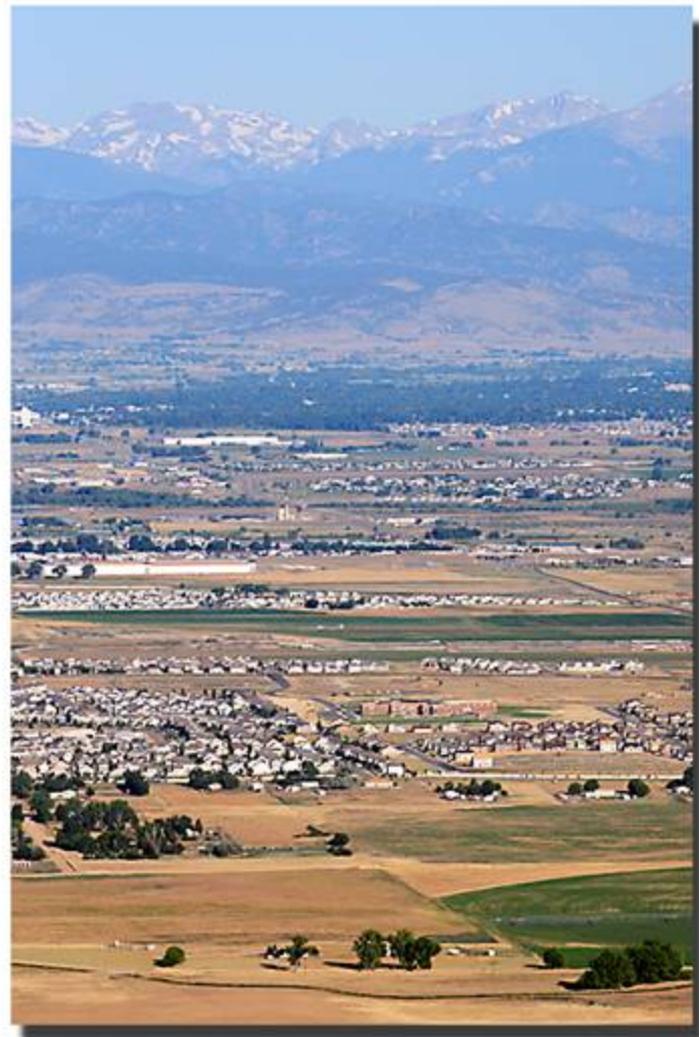


FIRESTONE
COLORADO



Town of Firestone 2008 Comprehensive Annual Financial Report



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TOWN OF FIRESTONE, COLORADO

Comprehensive Annual Financial Report

For The Fiscal Year Ended

December 31, 2008

Issued by:

**Town of Firestone,
Finance Department**



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Town of Firestone, Colorado
Comprehensive Annual Financial Report
For the fiscal year ended December 31, 2008

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June 25, 2009

To the Honorable Mayor, members of the
Board of Trustees, and Citizens of the
Town of Firestone:

State Law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual financial report of the Town of Firestone (the Town) for the fiscal year ended December 31, 2008.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Watkins & Schommer, Inc, a firm of licensed certified public accountants, has audited the Town's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended December 31, 2008, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Firestone's financial statements for the fiscal year ended December 31, 2008, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Firestone's MD&A can be found immediately following the report of the independent auditors.

Profile of the Town

The Town, incorporated in 1908, is located on the northern fringe of the Denver Metropolitan Area of Colorado. The Town currently occupies a land planning area of approximately 18 square miles and serves a population of about 9,000. Firestone is located in Weld County. The Town is empowered to levy a property tax on real properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council and voter approval. On April 2, 1996, the taxpayers approved a ballot question to remove the TABOR limits that were imposed on the Town in 1992.

The Town has operated under the Trustees-Administrator form of government since its first meeting as a statutory town. Policy-making and legislative authority are vested in the Board of Trustees (the Board) consisting of the mayor and six trustees. The Town's board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the Town's manager, administrator, clerk, treasurer, and attorney. The Town's manager and administrator are responsible for carrying out the goals, policies, and ordinances of the Board, for overseeing the day-to-day operations of the Town, and for appointing the heads of the various departments. The Board is elected on a nonpartisan basis. The mayor is elected for a two-year term and the trustees are elected for four-year terms. The mayor and trustees are elected at-large.

The Town provides a full range of services, including police protection; construction and maintenance of streets; parks; trails; open space; storm drainage and water utilities. Other utility services, such as sewer, electricity, street lighting, natural gas, and trash removal, are provided by organizations not affiliated with the Town, and therefore, are not reported in the Town's financial statements.

The annual budget serves as the foundation for the Town's financial planning and control. All departments of the Town are required to submit requests for appropriation to the Town's finance director on or about the last day of August each year. The finance director and administrator use these requests as the starting point for developing a proposed budget. The town administrator then presents the proposed budget to the board for review prior to October 15th. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 15th. The Town's fiscal year is on a calendar year basis. The Town's budget is prepared by fund (e.g., general), department (e.g., police), and division (e.g., patrol). However, the annual budget is appropriated and approved at the fund level only, by the Board of Trustees and certified to the State of Colorado as such. Transfers of appropriations between funds require the approval of the Board.

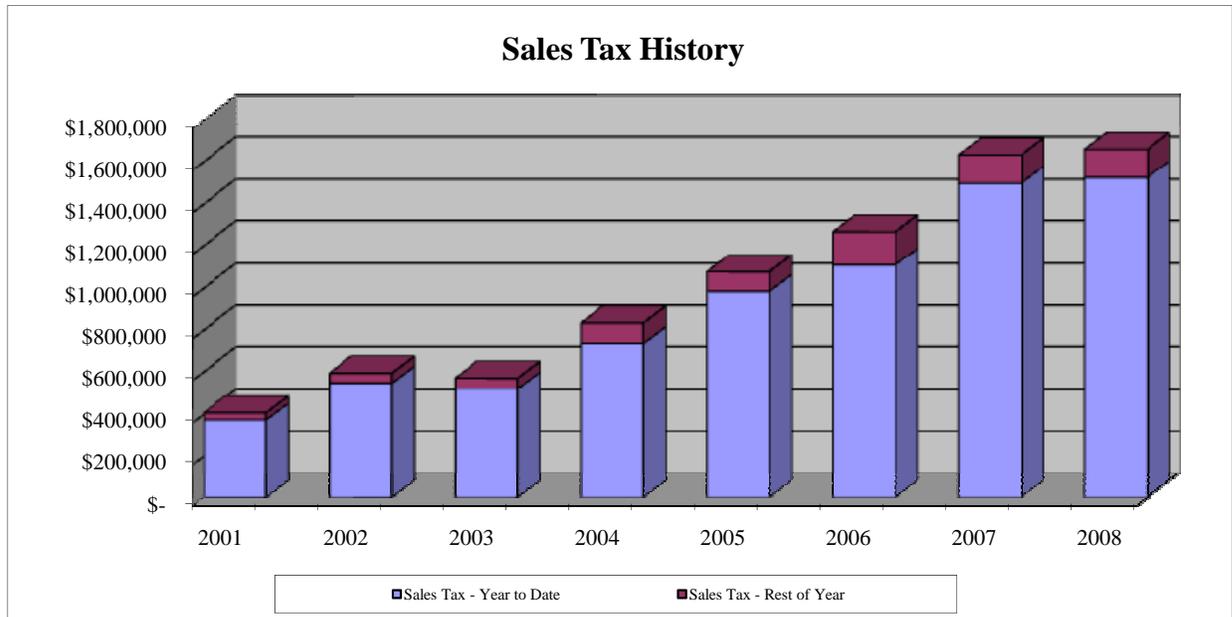
Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. For the General Fund, Highway Fund and Park Fund, these comparisons are presented on pages 32 – 34 as part of the basic financial statements for the governmental funds. For all other governmental funds, these comparisons are presented in the non-major governmental funds subsection of this report, which begins on page 77.

Factors Affecting Financial Condition

Local Economy

The current adopted version of the Town's Master Plan was amended in 2008 and reflects the evolution of Firestone toward a high quality, family oriented community within the overall context of a strategic front-range location in the northern Denver metropolitan area. With this, Firestone's economy has become more diversified in recent years with employment in manufacturing, services, retail, government, banking and construction. Prior to 2005 the Town reached developer agreements for four distinct commercial developments. In 2005, the Town reached an agreement with American Furniture Warehouse (AFW) to construct a 550,000 square foot retail center to anchor an 80-acre commercial development site. In 2006 the Town approved a Public Improvement Reimbursement Agreement (PIRA) with THF Realty, Inc. that will reimburse the developers for offsite infrastructure improvements dedicated to the Town, from a public improvement fee (PIF) collected at the site in lieu of a portion of the sales tax that would ordinarily be generated at that site. In 2008 an additional agreement related to the PIRA modified the reimbursement provisions for the portion of the site where two additional big box retail businesses are planned. In 2009 one of those big box sites was completed with a Home Depot store that opened in June of 2009. Additional retail development adjacent to the Home Depot and AFW facilities is expected in 2009-2012.

Because of the growth of the Town's retail base, sales tax revenues have shown significant growth over the past 8 years – albeit with a slower pace of growth in 2008. The retail trade sector has steadily employed more of the Town's population in the past several years and significantly influences Firestone's economy. The Town expects to compete more and more with surrounding communities for future increases in sales tax revenues. Below is a chart reflecting the increase in sales tax revenues over the last eight years (as of December of each year).

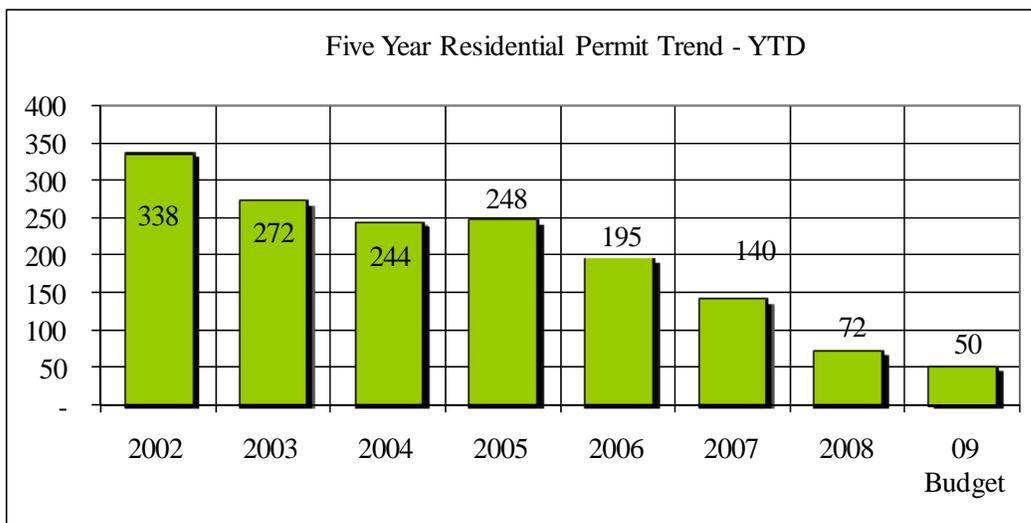


The Town's commercial property development slowed significantly in 2008 following several years of rapid growth in keeping with the national and regional economic recession. However, the opening of the Home Depot store in 2009 is expected to contribute to sales tax revenue, property tax revenue and other commercial development at that site. While a number of Colorado municipalities have experienced actual declines in sales tax revenue during the 2008-2009 recession, Firestone has experienced a slowdown in sales tax growth during this period with small positive increases in sales tax revenue.

The Town is currently working to increase the number and variety of businesses throughout the community, including initiatives to enhance the economic success of historic *Old Town* Firestone, including plans for an Urban Renewal Authority in this area. The table shown below details the growth in the Town's total taxable assessed value.

AV year / Year Levied	Assessed Valuation
2003 / 2004	\$ 55,659,010
2004 / 2005	69,416,870
2005 / 2006	83,287,660
2006 / 2007	96,612,970
2007 / 2008	114,332,430
2008 / 2009	118,208,020

The Town of Firestone has seen significant development over the last five years. However, the community has experienced a significant slowdown in residential construction building permits over the past 2 years, as seen in the charts below, and expects this to continue this for the foreseeable future as the national and state housing markets continue to work through the mortgage crises and valuation adjustments. The significant drop in permits has had adverse effect on the Town's budgeted revenue sources for capital improvement projects funded by impact fees for parks, highways and storm drainage, but not on operations budgets. The table below sets forth single family building permits for the past five years:



In 2000, the Town had a population of 1,900 and today the Town has a population estimated at 9,000 to 9,200. With the expansive growth, the Town has worked hard to keep pace with the provision of necessary services for its residents. In 2005, the Town purchased the *Kugl Property* also known as Firestone Central Park. The Town envisions this property as a regional amenity including parks, trails, open space, a regional library, cultural and recreation facilities. In 2006 the voters elected *not* to approve a sales tax increase dedicated for the development of this site and therefore the conceptual expansion plans listed above will necessarily be delayed depending on other funding sources. Possible future funds may include amounts from the existing Metropolitan District Agreements with Metro Districts within the Town's boundaries and the later stages of the existing Public Improvement Reimbursement Agreement when PIF revenues fully reimburse the public infrastructure costs paid by the developer. These funds would then be available to the Town. These funding sources may or may not materialize over the next 7-10 years. In 2007, the High Plains Library District constructed on this site a 34,000 square foot regional facility. The Town cooperated in the library project by providing public infrastructure improvements to serve the facility. The library opened its doors early in 2008.

In 2007-2008 the Town constructed a \$1.5 million three-field regional sports complex at Firestone Blvd. and Frontier Street. This was funded by impact fees held in reserve, funds received pursuant to the Metropolitan District Agreement earmarked for regional improvements from a bond issuance by the Stone Ridge Metropolitan District, the sale of town property adjacent to the Safeway plaza and a Great Outdoors Colorado grant. With this construction however the Town has exhausted its impact fee reserves for parks for a number of years.

Long-term Planning

The Board and management are currently working on a major project that will impact the Town's financial position. In 2005, the Board indicated its desire to pursue participation in Northern Integrated Supply Project (NISP) for future water needs. NISP is a proposed joint project to develop water storage and supply facilities for a large group of water providers in the region. The Town is tentatively expecting a revenue bond debt issue or multiple debt issues in the range of \$8 to \$16 million. The timing of such debt issuance is anticipated prior to 2012. As part of the planning for the financing of the NISP the Town undertook a water rate study in 2008 that led to rate changes in early 2009 to better recover the cost of providing water service operating and capital needs including NISP. The last change in water rates was in 2003.

The Town continuously monitors the status of its budget and conducts a formal mid-year budget review for its Board. The Town plans to make adjustments as warranted including expense reductions and deferrals in response to the significant downturn in building and its subsequent effect on revenues. The Town's 2008 appropriated expenditures decreased by 22% to reflect the anticipated decrease in residential housing, although the Town also initiated funding of reserve funds for future repair and replacement. For 2008, The Town forecasted 80 housing permits and 72 were actually issued.

Cash Management Policies and Practices

The Finance Department maximizes investment earnings on temporarily idle cash while ensuring that adequate moneys are available to make full and timely payments to vendors. Staff considers the safety, liquidity, and yield of the investment when making investment decisions in compliance with the Town's written investment policy. At present, the Town invests funds with the Colorado Secure Assets Fund (CSAFE) a local government investment pool as well as bank certificates of deposit or other local government eligible investments. The liquidity crisis in the money markets that peaked in the last half of 2008 had minimal impacts on the Town's investments with only temporary liquidity constraints placed on CSAFE.

Risk Management

From 1996 through 2007 the Town was a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA) for property and casualty insurance and the Colorado Intergovernmental Risk Sharing Agency/Worker's Compensation (CIRSA/WC) pool for workers compensation insurance. CIRSA and CIRSA/WC are organizations created by intergovernmental agreements, providing insurance coverages to its members through the pooling of self-insured losses and the purchase of stop loss insurance coverage. Beginning in 2008, the Town utilized private sector insurance from The Saint Paul Travelers Companies for Property and Casualty Insurance coverage and Pinnacol Assurance for Workers Compensation Insurance coverage. Cost savings for insurance were realized in 2008.

Pension and Other Post-employment Benefits

The Town contributes to three defined benefit pension plans. The first is the "*Old-Hire*" single employer defined benefit pension plan. All assets are held and invested by the Fire and Police Pension Association of Colorado (FPPA). One former employee is covered by this plan.

The second plan is for public safety officers and is a cost-sharing multiple-employer defined benefit pension plan, which is also administered by the FPPA as a separate group plan. Assets of the plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund. This plan provides retirement benefits for members and beneficiaries according to plan provisions as enacted and governed by the FPPA Pension Fund Board of Trustees.

The third plan is for non-public safety employees and is through the Colorado Public Employees' Retirement Association (PERA) Local Government Division Trust Fund, a cost-sharing multiple-employer defined benefit pension plan. It provides retirement benefits for members and beneficiaries according to plan provisions.

The Town has implemented GASB Statement 45 for its 2007 and later year-end financial statements and its liability for other post-employment benefits is limited to the portion of its annual contributions allocated to the PERA Health Care Fund.

Awards and Acknowledgments

For the second time, The Town of Firestone was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA) for its Comprehensive Annual Financial Statements (CAFR) for fiscal year end December 31, 2007. In order to qualify for the award, the Town's CAFR document must be judged to be proficient in various categories, including financial statement presentation, management discussion and analysis, footnote disclosure, other supplementary financial and statistical information.

We would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administrative departments. We would also like to thank Dan Schommer, of Watkins & Schommer, Inc., for his valuable input, able assistance and the professional manner in which he has performed the audit engagement. Credit also must be given to the Mayor and the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Firestone's finances.

Respectfully submitted,



Wesley LaVanchy
Town Administrator



Carl Nelson
Finance Director

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Firestone
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

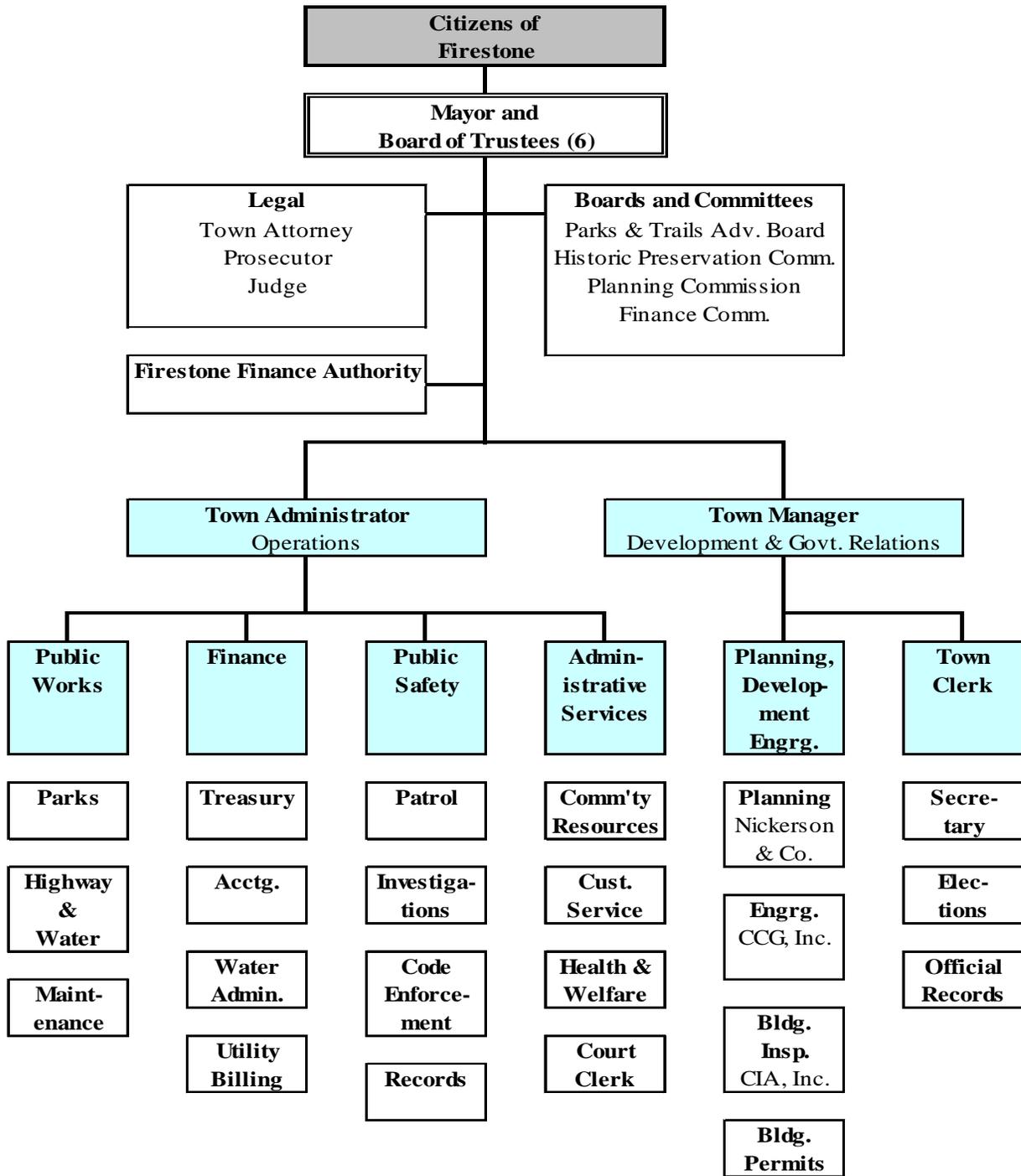
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

Town of Firestone
 Organization Chart - by function
 December 31, 2008



PRINCIPAL OFFICIALS

As of December 31, 2008

TOWN BOARD

CHAD AUER

Mayor
At-Large

CHARLIE THOMAS, Jr.

