



QUARTERLY FINANCIAL REPORT

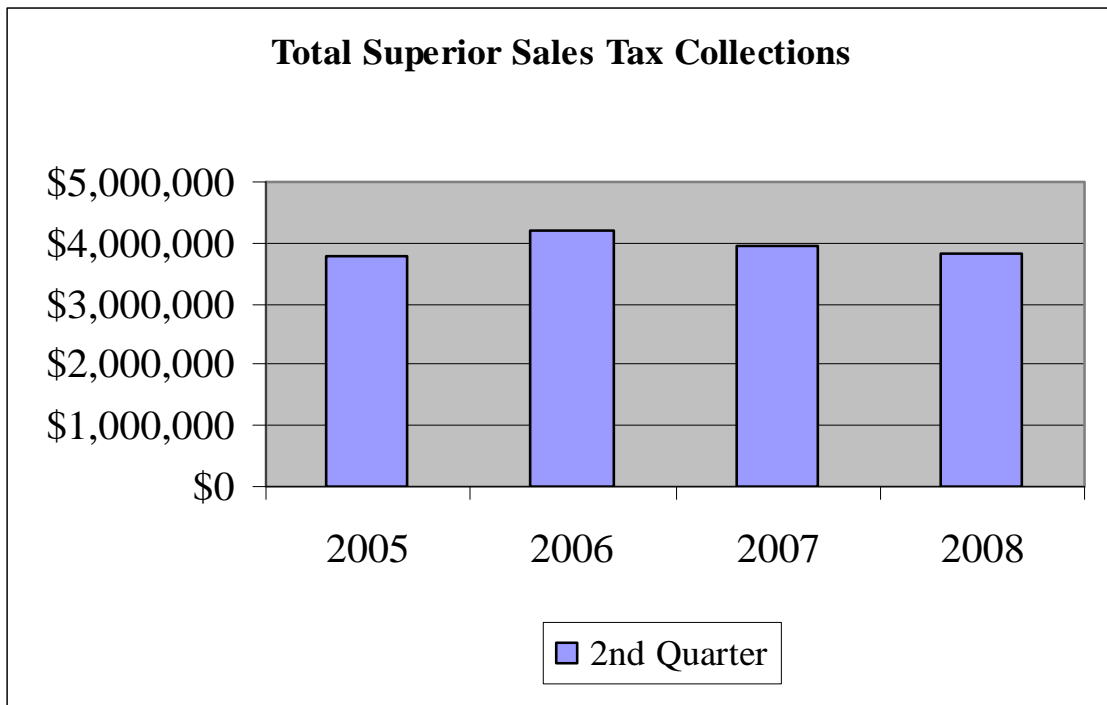
2nd QUARTER 2008

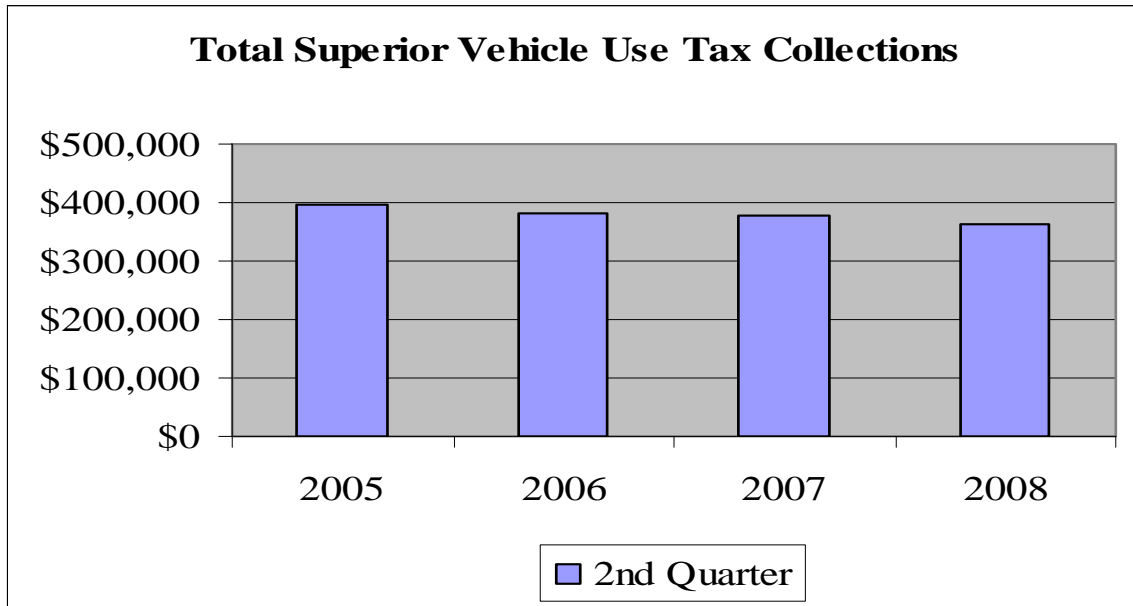
2nd QUARTER 2008 HIGHLIGHTS

GENERAL GOVERNMENT

General Operations:

- Revenue. Similar to 2007 full year sales tax trends, 2nd quarter 2008 sales tax revenues are slightly below budgeted expectations. Building activity revenues (use tax, permit/plan check fees) are also below budget but will increase as construction continues at the Calmante development (south east corner of McCaslin and Coalton). Interest income revenues are below expectations (this will be a consistent theme throughout Town operations). Revenues associated with the Town's enhance traffic enforcement efforts (court costs/fees and fines) are exceeding budgets. Other major revenue sources are in-line with budgets. The graphs below summarize some of Superior's larger sales/use tax receipts:





- Expenditures. 2008 General Fund operating expenditures are generally in line with budgets. For those Department's overspent through the second quarter:
 - Snow removal material costs are higher than budget in Public Works
 - The Town's annual contribution of \$105,000 to the City of Louisville for library services has been paid in full.

Government Capital:

General Capital Improvement Program:

Complete

- Loader Backhoe (new)
- Administration vehicle (new)
- Community park ball field drainage improvements and field repairs
- Tennis court resurfacing
- Public Works/Utilities vehicle replacement

Construction/Implementation

- Historic education park
- Pool repairs
- Tree and plant enhancements
- Town 9 improvements (trail, grading/seeding, play equipment)

- Traffic calming – Pedestrian crossings at Rock Creek/Pitkin and 88th Street south of the Highway 36 bridge

Planning/Design

- Drainage mitigation at south pool. Identify and solve water drainage issue at the site.
 - Portable restroom enclosure at yard waste site
 - Vehicle/Equipment/Materials storage at waste water treatment plant (WWTP)
 - Town 9 and Purple Park restrooms
 - Williams field storage shed
 - Coalton trailhead. This project scheduled for design in 2008, construction in 2009.
 - Shrub renovation
