

TOWN OF CENTER, COLORADO
FINANCIAL STATEMENTS
DECEMBER 31, 2009

rfarmer, llc
a certified public accounting and consulting firm

**Town of Center, Colorado
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December 31, 2009**

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Independent Auditor's Report

To the Board of Trustees
Town of Center, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Center, Colorado (the "Town"), as of and for the year ended December 31, 2009, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Town and management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Center, Colorado, at December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion & analysis on pages iii-viii and the budgetary information on pages 20 through 25 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

rfarmer, llc

April 20, 2010
Lamar, Colorado

Management Discussion and Analysis

This section of the report provides readers with a narrative overview and analysis of the financial activities of the Town of Center for the year ended December 31, 2009. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the Town's financial performance.

Financial Highlights

- The Town of Center total assets exceeded liabilities by \$2,941,557 at December 31, 2009.
- The Governmental Fund balances were \$450,507 as of December 31, 2009 and include the General, Street Improvement and Conservation Trust funds. Of this amount, \$29,215 is reserved for emergencies per TABOR.
- The December 31, 2009 Governmental Fund balances are \$140,486 less than the previous year total of \$590,994.
- The Proprietary Fund balances were \$1,178,844, \$705,776 and \$530,273, as of December 31, 2009 and include the Light & Power, Natural Gas and Water funds, respectively. The total Proprietary Fund balance is \$2,414,893.
- The December 31, 2009 Proprietary Fund balances are \$341,946 more than the previous year total of \$2,072,947.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements contain three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private sector business.

The *statement of net assets* presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the Town's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying even giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Center, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. (additional information will be obtained from the footnotes)

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However,

unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources, as well as on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide adjustments to facilitate this comparison between *governmental funds* and *governmental activities*, which are also explained in the notes.

The basic governmental fund financial statements can be found on pages 4-7 of this report and include the General, Street Improvement and Conservation Trust Funds.

Proprietary Funds. Proprietary Funds are used to distinguish operating revenues and expenses from governmental fund items and are also called Enterprise Funds. The Town of Center maintains three (3) Enterprise Funds for the Light & Power, Natural Gas and Water activities which function independently from the Governmental Funds. These funds also operate differently than the General Fund in respect to TABOR requirements.

The basic proprietary fund financial statements can be found on pages 8-11 of this report and include the Light & Power, Natural Gas and Water Funds.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the Town's own operations. The accounting used for fiduciary funds is much like that used for proprietary funds.

There are no fiduciary fund financial statements in this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12 through 19 of this report.

Budgetary Comparisons. The Town of Center adopts an annual appropriated budget for all funds in accordance with Colorado Revised Statutes. Budgetary comparison statements had been provided for the financial statements on pages 20-25 of this report.

Government-wide Financial Analysis

Net Assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Town has increase net assets consistently while at the same time reduced liabilities since 2005. As of December 31, 2009, net assets exceeded liabilities by \$2,941,557.

The following table provides a comparison of the Town's assets and liabilities over a three year period and includes Governmental and Business (Proprietary) Activities:

	12/31/07	12/31/08	12/31/09
Assets:			
Current and other assets	\$2,183,009	\$2,287,732	\$2,433,420
Capital assets	<u>\$1,469,728</u>	<u>\$1,419,946</u>	<u>\$1,439,823</u>
Total Assets	\$3,652,737	\$3,707,678	\$3,873,243
Liabilities:			
Current liabilities	<u>\$1,107,881</u>	<u>\$1,066,493</u>	<u>\$931,686</u>
Total Liabilities	<u>\$1,107,881</u>	<u>\$1,066,493</u>	<u>\$931,686</u>
Net Assets:			
Invested in capital assets	\$957,152	\$957,580	\$1,167,453
Restricted	\$19,417	\$29,215	\$29,215
Unrestricted	<u>\$1,568,287</u>	<u>\$1,654,391</u>	<u>\$1,744,888</u>
Total Net Assets	<u>\$2,544,856</u>	<u>\$2,641,186</u>	<u>\$2,941,556</u>

A significant portion of the Town of Center's net assets represents unrestricted net assets of \$1,744,888, which may be used to meet the Town's ongoing obligations, including operations and maintenance, and capital improvements. Increased net assets for the year are a result of overall increased assets and reduced liabilities.

Another significant portion of the Town's net assets reflects its investment in capital assets. These assets include land, building, equipment, and vehicles. These capital assets are used to provide services to Town customers and consequently, they are not available for future spending.

An additional \$29,215 of the Towns' net assets represents resources that are subject to TABOR emergency reserves.

Capital Asset and Debt Administration

Capital Assets. The Town of Center investment in capital assets for its governmental and business type activities as of December 31, 2009, totals \$1,439,823 (net of accumulated depreciation). This investment includes all land, buildings, equipment, and vehicles.

The Town implemented the straight-line depreciation method under GASB 34 for its capital assets, except or land which is not depreciated. Additional information on the Town's capital assets can be found in Note 4, Page 17 of this report.

Net Fund Balances. Balanced budgets are required by Statute and the Town seeks to operate efficiently and without the utilization of reserve funds. The Town has grown reserves steadily since 2005 and maintains reserve balances in all funds. However certain years require expenditures in excess of revenues and reserves are utilized to offset these impacts.