Board Trustee
At-Large
Mayor Pro-tem

MATT HOLCOMB

Board Trustee
At-Large

KELLY MORGAN

Board Trustee
At-Large

PAUL SORENSEN

Board Trustee
At-Large

BUTCH WALB

Board Trustee
At-Large

DARRELL WALSH

Board Trustee
At-Large

LEGAL AND COURT

SAM LIGHT

KATHLEEN HARRINGTON
Town Attorney

ANDY AUSMUS

Prosecutor

PAUL BASSO

Municipal Court Judge

ADMINISTRATION

CHERI ANDERSEN

Town Manager

WESLEY LA VANCHY

Town Administrator

DAVID MONTGOMERY

Police Chief

JUDY HEGWOOD

Town Clerk

DAVE LINDSAY

Engineer - Colorado Civil Group

CARL NELSON

Finance Director

BRUCE NICKERSON

Planner - Nickerson & Co.

PETE DITMON

Community Resource Coordinator

THEO ABKES

Public Works Director

BEVERLY MEDINA

Court Coordinator

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INDEPENDENT AUDITORS' REPORT

June 25, 2009

Honorable Mayor and Members
of the Town Board of Trustees
Town of Firestone, 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 Firestone (the "Town") as of and for the year ended December 31, 2008, 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 an opinion 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Firestone as of December 31, 2008, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, Highway and Parks funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis pages 3 through 17 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



America Counts on CPAs®

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Town of Firestone, Colorado's basic financial statements and schedules. The introductory section, combining and individual nonmajor fund financial statements and budgetary comparison schedules, Local Highway Finance Report and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules, and Local Highway Finance Report have been subjected to the auditing procedures applied in the audit of the basic financial statements and schedules and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully submitted,

A handwritten signature in cursive script that reads "Watkins & Schommer, Inc.".

Watkins & Schommer, Inc.
Certified Public Accountants

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

Management's Discussion and Analysis

This section of the annual financial report offers readers of the Town's financial statements its discussion and analysis of the Town's financial performance during the year ended December 31, 2008. We encourage readers to consider the information presented here in conjunction with additional information furnished in the Town's financial statements, which immediately follow this section.

Background Information

The Town was incorporated in 1908. For accounting purposes the Town uses 15 basic funds. The General Fund, nine Special Revenue Funds, one Capital Project Fund, two Debt Service Funds, one Enterprise Fund and two Fiduciary Funds.

On April 2, 1996, the taxpayers approved a ballot question to remove the TABOR limits that were imposed on the Town in 1992. The mill levy for 2008 was set at 6.209 mills for general operations and .596 mills for debt service for a total mill levy of 6.805 mills.

Financial Highlights

- ❑ The Town's financial status improved over the course of the 2008 fiscal year. Total net assets increased 2.98% due primarily to the acceptance of public improvements and water shares from development and capital improvements.
- ❑ General revenues account for \$3,923,364 or 36% of total revenues. The Town had \$6,985,465 in program specific revenues in the form of charges for services, operating grants and contributions, and capital contributions. The majority of capital contributions included in this amount are in the form of public infrastructure constructed by developers and water rights dedicated to the Town.
- ❑ The Town had \$6,482,210 in expenses related to governmental activities which were offset by program specific charges for services and operating grants and contributions of \$3,645,475. General revenues consisting of property taxes and specific ownership taxes of \$848,828, sales and use taxes of \$1,898,446 and other revenues of \$1,176,090 were adequate to provide for these programs.
- ❑ The Town had water service income totaling \$1,721,452 with capital contributions totaling \$1,618,538. The cost of providing water service totaled \$1,742,824.
- ❑ Outlays for capital assets were primarily comprised of the continued construction of the first phase of a sports complex; improvements to various parks; acquisition of police equipment, public works equipment and information technology equipment. See the Capital Assets section of this management's discussion and analysis for more information.

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

- ❑ The Town's governmental funds have six outstanding capital leases and one general obligation bond outstanding which total \$639,260 at December 31, 2008.
- ❑ The Town has a long-term lease commitment to the Firestone Finance Authority in the amount of \$1,850,000, shown in the financial statements as certificate of participation debt.

Overview of the Financial Statements

This comprehensive annual financial report consists of five parts: letter of transmission, management's discussion and analysis, the basic financial statements, supplementary information and a statistical section. The basic financial statements include two kinds of statements that present different views of The Town.

- ❑ The first two statements are government-wide financial statements that provide both short-term and long-term information about the Town's overall financial status.
- ❑ The remaining statements are fund financial statements that focus on individual parts of the Town, reporting the Town's operations in more detail than the Town's statements.
- ❑ The governmental funds statements tell how basic services such as general government, public safety, public works, etc., were financed in the short-term as well as what remains for future spending.
- ❑ The proprietary fund is presented as a business-type activity in the government-wide financial statements. The Town has one enterprise fund, the water fund.
- ❑ Fiduciary funds statements provide information about the financial relationships in which the Town acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of supplemental information that further explains and supports the financial statements with a comparison of The Town's budget for the year. Detailed in the following diagram are how the various parts of this annual report are arranged and related to one another. The year ended December 31, 2008, is the fifth fiscal year in which the financial statements of the town are reported following GASB Statement 34. In addition, the Town has implemented GASB 44 Economic Condition Reporting: The Statistical Section for year ended December 31, 2008.

**Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008**

Table 1

Organization of the Town's Comprehensive Annual Financial Report

Section	Included in Audit Opinion	Document
Introductory Section		Letter of Transmittal - from Management
Financial Section	Audit Report	Independent Auditors' Report
	Limited procedures performed by auditor. Disclaimer of opinion	Management's Discussion and Analysis
Financial Statements	Audited Information	Government Wide Financial Statements
		Fund Financial Statements
		Notes to the Financial Statements
		Supplementary Information
		Capital Assets
Statistical Section		Statistical Information
Compliance	Audited Information	Local Highway Finance Report

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

Table 2, displayed on the following page, summarizes the major features of the Town's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the two types of financial statements, government-wide and fund, found in the basic financial statements.

Table 2
Major Features of the Financial Statements

	<i>Govt. Wide Statements</i>	<i>Fund Financial Statements</i>		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Town (except fiduciary funds)	The activities of the Town that are not proprietary or fiduciary.	Activities the Town operates similar to private businesses: water services	Instances in which the Town administers resources on behalf of someone else, such as a pension fund
Required Financial Statements	Statement of net assets Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Assets Statement of Revenues, Expenses, and Changes in Net Assets Statement of Cash Flows	Statement of Fiduciary Net Assets Statement of Changes in Fiduciary Net Assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

Government Wide Financial Statements

The Town's government wide financial statements are designed to provide readers a broad overview of The Town's finances, in a manner similar to a private-sector business. These statements provide both *short-term* and *long-term* information about the Town's *overall* financial status. All of the current year's revenues and expenses are accounted for on the full accrual basis in the statement of net assets and the statement of activities regardless of when cash is received or paid.

- 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 financial position of the Town is improving or deteriorating. To assess the Town's overall health, consideration should be given to additional non-financial factors such as the condition of buildings and equipment.
- The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods.

Both of the Town's government wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and those that are principally supported by user fees (*business activities*). Included in governmental activities are most of the Town's basic services such as general government, public safety, public works, etc. The basic Town's government wide financial statements can be found on pages 21-23 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's funds, focusing on its most significant or "major" funds, not the Town as a whole. Funds are accounting devices the Town uses to keep track of specific sources of funding and spending on particular programs. The Town funds are divided into two categories: governmental funds and fiduciary funds.

Governmental funds: Most of the Town's basic services are included in governmental funds, which generally focus on (1) inflows and outflows of cash and other financial assets and (2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the Town's programs. Because this information does not encompass the long-term focus of the Town's statements, a reconciling schedule is included on the governmental funds statements explaining the relationship (or

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

difference) between them. The basic governmental fund financial statements can be found on pages 24-34 of this report.

- *Proprietary funds*: The Town of Firestone maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Firestone uses enterprise funds to account for its water operation.
- Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water operation, which is considered to be a major fund of the Town of Firestone.

The basic proprietary fund financial statements can be found on pages 35-38 of this report.

- *Fiduciary funds*: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Town is responsible for ensuring that the assets reported in these funds are used only for the intended purposes and by those to whom the assets belong. The Town excludes these activities from the Town's financial statements because it cannot use these assets to finance its operations.
- The Town currently has two fiduciary funds, the old hire pension fund and the TAVAS historical research fund. The funds are used to account for the payment of pension benefits and the cost of historical research for the old volunteer ambulance service.

The basic fiduciary fund statements can be found on pages 39-40 of 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 Town and fund financial statements. The notes to the financial statements can be found on pages 43-73 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information*. This includes the supplemental data required for non-major fund information and budgetary comparison schedules.

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

Financial Analysis of the Town as a Whole

Net Assets and Changes in Net Assets

The Town's *combined* net assets were larger on December 31, 2008, than they were the year before, increasing 3 percent to \$92,748,187. This is due primarily to the acceptance of public improvements and water shares from residential development and capital improvements in the Water Fund. Table 3 provides a summary of the Town's net assets at December 31, 2008, with comparisons to 2007. For more information see the Statement of Net Assets contained within this report.

Table 3
Condensed Statement of Net Assets

	Governmental Activities		Business Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Assets						
Current Assets	\$ 7,690,029	\$ 8,837,505	\$ 2,581,264	\$ 2,042,421	\$ 10,271,293	\$ 10,879,926
Capital Assets, net	33,858,202	32,209,356	52,483,516	51,525,674	86,341,718	83,735,030
Total Assets	\$ 41,548,231	\$ 41,046,861	\$ 55,064,780	\$ 53,568,095	\$ 96,613,011	\$ 94,614,956
Liabilities						
Current Liabilities	\$ 1,169,671	\$ 1,368,051	\$ 83,196	\$ 219,007	\$ 1,252,867	\$ 1,587,058
Long-term Liabilities	2,489,260	2,812,800	122,697	157,706	2,611,957	2,970,506
Total Liabilities	\$ 3,658,931	\$ 4,180,851	\$ 205,893	\$ 376,713	\$ 3,864,824	\$ 4,557,564
Net Assets						
Invested in Capital						
Net of Related Debt	\$ 31,346,521	\$ 29,452,697	\$ 52,447,475	\$ 51,453,496	\$ 83,793,996	\$ 80,906,193
Restricted	4,722,885	4,661,782	-	-	4,722,885	4,661,782
Unrestricted	1,819,894	2,751,531	2,411,412	1,744,886	4,231,306	4,496,417
Total Net Assets	\$ 37,889,300	\$ 36,866,010	\$ 54,858,887	\$ 53,198,382	\$ 92,748,187	\$ 90,064,392

Table 4 provides a summary of the changes in net assets. Following Table 4 is specific discussion related to overall revenues and expenses.

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

Table 4
Changes in Net Assets from Operating Results

	Governmental Activities		Business Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Revenues						
<u>Program Revenues</u>						
Charges for Services	\$ 1,129,691	\$ 1,752,517	\$ 1,721,452	\$ 1,642,135	\$ 2,851,143	\$ 3,394,652
Operating Grants	74,773	33,921	-	-	74,773	33,921
Capital Grants and Contributions	2,441,011	1,690,260	1,618,538	3,737,731	4,059,549	5,427,991
<u>General Revenues</u>						
Property Taxes	848,828	736,643	-	-	848,828	736,643
Sales and Use Taxes	1,898,446	2,092,775	-	-	1,898,446	2,092,775
Franchise Taxes	338,077	298,572	-	-	338,077	298,572
Investment Earnings	196,461	362,983	65,128	81,529	261,589	444,512
Loss on Sale of Asset	(4,500)	406,541	(1,789)	-	(6,289)	406,541
Other	582,713	352,924	-	-	582,713	352,924
Total Revenues	\$ 7,505,500	\$ 7,727,136	\$ 3,403,329	\$ 5,461,395	\$ 10,908,829	\$ 13,188,531
Expenses						
General Government	1,144,085	1,200,682	-	-	\$ 1,144,085	\$ 1,200,682
Public Safety	2,185,207	2,169,622	-	-	2,185,207	2,169,622
Public Works	2,302,038	2,186,471	-	-	2,302,038	2,186,471
Health and Welfare	86,964	74,408	-	-	86,964	74,408
Economic Development	13,844	11,561	-	-	13,844	11,561
Parks	630,046	458,506	-	-	630,046	458,506
Interest on Long-Term Debt	120,026	124,480	-	-	120,026	124,480
Water	-	-	1,742,824	1,531,947	1,742,824	1,531,947
Special Item	-	-	-	-	-	-
Total Expenses	6,482,210	6,225,730	1,742,824	1,531,947	\$ 8,225,034	\$ 7,757,677
Transfers	-	(73,690)	-	73,690	-	-
Increase in Net Assets	1,023,290	1,427,716	1,660,505	4,003,138	2,683,795	5,430,854

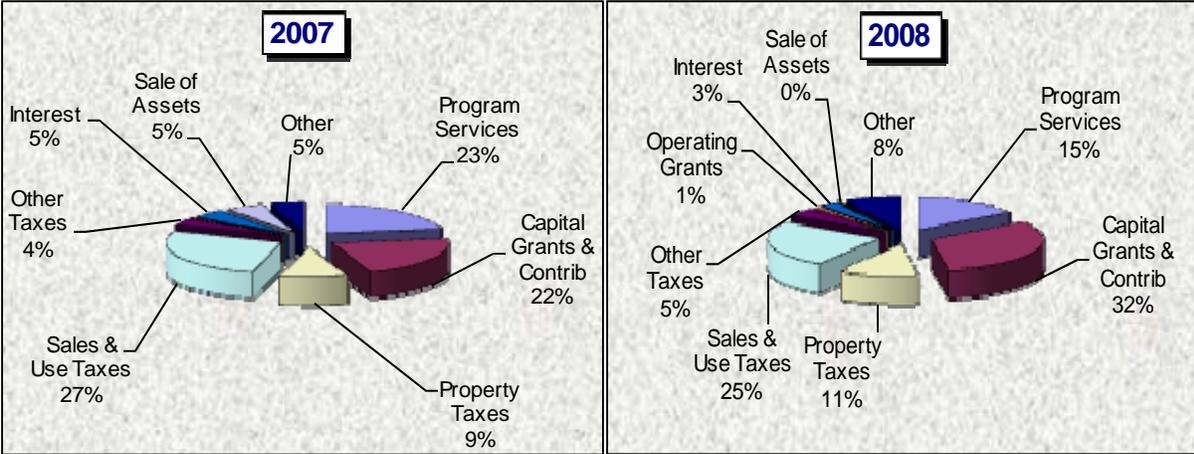
The increase in net assets shown in Table 4 includes transfers (if any) extracted from the governmental activities funds. The Town, for 2007 and 2008, had no contributions to endowments or permanent funds, special items or extraordinary items to report in the financial statements.

The increase in net assets is due primarily to (1) the acceptance of water shares and system improvements from residential development and capital improvements in the Water Fund and (2) public improvements for highway, street, and park infrastructure as well as the increase in sales tax, property tax and interest income. The Water Fund receives capital contributions from developers who must construct certain system infrastructures for new residential and commercial development as well as donate a pro-rata portion of water for these projects so existing water customers do not have to bear the cost of these necessary capital items.

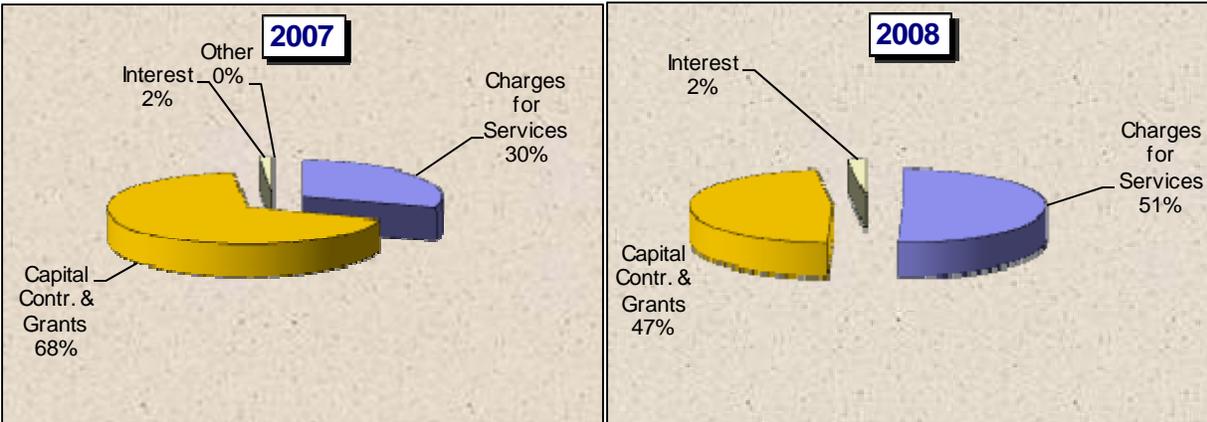
Detailed below in Tables 5 and 6 are charts displaying revenues by sources for the governmental and business-type activities of the Town.

**Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008**

**Table 5
Sources of Revenues by Comparative Years:
Governmental Activities**



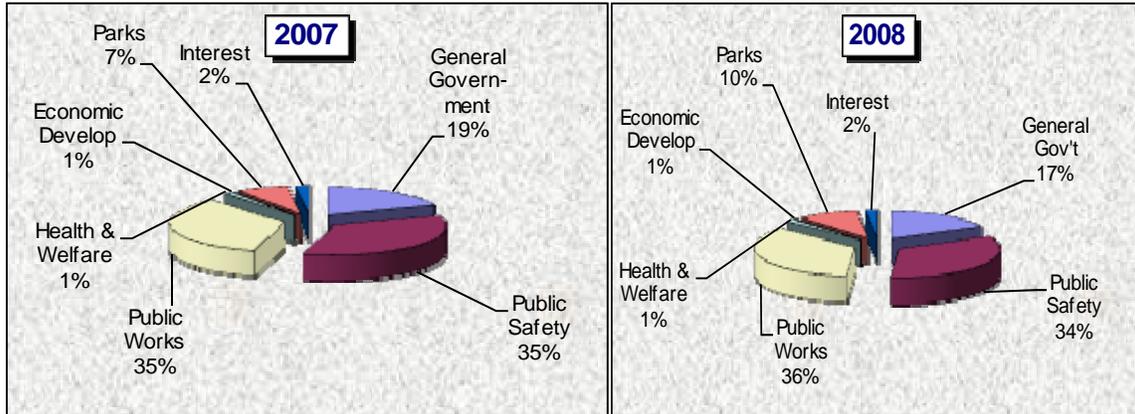
**Table 6
Sources of Revenues by Comparative Years:
Business-Type Activities**



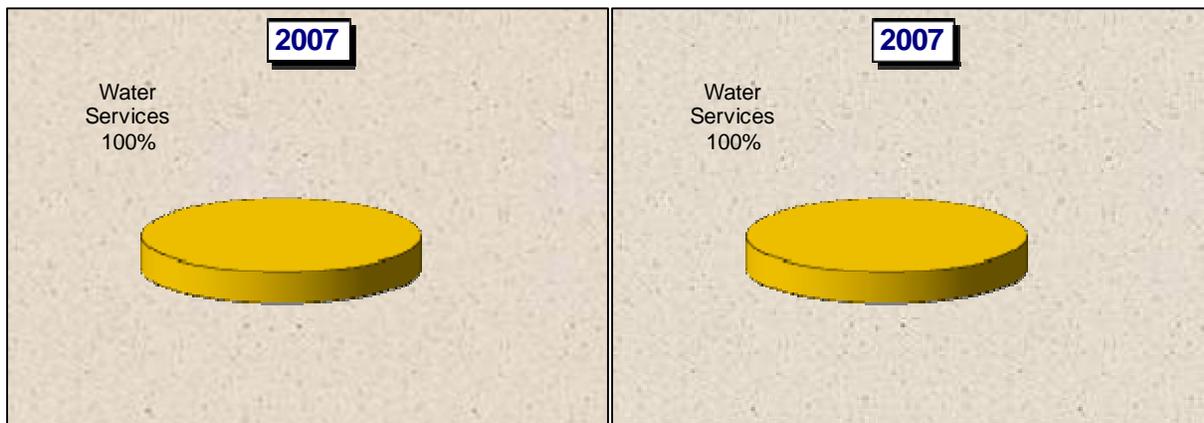
Detailed below in Tables 7 and 8 are charts displaying program expenses for governmental and business-type activities of the Town.

**Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008**

**Table 7
Expenses by Comparative Years:
Governmental Activities**



**Table 8
Expenses by Comparative Years:
Business-Type Activities**



Governmental Activities

The increase in net assets for governmental activities was \$1,023,290 in 2008 due primarily to the recognition of developer improvements for street infrastructure and parks dedicated to the Town as reported in the Statement of Net Assets.

The governmental funds monitor cash resources and expenditures. Capital outlay within these funds aggregated \$1,484,456 during 2008. Capital assets dedicated to the Town by developers at no cost are not included in this amount, but are show as a reconciling item between the government wide financial statements and governmental activities. For 2007 and 2008 the amount of assets so donated to the Town were \$688,513 and \$2,230,161, respectively.

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

As reflected on the reconciliation of governmental funds revenues and expenditures to the government-wide statement of activities, the net difference between capital outlays and depreciation expenses was \$ (576,815) for 2008.

The statement of activities shows the cost of program services and the related charges for services and the related operating grants and contributions offsetting those costs. Table 9 reflects each program's total cost and net cost of services. That is, it identifies the cost of these services supported by unrestricted property taxes.

Table 9
Net Cost of Governmental Activities

	<u>2008</u>		<u>2007</u>
	Total Cost of Service	Net Cost of Service	Net Cost of Service
General Government	\$ 1,144,085	\$ (1,097,920)	\$ (1,178,973)
Public Safety	2,185,207	(2,026,071)	(1,993,946)
Public Works	2,302,038	91,569	98,832
Health and Welfare	86,964	(86,964)	(74,408)
Economic Development	13,844	(13,844)	(11,561)
Parks	630,046	416,521	535,504
Interest on Long-Term Debt	120,026	(120,026)	(124,480)
Total	<u>\$ 6,482,210</u>	<u>\$ (2,836,735)</u>	<u>\$ (2,749,032)</u>

The relatively minor change in the net cost of governmental activities between 2007 and 2008 reflects the minimal changes in Town operations consistent with the relatively flat economic environment experienced by the Town during these two years.

Financial Analysis of Town Funds

General Fund

The general fund's purpose is to account for the routine operational activities of the Town. This fund provides for functional areas of the organization - general government, public safety, public works, etc. The primary funding sources for the general fund are sales and property tax revenues, fines and charges for services provided.

General Fund Budgetary Highlights

The Town's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The Town's final budget for the

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

general fund anticipated that expenditures would exceed revenues by \$277,746. The actual results for the year show expenditures exceeding revenues by \$155,453.

It should be noted that the Town's budget format is designed to establish and monitor divisional functions of the Town's operations to more closely align expenses with the areas of responsibility. The actual approval of appropriations by the Board of Trustees is at the Fund level and the divisional functions used in the budget are for presentation and management control purposes. These divisions are set up as cost centers for accountability in each of the following areas:

- General Government
- Public Safety
- Public Works
- Health and Welfare
- Economic Development
- Parks

The Town must maintain a 3% emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). At December 31, 2008 the Town's TABOR reserve amounted to \$182,990.

Proprietary Funds

The Town's proprietary fund provides the same type of information found in the government-wide statements, but in more detail.

Capital Assets and Debt Administration

Capital Assets

By the end of 2008, the Town had invested \$83,735,030 in a broad range of capital assets for its governmental and business type activities, including land, buildings, site improvements, vehicles and other equipment (See Table 10). This amount represents a net increase of \$4,093,371 or 4.89% from last year. This is due primarily to the acceptance of (1) water shares and system improvements from residential development and capital improvements in the Water Fund (2) public improvements for highway, street, and park infrastructure. Additional information on The Town's capital assets can be found in Note 5 to the financial statements. Total depreciation expense for the year was \$2,061,271 in the governmental activities and \$288,073 in the Town's business-type activity.

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

Table 10
Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2008	2007	2008	2007	2007	2006
	Land	\$ 5,801,202	\$ 5,056,452	\$ 48,611	\$ 48,611	\$ 5,849,813
Water Shares	-	-	40,610,164	40,220,664	40,610,164	40,220,664
Construction in Progress	-	777,716	86,543	-	86,543	777,716
Land Improvements	3,911,535	2,308,370	-	-	3,911,535	2,308,370
Buildings and Improvements	1,161,148	1,124,849	-	-	1,161,148	1,124,849
Streets and Storm Drainage	22,154,053	21,970,421	-	-	22,154,053	21,970,421
Utility Systems	-	-	11,573,767	11,062,232	11,573,767	11,062,232
Machinery and Equipment	830,264	971,548	164,431	194,167	994,695	1,165,715
Total	\$33,858,202	\$32,209,356	\$52,483,516	\$51,525,674	\$86,341,718	\$83,735,030

Long-Term Debt

At year end the Town had \$324,260 of outstanding capital leases, \$315,000 in 1999 general obligation bond reported in the governmental funds and \$36,041 of outstanding capital leases in the business-type fund. For 2008, the Town experienced a 10.52% decrease in its outstanding debt from 2007. This was due to the scheduled debt service payments and the issuance of no additional capital leases or other debt in the governmental funds (General, Highway or Parks) or the business-type fund. Capital leases have the advantage of spreading the cost of an asset over its useful life.

Table 11
Outstanding Debt

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2006
	General Obligation Bonds	315,000	365,000	-	-	315,000
Certificate of Participation	1,850,000	1,920,000	-	-	1,850,000	1,920,000
Loans Payable	-	-	-	-	-	-
Accrued Compensated Absences	65,750	56,141	-	-	65,750	56,141
Capital Leases	324,260	471,659	36,041	72,178	360,301	543,837
Total	2,555,010	2,812,800	36,041	72,178	2,591,051	2,884,978

Colorado Revised Statute 31-15-302(1)(d)(II) states that a municipality's total amount of indebtedness for all purposes shall not at any time exceed 3% of actual value, except for such debt as may be incurred in supplying water. The Town's outstanding debt is below this limit. Please see Note 6 in the notes to the financial statements, and the statistical section of the CAFR for more details.

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

Fiduciary Fund Activities

Pension Fund

The Old-Hire Pension Fund was established and continually funded to provide for the provision of retirement pension benefit for the police officer that was hired by the Town prior to April 8, 1978. The fund provides for the payment of benefits and expenses of providing of those benefits. The primary funding source for the pension fund is the allocation of monies from the General Fund.

Factors Bearing on the Town's Future

At the time these financial statements were prepared and audited, the Town was aware of the following circumstances that could significantly affect its financial health in the future:

- ❑ The Town's budget for 2009 incorporates General Property Tax revenue of \$733,717 (based on an assessed valuation for the Town, of \$118,208,020 and a mill levy of 6.207 mills for operations and 0.598 mills for debt service) with a budget of \$11,049,067 in expenditures for 2009.
- ❑ During 2008 the Town completed the initial formation and partial funding of several reserve funds for purposes of funding future repair and replacement needs for Town infrastructure. Modest levels of funding via intrafund transfers to these repair and replacement funds took place in 2008 and are budgeted for 2009.
- ❑ There are several factors that drive the Town's budget and financial performance. The factors include, but are not limited to, the following: area employment rates, sales and use tax revenues, building permit valuation and issuance, population growth, and capital asset construction requirements.
- ❑ Currently, the Town's residential building permit valuation and issuance drives a significant part of the budget revenue for corresponding capital expenditures. The Town receives capital revenues from impact fees and water tap fees improvements during the fiscal year, which will be utilized in future years to acquire or construct capital assets to serve future residents. The housing market trend in Colorado is experiencing a continued downturn in demand. A significant decrease in housing permits would have significant adverse effect on impact fees revenues and corresponding parks and highway capital projects. The Town's 2008 and 2009 budgets were based on significantly reduced estimates for new construction consistent with these market factors.
- ❑ The Town's has approximately \$1,717,000 in grants awarded or expected in the 2009 budget revised estimate that are to reimburse the Town for expenditures on various water infrastructure projects, and a major roadway intersection expansion project. All of these funds are a significant part of the budgeted revenue and

Town of Firestone
Management's Discussion and Analysis
For the fiscal year ended December 31, 2008

spending for the Highway and Water Fund and reimbursement is contingent upon successful completion of the projects in a timely fashion.

- The development process for the Town includes the advance funding from developers of the initial planning, engineering and inspection of public infrastructure to be dedicated to the Town via cost agreements. At year end 2007 and 2008 the Town had a total net accounts receivable amount from developers under these cost agreements of approximately \$426,000 and \$160,000 respectively. Aggressive collection steps during 2008 and 2009 have reduced these outstanding receivables. The Town has reserved \$30,000 as an estimated allowance for uncollectable amounts of approximately 19% of the gross receivable amount for developer cost agreements as of December 31, 2008.

Contacting the Town's Financial Management

This financial report is designed to provide the Town's officials, citizens, taxpayers, parents, investors, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director at the Town of Firestone Finance Department at, 151 Grant Avenue, P.O. Box 100, Firestone, Colorado 80520-0100.

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Basic Financial Statements

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Town of Firestone
Firestone, Colorado
Statement of Net Assets
December 31, 2008

	Primary Government		TOTAL
	Govern- mental Activities	Business- Type Activities	
ASSETS			
Cash and Cash Equivalents	6,239,368	2,304,797	8,544,165
Receivables	1,439,771	254,032	1,693,803
Other Current Assets	10,890	22,435	33,325
Capital Assets (Net of Accumulated Depreciation):			
Land and Water Shares	5,801,202	40,658,775	46,459,977
Construction in Progress	-	86,543	86,543
Land Improvements	3,911,535	-	3,911,535
Buildings and Improvements	1,161,148	-	1,161,148
Streets and Storm Drainage	22,154,053	-	22,154,053
Utility Systems	-	11,573,767	11,573,767
Equipment and Vehicles	830,264	164,431	994,695
Total Assets	41,548,231	55,064,780	96,613,011
LIABILITIES			
Accounts Payable and Other Current Liabilities	259,582	82,029	341,611
Net Pension Obligation	7,490	-	7,490
Accrued Interest Payable	22,421	1,167	23,588
Unearned Revenue	804,405	-	804,405
Developer Deposits	75,773	-	75,773
Noncurrent Liabilities:			
Customer Deposits	-	86,656	86,656
Due Within One Year	281,351	12,149	293,500
Due in Greater Than One Year	2,207,909	23,892	2,231,801
Total Liabilities	3,658,931	205,893	3,864,824
NET ASSETS			
Investment In Capital Assets, Net of Related Debt	31,346,521	52,447,475	83,793,996
Restricted for:			
TABOR Emergency Reserve	182,990	-	182,990
Capital Improvements	3,390,554	-	3,390,554
Other Purposes	1,149,341	-	1,149,341
Unrestricted	1,819,894	2,411,412	4,231,306
Total Net Assets	37,889,300	54,858,887	92,748,187

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

Exhibit 1

Town of Firestone
 Firestone, Colorado
Statement of Activities
 Year Ended December 31, 2008

Functions / Programs	Expenses	Program Revenues		
		Charges for Service	Operating Grants and Contrib.	Capital Contrib.
Governmental Activities:				
General Government	1,144,085	22,980	23,185	-
Public Safety	2,185,207	144,515	14,621	-
Public Works	2,302,038	908,196	-	1,485,411
Health and Welfare	86,964	-	-	-
Economic Development	13,844	-	-	-
Parks and Open Space	630,046	54,000	36,967	955,600
Interest on Long-Term Debt	120,026	-	-	-
Total Government Activities	6,482,210	1,129,691	74,773	2,441,011
Business Type Activities:				
Water	1,742,824	1,721,452	-	1,618,538
Total Business-Type Activities	1,742,824	1,721,452	-	1,618,538
Total Town Government	8,225,034	2,851,143	74,773	4,059,549

General Revenues

Taxes:

- Property Taxes Levied for General Purposes
- Property Taxes Levied for Debt Service
- Specific Ownership Taxes
- Sales and Use Tax
- Highway Users, Road and Bridge, Motor Vehicle Taxes
- Franchise Taxes
- Investment Earnings
- Miscellaneous
- Loss on Sale of Capital Assets

Total General Revenue

Changes in Net Assets

Net Assets - Beginning

Net Assets Ending

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

Exhibit 2

Net (Expenses) Revenue
and Changes in Net Assets

Govern- mental Activities	Business- Type Activities	TOTAL
(1,097,920)	-	(1,097,920)
(2,026,071)	-	(2,026,071)
91,569	-	91,569
(86,964)	-	(86,964)
(13,844)	-	(13,844)
416,521	-	416,521
(120,026)	-	(120,026)
<u>(2,836,735)</u>	<u>-</u>	<u>(2,836,735)</u>
-	1,597,166	1,597,166
<u>-</u>	<u>1,597,166</u>	<u>1,597,166</u>
<u>(2,836,735)</u>	<u>1,597,166</u>	<u>(1,239,569)</u>
707,972	-	707,972
67,958	-	67,958
72,898	-	72,898
1,898,446	-	1,898,446
381,464	-	381,464
338,077	-	338,077
196,461	65,128	261,589
201,249	-	201,249
(4,500)	(1,789)	(6,289)
<u>3,860,025</u>	<u>63,339</u>	<u>3,923,364</u>
1,023,290	1,660,505	2,683,795
36,866,010	53,198,382	90,064,392
<u>37,889,300</u>	<u>54,858,887</u>	<u>92,748,187</u>

Exhibit 2

Town of Firestone
Firestone, Colorado
Balance Sheet
Governmental Funds
December 31, 2008

	General	Highway	Parks	Capital Improvement
ASSETS				
Cash and Cash Equivalents	926,878	1,035,677	658,331	3,349,679
Cash with Fiscal Agent	-	10,312	-	-
Receivables	1,226,314	40,889	100,000	-
Prepaid Items	9,601	1,289	-	-
Total Assets	2,162,793	1,088,167	758,331	3,349,679
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	171,359	15,256	18,759	-
Net Pension Obligation	7,490	-	-	-
Developer Deposits	75,773	-	-	-
Deferred Revenue	733,717	-	-	-
Total Liabilities	988,339	15,256	18,759	-
Fund Balances:				
Reserved for Emergencies	182,990	-	-	-
Reserved for Streets and Highways	-	1,072,911	-	-
Reserved for Capital Improvements	-	-	-	3,349,679
Reserved for Debt Service	-	-	-	-
Unreserved, Reported in Designated for Subsequent Years Expenditure	79,864	-	-	-
Undesignated				
General Fund	911,600	-	-	-
Special Revenue Funds	-	-	739,572	-
Total Fund Balances	1,174,454	1,072,911	739,572	3,349,679
Total Liabilities and Fund Balances	2,162,793	1,088,167	758,331	3,349,679

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

Exhibit 3

Other Govtl. Funds	Total Govtl. Funds
258,491	6,229,056
-	10,312
72,568	1,439,771
-	10,890
<u>331,059</u>	<u>7,690,029</u>
-	205,374
-	7,490
-	75,773
70,688	804,405
<u>70,688</u>	<u>1,093,042</u>
-	182,990
40,876	1,113,787
40,875	3,390,554
35,554	35,554
-	79,864
-	911,600
143,066	882,638
<u>260,371</u>	<u>6,596,987</u>
<u>331,059</u>	<u>7,690,029</u>

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Town of Firestone
 Firestone, Colorado
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
 December 31, 2008

Amounts reported for governmental activities
 in the Statement of Net Assets are different because:

Total Fund Balances - Governmental Funds	6,596,987
--	-----------

Capital assets used in governmental activities are
 not financial resources and therefore are not
 reported as assets in governmental funds.

The cost of capital assets is	45,402,801	
Accumulated depreciation is	<u>(11,544,599)</u>	
		33,858,202

Long-term liabilities, including bonds payable are not
 due and payable in the current period and therefore
 are not reported as liabilities in the funds.

Long term liabilities at year end consist of:		
Certificates of Participation	1,850,000	
Bonds Payable	315,000	
Capital Leases Payable	324,260	
Accrued Interest Payable	<u>22,421</u>	
		(2,511,681)

Current liability for accrued compensation payable is not due and payable in the current period and therefore not reported in the funds.	(54,208)
--	----------

Total Net Assets - Governmental Activities	<u><u>37,889,300</u></u>
--	--------------------------

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

Exhibit 3 (continued)

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2008

	General	Highway	Parks	Capital Improvement
REVENUES				
Taxes	2,986,526	72,898	-	-
Licenses and Permits	308,823	-	54,000	-
Intergovernmental	57,638	381,464	100,000	-
Contributions	10,195	-	-	-
Charges for Services	-	109,394	-	504,291
Fines	144,515	-	-	-
Investment Earnings	23,772	27,967	27,781	108,317
Miscellaneous	51,831	23,967	131,266	-
Total Revenues	3,583,300	615,690	313,047	612,608
EXPENDITURES				
Current:				
General Government	1,085,449	-	37,983	-
Public Safety				
Police	1,908,377	-	-	-
Building Inspection	174,288	-	-	-
Public Works (Roads, Facilities)	61,332	627,452	-	-
Parks	238,686	-	65,663	-
Health and Welfare	86,964	-	-	-
Economic Development	13,844	-	-	-
Capital Outlay	96,317	251,105	1,137,034	-
Debt Service:				
Principal	66,888	51,802	28,709	-
Interest	6,608	9,102	2,469	-
Total Expenditures	3,738,753	939,461	1,271,858	-
Excess (Deficiency) of Revenue				
Over Expenditures	(155,453)	(323,771)	(958,811)	612,608
OTHER FINANCING SOURCES (USES)				
Transfers In	110,235	276,796	70,000	15,000
Transfer Out	(79,510)	-	-	(547,031)
Total Other Financing Sources (Uses)	30,725	276,796	70,000	(532,031)
Net Change in Fund Balances	(124,728)	(46,975)	(888,811)	80,577
Fund Balances at Beginning of Period	1,299,182	1,119,886	1,628,383	3,269,102
Fund Balances at End of Period	1,174,454	1,072,911	739,572	3,349,679

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

Exhibit 4

Other Govtl. Funds	Total Govtl. Funds
107,010	3,166,434
-	362,823
36,967	576,069
-	10,195
-	613,685
-	144,515
11,067	198,904
150	207,214
155,194	5,279,839
2,808	1,126,240
-	1,908,377
-	174,288
-	688,784
-	304,349
-	86,964
-	13,844
-	1,484,456
120,000	267,399
102,240	120,419
225,048	6,175,120
(69,854)	(895,281)
214,510	686,541
(60,000)	(686,541)
154,510	-
84,656	(895,281)
175,715	7,492,268
260,371	6,596,987

Exhibit 4

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Town of Firestone
 Firestone, Colorado
**Reconciliation of the Governmental Funds Statement of Revenues,
 Expenditures, Changes in Fund Balances to the
 Statement of Activities**
 Year Ended December 31, 2008

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

Total net change in fund balance - Governmental Funds (895,281)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Assets and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation in the period:

Depreciation Expense	(2,061,271)	
Capital Outlay	<u>1,484,456</u>	(576,815)

Repayment of debt principal is an expenditure in the government funds, but it reduces long-term liabilities in the Statement of Net Assets and in the Statement of Net Assets and does not affect the Statement of Activities. 267,399

Decrease in accrued interest payable reflected in expenses in the Statement of Activities and not reflected as an expense on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. 393

Decrease in accrued compensated absences reflected in expenses in the Statement of Activities and not reflected as an expense on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. 1,933