 - Original Town drainage/paving improvements at 2nd and 3rd Avenue, south of Coal Creek adjacent to the old rail road bed
 - Rock Creek parkway pedestrian underpass improvements. Resolve issue of water leaking onto the underpass.
 - Street replacement project.
 - Illuminated street name and mast arms. Street name illumination on McCaslin, Coalton and Rock Creek Parkway. Mast arm and street name illumination at McCaslin and Coalton. This project scheduled for design in 2008, construction in 2009.
 - Speed radar signs
 - Traffic signal opticoms
 - McCaslin boulevard slope repair south of Indiana
 - Emergency sirens
- **Conservation Trust:**

Construction/Implementation

- Historic education park
- Town 9 and Purple Park restrooms

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) paid by residents of SMD Nos. 2 & 3 for enhanced landscaping in these areas.

- Expenditures. Maintenance costs are below budget. These expenses are cyclical in nature, with the majority of costs in the summer/fall.

Open Space:

- Revenue. In line with 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 \$3,000,000 of these bond proceeds are unspent at this time.
- Expenditures.
 - Land acquisition. Staff continues to pursue purchase options.
 - Coalton trail head improvements at McCaslin/Coalton. Joint project between Superior and Boulder County to improve this trail head including a traffic signal/traffic control device at McCaslin and Coalton and formal parking area (2008 planning, 2009 construction)
 - Maintenance. Expenses represent a Boulder County Youth Corps team assigned to the Town.

Open Space Debt Service:

Debt was issued in 2006 for open space purchases. 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. Current revenues and expenditures are in-line with budget expectations.

SUPERIOR URBAN RENEWAL AUTHORITY

- Revenue. Slightly below budget expectations.
- Expenditures. Slightly below budget expectations.

SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT

- Revenue. Tax receipts are in-line with budget expectations.
- Expenditures.
 - Entry sign. Installation of a “Town of Superior” entry sign on McCaslin in the vicinity of Marshall is in the planning stage.

