

TOWN OF CENTER, COLORADO

FINANCIAL STATEMENTS

December 31, 2014



Wall,
Smith,
Bateman Inc.
Certified Public Accountants

TOWN OF CENTER, COLORADO
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INDEPENDENT AUDITORS' REPORT



Wall,
Smith,
Bateman Inc.

To the Honorable Mayor
and Board of Trustees
Town of Center, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Center, Colorado, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Certified Public Accountants

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 27-29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Schedule of Expenses and Transfers Out for All Proprietary Funds and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenses and Transfers Out for All Proprietary Funds and the Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenses and Transfers Out for All Proprietary Funds and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in blue ink that reads "Wall, Smith, Bateman Inc." in a cursive style.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

September 1, 2015

TOWN OF CENTER, COLORADO
BASIC FINANCIAL STATEMENTS

TOWN OF CENTER, COLORADO
STATEMENT OF NET POSITION
December 31, 2014

	<u>Primary Government</u>		<u>TOTAL</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 412,538	\$ 2,088,557	\$ 2,501,095
Accounts Receivable	70,176	392,241	462,417
Due from Other Governments	39,561	-	39,561
Property Taxes Receivable	180,175	-	180,175
Internal Balances	(98,854)	98,854	-
Inventories	9,404	252,763	262,167
Total Current Assets	<u>613,000</u>	<u>2,832,415</u>	<u>3,445,415</u>
Capital Assets			
Land	3,750	186,828	190,578
Water Rights	-	74,500	74,500
Buildings and Improvements	38,802	430,873	469,675
Infrastructure	83,955	-	83,955
Plant, Property, and Equipment	306,038	951,383	1,257,421
Enterprise System	-	2,767,408	2,767,408
Less Accumulated Depreciation	(144,357)	(2,973,556)	(3,117,913)
Total Capital Assets	<u>288,188</u>	<u>1,437,436</u>	<u>1,725,624</u>
TOTAL ASSETS	<u>901,188</u>	<u>4,269,851</u>	<u>5,171,039</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	37,111	341,821	378,932
Due to Other Governments	60,643	41,037	101,680
Unearned Revenue	-	43,460	43,460
Customer Deposits	9,988	94,630	104,618
Total Current Liabilities	<u>107,742</u>	<u>520,948</u>	<u>628,690</u>
Long-Term Liabilities			
Compensated Absences	15,699	20,922	36,621
Total Long-Term Liabilities	<u>15,699</u>	<u>20,922</u>	<u>36,621</u>
TOTAL LIABILITIES	<u>123,441</u>	<u>541,870</u>	<u>665,311</u>
DEFERRED INFLOWS OF RESOURCES - CURRENT			
Deferred Revenue - Property Tax	180,175	-	180,175
NET POSITION			
Net Investment in Capital Assets	288,188	1,437,436	1,725,624
Restricted for:			
TABOR	26,735	-	26,735
Unrestricted	282,649	2,290,545	2,573,194
TOTAL NET POSITION	<u>\$ 597,572</u>	<u>\$ 3,727,981</u>	<u>\$ 4,325,553</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF CENTER, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		TOTAL	
					Governmental Activities	Business-Type Activities		
Primary Government								
Governmental Activities								
General Government	\$ 476,623	\$ 424,500	\$ -	\$ -	\$ (52,123)	\$ -	\$ (52,123)	
Public Safety	441,974	24,232	9,618	-	(408,124)	-	(408,124)	
Municipal Court	29,015	5,665	-	-	(23,350)	-	(23,350)	
Building and Planning	685	4,340	-	-	3,655	-	3,655	
Streets and Parks	145,992	-	22,059	-	(123,933)	-	(123,933)	
Health and Welfare	152,655	157,375	-	-	4,720	-	4,720	
Highway and Streets	56,331	-	-	-	(56,331)	-	(56,331)	
Total Governmental Activities	1,303,275	616,112	31,677	-	(655,486)	-	(655,486)	
Business-Type Activities								
Light and power	1,640,834	1,903,524	-	-	-	262,690	262,690	
Gas	1,319,543	1,260,999	-	-	-	(58,544)	(58,544)	
Water	325,559	371,629	-	-	-	46,070	46,070	
Total Business-Type Activities	3,285,936	3,536,152	-	-	-	250,216	250,216	
Total Primary Government	\$ 4,589,211	\$ 4,152,264	\$ 31,677	\$ -	(655,486)	250,216	(405,270)	
General Revenues:								
Taxes:								
					214,699	-	214,699	
					253,463	-	253,463	
					65,418	-	65,418	
					33,626	-	33,626	
					1,896	1,594	3,490	
					12,345	-	12,345	
					<u>581,447</u>	<u>1,594</u>	<u>583,041</u>	
					Change in Net Position	(74,039)	251,810	177,771
					<u>Net Position - Beginning</u>	<u>671,611</u>	<u>3,476,171</u>	<u>4,147,782</u>
					<u>Net Position - Ending</u>	<u>\$ 597,572</u>	<u>\$ 3,727,981</u>	<u>\$ 4,325,553</u>