The following table provides a comparison of the Town's fund balances over a three year period and includes Governmental and Business (Proprietary) Activities:

	12/31/07	12/31/08	12/31/09
Revenues:			
Program revenues:			
Service Charges (L&P, Gas, Water)	\$2,790,802	\$2,434,644	\$2,441,377
Operating, grants and contributions	\$440,527	\$403,103	\$328,335
Miscellaneous	\$39,897	\$201,604	\$198,248
General revenues:			
Property, Sales and S.O. Taxes	\$402,262	\$444,548	\$555,913
Investment earnings	<u>\$18,993</u>	<u>\$56,734</u>	<u>\$14,199</u>
Total Revenues	\$3,692,481	\$3,540,633	\$3,538,072
Expenses:			
General Government	\$210,953	\$242,044	\$276,186
Public Safety	\$34,274	\$35,441	\$225,053
Public Works	\$542,568	\$530,456	\$299,210
Repairs/Utilities/Power/Other	\$130,900	\$136,592	\$92,439
Services (L&P, Gas, Water)	\$2,101,979	\$2,131,545	\$2,367,174
Depreciation	<u>\$75,783</u>	<u>\$75,782</u>	<u>\$76,551</u>
Total Expenses	\$3,096,457	\$3,151,860	\$3,336,613
Other Revenues/Expenses:			
Transfers In/Out (Gen. Government)	\$79,471	\$207,661	(\$180,018)
Transfers In/Out (Enterprise)	(\$79,471)	(\$207,661)	\$180,018
Interest	\$17,107	(\$12,210)	\$0
Other and Miscellaneous	(\$9,693)	(\$257,483)	\$0
Total Other Revenues/Expenses	\$7,414	(\$269,693)	\$0
Total Change in Fund Balances	<u>\$603,439</u>	<u>\$119,080</u>	<u>\$201,459</u>
Prior Year Fund Balances	<u>\$1,941,417</u>	<u>\$2,544,856</u>	<u>\$2,663,936</u>
Total Current Fund Balances	<u>\$2,544,856</u>	<u>\$2,663,936</u>	<u>\$2,865,395</u>

Governmental Activities. Governmental activities increased the Town's net fund balances by \$201,459 during the current year. Key elements of this increase are as follows:

- Total revenues were essentially flat when compared to the prior year, however property tax revenues were up \$92,657, or 38.9% from 2008.
- Total expenses were down by \$84,940 or 2.5% when compared to the prior year, and particularly in the cost of purchasing wholesale gas.

General Fund Budgetary Highlights

The Town's budget is prepared according to Colorado Revised Statutes and adopted annually by ordinance on or before December 15th. Balanced budgets are required and approved budgets must be submitted to the State Department of Local Governments.

The following table provides a comparison of the Town's budget comparisons for the last two years and includes Governmental and Business (Proprietary) Activities:

	<u>12/31/08</u>		<u>12/31/09</u>	
	Budget	Actual	Budget	Actual
Revenues:				
Program revenues:				
Service Charges (L&P, Gas, Water)	\$2,934,922	\$2,434,644	\$2,851,222	\$2,441,377
Operating, grants and contributions	\$396,860	\$403,103	\$324,365	\$328,335
Miscellaneous	\$64,876	\$201,604	\$166,875	\$198,248
General revenues:				
Property, Sales and S.O. Taxes	\$379,883	\$444,548	\$427,869	\$555,913
Investment earnings	<u>\$7,225</u>	<u>\$56,734</u>	<u>\$7,225</u>	<u>\$14,199</u>
Total Revenues	\$3,783,766	\$3,540,633	\$3,777,556	\$3,538,072
Expenses:				
General Government	\$301,071	\$384,996	\$222,585	\$276,186
Public Safety	\$321,673	\$35,441	\$328,719	\$225,053
Public Works	\$244,787	\$530,456	\$208,385	\$299,210
Purchased Utilities	\$0	\$34,404	\$1,980,126	\$1,442,684
General Utility Administration	\$0	\$0	\$308,840	\$310,192
Repairs, Capital Outlay, Operating	\$290,007	\$228,929	\$322,700	\$258,604
Services (L&P, Gas, Water)	\$2,721,732	\$2,131,545	\$440,120	\$448,133
Depreciation	<u>\$0</u>	<u>\$75,782</u>	<u>\$0</u>	<u>\$76,551</u>
Total Expenses	\$3,879,270	\$3,421,553	\$3,811,475	\$3,336,613
Other Revenues/Expenses:				
Transfers In/Out (Gen. Government)	\$0	\$207,661	\$27,875	(\$180,018)
Transfers In/Out (Enterprise)	\$0	(\$207,661)	\$0	\$180,018
Revenues in Excess of Expenditures	<u>(\$95,504)</u>	<u>\$119,080</u>	<u>(\$6,044)</u>	<u>\$201,459</u>

Other Matters/Factors

The following factors are expected to have significant effect on the Town's financial position and overall operations. These factors need to be considered when developing future budgets:

- Overall general government expenditures are down due to reduced staffing and no major capital improvement projects. Priorities need to be established for future staffing levels and major capital improvement projects.
- The price of power purchased for electricity has increased and warrants increases in this rate. Similarly, demand metering is not utilized effectively and revenues are lost due to charges by providers for demand services.
- Major revenues are not realized due to the lack of water metering. This needs to be a high priority for the Town to help fund deferred maintenance and other related utility improvements. Backflow prevention is also not incorporated and the Town is in non-compliance with the State on this issue.
- Rate structures need to be analyzed on all utilities and results implemented into a comprehensive rate program.
- A comprehensive capital improvement plan is needed for the Town and associated utilities. The plan should depict funding strategies and a schedule for capital improvements.
- Employee salaries and benefits need to be analyzed and results implemented into a classification plan complete with allocated funding.

Requests For Information

This financial report is designed to provide a general overview of the Town's finances for all individual or business interests. Questions concerning any of the information provided or for additional financial information should be addressed to the Town Clerk at:

Town of Center, PO Box 400, Center, CO 81125.

Town of Center
Statement of Net Assets
December 31, 2009

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash and Equivalents	\$ 472,520	\$ 1,241,966	\$ 1,714,486
Receivables	260,944	397,187	658,131
Internal Balances	(61,864)	61,864	-
Inventories	-	60,803	60,803
Capital Assets:			
Land	3,750	158,048	161,798
Property, Plant and Equipment	92,439	3,170,553	3,262,992
Other Capital Assets	-	122,100	122,100
Less: Accumulated Depreciation	(9,244)	(2,097,823)	(2,107,067)
Total Capital Assets	86,945	1,352,878	1,439,823
Total Assets	758,545	3,114,698	3,873,243
LIABILITIES			
Accounts payable and accrued expenses	49,948	212,176	262,124
Due to other governmental agencies	-	41,000	41,000
Deferred Revenues	169,516	-	169,516
Customer Deposits	1,630	161,913	163,543
Long-term liabilities			
Due within one year	-		
Anticipation Warrants and Notes Payable	-	32,801	32,801
Compensated Absences	10,789	12,344	23,133
Due in more than one year			
Anticipation Warrants and Notes Payable	-	239,569	239,569
Total liabilities	231,883	699,803	931,686
NET ASSETS			
Invested in capital assets, net of related debt	86,945	1,080,508	1,167,453
Restricted for:			
TABOR	29,215	-	29,215
Unrestricted	410,502	1,334,387	1,744,889
Total net assets	\$ 526,662	\$ 2,414,895	\$ 2,941,557

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center
Statement of Activities
For the Year Ended December 31, 2009

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government							
Governmental Activities							
General Government	\$ 188,691	\$ 270,002	\$ 15,447	\$ -	\$ 96,758	\$ -	\$ 96,758
Public Safety	234,297	29,684	-	-	(204,613)	-	(204,613)
Public Works	334,617	-	-	-	(334,617)	-	(334,617)
Culture and Recreation	40,128	555	22,118	-	(17,455)	-	(17,455)
Total governmental activities	<u>797,733</u>	<u>300,241</u>	<u>37,565</u>	<u>-</u>	<u>(459,927)</u>	<u>-</u>	<u>(459,927)</u>
Business-type activities:							
Light & Power	1,568,834	1,516,276	-	-	-	(52,558)	(52,558)
Water	198,742	192,204	-	-	-	(6,538)	(6,538)
Gas	676,149	886,870	-	-	-	210,721	210,721
Total business-type activities	<u>2,443,725</u>	<u>2,595,350</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,625</u>	<u>151,625</u>
Total primary government	<u>\$ 3,241,458</u>	<u>\$ 2,895,591</u>	<u>\$ 37,565</u>	<u>\$ -</u>	<u>(459,927)</u>	<u>151,625</u>	<u>(308,302)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					181,859	-	181,859
Payment in Lieu of taxes and franchise fees					122,951	-	122,951
Sales Tax					201,359	-	201,359
Highway Users, Severance, and Misc Taxes					84,549	-	84,549
Unrestricted investment earnings					3,894	10,305	14,199
Transfers					(180,018)	180,018	-
Total general revenues, special items, and transfers					<u>414,594</u>	<u>190,323</u>	<u>604,917</u>
Change in net assets					(45,333)	341,948	296,615
Net assets - beginning					<u>568,244</u>	<u>2,072,947</u>	<u>2,641,191</u>
Net assets - ending					<u>\$ 526,662</u>	<u>\$ 2,414,895</u>	<u>\$ 2,941,557</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center
Balance Sheet
Governmental Funds
December 31, 2009

	<u>Street</u>	<u>Other</u>	<u>Total</u>
	<u>Improvement</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
ASSETS	General Fund		
Cash and cash equivalents	\$ 422,118	\$ (20,642)	\$ 472,522
Taxes receivable, net	169,017	15,782	184,799
Due from other funds	116,343	157,164	273,507
Other receivables	76,145	-	76,145
Total assets	<u>783,623</u>	<u>152,304</u>	<u>1,006,973</u>

LIABILITIES AND FUND BALANCES

Liabilities:			
Accounts payable	48,891	1,057	49,948
Due to other funds	245,126	50,300	335,372
Deferred revenue	169,516	-	169,516
Total liabilities	<u>465,163</u>	<u>51,357</u>	<u>556,466</u>

Fund balances:			
Reserved for:			
TABOR	29,215	-	29,215
Unreserved	289,245	100,947	390,192
Unreserved, reported in non-major:			
Special revenue funds	-	-	31,100
Total fund balances	<u>318,460</u>	<u>100,947</u>	<u>450,507</u>
Total liabilities and fund balances	<u>\$ 783,623</u>	<u>\$ 152,304</u>	<u>\$ 1,006,973</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets
December 31, 2009

Total fund balance, governmental funds	\$ 450,507
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.	86,943
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Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets.	(10,789)
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Net Assets of Governmental Activities in the Statement of Net Assets	<div style="border-top: 1px solid black; border-bottom: 3px double black; padding: 2px 0;">\$ 526,661</div>
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Town of Center
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	<u>General Fund</u>	<u>Street Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property Taxes	\$ 331,099	\$ -	\$ -	\$ 331,099
Sales Taxes	110,576	92,120	-	202,696
Fees and fines	20,766	-	-	20,766
Licenses and permits	9,242	-	-	9,242
Intergovernmental	56,923	-	22,118	79,041
Charges for services	225,957	-	-	225,957
Investment earnings	3,550	98	247	3,895
Miscellaneous	44,276	-	-	44,276
Gifts and grants	15,447	-	-	15,447
Total revenues	<u>817,836</u>	<u>92,218</u>	<u>22,365</u>	<u>932,419</u>
EXPENDITURES				
Current:				
General government	200,650	35,408	-	236,058
Public safety	225,053	-	-	225,053
Public works	212,764	86,446	-	299,210
Culture and recreation	-	-	40,128	40,128
Capital Outlay	92,439	-	-	92,439
Total Expenditures	<u>730,906</u>	<u>121,854</u>	<u>40,128</u>	<u>892,888</u>
Excess (deficiency) of revenues over expenditures	<u>86,930</u>	<u>(29,636)</u>	<u>(17,763)</u>	<u>39,531</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	48,863	48,863
Transfers out	<u>(228,349)</u>	<u>(532)</u>	<u>-</u>	<u>(228,881)</u>
Total other financing sources and uses	<u>(228,349)</u>	<u>(532)</u>	<u>48,863</u>	<u>(180,018)</u>
SPECIAL ITEM				
Net change in fund balances	(141,419)	(30,168)	31,100	(140,487)
Fund balances - beginning	459,879	131,115	-	590,994
Fund balances - ending	<u>\$ 318,460</u>	<u>\$ 100,947</u>	<u>\$ 31,100</u>	<u>\$ 450,507</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2009

Net change in fund balances - total governmental funds: \$ (140,487)

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

Adjustment for fixed assets:

-

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital outlay of \$92,439 exceeded depreciation \$9,244 in the current period. 83,195

Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Change in Compensated Absences not reflected on Governmental funds

11,958

Change in net assets of governmental activities

\$ (45,334)

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center
Statement of Net Assets
Proprietary Funds
December 31, 2009

	<u>Enterprise Funds</u>			
	<u>Light and Power Fund</u>	<u>Water Fund</u>	<u>Natural Gas Fund</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 779,663	\$ 49,605	\$ 412,696	\$ 1,241,964
Accounts Receivable, net	193,018	21,387	182,533	396,938
Due from other funds	77,961	147,296	77,676	302,933
Other receivables	250	-	-	250
Inventories	-	18,407	42,396	60,803
Total current assets	<u>1,050,892</u>	<u>236,695</u>	<u>715,301</u>	<u>2,002,888</u>
Non-current assets:				
Capital Assets:				
Land and improvements	85,348	66,950	5,750	158,048
Enterprise System Assets	1,576,380	748,085	253,024	2,577,489
Intangibles and water rights	-	74,500	105,690	180,190
Equipment and Furniture	354,640	60,118	120,216	534,974
Less Accumulated depreciation	(1,242,390)	(464,974)	(390,459)	(2,097,823)
Total non-current assets	<u>773,978</u>	<u>484,679</u>	<u>94,221</u>	<u>1,352,878</u>
Total assets	<u>1,824,870</u>	<u>721,374</u>	<u>809,522</u>	<u>3,355,766</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	126,167	5,217	80,792	212,176
Due to other funds	166,973	-	74,098	241,071
Due to other governments	13,000	-	28,000	41,000
Compensated absences	5,887	2,968	3,489	12,344
Customer deposits	61,629	7,413	92,870	161,912
Bonds, notes and loans payable	32,801	-	-	32,801
Total current liabilities	<u>406,457</u>	<u>15,598</u>	<u>279,249</u>	<u>701,304</u>
Non-current liabilities:				
Bonds, notes and loans payable	239,569	-	-	239,569
Total non-current liabilities	<u>239,569</u>	<u>-</u>	<u>-</u>	<u>239,569</u>
Total liabilities	<u>646,026</u>	<u>15,598</u>	<u>279,249</u>	<u>940,873</u>
NET ASSETS				
Invested in capital assets, net of related debt	501,608	484,679	94,221	1,080,508
Unrestricted	677,236	221,097	436,052	1,334,385
Total net assets	<u>\$ 1,178,844</u>	<u>\$ 705,776</u>	<u>\$ 530,273</u>	<u>\$ 2,414,893</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Year Ended December 31, 2009

	Enterprise Funds			
	<u>Light and Power Fund</u>	<u>Water Fund</u>	<u>Natural Gas Fund</u>	<u>Total</u>
REVENUES				
Charges for services	\$ 1,380,990	\$ 181,251	\$ 879,136	\$ 2,441,377
Miscellaneous	91,875	-	7,560	99,435
Total operating revenues	1,472,865	181,251	886,696	2,540,812
OPERATING EXPENSES				
Personal services	208,531	73,081	90,714	372,326
Cost of Purchased Power	1,037,272	-	405,412	1,442,684
Payment in Lieu of Taxes	71,303	9,573	40,732	121,608
General Administration Expense	97,148	80,247	82,492	259,887
Utilities	17,069	5,527	10,639	33,235
Repairs and maintenance	30,515	5,067	2,944	38,526
Other supplies and expenses	11,265	6,253	5,698	23,216
Insurance claims and expenses	21,160	7,361	17,438	45,959
Depreciation	51,852	11,719	12,980	76,551
Total Operating Expenses	1,546,115	198,828	669,049	2,413,992
Operating income (loss)	(73,250)	(17,577)	217,647	126,820
NON-OPERATING REVENUES (EXPENSES)				
Interest and investment revenue	6,514	258	3,532	10,304
Other revenues	43,411	10,952	174	54,537
Interest expense	(19,110)	86	-	(19,024)
Miscellaneous (expenses) revenues	(3,609)	-	(7,100)	(10,709)
Total non-operating revenue (expenses)	27,206	11,296	(3,394)	35,108
Income (loss) before contributions and transfers	(46,044)	(6,281)	214,253	161,928
Transfers in	115,373	166,563	23,805	305,741
Transfers out	-	-	(125,723)	(125,723)
Change in net assets	69,329	160,282	112,335	341,946
Total net assets - beginning	1,109,515	545,494	417,938	2,072,947
Total net assets - ending	\$ 1,178,844	\$ 705,776	\$ 530,273	\$ 2,414,893

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center
Statement of Cash Flows
Business-Type Activities
For the year ended December 31, 2009

	Business-Type Activities- Enterprise Funds			
	Light and Power Fund	Water Fund	Natural Gas Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Charges for Services	\$ 1,465,046	\$ 178,976	\$ 830,386	\$ 2,474,408
Cash Payments to Suppliers for Goods & Services	(1,153,647)	(111,764)	(563,265)	(1,828,676)
Cash Payments for Salaries & Benefits	(208,531)	(73,081)	(90,714)	(372,326)
NET CASH PROVIDED BY OPERATING ACTIVITIES	102,868	(5,869)	176,407	273,406
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Customer Deposits Increase (Decrease)	5,524	1,980	7,076	14,580
Other non operating income	43,411	10,952	174	54,537
Other non operating expenses	(3,609)	-	(7,100)	(10,709)
Transfer In	115,373	166,563	23,805	305,741
Transfer Out	-	-	(125,723)	(125,723)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	160,699	179,495	(101,768)	238,426
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES:				
Debt Retired	(38,000)	(148,244)	-	(186,244)
Interest Paid on Long-Term Debt	(19,110)	86	-	(19,024)
Purchase of Equipment	(3,993)	(4,744)	(4,744)	(13,481)
NET CASH (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(61,103)	(152,902)	(4,744)	(218,749)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest Received on Investments	6,514	258	3,532	10,304
NET CASH PROVIDED BY INVESTING ACTIVITIES	6,514	258	3,532	10,304
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	208,978	20,982	73,427	303,387
Cash & Cash Equivalents:				
Beginning of Year	570,685	28,623	339,269	938,577
End of Year	\$ 779,663	\$ 49,605	\$ 412,696	\$ 1,241,964

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center
Statement of Cash Flows
Business-Type Activities
For the year ended December 31, 2009
(Continued)

	Business-type Activities- Enterprise Funds				
	Light and Power Fund	Water Fund	Natural Gas Fund	Totals	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ (73,250)	\$ (17,577)	\$ 217,647	\$	126,820
Adjustments to Reconcile Operating Income To Net Cash Provided by Operating Activities:					
Transfers Out	-	-	-	-	-
Depreciation	51,852	11,719	12,980	76,551	-
Interest Expense (Income)	-	-	-	-	-
Change in Assets and Liabilities:					
(Increase) Decrease in Receivables	(7,819)	(2,275)	(56,310)	(66,404)	
(Increase) Decrease in Inventories	114,007	-	-	114,007	
(Increase) Decrease Due from Other Funds	-	-	(250)	(250)	
Increase (Decrease) Due to Other Funds	250	-	-	250	
Increase (Decrease) Due to Other Governments	-	-	-	-	
Increase (Decrease) in Compensated Absences	(8,559)	(2,337)	(5,780)	(16,676)	
Increase (Decrease) in Accounts Payable	26,387	4,601	8,120	39,108	
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 102,868	\$ (5,869)	\$ 176,407	\$	273,406

The accompanying notes to financial statements
are an integral part of these statements.

Town of Center, Colorado
Notes to Financial Statements
December 31, 2009

Note 1 - Description of Entity:

The Town of Center, Colorado was incorporated in 1906. A Board of Trustees, consisting of six elected Board members and an elected mayor, governs the Town. As required by accounting principles generally accepted in the United States of America (US GAAP), these financial statements present the activities of the Town, which is legally separate and financially independent of other state and local governments. The Town provides numerous services to all Town residents including, but not limited to, general government, road maintenance, police protection, trash collection, utility services, and parks and recreation.

Note 2 - Summary of significant accounting policies:

The accounting policies of the Town of Center, Colorado (the Town) conform to generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

The Town has no component unites as defined by the Governmental Accounting Standards Board (GASB) statements.

A. Government-wide and fund financial statements:

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report on all activities of the Town. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent of fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues includes 1) charges to customers who use or directly benefit from services provided by a given function of segment and 2) operating grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. The governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are presented on an *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied.

The Town generally applies, to its business-type activities, all applicable GASB pronouncements as well as relevant Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements, in which case GASB prevails.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, sales, and use taxes are considered susceptible to accrual. All other revenue items are considered measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund This is the Town's primary operating fund. It accounts for all activities of the general government, except those required to be accounted for in another fund.

Street Improvement Fund This fund accounts for street improvement costs and is funded by a sales tax of one cent.

The Town reports the following non-major governmental funds:

Conservation Trust Fund This fund accounts for conservation trust monies received from the State and the expenditures of those monies for culture and recreation purposes.

The Town reports the following major proprietary funds:

Light and Power, Natural Gas, and Water Funds account for these services.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the funds principal ongoing operations. The Town also recognizes as operating revenue tap fees intended to recover the cost connecting new customers to the respective systems. Operating expenses for the funds include administrative expenses, depreciation on capital assets, and delivery expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Deposits and investments:

The Town's cash and cash equivalents are considered to be cash on hand and demand deposits. For purposes of the statement of cash flows, checks written in excess of cash on deposit are included in the cash flow statement and not reported as a liability in the cash flow statement.