- Illuminated street sign. Lighting of street signs at McCaslin and Marshall is in the planning stage.
- Opticoms. Installation of opticoms at four signal locations is in the planning stage.
- Maintenance. Costs are below budget. These expenses are cyclical in nature, with the majority of costs in the summer/fall.

SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT – DEBT SERVICE

Debt was issued for phase I (south west loop) Highway 36 and McCaslin Boulevard interchange improvement. The debt service is supported by a dedicated 0.16% sales tax (which expires after 2022) as well as a property tax (22 mills in 2008). Debt service payments are scheduled for May and November annually with final maturity in 2024. Current revenues and expenditures are in-line with budget expectations.

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 (6.85 mills in 2008). Debt service payments are scheduled for June and December annually with final maturity in 2018. Current revenues and expenditures are in-line with budget expectations.

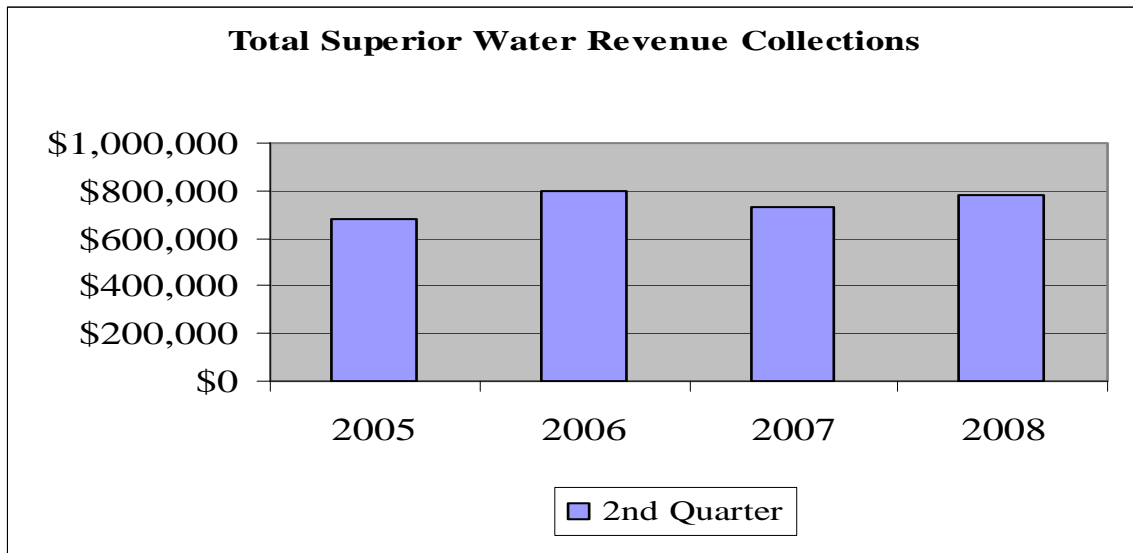
SUPERIOR METROPOLITAN DISTRICT No. 3 – DEBT SERVICE

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 (6.55 mills in 2008). Debt service payments are scheduled for June and December annually with final maturity in 2018. Current revenues and expenditures are in-line with budget expectations.

UTILITIES

Utility Operations:

- Revenue. Water, sewer and storm drainage charges for service and miscellaneous revenues are in line with estimates. Water charges for service increase in the summer months when water consumption increases.



- Expenses. Divisional operating expenses are generally in line with budgets except for:
 - Water Supply - many annual water assessment payments have been made.

Utility Capital:

- **Water Firming:** \$450,000 is budgeted for the Town's participation in design efforts for the Windy Gap firming project. The Town's 2008 expenses will be only \$51,617. Design is scheduled to continue through 2010. Construction of the reservoir, which will be used to store the Town's Windy Gap water rights, is scheduled to begin in 2011. Superior's share of construction is currently estimated at \$13,000,000.

