



# **QUARTERLY FINANCIAL REPORT**

**2<sup>nd</sup> QUARTER 2016**

# 2<sup>nd</sup> QUARTER 2016 HIGHLIGHTS

## GENERAL GOVERNMENT

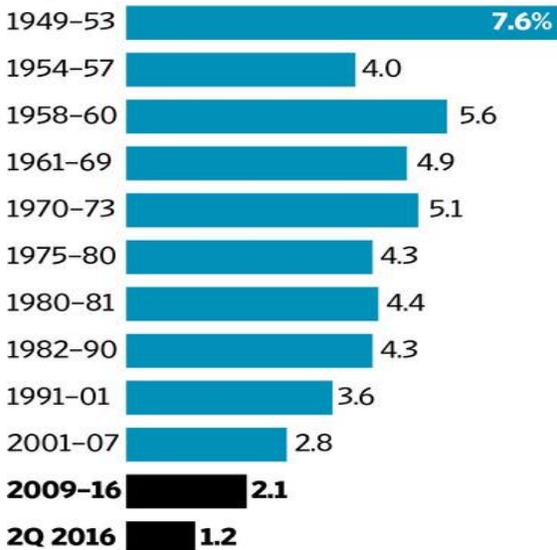
### Overview:

#### Nationally.

- U.S. gross domestic product, the broadest measure of goods and services produced across the U.S., grew a disappointing 1.2% in the 2<sup>nd</sup> quarter, well below the pace economists expected. Declining business investment is hobbling an already sluggish U.S. expansion, raising concerns about the economy's durability. Economic growth is now tracking at a 1% rate in 2016—the weakest start to a year since 2011—when combined with a downwardly revised reading for the first quarter. That makes for an annual average rate of 2.1% growth since the end of the recession, the weakest pace of any expansion since at least 1949.

### Underwhelming Growth

**Average GDP growth during each expansion, at an annualized rate**



Note: Figures are adjusted for inflation and seasonality  
Source: Commerce Department

**Notable contributions to Q2 growth**

CONSUMER SPENDING  
**+2.83 pct. pts.**

NET TRADE  
**+0.23 pct. pts.**

GOVERNMENT SPENDING  
**-0.16 pct. pts.**

RESIDENTIAL INVESTMENT  
**-0.24 pct. pts.**

BUSINESS INVESTMENT  
**-0.28 pct. pts.**

CHG. IN PRIVATE INVENTORIES  
**-1.16 pct. pts.**

THE WALL STREET JOURNAL.

- General US economy information:
  - 4.9% unemployment rate –generally considered a full employment rate. However, labor force participation rate at lowest level since 1970s – inference is that folks have stopped looking for work
  - Economy is in the midst of one of the longest growth spurts ever. Problem is that growth has not been stealer.
  - 14.8 million jobs added since Feb 2010 low point. Job growth has slowed somewhat in 2016. Also of the 10 fastest growing jobs in the country, 50% of them pay under \$25k a year.
  - Income growth for very top earners has been good. However for middle income/working class there has be NO wage growth for the past 20 years (adjusted for inflation)
  - Gas is relatively cheap. Result is more money in American’s pockets. Low gas prices negatively affect some states (North Dakota, Texas, Colorado to some degree)
  - Debt to GDP ratio at 75%, above the high 30% ratio before the great recession. This ratio has been leveling out in the past couple years. Nowhere close to Greece and Japan at 200%
  - Home prices have finally recovered to pre-recession levels.
  - Home mortgages at historic low levels (for those who can get them – tighter controls following great recession)

**Regionally/Locally.**

Home Prices - Denver continues to see strong year-over-year gains in home resale prices while the national trend is somewhat weaker. That's according to the latest monthly S&P/Case-Shiller Home Prices Indices report. Prices in the Denver area rose 9.5 percent in May from a year earlier, the same year-over-year gain as in April. Meanwhile, the average year-over-year gain for the 20 cities that the Case-Shiller report series tracks was 5.2 percent, and the national increase was 5 percent.

Employment - Colorado’s unemployment rate jumped to 3.7% in June, but the state’s economy continues to grow as employers added 5,000 non-farm payroll jobs from May to June. The June jobless rate was up 0.4% from May. That makes it the third consecutive month to see an uptick in the unemployment rate, but Colorado still comes in well below the national rate, which stood at 4.9% in June, and the state's June rate is slightly lower than it was one year ago, according to the Colorado Department of Labor and Employment. The increase in labor force combined with the decrease in total employment caused the number of unemployed to increase 9,000 and the unemployment rate to increase to 3.7 percent.

### unemployment rate

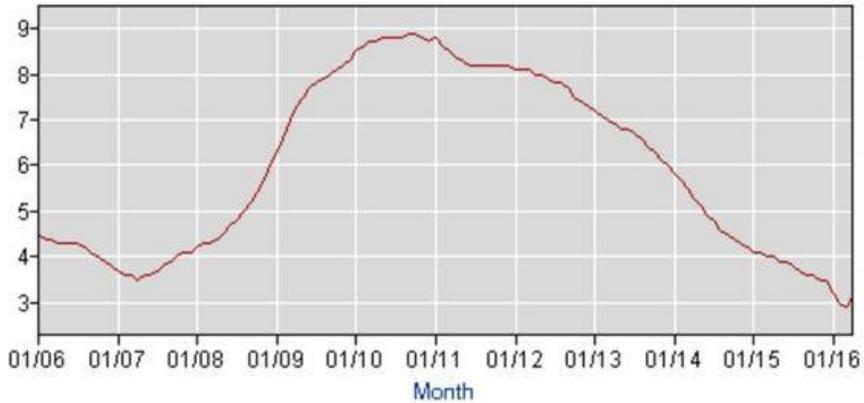
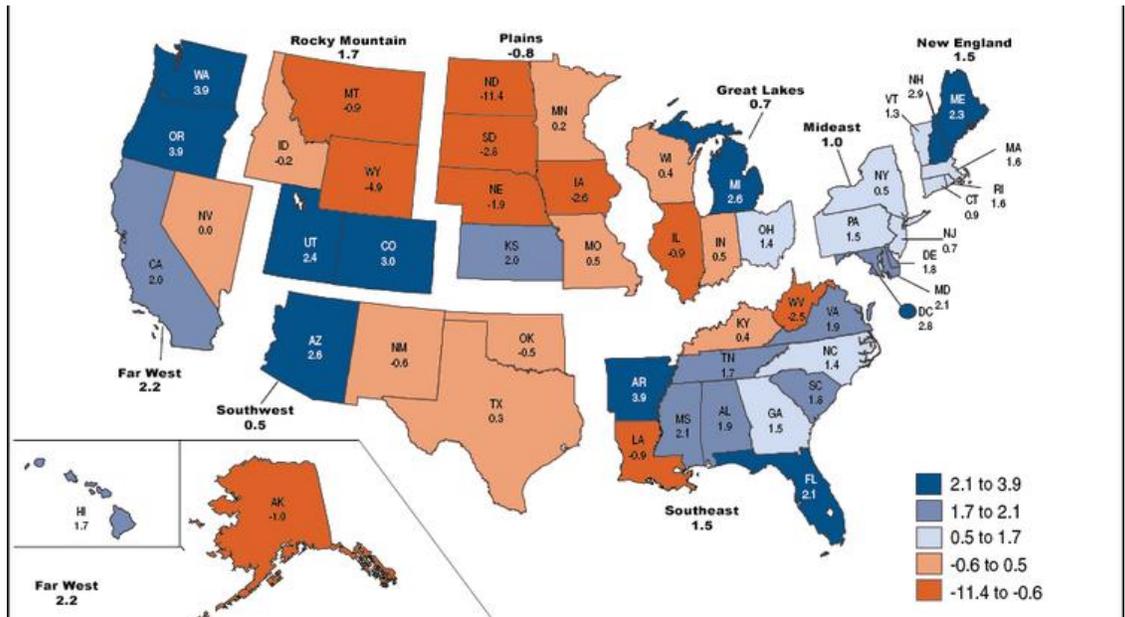