Loss on disposal of fixed assets is shown as an expense on the Statement of Activities but is not shown as an expense on the Statement of Revenues, Expenditures and Changes in Fund Balances. (4,500)

Donations of capital assets increase net assets on the Statement of Activities, but do not appear in the governmental funds because they are not a current source of financial resources. 2,230,161

	<u><u>1,023,290</u></u>
Change in Net Assets - Governmental Activities	

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

Exhibit 4 (continued)

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - General, Highway and Park Funds
Year Ended December 31, 2008

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budget Basis	Positive (Negative)
REVENUES				
Taxes	3,104,551	3,104,551	2,986,526	(118,025)
Licenses and Permits	327,380	327,380	308,823	(18,557)
Intergovernmental	17,350	17,350	57,638	40,288
Contributions	-	-	10,195	10,195
Charges for Services	-	-	-	-
Fines	165,000	165,000	144,515	(20,485)
Investment Earnings	26,650	26,650	23,772	(2,878)
Miscellaneous	30,850	30,850	51,831	20,981
Total Revenues	3,671,781	3,671,781	3,583,300	(88,481)
EXPENDITURES				
Current:				
General Government	1,005,262	1,005,262	1,085,449	(80,187)
Public Safety				
Police	2,016,859	2,016,859	1,908,377	108,482
Building Inspection	206,292	206,292	174,288	32,004
Public Works (Roads, Facilities)	70,450	70,450	61,332	9,118
Parks	223,918	223,918	238,686	(14,768)
Health and Welfare	97,250	97,250	86,964	10,286
Economic Development	14,500	14,500	13,844	656
Capital Outlay	241,500	241,500	96,317	145,183
Debt Service:				
Principal	66,888	66,888	66,888	-
Interest	6,608	6,608	6,608	-
Total Expenditures	3,949,527	3,949,527	3,738,753	210,774
Excess (Deficiency) of Revenue Over Expenditures	(277,746)	(277,746)	(155,453)	122,293
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	237,687	158,177	30,725	(127,452)
Total Other Financing Sources (Uses)	237,687	158,177	30,725	(127,452)
Net Change in Fund Balances	(40,059)	(119,569)	(124,728)	(5,159)
Fund Balances at Beginning of Period			1,299,182	
Fund Balances at End of Period			1,174,454	

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

Exhibit 5

Highway Fund

Budgeted Amounts		Actual	Variance with
Original	Final	Amounts	Final Budget
		Budget	Positive
		Basis	(Negative)
424,527	424,527	72,898	(351,629)
-	-	-	-
-	-	381,464	381,464
-	-	-	-
104,400	104,400	109,394	4,994
-	-	-	-
23,000	23,000	27,967	4,967
2,500	2,500	23,967	21,467
<u>554,427</u>	<u>554,427</u>	<u>615,690</u>	<u>61,263</u>
40,430	40,430	-	40,430
-	-	-	-
-	-	-	-
680,942	680,942	627,452	53,490
-	-	-	-
-	-	-	-
-	-	-	-
479,750	479,750	251,105	228,645
51,802	51,802	51,802	-
9,102	9,102	9,102	-
<u>1,262,026</u>	<u>1,262,026</u>	<u>939,461</u>	<u>322,565</u>
<u>(707,599)</u>	<u>(707,599)</u>	<u>(323,771)</u>	<u>383,828</u>
358,500	358,500	276,796	(81,704)
<u>358,500</u>	<u>358,500</u>	<u>276,796</u>	<u>(81,704)</u>
<u>(349,099)</u>	<u>(349,099)</u>	<u>(46,975)</u>	<u>302,124</u>
		1,119,886	
		<u>1,072,911</u>	

Exhibit 5 (continued)

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - General, Highway and Park Funds
Year Ended December 31, 2008

	Park Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budget Basis	Positive (Negative)
REVENUES				
Taxes	-	-	-	-
Licenses and Permits	60,000	60,000	54,000	(6,000)
Intergovernmental	100,000	100,000	100,000	-
Charges for Services	-	-	-	-
Fines	-	-	-	-
Investment Earnings	10,000	10,000	27,781	17,781
Miscellaneous	-	-	131,266	131,266
Total Revenues	170,000	170,000	313,047	143,047
EXPENDITURES				
Current:				
General Government	37,799	37,799	37,983	(184)
Public Safety				
Police	-	-	-	-
Building Inspection	-	-	-	-
Public Works (Roads, Facilities)	-	-	-	-
Parks	105,500	105,500	65,663	39,837
Health and Welfare	-	-	-	-
Economic Development	-	-	-	-
Capital Outlay	578,220	1,311,629	1,137,034	174,595
Debt Service:				
Principal	28,709	28,709	28,709	-
Interest	2,469	2,469	2,469	-
Total Expenditures	752,697	1,486,106	1,271,858	214,248
Excess (Deficiency) of Revenue Over Expenditures	(582,697)	(1,316,106)	(958,811)	357,295
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	733,409	70,000	(663,409)
Proceeds from Capital Lease	-	-	-	-
Total Other Financing Sources (Uses)	-	733,409	70,000	(663,409)
Net Change in Fund Balances	(582,697)	(582,697)	(888,811)	(306,114)
Fund Balances at Beginning of Period			1,628,383	
Fund Balances at End of Period			739,572	

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

Exhibit 5 (continued)

Town of Firestone
 Firestone, Colorado
Statement of Net Assets
Proprietary Fund
 December 31, 2008

	Water Enterprise Fund
ASSETS	
<hr/>	
Current Assets	
Cash and Cash Equivalents	2,304,797
Receivables	254,032
Other Current Assets	22,435
Total Current Assets	2,581,264
Noncurrent Assets	
Capital Assets:	
Land	48,611
Water Rights	40,610,164
Utility Systems	12,918,656
Construction in Progress	86,543
Equipment	339,711
Less Accumulated Depreciation	(1,520,169)
Total Capital Assets (net of accumulated depreciation)	52,483,516
Total Noncurrent Assets	52,483,516
Total Assets	55,064,780
LIABILITIES	
<hr/>	
Current Liabilities	
Accounts Payable	72,058
Accrued Payables	11,138
Loan Payable - Current	12,149
Total Current Liabilities	95,345
Noncurrent Liabilities	
Customer Deposits	86,656
Loan Payable	23,892
Total Noncurrent Liabilities	110,548
Total Liabilities	205,893
NET ASSETS	
<hr/>	
Invested In Capital Assets, Net of Related Debt	52,447,475
Unrestricted	2,411,412
Total Net Assets	54,858,887

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

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Fund
Year Ended December 31, 2008

	<u>Water Enterprise Fund</u>
Operating Revenues	
Charges for Services	1,660,681
Miscellaneous	60,771
Total Operating Revenues	<u>1,721,452</u>
Operating Expenses	
Operations	995,814
Administration	457,224
Depreciation	288,073
Total Operating Expenses	<u>1,741,111</u>
Operating Loss	<u>(19,659)</u>
Nonoperating Revenues (Expenses)	
Investment Earnings	65,128
Interest Expense	(1,713)
Loss on Sale of Capital Assets	(1,789)
Total Nonoperating Revenues (Expenses)	<u>61,626</u>
Income Before Contributions and Transfers	41,967
Capital Contributions	1,618,538
Change in Net Assets	<u>1,660,505</u>
Net Assets	
Beginning of Period	<u>53,198,382</u>
End of Period	<u><u>54,858,887</u></u>

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

Exhibit 7

Town of Firestone
Firestone, Colorado
Statement of Cash Flows
Proprietary Fund
Year Ended December 31, 2008

	<u>Water Enterprise Fund</u>
Cash Flows from Operating Activities	
Cash Received from Customers	1,701,136
Cash Payments to Suppliers for Goods and Services	(1,242,026)
Cash Payments to Employees for Services	(341,032)
Net Cash Provided by Operating Activities	<u>118,078</u>
Cash Flows from Noncapital Financing Activities	
Transfers to Other Funds	(7,000)
Net Cash Used by Noncapital Financing Activities	<u>(7,000)</u>
Cash Flows from Capital and Related Financing Activities	
Contributed Capital	471,200
Sale of Capital Assets	5,828
Acquisition of Capital Assets	(194,846)
Principal Paid on Debt	(36,137)
Interest Paid on Debt	(1,974)
Net Cash Provided by Capital and Related Financing Activities	<u>244,071</u>
Cash Flow from Investing Activities	
Earnings on Investments	65,128
Net Cash Provided by Investing Activities	<u>65,128</u>
Net Increase in Cash and Cash Equivalents	420,277
Cash and Cash Equivalents at the Beginning of Period	<u>1,884,520</u>
Cash and Cash Equivalents at the End of Period	<u><u>2,304,797</u></u>

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

Exhibit 8

Town of Firestone
 Firestone, Colorado
Reconciliation of Operating Loss to
Net Cash Provided by Operating Activities
Proprietary Fund
 Year Ended December 31, 2008

Water
 Enterprise
Fund

Reconciliation of Operating Income to
Net Cash Provided by Operating Activities

Operating Loss	(19,659)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	288,073
(Increase) Decrease in Assets:	
Receivables	(21,402)
Other Current Assets	(1,512)
Increase (Decrease) in Liabilities:	
Accounts Payable	(124,220)
Accrued Payables	(4,287)
Customer Deposits	1,085
Net Cash Provided by Operating Activities	<u><u>118,078</u></u>

Non-Cash Investing, Capital and Financing Activities

Developer Contributions received by the Town which were added to capital assets and net assets in 2008	1,058,686
Capital Contributions included in Receivables	88,652

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

Exhibit 9

Town of Firestone
 Firestone, Colorado
Statement of Fiduciary Net Assets
 December 31, 2008

	<u>Old-Hire Pension Trust Fund</u>	<u>Agency Fund</u>
ASSETS		
Cash and Cash Equivalents	-	634
Investments Held by FPPA	15,847	-
Total Assets	<u>15,847</u>	<u>634</u>
 LIABILITIES		
Due to Historical Research Group	-	634
Total Liabilities	<u>-</u>	<u>634</u>
 NET ASSETS		
Net Assets Held in Trust for Pension Benefits	<u>15,847</u>	

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

Exhibit 10

Town of Firestone
Firestone, Colorado
Statement of Changes in Fiduciary Net Assets

Year Ended December 31, 2008

	Old-Hire Pension Trust Fund
Additions	
Employer Contributions	13,916
FPPA Earnings	257
Realized/Unrealized Gain (Loss) on Investments	(6,544)
Total Additions	7,629
Deductions	
Pension Benefits Paid	15,724
Total Deductions	15,724
Change in Net Assets	(8,095)
Net Assets at Beginning of Period	23,942
Net Assets at End of Period	15,847

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

Exhibit 11

Notes to Financial Statements

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Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 1: Summary of Significant Accounting Policies

The financial statements of the Town of Firestone (the “Town”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“US GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial principles. The Town also applies Financial Accounting Standards Board (“FASB”) statements and interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The more significant of the Town’s accounting policies are described below.

Reporting Entity

In conformance with Governmental Accounting and Financial Reporting Standards, Town of Firestone, Colorado, is the reporting entity for financial reporting purposes. The Town is the primary government financially accountable for all activities of the Town of Firestone. The Town meets the criteria of a primary government: its Town Board of Trustees is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The Town is not included in any other governmental reporting entity.

The determination to include separate governmental entities is based on the criteria of GASB Statement No.14, *The Financial Reporting Entity* which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. To be financially accountable, a voting majority of the component unit's board must be appointed by the primary government, and either A) the primary government must be able to impose its will, or B) the primary government may potentially benefit financially or be financially responsible for the component unit.

The financial statements of the Town of Firestone do not include any separately administered organizations as there were none as defined in the aforementioned paragraph.

Joint Ventures

The Town of Firestone may participate in joint ventures created for special purposes which are not part of the Town’s reporting entity. Additional information regarding the Town’s participation in joint ventures is provided in Note 13. The following is a description of the only joint venture in which the Town participated in during the 12 months ended December 31, 2008:

Weld 911 Emergency Telephone Service Authority Board - The Town of Firestone is one of 49 local governments which are members of the Weld 911 Emergency Telephone Service Authority Board (“Weld 911”). Weld 911 is an organization created by intergovernmental agreement in 1988 solely to provide for the operation of the 911 emergency telephone service program. Weld 911 is governed by a seven member board selected as defined in Article III of the

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Joint Ventures (continued)

agreement. The governing board is autonomous as to budgeting and fiscal matters.

Investments in joint ventures are recorded as expenditures at the time the investment is made.

Complete financial statements of this joint venture can be obtained from:

Weld County
P.O. Box 758
Greeley, Colorado 80632

Fund Accounting

The Town uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.”

Governmental funds are used to account for all or most of a government’s general activities, including the collection and disbursement of earmarked funds (special revenue funds), the construction of capital assets (the capital improvement fund) and the debt service fund. The following are the Town’s major and nonmajor governmental funds:

General Fund - The General Fund (a major fund) is the Town’s general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include local property taxes, sales tax, franchise and other intergovernmental revenues. Expenditures include all costs associated with the daily operation of general government, public safety, public works, parks and recreation and community development.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Fund Accounting (continued)

Highway and Park Funds - These major funds are special revenue fund types which are funded by developer contributions, state grants, highway users tax, specific ownership and road and bridge tax, capital lease proceeds and transfers from other funds. The expenditures represent street operating expenses, the cost of street and park construction and the cost of street maintenance.

Capital Improvement Fund - This major fund is a capital projects fund type which is established to account for financial resources segregated for the acquisition or construction of capital facilities other than those financed by enterprise operations.

The other governmental funds (nonmajor funds) are Debt Service Funds (Firestone Finance Authority, Debt Service) or Special Revenue Funds (Conservation Trust, Open Space, Storm Water Facilities Replacement Reserve Fund, Street and Highway Replacement Reserve Fund, Park Replacement Reserve Fund, Fleet Replacement Reserve Fund, and Building Replacement Reserve Fund) and are established to account for revenues derived from specific taxes or other earmarked revenue sources which finance specific activities as required by law or administrative action.

Proprietary Funds (major funds) focus on the determination of the changes in net assets, financial position and cash flows and are classified as enterprise funds. Enterprise Funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Town's major enterprise fund is:

Water Fund - This fund accounts for the financial transactions related to the water service operations of the Town.

Fiduciary Funds are the Old Hire Pension Fund and the Tri-Area Volunteer Ambulance Service (TAVAS) Historic Research Fund. The pension fund accounts for the Town's contribution to the Old Hire Pension Plan and the TAVAS Fund accounts for monies collected to research the history of the volunteer ambulance service.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Basis of Presentation

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the Town that are governmental and those that are considered business-type activities. The government-wide financial statements do not include fiduciary funds since they are not part of the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliation with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Town and for each function or program of the Town's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Town, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Town.

Fund Financial Statements - Fund financial statements report detailed information about the Town. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Basis of Presentation (continued)

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net assets. The statement of revenues, expenses and changes in net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net assets. The statement of cash flows provides information about how the Town finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting.

Revenues - Exchange and Non-exchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Town available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, intergovernmental revenues and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, intergovernmental revenues and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Town must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes collected within 60 days after year-end, sales taxes and other intergovernmental revenues.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

Deferred Revenue - Deferred revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant moneys are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

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 proprietary fund’s principal ongoing operations. The principal operating revenues of the water and electric funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Budgets and Budgetary Accounting

An annual budget and appropriation resolution is adopted by the Board of Trustees in accordance with the Colorado State Statutes. The budget is prepared on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds. On or about October 15th, the Town staff submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1st. The operating budget includes proposed expenditures and the means of financing them. Also, public hearings are conducted at a special meeting and at regular Town Board meetings to obtain taxpayer comments. Prior to December 15th, the budget is legally adopted by the Town Board.

Colorado law requires that all funds have legally adopted budgets and total expenditures for each fund cannot exceed the amount appropriated. The fund level of classification is the level of classification at which expenditures may not legally exceed appropriations.

Town of Firestone
 Firestone, Colorado
 Notes to Financial Statements
 December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Budgets and Budgetary Accounting (continued)

All appropriations lapse at the end of each fiscal year. Appropriations for a fund may be increased provided they are offset by unanticipated resources.

Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Town Board throughout the year. Following is a summary of the original budget, total revisions and revised budget for appropriated expenditures and intrafund transfers in 2008:

	Original Budget	Total Revisions	Revised Budget
Government Funds:			
General Fund	3,949,527	-	3,949,527
Special Revenue Funds -			
Highway Fund	1,262,026	-	1,262,026
Parks Fund	752,697	733,409	1,486,106
Conservation Trust Fund	-	-	-
Open Space Fund	60,000	-	60,000
Replacement and Reserve Funds -			
Storm Drainage	-	-	-
Streets	-	-	-
Parks	-	-	-
Fleet	-	-	-
Buildings	-	-	-
Capital Improvements Fund	686,187	-	686,187
Debt Service Fund	69,453	-	69,453
Firestone Finance Authority Fund	161,500	-	161,500
Business-Type Funds:			
Water Fund	3,259,361	-	3,259,361
Fiduciary Funds:			
Old Hire Pension Trust Fund	16,350	-	16,350
TAVAS Agency Fund	-	-	-
Total Funds	10,217,101	733,409	10,950,510

Town of Firestone
 Firestone, Colorado
 Notes to Financial Statements
 December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Cash, Cash Equivalents and Temporary Investments

Cash, cash equivalents and temporary investments include cash on hand, demand deposits, certificates of deposit and participation in local government investment pools. All cash equivalents have an original maturity of less than three months. Cash balances from different funds are combined and invested to the extent possible in local government investment pools.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if any, are classified as internal balances on the government-wide statement of net assets and, classified as due from other funds or due to other funds on the balance sheet.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such 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.

Property and equipment of the Town of Firestone is depreciated using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Useful Lives	Business-Type Activities Estimated Useful Lives
Land	N/A	N/A
Water Rights	N/A	N/A
Land Improvements	10-30 years	N/A
Buildings and Improvements	5-30 years	N/A
Streets and Storm Drainage	15-40 years	N/A
Machinery and Equipment	5-15 years	5-20 years
Utility Systems	N/A	30-50 years

In the governmental fund financial statements, capital outlays (assets) are reported as expenditures when incurred and no depreciation expense is recorded.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Accrued Compensated Absences Payable

In accordance with the provisions of the GASB Statement No. 16, *Accounting for Compensated Absences*, vested or accumulated vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation pay that are not expected to be liquidated with expendable available financial resources are reported on the government-wide financial statements. The Town had a liability for accrued compensated absences in the amount of \$65,750 at December 31, 2008. Compensated absences are reported in governmental funds only if they have matured.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statement, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and the noncurrent portion of capital leases that will be paid from governmental funds are reported as a liability in the fund financial statements when the liabilities mature or are due and payable. In general, payment made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Fund Equity and Net Assets

In the government-wide financial statements, net assets are classified in the following categories:

Invested in Capital Assets, Net of Related Debt – This category groups all capital assets, including infrastructure into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.

Restricted Net Assets – This category presents the net assets restricted by external parties (creditors, grantors, contributors, laws and regulations).

Unrestricted Net Assets – This category represents the net assets of the Town that are not restricted for any project or other purpose by third parties.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 1: Summary of Significant Accounting Policies (continued)

Fund Equity and Net Assets (continued)

In the fund financial statements, fund balances of governmental funds are classified in three separate categories. The three categories, and their general meanings, are as follows:

Reserved Fund Balance – indicates that portion of fund equity that is not available for appropriation or that has been legally separated for specific purposes.

Unreserved/Designated Fund Balance – indicates that portion of fund equity for which the Town has made tentative plans that are subject to change.

Unreserved/Undesignated Fund Balance – indicates that portion of fund equity that is available for appropriation and expenditure in future periods, or if a deficit, for which future funding will be required.

If applicable, the Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Contribution of Capital

Contributions of capital in proprietary funds financial statements arise from outside contributions of fixed assets, or from grants or outside contributions of resources for capital acquisition and construction.

Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Town Board and that are either unusual in nature or infrequent in occurrence. There were no extraordinary or special items during 2008.

Town of Firestone
 Firestone, Colorado
 Notes to Financial Statements
 December 31, 2008

Note 2: Cash and Investments

The composition of the Town’s cash, cash equivalents and investments, including restricted cash and investments, on December 31, 2008:

	Cost Basis	Market Value	S&P Rating	Moody's Rating
Cash on Hand	790	790	-	-
Cash with County Treasurer	9,601	9,601	-	-
Checking and Savings with Bank	1,647,436	1,647,436	-	-
Investments				
Certificates of Deposit	755,627	755,627	-	-
CSAFE	6,114,863	6,114,863	AAA	Aaa
Investments Held by FPPA	15,848	15,848	-	-
Total Funds	8,544,165	8,544,165		

Custodial Credit Risk - Deposits

For 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. The Town’s bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Town’s custodial banks under provisions of the Colorado Public Deposit Protection Act (the “PDPA”). The PDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages, and deeds of trust.