D. Fair value of financial instruments assets, liabilities, and equity:

The Town's financial instruments include cash and cash equivalents, accounts receivable, and accounts payable. The Town estimates that the fair value of all financial instruments at December 31, 2009 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

E. Property taxes:

Property taxes are levied on December 15 of each year and attach as an enforceable lien on property as of January 1. Taxes are due as of January 1 of the following year and are payable in two equal installments due February 28 and June 15 if paid in installments, or April 30 if made in a single payment.

Taxes are delinquent as of August 1. If the taxes are not paid within subsequent statutory periods, the property will be sold at public auction. The County bills and collects the property taxes and remits collections to the Town on a monthly basis. No provision has been made for uncollected taxes, as all taxes are deemed collectible.

F. Receivables and payables:

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported as "due from or due to other funds." The allowance for doubtful accounts is shown separately.

G. Inventories:

Inventories are carried at estimated historical value. Inventory balances do not fluctuate significantly from year to year and accordingly are treated as imprest balances.

H. Capital assets:

Capital assets of the proprietary funds, which include land, wells, water rights, buildings, generation and distribution equipment and trucks and equipment are reported in the business-type activities columns of the government-wide financial statements. Capital assets are defined by the Town as assets with an individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimate fair market value at the date of donation.

I. Compensated absences:

All full-time employees are entitled to receive 8 hours of sick time and 6 2/3 to 10 hours of vacation time for each full month worked. Employees are not paid for the accumulated sick leave upon retirement or other termination; therefore, no accrual is made for sick leave. The Town records a liability for vacation time earned. All vacation time earned must be taken the following year or within twelve months of the hire date.

J. Long-term obligations:

In the government-wide financial statements, long-term debt is reported as a liability in the business-type activities in the fund statements and the statement of net assets.

K. Net assets/ fund equity:

In the fund financial statements, governmental funds report designations/ restrictions of fund balance for amounts that are not available for appropriation or are legally segregated for a specific purpose.

L. Risk management:

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three years.

M. Estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

N. Contracts:

The Town contracts with a private carrier for trash removal. The Town bills the individual customers and remits the collections less a 5 percent billing fee to the carrier.

Note 3 -

Stewardship, compliance and accountability:

Budgetary information

Annual budgets are adopted on a basis consistent with U.S. GAAP for all governmental funds. The enterprise funds adopt budgets on the non-U.S. GAAP basis wherein principal payments on debt and capital expenditures are recognized as expenses. Depreciation expense is not budgeted.

Prior to September 30, the Town Clerk (not an elected official) submits a proposed operating budget for the fiscal year commencing the following January 1 to the Board of Trustees (elected officials). The operating budget for all budgeted funds includes proposed expenditures and the means of financing.

Public hearings are held at the regular Board of Trustees meetings to obtain taxpayer input. Prior to December 1, the budget is legally enacted through passage of a budget resolution. The Board of Trustees may transfer budget items within a department, division or fund without the passage of a budget resolution.

Appropriations are controlled and the budget is amended in conformity with Colorado Revised Statutes, which require a balanced budget. Expenditures in excess of appropriations may violate Colorado Revised Statutes and must be reported to the State Auditor.

Expenditures exceeded budgeted amounts in the General and Street Improvement Funds and may be a violation of Colorado Revised Statutes.

Cash and investments- custodial credit risk

Cash

The Colorado Public Deposit Protection Act, (PDDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDDPA. PDDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be equal to 102% of the aggregate uninsured value.

As of December 31, 2009, all of the Town's deposits were either insured by the Federal Deposit Insurance Corporation held in eligible public depositories as required by PDDPA or deposited with COLOTRUST.

Investments

COLOTRUST PRIME and PLUS+ pools are a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

- Credit risk: COLOTRUST PRIME and PLUS+ Portfolios are rated AAAM by S&P. COLOTRUST PLUS+ is rated Aaa by Moody's and AAA/V1+ by Fitch.
- Custodial credit risk: COLOTRUST PRIME and PLUS+ participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statement.
- Foreign currency risk: Not applicable to 2a7-like pools.

The Town had \$491,937 in COLOTRUST with the balance of cash in local banks. The Town does not have a formal investment policy, but invests excess funds in local banks to obtain FDIC coverages with the banks stating they are also in compliance with the Public Depository Protection Act and investing in COLOTRUST or like kind entities.

Accounts receivable

It is the policy of the Town to record the property tax receivable in the year in which the taxes are levied and to recognize the property tax revenues in the year in which the lien attaches to the property. Property taxes are reported in the General fund as receivable and deferred revenue of \$169,017.

Interfund receivables and payables

With the adoption of GASB 34, the Town has eliminated all internal balances on the face of State of Net Assets. In addition, all amounts due to the Center Fire District are reported by the applicable funds.

Capital assets- the following is a summary of the Proprietary/ Enterprise funds capital assets at December 31, 2009:

	January 1	Additions	Deletions	December 31
Land	\$ 158,048	\$ -	\$ -	\$ 158,048
Buildings	105,690	-	-	105,690
Property, Plant & Equipment	3,099,230	13,232	-	3,112,462
Other Capital Assets	74,500	-	-	74,500
	3,411,468	13,232	-	3,450,700
	(2,021,272)	(76,551)	-	(2,097,823)
Less: Accumulated Depreciation				
Total Capital Assets	\$ 1,416,196	\$ (63,319)	\$ -	\$ 1,352,877

In the Proprietary / Enterprise funds, estimated useful lives are used to compute depreciation using the straight-line method:

[illegible]

During 2009, transfers were made between the funds to help meet cash flow requirements. Transfers were as follows:

General to Conservation Trust	\$ 48,863
Natural Gas to Water	125,773
General to Gas	23,805
General to Light & Power	115,373
Street Improvement to General	532
General to Water	40,840

Long-term debt

Light and Power Fund Revenue Anticipation Warrant, Series 1996

The Town issued a revenue anticipation warrant for the purpose of building an electrical substation. The warrant was issued pursuant to the provisions of Colorado Revised Statutes 30-20-301 et seq. and does not constitute an indebtedness of the Town within the meaning of any constitutional provisions or limitations and is payable solely from operations of the Town's light and power fund. The warrant is dated July 1, 1996 with an interest rate of 6.5% payable semiannually, January 1 and July 1, of each year through July 1, 2016. Mandatory sinking fund redemption principal payments due annually on July 1 and interest amounts due semiannually are as follows:

	Principal	Interest	Total
2010	\$ 32,801	\$ 18,173	\$ 50,974
2011	34,934	16,040	50,974
2012	37,205	13,769	50,974
2013	39,834	11,140	50,974
2014	42,199	8,775	50,974
2015	44,942	6,032	50,974
2016	40,455	3,113	43,568
	<u>\$ 272,370</u>	<u>\$ 77,042</u>	<u>\$ 349,412</u>

Interest paid by the Light & Power Fund was \$19,110.

Collateral consists of all property now or hereafter belonging to the Town, until paid in full.

Water Fund Notes Payable

During 2007, the Water Fund borrowed \$147,500 to purchase land and improvements including water rights and wells. Terms of the note call for monthly payments of \$1,289 for twelve payments with interest at 6.5% and one final payment of \$142,439. Prior to the final payment, the terms were redone with monthly payments of \$1,500 until paid with the interest rate of 4.5%. The interest rate can be changed based on the terms of the note. The note was repaid during 2009.

In addition, the Town borrowed \$20,000 from the Housing Authority of the Town of Center. The note is unsecured, has no interest rate and no repayment terms. The amount is considered long-term debt. The note was repaid during 2009.

Changes in long-term debt of the Light and Power and Water Funds are as follows:

	January 1	Additions	Deletions	December 31
L&P Warrants	\$ 310,370	\$ -	\$ 38,000	\$ 272,370
Water Note payable	<u>148,244</u>	<u>-</u>	<u>148,244</u>	<u>-</u>
Total	<u>\$ 458,614</u>	<u>\$ -</u>	<u>\$ 186,244</u>	<u>\$ 272,370</u>

Note 5 -

Other information:

TABOR Amendment

In November of 1992, Colorado voters approved Amendment 1 to the State Constitution. The amendment is commonly known as the Taxpayer's Bill of Rights or the TABOR Amendment. The amendment applies to all units of local government and limits taxes, spending, revenue, and multi-year debt (excepting bond refunding to lower interest rates and adding employees to pension plans). The amendment does not apply to units that are defined as "Enterprises." The Town of Center, Colorado does not qualify as an "Enterprise," except for the operation of its proprietary funds.

The amendment defined the Town's year-end, December 31, 1992, as the initial base year for purposes of defining compliance with the amendment. The amendment defines inflation and local growth. Future years' revenue, based upon prior years' revenue, is not allowed to increase more than inflationary and local growth factors. The Town must refund revenue received in excess of the limit to the voters, unless the voters approve retention of the excess

revenue. On November 7, 1995, the voters approved the exemption of sales tax revenue from the TABOR amendment.

The amendment also requires the Town to establish an "Emergency Reserve" which must be equal to 3% of current year's revenue. Conditions under which these reserves may be spent are severely limited.

The Town of Center, Colorado believes that it is in compliance with the provisions of TABOR, as it is currently understood. Many of the provisions may not become fully understood without judicial review.

Governmental funds- restricted net assets

TABOR- the Town has reserved a portion of fund balance for the TABOR emergency reserve.

Defined benefit plan

The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members through the Statewide Death and Disability Plan, which is also administered by the Colorado Fire and Police Pension Association. This is a non-contributory plan. All full-time paid police officers of the Town are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both plans. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado, 80111 or by calling FPPA at 770-3772 in the Denver Metro area, or 1-800-332-3772 from outside the metro area.

Plan members and the Town are required to contribute at a rate set by statute. The contribution requirements of plan members and the Town are established by Title 31, Article 30, Part 10 of the CRS, as amended. The contribution rate for members is 8.0% of covered salary and for the Town is 8.0% of covered salary.

Town of Center
Budget and Actual
General Fund

For the year ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>
REVENUES			
Property Taxes	\$ 250,369	\$ 250,369	\$ 331,099
SO Taxes	-	-	-
Sales and miscellaneous taxes	89,500	89,500	110,576
Fees and fines	35,000	35,000	20,766
Licenses and permits	4,500	4,500	9,242
Intergovernmental	86,157	86,157	56,923
Charges for services	198,708	198,708	225,957
Grants	-	-	15,447
Investment earnings	250	250	3,550
Miscellaneous	6,000	6,000	44,276
Total revenues	670,484	670,484	817,836
EXPENDITURES			
Current:			
General government	181,659	181,659	200,650
Public Safety	328,719	328,719	225,053
Highways and roads	158,885	158,885	212,764
Capital Outlay	-	-	92,439
Total Expenditures	669,263	669,263	730,906
Excess (deficiency) of revenues over expenditures	1,221	1,221	86,930
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	(228,349)
Total other financing sources and uses	-	-	(228,349)
Net change in fund balances	1,221	1,221	(141,419)
Fund balances - beginning	-	-	459,878
Fund balances - ending	\$ 1,221	\$ 1,221	\$ 318,459