Chart shows changes in Colorado's unemployment rate since January 2006.  
U.S. BUREAU OF LABOR STATISTICS

*Growth* - Colorado's GDP growth among the highest in the nation. Colorado's gross domestic product, the value of the goods and services produced by the state's economy, increased by 3 percent in the first quarter of 2016 from the previous quarter. That puts Colorado's growth as fourth fastest in the nation.

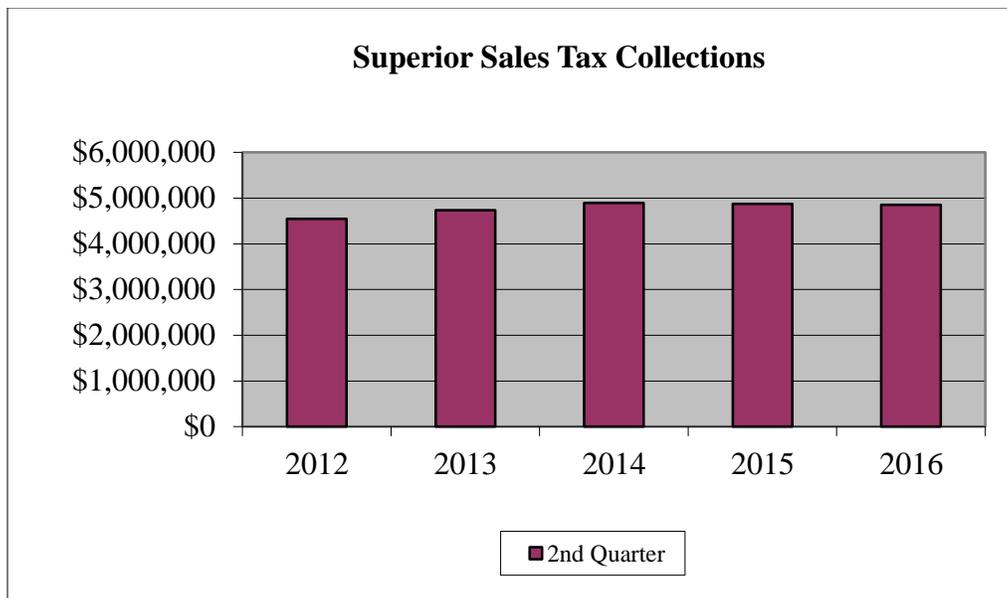


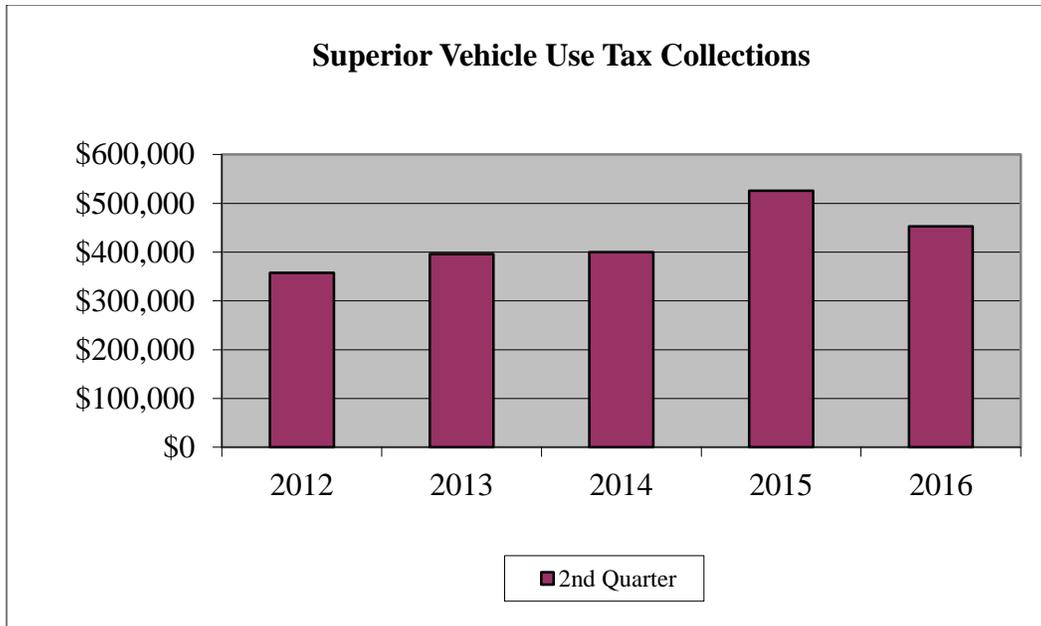
But while growing, the state's GDP growth rate is slowing, as projected by Colorado economists.

*State Revenue Projections* - From the State of Colorado economist, despite continued solid economic growth in Colorado, several factors combined to limit revenue growth this fiscal year. These factors include the large drop in spending and income due to the downturn in the oil and gas sector, weaker stock market gains, and the sluggish global economic activity and strong appreciation in the dollar, which reduced corporate profits. There should be less downward pressure on General Fund revenue in FY 2016–2017, when projections show revenue growth of 6.0 percent. Continued increases in overall economic activity across most sectors will support this revenue growth.