5 The accompanying notes are an integral part of this financial statement.

TOWN OF CENTER, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	<u>GENERAL FUND</u>	<u>STREET IMPROVEMENT FUND</u>	<u>CONSERVATION TRUST FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Cash and Cash Equivalents	\$ 31,736	\$ 272,303	\$ 108,499	\$ 412,538
Accounts Receivable	70,176	-	-	70,176
Due from Other Governments	22,179	17,382	-	39,561
Due from Other Funds	4,217	102,562	26,549	133,328
Property Taxes Receivable	180,175	-	-	180,175
Inventory	9,404	-	-	9,404
TOTAL ASSETS	<u>\$ 317,887</u>	<u>\$ 392,247</u>	<u>\$ 135,048</u>	<u>\$ 845,182</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts Payable	\$ 37,111	\$ -	\$ -	\$ 37,111
Due to Other Governments	60,643	-	-	60,643
Due to Other Funds	215,335	16,847	-	232,182
Customer Deposits	9,988	-	-	9,988
TOTAL LIABILITIES	<u>323,077</u>	<u>16,847</u>	<u>-</u>	<u>339,924</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Property Tax	180,175	-	-	180,175
FUND BALANCE				
Nonspendable				
Inventory	9,404	-	-	9,404
Restricted				
TABOR Amendment Reserve	26,735	-	-	26,735
Committed				
Capital Projects	-	375,400	-	375,400
Assigned				
Culture and Recreation	-	-	135,048	135,048
Unassigned	(221,504)	-	-	(221,504)
TOTAL FUND BALANCE	<u>(185,365)</u>	<u>375,400</u>	<u>135,048</u>	<u>325,083</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 317,887</u>	<u>\$ 392,247</u>	<u>\$ 135,048</u>	<u>\$ 845,182</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF CENTER, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2014

Total Governmental Fund Balances	\$ 325,083
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	288,188
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences	<u>(15,699)</u>
Net Position of Governmental Activities	<u><u>\$ 597,572</u></u>

The accompanying notes are an integral part of this financial statement.

TOWN OF CENTER, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	<u>GENERAL FUND</u>	<u>STREET IMPROVEMENT FUND</u>	<u>CONSERVATION TRUST FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES				
Taxes	\$ 374,976	\$ 126,812	\$ -	\$ 501,788
Licenses and Permits	4,340	-	-	4,340
Intergovernmental Revenue	75,036	-	22,059	97,095
Charges for Services	611,772	-	-	611,772
Interest on Accounts	1,628	268	-	1,896
Miscellaneous Revenue	12,206	-	139	12,345
TOTAL REVENUES	<u>1,079,958</u>	<u>127,080</u>	<u>22,198</u>	<u>1,229,236</u>
EXPENDITURES				
General Government	466,360	-	-	466,360
Public Safety	427,440	-	-	427,440
Municipal Court	29,015	-	-	29,015
Building and Planning	685	-	-	685
Streets and Parks	133,459	-	-	133,459
Health and Welfare	152,655	-	-	152,655
Highway and Streets	-	56,331	-	56,331
TOTAL EXPENDITURES	<u>1,209,614</u>	<u>56,331</u>	<u>-</u>	<u>1,265,945</u>
Net Change in Fund Balance	(129,656)	70,749	22,198	(36,709)
Fund Balance at Beginning of Year	<u>(55,709)</u>	<u>304,651</u>	<u>112,850</u>	<u>361,792</u>
Fund Balance at End of Year	<u>\$ (185,365)</u>	<u>\$ 375,400</u>	<u>\$ 135,048</u>	<u>\$ 325,083</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF CENTER, COLORADO
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, 2014