At December 31, 2008 the Town’s Checking and Savings with Bank and Certificates of Deposit had bank and carrying balances as follows:

	Book Balance	Bank Balance
FDIC Insured	501,103	501,103
PDPA Collateralized	1,901,960	1,963,768
Total Cash Deposits	2,403,063	2,464,871

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 2: Cash and Investments (continued)

Custodial Credit Risk - Investments

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the Town would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a specific policy for custodial credit risk. As of December 31, 2008, the Town had no investments exposed to custodial credit risk outside of it's investment in the Colorado Secure Assets Fund discussed below.

Credit Risk – Investments

State statutes and the Town's investment policies authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school, authority, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

At December 31, 2008, the Town had invested \$6,114,863 in the Colorado Secure Assets Fund ("CSAFE"), local government investment pool established in Colorado to pool surplus funds for investment purposes. CSAFE operates similarly to a money market fund and each share is equal in value to \$1.00. The designated custodial bank of the pooled investments provides safekeeping and depository services in connection with the direct investment and withdrawal functions of the pooled investments. All securities owned by pooled investments are held by the Federal Reserve Bank in the account maintained for the custodial banks. Investments of pooled investments consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury Notes. The final maturity of any and all securities purchased by pooled investments may not exceed one year. Pooled investments are rated AAAM by Standard & Poor's. The investment policy of CSAFE does not include investing in derivatives.

Interest Rate Risk

The Town's investment policies limit investment maturities to two years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to adverse fair market value changes arising from increasing interest rates.

Town of Firestone
 Firestone, Colorado
 Notes to Financial Statements
 December 31, 2008

Note 2: Cash and Investments (continued)

Derivative Investments

The Town held no derivative investments as of December 31, 2008. Of the Town's investment in the CSAFE local government investment pool, no funds were invested in derivative securities as of December 31, 2008. The Town relied upon information provided by CSAFE in estimating the Town's fair value of its investment in CSAFE and the securities held by CSAFE.

Note 3: Receivables

Receivables at December 31, 2008, consist of the following:

<u>Receivables</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Taxes	1,141,438	-	1,141,438
Accounts	-	139,445	139,445
Intergovernmental	115,000	88,653	203,653
Other	22,737	25,934	48,671
Developers	190,596	-	190,596
Total receivables	<u>1,469,771</u>	<u>254,032</u>	<u>1,723,803</u>
Less allowance for uncollectible	(30,000)	-	(30,000)
Net total receivables	<u><u>1,439,771</u></u>	<u><u>254,032</u></u>	<u><u>1,693,803</u></u>

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 4: Interfund Transactions

Interfund transfers for the year ended December 31, 2008 were as follows:

<u>Interfund Transfers</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
Major Funds -		
General Fund	110,235	79,510
Highway Fund	276,796	-
Park Fund	70,000	-
Capital Improvement Fund	15,000	547,031
Total Major Funds	<u>472,031</u>	<u>626,541</u>
Nonmajor Funds -	214,510	60,000
Total Governmental Funds	<u>686,541</u>	<u>686,541</u>
Proprietary Funds:		
Major Funds -		
Water Fund	-	-
Total Transfers	<u>686,541</u>	<u>686,541</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (2) move funds appropriated for debt service to the Firestone Finance Authority Fund as debt service payments become due; and (3) use unrestricted revenues to finance various programs accounted for in other funds in accordance with budgetary authorizations. Contributed capital between the governmental funds and proprietary fund is shown within the transfer line for financial statement presentation.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 5: Capital Assets

Capital asset activity for the year ended December 31, 2008 was as follows:

	Capital Assets 12/31/2007	Additions/ Adjustments	Deletions/ Adjustments	Capital Assets 12/31/2008
Governmental Activities:				
Capital Assets, not being depreciated -				
Land	5,056,452	744,750	-	5,801,202
Construction in Progress	777,716	-	(777,716)	-
Total Capital Assets, not being depreciated-	5,834,168	744,750	(777,716)	5,801,202
Capital Assets, being depreciated -				
Land Improvements	3,270,557	1,928,862	-	5,199,419
Buildings and Improvements	1,538,913	98,260	-	1,637,173
Streets and Storm Drainage	28,924,011	1,642,139	-	30,566,150
Machinery and Equipment	2,128,035	78,322	(7,500)	2,198,857
Total Capital Assets, being depreciated-	35,861,516	3,747,583	(7,500)	39,601,599
Less Accumulated Depreciation for:				
Land Improvements	(962,187)	(325,697)	-	(1,287,884)
Buildings and Improvements	(414,064)	(61,961)	-	(476,025)
Streets and Storm Drainage	(6,953,590)	(1,458,507)	-	(8,412,097)
Machinery and Equipment	(1,156,487)	(215,106)	3,000	(1,368,593)
Total Accumulated Depreciation	(9,486,328)	(2,061,271)	3,000	(11,544,599)
Total Capital Assets, being depreciated- Net	26,375,188	1,686,312	(4,500)	28,057,000
Governmental Activities				
Capital Assets - Net	32,209,356	2,431,062	(782,216)	33,858,202

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 5: Capital Assets (continued)

	Capital Assets 12/31/2007	Additions/ Adjustments	Deletions/ Adjustments	Capital Assets 12/31/2008
<u>Business-Type Activities:</u>				
Capital Assets, not being depreciated -				
Land	48,611	-	-	48,611
Water Rights	40,220,664	389,500	-	40,610,164
Construction in Progress	-	86,543	-	86,543
Total Capital Assets, not being depreciated-	40,269,275	476,043	-	40,745,318
Capital Assets, being depreciated -				
Machinery and Equipment	337,511	11,721	(9,521)	339,711
Utility System	12,152,888	765,768	-	12,918,656
Total Capital Assets, being depreciated-	12,490,399	777,489	(9,521)	13,258,367
Less Accumulated Depreciation for:				
Machinery and Equipment	(143,344)	(33,840)	1,904	(175,280)
Utility System	(1,090,656)	(254,233)	-	(1,344,889)
Total Accumulated Depreciation	(1,234,000)	(288,073)	1,904	(1,520,169)
Total Capital Assets, being depreciated- Net	11,256,399	489,416	(7,617)	11,738,198
Business-Type Activities				
Capital Assets - Net	51,525,674	965,459	(7,617)	52,483,516

Depreciation for governmental activities capital assets have been allocated as shown below:

General Government	17,843
Public Safety	104,476
Public Works	1,613,255
Parks	325,697
Total Depreciation Expense - Governmental Activities	<u>2,061,271</u>

Town of Firestone
 Firestone, Colorado
 Notes to Financial Statements
 December 31, 2008

Note 6: Long-Term Debt

Business-Type Activities Debt

The following is a summary of outstanding Business-Type Activities long-term debt of the Town as of December 31, 2008:

	Outstanding 12/31/2008
Capital Leases:	
March 1, 2007, a 60 month lease with Key Government Finance, Inc. to acquire a 2006 International Plow Truck costing \$ 152,627. Annual payments of \$34,757 principal and interest at 4.49%. Allocated 25% to the Water Fund and 75% to the Highway Fund.	31,180
September 1, 2006, a 60 month lease with Jacor Broadcasting of Colorado, Inc. to acquire approximately 2.43 acres of real property for a water tank site at a cost of \$24,301. Annual payments of \$4,860 principal and no interest paid by the Water Fund.	4,861
Total Enterprise Fund Debt	36,041

The following is a summary of changes in Business-Type Activities long-term debt of the Town for the year ended December 31, 2008:

	Balance 12/31/2007	Additions	Retired	Balance 12/31/2008	Due Within One Year
Capital Leases					
Mar. 1, 2007 Lease (25%)	38,157	-	6,977	31,180	7,289
Sept. 1, 2006 Lease	34,021	-	29,160	4,861	4,860
Total	72,178	-	36,137	36,041	12,149

Town of Firestone
 Firestone, Colorado
 Notes to Financial Statements
 December 31, 2008

Note 6: Long-Term Debt (continued)

The annual requirements to amortize all of the Town's Business-Type Activities debt as of December 31, 2008, are as follows:

Year Ending Dec. 31	Principal	Interest	Total
2009	12,149	1,400	13,549
2010	7,617	1,072	8,689
2011	7,959	730	8,689
2012	8,316	373	8,689
Total	36,041	3,575	39,616

Governmental Activities Debt

The following is a summary of outstanding Governmental Activities long-term debt of the Town as of December 31, 2008:

	Outstanding 12/31/2008
General Obligation Debt:	
General Obligation Debt - March 1, 2000 General Obligation Municipal Building Bonds, original issue totaling \$700,000, due in annual principal amounts ranging from \$50,000 in 2008 to \$70,000 in 2013 with coupon rates ranging from 4.65% to 5.15%.	315,000

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 6: Long-Term Debt (continued)

	Outstanding 12/31/2008
Certificates of Participation:	
<p>May 31, 2006, Certificates of Participation - \$1,985,000 original issue by the Firestone Finance Authority (the "Authority") used to acquire leased property from Knox Farm, LLC for future use as a park.</p> <p>The interest rate on this debt is (65%) of the Prime Rate as of October 15 of the prior year, reset every three years and may not be less than 3.50% nor more than 6.75%. The certificates mature December 1, 2025.</p> <p>The certificates are payable solely from revenues received from the Town under a lease agreement between itself and the Authority. This debt does not constitute a general obligation or other indebtedness of the Town within the meaning of any constitutional or statutory debt limitation and shall not constitute a multiple fiscal year direct or indirect debt of other financial obligation.</p>	1,850,000
Capital Leases:	
<p>March 4, 2004, a 60 month lease with Municipal Services Group to acquire a 2006 International Plow Truck and a Toro Groundmaster 400-D costing \$177,781. Annual payments of \$39,591 principal and interest at 4.45%. \$40,000 was due upon delivery and the annual payments of \$39,951 began March 10, 2006 and were reduced to \$25,212 beginning March 10, 2007 through March 10, 2009. Collateralized by the above equipment.</p>	24,139
<p>December 13, 2005, a 48 month lease with Citizen's State Bank to acquire a 2007 Wagner 140H Road Grader costing \$79,000. Annual payments of \$22,229 principal and interest, at 4.79%, beginning January 2, 2007. Collateralized by the road grader.</p>	41,457
<p>March 10, 2006, a 36 month lease with Wells Fargo Brokerage Services to acquire lap-top computers for the Town's police cars costing \$86,316. Annual payments of \$30,809 principal and interest, at 3.50%, beginning March 10, 2007.</p>	29,767

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 6: Long-Term Debt (continued)

	Outstanding 12/31/2008
November 6, 2006, a thirty-six month lease with Wells Fargo Brokerage Services to acquire an 11' mower costing \$51,491. Annual payments of \$18,572 principal and interest, at 4.05%, beginning November 6, 2007.	17,849
March 1, 2007, a 60 month lease with Key Government Finance, Inc. to acquire a 2006 International Plow Truck costing \$ 152,627. Annual payments of \$34,757 principal and interest at 4.49%. Allocated 25% to the Water Fund and 75% to the Highway Fund.	93,542
May 24, 2007, a sixty-month lease with Key Government Finance, Inc. to acquire a modular building costing \$175,000. Annual payments of \$42,687 principal and interest, at 4.43%.	117,506
Total Governmental Funds Debt	2,489,260

The following is a summary of changes in Governmental Activities long-term debt of the Town for the year ended December 31, 2008:

	Balance 12/31/2007	Additions	Retired	Balance 12/31/2008	Due Within One Year
General Obligation Debt					
Series 1999	365,000	-	50,000	315,000	55,000
Certificates of Participation					
May 31, 2006, COPs	1,920,000	-	70,000	1,850,000	75,000
Capital Leases					
March 4, 2004 Lease	47,249	-	23,110	24,139	24,138
December 13, 2005 Lease	60,775	-	19,318	41,457	20,244
March 10, 2006 Lease	58,528	-	28,761	29,767	29,767
November 6, 2006 Lease	35,004	-	17,155	17,849	17,849
Mar. 1, 2007 Lease (75%)	114,470	-	20,928	93,542	21,868
May 24, 2007 Lease	155,633	-	38,127	117,506	37,485
Total	2,756,659	-	267,399	2,489,260	281,351

Town of Firestone
 Firestone, Colorado
 Notes to Financial Statements
 December 31, 2008

Note 6: Long-Term Debt (continued)

The annual requirements to amortize all of the Town's Governmental Activities debt as of December 31, 2008, are as follows:

Year Ending Dec. 31	Principal	Interest	Total
2009	281,351	112,087	393,438
2010	218,208	100,666	318,874
2011	209,753	90,607	300,360
2012	174,948	84,958	259,906
2013	160,000	80,355	240,355
2014	90,000	72,250	162,250
2015	95,000	67,750	162,750
2016	100,000	63,000	163,000
2017	105,000	58,000	163,000
2018	110,000	52,750	162,750
2019	115,000	47,250	162,250
2020	120,000	41,500	161,500
2021	130,000	35,500	165,500
2022	135,000	29,000	164,000
2023	140,000	22,250	162,250
2024	150,000	15,250	165,250
2025	155,000	7,750	162,750
Total	2,489,260	980,923	3,470,183

The Assets acquired through capital lease are as follows:

Assets	Governmental Activities	Business-Type Activities
Land	1,985,000	24,301
Building	175,000	-
Machinery and Equipment	509,058	38,157
Less Accum. Depreciation	(297,016)	(10,330)
Total	2,372,042	52,128

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 7: Defined Benefit Pension Plan – Police Officers

Plan Description

The Town of Firestone 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 FPPA. This is a non-contributory plan. All full-time, paid police officers of the Town of Firestone 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 the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. 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-FPPA(3772) from outside the metro area.

Basis of accounting for the Statewide Defined Benefit Plan

The financial statements of the Statewide Defined Benefit Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Statewide Defined Benefit Plan investments are presented at fair value except for short-term investments which are recorded at cost, which approximates fair value.

Funding Policy

Plan members and the Town of Firestone are required to contribute at a rate set by statute. The contribution requirements of plan members and the Town of Firestone are established under 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 of Firestone is 8.0% of covered salary. The Town's contributions to the Statewide Defined Benefit Plan for the years ending December 31st, 2008, 2007, and 2006, were \$109,321, \$82,115 and \$72,726 respectively, equal to their required contributions for each year.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 8: Defined Contribution Pension Plan – Police Officers

Plan Description

Employees of the Town of Firestone who are members of the FPPA Statewide Defined Benefit Plan (see Note 7) may voluntarily contribute to the FPPA 457 Plan (“457 Plan”), an Internal Revenue Code Section 457 defined contribution plan administered by FPPA. Plan participation is voluntary, and contributions are separate from others made to FPPA. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the 457 Plan. 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-FPPA(3772) from outside the metro area.

Funding Policy

The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$15,500 for the calendar years 2007 and 2008). Catch-up contributions up to \$5,000 for the calendar years 2007 and 2008 were allowed for participants who had attained age 50 before the close of the plan year. For the year ended December 31st, 2008, 2007, and 2006, the 457 Plan member contributions from the Town of Firestone were \$1,300, \$100 and \$1,600, respectively.

Note 9: Defined Benefit Pension Plan – Old Hire Marshalls

Plan Description

This plan is a single employer defined benefit pension plan established by resolution of the Town. All assets are held and invested by the FPPA. Police hired prior to April 8, 1978, who elected not to change to the "State Plan" are covered by this Town plan.

Members attaining the age of 55 years and who have 20 years or more of credited service may retire. Upon retirement a member is eligible to receive a monthly pension equal to one-half of their average monthly salary received the year before their retirement.

Contributions

One former employee is covered by this plan and makes no contributions. An actuarial valuation as of January 1, 2008, has been performed to assess the plan's funding status and determine the actuarial accrued liability. The actuarial accrued liability is a standardized disclosure measure of the present value of pension benefits estimated to be payable in the future as a result of member service to date. Benefits and refunds (if any) of the plan are recognized when due and payable in accordance with the terms of the plan.

Town of Firestone
 Firestone, Colorado
 Notes to Financial Statements
 December 31, 2008

Note 9: Defined Benefit Pension Plan – Old Hire Marshalls (continued)

Funding

In accordance with GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, the actuarial assumptions used are: (1) Actuarial Cost Method - entry age normal; (2) Amortization Method - level dollar, open; (3) Remaining Amortization Period - 10 years; (4) Asset Valuation Method - 3-year smoothed fair market value; (5) Investment Rate of Return - 8.00%; (6) Projected Salary Increase - 4.75%; and (7) includes a 3.5% inflation rate.

The Net Pension Obligation shown below is a standardized disclosure measure of the difference between the cumulative annual pension costs and contributions made to the Pension Fund since transition to this reporting standard. The Annual Required Contribution is a disclosure measure of the annual pension cost. Both standardized measures are calculated as of January 1, 2008, in accordance with GASB Statement No. 25 and GASB Statement No. 27.

	<u>2008</u>	<u>2006</u>	<u>2004</u>
GASB 25 Disclosures			
Actuarial Value of Assets	30,893	44,681	49,025
Actuarial Accrued Liability	86,991	94,319	101,725
Excess of Accrued Liability over Assets	(56,098)	(49,638)	(52,700)
Funded ratio	36%	47%	48%
	<u>2008</u>	<u>2007</u>	<u>2006</u>
GASB 27 Disclosures			
Estimated Net Pension Obligation - Jan. 1st	8,090	1,777	2,012
Interest on Net Pension Obligation	647	142	161
Adjustment to Annual Required Contribution	(1,247)	(255)	(396)
Estimated Annual Required Contribution (Pension Cost)	6,426	6,426	8,491
Annual Contribution for the Plan Year (Pension Cost)	(6,426)	-	(8,491)
Estimated Net Pension Obligation - Dec. 31st	7,490	8,090	1,777
Percentage of Annual Pension Cost Contributed	100%	0%	100%

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 10: Defined Benefit Pension Plan – Non-Police Staff

Plan Description

The Town of Firestone contributes to the Local Government Division Trust Fund (“LGDTF”), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The LGDTF provides retirement and disability, post-retirement annual increases, and death benefits for members or their beneficiaries.

All non-police officer employees of Town of Firestone are members of the LGDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the LGDTF. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado 80203, or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy

The Town of Firestone is required to contribute member and employer contributions to PERA at a rate set by statute. The contribution requirements of plan members and the Town of Firestone are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0 percent and for the Town of Firestone it is 10.00 percent of covered salary. A portion of the Town of Firestone’s contribution (1.02 percent of covered salary) is allocated to the Health Care Trust Fund (See Note 11). The Town is also required to pay an amortization equalization disbursement (“AED”) equal to 1.40 percent of the total payroll for the calendar year 2008 (1.00 percent of total payroll for the calendar year 2007, and 0.50 percent of total payroll for the calendar year 2006). Additionally, the Town of Firestone is required to pay a supplemental amortization equalization disbursement (“SAED”) equal to 0.50 percent of the total payroll for the calendar year 2008. If the Town of Firestone rehires a PERA retiree as an employee or under any other work arrangement, it is required to report and pay employer contributions (including the AED and SAED) on the amounts paid for the retiree; however no member contributions are required. For the years ending December 31st, 2008, 2007, and 2006, the Town of Firestone’s employer contributions to the LGDTF were \$138,744, \$115,272, and \$102,096, respectively, equal to their required contributions for each year.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 11: Postemployment Health Care Benefits

Plan Description

The Town of Firestone contributes to the Health Care Trust Fund (“HCTF”), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado 80203, or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Funding Policy

The Town of Firestone is required to contribute at a rate of 1.02 percent of covered salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Town of Firestone are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the CRS, as amended. For the years ending December 31st, 2008, 2007, and 2006, the Town of Firestone’s employer contributions to the HCTF were \$11,892, \$11,781, and \$8,420, respectively, equal to their required contributions for each year.

Note 12: Defined Contribution Pension Plan – Non-Police Staff

Plan Description

Employees of the Town of Firestone who are members of the LGDTF (see Note 10) may voluntarily contribute to the Voluntary Investment Program (401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 401(k) Plan provisions to the State Legislature.