**General Operations:**

- Revenue. 2016 2<sup>nd</sup> quarter General Fund revenues are generally at budget expectations, or in case of vehicle use tax above expectations (2015 vehicle use tax receipts were very strong – 37% above the historic average). The graphs below summarize some of Superior’s larger sales/use tax receipts:





- Expenditures. 2<sup>nd</sup> quarter 2016 General Fund expenditures are generally at or below budget expectations. Departments overspent for the year include:
  - Public Safety – Dispatch Services payment made in full for the year
  - Library – All expenses for the year have been incurred, in the form of an annual payment to the City of Louisville.

### **Government Capital:**

- **Capital Improvement Program:**

Project	Additional Description	Budget	Final Cost	Status
Rock Creek Parkway bridge rail and deck painting		40,000		Planning/Design
Rock Creek Parkway Pedestrian Crossing Beacons	Install rectangular rapid flashing beacons at the pedestrian crosswalks on Rock Creek Parkway at the Pitkin, Coal Creek Drive, and Coal Ridge Drive intersections as well as a new mid-block crossing south of Horizons. 2015 Carryover project	15,000	-	Complete except for new mid-block crossing at Horizons which will be included in a future project
Street Replacement Program	Repair/Reconstruct various streets	1,280,000		Rock Creek Circle reconstruction underway with completion scheduled for late summer

88th Street and Shamrock pedestrian crossing	Install rectangular rapid flashing beacons at the pedestrian crosswalk on 88th Street at Shamrock.	15,000	-	Complete
McCaslin Slope Stability Project	Improvements to the stability of the slopes of McCaslin near the Indiana Street intersection. 2015 carryover project	50,000	-	Planning/Design
Vehicle Purchase	Replacement vehicle for Parks and PW. Purchase of jack hammer attachment for the skid steer	122,000		In progress
Pool Repairs/Impv	Replace pumps, boilers, filters, piping and valves at North Pool; paint both pool buildings and replace gates; North Pool fence work; South Pool picnic table replace, recaulk deck, level broken concrete	190,000	165,580	Complete: Replace pumps, boilers, filters, piping and valves at North Pool Additional: In progress
Tennis Court Improvements	Replace fencing and windscreens	5,000	-	Project pushed to 2017. Funding needed for Williams turf field replacement
Tree, Plant and Shrub Enhancements	Preserve, upgrade, maintain and replace material as needed Town wide	44,000		In progress
Purple Park Pavilion	New 30' x 30' structure	100,000		In progress
STC Parcel 1 & 2 Park Design		200,000		In progress
Park Furniture Replacement	Town's original wood park furniture is decaying and requires replacement. Four year project, begun in 2014	22,500	-	Project pushed to 2017. Funding needed for Williams turf field replacement
Historical Museum and Grasso Park Building Improvements	Adjust and/or replace Grasso/Museum windows and door frames; replaster and paint exterior of Museum; sand and repaint back Museum deck	5,000		Planning
School Parcel Improvements	Construction of a new park at school parcel, Torreys Peak and Indiana Street.	2,944,000		Construction started March

Williams Turf Field Replacement	Full replacement of synthetic turf filed surfacing and new crumb rubber foundation. Bid at \$275,000. Budgets from tennis court Impv and park furniture replacement to coverage overage	250,000	283,575	Complete
Historic Fire Truck Restoration	Restore the 1942 historic fire truck to include new windows, lights, interior upholstery, exterior paint	25,000	31,249	Complete
Environmental "Green" Enhancements	Possible projects such as: LED light conversion, HVAC upgrades, solar conversions.	5,000		Planning
Server Replacement	Replacement of email server	15,000		Tentatively planning for Labor Day weekend
AV Equipment/Board Room Enhancements	Final touch up work. 2015 carryover project		2,493	Complete
Security Enhancements	Installation of one-final security camera. 2015 carryover project		5,640	Complete
Town Hall Expansion	Addition to Town Hall to house all staff (PROS admin, PW/U admin, BOCO Sheriff, Building Inspection, Chamber. Enhances efficiencies and service deliveries to citizens and customers.	2,860,000		Architect contract approved by Board. A number of meetings held to date. Next scheduled meeting is a facilitated Open House/community discussion the end of August.
Bungalow Roof Replacement	Replace aging shake/wood roof with composite shake shingles.	20,000		Project out to bid. Estimated completion by end of summer.
Wayfinding Signage	Implementation of a uniquely-branded wayfinding and signage system to be along the US 36 bikeway and other areas in Town.	10,000		Planning

- **Conservation Trust:**

<b>Project</b>	<b>Additional Description</b>	<b>Budget</b>	<b>Final Cost</b>	<b>Status</b>
Park Projects	Various park improvement projects throughout Superior	35,000		Waiting for PROSTAC recommendation
School Parcel Improvements	Construction of a new park at school parcel, Torreys Peak and Indiana Street.	85,000		Construction started March

### **Class 1 Landscape:**

- Revenue. In line with budget expectations. Revenue is generated from a monthly landscape fee (\$30 for single family detached home, \$25 for condominium/duplex, \$20 for apartment – generally the same fee structure (no increases) as when the Town assumed this responsibility in 2004) for enhanced landscaping throughout Town.
- Operating Expenditures. At budget expectations.
- Capital Expenditures.

<b>Project</b>	<b>Additional Description</b>	<b>Budget</b>	<b>Final Cost</b>	<b>Status</b>
Tree, Plant and Shrub Enhancements	Preserve, upgrade, maintain and replace material as needed Town wide	75,000		In progress

### **Open Space:**

- Revenue. At budget expectations. Revenue is generated from an on-going 0.3% dedicated open space sales/use tax approved by Town voters in 2001. In addition to on-going revenues, the Town issued \$6,675,000 in debt in 2006 for additional open space purchases. Approximately \$800,000 of these bond proceeds are unspent at this time.
- Operating Expenditures. At budget expectations.
- Capital Expenditures.

<b>Project</b>	<b>Additional Description</b>	<b>Budget</b>	<b>Final Cost</b>	<b>Status</b>
Trail Improvements	Various trail improvement projects throughout Superior	200,000	-	Design underway

**Open Space Debt Service:**

Revenues and expenses in line with budget expectations. Debt was issued in 2006 for open space purchases. This debt was refunded in April, 2015, which will result in materially lower annual debt service payments (from roughly \$525k to \$395k) beginning partially in 2016 and then fully in 2017. The debt service is supported by an on-going 0.3% dedicated sales/use tax approved by Town voters in 2001. Debt service payments are scheduled for June and December annually with final maturity in 2026.

**Trash and Recycling:**

- Revenue. In line with expectations. Revenue is generated from a monthly trash and recycling fee for residential accounts in Original Town, Sagamore, Coal Creek Crossing, Calmante and The Ridge. The Town began this service in 2008. The Town bills customers in arrears for this service. For 2016, this fee is \$9.65/month (the same fee since 2012).
- Expenditures. In line with budget expectations. The exclusive expense for this operation is the billing from our trash and recycling provider, Waste Connections.