Net Change in Fund Balances - Total Governmental Funds \$ (36,709)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Depreciation expense (43,329)

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
in Governmental funds 5,999

Change in Net Position of Governmental Funds \$ (74,039)

TOWN OF CENTER, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

	LIGHT AND POWER FUND	NATURAL GAS FUND	WATER FUND	TOTAL
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 1,145,363	\$ 805,214	\$ 137,980	\$ 2,088,557
Accounts Receivable	181,544	171,421	39,276	392,241
Due from Other Funds	82,884	75,667	30,864	189,415
Inventories	224,324	14,605	13,834	252,763
Total Current Assets	1,634,115	1,066,907	221,954	2,922,976
Capital Assets				
Land and Improvements	114,128	5,750	66,950	186,828
Intangible and Water Rights	-	-	74,500	74,500
Buildings	185,117	105,690	140,066	430,873
Enterprise System Assets	1,727,865	394,994	644,549	2,767,408
Equipment and Furniture	738,243	150,606	62,534	951,383
Less Accumulated Depreciation	(2,010,413)	(434,029)	(529,114)	(2,973,556)
Total Capital Assets	754,940	223,011	459,485	1,437,436
TOTAL ASSETS	2,389,055	1,289,918	681,439	4,360,412
LIABILITIES				
Current Liabilities				
Accounts Payable	132,866	201,420	7,535	341,821
Customer Deposits	38,295	49,842	6,493	94,630
Due to Other Funds	71,569	-	18,992	90,561
Unearned Revenue	23,770	19,690	-	43,460
Due to Other Governments	13,016	28,021	-	41,037
Total Current Liabilities	279,516	298,973	33,020	611,509
Noncurrent Liabilities				
Compensated Absences	7,983	8,658	4,281	20,922
Total Noncurrent Liabilities	7,983	8,658	4,281	20,922
TOTAL LIABILITIES	287,499	307,631	37,301	632,431
NET POSITION				
Net Investment in Capital Assets	754,940	223,011	459,485	1,437,436
Unrestricted	1,346,616	759,276	184,653	2,290,545
TOTAL NET POSITION	\$ 2,101,556	\$ 982,287	\$ 644,138	\$ 3,727,981

The accompanying notes are an integral part of this financial statement.

TOWN OF CENTER, COLORADO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	LIGHT AND POWER FUND	NATURAL GAS FUND	WATER FUND	TOTAL
OPERATING REVENUES				
Charges for Services				
Utility Sales	\$ 1,897,451	\$ 1,254,194	\$ 370,280	\$ 3,521,925
Labor and Service Charges	3,406	1,453	1,289	6,148
Miscellaneous Revenue	2,667	5,352	60	8,079
Total Operating Revenues	1,903,524	1,260,999	371,629	3,536,152
OPERATING EXPENSES				
Salaries	130,635	123,367	92,465	346,467
FICA/Medicare	9,812	9,410	7,073	26,295
Employee Benefits	23,304	29,988	24,976	78,268
Electricity Purchase	1,144,958	-	-	1,144,958
Gas Purchase	-	1,004,364	-	1,004,364
Training	6,982	1,678	709	9,369
Repairs and Maintenance	33,292	1,241	21,521	56,054
Meter Replacement	-	2,495	53,291	55,786
Professional Fees	22,132	3,297	43,574	69,003
Fuel and oil	5,146	5,361	4,941	15,448
Supplies and Equipment	12,423	31,467	28,752	72,642
Depreciation	48,503	11,518	13,779	73,800
Administration Fees	200,000	100,000	30,000	330,000
Miscellaneous	3,647	(4,643)	4,478	3,482
Total Operating Expenses	1,640,834	1,319,543	325,559	3,285,936
Operating Income (Loss)	262,690	(58,544)	46,070	250,216
NON-OPERATING REVENUES (EXPENSES)				
Interest on Accounts	1,182	348	64	1,594
Total Non-operating Revenues (Expenses)	1,182	348	64	1,594
Change in Net Position	263,872	(58,196)	46,134	251,810
Net Position Beginning of Year	1,837,684	1,040,483	598,004	3,476,171
Net Position End of Year	\$ 2,101,556	\$ 982,287	\$ 644,138	\$ 3,727,981

The accompanying notes are an integral part of this financial statement.

