



QUARTERLY FINANCIAL REPORT

3rd QUARTER 2016

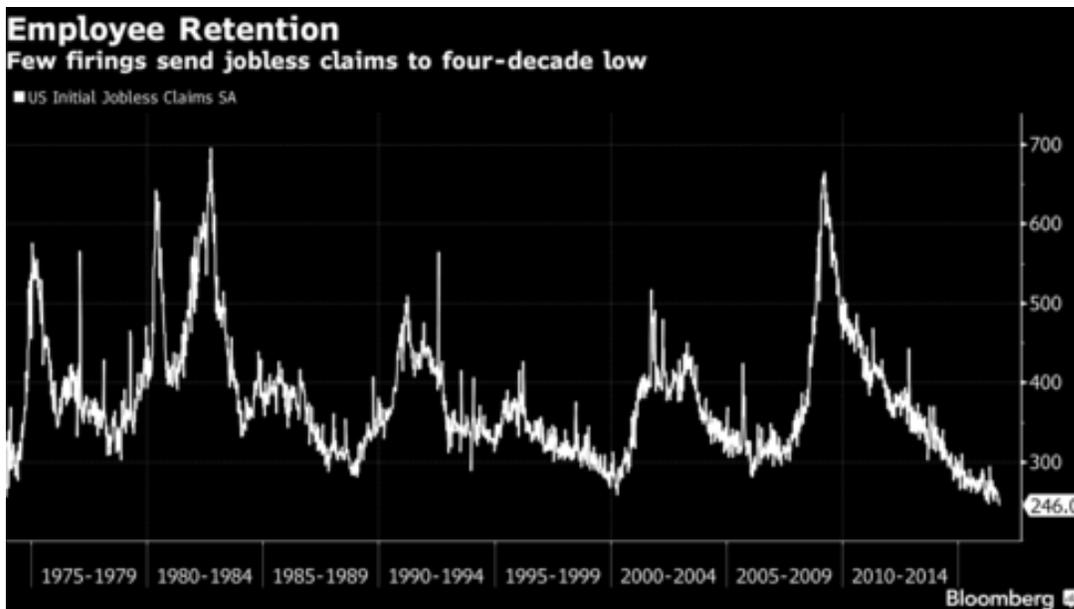
3rd QUARTER 2016 HIGHLIGHTS

GENERAL GOVERNMENT

Overview:

Nationally.

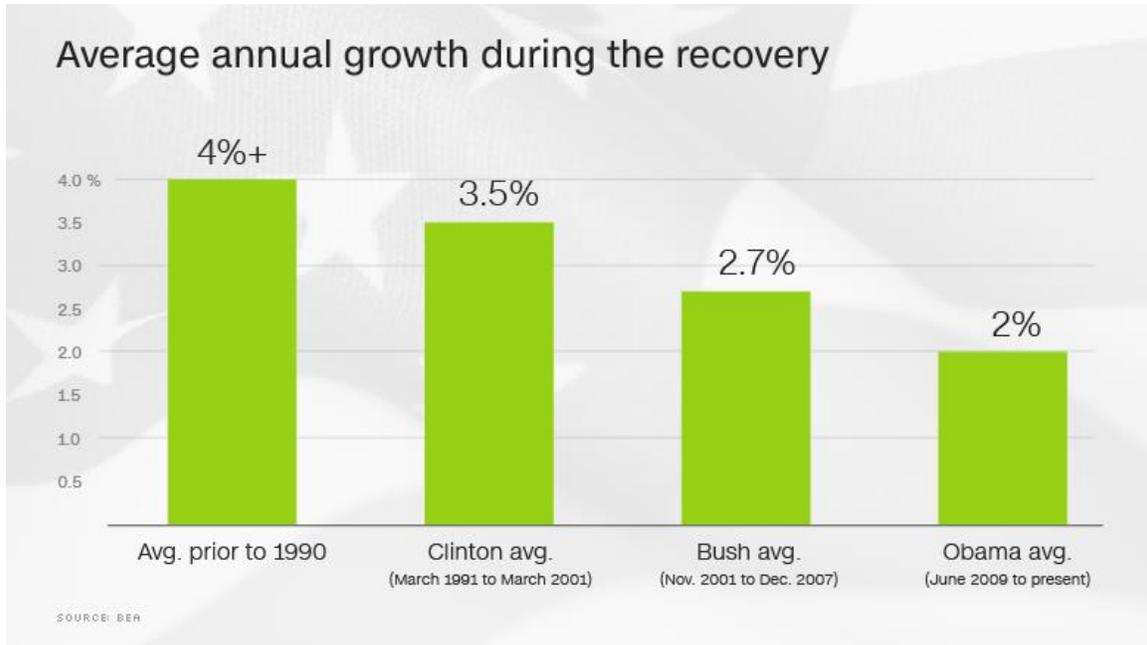
- Filings for U.S. unemployment benefits were at a 42 year low. Jobless claims were 246,000 in the period ended Oct. 8. The four-week average also fell to the lowest level since 1973.