**SUPERIOR URBAN RENEWAL AUTHORITY -  
MARKETPLACE**

All undesignated Superior Marketplace sales tax revenues are recognized in this fund. Revenue includes 78% of the 3.46% sales tax paid by shoppers in the Superior Marketplace. The remaining 22% is paid directly to the Town’s Capital Improvement Program (8.7%), Open Space Fund (8.7%) and Superior/McCaslin Interchange Metropolitan District (SMID) (4.6%). All revenue is transferred out of the Revenue Fund to the SURA Debt Service Fund, Town of Superior, or Superior Metropolitan District No. 1. This transfer is based on a tax sharing finance agreement between SURA, the Town of Superior, and Superior Metropolitan District No. 1.

- Revenue. In line with budget expectations.
- Expenditures. In line with budget expectations.

## **SUPERIOR URBAN RENEWAL AUTHORITY – TOWN CENTER**

All property tax increment revenues from the Superior Town Center (STC) are collected in the Property Tax Fund. SURA property tax increment revenues include all property tax revenue increases over the base year (2013). The incremental property tax revenues will be used to pay for a portion of public improvements inside the STC area built by Metropolitan Districts and the developer. A piece of these revenues attributable to a mill levy imposed by the Rocky Mountain Fire Protection District (up to a maximum amount of 10 mills) and any increases in the mill levy imposed by any of the Town of Superior, Boulder County or the Boulder Valley School District above the base year 2013 mill levy will be returned to these governmental entities.

- Revenue. In line with budget expectations.
- Expenditures. In line with budget expectations.

## **SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT**

- Revenue. Both sales and property tax receipts are in line with budget expectations.
- Operating Expenditures. In line with budget expectations.
- Capital Expenditures.

<b>Project</b>	<b>Additional Description</b>	<b>Budget</b>	<b>Final Cost</b>	<b>Status</b>
Trail Connection - Coal Creek	A new pedestrian/bicyclist underpass will be installed at McCaslin. This concrete trail will provide a critical pedestrian and bicycle connection from the new underpass to Coal Creek on the north side of Superior Plaza.	600,000		Under design. Construction late this summer.
Wayfinding Signage	Implementation of a uniquely-branded wayfinding and signage system to be along the US 36 bikeway and other areas in Town.	5,000	-	Planning
North side Coal Creek Drive Improvements	Final improvements. 2015 carryover project		Invoice Pending	Complete

US 36 Interchange at McCaslin - Phase 2 Impv	Design and construction of phase 2 improvements - a new diverging diamond interchange. Budget is for upgrades including upgraded lighting and bridge deck fencing.	303,000	-	Part of US 36 Managed Lanes Phase 2. Construction substantially complete. Working on punch list items.
Bikeway Underpass at McCaslin	Art for the underpass	80,000		Planning
Southwest Interchange Quadrant Landscape Enhancements	This project will provide irrigation, trees, shrub beds and sod to match the Superior Marketplace landscaping.	180,000		Under design. Construction late this summer.

## **SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT – DEBT SERVICE**

Debt was issued in 2004/2005 for phase I (south west loop) Highway 36 and McCaslin Boulevard interchange improvement. This debt was refunded in March, 2015, which will result in materially lower annual debt service payments (from roughly \$420k-\$510k to \$340k) beginning partially in 2015 and then fully in 2016. The debt service is supported by a dedicated property tax (11 mills – this tax rate has been reduced 50% since 2012). Debt service payments are scheduled for May and November annually with final maturity in 2024. Tax revenues and expenditures are in line with budgets.

## **SUPERIOR METROPOLITAN DISTRICT No. 2 – DEBT SERVICE**

Debt was issued for street improvements and park and recreation facilities within SMD No. 2 (north of Coalton Road). The debt service is supported by a property tax mill levy (5.30 mills – this tax rate is down 14.5% from 2015). Debt service payments are scheduled for June and December annually with final maturity in 2018. Revenues and expenditures are in-line with expectations. This debt was refinanced in December, 2011, resulting in lower debt service payments and property tax rates, beginning in 2012.

## **SUPERIOR METROPOLITAN DISTRICT No. 3 – DEBT SERVICE**

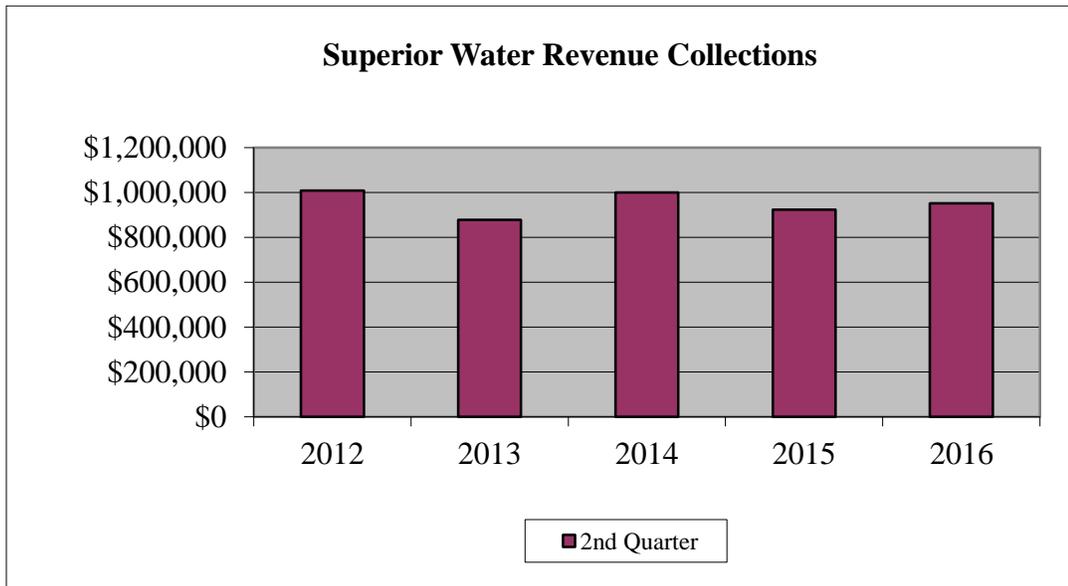
Debt was issued for street improvements and park and recreation facilities within SMD No. 3 (south of Coalton Road). The debt service is supported by a property tax mill levy (5.20 mills – this tax rate is down 13% from 2015). Debt service payments are scheduled for June and December annually with final maturity in 2018. Revenues and expenditures

are in-line with expectations. This debt was refinanced in December, 2011, resulting in lower debt service payments and property tax rates, beginning in 2012.