TOWN OF CENTER, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	LIGHT AND POWER FUND	NATURAL GAS FUND	WATER FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 1,939,852	\$ 1,295,840	\$ 364,500	\$ 3,600,192
Cash Payments to Suppliers for Goods and Services	(1,495,354)	(1,129,221)	(115,872)	(2,740,447)
Cash Payments to Employees	(130,635)	(123,367)	(92,465)	(346,467)
Cash Payments for Employee Benefits and Taxes	(33,116)	(39,398)	(32,049)	(104,563)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	280,747	3,854	124,114	408,715
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES				
	-	-	-	-
FINANCING ACTIVITIES				
Customer Deposits	(1,045)	(1,569)	(100)	(2,714)
Purchase of Fixed Assets	(220,127)	(27,973)	-	(248,100)
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(221,172)	(29,542)	(100)	(250,814)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Income	1,182	348	64	1,594
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	1,182	348	64	1,594
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	60,757	(25,340)	124,078	159,495
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,084,606	830,554	13,902	1,929,062
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,145,363	\$ 805,214	\$ 137,980	\$ 2,088,557
OPERATING INCOME (LOSS)	\$ 262,690	\$ (58,544)	\$ 46,070	\$ 250,216
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation expense	48,503	11,518	13,779	73,800
Impaired capital assets	-	-	53,291	53,291
Change in Assets and Liabilities				
(Increase) decrease in accounts receivable	52,906	55,856	(7,129)	101,633
(Increase) decrease in due from/to other funds	117,232	(87,075)	-	30,157
(Increase) decrease in inventory	-	11,696	18,985	30,681
Increase (decrease) in accounts payable	(184,022)	50,692	(882)	(134,212)
Increase (decrease) in due to other governments	16	21	-	37
Increase (decrease) in unearned revenue	(16,578)	19,690	-	3,112
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 280,747	\$ 3,854	\$ 124,114	\$ 408,715

The accompanying notes are an integral part of this financial statement.

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Town of Center, (the Town), reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

REPORTING ENTITY

Primary Government

The Town of Center 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, utility services, and parks and recreation.

Component Units

The Town's combined financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- λ The organization is legally separate (can sue and be sued in their own name)
- λ The Town holds the corporate powers of the organization
- λ The Town appoints a voting majority of the organization's board
- λ The Town is able to impose its will on the organization
- λ The organization has the potential to impose a financial benefit/burden on the Town
- λ There is fiscal dependency by the organization on the Town
- λ The organization is financially accountable to the Town
- λ The organization receives or holds funds that are for the benefit of the Town; and the Town has access to a majority of the funds held; and the funds that are accessible are also significant to the Town

Based on the aforementioned criteria, the Town does not have any component units.

GOVERNMENT -WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include a statement of net position and a statement of activities. Government-wide statements report information on all of the activities of the Town. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include:

- λ Charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function or segment.

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

- λ Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. The emphasis of fund financial statements is on major governmental funds and enterprise funds, each reported as a separate column.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements, imposed by the provider, are met.

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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales and use taxes, other taxes, charges for services, intergovernmental revenues, and interest are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

- λ The **General Fund** is the general operating fund of the Town. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- λ The **Street Improvement Fund** is used to account for street improvement costs and is funded by a sales tax of one percent.
- λ The **Conservation Trust Fund** is used to account for the Town share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks, and other public recreational facilities.

The Town reports the following major enterprise funds:

- λ The **Light and Power Fund** is used to account for user charges and expenses for operating, financing, and maintaining the Town's light and power system.
- λ The **Natural Gas Fund** is used to account for user charges and expenses for operating, financing, and maintaining the Town's natural gas system.
- λ The **Water Fund** is used to account for user charges and expenses for operating, financing, and maintaining the Town's water system.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

proprietary fund's principal ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash and Investments

The Town's cash and cash equivalents are considered to be cash in bank, certificates of deposit, and liquid investments with maturity of three months or less from the date of acquisition. All investments, if any, are recorded at fair market value.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The Town's property taxes are collected by the County Treasurer who remits monthly receipts to the Town. Property tax revenue is recognized when received by the County Treasurer.

The 2014 property tax levy due January 1, 2015, has been recorded in the financial statements as a receivable and corresponding deferred inflows of resources in the financial statements.

Receivables/Payables From Other Funds

Balances that originate from current lending/borrowing arrangements between funds are referred to as "Due To/From Other Funds".