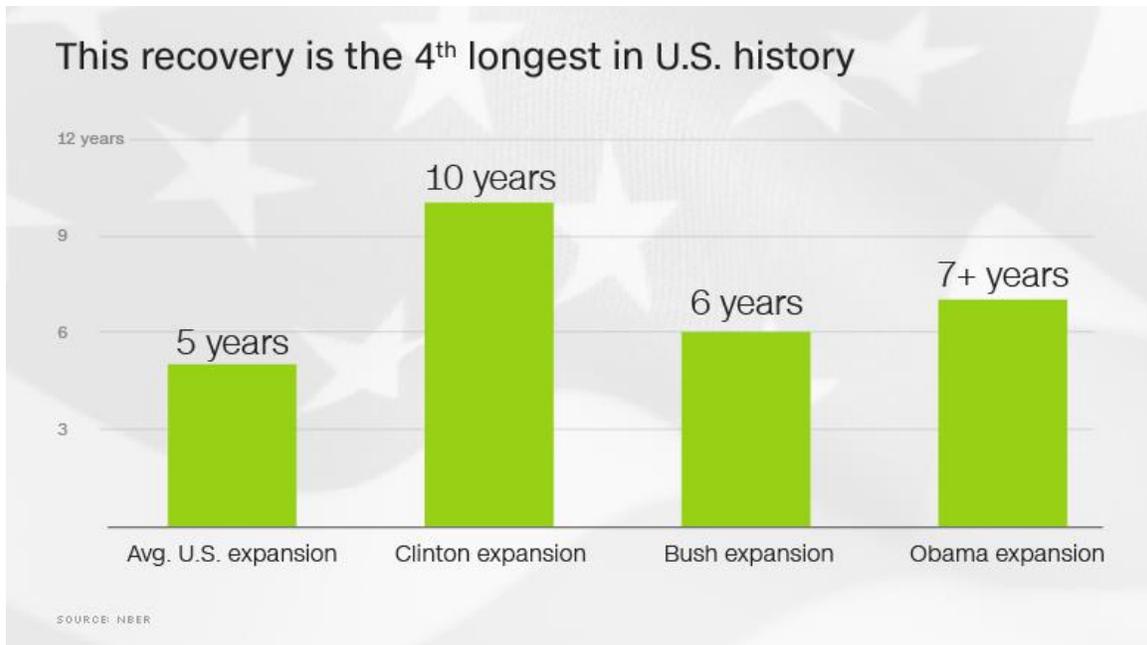
- US job, wage and GDP growth. American job growth kept a steady pace in September. The U.S. economy added 156,000 jobs according to the Labor Department. The unemployment rate rose to 5% from 4.9%. Wages grew 2.6% in September compared to a year ago. That's not stellar wage growth, which is usually above 3%. But it's better than the 2% growth, or less, seen for years during the recovery.

In terms of the average pace of GDP growth, this is the slowest expansion on record, according to the Economic Cycle Research Institute. The U.S. economy

has only grown 2% a year since it bottomed out in June 2009. That's far below the typical growth of over 4% a year that the U.S. has experienced since World War II.



This is the fourth longest expansion in U.S. history. The American economy has typically grown for about five years and then had a contraction. This expansion is already over seven years old. The average pace of job growth in this recovery has topped the 2001 to 2007 expansion under President George W. Bush. Over 14 million jobs have been added since the low point from the financial crisis.



Regionally/Locally.

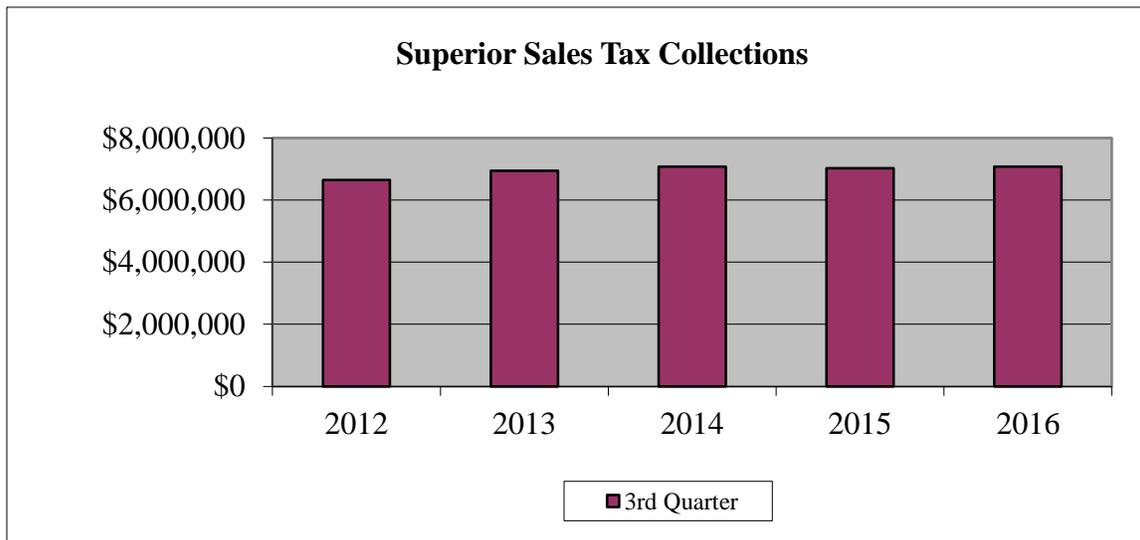
Housing Market - Home sale prices in metro Denver continue to climb, but the pace of home sales is slowing and inventory increased in September, according to the Denver Metro Association of Realtors. The average home price in metro Denver, including both detached single-family houses and attached condominiums and townhomes, rose by 11.8 percent year-over-year in September, to \$396,706. The median rose by almost 13 percent to \$348,000. But at the same time, the number of homes sold in September was 5.5 percent lower, at 4,936, than in the same month last year, when 5,226 homes were sold. Also, homes are spending more time on the market than a year ago. The average number of days on market in September was 32, up from 29 last year.