## UTILITIES

### Utility Operations:

- Revenue. Utility revenues are in line with budget expectations. Water and sewer fees increased 5% in 2016. There was no increase in storm drainage fees.



- Expenses. Divisional operating expenses are in line or below budgets except for:
  - Water Supply – The majority of annual water assessment and transmission payments have been made.
  - Water Treatment – Phase I photovoltaic system buyout was budgeted in 2015, but paid in early 2016. Solids hauling above budget.
  - Water Capital Projects – The majority of this budget represents SMD1’s design contribution to the Windy Gap firming project. This contribution has been made in full.

Beginning in 2016, SMD1 annual debt service expenses will decrease dramatically. This debt (originally issued to build Superior’s Water and Wastewater Treatment plants, Storm Drainage capital infrastructure and to purchase water rights) was refunded in March, 2015, which will result in materially lower annual debt service payments (from roughly \$2.3m - \$2.6m to \$1.74m) beginning in 2016. These annual savings (\$530k - \$895k) will help SMD1 to become financial self-sufficient (in 2016, Superior’s General Fund is planning to transfer \$1.2m to support SMD1).

## Utility Capital:

- **Water:**

<b>Project</b>	<b>Additional Description</b>	<b>Budget</b>	<b>Final Cost</b>	<b>Status</b>
Potable Water Main Upsizing in McCaslin	Upsizing of a water line replacement to assist with pressure issues in Original Town and the Superior Marketplace	200,000	-	Repurpose these funds for the Reuse Upgrades
Reuse System Upgrades	System upgrades as a result of the Reuse/Irrigation Master Plan. Primarily pump replacements, pump additions, piping upgrades and filters to upgrade pressure, flow and capacity. Partial 2015 carryover project (\$360,000 of total budget)	560,000	-	Complete; however waiting on Xcel to provide a transformer for the Ridge Booster pump station.
Smart Meters	Install transmitters for new "smart" water meters, a truck mounted computer for remote reading and internal software upgrades	25,000	-	Planning/Design
WTP Concentration Study	New regulations require the evaluation of the chlorine concentration time (CT) calculation for treated water before it reaches the first user.	20,000	-	Planning/Design
Filter Effluent Pump Rebuild	Rebuild the pumps that supply the filtered water to the storage tank at the WTP	50,000	-	Planning/Design (may defer)
Fiberglass Tanks Piping Overhaul	Fix piping system on fiberglass tanks within the WTP	17,500	-	Planning/Design (defer to next year)
WTP Clarifloculator Motor	New motor operated valves for the WTP clarifloculators. Will allow valves to be controlled and monitored remotely. 2015 carryover project	15,000	-	Complete
C/D Pump Station Rebuild	Overhaul and rebuild the existing pumps and removal of unused tankage in the C/D pump station	32,500	-	Planning/Design (may defer)

Water System Controls Upgrade	Three year project (2015 - 2017) to upgrade various components responsible for automatic operation of the Town's water supply. 2016 - replace high zone pump station PLC	25,000	-	Planning/Design
Irrigation Valve Replacement	5 year project (2016 - 2020) to install isolation valves, blow offs and/or hydrants for the reuse mainlines. Currently there is no way to repair mains without shutting down entire areas of the system	65,000		Planning/Design
Fire Hydrant Replacement	Replacement of old and damage hydrants (on-going project)	20,000	-	Planning/Design
WTP Chemical Pump Replacement	Replacement of two chemical meter pumps for the chlorine system	8,000	-	Planning/Design
Purple Park Ditch Improvements	Repair the ditch which provides water between the ponds in Purple Park. 2015 carryover project.	100,000	-	Planning/Design (will defer)
Potable Interconnect	Construct emergency potable water interconnect with Louisville (shared cost). 2015 carryover project.	315,000	-	The waterline has been completed and tested; final completion waiting on paving, final grading and site stabilization. Then final punch list walk-through will be conducted.
Windy Gap FIRMING	Continued participation in firming project, including construction design	800,000	719,329	Fifth interim agreement for the Windy Gap project approved by Town Board for 2016 design expenses
Water Storage Tank Cleaning	Cleaning of all potable water storage tanks in the system	25,000	-	Contract in place, moving forward

- Sewer:

Project	Additional Description	Budget	Final Cost	Status
Town Wide Collection System Video Assessment	Continuing project to identify deformed/failing pipe, root intrusions, groundwater infiltration, other system problems	32,000	-	Contract with QPS pending. Work expected to begin mid to late summer.
WWTP BioMag Pilot Study	Evaluate a new technology call "BioMag" for expanding the capacity of our plant without adding additional tankage for the secondary process.	50,000	-	Pilot trailer was not successful. Currently working with CDPHE on bench testing methods
WWTP Clarifloculator Sludge Pump Check Valve Replacement	Replacement of faulty pump	7,000	-	Planning/Design
WWTP Submersible Mixers	Purchase of 2 additional submersible mixers (2 were purchased last year) and install all 4 at the WWTP aeration basins for increased denitrification capability.	66,000	-	All 4 mixers are on site and installation / location may be dependent on our Biomag pilot testing.
WWTP PLC Replacement	Replacement of obsolete programmable logic controllers. Phased project to be complete in 2016.	30,000	-	Planning/Design
WWTP Process Pump Maintenance	Replace advanced wastewater treatment pumps in secondary process building	68,000	-	This project will be deferred to next year as immediate needs require the Reuse pumps to be upgraded
WWTP Controls Equipment Upgrades	Equipment install to control pH automation to eliminate estimating chemical dosage	15,000	-	Planning/Design
WWTP Equalization Pond Liner Repair	Dredge, reline, cover and potentially use for future reuse water storage. 2016 budget of \$200k, plus 2015 carryover budget of \$50k	250,000	-	Reallocate these funds for the Reuse Pumps at the WWTP (which are budgeted for 2017).
WWTP Process Equipment Repair	Replacement of pneumatic actuated valves (currently overheat/fail) with electrically actuated motors. 2015 carryover budget	75,000	-	Equipment is on site and ready for installation
WWTP Chemical Pump Replacement	Replace two chlorine meter pumps, plus one space	12,000	-	Planning/Design

WWTP Secondary Clarifiers Upgrades	Upgrade the ventilation system in the secondary clarifier building	50,000	-	Will not be required. Staff was able to get the existing system operational. May require \$10k for electrical upgrades
------------------------------------	--	--------	---	--