PERA issues a publicly available annual financial report for the 401(k) Plan. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1300 Logan Street, Denver, Colorado 80203, or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 12: Defined Contribution Pension Plan – Non-Police Staff (continued)

Funding Policy

The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$15,500 for the calendar years 2007 and 2008). Catch-up contributions up to \$5,000 for the calendar years 2007 and 2008 were allowed for participants who had attained age 50 before the close of the plan year, subject to the limitations of IRC §414(v).5 The contribution requirements for the Town of Firestone are established under Title 24, Article 51, Section 1402 of the CRS, as amended. For the years ended December 31st, 2008, 2007, and 2006, the 401(k) Plan member contributions from the Town of Firestone were \$2,697, \$7,505 and \$9,241, respectively.

Note 13: Joint Ventures

Condensed financial information for the joint ventures in which the Town of Firestone has an interest is as follows:

Weld 911 Emergency Telephone Service Authority Board

At December 31, 2007, (date of latest available information), Weld 911 had a fund balance of \$4,192,920. Total revenues for 2007 were \$1,569,668 and total expenses were \$912,144 resulting in an excess of revenues over expenses of \$657,524. The amount of the Town's share of these amounts is based upon the percentage of the county wide telephone accesses to be served by the Weld 911 Authority.

Complete financial statements for these above joint ventures can be obtained from:

Weld County
P.O. Box 758
Greeley, Colorado 80632

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 14: Reserved Fund Balances / Net Assets

The following is a summary of the purposes of fund balance / net assets restricted or reserved in the various funds:

<u>Fund</u>	<u>Purpose</u>
General Fund	A portion restricted for emergencies as defined under TABOR.
Debt Service	Fund balance restricted for future payments on outstanding General Obligation Debt.
Firestone Finance Authority	Fund balance restricted for future payments on Certificates of Participation issued to finance land acquisition for a future park.
Water Fund	Fund balance designated for operations, maintenance and future capital expenditures related to water operations.
Capital Improvements	Fund balance restricted for future transfers to appropriate funds to be used for the construction of capital improvements funded by the impact fees collected in this fund.
Highway Fund	Fund balance designated for operations, maintenance and future capital expenditures related to street and highway operations.
Parks Fund	Fund balance designated for future capital expenditures related to park infrastructure.
Old Hire Pension	Fund balance restricted for future retirement benefits.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 15: Risk Management

Prior to 2008, the Town was a member of the Colorado Intergovernmental Risk Sharing Agency (“CIRSA”) which provides liability and property, and workers' compensation insurance coverages to the Town. Beginning January 1, 2008 the Town has entered into various commercially provided insurance contracts to limit large losses and minimize exposure on large risks. Property and casualty coverage was provided sufficient to protect against property damage to all of the Town’s fixed assets and equipment. Other coverage includes general liability coverage as well as supplemental liability coverages for employee benefits, employment practices, law enforcement activities, vehicles and auto liability, crimes against the Town and a general umbrella liability policy. The Town maintains the State required workers compensation insurance with Pinnacle Assurance, the primary provider of workers compensation coverage in Colorado.

Note 16: Taxes, Spending and Debt Limitations

In November 1992, Colorado voter passed an amendment (Amendment One) to the State Constitution (Article X, Section 20) also known as the Taxpayer’s Bill of Rights (“TABOR”) which limits the revenue raising and spending abilities of state and local governments.

The limits on property taxes, revenue, and “fiscal year spending” include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending, as defined by the Amendment, excludes federal funds, gifts, property sales, fund transfers, damage awards, and fund reserve (balance). The Amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the “spending limit” must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate.

The Amendment also requires local governments to establish emergency reserves to be used for declared emergencies only. An emergency, as defined by the Amendment, excludes economic conditions, revenue shortfalls, or salary of fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The Town has reserved \$182,990 for this purpose.

On April 2, 1996, the voting citizens of the Town of Firestone authorized the Town to collect retain, and expend the full proceeds of the Town's sales and use tax, property tax revenues, non federal grants, fees and other revenues collected and received during the year 1996 and each subsequent year, for capital projects, basic municipal services or other lawful municipal purposes, notwithstanding any state limitation on fiscal year revenue and spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution or any other law. This effectively removed all revenue and spending limits imposed by TABOR.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 17: Commitments and Contingent Liabilities

Prior to and during 2008 the Town of Firestone was a defendant in a civil rights action that was filed with the U.S. Equal Employment Opportunity Commission (EEOC) in September 2006 and subsequently filed as a lawsuit in federal district court in January 2008. The claims were asserted by a former Town employee. As of December 31, 2008, all claims were dismissed without material impact on the financial statements of the Town.

Management is not aware of any outstanding claims or other financial contingencies that could have a material adverse effect on the Town's financial statements.

Note 18: Developer Agreements

The Town of Firestone is involved in developer agreements to promote commercial growth within its boundaries. These agreements are structured so that future revenues are committed to meet development obligations, but only as the revenues are earned. If revenues are not earned from the sources outlined in the agreements, the Town of Firestone is not obligated to fund the expenditures from other sources. The obligations to be repaid through these future revenues and the funding sources committed are summarized below:

American Furniture Warehouse ("AFW") and THF/TFD Firestone Development, L.L.C.

An Amended and Restated Public Improvements Reimbursement Agreement (the "PIRA") between AFW and THF/TFD Firestone Development (the "Developers") was approved by the Town on July 31, 2006. The PIRA is intended to help finance the construction of certain public improvements in connection with the development of a retail area at I-25, and Firestone Blvd. Under the PIRA, the Developers impose a public improvement fees (the "PIF") in the amount of 1.25% (the "Credit PIF") on the sale or provision of goods or services in the project area. The Town also passed an ordinance to grant a corresponding credit against the Town's 2% sales and use tax. The revenues collected by the Developers from the imposition of the Credit PIF are required to be used to finance certain public improvements set forth in Exhibit C of the PIRA. The amount of eligible cost that could be reimbursed to the Developers from Credit PIF Revenues is limited to \$11,000,000, plus interest accruing at the Wall Street Journal Prime Rate, capped of 7% per annum. Once the Developers have either received the maximum reimbursable amount, or after 20 years (2026) - whichever is earlier - the Developers will no longer impose a Credit PIF and the Town will no longer grant a corresponding Sales/Use Tax Credit.

Town of Firestone
Firestone, Colorado
Notes to Financial Statements
December 31, 2008

Note 18: Developer Agreements (Continued)

THF Firestone Development, L.L.C.

A Retail Infrastructure Funding Agreement (the “RIFA”) with THF Firestone Development (the “Developer”) was approved by the Town on September 4, 2008. The RIFA supplements the PIRA and is intended to help finance the construction of certain public improvements in connection with the development of a portion of the retail area at I-25 and Firestone Blvd. planned to include, among other businesses, a Home Depot store. AFW is not a party to the RIFA. Under the RIFA, the Developer imposes a Retail Transaction Fee (“RTF”) in the amount of 0.25% on the sale or provision of goods or services in the project area. The Town also passed an ordinance to grant a corresponding credit against the Town’s 2% sales and use tax. The revenues collected by the Developer from the imposition of the RTF are required to be used to finance certain public improvements set forth in Exhibit C of the RIFA. The amount of eligible cost that could be reimbursed to the Developers from RTF Revenues is limited to \$4,000,000, plus interest accruing at the Wall Street Journal Prime Rate, capped of 7% per annum. Once the Developer has either received the maximum reimbursable amount, or after 20 years (2028) - which ever is earlier - the Developer will no longer impose an RTF and the Town will no longer grant a corresponding Sales/Use Tax Credit.

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Other Supplementary Information

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Town of Firestone
 Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Capital Improvement Fund
 Year Ended December 31, 2008

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Impact Fees	520,000	520,000	504,292	(15,708)
Investment Earnings	115,000	115,000	108,317	(6,683)
Total Revenues	635,000	635,000	612,609	(22,391)
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	(686,187)	(686,187)	(532,031)	154,156
Net Change in Fund Balances	(51,187)	(51,187)	80,578	131,765
Fund Balances at Beginning of Period			3,269,102	
Fund Balances at End of Period			3,349,680	

Town of Firestone
 Firestone, Colorado
Combining Balance Sheet
Other Governmental Funds
 December 31, 2008

	Firestone Finance Authority	Conservation Trust	Open Space	Debt Service
ASSETS				
Cash and Cash Equivalents	27,740	128,238	12,948	7,814
Receivables	-	-	1,880	70,688
Total Assets	27,740	128,238	14,828	78,502
LIABILITIES AND FUND BALANCES				
Liabilities:				
Deferred Revenue	-	-	-	70,688
Total Liabilities	-	-	-	70,688
Fund Balances:				
Reserved	27,740	-	-	7,814
Undesignated	-	128,238	14,828	-
Total Fund Balances	27,740	128,238	14,828	7,814
Total Liabilities and Fund Balances	27,740	128,238	14,828	78,502

Storm Water Facilities Replacement	Street and Highway Replacement	Park Replacement	Fleet Replacement	Building Replacement	Total Govtl. Funds
16,350	40,876	8,175	8,175	8,175	258,491
-	-	-	-	-	72,568
<u>16,350</u>	<u>40,876</u>	<u>8,175</u>	<u>8,175</u>	<u>8,175</u>	<u>331,059</u>
-	-	-	-	-	70,688
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,688</u>
16,350	40,876	8,175	8,175	8,175	117,305
-	-	-	-	-	143,066
<u>16,350</u>	<u>40,876</u>	<u>8,175</u>	<u>8,175</u>	<u>8,175</u>	<u>260,371</u>
<u>16,350</u>	<u>40,876</u>	<u>8,175</u>	<u>8,175</u>	<u>8,175</u>	<u>331,059</u>

Schedule 2

Town of Firestone
Firestone, Colorado
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Other Governmental Funds
Year Ended December 31, 2008

	Firestone Finance Authority	Conservation Trust	Open Space	Debt Service
REVENUES				
Taxes	-	-	39,052	67,958
Intergovernmental	-	36,967	-	-
Investment Earnings	1,430	5,263	1,233	900
Miscellaneous	150	-	-	-
Total Revenues	1,580	42,230	40,285	68,858
EXPENDITURES				
Current:				
Administration	1,200	-	-	1,608
Debt Service:				
Principal	70,000	-	-	50,000
Interest	84,287	-	-	17,953
Total Expenditures	155,487	-	-	69,561
Excess (Deficiency) of Revenue Over Expenditures	(153,907)	42,230	40,285	(703)
OTHER FINANCING SOURCES (USES)				
Transfers In	135,000	-	-	-
Transfer Out	-	-	(60,000)	-
Total Other Financing Sources (Uses)	135,000	-	(60,000)	-
Net Change in Fund Balances	(18,907)	42,230	(19,715)	(703)
Fund Balances at Beginning of Period	46,647	86,008	34,543	8,517
Fund Balances at End of Period	27,740	128,238	14,828	7,814

Schedule 3

Storm Water Facilities Replacement	Street and Highway Replacement	Park Replacement	Fleet Replacement	Building Replacement	Total Govtl. Funds
-	-	-	-	-	107,010
-	-	-	-	-	36,967
448	1,121	224	224	224	11,067
-	-	-	-	-	150
<u>448</u>	<u>1,121</u>	<u>224</u>	<u>224</u>	<u>224</u>	<u>155,194</u>
-	-	-	-	-	2,808
-	-	-	-	-	120,000
-	-	-	-	-	102,240
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,048</u>
<u>448</u>	<u>1,121</u>	<u>224</u>	<u>224</u>	<u>224</u>	<u>(69,854)</u>
15,902	39,755	7,951	7,951	7,951	214,510
-	-	-	-	-	(60,000)
<u>15,902</u>	<u>39,755</u>	<u>7,951</u>	<u>7,951</u>	<u>7,951</u>	<u>154,510</u>
16,350	40,876	8,175	8,175	8,175	84,656
-	-	-	-	-	175,715
<u>16,350</u>	<u>40,876</u>	<u>8,175</u>	<u>8,175</u>	<u>8,175</u>	<u>260,371</u>

Schedule 3

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
Year Ended December 31, 2008

	Firestone Finance Authority Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budget Basis	Positive (Negative)
REVENUES				
Intergovernmental				-
Investment Earnings	200	200	1,430	1,230
Miscellaneous	-	-	150	150
Total Revenues	200	200	1,580	1,380
EXPENDITURES				
Current:				
Administration	1,500	1,500	1,200	300
Debt Service:				
Principal	70,000	70,000	70,000	-
Interest	90,000	90,000	84,287	5,713
Total Expenditures	161,500	161,500	155,487	6,013
Excess (Deficiency) of Revenue Over Expenditures	(161,300)	(161,300)	(153,907)	7,393
OTHER FINANCING SOURCES (USES)				
Transfers In	135,000	135,000	135,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	135,000	135,000	135,000	-
Net Change in Fund Balances	(26,300)	(26,300)	(18,907)	7,393
Fund Balances at Beginning of Period			46,647	
Fund Balances at End of Period			27,740	

Town of Firestone
 Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2008

Conservation Trust			
Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Budget Basis	Positive (Negative)
30,000	30,000	36,967	6,967
2,500	2,500	5,263	2,763
-	-	-	-
<u>32,500</u>	<u>32,500</u>	<u>42,230</u>	<u>9,730</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>32,500</u>	<u>32,500</u>	<u>42,230</u>	<u>9,730</u>
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>32,500</u>	<u>32,500</u>	<u>42,230</u>	<u>9,730</u>
		<u>86,008</u>	
		<u>128,238</u>	

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
Year Ended December 31, 2008

	Open Space			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budget Basis	Positive (Negative)
REVENUES				
Taxes	-	-	-	-
Charges for Services	86,000	86,000	39,052	(46,948)
Investment Earnings	2,400	2,400	1,233	(1,167)
Miscellaneous	-	-	-	-
Total Revenues	88,400	88,400	40,285	(48,115)
EXPENDITURES				
Current:				
Administration	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	88,400	88,400	40,285	(48,115)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(60,000)	(60,000)	(60,000)	-
Total Other Financing Sources (Uses)	(60,000)	(60,000)	(60,000)	-
Net Change in Fund Balances	28,400	28,400	(19,715)	(48,115)
Fund Balances at Beginning of Period			34,543	
Fund Balances at End of Period			14,828	

Town of Firestone
 Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2008

Debt Service			
Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Budget Basis	Positive (Negative)
68,141	68,141	67,958	(183)
-	-	-	-
1,300	1,300	900	(400)
-	-	-	-
<u>69,441</u>	<u>69,441</u>	<u>68,858</u>	<u>(583)</u>
1,500	1,500	1,608	(108)
50,000	50,000	50,000	-
17,953	17,953	17,953	-
<u>69,453</u>	<u>69,453</u>	<u>69,561</u>	<u>(108)</u>
<u>(12)</u>	<u>(12)</u>	<u>(703)</u>	<u>(691)</u>
-	-	-	-
-	-	-	-
<u>(12)</u>	<u>(12)</u>	<u>(703)</u>	<u>(691)</u>
		<u>8,517</u>	
		<u>7,814</u>	

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
Year Ended December 31, 2008

	Stormwater Facilities Replacement			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budget Basis	Positive (Negative)
REVENUES				
Investment Earnings	-	-	448	448
Miscellaneous	-	-	-	-
Total Revenues	-	-	448	448
EXPENDITURES				
Current:				
Administration	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	448	448
OTHER FINANCING SOURCES (USES)				
Transfers In	-	15,902	15,902	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	15,902	15,902	-
Net Change in Fund Balances	-	15,902	16,350	448
Fund Balances at Beginning of Period			-	
Fund Balances at End of Period			16,350	

Town of Firestone
 Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2008

Street and Highway Replacement			
Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Budget Basis	Positive (Negative)
-	-	1,121	1,121
-	-	-	-
-	-	1,121	1,121
-	-	-	-
-	-	-	-
-	-	-	-
-	-	1,121	1,121
-	39,755	39,755	-
-	-	-	-
-	39,755	39,755	-
-	39,755	40,876	1,121
		-	
		40,876	

Town of Firestone
 Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2008

	Park Replacement			
	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment Earnings	-	-	224	224
Miscellaneous	-	-	-	-
Total Revenues	-	-	224	224
EXPENDITURES				
Current:				
Administration	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	224	224
OTHER FINANCING SOURCES (USES)				
Transfers In	-	7,951	7,951	-
Transfer Out	-	-	-	-
Total Other Financing Sources (Uses)	-	7,951	7,951	-
Net Change in Fund Balances	-	7,951	8,175	224
Fund Balances at Beginning of Period			-	
Fund Balances at End of Period			8,175	

Town of Firestone
 Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2008

Fleet Replacement			
Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Budget Basis	Positive (Negative)
-	-	224	224
-	-	-	-
-	-	224	224
-	-	-	-
-	-	-	-
-	-	-	-
-	-	224	224
-	7,951	7,951	-
-	-	-	-
-	7,951	7,951	-
-	7,951	8,175	224
		-	
		8,175	

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
Year Ended December 31, 2008

	Building Replacement			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budget Basis	Positive (Negative)
REVENUES				
Investment Earnings	-	-	224	224
Miscellaneous	-	-	-	-
Total Revenues	-	-	224	224
EXPENDITURES				
Current:				
Administration	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenue Over Expenditures	-	-	224	224
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	7,951	7,951	-
Proceeds from Capital Lease	-	-	-	-
Total Other Financing Sources (Uses)	-	7,951	7,951	-
Net Change in Fund Balances	-	7,951	8,175	224
Fund Balances at Beginning of Period			-	
Fund Balances at End of Period			8,175	

Town of Firestone
Firestone, Colorado
Water Fund
Statement of Revenues, Expenses, and Changes in Net Assets -
Budget and Actual (Non-GAAP Basis)
Year Ended December 31, 2008

	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating Revenues				
Charges for Services	1,629,500	1,629,500	1,660,681	31,181
Miscellaneous	127,000	127,000	60,771	(66,229)
Total Operating Revenues	1,756,500	1,756,500	1,721,452	(35,048)
Operating Expenses				
Operations	1,272,796	1,272,796	995,814	276,982
Administration	470,566	470,566	457,224	13,342
Depreciation	-	-	288,073	(288,073)
Total Operating Expenses	1,743,362	1,743,362	1,741,111	2,251
Operating Income	13,138	13,138	(19,659)	(32,797)
Nonoperating Revenues (Expenses)				
Capital Contributions	1,399,503	1,399,503	1,618,538	219,035
Investment Earnings	79,000	79,000	65,128	(13,872)
Transfers In (Out)	-	-	-	-
Interest Expense	(1,713)	(1,713)	(1,713)	-
Principal Paid	(11,836)	(11,836)	(36,137)	(24,301)
Capital Outlay	(518,450)	(518,450)	(320,232)	198,218
Tap Fees Paid	(984,000)	(984,000)	(933,300)	50,700
Sale of Assets	-	-	(1,789)	(1,789)
Total Nonoperating Revenues (Expense)	(37,496)	(37,496)	390,495	427,991
Net Income (Loss) Budgetary Basis	(24,358)	(24,358)	370,836	395,194
Reconciliation to a GAAP Basis				
Capital Outlay			1,253,532	
Principal Paid			36,137	
Change in Net Assets			1,660,505	
Fund Balances at Beginning of Period			53,198,382	
Fund Balances at End of Period			54,858,887	

Schedule 13

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - (Non-GAAP Basis)
Year Ended December 31, 2008

	Old Hire Pension Trust Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	Budget Basis	Positive (Negative)
Additions				
Employer Contributions	6,500	6,500	13,916	7,416
FPPA Earnings	-	-	257	257
Realized/Unrealized Gain (Loss) on Investments	3,500	3,500	(6,544)	(10,044)
Total Additions	10,000	10,000	7,629	(2,371)
 Deductions:				
Pension Benefits Paid	16,350	16,350	15,724	626
Total Expenditures	16,350	16,350	15,724	626
 Changes in Net Assets	(6,350)	(6,350)	(8,095)	(1,745)
Net Assets at Beginning of Period			23,942	
Net Assets at End of Period			15,847	

Town of Firestone
 Firestone, Colorado
Statement of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - (Non-GAAP Basis)
 Year Ended December 31, 2008

TAVAS Historical Research Fund				
	Budgeted Amounts		Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment Earnings	-	-	3	3
Total Revenues	-	-	3	3
EXPENDITURES				
General Government	-	-	120	(120)
Total Expenditures	-	-	120	(120)
Excess (Deficiency) of Revenue Over Expenditures	-	-	(117)	(117)
Due to Research Group at Beginning of Period			751	
Due to Research Group at End of Period			634	

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Capital Assets Used in the Operation of Governmental Activities

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Town of Firestone
 Capital Assets Used in the Operation of Governmental Activities
 Schedule by Activity and Source

December 31, 2008

Function and Activity	Land	Land Improvements	Building and Improvements	Equipment and Vehicles	Infrastructure	TOTAL
General Government	\$ -	\$ -	\$ -	\$ 116,051	\$ -	\$ 116,051
Public Works	-	-	-	1,206,978	-	1,206,978
Parks, Cultural and Open Space	5,801,202	5,199,419	-	-	-	11,000,621
Public Safety	-	-	-	875,828	-	875,828
Building	-	-	1,637,173	-	-	1,637,173
Streets and Related Infrastructure	-	-	-	-	30,566,150	30,566,150
Total Government Funds Capital Assets	\$ 5,801,202	\$ 5,199,419	\$ 1,637,173	\$ 2,198,857	\$ 30,566,150	\$ 45,402,801

Town of Firestone
 Capital Assets Used in the Operation of Governmental Activities
 Schedule of Changes by Function and Activity

December 31, 2008

Function and Activity	Capital Assets 12/31/2007	Additions	Deletions	Capital Assets 12/31/2008
General Government	\$ 83,509	\$ 32,542	\$ -	116,051
Public Works	1,195,256	11,722	-	1,206,978
Parks, Cultural and Open Space	9,104,724	1,895,897	-	11,000,621
Public Safety	849,270	34,058	7,500	875,828
Building	1,538,913	98,260	-	1,637,173
Streets and Related Infrastructure	28,924,012	1,642,138	-	30,566,150
Total Government Funds Capital Assets	<u><u>\$ 41,695,684</u></u>	<u><u>\$ 3,714,617</u></u>	<u><u>\$ 7,500</u></u>	<u><u>\$ 45,402,801</u></u>

Town of Firestone
 Capital Assets Used in the Operation of Governmental Activities
 Comparative Schedule by Source

December 31, 2007 and 2008

GENERAL FIXED ASSETS	2007	2008
Land	\$ 5,056,452	\$ 5,801,202
Land Improvements	4,048,273	5,199,419
Building and Improvements	1,538,913	1,637,173
Equipment and Vehicles	2,128,035	2,198,857
Infrastructure	28,924,011	30,566,150
TOTAL GENERAL FIXED ASSETS	\$ 41,695,684	\$ 45,402,801

INVESTMENT IN GENERAL FIXED ASSETS	2007	2008
Contributions and Donations	\$ 24,931,489	\$ 26,416,900
General Obligation Bonds	773,917	773,917
Grants	323,328	323,328
Operating Revenues and Impact Fees	13,681,950	15,903,656
Certificates of Participation	1,985,000	1,985,000
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	\$ 41,695,684	\$ 45,402,801

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Statistical Section

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Town of Firestone
Statistical Section

Comprehensive Annual Financial Report
For the fiscal year ended December 31, 2008

This part of the Town of Firestone's Comprehensive Annual Financial Report presents detailed information spanning multiple years to provide a historical context for understanding, interpreting and analyzing the information presented in the financial statements, note disclosures, and supplementary information about the Town's overall financial condition.

The Statistical Section is organized as follows -

	<u>Pages</u>
<i>Financial Trends:</i>	104-109
Information on the Town's financial performance and health over time.	
<i>Revenue:</i>	110-116
Information on the Town's ability to generate tax revenue over time.	
<i>Debt Capacity:</i>	117-120
Information on the Town's outstanding debt and that of overlapping governments.	
<i>Demographics:</i>	121-123
Information on demographic and economic measures that affect the Town and its provision of services to its constituents.	
<i>Operating Information:</i>	124-125
Information on the Town's operations, staffing and other data.	

Town of Firestone
Net Assets by Component

Last Five Years (accrual basis of accounting)

	Fiscal Year				
	2004⁽¹⁾	2005	2006	2007	2008
Governmental activities					
Invested in capital assets, net of related debt	\$ 26,174,629	\$ 26,709,375	\$ 28,787,980	\$ 29,452,697	\$ 31,346,521
Restricted	3,259,099	4,103,582	5,173,757	4,661,782	4,722,885
Unrestricted	635,609	1,052,457	1,476,557	2,751,531	1,819,894
Total governmental activities assets	<u>\$ 30,069,337</u>	<u>\$ 31,865,414</u>	<u>\$ 35,438,294</u>	<u>\$ 36,866,010</u>	<u>\$ 37,889,300</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 38,751,657	\$ 41,580,548	\$ 47,690,346	\$ 51,453,496	\$ 52,447,475
Restricted	181,339	203,818	262,187	-	-
Unrestricted	1,876,625	2,392,705	1,242,711	1,744,886	2,411,412
Total business-type activities net assets	<u>\$ 40,809,621</u>	<u>\$ 44,177,071</u>	<u>\$ 49,195,244</u>	<u>\$ 53,198,382</u>	<u>\$ 54,858,887</u>
Primary government					
Invested in capital assets, net of related debt	\$ 64,926,286	\$ 68,289,923	\$ 76,478,326	\$ 80,906,193	\$ 83,793,996
Restricted	3,440,438	4,307,400	5,435,944	4,661,782	4,722,885
Unrestricted	2,512,234	3,445,162	2,719,268	4,496,417	4,231,306
Total primary government net assets	<u>\$ 70,878,958</u>	<u>\$ 76,042,485</u>	<u>\$ 84,633,538</u>	<u>\$ 90,064,392</u>	<u>\$ 92,748,187</u>

Source: Town of Firestone Finance Department

⁽¹⁾The Town implemented GASB 34, the new reporting standard, in fiscal year 2004.
Therefore, ten years of data is not available but will be accumulated over time.

Town of Firestone
Changes in Net Assets

Last Five Years (accrual basis of accounting)

	Fiscal Year				
	2004 ⁽¹⁾	2005	2006 ⁽²⁾	2007 ⁽²⁾	2008 ⁽²⁾
Expenses					
Governmental activities:					
General Government	\$ 812,740	\$ 869,905	\$ 997,530	\$ 1,200,682	\$ 1,144,085
Public Safety	1,770,667	1,957,514	2,357,338	2,169,622	2,185,207
Public Works	419,351	427,030	2,105,134	2,186,471	2,302,038
Health & Welfare	33,905	58,585	73,744	74,408	86,964
Economic Development	48,877	3,092	14,389	11,561	13,844
Parks & Recreation	112,763	202,246	534,021	458,506	630,046
Interest on long-term debt	36,738	87,585	114,083	124,480	120,026
Special Item	-	-	-	-	-
Depreciation Unallocated	1,447,343	1,604,975	-	-	-
Total governmental activities expenses	4,682,384	5,210,932	6,196,239	6,225,730	6,482,210
Business-type activities:					
Water	982,389	1,108,066	1,247,776	1,531,947	1,742,824
Total business-type activities expenses	982,389	1,108,066	1,247,776	1,531,947	1,742,824
Total primary government activities expenses	\$ 5,664,773	\$ 6,318,998	\$ 7,444,015	\$ 7,757,677	\$ 8,225,034

Town of Firestone
Changes in Net Assets

Last Five Years (accrual basis of accounting)

	Fiscal Year				
	2004 ⁽¹⁾	2005	2006 ⁽²⁾	2007 ⁽²⁾	2008 ⁽²⁾
Program Revenues					
Governmental activities:					
Charges for services					
General Government	\$ 921,986	\$ 1,115,731	\$ 1,928	\$ 21,709	\$ 22,980
Public safety	-	-	166,738	175,676	144,515
Public works	192,015	83,341	2,726,309	1,444,132	908,196
Parks			343,367	111,000	54,000
Operating grants and contributions	269,391	-	-	33,921	-
Capital grants and contributions					
General government	-	-	-	-	23,185
Public safety	-	-	-	-	14,621
Public works	1,012,019	729,117	2,761,373	841,171	1,485,411
Parks	-	-	312,611	849,089	992,567
Total governmental activities program revenues	<u>2,395,411</u>	<u>1,928,189</u>	<u>6,312,326</u>	<u>3,476,698</u>	<u>3,645,475</u>
Business-type activities:					
Charges for services					
Water	1,117,252	1,333,753	1,678,504	1,642,135	1,721,452
Capital grants and contributions	1,885,901	3,066,407	4,446,399	3,737,731	1,618,538
Total business-type activities program revenues	<u>3,003,153</u>	<u>4,400,160</u>	<u>6,124,903</u>	<u>5,379,866</u>	<u>3,339,990</u>
Total primary government program revenues	<u>\$ 5,398,564</u>	<u>\$ 6,328,349</u>	<u>\$ 12,437,229</u>	<u>\$ 8,856,564</u>	<u>\$ 6,985,465</u>
Net (expense) revenue					
Governmental activities	(2,286,973)	(3,282,743)	116,087	(2,749,032)	(2,836,735)
Business-type activities	2,020,764	3,292,094	4,877,127	3,847,919	1,597,166
Total primary government net expense	<u>\$ (266,209)</u>	<u>\$ 9,351</u>	<u>\$ 4,993,214</u>	<u>\$ 1,098,887</u>	<u>\$ (1,239,569)</u>

Town of Firestone
Changes in Net Assets

Last Five Years (accrual basis of accounting)

	Fiscal Year				
	2004 ⁽¹⁾	2005	2006 ⁽²⁾	2007 ⁽²⁾	2008 ⁽²⁾
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes - general	\$ 340,377	\$ 430,108	\$ 517,234	\$ 600,200	\$ 707,972
Property taxes - debt service	66,315	69,272	69,975	69,600	67,958
Sales & Use Tax	1,472,821	1,952,157	1,990,320	2,092,775	1,898,446
Franchise taxes	255,614	324,072	286,774	298,572	338,077
Impact Fees	1,674,980	1,861,574	-	-	-
License & Permits	13,713	5,850	-	-	-
Grants & Contributions - Not Restricted for Specific	19,785	178,098	-	-	-
Investment earnings	72,167	165,340	260,008	362,983	196,461
Other miscellaneous	47,475	321,640	324,482	419,767	655,611
Gain on Sale of Capital Assets	89,562	412	8,000	406,541	(4,500)
Total governmental activities	4,052,809	5,308,523	3,456,793	4,250,438	3,860,025
Business-type activities					
Investment earnings	10,064	68,356	141,046	81,529	65,128
Other miscellaneous	-	-	-	-	(1,789)
Total business-type activities	10,064	68,356	141,046	81,529	63,339
Total primary government	\$ 4,062,873	\$ 5,376,879	\$ 3,597,839	\$ 4,331,967	\$ 3,923,364
Changes in Net Assets					
Governmental activities	\$ 1,765,836	\$ 2,025,780	\$ 3,572,880	\$ 1,501,406	\$ 1,023,290
Business-type activities	2,030,828	3,360,450	5,018,173	3,929,448	1,660,505
Total primary government	\$ 3,796,664	\$ 5,386,230	\$ 8,591,053	\$ 5,430,854	\$ 2,683,795
Special Item		\$ (229,703)			
		<u>\$ 5,156,527</u>			

Source: Town of Firestone Finance Department

⁽¹⁾ The Town implemented GASB 34, as a new reporting standard, in fiscal year 2004. Therefore, ten years of data is not available but will be accumulated over time.

⁽²⁾ The Town allocated depreciation per GAAP/GASB requirements.

Town of Firestone
Fund Balances of Governmental Funds
 Last Ten Years

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ 61,734	\$ 115,727	\$ 155,427	\$ 151,215	\$ 169,234	\$ 160,160	\$ 251,830	\$ 199,362	\$ 217,630	\$ 182,990
Unreserved	306,349	655,136	1,034,526	883,728	625,702	479,821	605,977	936,462	1,081,552	991,464
Total general fund	\$ 368,083	\$ 770,863	\$ 1,189,953	\$ 1,034,943	\$ 794,936	\$ 639,981	\$ 857,807	\$ 1,135,824	\$ 1,299,182	\$ 1,174,454
All other governmental funds										
Reserved	\$ 11,377	\$ 1,685	\$ 1,754	\$ 514,384	\$ 1,801	\$ 3,098,939	\$ 3,857,775	\$ 4,974,395	\$ 4,444,152	\$ 4,539,895
Unreserved, reported in:										
Special revenue funds	798,337	2,620,532	4,745,220	3,119,564	3,266,349	207,400	494,558	605,645	1,748,934	882,638
Total of all other governmental funds	\$ 809,714	\$ 2,622,217	\$ 4,746,974	\$ 3,633,948	\$ 3,268,150	\$ 3,306,339	\$ 4,352,333	\$ 5,580,040	\$ 6,193,086	\$ 5,422,533

Source: Town of Firestone Finance Department

Town of Firestone
Changes in Fund Balances of Governmental Funds
 Last Ten Years

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes	\$ 555,283	\$ 913,473	\$ 1,400,598	\$ 1,528,579	\$ 1,725,251	\$ 3,810,107	\$ 4,637,183	\$ 4,390,097	\$ 3,164,965	\$ 3,166,434
Licenses and permits	240,751	500,491	627,104	566,688	547,322	868,093	996,593	859,251	594,967	362,823
Intergovernmental	316,331	110,492	128,751	510,735	282,536	289,176	470,411	461,473	657,631	576,069
Charges for services	880,646	1,918,687	2,782,274	2,160,790	2,243,932	169,789	83,341	234,317	981,874	613,685
Fines	16,313	22,931	29,537	43,472	59,244	67,606	124,988	166,738	175,676	144,515
Investment earnings	-	-	-	-	-	72,167	165,340	260,008	362,983	198,904
Miscellaneous	95,343	5,043,171	3,656,879	145,607	7,605,214	1,081,720	758,442	3,252,617	772,562	217,408
Total revenues	2,104,667	8,509,245	8,625,143	4,955,871	12,463,499	6,358,658	7,236,298	9,624,501	6,710,658	5,279,839
Expenditures										
General government	211,380	308,524	400,465	680,478	778,463	794,555	869,960	945,495	1,110,438	1,126,240
Public safety	331,285	617,035	850,404	1,029,061	1,217,347	1,770,667	1,957,514	2,089,142	2,053,556	2,082,665
Public works	213,070	196,059	291,886	459,014	645,961	419,351	427,030	699,887	807,155	688,784
Health & Welfare	6,346	13,436	13,584	17,927	58,861	33,905	58,585	73,744	74,408	86,964
Economic Development	-	-	-	-	-	48,877	3,092	14,389	11,561	13,844
Parks	-	-	-	-	-	112,763	202,246	346,286	261,401	304,349
Capital Outlay	1,099,766	5,235,922	4,364,649	3,934,858	10,251,597	3,386,376	4,199,591	3,934,894	1,904,188	1,484,456
Debt service										
Interest	8,949	39,120	47,186	43,648	37,851	33,601	85,029	113,598	120,130	267,399
Principal	67,345	90,669	112,492	169,583	113,169	142,672	161,931	126,148	242,369	120,419
Total expenditures	1,938,141	6,500,765	6,080,666	6,334,569	13,103,249	6,742,767	7,964,978	8,343,583	6,585,206	6,175,120
Excess of revenues over (under) expenditures	166,526	2,008,480	2,544,477	(1,378,698)	(639,750)	(384,109)	(728,680)	1,280,918	125,452	(895,281)
Other financing sources (uses)										
Proceeds from capital lease	49,328	205,215	-	110,032	33,945	177,781	1,985,000	216,806	289,470	-
Proceeds from sale of fixed assets						89,562	7,500	8,000	435,172	-
Bond proceeds	700,000	-	-	-	-	-	-	-	-	-
Operating transfers in	23,114	112,379	256,479	863,599	1,177,057	1,145,795	2,057,151	568,055	2,429,081	686,541
Operating transfers out	(23,114)	(112,379)	(256,479)	(863,599)	(1,177,057)	(1,145,795)	(2,057,151)	(568,055)	(2,502,771)	(686,541)
Bond issuance costs	(22,880)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	726,448	205,215	-	110,032	33,945	267,343	1,992,500	224,806	650,952	-
Net changes in fund balance	\$ 892,974	\$ 2,213,695	\$ 2,544,477	\$ (1,268,666)	\$ (605,805)	\$ (116,766)	\$ 1,263,820	\$ 1,505,724	\$ 776,404	\$ (895,281)
Debt service as a percentage of noncapital expenditures	10.01%	11.43%	10.26%	9.75%	5.59%	5.54%	7.02%	5.75%	8.39%	9.01%

Source: Town of Firestone Finance Department

Town of Firestone
General Governmental Tax Revenues By Source

Last Ten Years

Year	Property Tax	Franchise Tax	Specific Ownership Tax	Sales & Use Tax	Severance Tax	Cigarette Tax	Other	Total
1999 ⁽¹⁾	137,301	43,880	16,077	353,611	3,069	1,345	-	555,283
2000	122,300	59,321	15,088	711,528	3,293	1,943	-	913,473
2001	156,642	81,018	20,797	1,136,513	3,045	2,583	-	1,400,598
2002	201,734	93,769	25,408	1,200,430	4,063	3,175	-	1,528,579
2003	293,125	149,415	33,366	1,243,334	2,425	3,586	-	1,725,251
2004	406,692	170,323	49,846	3,147,801	8,993	4,333	22,119	3,810,107
2005	499,380	233,291	55,509	3,813,731	9,916	5,381	19,975	4,637,183
2006	587,209	286,774	59,995	3,435,669	6,887	6,627	6,936	4,390,097
2007	669,800	298,464	66,843	2,092,729	4,666	9,863	22,600	3,164,965
2008	778,804	327,495	72,898	1,910,263	27,484	14,116	35,374	3,166,434

Source: Town of Firestone Finance Department

⁽¹⁾ In April of 1999, voters approved a mill levy increase for a general obligation bond for a new administration building.

Town of Firestone
Sales Tax Trends

Last Six Years ⁽¹⁾

Sales Tax Trends by Category (based on month distributed to the Town)							
	2003	2004	2005	2006	2007	2008	Five Year Change
Motor Vehicle Taxes	\$ 323,972	\$ 314,081	\$ 344,524	\$ 334,852	\$ 406,068	\$ 386,064	\$ 62,092
Hotel/Motels	10,608	13,625	13,934	15,671	18,712	17,136	6,528
Restaurants	55,724	93,580	132,577	167,167	219,181	231,424	175,700
Retail - Grocery	95,119	109,286	156,896	167,114	184,639	194,180	99,061
Retail - Other	34,042	64,459	139,632	227,121	444,138	419,858	385,816
Bars/Liquor Stores	33,193	36,095	54,967	62,758	59,547	57,872	24,679
Other	-	43,906	36,903	39,607	43,458	27,086	27,086
Services	-	14,129	23,163	15,646	16,030	41,039	41,039
Banking & Financial	18,494	4,090	2,805	3,691	2,442	3,641	(14,853)
Utilities & Communications	-	140,640	171,528	230,405	237,002	296,026	296,026
TOTAL	\$ 571,152	\$ 833,892	\$ 1,076,929	\$ 1,264,032	\$ 1,631,217	\$ 1,674,326	\$ 1,103,175

⁽¹⁾ Sales tax data at this level of detail is not readily available from the Town's records prior to 2003.

Town of Firestone
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Firestone							
Year⁽¹⁾	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Oil & Gas Property	Vacant Land	Other
1999	\$ 5,542,840	\$ 357,220	\$ 3,655,500	\$ 325,910	\$ 1,136,020	\$ 611,440	\$ 664,110
2000	8,178,470	1,331,030	5,263,140	324,050	1,732,140	2,737,930	2,518,250
2001	15,050,320	2,307,090	5,299,490	255,230	3,016,690	4,495,490	2,754,440
2002	25,310,630	5,107,310	4,405,190	276,170	3,171,850	8,376,870	1,269,470
2003	31,235,200	6,635,780	3,743,540	272,920	2,738,220	9,530,550	1,306,350
2004	36,664,850	6,496,130	3,885,450	253,080	12,744,790	8,873,400	1,309,770
2005	41,714,690	11,942,700	3,936,440	238,130	16,829,700	8,091,710	1,598,550
2006	47,042,840	14,696,740	3,838,940	135,220	23,456,920	6,667,570	2,320,560
2007	52,972,210	25,039,490	3,683,470	487,530	21,287,630	10,128,730	2,394,650
2008	56,691,790	28,328,410	3,279,170	473,220	18,614,800	10,141,940	2,567,110

Year⁽¹⁾	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Grand Total Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value⁽²⁾
1999	\$ 223,420	\$ 12,069,620	10.138	\$ 77,761,460	16.15%
2000	488,750	21,596,260	7.420	128,086,190	17.37%
2001	647,070	32,531,680	6.510	220,221,607	15.07%
2002	683,560	47,233,930	36414	347,449,046	13.79%
2003	773,590	54,688,970	7.419	469,834,400	11.80%
2004	810,600	69,416,870	7.209	548,252,146	12.81%
2005	1,064,260	83,287,660	7.049	633,596,606	13.31%
2006	1,545,820	96,612,970	6.929	714,755,270	13.73%
2007	1,661,280	114,332,430	6.805	835,545,237	13.88%
2008	1,888,420	118,208,020	6.805	858,575,320	13.99%

Sources: Weld County Assessor's Office

⁽¹⁾Taxes for the year assessed are collected in the following year. For example: 2005 assessed will be collected in 2006 calendar year.