Inventory

Inventories held by all funds except the General Fund public works department, Light and Power, Natural Gas, and Water funds have been recorded as expenditures at the time of purchase. General Fund, Light and Power, Natural Gas, and Water fund inventories are stated at market value at December 31, 2014, as management was unable to determine approximate cost.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

Capital Assets

Capital Assets, which include land, buildings and improvements, infrastructure, equipment, vehicles, and construction in progress, are reported in the applicable governmental activities columns in the Government-wide Financial Statements. The Town defines capital assets as assets with an initial, individual cost of more than \$1,000 and life of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	5-60
Equipment	5-10
Plant	60
Infrastructure	10
Vehicles	5-10

GASB No. 34 requires the Town to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc.

Compensated absences

Personal time off is granted to full-time employees only and accrual rates are dependent on years of employment and exempt status. Employees may not carry-over more than 360 hours on December 31st of every year. Upon separation from the Town an employee will be paid for all accrued leave, up to the maximum accrual of 360 hours. A liability is recorded for compensated absences in the government-wide and proprietary fund financial statements.

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as debt service expenditures .

Interest Capitalization

Interest costs are capitalized when incurred by proprietary funds and similar component units on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. No interest was capitalized in the current period.

Deferred Inflows

In addition to liabilities, the statement of net position reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Encumbrances

The Town does record purchase orders in the accounting system upon approval of administration. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in the following three components:

- λ *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

- λ *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- λ *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are reported based on the extent to which the Town is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of the five categories:

- λ *Nonspendable* – amounts that cannot be spent because they are not in spendable form- such as inventory and prepaid insurance.
- λ *Restricted* – amounts with constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- λ *Committed* – amounts that can only be used for specific purposes as a result of constraints imposed by adopted ordinance of the Board of Trustees, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board of Trustees removed those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- λ *Assigned* – amounts a government intends to use for a specific purpose; intent can be expressed by the Board of Trustees or by an official or body to which the governing body delegates the authority.
- λ *Unassigned* – amounts that are available for any purpose; these amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position/fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, and unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Contracts

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

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The Town follows the procedures set forth in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- λ Preparation of budget documents by administrative staff shall be submitted to the Board no later than October 15 of each year.
- λ Publication of a notice stating that the budget is available for public inspection.
- λ Discussion of the budget in a meeting open to the public.
- λ Adoption of the budget in a public meeting by appropriate resolution, no later than December 31.
- λ Ordinance to adopt supplemental appropriations.

Formal budgetary integration is employed as a management control device for all funds of the Town. All fund budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

Stewardship

Expenditures in the following funds exceeded appropriations during 2014. This may be a violation of Colorado Revised Statutes 29-1-110.

General Fund	\$ 113,538
Light & Power Fund	\$ 75,813
Natural Gas Fund	\$ 374,353

The General Fund has a negative fund balance of \$185,365 as of December 31, 2014. This may be a violation of Colorado Revised Statutes.

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

A summary of Cash and Investments for the Town are as follows:

Cash on Hand	\$	491
Cash deposited with Banks		2,216,706
Investments - ColoTrust		<u>283,898</u>
 Total cash, deposits, and investments on the Statement of Net Position	 \$	 <u><u>2,501,095</u></u>

CASH AND DEPOSITS

Colorado State Statutes govern the Town's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds 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 at least 102% of the aggregate uninsured deposits. All deposits in 2014 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. At December 31, 2014, \$1,740,184 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

INVESTMENTS

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. They include :

- λ Obligations of the United States and certain U.S. government agency securities
- λ Certain international agency securities
- λ General obligation and revenue bonds of U.S. local government entities
- λ Bankers' acceptances of certain banks
- λ Commercial paper
- λ Local government investment pools
- λ Repurchase agreements
- λ Money market funds
- λ Guaranteed investment contracts
- λ Corporate or bank debt issued by eligible corporations or banks

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

Credit Risk

The Town does not have a formal investment policy, they refer to Colorado State Statutes for investment guidance, that calls for diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. As of December 31, 2014, the local government investment pools (ColoTrust) in which the Town had invested was rated AAAM by Standard & Poor's.

Interest Rate Risk

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates. The Town has no investments with maturities past five years.

The Colorado Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. ColoTrust operates in a manner similar to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool. Investments of the pool consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes.

Investments in local government investment pools or money market funds are not categorized as to risk because they are not evidenced by securities that exist in physical or book entry form.