- **Storm Drainage:**

Project	Additional Description	Budget	Final Cost	Status
Coal Creek Basin Improvements	Minimizing floodplain impacts to properties adjacent to Coal Creek upstream of McCaslin Boulevard, including replacing the 2nd Avenue bridge and installing channel improvements upstream of 2nd Avenue. 2015 carryover budget	100,000	38,854	Complete
Storm Water Manhole Steps Installation	Installation of steps in approximately 30 storm water manholes to provide maintenance access	40,000	-	Complete
Circle Park Drainage Enhancements	Improvements to the drainage for the areas downstream of the Circle Park	80,000	-	Planning/Design

# Town of Superior

## 2nd Quarter, 2016 Financial Report

<b>GENERAL</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$4,720,024	\$5,008,684	6%	\$9,195,000	54%
License & Permit	251,558	195,390	-22%	395,500	49%
Charges for Service	551,476	546,460	-1%	1,128,557	48%
Fines	119,972	67,239	-44%	225,000	30%
Miscellaneous	34,437	38,518	12%	112,610	34%
<b>TOTAL REVENUE</b>	<b>\$5,677,467</b>	<b>\$5,856,291</b>	<b>3%</b>	<b>\$11,056,667</b>	<b>53%</b>
<b>EXPENDITURE</b>					
Legislative	\$18,280	\$26,030	42%	\$57,352	45%
Judicial	40,079	34,806	-13%	98,139	35%
Clerk	61,137	65,546	7%	139,557	47%
Administration	396,929	433,101	9%	862,325	50%
Finance	334,613	344,591	3%	720,000	48%
Legal Services	58,027	57,076	-2%	180,000	32%
Public Safety	655,965	811,767	24%	1,533,739	53%
Building Inspection	161,746	129,461	-20%	283,964	46%
Parks and Recreation	719,991	723,070	0%	1,686,868	43%
Public Works	755,913	818,135	8%	1,719,227	48%
Library	246,649	289,168	17%	291,000	99% (1)
Non-Departmental	268,408	287,196	7%	3,355,717	9% (2)
<b>TOTAL EXPENDITURE</b>	<b>\$3,717,737</b>	<b>\$4,019,947</b>	<b>8%</b>	<b>\$10,927,888</b>	<b>37%</b>

(1) All expenses for the year have been incurred, in the form of an annual payment to the City of Louisville.

(2) The majority of this expenses is an end of year transfer to CIP and SMD1.

# Town of Superior

## 2nd Quarter, 2016 Financial Report

<b>CAPITAL IMPROVEMENT PROGRAM</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$493,175	\$477,471	-3%	\$948,000	50%
Miscellaneous	81,253	2,057,019	2432%	6,584,800	31%
TOTAL REVENUE	\$574,428	\$2,534,490	341%	\$7,532,800	34%
<b>EXPENDITURE</b>					
Public Works	\$337,003	\$187,741	-44%	\$1,358,000	14%
Parks and Recreation	103,852	951,314	816%	3,808,300	25%
Non-Departmental	36,323	78,324	116%	2,910,000	3%
TOTAL EXPENDITURE	\$477,178	\$1,217,379	155%	\$8,076,300	15%

(1)

<b>CONSERVATION TRUST</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Conservation Trust	\$64,839	\$78,895	22%	\$125,000	63%
Miscellaneous	145	257	77%	200	129%
TOTAL REVENUE	\$64,984	\$79,152	22%	\$125,200	63%
<b>EXPENDITURE</b>					
Capital	\$3,920	\$85,000	2068%	\$120,000	71%
TOTAL EXPENDITURE	\$3,920	\$85,000	0%	\$120,000	71%

(1) A major part of this budget represents an end of year General Fund transfer as well as loan proceeds for two projects.

# Town of Superior

## 2nd Quarter, 2016 Financial Report

<b>CLASS 1 LANDSCAPE</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Landscape Maintenance Fee	\$737,670	\$740,568	0%	\$1,476,000	50%
Miscellaneous	1,935	4,630	139%	8,000	58%
<b>TOTAL REVENUE</b>	<b>\$739,605</b>	<b>\$745,198</b>	<b>1%</b>	<b>\$1,484,000</b>	<b>50%</b>
<b>EXPENDITURE</b>					
Maintenance	\$543,847	\$456,359	-16%	\$1,560,131	29%
<b>TOTAL EXPENDITURE</b>	<b>\$543,847</b>	<b>\$456,359</b>	<b>-16%</b>	<b>\$1,560,131</b>	<b>29%</b>

<b>OPEN SPACE</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$0	\$27,471	N/A	\$498,000	6%
Miscellaneous	7,829	17,930	129%	38,000	47%
<b>TOTAL REVENUE</b>	<b>\$7,829</b>	<b>\$45,401</b>	<b>480%</b>	<b>\$536,000</b>	<b>8%</b>
<b>EXPENDITURE</b>					
Maintenance	\$40,573	\$40,503	0%	\$58,300	69%
Capital	3,394	2,000,000	58828%	2,200,000	91%
<b>TOTAL EXPENDITURE</b>	<b>\$43,967</b>	<b>\$2,040,503</b>	<b>4541%</b>	<b>\$2,258,300</b>	<b>91%</b>

(1) All taxes are recorded in the Open Space Debt Service Fund until debt service requirements are met.

# Town of Superior

## 2nd Quarter, 2016 Financial Report

<b>OPEN SPACE DEBT SERVICE</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$493,175	\$450,000	-9%	\$450,000	100%
Miscellaneous	379	684	80%	3,550,500	0%
<b>TOTAL REVENUE</b>	<b>\$493,554</b>	<b>\$450,684</b>	<b>-9%</b>	<b>\$4,000,500</b>	<b>11%</b>
<b>EXPENDITURE</b>					
Bank Fees	\$0	\$75	N/A	1,000	8%
Bond Issuance Costs	\$59,150	\$0	-100%	0	N/A
Principal	300,000	850,000	183%	4,400,000	19%
Interest	116,066	109,129	-6%	147,292	74%
<b>TOTAL EXPENDITURE</b>	<b>\$475,216</b>	<b>\$959,204</b>	<b>102%</b>	<b>\$4,548,292</b>	<b>21%</b>

(1)

<b>TRASH AND RECYCLING</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Charges for Service	\$20,635	\$22,629	10%	\$81,900	28%
<b>TOTAL REVENUE</b>	<b>\$20,635</b>	<b>\$22,629</b>	<b>10%</b>	<b>\$81,900</b>	<b>28%</b>
<b>EXPENSE</b>					
Trash and Recycling	\$20,304	\$21,954	8%	\$81,900	27%
<b>TOTAL EXPENSE</b>	<b>\$20,304</b>	<b>\$21,954</b>	<b>8%</b>	<b>\$81,900</b>	<b>27%</b>

(1) All taxes are recorded in the Open Space Debt Service Fund until debt service requirements are met.