⁽²⁾Includes tax-exempt property

⁽³⁾Information not available

Town of Firestone
Property Tax Levy from Direct and Overlapping Governments
 Last Ten Years

Year	Town of Firestone	Weld County	RE1J School District	Weld County ⁽²⁾						
				Frederick Firestone Fire Protection District	Mountain View Fire Protection District	N. Colo. Water Conservation District	Hills Metro #1 District	Hills Metro #2 District	Hills Metro #3 District	The Greens Metro District
Rates (In mills)										
1999	10.138	22.038	44.096	7.560	8.451	1.000	-	-	-	-
2000	7.420	22.038	42.173	9.560	8.367	1.000	-	-	-	-
2001	6.510	20.559	36.256	7.560	8.237	1.000	-	-	-	-
2002	6.209	20.056	41.025	9.560	8.197	1.000	-	-	-	-
2003	7.419	21.474	40.374	9.560	8.117	1.000	-	-	-	-
2004	7.209	19.957	40.089	9.560	8.107	1.000	-	-	-	-
2005	7.049	17.900	39.982	9.560	8.037	1.000	40.000	40.000	40.000	40.190
2006	6.929	16.804	38.035	13.360	7.977	1.000	40.000	40.000	40.000	40.190
2007	6.805	16.804	37.798	12.770	7.817	1.000	40.000	40.000	40.000	40.190
2008	6.805	16.804	46.285	12.526	11.747	1.000	-	-	-	40.190
Levy										
1999	\$ 122,362	\$ 36,053,130	\$ 7,580,502	\$ 346,697	\$ 1,106,841	\$ 1,307,156	\$ -	\$ -	\$ -	\$ -
2000	160,244	38,846,297	8,718,454	447,916	1,272,636	1,423,599	-	-	-	-
2001	211,781	45,683,851	10,535,268	650,279	1,734,822	1,782,779	-	-	-	-
2002	293,275	48,691,835	13,701,751	972,351	1,973,426	1,978,011	-	-	-	-
2003	405,737	53,414,937	14,614,834	1,066,571	2,085,244	2,052,881	-	-	-	-
2004	500,426	59,739,651	16,656,447	1,234,942	2,435,015	2,399,590	-	-	-	-
2005	587,095	64,714,321	19,653,853	1,564,289	82,889	2,771,826	10,940	758	6	15,144
2006	669,431	70,643,162	21,713,602	3,092,694	82,889	3,190,486	43,137	24,148	6,440	21,660
2007	778,032	75,088,043	24,691,076	3,403,049	3,148,362	3,434,059	50,232	19,772	4,430	61,260
2008	804,406	76,724,097	31,603,051	3,650,649	5,047,144	3,499,354	-	-	-	31,935

Town of Firestone
Property Tax Levy from Direct and Overlapping Governments
Last Ten Years

Weld County ⁽²⁾											
Year	The Springs Metro District	Cottonwood Hollow Res Metro Dist	Cottonwood Hollow Com Metro Dist	Stoneridge Metro District	Neighbor's Point Metro Dist	Tri-Area Sanitation (3)	Saint Vrain Sanitation District	Tri-Area Ambulance Special District (3)	Carbon Valley Recreation District	High Plains Library District ⁽⁵⁾	Total <i>(excluding Metro Districts)</i> ⁽⁶⁾
Rates (In mills)											
1999					-	0.144	16.546	6.543	6.657	3.249	117.971
2000					-	0.129	10.466	6.543	6.657	3.249	109.235
2001					-	0.113	5.521	6.543	6.657	3.249	93.968
2002					-	0.114	5.354	6.543	6.657	3.249	99.767
2003					-	0.115	4.925	6.543	6.657	3.249	101.316
2004					-	0.118	4.401	6.543	6.657	3.249	98.783
2005		5.000	-	40.000	-	0.117	3.918	3.250	6.657	3.281	92.714
2006	42.000	40.000	40.000	40.000	-	-	3.210	-	6.657	3.261	89.256
2007	42.000	40.000	40.000	50.000	45.0	-	2.686	-	6.657	3.253	87.773
2008	42.000	40.000	40.000	50.000	45.0	-	0.806	-	6.657	3.260	94.143
Levy											
1998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,560	\$ 466,534	\$ 276,560	\$ 351,540	\$ 1,983,418	\$ 46,357,263
1999	-	-	-	-	-	2,808	544,057	338,086	411,186	4,674,328	51,380,312
2000	-	-	-	-	-	3,098	571,466	424,846	521,093	5,056,154	56,173,167
2001	-	-	-	-	-	3,478	492,705	603,578	708,751	6,446,561	67,119,031
2002	-	-	-	-	-	4,103	632,645	763,813	929,887	7,009,411	74,977,082
2003	-	-	-	-	-	4,613	643,906	608,149	1,051,704	7,111,739	80,975,071
2004	-	-	-	-	-	5,094	652,837	1,074,342	1,176,502	8,618,092	92,057,923
2005	-	78	-	770	-	5,562	682,260	611,522	1,356,335	10,591,984	102,539,047
2006	564	9,678	3,987	49,218	-	-	698,882	-	1,561,222	12,141,237	113,710,716
2007	561	9,866	3,476	210,028	28,044	-	739,139	-	1,771,833	12,738,340	122,643,571
2008	5,770	16,168	1,575	332,159	27,933	-	312,351	-	1,801,510	13,028,371	131,423,789

⁽¹⁾One mill generates \$1 of property tax revenue per \$1,000 of assessed valuation

⁽²⁾Weld County Assessor's Office

⁽³⁾No longer collects on property within the Town's boundaries.

⁽⁴⁾Taxes for the year assessed are collected in the following year. The mills that are stated were collected in the following year. Collection year follows levy year.

⁽⁵⁾Formerly known as the Weld County Library District.

⁽⁶⁾Reflects prperty taxes paid in the majority of areas within the Town of Firestone - excludes metro districts and Mountain View Fire.

Town of Firestone
Principal Taxpayers
December 31, 2008

Taxpayer	Weld County					
	2008			1998		
	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
Principal Taxpayers						
Noble Energy	\$ 628,188,710	1	14.06%			
Kerr-McGee Rocky Mountain Corp	538,938,330	2	12.06%			
Encana Oil & Gas (USA) Inc	136,417,080	3	3.05%			
Petroleum Development Corp.	125,643,030	4	2.81%			
Public Service Company of Colorado	93,813,600	5	2.10%	54,998,700	4	4.25%
Rocky Mountain Energy Center	80,078,300	6	1.79%			
Petro Canada Resources (USA)	78,071,550	7	1.75%			
Merit Energy	60,877,970	8	1.36%			
DCP Midstream LP	48,205,900	9	1.08%			
Owens Brockaway Glass Container	36,815,410	10	8.20%			
HS Resources, Inc.				130,955,390	1	8.43%
Patina Oil & Gas				87,602,530	2	5.64%
Eastman Kodak Company				65,995,310	3	3.54%
Thermo Cogeneration Partnership				26,300,300	5	1.69%
North American Resources Company				22,614,200	6	1.46%
Duke Energy Field Services				17,775,610	7	1.14%
US West Communications				17,685,600	8	1.14%
Prima Oil & Gas				14,888,980	9	0.96%
R.R. Donnelly & Sons				9,854,490	10	0.63%
	<u>\$ 1,827,049,880</u>		<u>22.14% %</u>	<u>\$ 448,671,110</u>		<u>28.88% %</u>

Sources: Weld County Assessor's Office

Town of Firestone
Property Tax Levies and Collections
 Last Ten Years

Collection Year	Total Tax Levy(1)(2)	Total Tax Collection(3)	Collections As a Percent of Tax Levy
1999	122,362	109,084	79.37
2000	160,244	122,300	99.95
2001	211,781	156,642	97.75
2002	293,275	201,734	95.26
2003	405,737	293,125	99.95
2004	500,426	406,692	100.24
2005	587,095	500,239	99.96
2006	669,431	587,210	100.02
2007	778,032	669,800	100.06
2008	804,406	775,950	99.73

⁽¹⁾Collection year follows levy year

⁽²⁾Weld County Assessor's Office

⁽³⁾Audited Financial Statements

Town of Firestone
Ratios of Outstanding Debt by Type
 Last Ten Years

Fiscal Year	Governmental Activities			Business - Type Activities			Total Primary Government	Weld County	
	General Obligation Bond	Certificates of Participation	Capital Leases	Water Loans	Water G.O. Bond	Capital Leases		Percentage of Personal Income	Per Capita
1999	\$ 670,000		\$ 158,868	\$ 114,550	\$ -	\$ -	\$ 943,418	22.64%	\$ 515
2000	640,000		303,414	99,620	-	-	1,043,034	22.74%	\$ 547
2001	610,000		220,922	83,982	-	-	914,904	18.48%	\$ 300
2002	575,000		196,371	67,603	-	-	838,974	16.98%	\$ 202
2003	540,000		140,176	50,447	-	11,972	742,595	14.72%	\$ 148
2004	500,000		295,818	32,479	-	16,293	844,590	15.72%	\$ 134
2005	460,000	1,985,000	173,897	13,657	-	52,058	2,684,612	47.52%	\$ 340
2006	415,000	1,985,000	309,558	-	-	38,881	2,748,439	47.06%	\$ 312
2007	365,000	1,920,000	471,659	-	-	72,178	2,828,837	47.78%	\$ 318
2008	315,000	1,850,000	324,260	-	-	36,041	2,525,301	(1)	\$ 281

Sources: Bureau of Economic Analysis
 U.S. Census Bureau
 Upstate Colorado
 Town of Firestone Finance Department

⁽¹⁾Information not available

Town of Firestone
Ratio of General Bonded Debt Outstanding
 Last Ten Years

Year	Population (1)	Estimated Actual Taxable Value (2)	General Bonded Debt ⁽³⁾	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
1999	1,833	\$ 77,761,460	\$ 670,000	0.86%	\$ 366
2000	1,908	128,086,190	640,000	49.97%	335
2001	3,047	220,221,607	610,000	27.70%	200
2002	4,159	347,449,046	575,000	16.55%	138
2003	5,034	469,834,400	540,000	11.49%	107
2004	6,300	548,252,146	500,000	9.12%	79
2005	7,899	633,596,606	460,000	7.26%	58
2006	8,800	714,755,270	415,000	5.81%	47
2007	8,900	835,545,237	365,000	4.37%	41
2008	9,000	858,575,320	315,000	3.67%	35

Sources: (1) Dept of Local Affairs/Town of Firestone
 (2) Weld County Assessor's Office

(3) General obligation bond debt equal to gross general obligation bond debt less obligations associated with proprietary funds. In this table the gross general obligation debt is equal to net general obligation bond debt.

Town of Firestone
Direct and Overlapping General Bonded Debt
December 31, 2008

	Outstanding General Obligation Bonded Debt⁽¹⁾	(2)	Percentage Applicable to the Town	Share of Debt Applicable to the Town
Direct Debt				
Town of Firestone	\$ 315,000		100%	\$ 315,000
Overlapping General Obligation Debt				
Frederick-Firestone Fire Protection District	3,430,000		41%	1,391,180
Mountain View Fire Protection District	(3) -		28%	-
Northern Colorado Water Conservation District	(3) -		3%	-
Saint Vrain Sanitation District	1,335,000		31%	407,212
Carbon Valley Recreation District	6,885,000		44%	3,007,410
St Vrain Valley School District	299,035,000		5%	14,295,274
Stoneridge Metropolitan District (a portion of the Town)	4,000,000		6%	224,796
Total Direct and Overlapping General Bonded Debt	\$ 315,000,000			\$ 19,640,873

(1) Provided by each government entity

(2) The following governments had no outstanding general obligation bonded debt as of December 31, 2008
Tri-Area Ambulance, Weld County and High Plains Library District.

(3) The Mountain View Fire Protection District and the Northern Colorado Water Conservation District had no outstanding general obligation debt as of December 31, 2008. Both Districts may have active capital construction programs in the future that have at least a low probability of causing the need to issue general obligation debt which is why they are included in this exhibit.

Town of Firestone
Legal Debt Margin Information
 Last Ten Years

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt limit - 3% of Actual Valuation	\$ 2,332,844	\$ 3,842,586	\$ 6,606,648	\$ 10,423,471	\$ 14,095,032	\$ 16,447,564	\$ 19,007,898	\$ 21,442,658	\$ 25,066,357	\$ 25,757,260
Total net debt applicable to limit	670,000	640,000	610,000	575,000	540,000	500,000	460,000	415,000	\$ 365,000	\$ 315,000
Legal debt margin	\$ 1,662,844	\$ 3,202,586	\$ 5,996,648	\$ 9,848,471	\$ 13,555,032	\$ 15,947,564	\$ 18,547,898	\$ 21,027,658	\$ 24,701,357	\$ 25,442,260
Total net debt applicable to the limit as a percentage of debt limit	28.72%	16.66%	9.23%	5.52%	3.83%	3.04%	2.42%	1.94%	1.46%	1.22%

Source: Town of Firestone Finance Department

Town of Firestone
Demographic and Economic Statistics
 Last Ten Years

Year	Town Population	Weld County ⁽¹⁾				
		Personal Income (amounts expressed in thousands)	Per Capita Income ⁽³⁾	Median Age	School Enrollment ⁽²⁾	Unemploy- ment Rate ⁽²⁾
1999	1,833	4,167,443	23,904	30.9	18,750	3.6
2000	1,908	4,586,448	25,031	31.0	19,539	3.4
2001	3,047	4,950,093	25,565	31.0	20,672	4.0
2002	4,159	4,939,537	24,159	31.1	21,333	6.0
2003	5,034	5,045,684	23,508	31.3	21,596	6.7
2004	6,300	5,374,013	24,246	31.4	22,180	5.4
2005	7,899	5,650,000 (2)	24,846	30.9	23,260	5.1
2006	8,800	5,840,000	25,260	31.2	24,462	3.8
2007	8,900	5,920,000	25,495	31.2	24,582	4.1
2008	9,000	(4)	27,238	31.1	24,750	6.3

Sources: U.S. Census Bureau
 Upstate Colorado
 Bureau of Economic Analysis
 Department of Local Affairs
 Colorado State of Labor
 St. Vrain Valley School District

⁽¹⁾ This information is for the entire county

⁽²⁾ Estimate from Upstate Colorado

⁽³⁾ Estimate from Colorado Labor & Employment

⁽⁴⁾ Information not available

**Town of Firestone
Principal Employers**

Current Year and Ten Years Ago

Employer	2008				1998 ⁽¹⁾		
	Employees	Rank	Type of Business	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
American Furniture Warehouse	235	1	Retail	9.40%	-		
Advance Forming Technology	120	2	Manufacturing	4.80%	-		
King Soopers Store - Firestone	110	3	Retail	4.40%	-		
Safeway Store - Firestone	90	4	Retail	3.60%	-		
Coal Ridge Middle School	71	5	School	2.84%	-		
Prairie Ridge Elementary School	62	6	School	2.48%	-		
Town of Firestone	48	7	Government	1.92%	8	(1)	
Wendy's	32	8	Restaurant	1.28%	-		
Walgreens	24	9	Retail	0.96%	-		
Carl's Jr	21	10	Restaurant	0.84%	-		
Total	813			32.52%	8		0.00%

Total Town Employment (estimated) 2,500

Source: Firestone Finance Department & Planning Department

⁽¹⁾Information not available

Town of Firestone
Property Value and Construction
 Last Ten Years

Year	Estimated Actual Property Value ⁽²⁾			Commercial Construction ⁽³⁾		Residential Construction ⁽³⁾	
	Commercial	Residential	Total	Number of Units	Value	Number of Units	Value
1999	\$ 1,231,660	\$ 56,913,124	\$ 58,144,784	6	\$ 702,363	178	\$ 25,906,509
2000	4,589,788	83,968,927	88,558,715	- (1)	-	358	55,933,780
2001	7,955,392	164,477,434	172,432,826	4	3,516,027	395	64,489,350
2002	17,611,323	276,610,478	294,221,801	8	1,066,510	338	48,313,103
2003	22,881,531	392,406,936	415,288,467	5	870,060	272	51,619,912
2004	22,400,604	460,620,540	483,021,144	30	11,593,427	244	46,217,458
2005	41,181,767	524,055,938	565,237,705	25	9,123,052	248	55,513,969
2006	50,678,496	590,991,630	641,670,126	7	16,854,860	198	47,651,559
2007	86,343,240	665,396,492	751,739,732	9	12,438,302	141	37,400,819
2008	97,684,172	712,208,417	809,892,589	4	6,342,700	72	18,949,677

Source:

⁽¹⁾Information not available

⁽²⁾Weld County Assessor's Office

⁽³⁾Town of Firestone Building Department (Safebilt)

Town of Firestone
Full-Time Equivalent Town Government Employees by Function
 Last Ten Years

Function	Full-Time Equivalent employees as of December 31										
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government	2.00	2.00	4.00	5.00	10.00	8.00	7.00	9.00	9.00	9.00	9.00
Public Safety											
Police	4.00	4.00	4.00	10.00	10.00	17.00	16.00	16.00	22.00	23.00	24.00
CSO			1.00	1.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00
Public Works	2.00	2.00	3.00	3.00	4.00	5.00	7.00	8.00	10.00	10.00	11.00
Water	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	8.00	8.00	12.00	19.00	27.00	33.00	34.00	37.00	45.00	46.00	48.00

Source: Town of Firestone Finance Department

Town of Firestone
Miscellaneous Statistics
December 31, 2008

Date of Incorporation	1908
Form of Government	Trustees & Town Manager/Administrator
Number of Employees	
Non-Exempt (Hourly)	40
Exempt (Salary)	8
Planning area in square miles	18
Town of Firestone's facilities and services	
Miles of streets	51
Parks:	
Number of parks	13
Number of undeveloped acres maintained	498
Number of trail & sidewalk miles maintained	11
Police Protection:	
Number of stations	1
Number of police personnel and officers	26
Number of patrol units	12
Water System:	
Linear Feet of water lines maintained	124,768
Number of customer accounts	3,071
Services not included in the reporting entity:	
Fire Protection Districts - Frederick Firestone Fire Protection District	1
No municipal electricity services - (Xcel Energy or United Power)	-
No municipal gas services - (Source Gas)	-
No municipal sewer services - (St. Vrain Sanitation District)	-
School Districts - St Vrain Valley School District & Weld Co.	2

Source: Town of Firestone Finance Department

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

LOCAL HIGHWAY FINANCE REPORT		City or County:	Town of Firestone
		YEAR ENDING :	December 2008
This Information From The Records Of (example - City of _ or County of		Prepared By:	Carl Nelson, Finance Director
		Phone:	303/833-3291

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)	311,126
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	413,376
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	17,895
2. General fund appropriations		b. Snow and ice removal	21,790
3. Other local imposts (from page 2)	723,396	c. Other	75,696
4. Miscellaneous local receipts (from page 2)	161,328	d. Total (a. through c.)	115,381
5. Transfers from toll facilities		4. General administration & miscellaneous	38,425
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	878,308
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	884,724	b. Redemption	
B. Private Contributions	1,084,582	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	284,559	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	8,163
E. Total receipts (A.7 + B + C + D)	2,253,865	b. Redemption	52,741
		c. Total (a. + b.)	60,904
		3. Total (1.c + 2.c)	60,904
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
			939,212

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	5,400,865	2,253,865	939,212	6,715,518	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE:	Town of Firestone
		Colorado	
		YEAR ENDING (mm/yy):	December 2008
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		a. Interest on investments	27,967
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	553,592	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	109,394
5. Specific Ownership &/or Other	169,804	g. Other Misc. Receipts	23,967
6. Total (1. through 5.)	723,396	h. Other	
c. Total (a. + b.)	723,396	i. Total (a. through h.)	161,328
	(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	249,185	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	35,374	d. Federal Transit Admin	
d. Other (Specify) (Grant)	0	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	35,374	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	284,559	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		49,233	49,233
c. Construction:			
(1). New Facilities		167,881	167,881
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation		94,012	94,012
(5). Total Construction (1) + (2) + (3) + (4)	0	261,893	261,893
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	311,126	311,126
			(Carry forward to page 1)
Notes and Comments:			