- **Water - Other:**

Complete

- Loader Backhoe (new)
- Water Treatment Plant (WTP) corrosion inhibitor system and soda ash module

- WTP raw water meters and vaults
- WTP backwash system improvements study and pond dredging
- Southern Water Supply Project pump replacement
- Public Works/Utilities vehicle replacement

Construction/Implementation

- Water master plan
- Water system modeling
- Water treatment plant clarifloculator painting
- Irrigation meter and vault improvements
- WTP filter media replacement

Planning/Design

- Vehicle/Equipment/Materials storage at WWTP
- Terminal storage liner repair
- WTP clarifloculator sludge interceptor vault (not needed with pond dredging work noted above)
- WTP chemical feed system improvements
- Northern Colorado Water Conservancy District (NCWCD) pump replacement. Project pushed to 2013.
- NCWCD eastern pump station improvements. Project pushed to 2010.
- Potable water interconnect with Broomfield. Project pushed to 2009.

- **Sewer:**

Complete

- Loader Backhoe (new)
- Replace parshall flume at effluent outfall
- WWTP blower room ventilation improvements
- Backwash pond dredging
- Process meter replacement
- WWTP landscaping improvements.
- Public Works/Utilities vehicle replacement

Construction/Implementation

- Wastewater master plan
- Wastewater system modeling

- WWTP pump replacement
- WWTP centrifuge upgrade/replacement

Planning/Design

- Vehicle/Equipment/Materials storage at WWTP
- Improve drainage around WWTP generator (to be completed by Town staff)
- Blower replacement at WWTP

- **Storm Drainage:**

Complete

- Loader Backhoe (new)
- Public Works/Utilities vehicle replacement

Planning/Design

- Vehicle/Equipment/Materials storage at WWTP
- Rock Creek basin storm drainage improvements

2nd Quarter, 2008 Financial Report

GENERAL					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Taxes	\$3,528,359	\$3,446,609	-2%	\$7,919,000	44% (1)
License & Permit	100,418	111,033	11%	336,750	33% (2)
Intergovernmental	52,122	7,500	-86%	15,000	50%
Charges for Service	423,950	454,626	7%	835,940	54%
Fines	34,138	80,259	135%	125,000	64% (3)
Miscellaneous	251,162	153,691	-39%	380,500	40% (4)
TOTAL REVENUE	\$4,390,149	\$4,253,718	-3%	\$9,612,190	44%
EXPENDITURE					
Legislative	\$13,552	\$15,587	15%	\$32,418	48%
Judicial	37,623	31,973	-15%	65,836	49%
Clerk	46,929	52,603	12%	118,145	45%
Administration	422,056	425,989	1%	874,935	49%
Finance	189,763	206,608	9%	411,119	50%
Legal Services	107,816	45,441	-58%	210,000	22%
Public Safety	536,100	626,471	17%	1,251,815	50%
Building Inspection	48,653	62,002	27%	227,350	27% (2)
Parks and Recreation	619,331	555,739	-10%	1,409,845	39%
Public Works	1,032,737	751,618	-27%	1,436,995	52% (5)
Library	75,000	105,000	40%	105,000	100% (6)
Non-Departmental	284,089	340,481	20%	3,459,711	10%
TOTAL EXPENDITURE	\$3,413,649	\$3,219,512	-6%	\$9,603,169	34%

(1) Lower than budgeted sales tax and building use tax revenues

(2) Lower than anticipated building activity

(3) Enhance traffic enforcement activities have increased fine revenues.

(4) Interest income lower than budgeted.

(5) Snow removal materials higher than budget.

(6) Superior's 2008 contribution to Louisville for Library Services paid in full

2nd Quarter, 2008 Financial Report

CAPITAL IMPROVEMENT PROGRAM					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Taxes	\$383,678	\$373,651	-3%	\$820,000	46%
Miscellaneous	60,305	182,371	202%	1,332,000	14%
TOTAL REVENUE	\$443,983	\$556,022	25%	\$2,152,000	26%
EXPENDITURE					
Public Works	\$45,445	\$79,463	75%	\$1,398,500	6%
Parks and Recreation	127,229	121,651	-4%	491,000	25%
Non-Departmental	0	15,064	NA	25,000	60%
TOTAL EXPENDITURE	\$172,674	\$216,178	25%	\$1,914,500	11%

(1)

CONSERVATION TRUST					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Conservation Trust	\$51,486	\$52,244	1%	\$100,000	52%
Miscellaneous	6,176	4,662	-25%	3,000	155%
TOTAL REVENUE	\$57,662	\$56,906	-1%	\$103,000	55%
EXPENDITURE					
Capital	\$1,215	\$200,141	16373%	\$91,163	220%
TOTAL EXPENDITURE	\$1,215	\$200,141	16373%	\$91,163	220%