NOTE 4 ACCOUNTS RECEIVABLE

At December 31, 2014, the Town had accounts receivable as follows:

General Fund	\$ 70,176
Light & Power Fund (net of allowance for uncollectible accounts of \$42,653)	181,544
Gas Fund (net of allowance for uncollectible accounts of \$3,590)	171,421
Water Fund (net of allowance for uncollectible accounts of \$6,099)	<u>39,276</u>
Total	<u>\$ 462,417</u>

NOTE 5 DUE FROM OTHER GOVERNMENTS

Intergovernmental receivables include amounts due from grantors for specific program grants. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

As of December 31, 2014, the Town had \$39,561 due from federal, state, and local governments, reflected as intergovernmental receivables in the accompanying basic financial statements.

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

NOTE 6 INTERFUND RECEIVABLES , PAYABLES , AND TRANSFERS

Interfund Receivables/Payables

The Town reports interfund balances between many of its funds. The balances result from the time lapse between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are reported in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to repaid within one year of the financial statement date.

Interfund receivable and payable balances at December 31, 2014, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Water Fund	\$ 4,217
Conservation Trust Fund	General Fund	26,549
Street Improvement Fund	General Fund	102,562
Gas Fund	General Fund	34,962
	Light & Power	40,705
		<u>75,667</u>
Water Fund	Light & Power	30,864
Light & Power Fund	General Fund	51,262
	Street Improvement Fund	16,847
	Water Fund	14,775
		<u>82,884</u>
Total		<u><u>\$ 322,743</u></u>

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

NOTE 7 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014, was as follows:

	Balance 12/31/2013	Additions	Deletions	Balance 12/31/2014
<i>Governmental Activities:</i>				
Capital assets not being depreciated				
Land and Land Improvements	\$ 3,750	\$ -	\$ -	\$ 3,750
Total capital assets not being depreciated	3,750	-	-	3,750
Capital assets being depreciated				
Buildings and Improvements	38,802	-	-	38,802
Property, Plant & Equipment	306,038	-	-	306,038
Infrastructure	83,955	-	-	83,955
	-	-	-	-
Total capital assets being depreciated	428,795	-	-	428,795
Less: Accumulated Depreciation	101,028	43,329	-	144,357
Total capital assets being depreciated, net	327,767	(43,329)	-	284,438
<i>Governmental Activities Capital Assets, Net</i>	<u>\$ 331,517</u>	<u>\$ (43,329)</u>	<u>\$ -</u>	<u>\$ 288,188</u>

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

	Balance 12/31/2013	Additions	Deletions	Balance 12/31/2014
<i>Business-type Activities:</i>				
Capital assets not being depreciated				
Land and Land Improvements	\$ 186,828	\$ -	\$ -	\$ 186,828
Water Rights	74,500	-	-	74,500
Construction in Progress	250,150	-	250,150	-
Total capital assets not being depreciated	511,478	-	250,150	261,328
Capital assets being depreciated				
Buildings	430,873	-	-	430,873
Enterprise System	2,648,208	119,200	-	2,767,408
Equipment and Furniture	655,781	295,602	-	951,383
Total capital assets being depreciated	3,734,862	414,802	-	4,149,664
Less: Accumulated Depreciation	2,899,756	73,800		2,973,556
Total capital assets being depreciated, net	835,106	341,002	-	1,176,108
<i>Business-type Activities Capital Assets, Net</i>	<u>\$ 1,346,584</u>	<u>\$ 341,002</u>	<u>\$ 250,150</u>	<u>\$ 1,437,436</u>

Meter replacement expense include an impairment loss of \$53,291 due to the water meter project not being completed.

Depreciation expense was charged to functions/programs of the primary government as follows:

<i>Governmental Activities:</i>	
General Government	\$ 16,262
Streets and Parks	12,533
Public Safety	14,534
Total depreciation expense – governmental activities	<u>\$ 43,329</u>
<i>Business-type Activities</i>	
Light & Power Services	\$ 48,503
Natural Gas Services	11,518
Water Services	13,779
Total depreciation expense – business-type activities	<u>\$ 73,800</u>

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

NOTE 8 LONG-TERM DEBT

Changes in Long-term Debt

	Balance 12/31/2013	Additions	Deletions	Balance 12/31/2014	Due Within One Year
<i>Governmental Activities:</i>					
Compensated Absences	\$ 21,698	\$ -	\$ 5,999	\$ 15,699	\$ -
<i>Business-type Activities:</i>					
Compensated Absences	\$ 20,922	\$ -	\$ -	\$ 20,922	\$ -

NOTE 9 PENSION PLANS

Defined Contribution Plan

The Town offers a SIMPLE IRA defined contribution plan through Invesco. This plan is available to all eligible full-time employees after six months of employment, except sworn police officers. The Town will contribute a matching contribution to each eligible employee equal to the employee's contributions up to a limit of 3%. The employees become 100% vested in the Town's contribution once they are eligible to contribute to the plan. Plan provisions and contribution requirements are established and may be amended by the Board of Trustees.