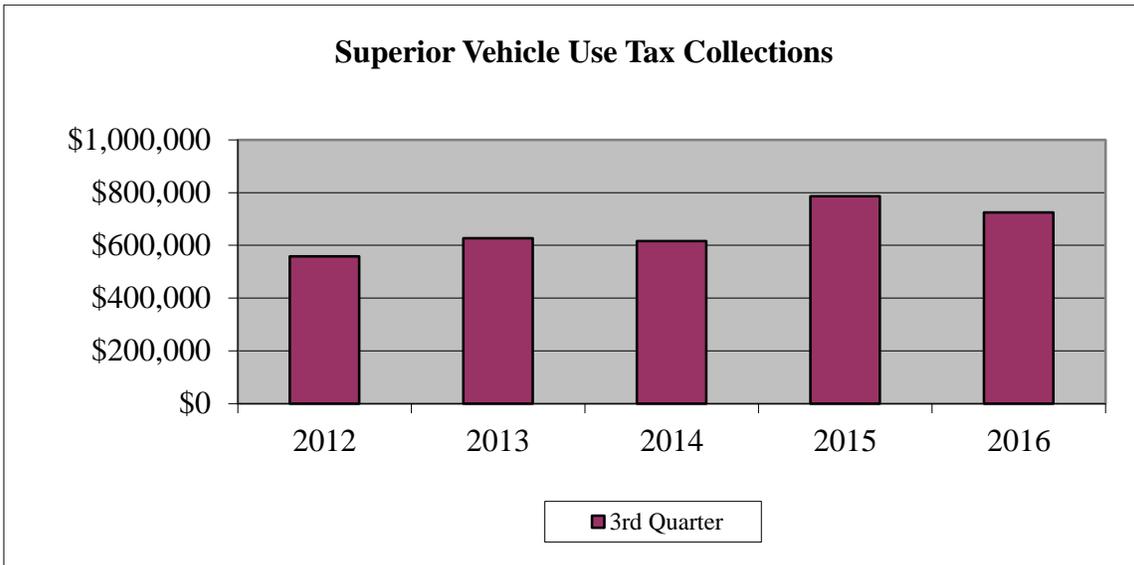
Employment – Colorado’s unemployment rate dropped in September two-tenths of percentage point to 3.6 percent. The increase in total employment combined with the increase in the labor force caused the number of unemployed to decline 4,600 and the unemployment rate to decrease to 3.6 percent. The national unemployment rate increased one-tenth of a percentage point over the same period to 5.0 percent.

State Revenue Projections - From the State of Colorado Legislative Council staff, expected General Fund revenue projections over the next two years will be reduced from previous projections by roughly \$180 million. The state continues to feel the effects of the oil price crash at the end of 2014. Colorado’s economy is expected to continue growing at reduced rates through the two year forecast period.

General Operations:

- Revenue. 2016 3rd quarter General Fund revenues are generally at budget expectations and in case of vehicle use tax and license and permits fees, above budget expectations. The graphs below summarize some of Superior’s larger sales/use tax receipts:





- Expenditures. 3rd 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
 - Parks and Recreation – Expense spike in the summer and then moderate for the remainder of 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 | 1,762 | Complete except for new mid-block crossing at Horizons which has been included in the 2017 budget |

| | | | | |
|--|--|-----------|---------|--|
| Street Replacement Program | Repair/Reconstruct various streets | 1,280,000 | | In progress |
| 88th Street and Shamrock pedestrian crossing | Install rectangular rapid flashing beacons at the pedestrian crosswalk on 88th Street at Shamrock. | 15,000 | 208 | 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/purchase vehicles for Parks and PW. Purchase of three v-box spreaders for Public Works snow removal | 122,000 | | In progress |
| Pool Cover Feasibility Study | | 20,000 | 31,502 | Complete |
| 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 | 169,162 | Complete: Replace pumps, boilers, filters, piping and valves at North Pool |
| Tennis Court Improvements | Replace fencing and windscreens | 5,000 | | - Project pushed to 2018. 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 | | Design complete, structure ordered, concrete work planned to be underway shortly |
| 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 | | In progress |
| 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 | LED light conversion at Town Hall and other Town buildings | 5,000 | | Underway, to be completed 4th Quarter |
| Server Replacement | Replacement of Caselle (financial, court applications) server | 15,000 | | Planned for 4th quarter |
| 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 in March. Numerous meetings held to date. Last discussion was at a 9/26/16 Town Board Work Session |