(2)

(3)

- (1) The majority of this budget represents a General Fund transfer which will be made at the end of 2008
 (2) Interest income higher than budgeted. End of 2007 cash balance higher than anticipated
 (3) 2008 includes expenses that were budgeted in 2007 but weren't completed until 2008

2nd Quarter, 2008 Financial Report

CLASS 1 LANDSCAPE					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Landscape Maintenance Fee	\$723,758	\$731,572	1%	\$1,450,000	50%
Miscellaneous	19,903	17,408	-13%	28,000	62%
TOTAL REVENUE	\$743,661	\$748,980	1%	\$1,478,000	51%
EXPENDITURE					
Maintenance	\$603,996	\$437,884	-28%	\$1,539,952	28%
TOTAL EXPENDITURE	\$603,996	\$437,884	-28%	\$1,539,952	28%

(1)

OPEN SPACE					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Taxes	\$131,877	\$0	-100%	\$317,000	0%
Miscellaneous	105,703	97,615	-8%	235,000	42%
TOTAL REVENUE	\$237,580	\$97,615	-59%	\$552,000	18%
EXPENDITURE					
Maintenance	\$0	\$10,603	NA	\$11,000	96%
Capital	3,119,385	0	NA	1,020,000	0%
TOTAL EXPENDITURE	\$3,119,385	\$10,603	NA	\$1,031,000	0%

(2)

(3)

(1) Expenses cyclical in nature with the majority in the summer/fall

(2) All taxes have been recorded in the debt service fund until the debt service requirements are met.

(3) All of the Boulder County Youth Corp expenses have been paid for 2008

2nd Quarter, 2008 Financial Report

OPEN SPACE DEBT SERVICE						
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year)	
					% of Budget	
REVENUE						
Taxes	\$251,802	\$373,651	48%	\$503,000	74%	(1)
Miscellaneous	57,729	1,437	-98%	38,000	4%	(2)
TOTAL REVENUE	\$309,531	\$375,088	NA	\$541,000	69%	
EXPENDITURE						
Bank Fees	\$75	\$75	NA	\$2,500	3%	(3)
Principal	205,000	215,000	NA	215,000	100%	(3)
Interest	162,465	158,211	NA	311,908	51%	
TOTAL EXPENDITURE	\$367,540	\$373,286	NA	\$529,408	71%	

SUPERIOR URBAN RENEWAL AUTHORITY						
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year)	
					% of Budget	
REVENUE						
Taxes	\$2,326,837	\$2,247,185	-3%	\$4,960,000	45%	(2)
Miscellaneous	13,113	7,262	-45%	30,000	24%	(2)
TOTAL REVENUE	\$2,339,950	\$2,254,447	-4%	\$4,990,000	45%	
EXPENDITURE						
Financial Services	\$2,410	\$6,153	155%	\$10,000	62%	
Capital Projects (Art)	3,506	0	-100%	-	N/A	
Town Revenue Share	1,165,111	1,107,207	-5%	3,330,000	33%	
Debt Service	433,250	184,467	NA	1,650,000	11%	
TOTAL EXPENDITURE	\$1,604,277	\$1,297,827	-19%	\$4,990,000	26%	

- (1) All taxes have been recorded in the debt service fund until the debt service requirements are met
 (2) Interest income lower than budgeted
 (3) Principal payment made for the year

2nd Quarter, 2008 Financial Report

SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Taxes	\$434,046	\$412,905	-5%	\$695,000	59% (1)
Miscellaneous	73,744	53,641	-27%	88,000	61% (2)
TOTAL REVENUE	\$507,790	\$466,546	-8%	\$783,000	60%
EXPENDITURE					
Interchange Improvements	\$2,500	\$33,922	1257%	\$0	NA (3)
Administration	36,367	3,636	-90%	5,500	66% (1)
Administrative Fee	3,621	38,367	960%	76,734	50%
Maintenance	96,041	73,805	-23%	323,710	23% (4)
TOTAL EXPENDITURE	\$138,529	\$149,730	8%	\$405,944	37%

