b>B. Private Contributions</b>                             |             | c. Total (a. + b.)                                | 0          |
| <b>C. Receipts from State government</b><br>(from page 2)   | 4,426,290   | 2. Notes:   |            |
| <b>D. Receipts from Federal Government</b><br>(from page 2) | 451,437     | a. Interest                                       |            |
| <b>E. Total receipts (A.7 + B + C + D)</b>                  | 7,320,863   | b. Redemption                                     |            |
|   |             | c. Total (a. + b.)                                | 0          |
|   |             | 3. Total (1.c + 2.c)                              | 0          |
|   |             | <b>C. Payments to State for highways</b>          |            |
|   |             | <b>D. Payments to toll facilities</b>             |            |
|   |             | <b>E. Total disbursements (A.6 + B.3 + C + D)</b> | 25,194,416 |

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

|                              | Opening Debt | Amount Issued | Redemptions | Closing Debt |
|------------------------------|--------------|---------------|-------------|--------------|
| <b>A. Bonds (Total)</b>      |              |               |             | 0            |
| 1. Bonds (Refunding Portion) |              |               |             |              |
| <b>B. Notes (Total)</b>      |              |               |             | 0            |

**V. LOCAL ROAD AND STREET FUND BALANCE**

|  | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|--|----------------------|-------------------|------------------------|-------------------|-------------------|
|  |                      | 7,320,863         | 25,194,416             |                   | (17,873,554)      |

Notes and Comments:

**LOCAL HIGHWAY FINANCE REPORT**

STATE:  
Colorado  
YEAR ENDING (mm/yy):  
12/22

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

| ITEM                              | AMOUNT                    | ITEM                                      | AMOUNT                    |
|-----------------------------------|---------------------------|---|---------------------------|
| <b>A.3. Other local imposts:</b>  |                           | <b>A.4. Miscellaneous local receipts:</b> |                           |
| 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   | 486,285                   | d. Parking Meter Fees                     |                           |
| 3. Liens                          |                           | e. Sale of Surplus Property               |                           |
| 4. Licenses                       |                           | f. Charges for Services                   |                           |
| 5. Specific Ownership &/or Other  | 8,095,549                 | g. Other Misc. Receipts                   |                           |
| 6. Total (1. through 5.)          | 11,381,834                | h. Other                                  | (1,921)                   |
| c. Total (a. + b.)                | 11,381,834                | i. Total (a. through h.)                  | (1,921)                   |
|                                   | (Carry forward to page 1) |   | (Carry forward to page 1) |

| ITEM                                     | AMOUNT    | ITEM                                       | AMOUNT                    |
|--|-----------|--|---------------------------|
| <b>C. Receipts from State Government</b> |           | <b>D. Receipts from Federal Government</b> |                           |
| 1. Highway-user taxes                    | 4,077,351 | 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           | 348,939   | d. Federal Transit Admin                   |                           |
| d. Other (Specify) - DOLA Grant          |           | e. U.S. Corps of Engineers                 |                           |
| e. Other (Specify)                       |           | f. Other Federal                           | 451,437                   |
| f. Total (a. through e.)                 | 348,939   | g. Total (a. through f.)                   | 451,437                   |
| 4. Total (1. + 2. + 3.f)                 | 4,426,290 | 3. Total (1. + 2.g)                        |                           |
|  |           |  | (Carry forward to page 1) |

**III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL**

|   | ON NATIONAL<br>HIGHWAY<br>SYSTEM<br>(a) | OFF NATIONAL<br>HIGHWAY<br>SYSTEM<br>(b) | TOTAL<br>(c)              |
|---|---|--|---------------------------|
| <b>A.1. Capital outlay:</b>                         |   |  |                           |
| a. Right-Of-Way Costs                               |   |  | 0                         |
| b. Engineering Costs                                | 0                                       | 1,820,045                                | 1,820,045                 |
| c. Construction:                                    |   |  |                           |
| (1). New Facilities                                 |   |  | 0                         |
| (2). Capacity Improvements                          | 0                                       | 7,838,965                                | 7,838,965                 |
| (3). System Preservator                             | 0                                       | 564,329                                  | 564,329                   |
| (4). System Enhancement & Operator                  | 0                                       | 258,836                                  | 258,836                   |
| (5). Total Construction (1) + (2) + (3) + (4)       | 0                                       | 8,662,131                                | 8,662,131                 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5) | 0                                       | 10,482,176                               | 10,482,176                |
|   |   |  | (Carry forward to page 1) |

Notes and Comments:



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**City of Centennial**  
13133 E. Arapahoe Road , Centennial, Colorado 80112