| | | | |
|----------------------|---|--------|--|
| Bungalow Maintenance | Replace aging shake/wood roof with composite shake shingles. Paint exterior. | 20,000 | Roof replacement complete and passed final building inspections. Waiting for invoicing. Painting in 4th quarter. |
| 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:**

| Project | Additional Description | Budget | Final Cost | Status |
|----------------------------|---|--------|------------|-------------|
| Park Projects | Various park improvement projects throughout Superior | 35,000 | | In progress |
| School Parcel Improvements | Construction of a new park at school parcel, Torreys Peak and Indiana Street. | 85,000 | | In progress |

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.

| Project | Additional Description | Budget | Final Cost | Status |
|------------------------------------|--|--------|------------|-------------|
| 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.

| Project | Additional Description | Budget | Final Cost | Status |
|--------------------|--|---------------|-------------------|---|
| Trail Improvements | Various trail improvement projects throughout Superior | 200,000 | - | Design and engineering contract awarded, RFB for construction will be posted soon for Trail Segment F |

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.

| Project | Additional Description | Budget | Final Cost | Status |
|---|---|---------------|-------------------|--|
| 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 | - | Concrete trail complete. Landscaping - Spring, 2017. |
| 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. | - | 136,353 | 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 | - | Complete, waiting for invoice |
| 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 | - | Construction now planned for Spring, 2017 |

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 materially lower debt service payments and property tax rates, beginning in 2012.

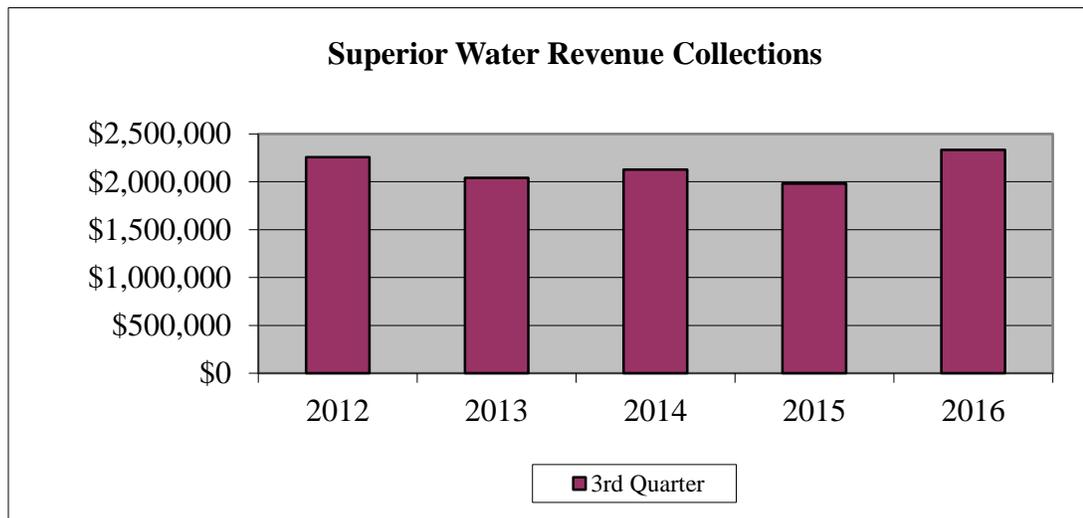
SUPERIOR METROPOLITAN DISTRICT No. 3 – DEBT SERVICE

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 materially 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 expenses are in line or below budgets except for:
 - Water Supply – Water assessment/transmission payments are slightly above budget.
 - Water Treatment – Phase I photovoltaic system buyout was budgeted in 2015, but paid in early 2016. Solids hauling above budget.
 - Water Storage/Distribution – Potable and non-potable line repairs and maintenance higher than budget
 - Water Capital Projects – Reuse system upgrades higher than budget. A budget amendment for this fund is pending (October, 2016)
 - Storm Administration – “Keep It Clean Partnership” expenses slightly above budget

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:**

| Project | Additional Description | Budget | Final Cost | Status |
|---|--|---------------|-------------------|--|
| 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 | 907,289 | Complete |
| 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 (Beginning work end of October, when demands taper off) |
| 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, waiting for invoice. |
| 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 (Beginning work in November) |
| 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 | - | Complete, waiting for invoice. |
| 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 | 58,996 | Complete pending final punch list items |
| Fire Hydrant Replacement | Replacement of old and damage hydrants (on-going project) | 20,000 | 21,977 | Complete pending final punch list items |
| WTP Chemical Pump Replacement | Replacement of two chemical meter pumps for the chlorine system | 8,000 | 4,474 | Complete |
| Purple Park Ditch Improvements | Repair the ditch which provides water between the ponds in Purple Park. 2015 carryover project. | 100,000 | - | Planning/Design. Rebudgeted in 2017. |

| | | | | |
|-----------------------------|---|---------|---------|--|
| 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 | 5,300 | Complete pending final punch list items |

- **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 | - | In Progress |
| 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 | 14,335 | Complete |
| 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. Installation next year pending Reg 85 design needs. |
| 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 | - | In Progress |

| | | | | |
|-------------------------------------|--|---------|--------|---|
| 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 | - | Now planned for design 2017, construction 2018 |
| 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 | 8,632 | Complete |
| WWTP Secondary Clarifiers Upgrades | Upgrade the ventilation system in the secondary clarifier building | 50,000 | 22,889 | Complete |

- **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 | 21,000 | Complete |
| Circle Park Drainage Enhancements | Improvements to the drainage for the areas downstream of the Circle Park | 80,000 | - | Rebudgeted to 2017 |

Town of Superior

3rd Quarter, 2016 Financial Report

| GENERAL | | | | | |
|--------------------------|--------------------|--------------------|-----------------|----------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$7,338,292 | \$7,652,788 | 4% | \$9,195,000 | 83% |
| License & Permit | 370,319 | 388,984 | 5% | 395,500 | 98% |
| Charges for Service | 810,490 | 823,240 | 2% | 1,128,557 | 73% |
| Fines | 169,130 | 124,192 | -27% | 225,000 | 55% |
| Miscellaneous | 61,665 | 640,799 | 939% | 112,610 | 569% |
| TOTAL REVENUE | \$8,749,896 | \$9,630,003 | 10% | \$11,056,667 | 87% |
| EXPENDITURE | | | | | |
| Legislative | \$25,852 | \$32,711 | 27% | \$57,352 | 57% |
| Judicial | 59,881 | 57,071 | -5% | 98,139 | 58% |
| Clerk | 91,457 | 97,982 | 7% | 139,557 | 70% |
| Administration | 560,694 | 631,677 | 13% | 862,325 | 73% |
| Finance | 497,715 | 514,869 | 3% | 720,000 | 72% |
| Legal Services | 77,157 | 91,912 | 19% | 180,000 | 51% |
| Public Safety | 938,044 | 1,182,044 | 26% | 1,533,739 | 77% |
| Building Inspection | 242,308 | 207,876 | -14% | 283,964 | 73% |
| Parks and Recreation | 1,281,281 | 1,296,312 | 1% | 1,686,868 | 77% |
| Public Works | 1,074,535 | 1,191,482 | 11% | 1,719,227 | 69% |
| Library | 246,649 | 289,168 | 17% | 291,000 | 99% |
| Non-Departmental | 347,997 | 1,360,745 | 291% | 3,355,717 | 41% |
| TOTAL EXPENDITURE | \$5,443,570 | \$6,953,849 | 28% | \$10,927,888 | 64% |

(1) Includes sale of asset that was budgeted in 2015 but sale was finalized in 2016.

(2) BOCO Dispatch Services paid in full for 2016.

(3) Expenses typically spike in the summer and are expected to trend down, within budget, by the end of the year.

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

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

Town of Superior

3rd Quarter, 2016 Financial Report

| CAPITAL IMPROVEMENT PROGRAM | | | | | |
|------------------------------------|--------------------|--------------------|-----------------|----------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$709,240 | \$714,139 | 1% | \$948,000 | 75% |
| Miscellaneous | 201,090 | 3,073,288 | 1428% | 6,584,800 | 47% |
| TOTAL REVENUE | \$910,330 | \$3,787,427 | 316% | \$7,532,800 | 50% |
| EXPENDITURE | | | | | |
| Public Works | \$2,108,104 | \$1,632,709 | -23% | \$1,358,000 | 120% |
| Parks and Recreation | 234,823 | 2,155,091 | 818% | 3,808,300 | 57% |
| Non-Departmental | 178,331 | 95,543 | -46% | 2,910,000 | 3% |
| TOTAL EXPENDITURE | \$2,521,258 | \$3,883,343 | 54% | \$8,076,300 | 48% |

(1)

(2)

(3)

| CONSERVATION TRUST | | | | | |
|---------------------------|-----------------|------------------|-----------------|----------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Conservation Trust | \$64,839 | \$108,904 | 68% | \$125,000 | 87% |
| Miscellaneous | 198 | 376 | 90% | 200 | 188% |
| TOTAL REVENUE | \$65,037 | \$109,280 | 68% | \$125,200 | 87% |
| EXPENDITURE | | | | | |
| Capital | \$3,920 | \$88,563 | 2159% | \$120,000 | 74% |
| TOTAL EXPENDITURE | \$3,920 | \$88,563 | 2159% | \$120,000 | 74% |

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

(2) Some 2017 street improvement expenses accelerated to 2016. 2017 expenses will be below 2017 budget by a like amount.