SUPERIOR/MCCASLIN INTERCHANGE METROPOLITAN DISTRICT - DEBT SERVICE					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Taxes	\$424,402	\$398,438	-6%	\$522,000	76% (1)
Miscellaneous	25,751	27,247	6%	20,000	136% (2)
TOTAL REVENUE	\$450,153	\$425,685	-5%	\$542,000	79%
EXPENDITURE					
Administration	\$6,127	\$5,731	-6%	\$10,000	57% (1)
Bank Fees	75	75	NA	5,000	2%
Principal	0	0	NA	165,000	0%
Interest	113,153	110,528	NA	221,056	50%
TOTAL EXPENDITURE	\$119,355	\$116,334	-3%	\$401,056	29%

(1) The majority of commercial property tax collection is in the 2nd quarter

(2) Interest income higher than budgeted

(3) Final change order expenses for the Interchange improvements project

(4) Expenses cyclical in nature with the majority in the summer/fall

2nd Quarter, 2008 Financial Report

SUPERIOR METROPOLITAN DISTRICT No. 2 - DEBT SERVICE					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Taxes	\$368,502	\$378,006	3%	\$651,000	58%
Miscellaneous	12,173	10,548	-13%	15,000	70%
TOTAL REVENUE	\$380,675	\$388,554	2%	\$666,000	58%
EXPENDITURE					
Treasurer's Collection Fees	\$5,230	\$5,385	3%	\$10,000	54%
Bank Fees	75	75	NA	1,000	8%
Principal	0	0	NA	430,000	0%
Interest	116,316	111,760	NA	223,520	50%
TOTAL EXPENDITURE	\$121,621	\$117,220	-4%	\$664,520	18%

(1)

SUPERIOR METROPOLITAN DISTRICT No. 3 - DEBT SERVICE					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Taxes	\$174,357	\$177,189	2%	\$309,000	57%
Miscellaneous	6,322	9,612	52%	8,000	120%
TOTAL REVENUE	\$180,679	\$186,801	3%	\$317,000	59%
EXPENDITURE					
Treasurer's Collection Fees	\$2,475	\$2,523	2%	\$5,000	50%
Bank Fees	75	75	NA	1,000	8%
Principal	0	0	NA	205,000	0%
Interest	54,517	52,323	NA	104,646	50%
TOTAL EXPENDITURE	\$57,067	\$54,921	-4%	\$315,646	17%

(1)

(1) Interest income higher than budget

2nd Quarter, 2008 Financial Report

WATER						
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year)	
					% of Budget	
REVENUE						
Charges for Service	\$745,419	\$798,491	7%	\$2,257,000	35%	(1)
Miscellaneous	520,404	288,171	-45%	2,642,271	11%	(2)
TOTAL REVENUE	\$1,265,823	\$1,086,662	-14%	\$4,899,271	22%	
EXPENSE						
Administration	\$15,987	\$21,163	32%	\$54,478	39%	(3)
Water Supply	549,972	576,415	5%	749,250	77%	
Water Treatment	139,033	141,831	2%	388,500	37%	
Water Storage/Distribution	169,367	46,918	-72%	197,150	24%	(4)
Non-Departmental	800,024	801,835	0%	2,516,558	32%	
Capital Projects	30,063	318,470	959%	934,750	34%	
TOTAL EXPENSE	\$1,704,446	\$1,906,632	12%	\$4,840,686	39%	

SEWER						
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year)	
					% of Budget	
REVENUE						
Charges for Service	\$430,023	\$433,607	1%	\$871,000	50%	(2)
Miscellaneous	119,121	31,791	-73%	547,694	6%	
TOTAL REVENUE	\$549,144	\$465,398	-15%	\$1,418,694	33%	
EXPENSE						
Administration	\$11,083	\$12,662	14%	\$31,665	40%	
Waste Water Collection	32,279	5,978	-81%	30,413	20%	
Waste Water Treatment	273,381	299,715	10%	709,890	42%	(4)
Non-Departmental	121,958	131,030	7%	396,976	33%	
Capital Projects	74,136	131,265	77%	192,700	68%	
TOTAL EXPENSE	\$512,837	\$580,650	13%	\$1,361,644	43%	

(1) Revenues cyclical in nature with the majority in the summer/fall

(2) The majority of this budget represents a General Fund transfer which will be made at the end of 2008