# Town of Superior

## 2nd Quarter, 2016 Financial Report

<b>SUPERIOR URBAN RENEWAL AUTHORITY - MARKETPLACE</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$2,959,815	\$3,075,896	4%	\$5,930,000	52%
Miscellaneous	322	2,009	524%	500	402%
<b>TOTAL REVENUE</b>	<b>\$2,960,137</b>	<b>\$3,077,905</b>	<b>4%</b>	<b>\$5,930,500</b>	<b>52%</b>
<b>EXPENDITURE</b>					
Bank Fees	\$1,843	\$1,825	-1%	\$5,000	37%
Town Revenue Share	1,659,815	1,775,896	7%	3,815,000	47%
Debt Service	88,865	72,540	-18%	2,110,500	3%
<b>TOTAL EXPENDITURE</b>	<b>\$1,750,523</b>	<b>\$1,850,261</b>	<b>6%</b>	<b>\$5,930,500</b>	<b>31%</b>

<b>SUPERIOR URBAN RENEWAL AUTHORITY - TOWN CENTER</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$620,109	\$393,877	-36%	\$713,000	55%
<b>TOTAL REVENUE</b>	<b>\$620,109</b>	<b>\$393,877</b>	<b>-36%</b>	<b>\$713,000</b>	<b>55%</b>
<b>EXPENDITURE</b>					
Administration	\$9,296	\$5,886	-37%	\$10,700	55%
Bank Fees	36	18	-50%	5,000	0%
Transfer to Developer, Districts, Other	320,487	213,674	-33%	662,520	32%
Transfer to Rocky Mtn Fire	15,420	12,026	-22%	34,780	35%
<b>TOTAL EXPENDITURE</b>	<b>\$345,239</b>	<b>\$231,604</b>	<b>-33%</b>	<b>\$713,000</b>	<b>32%</b>

# Town of Superior

## 2nd Quarter, 2016 Financial Report

<b>SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$461,224	\$529,894	15%	\$875,000	61%
Intergovernmental	0	0	N/A	29,000	0%
Miscellaneous	2,474	21,154	755%	602,000	4%
<b>TOTAL REVENUE</b>	<b>\$463,698</b>	<b>\$551,048</b>	<b>19%</b>	<b>\$1,506,000</b>	<b>37%</b>
<b>EXPENDITURE</b>					
Administration	\$59,212	\$63,312	7%	\$123,762	51%
Maintenance	175,322	129,470	-26%	373,900	35%
Capital	14,233	88,967	N/A	1,168,000	8%
<b>TOTAL EXPENDITURE</b>	<b>\$248,767</b>	<b>\$281,749</b>	<b>13%</b>	<b>\$1,665,662</b>	<b>17%</b>

<b>SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT - DEBT SERVICE</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$272,619	\$224,677	-18%	\$311,000	72%
Miscellaneous	2,640	700	-73%	2,000	35%
<b>TOTAL REVENUE</b>	<b>\$275,259</b>	<b>\$225,377</b>	<b>-18%</b>	<b>\$313,000</b>	<b>72%</b>
<b>EXPENDITURE</b>					
Administration	\$3,923	\$3,250	-17%	\$10,000	33%
Bank Fees	0	0	N/A	150	0%
Bond Issuance Costs	546,385	0	-100%	0	N/A (1)
Principal	0	0	N/A	285,000	0%
Interest	64,754	26,670	-59%	52,820	50%
<b>TOTAL EXPENDITURE</b>	<b>\$615,062</b>	<b>\$29,920</b>	<b>-95%</b>	<b>\$347,970</b>	<b>9%</b>

(1) One-time cost associated with March 2015 debt refinancing.

# Town of Superior

## 2nd Quarter, 2016 Financial Report

<b>SUPERIOR METROPOLITAN DISTRICT</b>					
<b>No. 2 - DEBT SERVICE</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$430,662	\$452,247	5%	\$603,000	75%
Miscellaneous	512	854	67%	800	107%
<b>TOTAL REVENUE</b>	<b>\$431,174</b>	<b>\$453,101</b>	<b>5%</b>	<b>\$603,800</b>	<b>75%</b>
<b>EXPENDITURE</b>					
Treasurer's Collection Fees	\$6,227	\$6,567	5%	\$9,000	73%
Bank Fees	0	0	N/A	200	0%
Principal	0	0	N/A	599,000	0%
Interest	22,748	17,221	-24%	34,442	50%
<b>TOTAL EXPENDITURE</b>	<b>\$28,975</b>	<b>\$23,788</b>	<b>-18%</b>	<b>\$642,642</b>	<b>4%</b>

<b>SUPERIOR METROPOLITAN DISTRICT</b>					
<b>No. 3 - DEBT SERVICE</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Taxes	\$191,946	\$195,680	2%	\$290,000	67%
Miscellaneous	219	378	73%	0	N/A
<b>TOTAL REVENUE</b>	<b>\$192,165</b>	<b>\$196,058</b>	<b>2%</b>	<b>\$290,000</b>	<b>68%</b>
<b>EXPENDITURE</b>					
Treasurer's Collection Fees	\$2,769	\$2,832	2%	\$4,500	63%
Bank Fees	0	0	N/A	200	0%
Principal	0	0	N/A	285,000	0%
Interest	10,819	8,187	-24%	16,375	50%
<b>TOTAL EXPENDITURE</b>	<b>\$13,588</b>	<b>\$11,019</b>	<b>-19%</b>	<b>\$306,075</b>	<b>4%</b>

# Town of Superior

## 2nd Quarter, 2016 Financial Report

WATER					
	2015 YTD	2016 YTD	% Change	Annual Budget	(50% of Year) % of Budget
<b>REVENUE</b>					
Charges for Service	\$967,945	\$984,261	2%	\$ 3,183,000	31%
Miscellaneous	803,653	492,738	-39%	2,202,528	22%
TOTAL REVENUE	\$1,771,598	\$1,476,999	-17%	\$5,385,528	27%
<b>EXPENSE</b>					
Administration	\$14,601	\$8,700	-40%	\$37,800	23%
Water Supply	673,332	744,068	11%	844,876	88%
Water Treatment	150,055	278,932	86%	446,489	62%
Water Storage/Distribution	85,891	92,341	8%	185,800	50%
Non-Departmental	833,264	368,379	-56%	2,426,063	15%
Capital Projects	287,640	1,474,670	413%	1,499,500	98%
TOTAL EXPENSE	\$2,044,783	\$2,967,090	45%	\$5,440,528	55%

(1)

(2)

(3)

SEWER					
	2015 YTD	2016 YTD	% Change	Annual Budget	(50% of Year) % of Budget
<b>REVENUE</b>					
Charges for Service	\$563,452	\$597,539	6%	\$1,190,925	50%
Miscellaneous	180,489	132,415	-27%	1,336,160	10%
TOTAL REVENUE	\$743,941	\$729,954	-2%	\$2,527,085	29%
<b>EXPENSE</b>					
Administration	\$2,665	\$3,021	13%	\$9,110	33%
Waste Water Collection	19,872	15,238	-23%	46,000	33%
Waste Water Treatment	307,430	337,075	10%	736,089	46%
Non-Departmental	141,221	118,477	-16%	938,986	13%
Capital Projects	318,307	120,165	-62%	636,900	19%
TOTAL EXPENSE	\$789,495	\$593,976	-25%	\$2,367,085	25%

(1)

(1) A major part of this budget represents a General Fund transfer which will happen at the end of the year.

(2) Majority of water assessment and transmission costs paid in full.

(3) Phase I Photovoltaic system buy out budgeted in 2015 but paid in early 2016. Solids hauling higher than budget.

# Town of Superior

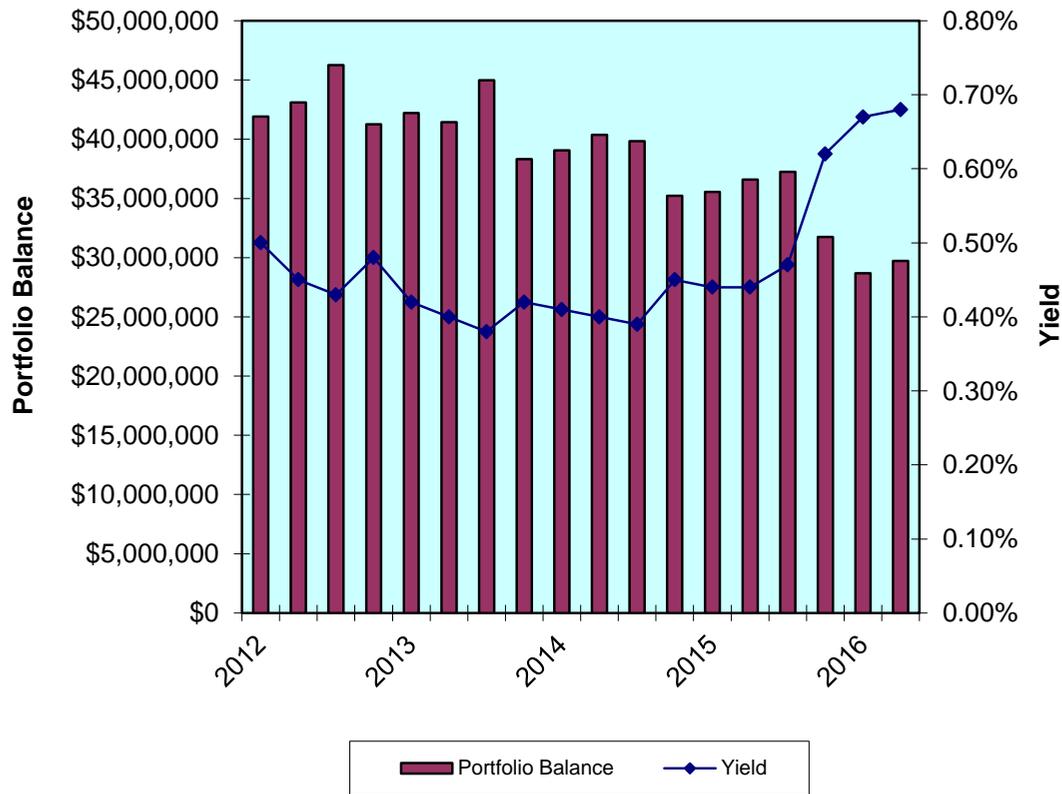
## 2nd Quarter, 2016 Financial Report

<b>STORM DRAINAGE</b>					
	<b>2015 YTD</b>	<b>2016 YTD</b>	<b>% Change</b>	<b>Annual Budget</b>	<b>(50% of Year) % of Budget</b>
<b>REVENUE</b>					
Charges for Service	\$167,324	\$172,171	3%	\$345,000	50%
Miscellaneous	92,428	45,694	-51%	627,929	7%
<b>TOTAL REVENUE</b>	<b>\$259,752</b>	<b>\$217,865</b>	<b>-16%</b>	<b>\$972,929</b>	<b>22%</b>
<b>EXPENSE</b>					
Administration	\$19,174	\$27,284	42%	\$28,340	96%
Storm Drainage	46,871	37,453	-20%	99,500	38%
Non-Departmental	94,558	77,806	-18%	237,089	33%
Capital Projects	594,325	38,854	-93%	124,600	31%
<b>TOTAL EXPENSE</b>	<b>\$754,928</b>	<b>\$181,397</b>	<b>-76%</b>	<b>\$489,529</b>	<b>37%</b>

(1) A major part of this budget represents a grant reimbursement from the State for work performed on the Coal Creek basin. The grant paperwork has been submitted.

(2) The 2016 "Keep It Clean Partnership" payment has been made in full.

## Town of Superior Investment Portfolio Summary



Year - Quarter	Portfolio Balance	Yield
2012 - 1st Qtr.	41,917,945	0.50%
2012 - 2nd Qtr.	43,110,780	0.45%
2012 - 3rd Qtr.	46,252,070	0.43%
2012 - 4th Qtr.	41,270,518	0.48%
2013 - 1st Qtr.	42,215,530	0.42%
2013 - 2nd Qtr.	41,452,640	0.40%
2013 - 3rd Qtr.	44,962,262	0.38%
2013 - 4th Qtr.	38,312,832	0.42%
2014 - 1st Qtr.	39,059,410	0.41%
2014 - 2nd Qtr.	40,363,756	0.40%
2014 - 3rd Qtr.	39,841,488	0.39%
2014 - 4th Qtr.	35,225,582	0.45%
2015 - 1st Qtr.	35,563,663	0.44%
2015 - 2nd Qtr.	36,588,848	0.44%
2015 - 3rd Qtr.	37,238,587	0.47%
2015 - 4th Qtr.	31,746,211	0.62%
2016 - 1st Qtr.	28,687,013	0.67%
2016 - 2nd Qtr.	29,727,428	0.68%

Note: Cumulative Town cash balances have declined over the last few years. The decline is the result of an aggressive capital maintenance program, primarily the reconstruction of residential streets throughout the community (\$13 million spent over the last five years). Additionally, as a result of the SMD1, SMID and Open Space debt refundings, \$4 million in debt service cash reserves were freed up and used to pay down debt balances.