For the year ended December 31, 2014, total employee contributions to the Plan were \$14,270 and matching Town contributions totaled \$10,112.

Defined Benefit Plan

The Town contributes to the State-Wide Defined Benefit Fund (The Plan), a cost-sharing multiple-employer defined benefit plan administered by the Fire and Police Pension Association (FPPA). The Plan covers all full-time police officers hired on or after April 8, 1978 (New Hires) under the provisions of Title 31, Article 30, of Colorado Revised Statutes 1973, as amended. The FPPA issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to Fire and Police Association, 5290 DTC Parkway, Suite 100, Englewood, CO 80111-2721 or by calling 1-800-332-FPPA.

Plan members and the Town are required by Colorado statute to contribute 8% of the employees' salary to the Plan. The Town's contributions to the Plan for the years ending December 31, 2014, 2013, and 2012 were \$15,786, \$16,936, and \$14,763, respectively, equal to the required contributions.

NOTE 10 TABOR EMERGENCY RESERVE

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment.

On April 4, 2000, the voters of Center passed a ballot issue to permit the Town of Center "in 1999 and each subsequent year thereafter, to retain and spend Town revenues in excess of the spending, revenue raising, or other limits in Article X, Section 20, of the Colorado constitution, utilizing such revenues for public safety, municipal

TOWN OF CENTER, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

services, transportation and other public improvements, park and recreational facilities, and any other lawful purpose as voter-approved revenue change.”

The amendment also requires that Emergency Reserves be established. These reserves must be at least 3 percent of fiscal year spending in 1995 and thereafter. This Emergency Reserve has been presented as a reservation of fund balance in the General Fund. The entity is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

NOTE 11 COMMITMENTS AND CONTINGENCIES

Lawsuits

The Town is party to various legal actions normally associated with governmental activities, aggregate effect which, in management’s and legal counsel’s opinion, would not be material to the financial statements.

NOTE 12 SUBSEQUENT EVENT

In 2015, the Town will begin a water storage project. Funding has been obtained from a Colorado Water Resource and Power Development Authority through a governmental agency bond in the amount of \$1,103,000.

TOWN OF CENTER, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and, if applicable, each of the Town's major special revenue funds.

TOWN OF CENTER, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes	\$ 429,200	\$ 429,200	\$ 374,976	\$ (54,224)
Licenses and Permits	3,400	3,400	4,340	940
Intergovernmental Revenue	65,000	65,000	75,036	10,036
Charges for Services	604,560	604,560	611,772	7,212
Interest on Accounts	75	75	1,628	1,553
Miscellaneous Revenue	25,500	25,500	12,206	(13,294)
TOTAL REVENUE	1,127,735	1,127,735	1,079,958	(47,777)
EXPENDITURES				
General Government	426,098	426,098	466,360	(40,262)
Public Safety	398,577	398,577	427,440	(28,863)
Municipal Court	28,781	28,781	29,015	(234)
Building and Planning	-	-	685	(685)
Streets and Parks	97,620	97,620	133,459	(35,839)
Sanitation Contractual	145,000	145,000	152,655	(7,655)
TOTAL EXPENDITURES	1,096,076	1,096,076	1,209,614	(113,538)
Net Change in Fund Balance	31,659	31,659	(129,656)	(161,315)
Fund Balance at Beginning of Year	265,020	265,020	(55,709)	(320,729)
Fund Balance at End of Year	\$ 296,679	\$ 296,679	\$ (185,365)	\$ (482,044)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

TOWN OF CENTER, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
STREET IMPROVEMENT FUND
For the Year Ended December 31, 2014