Town of Center
Budget and Actual
Street Improvement Fund
For the year ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>
REVENUES			
Sales and miscellaneous taxes	\$ 88,000	\$ 88,000	\$ 92,120
Investment earnings	75	75	98
Total revenues	88,075	88,075	92,218
EXPENDITURES			
Current:			
General government	40,926	40,926	35,408
Public Safety	-	-	-
Highways and roads	49,500	49,500	86,446
Total Expenditures	90,426	90,426	121,854
Excess (deficiency) of revenues over expenditures	(2,351)	(2,351)	(29,636)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	(532)
Transfers out	-	-	-
Total other financing sources and uses	-	-	(532)
Net change in fund balances	(2,351)	(2,351)	(30,168)
Fund balances - beginning	2,351	2,351	131,115
Fund balances - ending	\$ -	\$ -	\$ 100,947

Town of Center
Budget and Actual
Conservation Trust
For the year ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>
REVENUES			
Intergovernmental	\$ 23,000	\$ 23,000	\$ 22,118
Investment earnings	400	400	247
Miscellaneous	44,833	44,833	-
Total revenues	68,233	68,233	22,365
EXPENDITURES			
Current:			
Culture and recreation	66,833	66,833	40,128
Total Expenditures	66,833	66,833	40,128
Excess (deficiency) of revenues over expenditures	1,400	1,400	(17,763)
OTHER FINANCING SOURCES (USES)			
Transfers in	27,875	27,875	48,863
Transfers out	-	-	-
Total other financing sources and uses	27,875	27,875	48,863
Net change in fund balances	29,275	29,275	31,100
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ 29,275</u>	<u>\$ 29,275</u>	<u>\$ 31,100</u>

Town of Center
Budget and Actual
Light and Power Fund
For the year ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts,</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>
REVENUES			
Charges for Services	\$ 1,550,000	\$ 1,550,000	\$ 1,380,990
Investment earnings	-	-	6,514
Miscellaneous	152,175	152,175	135,286
Total revenues	1,702,175	1,702,175	1,522,790
OPERATING EXPENSES			
Personal services	258,546	258,546	208,531
Purchased Electricity	1,122,000	1,122,000	1,037,272
Payment in Lieu of taxes	46,500	46,500	71,303
General Administrative Expenses	100,375	100,375	97,148
Utilities	26,000	26,000	17,069
Repairs and maintenance	22,800	22,800	30,515
Other supplies and expenses	29,000	29,000	11,265
Insurance claims and expenses	25,000	25,000	21,160
Capital Outlay	38,500	38,500	-
Depreciation	-	-	51,852
Interest	22,500	22,500	19,110
Miscellaneous	-	-	3,609
Total Operating Expenses	1,691,221	1,691,221	1,568,834
Operating income (loss)	10,954	10,954	(46,044)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	115,373
Total other financing sources and uses	-	-	115,373
SPECIAL ITEM			
Principle Payment on Debt	15,000	15,000	-
Net change in fund balances	(4,046)	(4,046)	69,329
Fund balances - beginning	4,046	4,046	1,109,513
Fund balances - ending	\$ -	\$ -	\$ 1,178,842

**Town of Center
Budget and Actual
Water Fund**

For the year ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	179,500	\$ 179,500	\$ 181,251
Investment earnings	250	250	258
Miscellaneous	1,050	1,050	10,952
Total revenues	180,800	180,800	192,461
OPERATING EXPENSES			
Personal services	98,768	98,768	73,081
Payment in Lieu of taxes	5,239	5,239	9,573
General Administrative Expenses	69,862	69,862	80,247
Utilities	18,000	18,000	5,527
Repairs and maintenance	5,500	5,500	5,067
Other supplies and expenses	5,300	5,300	6,253
Insurance claims and expenses	9,000	9,000	7,361
Capital Outlay	4,350	4,350	-
Depreciation	-	-	11,719
Interest	4,500	4,500	(86)
Total Operating Expenses	220,519	220,519	198,742
Operating income (loss)	(39,719)	(39,719)	(6,281)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	166,563
Transfers out	-	-	-
Total other financing sources and uses	-	-	166,563
Net change in fund balances	(39,719)	(39,719)	160,282
Fund balances - beginning	39,719	39,719	545,493
Fund balances - ending	\$ -	\$ -	\$ 705,775

**Town of Center
Budget and Actual
Natural Gas Fund**

For the year ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts, Budgetary Basis</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 1,121,722	\$ 1,121,722	\$ 879,136
Investment earnings	6,650	6,650	3,532
Miscellaneous	7,650	7,650	7,734
Total revenues	<u>1,136,022</u>	<u>1,136,022</u>	<u>890,402</u>
OPERATING EXPENSES			
Personal services	36,306	36,306	90,714
Purchased gas	858,126	858,126	405,412
Payment in Lieu of taxes	33,176	33,176	40,732
General Administrative Expenses	100,188	100,188	82,492
Utilities	8,500	8,500	10,639
Repairs and maintenance	1,500	1,500	2,944
Other supplies and expenses	47,250	47,250	5,698
Insurance claims and expenses	25,000	25,000	17,438
Capital outlay	30,000	30,000	-
Depreciation and amortization	-	-	12,980
Miscellaneous	-	-	7,100
Total Operating Expenses	<u>1,140,046</u>	<u>1,140,046</u>	<u>676,149</u>
Operating income (loss)	<u>(4,024)</u>	<u>(4,024)</u>	<u>214,253</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	23,805
Transfers out	-	-	(125,723)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(101,918)</u>
Net change in fund balances	(4,024)	(4,024)	112,335
Fund balances - beginning	4,024	4,024	417,937
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 530,272</u>