(3) Most water share annual assessment payments have been made in full

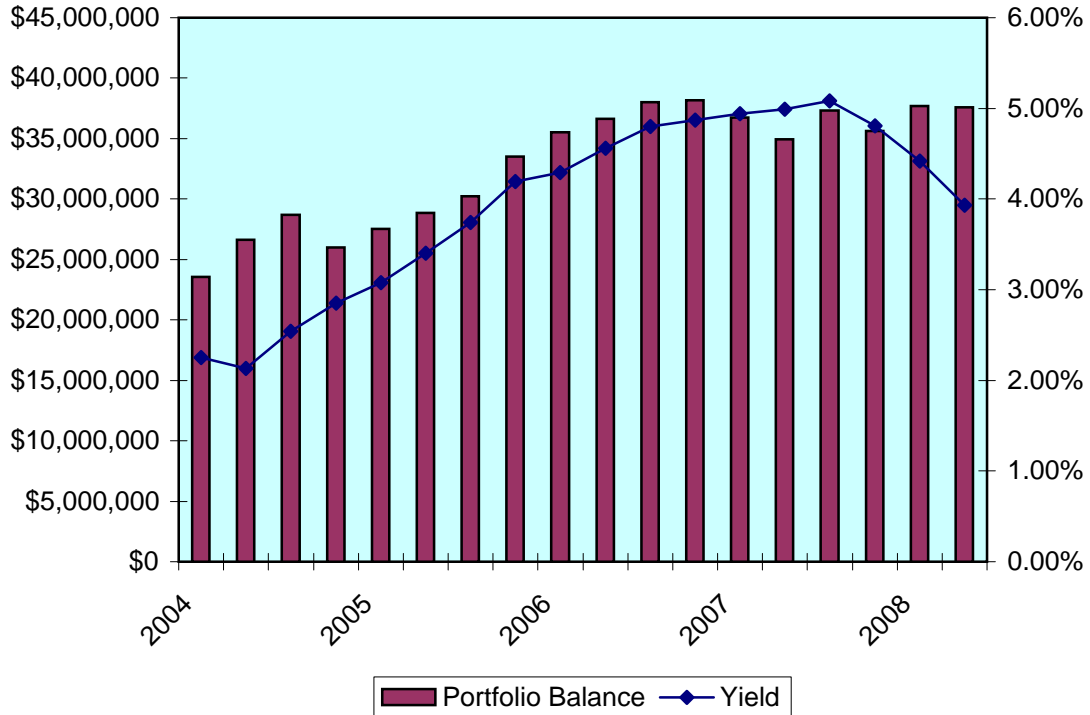
(4) Most of this budget represents bond payments to be made in December

2nd Quarter, 2008 Financial Report

STORM DRAINAGE					
	2007 YTD	2008 YTD	% Change	Annual Budget	(50% of Year) % of Budget
REVENUE					
Charges for Service	\$141,593	\$142,929	1%	\$290,000	49%
Miscellaneous	42,476	13,175	-69%	307,731	4%
TOTAL REVENUE	\$184,069	\$156,104	-15%	\$597,731	26%
EXPENSE					
Administration	\$24,855	\$23,624	-5%	\$58,515	40%
Storm Drainage	57,436	30,277	-47%	84,300	36%
Non-Departmental	71,486	82,561	15%	282,416	29%
Capital Projects	584	108,170	NA	109,500	99%
TOTAL EXPENSE	\$154,361	\$244,632	58%	\$534,731	46%

(1) The majority of this budget represents a General Fund transfer which will be made at the end of 2008

Town of Superior Investment Portfolio Summary



Year - Quarter	Portfolio Balance	Yield
2004 - 1st Qtr.	23,582,985	2.25%
2004 - 2nd Qtr.	26,655,093	2.13%
2004 - 3rd Qtr.	28,668,626	2.54%
2004 - 4th Qtr.	25,969,059	2.85%
2005 - 1st Qtr.	27,524,787	3.08%
2005 - 2nd Qtr.	28,836,293	3.40%
2005 - 3rd Qtr.	30,238,343	3.74%
2005 - 4th Qtr.	33,526,629	4.19%
2006 - 1st Qtr.	35,525,545	4.29%
2006 - 2nd Qtr.	36,623,860	4.56%
2006 - 3rd Qtr.	37,988,803	4.80%
2006 - 4th Qtr.	38,195,418	4.87%
2007 - 1st Qtr.	36,747,506	4.94%
2007 - 2nd Qtr.	34,921,086	4.99%
2007 - 3rd Qtr.	37,308,683	5.08%
2007 - 4th Qtr.	35,654,225	4.81%
2008 - 1st Qtr.	37,715,164	4.42%
2008 - 2nd Qtr.	37,614,004	3.93%