(3) Majority of budget is for Town Hall Expansion (on hold)

Town of Superior

3rd Quarter, 2016 Financial Report

| CLASS 1 LANDSCAPE | | | | | |
|---------------------------|--------------------|--------------------|----------|--------------------|------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Landscape Maintenance Fee | \$1,106,416 | \$1,112,572 | 1% | \$1,476,000 | 75% |
| Miscellaneous | 2,378 | 6,940 | 192% | 8,000 | 87% |
| TOTAL REVENUE | <u>\$1,108,794</u> | <u>\$1,119,512</u> | 1% | <u>\$1,484,000</u> | 75% |
| EXPENDITURE | | | | | |
| Maintenance | \$1,031,612 | \$1,069,225 | 4% | \$1,560,131 | 69% |
| TOTAL EXPENDITURE | <u>\$1,031,612</u> | <u>\$1,069,225</u> | 4% | <u>\$1,560,131</u> | 69% |

| OPEN SPACE | | | | | |
|--------------------|------------------|--------------------|----------|--------------------|------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$184,240 | \$264,139 | 43% | \$498,000 | 53% |
| Miscellaneous | 10,140 | 22,662 | 123% | 38,000 | 60% |
| TOTAL REVENUE | <u>\$194,380</u> | <u>\$286,801</u> | 48% | <u>\$536,000</u> | 54% |
| EXPENDITURE | | | | | |
| Maintenance | \$52,754 | \$54,507 | 3% | \$58,300 | 93% |
| Capital | 3,394 | 2,028,149 | 59657% | 2,200,000 | 92% |
| TOTAL EXPENDITURE | <u>\$56,148</u> | <u>\$2,082,656</u> | 3609% | <u>\$2,258,300</u> | 92% |

(1)

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

Town of Superior

3rd Quarter, 2016 Financial Report

| OPEN SPACE DEBT SERVICE | | | | | |
|-------------------------|-----------|-----------|----------|------------------|------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$525,000 | \$450,000 | -14% | \$450,000 | 100% (1) |
| Miscellaneous | 403 | 739 | 83% | 3,550,500 | 0% (2) |
| TOTAL REVENUE | \$525,403 | \$450,739 | -14% | \$4,000,500 | 11% |
| EXPENDITURE | | | | | |
| 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% (2) |
| Interest | 116,066 | 109,129 | -6% | 147,292 | 74% |
| TOTAL EXPENDITURE | \$475,216 | \$959,204 | 102% | \$4,548,292 | 21% |

| TRASH AND RECYCLING | | | | | |
|---------------------|----------|----------|----------|------------------|------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Charges for Service | \$31,098 | \$34,776 | 12% | \$81,900 | 42% |
| TOTAL REVENUE | \$31,098 | \$34,776 | 12% | \$81,900 | 42% |
| EXPENSE | | | | | |
| Trash and Recycling | \$30,542 | \$36,738 | 20% | \$81,900 | 45% |
| TOTAL EXPENSE | \$30,542 | \$36,738 | 20% | \$81,900 | 45% |

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

(2) Budgets reflect refunding of 2006 Open Space Debt in June 2016. Accounting entries will be booked in December.

Town of Superior

3rd Quarter, 2016 Financial Report

| SUPERIOR URBAN RENEWAL AUTHORITY - MARKETPLACE | | | | | |
|---|--------------------|--------------------|-----------------|--------------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$4,231,835 | \$4,244,095 | 0% | \$5,930,000 | 72% |
| Miscellaneous | 670 | 3,795 | 466% | 500 | 759% |
| TOTAL REVENUE | \$4,232,505 | \$4,247,890 | 0% | \$5,930,500 | 72% |
| EXPENDITURE | | | | | |
| Bank Fees | \$1,843 | \$1,825 | -1% | \$5,000 | 37% |
| Town Revenue Share | 2,931,835 | 2,944,095 | 0% | 3,815,000 | 77% |
| Debt Service | 88,866 | 72,540 | -18% | 2,110,500 | 3% |
| TOTAL EXPENDITURE | \$3,022,544 | \$3,018,460 | 0% | \$5,930,500 | 51% |

| SUPERIOR URBAN RENEWAL AUTHORITY - TOWN CENTER | | | | | |
|---|------------------|------------------|-----------------|--------------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$620,319 | \$410,347 | -34% | \$713,000 | 58% |
| TOTAL REVENUE | \$620,319 | \$410,347 | -34% | \$713,000 | 58% |
| EXPENDITURE | | | | | |
| Administration | \$9,296 | \$6,145 | -34% | \$10,700 | 57% |
| Bank Fees | 54 | 36 | -33% | 5,000 | 1% |
| Transfer to Developer, Districts, Other | 576,571 | 369,527 | -36% | 662,520 | 56% |
| Transfer to Rocky Mtn Fire | 15,420 | 21,201 | 37% | 34,780 | 61% |
| TOTAL EXPENDITURE | \$601,341 | \$396,909 | -34% | \$713,000 | 56% |

Town of Superior

3rd Quarter, 2016 Financial Report

| SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT | | | | | |
|--|--------------------|------------------|-----------------|----------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$647,692 | \$742,443 | 15% | \$875,000 | 85% |
| Intergovernmental | 0 | 0 | N/A | 29,000 | 0% |
| Miscellaneous | 1,253,109 | 71,164 | -94% | 602,000 | 12% |
| TOTAL REVENUE | \$1,900,801 | \$813,607 | -57% | \$1,506,000 | 54% |
| EXPENDITURE | | | | | |
| Administration | \$88,353 | \$94,328 | 7% | \$123,762 | 76% |
| Maintenance | 216,157 | 260,407 | 20% | 373,900 | 70% |
| Capital | 32,810 | 234,934 | 616% | 1,168,000 | 20% |
| TOTAL EXPENDITURE | \$337,320 | \$589,669 | 75% | \$1,665,662 | 35% |

| SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT - DEBT SERVICE | | | | | |
|---|--------------------|------------------|-----------------|----------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$373,225 | \$305,476 | -18% | \$311,000 | 98% |
| Miscellaneous | 3,433 | 1,352 | -61% | 2,000 | 68% |
| TOTAL REVENUE | \$376,658 | \$306,828 | -19% | \$313,000 | 98% |
| EXPENDITURE | | | | | |
| Administration | \$5,348 | \$4,407 | -18% | \$10,000 | 44% |
| Bank Fees | 0 | 0 | N/A | 150 | 0% |
| Bond Issuance Costs | 49,900 | 0 | N/A | 0 | N/A |
| Principal | 496,485 | 0 | N/A | 285,000 | 0% |
| Interest | 64,754 | 26,670 | -59% | 52,820 | 50% |
| Transfer to SMID Capital | 1,250,000 | 0 | N/A | 0 | N/A |
| TOTAL EXPENDITURE | \$1,866,487 | \$31,077 | -98% | \$347,970 | 9% |

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

Town of Superior

3rd Quarter, 2016 Financial Report

| SUPERIOR METROPOLITAN DISTRICT | | | | | |
|---------------------------------------|------------------|------------------|-----------------|--------------------------|--------------------------------------|
| No. 2 - DEBT SERVICE | | | | | |
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$592,069 | \$587,616 | -1% | \$603,000 | 97% |
| Miscellaneous | 952 | 2,042 | 114% | 800 | 255% |
| TOTAL REVENUE | \$593,021 | \$589,658 | -1% | \$603,800 | 98% |
| EXPENDITURE | | | | | |
| Treasurer's Collection Fees | \$8,536 | \$8,506 | 0% | \$9,000 | 95% |
| 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% |
| TOTAL EXPENDITURE | \$31,284 | \$25,727 | -18% | \$642,642 | 4% |

| SUPERIOR METROPOLITAN DISTRICT | | | | | |
|---------------------------------------|------------------|------------------|-----------------|--------------------------|--------------------------------------|
| No. 3 - DEBT SERVICE | | | | | |
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Taxes | \$279,991 | \$283,133 | 1% | \$290,000 | 98% |
| Miscellaneous | 420 | 906 | 116% | 0 | N/A |
| TOTAL REVENUE | \$280,411 | \$284,039 | 1% | \$290,000 | 98% |
| EXPENDITURE | | | | | |
| Treasurer's Collection Fees | \$4,036 | \$4,094 | 1% | \$4,500 | 91% |
| 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% |
| TOTAL EXPENDITURE | \$14,855 | \$12,281 | -17% | \$306,075 | 4% |

Town of Superior

3rd Quarter, 2016 Financial Report

| WATER | | | | | |
|----------------------------|--------------------|--------------------|-----------------|----------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Charges for Service | \$2,067,791 | \$2,390,186 | 16% | \$ 3,183,000 | 75% |
| Miscellaneous | 1,034,858 | 800,454 | -23% | 2,202,528 | 36% |
| TOTAL REVENUE | \$3,102,649 | \$3,190,640 | 3% | \$5,385,528 | 59% |
| EXPENSE | | | | | |
| Administration | \$27,585 | \$21,182 | -23% | \$37,800 | 56% |
| Water Supply | 753,994 | 852,698 | 13% | 844,876 | 101% |
| Water Treatment | 256,682 | 380,703 | 48% | 446,489 | 85% |
| Water Storage/Distribution | 248,486 | 233,912 | -6% | 185,800 | 126% |
| Non-Departmental | 915,172 | 451,098 | -51% | 2,426,063 | 19% |
| Capital Projects | 392,104 | 1,766,432 | 351% | 1,499,500 | 118% |
| TOTAL EXPENSE | \$2,594,023 | \$3,706,025 | 43% | \$5,440,528 | 68% |

(1)

(2)

(3)

(4)

(5)

| SEWER | | | | | |
|------------------------|--------------------|--------------------|-----------------|----------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Charges for Service | \$851,034 | \$903,377 | 6% | \$1,190,925 | 76% |
| Miscellaneous | 235,347 | 393,016 | 67% | 1,336,160 | 29% |
| TOTAL REVENUE | \$1,086,381 | \$1,296,393 | 19% | \$2,527,085 | 51% |
| EXPENSE | | | | | |
| Administration | \$5,734 | \$3,456 | -40% | \$9,110 | 38% |
| Waste Water Collection | 41,267 | 18,840 | -54% | 46,000 | 41% |
| Waste Water Treatment | 511,286 | 526,821 | 3% | 736,089 | 72% |
| Non-Departmental | 188,619 | 166,177 | -12% | 938,986 | 18% |
| Capital Projects | 511,788 | 175,192 | -66% | 636,900 | 28% |
| TOTAL EXPENSE | \$1,258,694 | \$890,486 | -29% | \$2,367,085 | 38% |

(1)

- (1) A major part of this budget represents a General Fund transfer which will happen at the end of the year.
- (2) Water assessment/transmission costs slightly over budget.
- (3) Final photovoltaic system purchase planned in 2015 at \$39,930. Actually occurred in early 2016.
- (4) Potable and non-potable line repairs and maintenance higher than budget.
- (5) Reuse system upgrades project higher than budget. Budget amendment pending (October 2016).

Town of Superior

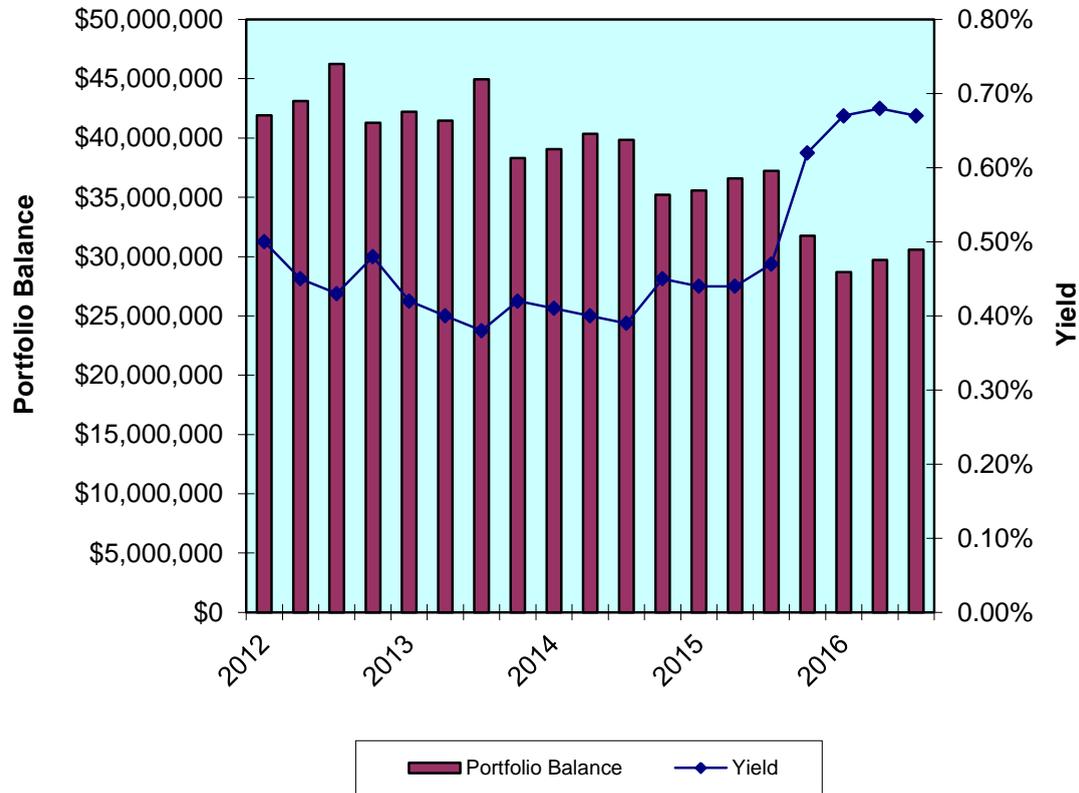
3rd Quarter, 2016 Financial Report

| STORM DRAINAGE | | | | | |
|-----------------------|------------------|------------------|-----------------|--------------------------|--------------------------------------|
| | 2015 YTD | 2016 YTD | % Change | Annual Budget | (75% of Year) % of Budget |
| REVENUE | | | | | |
| Charges for Service | \$252,273 | \$258,462 | 2% | \$345,000 | 75% |
| Miscellaneous | 119,378 | 80,560 | -33% | 627,929 | 13% |
| TOTAL REVENUE | \$371,651 | \$339,022 | -9% | \$972,929 | 35% |
| EXPENSE | | | | | |
| Administration | \$24,664 | \$30,442 | 23% | \$28,340 | 107% |
| Storm Drainage | 57,723 | 46,833 | -19% | 99,500 | 47% |
| Non-Departmental | 125,732 | 109,050 | -13% | 237,089 | 46% |
| Capital Projects | 656,653 | 59,854 | -91% | 124,600 | 48% |
| TOTAL EXPENSE | \$864,772 | \$246,179 | -72% | \$489,529 | 50% |

(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" (KICP) payment has been made in full. Over budget because of additional unplanned sampling tests required by KICP.

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% |
| 2016 - 3rd Qtr. | 30,591,649 | 0.67% |

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.