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES				
Sales Tax	\$ 150,000	\$ 150,000	\$ 126,812	\$ (23,188)
Interest Income	100	100	268	168
TOTAL REVENUES	<u>150,100</u>	<u>150,100</u>	<u>127,080</u>	<u>\$ (23,020)</u>
EXPENDITURES				
Highway and Streets	93,120	93,120	56,331	36,789
TOTAL EXPENDITURES	<u>93,120</u>	<u>93,120</u>	<u>56,331</u>	<u>36,789</u>
Net Change in Fund Balance	56,980	56,980	70,749	13,769
Fund Balance at Beginning of Year	<u>426,991</u>	<u>426,991</u>	<u>304,651</u>	<u>(122,340)</u>
Fund Balance at End of Year	<u>\$ 483,971</u>	<u>\$ 483,971</u>	<u>\$ 375,400</u>	<u>\$ (108,571)</u>

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

TOWN OF CENTER, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CONSERVATION TRUST FUND
For the Year Ended December 31, 2014

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>
				<u>POSITIVE</u>
				<u>(NEGATIVE)</u>
REVENUES				
Lottery Proceeds	\$ 246,100	\$ 246,100	\$ 22,059	\$ (224,041)
Miscellaneous Revenue	-	-	139	139
TOTAL REVENUES	<u>246,100</u>	<u>246,100</u>	<u>22,198</u>	<u>(223,902)</u>
EXPENDITURES				
Capital Outlay	61,200	61,200	-	61,200
TOTAL EXPENDITURES	<u>61,200</u>	<u>61,200</u>	<u>-</u>	<u>61,200</u>
Net Change in Fund Balance	184,900	184,900	22,198	(162,702)
Fund Balance at Beginning of Year	<u>94,299</u>	<u>94,299</u>	<u>112,850</u>	<u>18,551</u>
Fund Balance at End of Year	<u>\$ 279,199</u>	<u>\$ 279,199</u>	<u>\$ 135,048</u>	<u>\$ (144,151)</u>

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

TOWN OF CENTER, COLORADO
SUPPLEMENTARY INFORMATION

TOWN OF CENTER, COLORADO
SCHEDULE OF EXPENSES AND TRANSFERS OUT
ALL PROPRIETARY FUNDS
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	<u>BUDGETED AMOUNTS</u>		<u>EXPENDITURES</u>	<u>ADJUSTMENTS</u>	<u>EXPENDITURES</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>REPORTED ON</u>	<u>TO BUDGETARY</u>	<u>ON THE</u>	<u>FINAL BUDGET</u>
			<u>THE GAAP</u>	<u>BASIS</u>	<u>BUDGETARY</u>	<u>POSITIVE</u>
			<u>BASIS</u>	<u>BASIS</u>	<u>BASIS</u>	<u>(NEGATIVE)</u>
Proprietary Funds						
Enterprise Funds						
Light and Power Fund	\$ 1,736,645	\$ 1,736,645	\$ 1,640,834	\$ 171,624	\$ 1,812,458	\$ (75,813)
Natural Gas Fund	961,645	961,645	1,319,543	16,455	1,335,998	(374,353)
Water Fund	<u>1,372,008</u>	<u>1,372,008</u>	<u>325,559</u>	<u>(13,779)</u>	<u>311,780</u>	<u>1,060,228</u>
Total Enterprise Funds	<u>\$ 4,070,298</u>	<u>\$ 4,070,298</u>	<u>\$ 3,285,936</u>	<u>\$ 174,300</u>	<u>\$ 3,460,236</u>	<u>\$ 610,062</u>

Adjustments to budgetary basis include costs of capitalized assets and depreciation expense.

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Center
	YEAR ENDING : December 2014

This Information From The Records Of (example - City of _ or County of Town of Center) Prepared By: Rose DeHerrera
Phone: 719-754-3497

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	56,331
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	0
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	150,632	c. Other	
4. Miscellaneous local receipts (from page 2)	268	d. Total (a. through c.)	0
5. Transfers from toll facilities		4. General administration & miscellaneous	48,978
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	40,260
a. Bonds - Original Issues		6. Total (1 through 5)	145,569
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	150,900	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	65,418	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	216,318	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
			145,569

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0			0
1. Bonds (Refunding Portion)				
B. Notes (Total)	0			0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	304,651	216,318	145,569	375,400	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2014

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	23,820	a. Interest on investments	268
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	126,812	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	0	g. Other Misc. Receipts	0
6. Total (1. through 5.)	126,812	h. Other	0
c. Total (a. + b.)	150,632	i. Total (a. through h.)	268
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	65,418	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	0	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	0	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	65,418	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments: