

FIRESTONE COLORADO



2013

Comprehensive Annual Financial Report

December 31



TOWN OF FIRESTONE
FIRESTONE, COLORADO

Comprehensive Annual Financial Report
For the Fiscal Year ended December 31, 2013

Issued by the Town of Firestone, Finance Department

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Town of Firestone, Colorado
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2013

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INTRODUCTORY SECTION

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June 25, 2014

To the Honorable Mayor, members of the Board of Trustees, and Citizens of the Town of Firestone (the “Town”), 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 generally accepted accounting principles 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 for the fiscal year ended December 31, 2013.

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.

Anton Collins Mitchell LLP, a firm of licensed certified public accountants, has audited the Town’s financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the fiscal year ended December 31, 2013 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 that, based upon the audit, there was a reasonable basis for rendering an unqualified opinion that the Town’s financial statements for the fiscal year ended December 31, 2013, are fairly presented in conformity with GAAP. The independent auditor’s 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 auditor.

PROFILE OF THE TOWN OF FIRESTONE

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 47.2 square miles and serves a population of approximately 11,000. 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 board and voter approval. On April 2, 1996, the taxpayers approved a ballot question to remove the Taxpayer Bill of Rights (“TABOR”) limits that were imposed on the Town in 1992.

The Town has operated under the Trustees-Town Manager 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, attorney, treasurer, and clerk. The Town’s manager is 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, and open space; and stormwater and water utilities. Other utility services such as sewer, electricity, 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 town manager use these requests as the starting point for developing a proposed budget. The finance director then presents the proposed budget to the Board for review prior to October 15. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 15. 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.

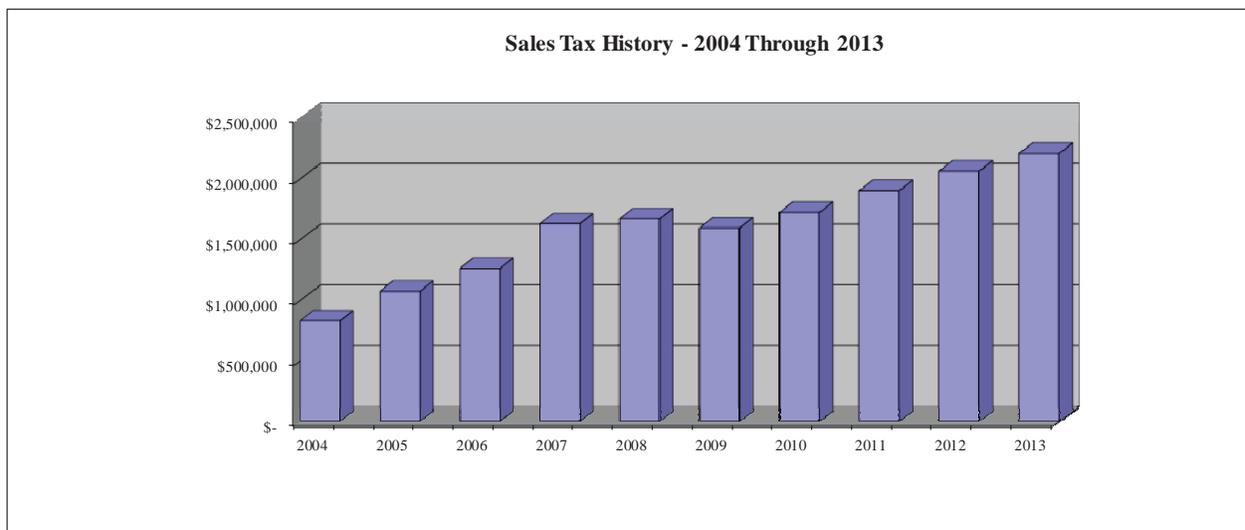
Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. As for the General, Highway, and Park Funds, these comparisons are presented on pages 61 to 63 as part of the required supplementary information. For all other governmental funds, the comparisons are presented in the other supplementary information subsection of this report, which begins on page 64.

FACTORS AFFECTING FINANCIAL CONDITION

LOCAL ECONOMY

The current adopted version of the Town’s master plan was amended in 2010 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 sectors. 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 pledged revenues where the sales tax 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 2009. In 2011, additional retail development adjacent to the Home Depot was completed with the opening of a fast food restaurant, and a development center for several future tenants. The Town anticipates that the remaining lots available in the area will be developed throughout the next several years.

Because of the growth of the Town’s retail base, sales tax revenues have shown significant growth throughout the past ten years. The retail trade sector has steadily employed more of the Town’s population in the past several years and significantly influences Firestone’s economy. Below is a chart reflecting the increase in sales tax revenues throughout the last ten years (as of December of each year).



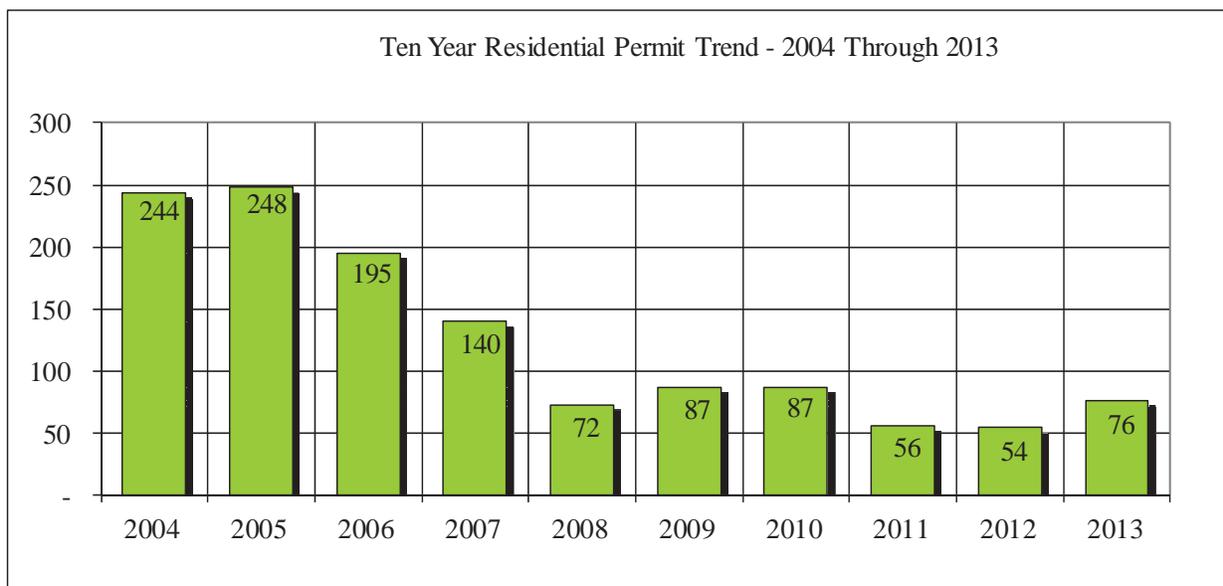
The Town’s commercial property development slowed significantly in 2008, 2009, and 2010 following several years of rapid growth. This is in line with the national and regional

economic recession. While a number of Colorado municipalities have experienced actual declines in sales tax revenue during the 2008 through 2010 recession, Firestone has experienced a small growth in 2010 through 2013.

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. The table below details the change in the Town’s total taxable assessed value (AV) for the past ten years.

| AV year / Year Levied | Assessed Valuation |
|-----------------------|--------------------|
| 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 |
| 2009 / 2010 | \$ 132,642,530 |
| 2010 / 2011 | \$ 116,860,720 |
| 2011 / 2012 | \$ 131,980,920 |
| 2012 / 2013 | \$ 142,320,680 |
| 2013 / 2014 | \$ 135,196,793 |

The community has experienced a significant slowdown in residential construction building permits throughout the past ten years, as seen in the chart below. The Town expects this to continue for the foreseeable future as the national and state housing markets continue to work through the mortgage crises and valuation adjustments. The table below sets forth single family building permits for the past ten 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 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 to cover the costs associated with the project. The timing of such debt issuance is anticipated to occur within the next few years. 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. During 2011, the Town completed a water rate study and put in place the recommended rates effective January 1, 2012.

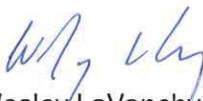
The Town continuously monitors the status of its budget and conducts a formal mid-year budget review for the Board. The Town plans to make adjustments, as warranted, including expense reductions and deferrals in response to the significant downturn in building and its subsequent effect on current and future revenues.

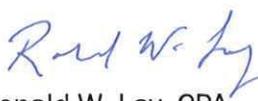
AWARDS AND ACKNOWLEDGMENTS

For the seventh year in a row, 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, 2012. 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's 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 Randy Watkins, of Anton Collins Mitchell LLP, and staff for their valuable input, able assistance, and the professional manner in which the audit engagement was performed. 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 Manager


Ronald W. Lay, CPA
Director of Finance

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Government Finance Officers Association

**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, 2012

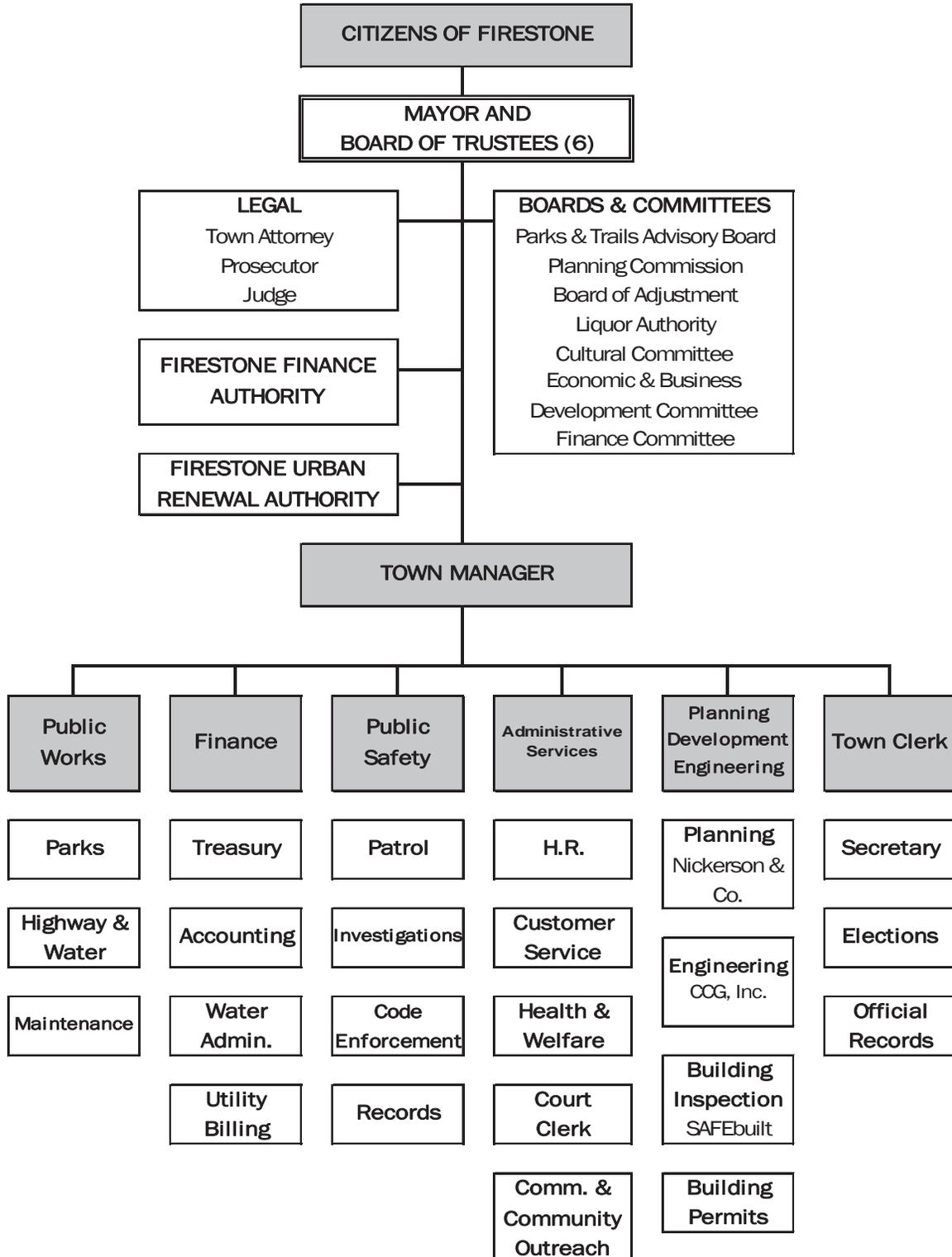
Executive Director/CEO

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TOWN OF FIRESTONE

Organization Chart - by Function

As of December 31, 2013



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MAYOR AND BOARD OF TRUSTEES

| | |
|---------------------|---------------------|
| Mayor | Chad Auer |
| Mayor Pro-tem | Paul Sorensen |
| Trustee | George Heath |
| Trustee | Bobbi Sindelar |
| Trustee | Darrell Walsh |
| Trustee | Matt Holcomb |
| Trustee | Jennifer Weinberger |
| Town Manager | Wesley LaVanchy |

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TOWN OF FIRESTONE STAFF

Director of Finance/Town Treasurer..... Ron Lay
Human Resources DirectorPascale Pring
Office/Human Resources Assistant..... April Smith
Senior Accountant..... Alison Westerhold
AccountantLinda O’Keefe
Town Clerk Carissa Medina
Public Works Director Theo Abkes
Public Works Administrative AssistantBrenda Montoya
Communications & Community Outreach CoordinatorKristi Ritter
Planning CoordinatorRebecca Toberman
Building Permit Technician..... Tracy Case
Utility Billing Clerk Julie Pasillas
Town Planner..... Bruce Nickerson, Nickerson & Co.
Town Engineer..... Dave Lindsay, CCG, Inc.
Town Attorney.....Sam Light, Light | Kelly, PC
Building Inspections..... SAFEbuilt, Inc.

Firestone Police Department Staff

Chief of Police David Montgomery
Police Commander.....Bryce Borders
Municipal Court ClerkBeverly Medina
Police Records Clerk..... Debbie Pittman

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FINANCIAL SECTION

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Independent Auditor's Report

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, Colorado (the "Town") as of December 31, 2013, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements.

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Firestone as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 16, and the budgetary comparison information on Pages 61 through 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison information, capital asset information, statistical section, and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison information, capital asset information, and Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Anton Collins Mitchell LLP

Greeley, Colorado
June 25, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Firestone (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Firestone for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found in the introductory section of this report.

BACKGROUND INFORMATION

The Town was incorporated in 1908. For accounting purposes the Town uses twelve basic funds: the General Fund, five Special Revenue Funds, one Capital Improvements Fund, two Debt Service Funds, two Enterprise Funds, and one Fiduciary Fund that was closed in 2013.

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 2013 was set at 6.245 mills for general operations and .560 mills for debt service for a total mill levy of 6.805 mills.

FINANCIAL HIGHLIGHTS

- The Town's total reported net working capital increased by \$970,190 (or 9.05 percent) from December of 2012 to December of 2013. Total net working capital increased in both the governmental and business-type activities by \$163,226 and \$806,964, respectively.
- General revenues account for \$5,364,444 or 50.64 percent of total revenues. The Town had \$5,229,013 in program specific revenues in the form of charges for services, operating grants and contributions, and capital contributions. \$4,231,224 (or 80.92 percent) of the 2013 program specific revenues were derived from charges for services.
- The Town had \$7,804,907 in expenses related to governmental activities, which were offset by program specific charges for services and operating and capital grants and contributions of \$2,059,890: General revenues consisting of property taxes and specific ownership taxes of \$1,069,127: sales and use taxes of \$2,973,413, other revenues of \$1,326,779, and the planned use of reserves were adequate to provide for these programs.
- The Town had water and stormwater service income totaling \$2,567,456 with operating and capital grants and contributions totaling \$601,667. The cost of providing services totaled \$2,143,398.
- Outlays for capital assets were construction of street, water and storm water infrastructure; improvements to various parks; acquisition of police vehicles and equipment, public works equipment and information technology equipment. See the Capital Assets section of this management's discussion and analysis for more information.
- The Town's governmental funds have three capital leases outstanding which total \$100,542 at December 31, 2013.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- The Town has a long-term lease commitment to the Firestone Finance Authority in the amount of \$1,445,000, shown in the financial statements as certificates of participation debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

This comprehensive annual financial report consists of five parts: letter of transmittal, 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 overall financial 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 two enterprise funds; the water fund and the stormwater 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 Town does not have a fiduciary fund at December 31, 2013.

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 supplementary 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 is how the various parts of this annual report are arranged and related to one another.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 Auditor's 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 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table 2 summarizes the major features of the Town's financial statements, including the portion of the Town'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**

| | Government-Wide Statements | Fund Financial Statements | |
|---|---|---|---|
| | | Governmental Funds | Proprietary 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 and stormwater services |
| Required Financial Statements | Statement of Net Position Statement of Activities | Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances | Statement of Net Position Statement of Revenues, Expenses and Changes in Net Position Statement of Cash Flows |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus | Modified accrual accounting and current financial focus | Accrual accounting and economic resources focus |
| Type of asset/liability information | All assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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, deferred outflows of resources, liabilities, and deferred inflows of resources both financial and capital, and short-term and long-term |
| 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 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 position and the statement of activities regardless of when cash is received or paid.

- The *statement of net position* presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these categories reported as net position. Throughout time, increases or decreases in net position 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 and the associated cost of repairs.
- The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position 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 government wide financial statements can be found on pages 17 to 19 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 three categories: governmental funds, proprietary 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 difference) between them.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The basic governmental fund financial statements can be found on pages 20 to 25 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 and stormwater operations.

- 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, and the stormwater operation, which is also considered to be a major fund.

The basic proprietary fund financial statements can be found on pages 26 to 29 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 Towns' financial statements because it cannot use these assets to finance its operations.

- The Town has historically had one fiduciary fund, the Old Hire Pension Fund. This fund was closed in 2013 due to the death of the sole surviving beneficiary of the plan; any remaining amounts in this fund were transferred to the General Fund.

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 30 to 60 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

NET POSITION AND CHANGES IN NET POSITION

The Town's combined net position was greater on December 31, 2013 than the prior year, increasing by 0.7 percent to \$92,568,581. The increase is nominal. Table 3 provides a summary of the Town's net position at December 31, 2013 with comparisons to 2012. For more information see the Statement of Net Position contained within this report.

TABLE 3
CONDENSED STATEMENT OF NET POSITION

| | Governmental Activities | | Business Activities | | Total Primary Government | |
|--------------------------------------|-------------------------|----------------------|----------------------|----------------------|--------------------------|----------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Assets | | | | | | |
| Current Assets | \$ 7,597,324 | \$ 7,025,509 | \$ 5,119,741 | \$ 4,382,185 | \$ 12,717,065 | \$ 11,407,694 |
| Capital Assets, net | 29,430,214 | 30,249,629 | 54,223,234 | 53,989,020 | 83,653,448 | 84,238,649 |
| Total Assets | \$ 37,027,538 | \$ 37,275,138 | \$ 59,342,975 | \$ 58,371,205 | \$ 96,370,513 | \$ 95,646,343 |
| Liabilities | | | | | | |
| Current Liabilities | \$ 824,626 | \$ 416,037 | \$ 206,657 | \$ 276,065 | \$ 1,031,283 | \$ 692,102 |
| Long-term Liabilities | 1,668,870 | 1,900,944 | 181,774 | 161,446 | 1,850,644 | 2,062,390 |
| Total Liabilities | \$ 2,493,496 | \$ 2,316,981 | \$ 388,431 | \$ 437,511 | \$ 2,881,927 | \$ 2,754,492 |
| Deferred Inflows of Resources | | | | | | |
| Unearned Revenue | \$ 920,005 | \$ 968,422 | \$ - | \$ - | \$ 920,005 | \$ 968,422 |
| Deferred Inflows of Resources | \$ 920,005 | \$ 968,422 | \$ - | \$ - | \$ 920,005 | \$ 968,422 |
| Net Position | | | | | | |
| Net Investment in Capital Assets | \$ 27,884,672 | \$ 28,453,663 | \$ 54,207,452 | \$ 53,954,280 | \$ 82,092,124 | \$ 82,407,943 |
| Restricted | 360,606 | 319,783 | - | - | 360,606 | 319,783 |
| Unrestricted | 5,368,759 | 5,216,289 | 4,747,092 | 3,979,414 | 10,115,851 | 9,195,703 |
| Total Net Position | \$ 33,614,037 | \$ 33,989,735 | \$ 58,954,544 | \$ 57,933,694 | \$ 92,568,581 | \$ 91,923,429 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

**TABLE 4
CHANGES IN NET POSITION FROM OPERATING RESULTS**

| | Governmental Activities | | Business Activities | | Total Primary Government | |
|--|-------------------------|---------------------|---------------------|---------------------|--------------------------|---------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Revenues | | | | | | |
| <u>Program Revenues</u> | | | | | | |
| Charges for Services | \$ 1,663,768 | \$ 1,351,831 | \$ 2,567,456 | \$ 2,865,025 | \$ 4,231,224 | \$ 4,216,856 |
| Operating Grants | 238,962 | - | 6,064 | 26,067 | 245,026 | 26,067 |
| Capital Grants and Contributions | 157,160 | - | 595,603 | 61,900 | 752,763 | 61,900 |
| <u>General Revenues</u> | | | | | | |
| Property Taxes | 1,004,357 | 918,897 | - | - | 1,004,357 | 918,897 |
| Sales and Use Taxes | 2,973,413 | 2,683,817 | - | - | 2,973,413 | 2,683,817 |
| Franchise Taxes | 396,128 | 380,273 | - | - | 396,128 | 380,273 |
| Earnings on investments | 7,362 | 15,411 | 10,433 | 9,155 | 17,795 | 24,566 |
| Other | 959,216 | 800,773 | 13,535 | 4,352 | 972,751 | 805,125 |
| Total Revenues | \$ 7,400,366 | \$ 6,151,002 | \$ 3,193,091 | \$ 2,966,499 | \$ 10,593,457 | \$ 9,117,501 |
| Expenses | | | | | | |
| General Government | \$ 1,835,993 | \$ 1,322,245 | \$ - | \$ - | \$ 1,835,993 | \$ 1,322,245 |
| Public Safety | 2,272,091 | 2,266,759 | - | - | 2,272,091 | 2,266,759 |
| Public Works | 2,554,525 | 2,445,606 | - | - | 2,554,525 | 2,445,606 |
| Health and Welfare | 174,160 | 96,785 | - | - | 174,160 | 96,785 |
| Economic Development | 72,636 | 65,143 | - | - | 72,636 | 65,143 |
| Parks | 837,008 | 774,910 | - | - | 837,008 | 774,910 |
| Interest on Long-Term Debt | 58,494 | 70,203 | - | - | 58,494 | 70,203 |
| Water/Stormwater | - | - | 2,143,398 | 2,155,073 | 2,143,398 | 2,155,073 |
| Total Expenses | \$ 7,804,907 | \$ 7,041,651 | \$ 2,143,398 | \$ 2,155,073 | \$ 9,948,305 | \$ 9,196,724 |
| Revenues less Expenses | \$ (404,541) | \$ (890,649) | \$ 1,049,693 | \$ 811,426 | \$ 645,152 | \$ (79,223) |
| Transfers | 28,843 | (28,871) | (28,843) | 28,871 | - | - |
| Increase (Decrease) in Net Position | \$ (375,698) | \$ (919,520) | \$ 1,020,850 | \$ 840,297 | \$ 645,152 | \$ (79,223) |

The change in net position shown in Table 4 for the total primary government includes transfers. The Town, for 2012 and 2013, had no contributions to endowments or permanent funds, special items or extraordinary items to report in the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

TABLE 5
SOURCES OF REVENUES BY COMPARATIVE YEARS: GOVERNMENTAL ACTIVITIES

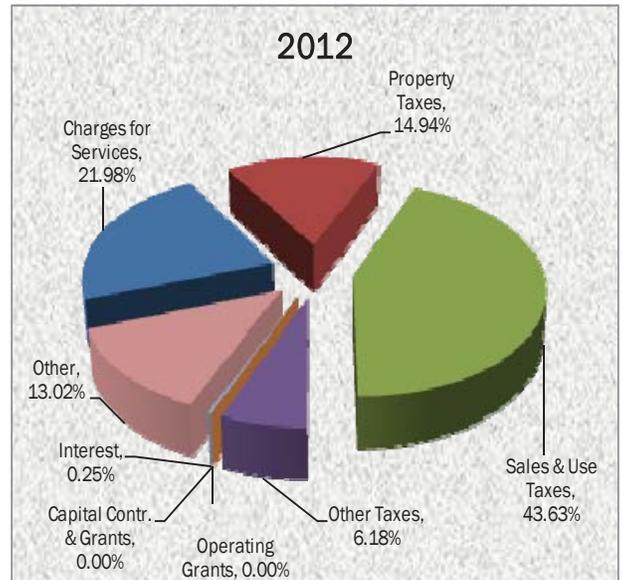
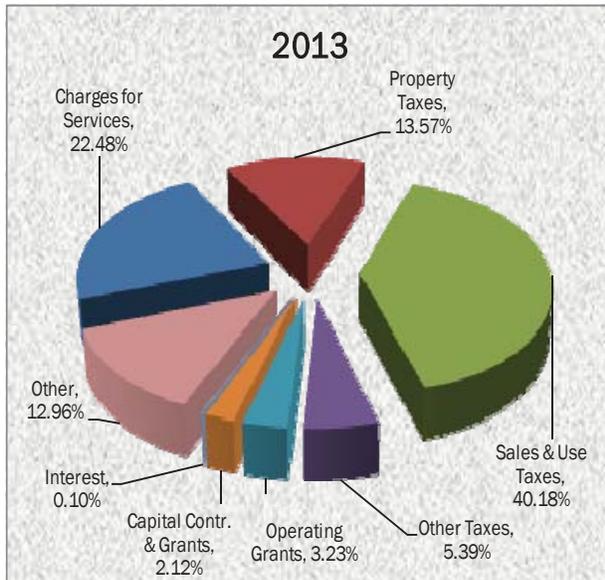
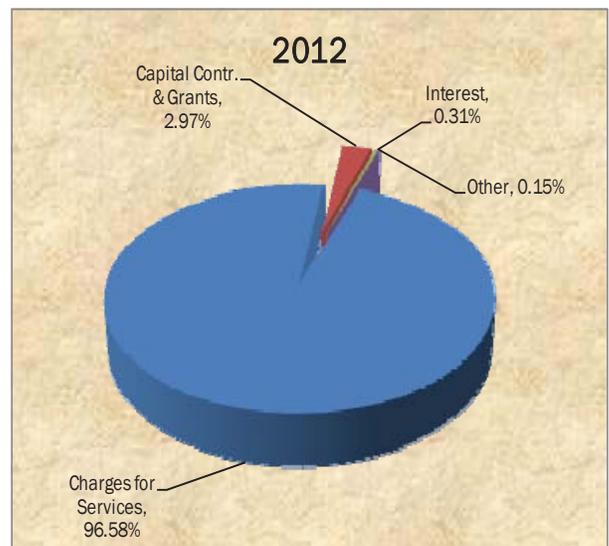
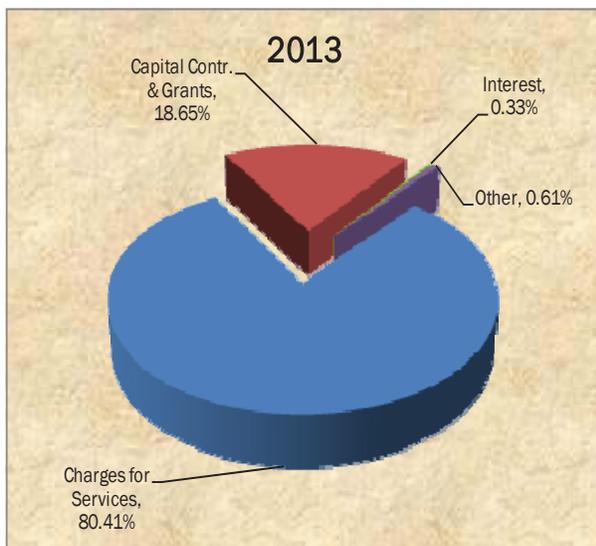


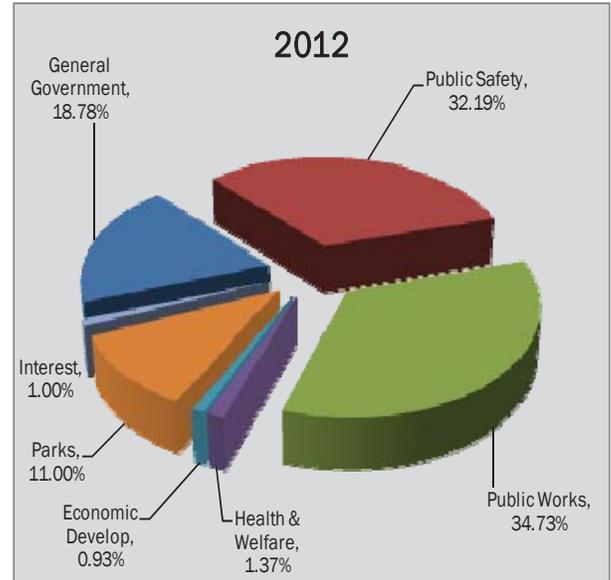
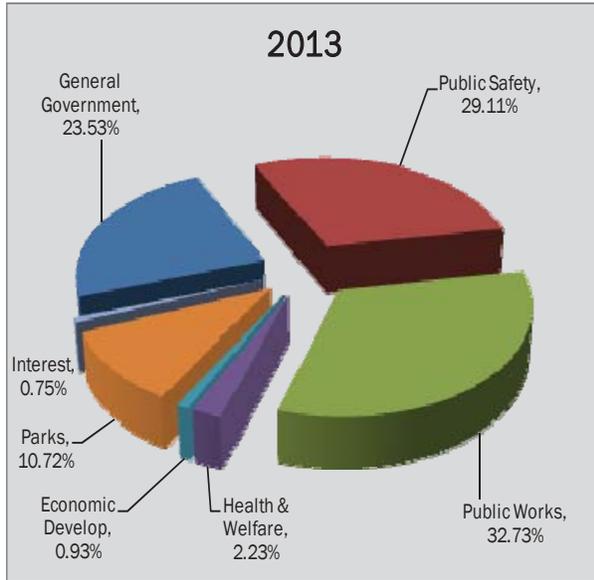
TABLE 6
SOURCES OF REVENUES BY COMPARATIVE YEARS: BUSINESS-TYPE ACTIVITIES



Detailed below in Table 7 are charts displaying the percentage of program expenses for 2012 and 2013 for the governmental activities of the Town.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**TABLE 7
EXPENSES BY COMPARATIVE YEARS: GOVERNMENTAL ACTIVITIES**



GOVERNMENTAL ACTIVITIES

The \$375,698 decrease in net position for governmental activities in 2013 is primarily due to the planned use of reserves to cover operating expenses.

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 8 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 8
NET COST OF GOVERNMENTAL ACTIVITIES**

| | 2013 | | 2012 |
|----------------------------|-----------------------|---------------------|---------------------|
| | Total Cost of Service | Net Cost of Service | Net Cost of Service |
| General Government | \$ 1,835,993 | \$ 1,318,102 | \$ 1,184,530 |
| Public Safety | 2,272,091 | 2,073,458 | 2,065,998 |
| Public Works | 2,554,525 | 1,268,639 | 1,547,685 |
| Health and Welfare | 174,160 | 174,160 | 96,785 |
| Economic Development | 72,636 | 72,636 | 65,143 |
| Parks | 837,008 | 779,528 | 659,476 |
| Interest on Long-Term Debt | 58,494 | 58,494 | 70,203 |
| Total | \$7,804,907 | \$5,745,017 | \$5,689,820 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF TOWN FUNDS

GENERAL FUND

The purpose of the general fund is to account for the routine operational activities of the Town. This fund provides for functional areas of the organization such as: 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 general fund anticipated that expenditures would exceed revenues by \$138,829. The actual results for the year show revenues exceeding expenditures by \$362,563. Revenue exceeded budget by \$358,202 which allowed for all uses of those funds as budgeted. This excess revenue will be used in future years.

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 and Open Space

The Town must maintain a 3 percent emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). At December 31, 2013 the Town's TABOR reserve amounted to \$207,290.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

By the end of 2013, the Town had invested \$83,653,448, net of accumulated depreciation, 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 9 below). This amount represents a net decrease of \$585,201 (or 0.69 percent) from last year. 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 \$2,303,145 in the governmental activities and \$384,904 in the Town's business-type activities.

TABLE 9
CAPITAL ASSETS (NET OF DEPRECIATION)

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|----------------------------|----------------------------|---------------------|-----------------------------|---------------------|-----------------------------|---------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Land | \$ 6,017,310 | \$ 5,965,810 | \$ 99,121 | \$ 99,121 | \$ 6,116,431 | \$ 6,064,931 |
| Water Shares | - | - | 40,610,164 | 40,610,164 | 40,610,164 | 40,610,164 |
| Construction in Progress | 364,298 | 441,048 | 461,603 | 719,866 | 825,901 | 1,160,914 |
| Land Improvements | 2,821,332 | 3,090,398 | - | - | 2,821,332 | 3,090,398 |
| Buildings and Improvements | 935,567 | 913,304 | - | - | 935,567 | 913,304 |
| Streets and Storm Drainage | 18,644,910 | 19,208,894 | - | - | 18,644,910 | 19,208,894 |
| Utility Systems | - | - | 12,782,943 | 12,400,193 | 12,782,943 | 12,400,193 |
| Machinery and Equipment | 646,797 | 630,175 | 269,403 | 159,674 | 916,200 | 789,849 |
| Total | \$29,430,214 | \$30,249,629 | \$54,223,234 | \$53,989,018 | \$83,653,448 | \$84,238,647 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

LONG-TERM DEBT

At year end, the Town had \$100,542 of outstanding governmental fund capital leases, and \$15,782 of outstanding capital leases in the business-type fund. In addition, the Town had a Certificate of Participation outstanding totaling \$1,445,000. General obligation bonds were paid in full for the governmental funds during 2013. For 2013, the Town experienced a 12.28 percent decrease overall in outstanding debt from 2012.

**TABLE 10
OUTSTANDING DEBT**

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|------------------------------|-------------------------|--------------------|--------------------------|------------------|--------------------------|--------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| General Obligation Bonds | \$ - | \$ 70,000 | \$ - | \$ - | \$ - | \$ 70,000 |
| Certificate of Participation | 1,445,000 | 1,535,000 | - | - | 1,445,000 | 1,535,000 |
| Capital Leases | 100,542 | 190,966 | 15,782 | 34,740 | 116,324 | 225,706 |
| Compensated Absences | 123,328 | 99,985 | 28,712 | 22,454 | 152,040 | 122,439 |
| Total | \$1,668,870 | \$1,895,951 | \$ 44,494 | \$ 57,194 | \$1,713,364 | \$1,953,145 |

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 percent 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.

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 sole police officer within the plan is now deceased and the sole surviving spouse died during 2013. As such, this fund was closed during 2013.

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 2014 incorporates general property tax revenue of \$920,005 (based on a net assessed valuation for the Town of \$135,196,793 and a mill levy of 6.805 mills for operations) with a budget of \$14,448,139 in expenditures for 2014.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- 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. Initial funding via intrafund transfers to these repair and replacement funds took place in 2008 and continued for 2009. There was no funding budgeted for between 2010 and 2013; however, the Town continues to evaluate the future costs related to renewal and replacement of capital facilities. These reserve accounts have been included in the General Fund as assigned for reporting purposes.
- 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 during the fiscal year, which will be utilized in future years to acquire or construct capital assets to serve future residents. A significant decrease in housing permits would have significant adverse effect on impact fee revenues and corresponding capital projects. The Town budgets for impact fees according to current market trends.

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, 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 Position
December 31, 2013

| | Primary Government | | |
|---|---------------------------------|---------------------------------|----------------------|
| | Govern- mental Activities | Business- Type Activities | TOTAL |
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 6,011,391 | \$ 4,886,648 | \$ 10,898,039 |
| Receivables | 1,558,086 | 175,896 | 1,733,982 |
| Other Current Assets | 27,847 | 57,197 | 85,044 |
| Capital Assets (Net of Accumulated Depreciation): | | | |
| Land and Water Shares | 6,017,310 | 40,709,285 | 46,726,595 |
| Construction in Progress | 364,298 | 461,603 | 825,901 |
| Land Improvements | 2,821,332 | - | 2,821,332 |
| Buildings and Improvements | 935,567 | - | 935,567 |
| Streets & Storm Drainage | 18,644,910 | - | 18,644,910 |
| Utility Systems | - | 12,782,943 | 12,782,943 |
| Equipment & Vehicles | 646,797 | 269,403 | 916,200 |
| Total Assets | 37,027,538 | 59,342,975 | 96,370,513 |
| LIABILITIES | | | |
| Accounts Payable and Other Current Liabilities | 303,904 | 205,558 | 509,462 |
| Accrued Interest Payable | 6,473 | 1,099 | 7,572 |
| Developer Deposits | 514,249 | - | 514,249 |
| Noncurrent Liabilities: | | | |
| Accrued Compensated Absences | 123,328 | 28,712 | 152,040 |
| Customer Deposits | - | 137,280 | 137,280 |
| Due Within One Year | 168,935 | 15,782 | 184,717 |
| Due in Greater Than One Year | 1,376,607 | - | 1,376,607 |
| Total Liabilities | 2,493,496 | 388,431 | 2,881,927 |
| DEFERRED INFLOW OF RESOURCES | | | |
| Unearned Revenue | 920,005 | - | 920,005 |
| Total Deferred Inflow of Resources | 920,005 | - | 920,005 |
| NET POSITION | | | |
| Net Investment In Capital Assets | 27,884,672 | 54,207,452 | 82,092,124 |
| Restricted for Emergencies | 207,290 | - | 207,290 |
| Restricted for Parks and Recreation | 153,316 | - | 153,316 |
| Unrestricted | 5,368,759 | 4,747,092 | 10,115,851 |
| Total Net Position | \$ 33,614,037 | \$ 58,954,544 | \$ 92,568,581 |

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

Town of Firestone
 Firestone, Colorado
Statement of Activities
 Year Ended December 31, 2013

| Functions / Programs | Program Revenues | | | |
|---------------------------------------|---------------------|-------------------------|-----------------------------------|---------------------|
| | Expenses | Charges for Services | Operating Grants & Contrib. | Capital Contrib. |
| Governmental Activities: | | | | |
| General Government | \$ 1,835,993 | \$ 437,671 | \$ 28,720 | \$ 51,500 |
| Public Safety | 2,272,091 | 170,871 | 27,762 | - |
| Public Works | 2,554,525 | 1,055,226 | 125,000 | 105,660 |
| Health and Welfare | 174,160 | - | - | - |
| Economic Development | 72,636 | - | - | - |
| Parks and Open Space | 837,008 | - | 57,480 | - |
| Interest on Long-Term Debt | 58,494 | - | - | - |
| Total Government Activities | <u>7,804,907</u> | <u>1,663,768</u> | <u>238,962</u> | <u>157,160</u> |
| Business Type Activities: | | | | |
| Water | 2,079,861 | 2,452,756 | 6,064 | 595,603 |
| Stormwater | 63,537 | 114,700 | - | - |
| Total Business-Type Activities | <u>2,143,398</u> | <u>2,567,456</u> | <u>6,064</u> | <u>595,603</u> |
| Total Town Government | <u>\$ 9,948,305</u> | <u>\$ 4,231,224</u> | <u>\$ 245,026</u> | <u>\$ 752,763</u> |

General Revenues

Taxes:

- Property Taxes Levied for General Purposes
- Property Taxes Levied for Debt Service
- Property Taxes Levied for Urban Renewal
- Specific Ownership Taxes
- Sales and Use Tax
- Highway Users, Road & Bridge, Motor Vehicle Taxes
- Franchise Taxes
- Other Taxes

Earnings on Investments

Miscellaneous

Transfers

Total General Revenues and Transfers

Changes in Net Position

Net Position at Beginning of Year

Net Position at Ending of Year

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

Net (Expense) Revenue
and Changes in Net Position

| Govern- mental Activities | Business- Type Activities | TOTAL |
|---------------------------------|---------------------------------|----------------|
| \$ (1,318,102) | \$ - | \$ (1,318,102) |
| (2,073,458) | - | (2,073,458) |
| (1,268,639) | - | (1,268,639) |
| (174,160) | - | (174,160) |
| (72,636) | - | (72,636) |
| (779,528) | - | (779,528) |
| (58,494) | - | (58,494) |
| (5,745,017) | - | (5,745,017) |
| - | 974,562 | 974,562 |
| - | 51,163 | 51,163 |
| - | 1,025,725 | 1,025,725 |
| (5,745,017) | 1,025,725 | (4,719,292) |
| 892,840 | - | 892,840 |
| 79,607 | - | 79,607 |
| 31,910 | - | 31,910 |
| 64,770 | - | 64,770 |
| 2,973,413 | - | 2,973,413 |
| 485,282 | - | 485,282 |
| 396,128 | - | 396,128 |
| 230,173 | - | 230,173 |
| 7,362 | 10,433 | 17,795 |
| 178,991 | 13,535 | 192,526 |
| 28,843 | (28,843) | - |
| 5,369,319 | (4,875) | 5,364,444 |
| (375,698) | 1,020,850 | 645,152 |
| 33,989,735 | 57,933,694 | 91,923,429 |
| \$ 33,614,037 | \$ 58,954,544 | \$ 92,568,581 |

Town of Firestone
Firestone, Colorado
Balance Sheet
Governmental Funds
December 31, 2013

| | General | Highway | Parks |
|---|---------------------|-------------------|-------------------|
| ASSETS | | | |
| Equity in Pooled Cash and Cash Equivalents | \$ 2,539,448 | \$ 538,614 | 646,963 |
| Cash with Fiscal Agent | 39,893 | 28,033 | - |
| Receivables | 1,371,924 | 168,142 | - |
| Due From Other Funds | - | - | - |
| Prepaid Items | 27,847 | - | - |
| Total Assets | \$ 3,979,112 | \$ 734,789 | \$ 646,963 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts Payable | \$ 125,166 | \$ 54,529 | \$ 11,716 |
| Accrued Payables | 100,003 | 12,106 | - |
| Due To Other Funds | 117 | - | - |
| Developer Deposits | 514,249 | - | - |
| Total Liabilities | 739,535 | 66,635 | 11,716 |
| Deferred Inflows of Resources: | | | |
| Unearned Revenue | 920,005 | - | - |
| Total Deferred Inflows of Resources | 920,005 | - | - |
| Fund Balances: | | | |
| Nonspendable for Prepaid Items | 27,847 | - | - |
| Restricted for Emergencies | 207,290 | - | - |
| Restricted for Parks and Recreation | - | - | - |
| Committed for Capital Improvements | - | - | - |
| Assigned Fund Balance | 62,084 | 668,154 | 635,247 |
| Unassigned Fund Balance | 2,022,351 | - | - |
| Total Fund Balances | 2,319,572 | 668,154 | 635,247 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 3,979,112 | \$ 734,789 | \$ 646,963 |

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

| Capital Improvement | Other Govt. Funds | Total Govt. Funds |
|------------------------|-------------------------|-------------------------|
| \$ 1,984,022 | \$ 234,418 | \$ 5,943,465 |
| - | - | 67,926 |
| - | 18,020 | 1,558,086 |
| - | 117 | 117 |
| - | - | 27,847 |
| <u>\$ 1,984,022</u> | <u>\$ 252,555</u> | <u>\$ 7,597,441</u> |

| | | |
|----------|------------|----------------|
| \$ - | \$ 384 | \$ 191,795 |
| - | - | 112,109 |
| - | - | 117 |
| - | - | 514,249 |
| <u>-</u> | <u>384</u> | <u>818,270</u> |

| | | |
|----------|----------|----------------|
| - | - | 920,005 |
| <u>-</u> | <u>-</u> | <u>920,005</u> |

| | | |
|---------------------|-------------------|---------------------|
| - | - | 27,847 |
| - | - | 207,290 |
| - | 153,316 | 153,316 |
| 1,984,022 | - | 1,984,022 |
| - | 98,855 | 1,464,340 |
| - | - | 2,022,351 |
| <u>1,984,022</u> | <u>252,171</u> | <u>5,859,166</u> |
| <u>\$ 1,984,022</u> | <u>\$ 252,555</u> | <u>\$ 7,597,441</u> |

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Town of Firestone
 Firestone, Colorado
Reconciliation of the Governmental Funds
Balance Sheet with the Government-wide Statement of Net Position
 December 31, 2013

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

| | | |
|--|----|-----------|
| Total Fund Balances - Governmental Funds | \$ | 5,859,166 |
|--|----|-----------|

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

| | | | |
|--------------------------|----|--------------|------------|
| Cost of Capital Assets | \$ | 52,047,945 | |
| Accumulated Depreciation | | (22,617,731) | |
| | | | 29,430,214 |

Long-term liabilities, including certificates of participation, are not due and payable from current financial resources, and therefore, are not reported as liabilities in the governmental funds.

Long term liabilities at year end consist of:

| | | | |
|-------------------------------|----|-------------|-------------|
| Certificates of Participation | \$ | (1,445,000) | |
| Capital Leases Payable | | (100,542) | |
| Accrued Interest Payable | | (6,473) | |
| | | | (1,552,015) |

Accrued compensated absences are not due and payable from current financial resources, and therefore, are not reported in the governmental funds.

(123,328)

| | | |
|--|----|--------------------------|
| Total Net Position - Governmental Activities | \$ | <u><u>33,614,037</u></u> |
|--|----|--------------------------|

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

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2013

| | General | Highway | Parks |
|---|---------------------|-------------------|-------------------|
| REVENUES | | | |
| Taxes and Impact Fees | \$ 4,438,934 | \$ 551,583 | \$ - |
| Licenses and Permits | 381,421 | - | 56,250 |
| Intergovernmental | 56,482 | 125,000 | - |
| Charges for Services | - | 143,044 | - |
| Fines | 170,871 | - | - |
| Investment Earnings | 2,117 | 810 | 1,584 |
| Miscellaneous | 150,880 | 6,486 | 21,475 |
| Total Revenues | 5,200,705 | 826,923 | 79,309 |
| EXPENDITURES | | | |
| Current: | | | |
| General Government | 1,638,148 | 49,458 | 15,674 |
| Public Safety | | | |
| Police | 1,982,462 | - | - |
| Building Inspection | 208,492 | - | - |
| Public Works (Roads, Facilities, etc) | 80,495 | 644,953 | - |
| Parks and Open Space | 461,215 | - | 6,262 |
| Health & Welfare | 174,160 | - | - |
| Economic Development | 72,636 | - | - |
| Capital Outlay | 263,955 | 964,166 | 147,048 |
| Debt Service: | | | |
| Principal | 72,104 | 18,320 | - |
| Interest | 3,098 | 1,180 | - |
| Total Expenditures | 4,956,765 | 1,678,077 | 168,984 |
| Excess (Deficiency) of Revenues | | | |
| Over Expenditures | 243,940 | (851,154) | (89,675) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 192,507 | 1,016,779 | - |
| Transfer Out | (73,884) | - | - |
| Total Other Financing Sources (Uses) | 118,623 | 1,016,779 | - |
| Net Change in Fund Balances | 362,563 | 165,625 | (89,675) |
| Fund Balances at Beginning of Year | 1,957,009 | 502,529 | 724,922 |
| Fund Balances at End of Year | \$ 2,319,572 | \$ 668,154 | \$ 635,247 |

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

| Capital Improvement | Other Govt. Funds | Total Govt. Funds |
|------------------------|-------------------------|-------------------------|
| \$ 912,183 | \$ 163,605 | \$ 6,066,305 |
| - | - | 437,671 |
| - | 57,480 | 238,962 |
| - | - | 143,044 |
| - | - | 170,871 |
| 6,152 | (3,301) | 7,362 |
| - | 150 | 178,991 |
| 918,335 | 217,934 | 7,243,206 |
| - | 42,364 | 1,745,644 |
| - | - | 1,982,462 |
| - | - | 208,492 |
| - | - | 725,448 |
| - | - | 467,477 |
| - | - | 174,160 |
| - | - | 72,636 |
| - | - | 1,375,169 |
| - | 160,000 | 250,424 |
| - | 57,330 | 61,608 |
| - | 259,694 | 7,063,520 |
| 918,335 | (41,760) | 179,686 |
| - | 134,609 | 1,343,895 |
| (1,171,168) | (70,000) | (1,315,052) |
| (1,171,168) | 64,609 | 28,843 |
| (252,833) | 22,849 | 208,529 |
| 2,236,855 | 229,322 | 5,650,637 |
| \$ 1,984,022 | \$ 252,171 | \$ 5,859,166 |

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Town of Firestone
 Firestone, Colorado
**Reconciliation of the Governmental Funds Statement of Revenues,
 Expenditures and Changes in Fund Balances with the
 Government-wide Statement of Activities**
 Year Ended December 31, 2013

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

| | | |
|---|----|---------|
| Total net change in fund balance - Governmental Funds | \$ | 208,529 |
|---|----|---------|

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

| | | |
|---------------------------------|--------------------|-----------|
| Expenditures for capital assets | \$ 1,326,570 | |
| Donated assets | 157,160 | |
| Less current year depreciation | <u>(2,303,145)</u> | (819,415) |

| | | |
|--|--|---------|
| Repayment of debt principal is an expenditure in the governmental funds, and it reduces long-term liabilities in the Statement of Net Position. but does not affect the Statement of Activities. | | 250,424 |
|--|--|---------|

| | | |
|---|--|-------|
| Decrease in accrued interest payable reflected in expenses in the Statement of Activities and not reflected in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances. | | 3,114 |
|---|--|-------|

| | | |
|---|--|-------|
| Decrease in net pension obligation reflected in expenses in the Statement of Activities and not reflected in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances. | | 4,993 |
|---|--|-------|

| | | |
|---|--|-----------------|
| Increase in accrued compensated absences reflected in expenses in the Statement of Activities and not reflected in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances. | | <u>(23,343)</u> |
|---|--|-----------------|

| | | |
|--|----|-------------------------|
| Change in Net Position - Governmental Activities | \$ | <u><u>(375,698)</u></u> |
|--|----|-------------------------|

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

Town of Firestone
Firestone, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2013

| | Water Enterprise Fund | Stormwater Enterprise Fund | Total |
|---|-----------------------------|----------------------------------|----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$ 4,886,648 | \$ - | \$ 4,886,648 |
| Receivables | 137,091 | 38,805 | 175,896 |
| Due from Other Funds | 8,129 | - | 8,129 |
| Other Current Assets | 57,197 | - | 57,197 |
| Total Current Assets | 5,089,065 | 38,805 | 5,127,870 |
| Noncurrent Assets | | | |
| Capital Assets: | | | |
| Land | 99,121 | - | 99,121 |
| Water Rights | 40,610,164 | - | 40,610,164 |
| Utility Systems | 15,367,063 | 313,351 | 15,680,414 |
| Construction in Progress | 365,723 | 95,880 | 461,603 |
| Equipment | 623,117 | - | 623,117 |
| Less Accumulated Depreciation | (3,226,516) | (24,669) | (3,251,185) |
| Total Capital Assets (Net of Accumulated Depreciation) | 53,838,672 | 384,562 | 54,223,234 |
| Total Noncurrent Assets | 53,838,672 | 384,562 | 54,223,234 |
| Total Assets | 58,927,737 | 423,367 | 59,351,104 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts Payable | 181,427 | 1,601 | 183,028 |
| Accrued Payables | 23,629 | - | 23,629 |
| Due to Other Funds | - | 8,129 | 8,129 |
| Loan Payable - Current | 15,782 | - | 15,782 |
| Total Current Liabilities | 220,838 | 9,730 | 230,568 |
| Noncurrent Liabilities | | | |
| Customer Deposits | 137,280 | - | 137,280 |
| Accrued Compensated Absences | 28,712 | - | 28,712 |
| Total Noncurrent Liabilities | 165,992 | - | 165,992 |
| Total Liabilities | 386,830 | 9,730 | 396,560 |
| NET POSITION | | | |
| Net Investment In Capital Assets | 53,822,890 | 384,562 | 54,207,452 |
| Unrestricted | 4,718,017 | 29,075 | 4,747,092 |
| Total Net Position | \$ 58,540,907 | \$ 413,637 | \$ 58,954,544 |

The accompanying notes are an integral part of these financial statements

Town of Firestone
Firestone, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2013

| | Water Enterprise Fund | Stormwater Enterprise Fund | Total |
|--|-----------------------------|----------------------------------|----------------------|
| Operating Revenues | | | |
| Charges for Services | \$ 2,452,756 | \$ 114,700 | \$ 2,567,456 |
| Miscellaneous | 13,535 | - | 13,535 |
| Total Operating Revenues | 2,466,291 | 114,700 | 2,580,991 |
| Operating Expenses | | | |
| Operations | 1,155,175 | 42,588 | 1,197,763 |
| Administration | 540,370 | 14,682 | 555,052 |
| Depreciation | 378,637 | 6,267 | 384,904 |
| Total Operating Expenses | 2,074,182 | 63,537 | 2,137,719 |
| Operating Income | 392,109 | 51,163 | 443,272 |
| Nonoperating Revenues (Expenses) | | | |
| Investment Earnings | 10,433 | - | 10,433 |
| Interest Expense | (5,679) | - | (5,679) |
| Intergovernmental | 6,064 | - | 6,064 |
| Total Nonoperating Revenues (Expenses) | 10,818 | - | 10,818 |
| Income Before Contributions and Transfers | 402,927 | 51,163 | 454,090 |
| Capital Contributions | 595,603 | - | 595,603 |
| Transfers In (Out) | - | (28,843) | (28,843) |
| Change in Net Position | 998,530 | 22,320 | 1,020,850 |
| Net Position at Beginning of Year | 57,542,377 | 391,317 | 57,933,694 |
| Net Position at End of Year | \$ 58,540,907 | \$ 413,637 | \$ 58,954,544 |

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

Town of Firestone
Firestone, Colorado
Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2013

| | Water Enterprise Fund | Stormwater Enterprise Fund | Total |
|---|-----------------------------|----------------------------------|---------------------|
| Cash Flows from Operating Activities | | | |
| Cash Received from Customers | \$ 2,490,491 | \$ 115,595 | \$ 2,606,086 |
| Cash Payments to Suppliers for Goods & Services | (1,099,757) | (24,907) | (1,124,664) |
| Cash Payments to Employees for Services | (632,240) | (42,257) | (674,497) |
| Net Cash Flows from Operating Activities | 758,494 | 48,431 | 806,925 |
| Cash Flows from Noncapital Financing Activities | | | |
| Transfers to Other Funds | - | (28,843) | (28,843) |
| Change in Interfund Payables/Receivables | (8,129) | 8,129 | - |
| Operating Grants Received | 6,064 | - | 6,064 |
| Total Cash Flows from Noncapital Financing Activities | (2,065) | (20,714) | (22,779) |
| Cash Flows from Capital and Related Financing Activities | | | |
| Contributed Capital | 535,673 | - | 535,673 |
| Acquisition of Capital Assets | (515,342) | (43,846) | (559,188) |
| Principal Paid on Debt | (18,958) | - | (18,958) |
| Interest Paid on Debt | (5,679) | - | (5,679) |
| Net Cash Flows from Capital and Related Financing Activities | (4,306) | (43,846) | (48,152) |
| Net Cash Flow from Investing Activities | | | |
| Investment Earnings | 10,433 | - | 10,433 |
| Net Cash Flow from Investing Activities | 10,433 | - | 10,433 |
| Net Increase in Cash and Cash Equivalents | 762,556 | (16,129) | 746,427 |
| Cash and Cash Equivalents at Beginning of Year | 4,124,092 | 16,129 | 4,140,221 |
| Cash and Cash Equivalents at End of Year | \$ 4,886,648 | \$ - | \$ 4,886,648 |

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

Town of Firestone
 Firestone, Colorado
**Reconciliation of Operating Income to
 Net Cash From Operating Activities
 Proprietary Funds**
 Year Ended December 31, 2013

| | <u>Water Enterprise Fund</u> | <u>Stormwater Enterprise Fund</u> | <u>Total</u> |
|--|--------------------------------------|---|--------------------------|
| Reconciliation of Operating Income to Net Cash from Operating Activities | | | |
| Operating Income | \$ 392,109 | \$ 51,163 | \$ 443,272 |
| Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities | | | |
| (Increase) Decrease in Assets: | | | |
| Depreciation | 378,637 | 6,267 | 384,904 |
| Accounts Receivable | 13,626 | 895 | 14,521 |
| Other Assets | (5,649) | - | (5,649) |
| Increase (Decrease) in Liabilities: | | | |
| Accounts Payable | (31,387) | (9,894) | (41,281) |
| Accrued Payables | 584 | - | 584 |
| Customer Deposits | 10,574 | - | 10,574 |
| Net Cash Flows from Operating Activities | <u><u>\$ 758,494</u></u> | <u><u>\$ 48,431</u></u> | <u><u>\$ 806,925</u></u> |
| Non-Cash investing and financing transactions | | | |
| Contributed capital assets | \$ 59,930 | \$ - | \$ 59,930 |

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

NOTES TO FINANCIAL STATEMENTS

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NOTES TO THE FINANCIAL STATEMENTS

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 (“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 more significant of the Town’s accounting policies are described below.

REPORTING ENTITY

In conformance with governmental accounting and financial reporting standards, the 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.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit’s governing board, and either, a) the ability to impose its will by the primary government, or b) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government; or
- 2) Fiscal dependency on the primary government and there is a potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board.

Based on the application of these criteria, the following component units are included in the Town’s reporting entity.

Blended Component Units

The Firestone Finance Authority was created to account for the acquisition and development of Central Park and its related debt service. The Firestone Urban Renewal Authority was established to develop and implement a plan to renew and revitalize portions of southern Firestone. The Town is financially accountable for each of the blended component units. The basis for blending is that the Town’s Board acts as the governing board for the entities.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued)

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 14. The following is a description of the only joint venture in which the Town participated in during the 12 months ended December 31, 2013:

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 the 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 non-major governmental funds:

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued) ***Fund Accounting (continued)***

- **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. Due to the implementation of GASB 54, Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, the replacement reserve funds have been included in the General Fund for reporting purposes.
- **Highway and Parks Funds** - These major funds are special revenue fund types, which are funded by developer contributions, state grants, highway users tax, specific ownership, 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 Improvements 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.
- **Other Governmental Funds** - These are non-major funds and are Debt Service Funds (Firestone Finance Authority, Debt Service) or Special Revenue Funds (Firestone Urban Renewal Authority, Conservation Trust, Open Space) which have been 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 focus on the determination of the changes in net position, 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 funds are:

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

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued) ***Fund Accounting (continued)***

Fiduciary funds are used by the Town to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The Old Hire Pension Fund was the only fiduciary fund held by the Town. This fund accounts for the Town's contribution to the Old Hire Pension Plan. This fund was closed in 2013 due to the death of the sole surviving beneficiary of the plan. The net position was transferred to the General Fund.

BASIS OF PRESENTATION

Government-wide Financial Statements - The statement of net position 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 a 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. Non-major funds are aggregated and presented in a single column.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued) ***Basis of Presentation (continued)***

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 and a modified accrual basis of accounting. 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.

All proprietary fund types are accounted for on a flow of economic resources measurement focus and accrual basis of accounting. With this measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operations of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position present increases (i.e., revenues) and decreases (i.e., expenses) in net position. 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 is defined as revenue expected to be received within sixty days of fiscal year-end.

Non-exchange 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.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued) ***Basis of Accounting (continued)***

On a modified accrual basis, revenue from non-exchange 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.

Unearned Revenue - Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies 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 unearned 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 changes 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 non-operating 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 stormwater 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 non-operating 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. Budgets are adopted on a basis consistent with GAAP, except for the following: proceeds from long-term debt are budgeted as revenue in the proprietary funds; note, lease and bond principal payments are budgeted as expenses in the proprietary funds; and purchases of capital assets are budgeted as capital outlay expenses in the proprietary funds. On or about October 15, the Town staff submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Also,

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued) ***Budget and Budgetary Accounting (continued)***

public hearings are conducted at a special meeting and at regular Town Board meetings to obtain taxpayer comments. Prior to December 15, 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 legal level of budgetary control is at the fund level as total expenditures cannot exceed the amount appropriated for a fund without Board approval but may be legally reallocated within the fund without Board approval.

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 2013:

| | Original Budget | Total Revisions | Revised Budget |
|-----------------------------------|----------------------|--------------------|----------------------|
| Government Funds: | | | |
| General Fund | \$ 4,925,032 | \$ 262,000 | \$ 5,187,032 |
| Special Revenue Funds - | | | |
| Highway Fund | 1,990,348 | 125,000 | 2,115,348 |
| Parks Fund | 88,870 | 102,137 | 191,007 |
| Conservation Trust Fund | 50,000 | - | 50,000 |
| Open Space Fund | 20,000 | - | 20,000 |
| Capital Improvements Fund | 1,423,614 | - | 1,423,614 |
| Debt Service Fund | 75,267 | - | 75,267 |
| Firestone Finance Authority Fund | 145,225 | - | 145,225 |
| Firestone Urban Renewal Authority | 43,715 | 13,000 | 56,715 |
| Business-Type Funds: | | | |
| Water Fund | 3,195,436 | 290,000 | 3,485,436 |
| Stormwater Fund | 130,122 | - | 130,122 |
| Total Funds | \$ 12,087,629 | \$ 792,137 | \$ 12,879,766 |

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued)

CASH AND CASH EQUIVALENTS

To improve cash management, cash received by the Town is pooled and invested. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the Town's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. Investments of the Town's cash management pool and investments with an original maturity of three months or less at the time they are purchased by the Town are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

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 position and classified as due from other funds or due to other funds on the balance sheet.

PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items in the government-wide and fund financial statements, and will be reported as expenses/expenditures in the following year.

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.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued) ***Capital Assets (continued)***

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.

ACCRUED COMPENSATED ABSENCES PAYABLE

In accordance with the provisions of the GASB Statement No. 16, *Accounting for Compensated Absences*, vested or accumulated personal leave 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. Accumulated compensated absences not expected to be paid with current available resources are reported as governmental activities liabilities, but not reported in the funds. Compensated absences for Governmental Funds have generally been liquidated through the General Fund and the Highway Fund. Compensated absences relating to the Enterprise Funds are recorded as a liability of those funds. The Town had a total liability for accrued compensated absences in the amount of \$28,712 for the business-type activities and \$123,328 for the governmental activities on the statement of Net Position at December 31, 2013.

ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

Payables, accrued liabilities and long-term obligations are reported in the government-wide financial statement, and 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

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued) **Accrued Liabilities and Long-Term Obligations (continued)**

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 BALANCE AND NET POSITION

In the government-wide and proprietary fund financial statements, net position is classified in the following categories:

- **Net Investment in Capital Assets** – This category groups all capital assets, including infrastructure into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.
- **Restricted Net Position** – This category presents the net position restricted by external parties (creditors, grantors, contributors, laws and regulations).
- **Unrestricted Net Position** – This category represents the net position of the Town that is not restricted for any project or other purpose by third parties.

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

- **Nonspendable** – Amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** – Amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation or because of constraints that are externally imposed by creditors, grantors, or the laws or regulations of other governments.
- **Committed** – Amounts that can be used only for specific purposes determined by a formal action of the Town Board. The Town Board is the highest level of decision making authority for the Town. Commitments may be established, modified, or rescinded only through resolutions approved by the Town Board.
- **Assigned** – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Assignments may be established, modified, or rescinded only through resolutions approved by the Town Board. The Town Board has the authority to assign amounts for specific purposes.
- **Unassigned** – All other spendable amounts.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies (continued) ***Fund Balance and Net Position (continued)***

If applicable, the Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town has provided otherwise in its commitment or assignment actions.

CONTRIBUTION OF CAPITAL

Contributions of capital in proprietary funds financial statements arise from outside contributions of capital 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 2013.

PROPERTY TAXES

Property taxes are levied prior to December 31 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on the last day of February and June 15. The County Treasurer's office collects property taxes and remits to the Town on a monthly basis. Since property Tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue is recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: CASH AND INVESTMENTS

The composition of the Town’s cash and cash equivalents, including restricted cash and investments, on December 31, 2013 is as follows:

| | Cost Basis | Market Value | S&P Rating | Moody's Rating |
|----------------------------|----------------------|----------------------|---------------|-------------------|
| Cash on Hand | \$ 940 | \$ 940 | - | - |
| Cash with County Treasurer | 67,926 | 67,926 | - | - |
| Checking | 446,050 | 446,050 | - | - |
| Certificates of Deposit | 1,658,921 | 1,658,921 | - | - |
| CSAFE | 5,503,757 | 5,503,757 | AAAm | Aaa |
| Savings | 3,220,445 | 3,220,445 | - | - |
| Total Funds | \$ 10,898,039 | \$ 10,898,039 | | |

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. 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 (“PDPA”). 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.

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.

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. As of December 31, 2013, the Town had no investments exposed to custodial credit risk outside of its investments in the Colorado Secure Assets Fund (“CSAFE”) discussed below.

NOTES TO THE FINANCIAL STATEMENTS

Note 2: Cash and Investments (continued)

LOCAL GOVERNMENT INVESTMENT POOL

At December 31, 2013, the Town had invested \$5,503,757 in CSAFE, a 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.

DERIVATIVE INVESTMENTS

The Town held no derivative investments as of December 31, 2013. Of the Town's investment in the CSAFE local government investment pool, no funds were invested in derivative securities as of December 31, 2013. 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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: RECEIVABLES

Receivables at December 31, 2013, consist of the following:

| Receivables | Governmental Activities | Business- Type Activities | Total |
|---|----------------------------|---------------------------------|--------------|
| Taxes | \$ 1,326,484 | \$ - | \$ 1,326,484 |
| Accounts | 14,725 | 165,741 | 180,466 |
| Intergovernmental | 125,000 | 2,269 | 127,269 |
| Other | 5,199 | 7,886 | 13,085 |
| Developers | 91,024 | - | 91,024 |
| | 1,562,432 | 175,896 | 1,738,328 |
| Less allowance for doubtful accounts | (4,346) | | (4,346) |
| Total Funds | \$ 1,558,086 | \$ 175,896 | \$ 1,733,982 |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: INTERFUND TRANSACTIONS

Interfund transfers for the year ended December 31, 2013, were as follows:

| <u>Interfund Transfers</u> | <u>Transfers In:</u> | | | |
|---------------------------------|----------------------|---------------------|---------------------------|---------------------|
| | General | Highway | Non-Major Governmental | Totals |
| <u>Transfers Out:</u> | | | | |
| Governmental Funds: | | | | |
| Major Funds - | | | | |
| General Fund | \$ - | \$ 66,500 | \$ 7,384 | \$ 73,884 |
| Capital Improvements Fund | 113,664 | 950,279 | 107,225 | 1,171,168 |
| Nonmajor Funds - | 50,000 | - | 20,000 | 70,000 |
| Total Governmental Funds | 163,664 | 1,016,779 | 134,609 | 1,315,052 |
| | | | | - |
| Proprietary Funds: | | | | |
| Major Funds - | | | | |
| Stormwater Fund | 28,843 | - | - | 28,843 |
| Total Transfers | \$ 192,507 | \$ 1,016,779 | \$ 134,609 | \$ 1,343,895 |

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.

The Town's interfund receivables and payables at December 31, 2013 (at the fund level) are shown below. These amounts represent short-term receivables and payables. The balances result from (1) determining ineligible park maintenance costs that had already been transferred to the General Fund from the Conservation Trust Fund and (2) the need to cover the temporary negative cash positions in the Stormwater Fund.

| <u>Receivable fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|-------------------------|---------------------|-----------------|
| Conservation Trust Fund | General Fund | \$ 117 |
| Water Fund | Stormwater Fund | 8,129 |
| Total | | \$ 8,246 |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013 for governmental activities was as follows:

| | Capital Assets 12/31/2012 | Additions/ Adjustments | Deletions/ Adjustments | Capital Assets 12/31/2013 |
|---|---------------------------------|---------------------------|---------------------------|---------------------------------|
| Governmental Activities: | | | | |
| Capital Assets, not being depreciated - | | | | |
| Land | \$ 5,965,810 | \$ 51,500 | \$ - | \$ 6,017,310 |
| Construction in Progress | 441,048 | - | (76,750) | 364,298 |
| Total Capital Assets, not being depreciated- | 6,406,858 | 51,500 | (76,750) | 6,381,608 |
| Capital Assets, being depreciated - | | | | |
| Land Improvements | 5,756,470 | 100,465 | - | 5,856,935 |
| Buildings & Improvements | 1,637,173 | 88,656 | - | 1,725,829 |
| Streets & Storm Drainage | 34,094,023 | 1,129,285 | - | 35,223,308 |
| Machinery & Equipment | 2,669,691 | 190,574 | - | 2,860,265 |
| Total Capital Assets, being depreciated- | 44,157,357 | 1,508,980 | - | 45,666,337 |
| Less Accumulated Depreciation for: | | | | |
| Land Improvements | (2,666,072) | (369,531) | - | (3,035,603) |
| Buildings & Improvements | (723,869) | (66,393) | - | (790,262) |
| Streets & Storm Drainage | (14,885,129) | (1,693,269) | - | (16,578,398) |
| Machinery & Equipment | (2,039,516) | (173,952) | - | (2,213,468) |
| Total Accumulated Depreciation | (20,314,586) | (2,303,145) | - | (22,617,731) |
| Total Capital Assets, being depreciated- Net | 23,842,771 | (794,165) | - | 23,048,606 |
| Governmental Activities Capital Assets - Net | \$ 30,249,629 | \$ (742,665) | \$ (76,750) | \$ 29,430,214 |

NOTES TO THE FINANCIAL STATEMENTS

Note 5: Capital Assets (continued)

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

| | |
|--------------------|-----------|
| General Government | \$ 23,400 |
| Parks | 369,531 |
| Public Works | 1,829,077 |
| Public Safety | 81,137 |

| | |
|--|---------------------|
| Total Depreciation Expense - Governmental Activities | <u>\$ 2,303,145</u> |
|--|---------------------|

Capital asset activity for the year ended December 31, 2013 for business-type activities was as follows:

| | Capital Assets 12/31/2012 | Additions/ Adjustments | Deletions/ Adjustments | Capital Assets 12/31/2013 |
|--|---------------------------------|---------------------------|---------------------------|---------------------------------|
| Business-Type Activities: | | | | |
| Capital Assets, not being depreciated - | | | | |
| Land | \$ 99,121 | \$ - | \$ - | \$ 99,121 |
| Water Rights | 40,610,164 | - | - | 40,610,164 |
| Construction in Progress | 719,866 | 32,500 | (290,763) | 461,603 |
| Total Capital Assets, not being depreciated- | 41,429,151 | 32,500 | (290,763) | 41,170,888 |
| Capital Assets, being depreciated - | | | | |
| Machinery & Equipment | 457,676 | 165,441 | - | 623,117 |
| Utility System | 14,968,472 | 711,942 | - | 15,680,414 |
| Total Capital Assets, being depreciated- | 15,426,148 | 877,383 | - | 16,303,531 |
| Less Accumulated Depreciation for: | | | | |
| Machinery & Equipment | (298,002) | (55,712) | - | (353,714) |
| Utility System | (2,568,279) | (329,192) | - | (2,897,471) |
| Total Accumulated Depreciation | (2,866,281) | (384,904) | - | (3,251,185) |
| Total Capital Assets, being depreciated- Net | 12,559,867 | 492,479 | - | 13,052,346 |
| Business-Type Activities Capital Assets - Net | <u>\$ 53,989,018</u> | <u>\$ 524,979</u> | <u>\$(290,763)</u> | <u>\$ 54,223,234</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6: LONG-TERM DEBT

PLEDGED REVENUES

During 2006, the Town executed two reimbursement agreements (an Amended and Restated Public Improvements Reimbursement Agreement and Retail Infrastructure Funding Agreement) (the “Plan”) with a developer (the “Developer”). Pursuant to the Plan, the Town will reimburse the Developer for costs incurred in constructing certain assets that were conveyed to the Town upon completion. Reimbursements are made based on a percentage of revenues derived from sales tax charged by the Town, commencing with the date the assets were completed by the developer and conveyed to the Town. Any unpaid balance accrues interest at the Wall Street Journal Prime Rate, capped at 7 percent per annum, compounding monthly until the balance is paid in full.

The Town follows guidance provided in GASB No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, to account for the assets received, and payments made in connection with these agreements. Accordingly, the pledged revenues are treated as an obligation of the Town, until fully repaid. The assets have been capitalized and are depreciated over their useful lives in the Government-wide financial statements. At December 31, 2013, there is no balance due to the Developer.

BUSINESS-TYPE ACTIVITIES DEBT

The following is a summary of outstanding Business-Type Activities long-term debt of the Town as of December 31, 2013:

| | Outstanding <u>12/31/2013</u> |
|---|----------------------------------|
| Capital Leases: | |
| | \$ 15,782 |
| June 20, 2012, 24-month lease with Kansas State Bank of Manhattan, maturing June 20, 2014, to acquire a 2011 John Deere 410J Backhoe with 24" bucket and a 2012 Crimeline Crack Fill Machine at a cost of \$138,849. Annual payments of \$48,704, principal and interest at 5.25%. Allocated 34.1% to the Water Fund, 34.1% to the General Fund, and 31.7% to the Highway Fund. | |
| Total Enterprise Fund Debt | <u>\$ 15,782</u> |

NOTES TO THE FINANCIAL STATEMENTS

Note 6: Long-Term Debt (continued)
Business - Type Activities Debt (continued)

The following is a summary of changes in Business-Type Activities long-term debt of the Town for the year ended December 31, 2013:

| | Balance <u>12/31/2012</u> | Additions | Retired | Balance <u>12/31/2013</u> | Due Within One Year |
|-----------------------------|------------------------------|------------------|------------------|------------------------------|---------------------------|
| Capital Leases | | | | | |
| Sep 23, 2010 Lease | 4,014 | - | 4,014 | - | - |
| Jun 20, 2012 Lease | 30,726 | - | 14,944 | 15,782 | 15,782 |
| Compensated Absences | 22,454 | 64,364 | 58,106 | 28,712 | 24,695 |
| Total | <u>\$ 57,194</u> | <u>\$ 64,364</u> | <u>\$ 77,064</u> | <u>\$ 44,494</u> | <u>\$ 40,477</u> |

The annual requirements to amortize all of the Town's Business-Type Activities debt as of December 31, 2013, are as follows:

| <u>Year Ending Dec. 31</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|------------------|-----------------|------------------|
| 2014 | 15,782 | 210 | 15,992 |
| Total | <u>\$ 15,782</u> | <u>\$ 209</u> | <u>\$ 15,992</u> |

NOTES TO THE FINANCIAL STATEMENTS

Note 6: Long-Term Debt (continued)
GOVERNMENTAL ACTIVITIES DEBT

The following is a summary of outstanding Governmental Activities long-term debt of the Town as of December 31, 2013:

| | <u>Outstanding 12/31/2013</u> |
|--|-----------------------------------|
| General Obligation Debt: | |
| Certificates of Participation: | |
| May 31, 2005, 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. 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. 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. | \$ 1,445,000 |
| Capital Leases: | |
| June 20, 2012, 24-month lease with Kansas State Bank of Manhattan to acquire a 2011 John Deere 410J Backhoe with 24" bucket and a 2012 Crimeline Crack Fill Machine costing \$138,849. Annual payments of \$48,704 and interest at 5.25%. Allocated 34.1% to the Water Fund, and 34.1% to the General Fund and 31.7% to the Highway Fund. | 30,460 |
| April 20, 2012, 24-month lease with Kansas State Bank in Manhattan to acquire two 2012 Dodge Charger patrol units costing \$88,991. Annual payments of \$31,382 principal and interest at 5.91%. | 29,631 |
| March 20, 2012, 48-month lease with Kansas State Bank in Manhattan to acquire twelve Panasonic laptops computers costing \$71,439. Monthly payments of \$1,654 principal and interest at 2.5%. | 40,451 |
| Total Governmental Funds Debt | <u><u>\$ 1,545,542</u></u> |

NOTES TO THE FINANCIAL STATEMENTS

Note 6: Long-Term Debt (continued) ***Governmental Activities Debt (continued)***

The following is a summary of changes in Governmental Activities long-term debt of the Town for the year ended December 31, 2013:

| | Balance 12/31/2012 | Additions | Retired | Balance 12/31/2013 | Due Within One Year |
|--------------------------------------|-----------------------|-------------------|-------------------|-----------------------|------------------------|
| General Obligation Debt | | | | | |
| Series 1999 | \$ 70,000 | \$ - | \$ 70,000 | \$ - | \$ - |
| Certificates of Participation | | | | | |
| May 31, 2006, COPs | 1,535,000 | - | 90,000 | 1,445,000 | 90,000 |
| Capital Leases | | | | | |
| September 23, 2010 Lease | 14,094 | - | 14,094 | - | - |
| June 20, 2012 Lease | 59,419 | - | 28,959 | 30,460 | 30,460 |
| April 20, 2012 Lease | 57,608 | - | 27,977 | 29,631 | 29,631 |
| March 20, 2012 Lease | 59,845 | - | 19,394 | 40,451 | 18,844 |
| Compensated Absences | 99,985 | 261,562 | 238,219 | 123,328 | 102,811 |
| Total | <u>\$1,895,951</u> | <u>\$ 261,562</u> | <u>\$ 488,643</u> | <u>\$ 1,668,870</u> | <u>\$ 271,746</u> |

The annual requirements to amortize all of the Town's Governmental Activities debt as of December 31, 2013, are as follows:

| Year Ending Dec. 31 | Principal | Interest | Total |
|------------------------|--------------------|-------------------|---------------------|
| 2014 | \$ 168,935 | \$ 55,583 | \$ 224,518 |
| 2015 | 114,426 | 47,847 | 162,273 |
| 2016 | 102,181 | 44,100 | 146,281 |
| 2017 | 105,000 | 40,600 | 145,600 |
| 2018 | 110,000 | 36,925 | 146,925 |
| 2019-2023 | 640,000 | 122,850 | 762,850 |
| 2024-2025 | 305,000 | 16,100 | 321,100 |
| Total | <u>\$1,545,542</u> | <u>\$ 364,005</u> | <u>\$ 1,909,547</u> |

NOTES TO THE FINANCIAL STATEMENTS

Note 6: Long-Term Debt (continued) **Governmental Activities Debt (continued)**

The assets acquired through capital lease and certificates of participation are as follows:

| Assets | Governmental Activities | Business-Type Activities |
|-------------------------------|----------------------------|-----------------------------|
| Land | \$ 1,985,000 | \$ - |
| Machinery & Equipment | 287,926 | 63,008 |
| Less Accumulated Depreciation | (79,906) | (5,954) |
| Total | \$ 2,193,020 | \$ 57,054 |

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.

NOTES TO THE FINANCIAL STATEMENTS

Note 7: Defined Benefit Pension Plan – Police Officers

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 percent of covered salary and for the Town of Firestone is 8 percent of covered salary. The Town's contributions to the Statewide Defined Benefit Plan for the years ending December 31, 2013, 2012, and 2011, were \$112,764, \$111,197, and \$109,965, respectively, equal to its required contributions for each year.

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 (\$16,500 for the calendar year 2011, \$17,000 for 2012, and \$17,500 for 2013). Catch-up contributions up to \$5,500 for the calendar years 2013, 2012 and 2011 were allowed for participants who had attained age 50 before the close of the plan year. For the year ended December 31, 2013, 2012, and 2011, the 457 Plan member contributions from the Town of Firestone were \$4,856, \$3,415, and \$550, respectively.

NOTE 9: DEFINED BENEFIT PENSION PLAN – OLD HIRE POLICE PENSION TRUST FUND

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.

NOTES TO THE FINANCIAL STATEMENTS

Note 9: Defined Benefit Pension Plan – Old Hire Police Pension Trust Fund (continued) ***Plan Description (continued)***

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. Upon death of a member, the surviving spouse is entitled to receive half (50 percent) of the monthly pension the member was eligible to receive.

CONTRIBUTIONS

The sole police officer within the plan deceased in 2011 and the sole surviving spouse eligible for distributions deceased in October 2013. Contributions to and distributions from the plan ceased at the end of 2013. Per Colorado Revised Statutes Title 31, Article 30.5, Section 209 (“Idle Funds Statute”), the remaining funds of \$14,980 in the plan were transferred to the General Fund and will be utilized to fund the FPPA Statewide Defined Benefit Plan (see Note 7) for existing participants.

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 the Town of Firestone are members of the LGDTF. Title 24, Article 51 of the CRS, as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available comprehensive 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, 1301 Pennsylvania 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 2.20 percent of the total payroll for the calendar years 2011, 2012, and 2013.

NOTES TO THE FINANCIAL STATEMENTS

Note 10: Defined Benefit Pension Plan – Non-Police Staff (continued) ***Funding Policy (continued)***

Additionally, the Town of Firestone is required to pay a supplemental amortization equalization disbursement (“SAED”) equal to 1.50 percent of the total payroll for the calendar years 2011, 2012, and 2013. 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 31, 2013, 2012, and 2011, the Town of Firestone’s employer contributions to the LGDTF were \$214,032, \$189,385, and \$175,283, respectively, equal to their required contributions for each year.

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 comprehensive 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, 1301 Pennsylvania 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 31, 2013, 2012, and 2011, the Town of Firestone’s employer contributions to the HCTF were \$15,935, \$15,234, and \$13,050, respectively, equal to their required contributions for each year.

NOTES TO THE FINANCIAL STATEMENTS

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 comprehensive annual financial report for the 401(k) Plan. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203, or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

FUNDING POLICY

The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$16,500 for the calendar year 2011, \$17,000 for 2012, and \$17,500 for 2013). Catch-up contributions up to \$5,500 for the calendar years 2013, 2012 and 2011 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 31, 2013, 2012, and 2011, the 401(k) Plan member contributions from the Town of Firestone were \$22,403, \$16,086, and \$2,556, respectively.

NOTE 13: 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 PERA 457 Plan (“457 Plan”), an Internal Revenue Code Section 457 defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. PERA issues a publicly available comprehensive annual financial report for the 401(k) Plan. That report may be obtained online at www.copera.org or by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, Colorado 80203, or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

FUNDING POLICY

The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$16,500 for the calendar year 2011, \$17,000 for 2012, and \$17,500 for 2013). Catch-up contributions up to \$5,500 for the calendar years 2013, 2012 and 2011 were allowed for participants who had attained age 50 before the close of the plan year. The Town began offering this plan in 2013. For the year ended December 31, 2013, the 457 Plan member contributions from the Town of Firestone were \$20,772.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14: 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, 2012, (date of latest available information), Weld 911 had a fund balance of \$5,240,594. Total revenues for 2012 were \$2,290,906 and total expenses were \$2,132,837 resulting in an excess of revenues over expenses of \$158,069. 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

NOTE 15: RESERVED FUND BALANCES / NET POSITION

The following is a summary of the purposes of fund balance / net position classifications in the various funds:

NOTES TO THE FINANCIAL STATEMENTS

| | |
|--|--|
| General Fund - Nonspendable | Payments made to vendors for services that will benefit periods beyond year end. |
| Highway Fund - Nonspendable | Payments made to vendors for services that will benefit periods beyond year end. |
| General Fund - Restricted | A portion restricted for emergencies as defined under TABOR. |
| Conservation Trust - Restricted | Fund balance assigned for future payments on maintenance and capital expenditures as allowed under CRS. |
| Capital Improvements - Committed | Fund balance committed for future transfers to appropriate funds to be used for capital construction or acquisitions funded by the impact fees collected in this fund. |
| General Fund - Assigned | Fund balance assigned for future transfers to appropriate funds to be used for the capital construction or acquisition. |
| Highway Fund - Assigned | Fund balance assigned for operations, maintenance and future capital expenditures related to street and highway |
| Park Fund - Assigned | Fund balance assigned for planning and future capital expenditures or acquisitions related to park infrastructure. |
| Firestone Finance Authority - Assigned | Fund balance assigned for future payments on Certificates of Participation issued to finance Town property. |
| Open Space - Assigned | Fund balance assigned for future transfers for maintenance, capital expenditures and COPS payments for open space, parks, and trails. |
| Debt Service - Assigned | Fund balance assigned for future payments on outstanding General Obligation Debt. |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 16 RISK MANAGEMENT

Since January 1, 2010, the Town has been a member of the Colorado Intergovernmental Risk Sharing Agency (“CIRSA”) which provides sufficient liability and property coverage 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 coverage for employee benefits, employment practices, law enforcement activities, vehicle and auto liability, crimes against the Town and a general umbrella liability policy. In addition, the Town has secured additional coverage for Town events and volunteers. The Town maintains the state required workers compensation insurance with Pinnacol Assurance, the primary provider of workers compensation coverage in Colorado.

NOTE 17: TAXES, SPENDING AND DEBT LIMITATIONS

In November 1992, Colorado voters passed an amendment (the “Amendment”) 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 Town 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 restricted \$207,290 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 Towns 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.

The Town believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require Judicial interpretation.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 18: COMMITMENTS AND CONTINGENT LIABILITIES

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 19: DEVELOPER AGREEMENTS

The Town 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. These agreements fall under Government Accounting Standard Board Statement No 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues* for pledged revenues. The obligations to be repaid through these pledged revenues are summarized below (see also Note 6):

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 will finance the construction of certain public improvements in connection with the City Centre development, located at I-25 and Firestone Blvd. Under the PIRA, the Developers will receive 1.25 percent (the "Credit PIF") of the Town's 2 percent sales and use tax on the sale or provision of goods in the development. 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 at 7 percent per annum. The Developers have 20 years (2026) to receive the maximum reimbursable amount.

THF FIRESTONE DEVELOPMENT, L.L.C.

A Retail Infrastructure Funding Agreement (the "RIFA") with THF Firestone Development (the "THF Developer") was approved by the Town on September 4, 2008. The RIFA supplements the PIRA and is intended to help finance the construction of additional public improvements in connection with the development of a portion of the retail area at I-25 and Firestone Blvd. Under the RIFA, the THF Developer imposes a Retail Transaction Fee ("RTF") in the amount of 0.25 percent of the Town's 2 percent sales and use tax on the sale or provision of goods in the project area. 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 percent per annum. The Developers have 20 years (2028) to receive the maximum reimbursable amount.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 20: SUBSEQUENT EVENTS

Management of the Town has evaluated subsequent events through June 25, 2014, the date that the financial statements were available to be issued. In March 2014, The Town issued \$3,795,000 in Sales Tax Revenue Bonds. No other transactions or events that would require adjustment to or disclosure in the financial statements were identified.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Firestone
Firestone, Colorado
Schedule of Revenues, Expenditures and Changes in
Fund Balances -Budget and Actual - General, Highway and Parks Funds
Year Ended December 31, 2013

| | General Fund | | | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| | Budgeted Amounts | | Actual Amounts | |
| | Original | Final | | |
| REVENUES | | | | |
| Taxes and Impact Fees | \$ 4,191,158 | \$ 4,191,158 | \$ 4,438,934 | \$ 247,776 |
| Licenses and Permits | 293,000 | 293,000 | 381,421 | 88,421 |
| Intergovernmental | 37,500 | 116,250 | 56,482 | (59,768) |
| Charges for Services | - | - | - | - |
| Fines | 180,000 | 180,000 | 170,871 | (9,129) |
| Investment Earnings | 3,095 | 3,095 | 2,117 | (978) |
| Miscellaneous | 59,000 | 59,000 | 150,880 | 91,880 |
| Total Revenues | 4,763,753 | 4,842,503 | 5,200,705 | 358,202 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | 1,732,811 | 1,904,811 | 1,638,148 | 266,663 |
| Public Safety | | | | |
| Police | 1,892,807 | 1,892,807 | 1,982,462 | (89,655) |
| Building Inspection | 155,000 | 155,000 | 208,492 | (53,492) |
| Public Works (Roads, Facilities, etc) | 20,150 | 20,150 | 80,495 | (60,345) |
| Parks and Open Spaces | 408,687 | 408,687 | 461,215 | (52,528) |
| Health & Welfare | 44,916 | 134,916 | 174,160 | (39,244) |
| Economic Development | 64,500 | 64,500 | 72,636 | (8,136) |
| Capital Outlay | 260,564 | 260,564 | 263,955 | (3,391) |
| Debt Service: | | | | |
| Principal | 72,104 | 72,104 | 72,104 | - |
| Interest | 3,083 | 3,083 | 3,098 | (15) |
| Total Expenditures | 4,654,622 | 4,916,622 | 4,956,765 | (40,143) |
| Excess (Deficiency) of Revenue Over Expenditures | 109,131 | (74,119) | 243,940 | 318,059 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 205,700 | 205,700 | 192,507 | (13,193) |
| Transfers Out | (270,410) | (270,410) | (73,884) | 196,526 |
| Total Other Financing Sources (Uses) | (64,710) | (64,710) | 118,623 | 183,333 |
| Net Change in Fund Balances | \$ 44,421 | \$ (138,829) | 362,563 | \$ 501,392 |
| Fund Balances at Beginning of Year | | | 1,957,009 | |
| Fund Balances at End of Year | | | \$ 2,319,572 | |

See accompanying Independent Auditor's Report.

Highway Fund

| Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---------------------|---------------------|-------------------|-------------------------------|
| Original | Final | | Positive (Negative) |
| \$ 522,672 | \$ 522,672 | \$ 551,583 | \$ 28,911 |
| - | - | - | - |
| - | 125,000 | 125,000 | - |
| 140,500 | 140,500 | 143,044 | 2,544 |
| - | - | - | - |
| 1,000 | 1,000 | 810 | (190) |
| 6,869 | 6,869 | 6,486 | (383) |
| <u>671,041</u> | <u>796,041</u> | <u>826,923</u> | <u>30,882</u> |
| 60,240 | 60,240 | 49,458 | 10,782 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 797,958 | 797,958 | 644,953 | 153,005 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 1,112,670 | 1,237,670 | 964,166 | 273,504 |
| 18,320 | 18,320 | 18,320 | - |
| 1,160 | 1,160 | 1,180 | (20) |
| <u>1,990,348</u> | <u>2,115,348</u> | <u>1,678,077</u> | <u>437,271</u> |
| <u>(1,319,307)</u> | <u>(1,319,307)</u> | <u>(851,154)</u> | <u>468,153</u> |
| 1,154,417 | 1,154,417 | 1,016,779 | (137,638) |
| - | - | - | - |
| <u>1,154,417</u> | <u>1,154,417</u> | <u>1,016,779</u> | <u>(137,638)</u> |
| <u>\$ (164,890)</u> | <u>\$ (164,890)</u> | 165,625 | <u>\$ 330,515</u> |
| | | 502,529 | |
| | | <u>\$ 668,154</u> | |

See accompanying Independent Auditor's Report.

Town of Firestone
 Firestone, Colorado
Schedule of Revenues, Expenditures and Changes in
Fund Balances -Budget and Actual - General, Highway and Parks Funds
 Year Ended December 31, 2013

| | Parks Fund | | | Variance with Final Budget Positive (Negative) |
|---|--------------------|---------------------|-------------------|---|
| | Budgeted Amounts | | Actual Amounts | |
| | Original | Final | | |
| REVENUES | | | | |
| Licenses and Permits | \$ 48,750 | \$ 48,750 | \$ 56,250 | \$ 7,500 |
| Investment Earnings | 2,000 | 2,000 | 1,584 | (416) |
| Miscellaneous | 20,400 | 20,400 | 21,475 | 1,075 |
| Total Revenues | <u>71,150</u> | <u>71,150</u> | <u>79,309</u> | <u>8,159</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | 22,870 | 22,870 | 15,674 | 7,196 |
| Parks | 2,000 | 2,000 | 6,262 | (4,262) |
| Capital Outlay | 64,000 | 166,137 | 147,048 | 19,089 |
| Total Expenditures | <u>88,870</u> | <u>191,007</u> | <u>168,984</u> | <u>22,023</u> |
| Net Change in Fund Balances | <u>\$ (17,720)</u> | <u>\$ (119,857)</u> | (89,675) | <u>\$ 30,182</u> |
| Fund Balances at Beginning of Year | | | 724,922 | |
| Fund Balances at End of Year | | | <u>\$ 635,247</u> | |

See accompanying Independent Auditor's Report.

OTHER SUPPLEMENTARY INFORMATION

Town of Firestone
Firestone, Colorado
Schedule of Revenues, Expenditures and Changes in
Fund Balance -Budget and Actual - Capital Improvement Fund
Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Impact Fees | \$ 800,244 | \$ 800,244 | \$ 912,183 | \$ 111,939 |
| Investment Earnings | 7,350 | 7,350 | 6,152 | (1,198) |
| Total Revenues | <u>807,594</u> | <u>807,594</u> | <u>918,335</u> | <u>110,741</u> |
| OTHER FINANCING USES | | | | |
| Transfers Out | (1,423,614) | (1,423,614) | (1,171,168) | 252,446 |
| Total Other Financing Uses | <u>(1,423,614)</u> | <u>(1,423,614)</u> | <u>(1,171,168)</u> | <u>252,446</u> |
| Net Change in Fund Balance | <u>\$ (616,020)</u> | <u>\$ (616,020)</u> | (252,833) | <u>\$ 363,187</u> |
| Fund Balance at Beginning of Year | | | <u>2,236,855</u> | |
| Fund Balance at End of Year | | | <u>\$ 1,984,022</u> | |

See accompanying Independent Auditor's Report.

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Town of Firestone
 Firestone, Colorado
Combining Balance Sheet
Other Governmental Funds
 December 31, 2013

| | Firestone Finance Authority | Firestone Urban Renewal Authority | Conservation Trust | Open Space |
|--|-----------------------------------|---|-----------------------|------------------|
| ASSETS | | | | |
| Equity in Pooled Cash and Cash Equivalents | 1,680 | 384 | 153,199 | 71,431 |
| Receivables | - | - | - | 18,020 |
| Due from Other Funds | - | - | 117 | - |
| Total Assets | \$ 1,680 | \$ 384 | \$ 153,316 | \$ 89,451 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts Payable | \$ - | 384 | \$ - | \$ - |
| Total Liabilities | - | 384 | - | - |
| Fund Balances: | | | | |
| Restricted | - | - | 153,316 | - |
| Assigned | 1,680 | - | - | 89,451 |
| Total Fund Balances | 1,680 | - | 153,316 | 89,451 |
| Total Liabilities and Fund Balances | \$ 1,680 | \$ 384 | \$ 153,316 | \$ 89,451 |

See accompanying Independent Auditor's Report.

| Debt Service | Total Governmental Funds |
|-----------------|--------------------------------|
| 7,724 | \$ 234,418 |
| - | 18,020 |
| - | 117 |
| <u>\$ 7,724</u> | <u>\$ 252,555</u> |

| | |
|----------|------------|
| \$ - | \$ 384 |
| <u>-</u> | <u>384</u> |

| | |
|-----------------|-------------------|
| - | 153,316 |
| 7,724 | 98,855 |
| <u>7,724</u> | <u>252,171</u> |
| <u>\$ 7,724</u> | <u>\$ 252,555</u> |

Town of Firestone
 Firestone, Colorado
Combining Schedule of Revenues, Expenditure, and
Changes in Fund Balances - Other Governmental Funds
 Year Ended December 31, 2013

| | Firestone Finance Authority | Firestone Urban Renewal Authority | Conservation Trust | Open Space |
|---|-----------------------------------|---|-----------------------|------------------|
| REVENUES | | | | |
| Taxes and Impact Fees | \$ - | \$ 31,910 | \$ - | \$ 52,088 |
| Intergovernmental | - | - | 57,480 | - |
| Investment Earnings | 40 | 38 | 228 | (3,675) |
| Miscellaneous | 150 | - | - | - |
| Total Revenues | <u>190</u> | <u>31,948</u> | <u>57,708</u> | <u>48,413</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | 1,200 | 39,332 | - | - |
| Debt Service: | | | | |
| Principal | 90,000 | - | - | - |
| Interest | 53,725 | - | - | - |
| Total Expenditures | <u>144,925</u> | <u>39,332</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues | | | | |
| Over Expenditures | <u>(144,735)</u> | <u>(7,384)</u> | <u>57,708</u> | <u>48,413</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 127,225 | 7,384 | - | - |
| Transfers Out | - | - | (50,000) | (20,000) |
| Total Other Financing Sources (Uses) | <u>127,225</u> | <u>7,384</u> | <u>(50,000)</u> | <u>(20,000)</u> |
| Net Change in Fund Balances | (17,510) | - | 7,708 | 28,413 |
| Fund Balances at Beginning of Year | 19,190 | - | 145,608 | 61,038 |
| Fund Balances at End of Year | <u>\$ 1,680</u> | <u>\$ -</u> | <u>\$ 153,316</u> | <u>\$ 89,451</u> |

See accompanying Independent Auditor's Report.

| Debt Service | Total Governmental Funds |
|-----------------|--------------------------------|
| \$ 79,607 | \$ 163,605 |
| - | 57,480 |
| 68 | (3,301) |
| - | 150 |
| 79,675 | 217,934 |
| 1,832 | 42,364 |
| 70,000 | 160,000 |
| 3,605 | 57,330 |
| 75,437 | 259,694 |
| 4,238 | (41,760) |
| - | 134,609 |
| - | (70,000) |
| - | 64,609 |
| 4,238 | 22,849 |
| 3,486 | 229,322 |
| \$ 7,724 | \$ 252,171 |

Town of Firestone
 Firestone, Colorado
Schedule of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2013

| | Firestone Finance Authority Fund | | | Variance with Final Budget Positive (Negative) |
|--|---|--------------------|-------------------|---|
| | Budgeted Amounts | | Actual Amounts | |
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Investment Earnings | 75 | 75 | 40 | (35) |
| Miscellaneous | 150 | 150 | 150 | - |
| Total Revenues | <u>225</u> | <u>225</u> | <u>190</u> | <u>(35)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | 1,500 | 1,500 | 1,200 | 300 |
| Debt Service: | | | | |
| Principal | 90,000 | 90,000 | 90,000 | - |
| Interest | 53,725 | 53,725 | 53,725 | - |
| Total Expenditures | <u>145,225</u> | <u>145,225</u> | <u>144,925</u> | <u>300</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(145,000)</u> | <u>(145,000)</u> | <u>(144,735)</u> | <u>265</u> |
| OTHER FINANCING SOURCES | | | | |
| Transfers In | 127,225 | 127,225 | 127,225 | - |
| Total Other Financing Sources | <u>127,225</u> | <u>127,225</u> | <u>127,225</u> | <u>-</u> |
| Net Change in Fund Balances | <u>\$ (17,775)</u> | <u>\$ (17,775)</u> | (17,510) | <u>\$ 265</u> |
| Fund Balances at Beginning of Year | | | <u>19,190</u> | |
| Fund Balances at End of Year | | | <u>\$ 1,680</u> | |

See accompanying Independent Auditor's Report.

Town of Firestone
 Firestone, Colorado
Schedule of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2013

| Firestone Urban Renewal Authority | | | |
|--|-----------------|-------------------|---|
| Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| Original | Final | | |
| \$ 45,614 | \$ 45,614 | \$ 31,910 | \$ (13,704) |
| 40 | 40 | 38 | (2) |
| - | - | - | - |
| <u>45,654</u> | <u>45,654</u> | <u>31,948</u> | <u>(13,706)</u> |
| | | | |
| 43,715 | 56,715 | 39,332 | 17,383 |
| - | - | - | - |
| - | - | - | - |
| <u>43,715</u> | <u>56,715</u> | <u>39,332</u> | <u>17,383</u> |
| | | | |
| <u>1,939</u> | <u>(11,061)</u> | <u>(7,384)</u> | <u>3,677</u> |
| | | | |
| - | 13,000 | 7,384 | (5,616) |
| <u>-</u> | <u>13,000</u> | <u>7,384</u> | <u>(5,616)</u> |
| | | | |
| <u>\$ 1,939</u> | <u>\$ 1,939</u> | - | <u>\$ (1,939)</u> |
| | | | |
| | | <u>-</u> | |
| | | <u>\$ -</u> | |

Town of Firestone
 Firestone, Colorado
Schedule of Revenues, Expenditure, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2013

| | Conservation Trust | | | Variance with Final Budget Positive (Negative) |
|---|---------------------------|-------------------|-------------------|---|
| | Budgeted Amounts | | Actual Amounts | |
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 42,000 | 42,000 | 57,480 | 15,480 |
| Investment Earnings | 250 | 250 | 228 | (22) |
| Total Revenues | <u>42,250</u> | <u>42,250</u> | <u>57,708</u> | <u>15,458</u> |
| OTHER FINANCING USES | | | | |
| Transfers Out | (50,000) | (50,000) | (50,000) | - |
| Total Other Financing Uses | <u>(50,000)</u> | <u>(50,000)</u> | <u>(50,000)</u> | <u>-</u> |
| Net Change in Fund Balances | <u>\$ (7,750)</u> | <u>\$ (7,750)</u> | 7,708 | <u>\$ 15,458</u> |
| Fund Balances at Beginning of Year | | | <u>145,608</u> | |
| Fund Balances at End of Year | | | <u>\$ 153,316</u> | |

See accompanying Independent Auditor's Report.

Town of Firestone
 Firestone, Colorado
Schedule of Revenues, Expenditures, and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2013

Open Space

| Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|------------------|------------------|-------------------|---|
| Original | Final | | |
| \$ 39,990 | \$ 39,990 | \$ 52,088 | \$ 12,098 |
| - | - | - | - |
| 50 | 50 | (3,675) | (3,725) |
| <u>40,040</u> | <u>40,040</u> | <u>48,413</u> | <u>8,373</u> |
| (20,000) | (20,000) | (20,000) | - |
| <u>(20,000)</u> | <u>(20,000)</u> | <u>(20,000)</u> | <u>-</u> |
| <u>\$ 20,040</u> | <u>\$ 20,040</u> | 28,413 | <u>\$ 8,373</u> |
| | | 61,038 | |
| | | <u>\$ 89,451</u> | |

Town of Firestone
 Firestone, Colorado
Schedule of Revenues, Expenditures and Changes in
Fund Balances -Budget and Actual - Other Governmental Funds
 Year Ended December 31, 2013

| | Debt Service | | | Variance with Final Budget Positive (Negative) |
|--|---------------------|-----------------|-------------------|---|
| | Budgeted Amounts | | Actual Amounts | |
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 79,629 | \$ 79,629 | 79,607 | \$ (22) |
| Investment Earnings | 75 | 75 | 68 | (7) |
| Total Revenues | <u>79,704</u> | <u>79,704</u> | <u>79,675</u> | <u>(29)</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Administration | 1,662 | 1,662 | 1,832 | (170) |
| Debt Service: | | | | |
| Principal | 70,000 | 70,000 | 70,000 | - |
| Interest | 3,605 | 3,605 | 3,605 | - |
| Total Expenditures | <u>75,267</u> | <u>75,267</u> | <u>75,437</u> | <u>(170)</u> |
| Net Change in Fund Balances | <u>\$ 4,437</u> | <u>\$ 4,437</u> | 4,238 | <u>\$ (199)</u> |
| Fund Balance at Beginning of Year | | | 3,486 | |
| Fund Balance at End of Year | | | <u>\$ 7,724</u> | |

See accompanying Independent Auditor's Report.

Town of Firestone
Firestone, Colorado
Water Fund
Schedule of Revenues, Expenditures and Changes in Net Position -
Budget and Actual (Non GAAP Budgetary Basis)
Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts Budget Basis | Variance with Final Budget Positive (Negative) |
|---|-------------------|------------------|--------------------------------------|---|
| | Original | Final | | |
| Operating Revenues | | | | |
| Charges for Services | \$ 2,444,800 | \$ 2,444,800 | \$ 2,452,756 | \$ 7,956 |
| Miscellaneous | 1,875 | 1,875 | 13,535 | 11,660 |
| Total Operating Revenues | <u>2,446,675</u> | <u>2,446,675</u> | <u>2,466,291</u> | <u>19,616</u> |
| Operating Expenses | | | | |
| Operations | 1,174,101 | 1,174,101 | 1,155,175 | 18,926 |
| Administration | 603,818 | 603,818 | 540,370 | 63,448 |
| Total Operating Expenses | <u>1,777,919</u> | <u>1,777,919</u> | <u>1,695,545</u> | <u>82,374</u> |
| Operating Income | 668,756 | 668,756 | 770,746 | 101,990 |
| Nonoperating Revenues (Expenditures) | | | | |
| Capital Contributions | 702,000 | 892,000 | 2,134,203 | 1,242,203 |
| Investment Earnings | 10,000 | 10,000 | 10,433 | 433 |
| Transfers In | 203,910 | 203,910 | - | (203,910) |
| Interest Expense | - | - | (5,679) | (5,679) |
| Principal Paid | (224,559) | (224,559) | (18,958) | 205,601 |
| Capital Outlay | (326,288) | (426,288) | (515,342) | (89,054) |
| Tap Fees Paid | (866,670) | (1,056,670) | (1,538,600) | (481,930) |
| Intergovernmental Revenues | - | - | 6,064 | 6,064 |
| Total Nonoperating Revenues (Expenditures) | <u>(501,607)</u> | <u>(601,607)</u> | <u>72,121</u> | <u>673,728</u> |
| Excess of Revenues Over Expenditures - Budgetary Basis | <u>\$ 167,149</u> | <u>\$ 67,149</u> | 842,867 | <u>\$ 775,718</u> |
| Reconciliation to a GAAP Basis | | | | |
| Depreciation | | | (378,637) | |
| Capital Outlay | | | 515,342 | |
| Principal Paid | | | <u>18,958</u> | |
| Change in Net Position | | | 998,530 | |
| Net Position at Beginning of Year | | | <u>57,542,377</u> | |
| Net Position at End of Year | | | <u>\$ 58,540,907</u> | |

See accompanying Independent Auditor's Report.

Town of Firestone
Firestone, Colorado
Stormwater Fund
Schedule of Revenues, Expenditures and Changes in Net Position -
Budget and Actual (Non GAAP Budgetary Basis)
Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts Budget Basis | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------------------------|---|
| | Original | Final | | |
| Operating Revenues | | | | |
| Charges for Services | \$ 113,600 | \$ 113,600 | \$ 114,700 | \$ 1,100 |
| Total Operating Revenues | <u>113,600</u> | <u>113,600</u> | <u>114,700</u> | <u>1,100</u> |
| Operating Expenses | | | | |
| Operations | 52,950 | 52,950 | 42,588 | 10,362 |
| Administration | 10,000 | 10,000 | 14,682 | (4,682) |
| Total Operating Expenses | <u>62,950</u> | <u>62,950</u> | <u>57,270</u> | <u>5,680</u> |
| Operating Income | 50,650 | 50,650 | 57,430 | 6,780 |
| Nonoperating Revenues (Expenditures) | | | | |
| Transfers In | 1,472 | 1,472 | - | (1,472) |
| Transfers Out | (35,700) | (35,700) | (28,843) | 6,857 |
| Capital Outlay | (31,472) | (31,472) | (43,846) | (12,374) |
| Total Nonoperating Revenues (Expenditures) | <u>(65,700)</u> | <u>(65,700)</u> | <u>(72,689)</u> | <u>(6,989)</u> |
| Deficiency of Revenues Over Expenditures - Budgetary Basis | <u>\$ (15,050)</u> | <u>\$ (15,050)</u> | (15,259) | <u>\$ (209)</u> |
| Reconciliation to a GAAP Basis | | | | |
| Depreciation | | | (6,267) | |
| Capital Outlay | | | 43,846 | |
| Change in Net Position | | | <u>22,320</u> | |
| Net Position at Beginning of Year | | | 391,317 | |
| Net Position at End of Year | | | <u>\$ 413,637</u> | |

See accompanying Independent Auditor's Report.

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, 2013

| Function and Activity | Land | Land Improvements | Building and Improvements | Equipment and Vehicles | Infrastructure | TOTAL |
|--|---------------------|----------------------|------------------------------|---------------------------|----------------------|----------------------|
| General Government | \$ - | \$ - | \$ - | \$ 199,100 | \$ - | \$ 199,100 |
| Public Works | - | - | - | 1,487,822 | - | 1,487,822 |
| Parks, Cultural and Open Space | 6,017,310 | 5,856,935 | - | - | - | 11,874,245 |
| Public Safety | - | - | - | 1,173,343 | - | 1,173,343 |
| Building | - | - | 1,725,829 | - | - | 1,725,829 |
| Construction in Progress | - | - | 364,298 | - | - | 364,298 |
| Streets and Related Infrastructure | - | - | - | - | 35,223,308 | 35,223,308 |
| Total Governmental Funds Capital Assets | \$ 6,017,310 | \$ 5,856,935 | \$ 2,090,127 | \$ 2,860,265 | \$ 35,223,308 | \$ 52,047,945 |

See accompanying Independent Auditor's Report.

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

December 31, 2013

| <u>Function and Activity</u> | <u>Capital Assets 12/31/2012</u> | <u>Additions</u> | <u>Deletions</u> | <u>Capital Assets 12/31/2013</u> |
|--|--------------------------------------|----------------------------|-------------------------|--------------------------------------|
| General Government | \$ 172,835 | \$ 26,265 | \$ - | \$ 199,100 |
| Public Works | 1,405,269 | 82,553 | - | 1,487,822 |
| Parks, Cultural and Open Space | 11,722,281 | 151,964 | - | 11,874,245 |
| Public Safety | 1,091,587 | 81,756 | - | 1,173,343 |
| Building | 1,637,173 | 88,656 | - | 1,725,829 |
| Construction in Progress | 364,298 | - | - | 364,298 |
| Streets and Related Infrastructure | 34,094,022 | 1,129,286 | - | 35,223,308 |
| Construction in Progress | 76,750 | - | 76,750 | - |
| Total Governmental Funds Capital Assets | <u>\$ 50,564,215</u> | <u>\$ 1,560,480</u> | <u>\$ 76,750</u> | <u>\$ 52,047,945</u> |

See accompanying Independent Auditor's Report.

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

December 31, 2012 and 2013

| GENERAL FIXED ASSETS | 2012 | 2013 |
|---|-----------------------------|-----------------------------|
| Land | \$ 5,965,810 | \$ 6,017,310 |
| Land Improvements | 5,756,470 | 5,856,935 |
| Building and Improvements | 1,637,173 | 1,725,829 |
| Building - Construction in Progress | 364,298 | 364,298 |
| Equipment and Vehicles | 2,669,691 | 2,860,265 |
| Equip and Vehicles - Construction in Progress | 18,950 | - |
| Infrastructure | 34,094,023 | 35,223,308 |
| Infrastructure - Construction in Progress | 57,800 | - |
| TOTAL GENERAL FIXED ASSETS | <u>\$ 50,564,215</u> | <u>\$ 52,047,945</u> |
| | | |
| INVESTMENT IN GENERAL FIXED ASSETS | 2012 | 2013 |
| Contributions and Donations | \$ 26,320,453 | \$ 26,320,453 |
| Developer Reimbursement Obligations | 487,403 | 487,403 |
| General Obligation Bonds | 773,917 | 773,917 |
| Grants | 323,328 | 323,328 |
| Operating Revenues and Impact Fees | 20,674,114 | 22,157,844 |
| Certificates of Participation | 1,985,000 | 1,985,000 |
| TOTAL INVESTMENT IN GENERAL FIXED ASSETS | <u>\$ 50,564,215</u> | <u>\$ 52,047,945</u> |

See accompanying Independent Auditor's Report.

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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, 2013

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> Information on the Town's financial performance and health over time. | 80-86 |
| <i>Revenue:</i> Information on the Town's ability to generate tax revenue over time. | 87-94 |
| <i>Debt Capacity:</i> Information on the Town's outstanding debt and that of overlapping governments. | 95-100 |
| <i>Demographics:</i> Information on demographic and economic measures that affect the Town and its provision of services to its constituents. | 101-103 |
| <i>Operating Information:</i> Information on the Town's operations, staffing and other data. | 104-105 |

Town of Firestone
Net Position by Component
Last Ten Years

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

Source: Town of Firestone Finance Department

See accompanying Independent Auditor's Report.

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|----|------------|---------------|---------------|---------------|---------------|---------------|
| \$ | 31,129,414 | \$ 32,308,457 | \$ 30,754,589 | \$ 29,832,385 | \$ 28,453,663 | \$ 27,884,672 |
| | 4,722,885 | 2,682,197 | 3,034,596 | 269,051 | 319,783 | 360,606 |
| | 1,748,080 | 1,723,914 | 1,793,769 | 4,807,819 | 5,216,289 | 5,368,759 |
| \$ | 37,600,379 | \$ 36,714,568 | \$ 35,582,954 | \$ 34,909,255 | \$ 33,989,735 | \$ 33,614,037 |
| \$ | 51,891,777 | \$ 53,326,076 | \$ 53,632,012 | \$ 53,745,675 | \$ 53,954,280 | \$ 54,207,452 |
| | - | - | - | - | - | - |
| | 2,399,424 | 2,304,582 | 2,813,046 | 3,347,722 | 3,979,414 | 4,747,092 |
| \$ | 54,291,201 | \$ 55,630,658 | \$ 56,445,058 | \$ 57,093,397 | \$ 57,933,694 | \$ 58,954,544 |
| \$ | 83,021,191 | \$ 85,634,533 | \$ 84,386,601 | \$ 83,578,060 | \$ 82,407,943 | \$ 82,092,124 |
| | 4,722,885 | 2,682,197 | 3,034,596 | 269,051 | 319,783 | 360,606 |
| | 4,147,504 | 4,028,496 | 4,606,815 | 8,155,541 | 9,195,703 | 10,115,851 |
| \$ | 91,891,580 | \$ 92,345,226 | \$ 92,028,012 | \$ 92,002,652 | \$ 91,923,429 | \$ 92,568,581 |

See accompanying Independent Auditor's Report.

**Town of Firestone
Changes in Net Position
Last Ten Years**

| | Fiscal Year | | | | | | | | | |
|--|--------------|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2004 | 2005 | 2006 ⁽¹⁾ | 2007 ⁽¹⁾ | 2008 ⁽¹⁾ | 2009 ⁽¹⁾ | 2010 ⁽¹⁾ | 2011 ⁽¹⁾ | 2012 ⁽¹⁾ | 2013 ⁽¹⁾ |
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General Government | \$ 812,740 | \$ 869,905 | \$ 997,530 | \$ 1,200,682 | \$ 1,154,780 | \$ 1,410,953 | \$ 1,156,785 | \$ 1,106,283 | \$ 1,322,245 | \$ 1,835,993 |
| Public Safety | 1,770,667 | 1,957,514 | 2,357,338 | 2,169,622 | 2,230,778 | 2,350,659 | 2,246,700 | 2,169,999 | 2,266,759 | 2,272,091 |
| Public Works | 419,351 | 427,030 | 2,105,134 | 2,186,471 | 2,308,808 | 2,563,019 | 2,588,250 | 2,450,275 | 2,445,606 | 2,554,525 |
| Health & Welfare | 33,905 | 58,585 | 73,744 | 74,408 | 86,964 | 103,002 | 95,917 | 95,010 | 96,785 | 174,160 |
| Economic Development | 48,877 | 3,092 | 14,389 | 11,561 | 13,844 | 15,298 | 18,905 | 70,334 | 65,143 | 72,636 |
| Parks & Recreation | 112,763 | 202,246 | 534,021 | 458,506 | 635,834 | 700,636 | 699,652 | 668,285 | 774,910 | 837,008 |
| Interest on long-term debt | 36,738 | 87,585 | 114,083 | 124,480 | 120,026 | 106,860 | 82,409 | 73,349 | 70,203 | 58,494 |
| Depreciation Unallocated | 1,447,343 | 1,604,975 | - | - | - | - | - | - | - | - |
| Total governmental activities expenses | 4,682,384 | 5,210,932 | 6,196,239 | 6,225,730 | 6,551,034 | 7,250,427 | 6,888,618 | 6,633,535 | 7,041,651 | 7,804,907 |
| Business-type activities: | | | | | | | | | | |
| Water | 982,389 | 1,108,066 | 1,247,776 | 1,531,947 | 1,756,601 | 1,698,657 | 1,857,559 | 2,018,304 | 2,125,436 | 2,079,861 |
| Stormwater | - | - | - | - | - | 13,013 | 48,000 | 16,502 | 29,637 | 63,537 |
| Total business-type activities expenses | 982,389 | 1,108,066 | 1,247,776 | 1,531,947 | 1,756,601 | 1,711,670 | 1,905,559 | 2,034,806 | 2,155,073 | 2,143,398 |
| Total primary government activities expenses | \$ 5,664,773 | \$ 6,318,998 | \$ 7,444,015 | \$ 7,757,677 | \$ 8,307,635 | \$ 8,962,097 | \$ 8,794,177 | \$ 8,668,341 | \$ 9,196,724 | \$ 9,948,305 |

⁽¹⁾ The Town allocated depreciation per GAAP/GASB requirements.

See accompanying Independent Auditor's Report.

**Town of Firestone
Changes in Net Position
Last Ten Years**

| | Fiscal Year | | | | | | | | | |
|---|--------------|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2004 | 2005 | 2006 ⁽¹⁾ | 2007 ⁽¹⁾ | 2008 ⁽¹⁾ | 2009 ⁽¹⁾ | 2010 ⁽¹⁾ | 2011 ⁽¹⁾ | 2012 ⁽¹⁾ | 2013 ⁽¹⁾ |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General Government | \$ 921,986 | \$ 1,115,731 | \$ 1,928 | \$ 21,709 | \$ 22,980 | \$ 30,887 | \$ 43,364 | \$ 77,340 | \$ 137,715 | \$ 437,671 |
| Public safety | - | - | 166,738 | 175,676 | 144,515 | 209,212 | 173,518 | 201,219 | 200,761 | 170,871 |
| Public works | 192,015 | 83,341 | 2,726,309 | 1,444,132 | 908,196 | 1,274,954 | 1,318,295 | 1,117,241 | 897,921 | 1,055,226 |
| Parks | - | - | 343,367 | 111,000 | 54,000 | 93,748 | 98,311 | 73,943 | 115,434 | - |
| Operating grants and contributions | 269,391 | - | - | 33,921 | 285,623 | 1,178,813 | 89,656 | 25,400 | - | 238,962 |
| Capital grants and contributions | - | - | - | - | - | - | - | - | - | - |
| General government | - | - | - | - | - | - | - | 7,500 | - | 51,500 |
| Public works | 1,012,019 | 729,117 | 2,761,373 | 841,171 | 792,282 | - | - | 105,660 | - | 105,660 |
| Parks | - | - | 312,611 | 849,089 | 744,750 | - | - | - | - | - |
| Total governmental activities program revenues | 2,395,411 | 1,928,189 | 6,312,326 | 3,476,698 | 2,952,346 | 2,787,613 | 1,723,144 | 1,608,303 | 1,351,831 | 2,059,890 |
| Business-type activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Water | 1,117,252 | 1,333,753 | 1,678,504 | 1,642,135 | 1,721,452 | 1,842,175 | 2,296,168 | 2,354,488 | 2,751,268 | 2,452,756 |
| Stormwater | - | - | - | - | - | 76,817 | 106,144 | 111,001 | 113,757 | 114,700 |
| Operating grants and contributions | - | - | - | - | - | 545,599 | 30,461 | 26,696 | 26,067 | 6,064 |
| Capital grants and contributions | 1,885,901 | 3,066,407 | 4,446,399 | 3,737,731 | 1,382,707 | 300,760 | 99,000 | 57,500 | 61,900 | 595,603 |
| Total business-type activities program revenues | 3,003,153 | 4,400,160 | 6,124,903 | 5,379,866 | 3,104,159 | 2,765,351 | 2,531,773 | 2,549,685 | 2,952,992 | 3,169,123 |
| Total primary government program revenues | \$ 5,398,564 | \$ 6,328,349 | \$ 12,437,229 | \$ 8,856,564 | \$ 6,056,505 | \$ 5,552,964 | \$ 4,254,917 | \$ 4,157,988 | \$ 4,304,823 | \$ 5,229,013 |
| Net (expense) revenue | | | | | | | | | | |
| Governmental activities | (2,286,973) | (3,282,743) | 116,087 | (2,749,032) | (3,598,688) | (4,462,813) | (5,165,474) | (5,025,232) | (5,689,820) | (5,745,017) |
| Business-type activities | 2,020,764 | 3,292,094 | 4,877,127 | 3,847,919 | 1,347,558 | 1,053,681 | 626,214 | 514,879 | 797,919 | 1,025,725 |
| Total primary government net expense | \$ (266,209) | \$ 9,351 | \$ 4,993,214 | \$ 1,098,887 | \$ (2,251,130) | \$ (3,409,132) | \$ (4,539,260) | \$ (4,510,353) | \$ (4,891,901) | \$ (4,719,292) |

⁽¹⁾ The Town allocated depreciation per GAAP/GASB requirements.

**Town of Firestone
Changes in Net Position
Last Ten Years**

General Revenues and Other Changes in Net Position

Governmental activities:

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Taxes | | | | | | | | | | |
| Property taxes - general | \$ 340,377 | \$ 430,108 | \$ 517,234 | \$ 600,200 | \$ 707,972 | \$ 731,651 | \$ 813,795 | \$ 720,123 | \$ 824,637 | \$ 892,840 |
| Property taxes - debt service | 66,315 | 69,272 | 69,975 | 69,600 | 67,958 | 70,490 | 72,265 | 75,271 | 74,090 | 79,607 |
| Property taxes - urban renewal | - | - | - | - | - | - | - | 15,562 | 20,170 | 31,910 |
| Specific ownership taxes | - | - | - | - | - | - | 55,890 | 57,189 | 71,475 | 64,770 |
| Sales & Use Tax | 1,472,821 | 1,952,157 | 1,990,320 | 2,092,775 | 2,308,510 | 2,097,477 | 2,301,440 | 2,518,329 | 2,683,817 | 2,973,413 |
| Hwy users, road & bridge, motor vehicle taxes | - | - | - | - | - | - | 454,967 | 467,408 | 469,955 | 485,282 |
| Franchise taxes | 255,614 | 324,072 | 286,774 | 298,572 | 338,077 | 339,903 | 343,974 | 338,780 | 380,273 | 396,128 |
| 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 | 42,695 | 10,635 | 14,705 | 15,411 | 7,362 |
| Other miscellaneous | 47,475 | 321,640 | 324,482 | 419,767 | 655,611 | 701,848 | 158,345 | 267,523 | 259,343 | 409,164 |
| Gain on Sale of Capital Assets | 89,562 | 412 | 8,000 | 406,541 | - | - | - | - | - | - |
| Transfers | - | - | - | - | (192,958) | (269,778) | (177,451) | (123,361) | (28,871) | 28,843 |
| Total governmental activities | 4,052,809 | 5,308,523 | 3,456,793 | 4,250,438 | 4,081,631 | 3,714,286 | 4,033,860 | 4,351,529 | 4,770,300 | 5,369,319 |
| Business-type activities | | | | | | | | | | |
| Investment earnings | 10,064 | 68,356 | 141,046 | 81,529 | 65,128 | 15,999 | 6,302 | 9,391 | 9,155 | 10,433 |
| Other miscellaneous | - | - | - | - | - | - | 4,433 | 708 | 4,352 | 13,535 |
| Transfers | - | - | - | - | 192,958 | 269,778 | 177,451 | 123,361 | 28,871 | (28,843) |
| Total business-type activities | 10,064 | 68,356 | 141,046 | 81,529 | 258,086 | 285,777 | 188,186 | 133,460 | 42,378 | (4,875) |
| Total primary government | \$ 4,062,873 | \$ 5,376,879 | \$ 3,597,839 | \$ 4,331,967 | \$ 4,339,717 | \$ 4,000,063 | \$ 4,222,046 | \$ 4,484,989 | \$ 4,812,678 | \$ 5,364,444 |
| Changes in Net Position | | | | | | | | | | |
| Governmental activities | \$ 1,765,836 | \$ 2,025,780 | \$ 3,572,880 | \$ 1,501,406 | \$ 482,943 | \$ (748,528) | \$ (1,131,614) | \$ (673,703) | \$ (919,520) | \$ (375,698) |
| Business-type activities | 2,030,828 | 3,360,450 | 5,018,173 | 3,929,448 | 1,605,644 | 1,339,458 | 814,400 | 648,339 | 840,297 | 1,020,850 |
| Total primary government | \$ 3,796,664 | \$ 5,386,230 | \$ 8,591,053 | \$ 5,430,854 | \$ 2,088,587 | \$ 590,930 | \$ (317,214) | \$ (25,364) | \$ (79,223) | \$ 645,152 |
| Special Item | | \$ (229,703) | | | | | | | | |
| | | <u>\$ 5,156,527</u> | | | | | | | | |

Source: Town of Firestone Finance Department

See accompanying Independent Auditor's Report.

**Town of Firestone
Fund Balances of Governmental Funds
Last Ten Years**

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | | | | | | | |
| Reserved | \$ 160,160 | \$ 251,830 | \$ 199,362 | \$ 217,630 | \$ 182,990 | \$ 255,431 | \$ 172,156 | \$ - | \$ - | \$ - |
| Unreserved | 479,821 | 605,977 | 936,462 | 1,081,552 | 933,910 | 676,957 | 849,368 | - | - | - |
| Nonspendable | - | - | - | - | - | - | - | 10,365 | 12,433 | 27,847 |
| Restricted | - | - | - | - | - | - | - | 125,132 | 174,175 | 207,290 |
| Assigned | - | - | - | - | - | - | - | 128,100 | 128,397 | 62,084 |
| Unassigned | - | - | - | - | - | - | - | 1,230,764 | 1,642,004 | 2,022,351 |
| Total general fund | \$ 639,981 | \$ 857,807 | \$ 1,135,824 | \$ 1,299,182 | \$ 1,116,900 | \$ 932,388 | \$ 1,021,524 | \$ 1,494,361 | \$ 1,957,009 | \$ 2,319,572 |
| All other governmental funds | | | | | | | | | | |
| Reserved | \$ 3,098,939 | \$ 3,857,775 | \$ 4,974,395 | \$ 4,444,152 | \$ 4,533,125 | \$ 2,426,766 | \$ 2,853,815 | \$ - | \$ - | \$ - |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | 207,400 | 494,558 | 605,645 | 1,748,934 | 882,638 | 1,003,948 | 1,027,279 | - | - | - |
| Nonspendable | - | - | - | - | - | - | - | - | 515 | - |
| Restricted | - | - | - | - | - | - | - | 143,919 | 145,608 | 153,316 |
| Committed | - | - | - | - | - | - | - | 2,082,265 | 2,236,855 | 1,984,022 |
| Assigned | - | - | - | - | - | - | - | 1,433,810 | 1,310,650 | 1,402,256 |
| Total of all other governmental funds | \$ 3,306,339 | \$ 4,352,333 | \$ 5,580,040 | \$ 6,193,086 | \$ 5,415,763 | \$ 3,430,714 | \$ 3,881,094 | \$ 3,659,994 | \$ 3,693,628 | \$ 3,539,594 |

Source: Town of Firestone Finance Department

See accompanying Independent Auditor's Report.

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

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|--------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|
| Revenues | | | | | | | | | | |
| Taxes and Impact Fees | \$ 3,810,107 | \$ 4,637,183 | \$ 4,390,097 | \$ 3,164,965 | \$ 3,576,498 | \$ 4,748,305 | \$ 5,030,226 | \$ 5,108,891 | \$ 5,287,922 | \$ 6,066,305 |
| Licenses and permits | 868,093 | 996,593 | 859,251 | 594,967 | 362,823 | 369,179 | 397,676 | 348,704 | 311,574 | 437,671 |
| Intergovernmental | 289,176 | 470,411 | 461,473 | 657,631 | 576,069 | 1,191,114 | 99,199 | 108,118 | 86,319 | 238,962 |
| Charges for services | 169,789 | 83,341 | 234,317 | 981,874 | 613,685 | 111,773 | 114,445 | 117,303 | 138,125 | 143,044 |
| Fines | 67,606 | 124,988 | 166,738 | 175,676 | 144,515 | 199,991 | 170,647 | 159,002 | 164,833 | 170,871 |
| Investment earnings | 72,167 | 165,340 | 260,008 | 362,983 | 198,904 | 42,695 | 10,635 | 14,705 | 15,411 | 7,362 |
| Miscellaneous | 1,081,720 | 758,442 | 3,252,617 | 772,562 | 217,409 | 101,144 | 103,989 | 107,848 | 146,815 | 178,991 |
| Total revenues | 6,358,658 | 7,236,298 | 9,624,501 | 6,710,658 | 5,689,903 | 6,764,201 | 5,926,817 | 5,964,571 | 6,150,999 | 7,243,206 |
| Expenditures | | | | | | | | | | |
| General government | 794,555 | 869,960 | 945,495 | 1,110,438 | 1,136,935 | 1,430,492 | 1,176,268 | 1,059,884 | 1,299,466 | 1,745,644 |
| Public safety | 1,770,667 | 1,957,514 | 2,089,142 | 2,053,556 | 2,123,736 | 2,153,198 | 2,164,212 | 2,107,193 | 2,174,095 | 2,190,954 |
| Public works | 419,351 | 427,030 | 699,887 | 807,155 | 695,554 | 801,422 | 847,105 | 688,699 | 687,029 | 725,448 |
| Health & Welfare | 33,905 | 58,585 | 73,744 | 74,408 | 310,137 | 368,531 | 95,917 | 95,010 | 96,785 | 174,160 |
| Economic Development | 48,877 | 3,092 | 14,389 | 11,561 | 86,964 | 36,121 | 18,905 | 70,334 | 65,143 | 72,636 |
| Parks and Open Space | 112,763 | 202,246 | 346,286 | 261,401 | 13,844 | 82,178 | 366,645 | 317,802 | 408,546 | 467,477 |
| Capital Outlay | 3,386,376 | 4,199,591 | 3,934,894 | 1,904,188 | 1,484,456 | 3,496,310 | 291,454 | 671,586 | 657,101 | 1,375,169 |
| Debt service | | | | | | | | | | |
| Interest | 33,601 | 85,029 | 113,598 | 120,130 | 337,526 | 111,070 | 392,391 | 78,720 | 419,743 | 61,608 |
| Principal | 142,672 | 161,931 | 126,148 | 242,369 | 267,399 | 375,959 | 85,083 | 500,245 | 69,827 | 250,424 |
| Total expenditures | 6,742,767 | 7,964,978 | 8,343,583 | 6,585,206 | 6,456,551 | 8,855,281 | 5,437,980 | 5,589,473 | 5,877,735 | 7,063,520 |
| Excess of revenues over (under) expenditures | (384,109) | (728,680) | 1,280,918 | 125,452 | (766,648) | (2,091,080) | 488,837 | 375,098 | 273,264 | 179,686 |
| Other financing sources (uses) | | | | | | | | | | |
| Proceeds from capital lease | 177,781 | 1,985,000 | 216,806 | 289,470 | - | 73,788 | 43,176 | - | 251,889 | - |
| Proceeds from sale of capital assets | 89,562 | 7,500 | 8,000 | 435,172 | - | 13,174 | 18,992 | - | - | - |
| Operating transfers in | 1,145,795 | 2,057,151 | 568,055 | 2,429,081 | 686,541 | 2,595,513 | 505,906 | 969,108 | 599,577 | 1,343,895 |
| Operating transfers out | (1,145,795) | (2,057,151) | (568,055) | (2,502,771) | (879,499) | (3,031,253) | (683,357) | (1,092,469) | (628,448) | (1,315,052) |
| Total other financing sources (uses) | 267,343 | 1,992,500 | 224,806 | 650,952 | (192,958) | (348,778) | (115,283) | (123,361) | 223,018 | 28,843 |
| Net changes in fund balance | \$ (116,766) | \$ 1,263,820 | \$ 1,505,724 | \$ 776,404 | \$ (959,606) | \$ (2,439,858) | \$ 373,554 | \$ 251,737 | \$ 496,282 | \$ 208,529 |
| Debt service as a percentage of noncapital expenditures | 5.25% | 6.56% | 5.44% | 7.74% | 12.17% | 9.09% | 9.28% | 11.77% | 9.38% | 5.49% |

Source: Town of Firestone Finance Department

See accompanying Independent Auditor's Report.

**Town of Firestone
General Governmental Tax Revenues By Source
Last Ten Years**

| Year | Specific | | | | | | | Total |
|------|--------------|---------------|---------------|-----------------|---------------|---------------|-----------|--------------|
| | Property Tax | Franchise Tax | Ownership Tax | Sales & Use Tax | Severance Tax | Cigarette Tax | Other | |
| 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 | 2,308,510 | 27,484 | 14,116 | 35,374 | 3,564,681 |
| 2009 | 802,141 | 339,903 | 64,239 | 2,097,477 | 100,311 | 15,512 | 297,052 | 3,716,635 |
| 2010 | 886,060 | 343,974 | 55,890 | 2,301,440 | 30,009 | 17,135 | 407,823 | 4,042,331 |
| 2011 | 810,956 | 338,780 | 57,189 | 2,518,329 | 119,510 | 16,866 | 331,032 | 4,192,662 |
| 2012 | 918,897 | 380,273 | 71,475 | 2,683,817 | 163,361 | 15,683 | 290,911 | 4,524,417 |
| 2013 | 1,004,357 | 396,128 | 64,770 | 2,973,413 | 157,655 | 15,382 | 542,418 | 5,154,123 |

Source: Town of Firestone Finance Department

See accompanying Independent Auditor's Report.

**Town of Firestone
Sales Tax Trends
Last Ten Years**

| Sales Tax Trends by Category (based on month distributed to the Town) | | | | | | | | | | | |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Ten Year Change |
| Motor Vehicle Taxes | \$ 314,081 | \$ 344,524 | \$ 334,852 | \$ 406,068 | \$ 386,064 | \$ 321,078 | \$ 357,742 | \$ 387,137 | \$ 465,971 | \$ 482,771 | \$ 168,690 |
| Hotel/Motels | 13,625 | 13,934 | 15,671 | 18,712 | 17,136 | 21,026 | 21,148 | 43,089 | 58,818 | 75,068 | 61,443 |
| Restaurants | 93,580 | 132,577 | 167,167 | 219,181 | 231,424 | 234,598 | 224,575 | 300,907 | 314,609 | 337,268 | 243,688 |
| Retail - Grocery | 109,286 | 156,896 | 167,114 | 184,639 | 194,180 | 193,522 | 218,648 | 228,005 | 242,623 | 269,046 | 159,760 |
| Retail - Other | 64,459 | 139,632 | 227,121 | 444,138 | 419,858 | 422,475 | 471,706 | 496,001 | 485,988 | 516,102 | 451,644 |
| Bars/Liquor Stores | 36,095 | 54,967 | 62,758 | 59,547 | 57,872 | 60,413 | 48,599 | 46,043 | 72,168 | 70,579 | 34,484 |
| Other | 43,906 | 36,903 | 39,607 | 43,458 | 27,086 | 29,591 | 50,620 | 33,044 | 38,958 | 42,593 | (1,313) |
| Services | 14,129 | 23,163 | 15,646 | 16,030 | 41,039 | 3,788 | 35,431 | 52,892 | 57,375 | 35,848 | 21,719 |
| Banking & Financial | 4,090 | 2,805 | 3,691 | 2,442 | 3,641 | 287,696 | 3,857 | 3,623 | 5,162 | 23,949 | 19,859 |
| Utilities & Communications | 140,640 | 171,528 | 230,405 | 237,002 | 296,026 | 23,131 | 282,124 | 317,038 | 321,785 | 357,889 | 217,248 |
| Developer Reimbursement Obligation ⁽¹⁾ | | | | | 410,064 | 245,330 | 364,449 | 442,804 | 459,034 | 483,325 | 483,325 |
| TOTAL | \$ 835,696 | \$ 1,078,934 | \$ 1,266,038 | \$ 1,633,224 | \$ 2,086,398 | \$ 1,844,658 | \$ 2,080,908 | \$ 2,352,592 | \$ 2,524,504 | \$ 2,696,451 | \$ 1,860,546 |

⁽¹⁾Pledged revenues from sales tax for PIRA and RIFA agreements starting in 2008.

See accompanying Independent Auditor's Report.

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

Firestone

| Year ⁽¹⁾ | Residential | Commercial | Industrial | Agricultural | Oil & Gas | Vacant | Other |
|---------------------|-------------|------------|------------|--------------|------------|------------|-----------|
| | Property | Property | Property | Property | Property | Land | |
| 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 |
| 2009 | 51,011,620 | 34,465,300 | 3,161,300 | 240,660 | 32,362,330 | 9,686,070 | 1,715,250 |
| 2010 | 52,952,710 | 33,976,600 | 3,048,150 | 298,360 | 16,447,950 | 8,879,080 | 1,257,870 |
| 2011 | 55,888,650 | 32,207,030 | 2,881,190 | 363,320 | 32,865,700 | 6,997,120 | 1,103,910 |
| 2012 | 57,283,090 | 34,718,800 | 3,627,570 | 466,950 | 39,194,150 | 6,309,850 | 1,206,760 |
| 2013 | 56,630,930 | 36,827,340 | 3,838,980 | 526,100 | 31,052,063 | 5,345,770 | 1,414,580 |

| Year ⁽¹⁾ | Less: | | | Grand Total | Assessed Value as a Percentage of Actual Value ⁽²⁾ |
|---------------------|--------------------------|------------------------------|-----------------------|-------------|---|
| | Tax Exempt Real Property | Total Taxable Assessed Value | Total Direct Tax Rate | | |
| 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% |
| 2009 | 2,402,890 | 132,642,530 | 6.805 | 857,705,156 | 15.74% |
| 2010 | 4,646,970 | 116,860,720 | 6.805 | 865,276,097 | 14.04% |
| 2011 | 4,578,130 | 132,306,920 | 6.805 | 908,144,710 | 15.07% |
| 2012 | 11,135,130 | 142,807,170 | 6.805 | 967,639,313 | 15.91% |
| 2013 | 10,905,230 | 135,635,763 | 6.805 | 953,953,862 | 15.36% |

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

See accompanying Independent Auditor's Report.

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

| | | Weld County ⁽²⁾ | | | | | | | | | | | | | | | |
|-------------------------|-------------------|----------------------------|----------------------|--------------------------|--------------------------|---------------|--------------------------|-----------------------------|-----------------------|----------------|----------|----------------|----------|----------------|----------|------------------|----------|
| | | Frederick | | | Mountain View | | | N. Colo. Water Conservation | | Hills Metro #1 | | Hills Metro #2 | | Hills Metro #3 | | The Greens Metro | |
| Year | Town of Firestone | Weld County | RE1J School District | Fire Protection District | Fire Protection District | View District | Fire Protection District | Conservation District | Conservation District | District | District | District | District | District | District | District | District |
| Rates (In mills) | | | | | | | | | | | | | | | | | |
| 2004 | 7.209 | 19.957 | 40.089 | 9.560 | 8.107 | 1.000 | 1.000 | 1.000 | - | - | - | - | - | - | - | - | - |
| 2005 | 7.049 | 17.900 | 39.982 | 9.560 | 8.037 | 1.000 | 1.000 | 1.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.190 |
| 2006 | 6.929 | 16.804 | 38.035 | 13.360 | 7.977 | 1.000 | 1.000 | 1.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.190 |
| 2007 | 6.805 | 16.804 | 37.798 | 12.770 | 7.817 | 1.000 | 1.000 | 1.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.000 | 40.190 |
| 2008 | 6.805 | 16.804 | 46.285 | 12.526 | 11.747 | 1.000 | 1.000 | 1.000 | - | - | - | - | - | - | - | - | 40.190 |
| 2009 | 6.805 | 16.804 | 46.268 | 12.401 | 11.747 | 1.000 | 1.000 | 1.000 | - | - | - | - | - | - | - | - | - |
| 2010 | 6.805 | 16.804 | 46.268 | 12.401 | 11.747 | 1.000 | 1.000 | 1.000 | - | - | - | - | - | - | - | - | - |
| 2011 | 6.805 | 16.804 | 47.614 | 12.264 | 11.747 | 1.000 | 1.000 | 1.000 | - | - | - | - | - | - | - | - | - |
| 2012 | 6.805 | 16.804 | 53.500 | 12.197 | 11.747 | 1.000 | 1.000 | 1.000 | - | - | - | - | - | - | - | - | 45.000 |
| 2013 | 6.805 | 16.804 | 53.679 | 12.277 | 11.747 | 1.000 | 1.000 | 1.000 | - | - | - | - | - | - | - | - | 50.000 |
| Lew | | | | | | | | | | | | | | | | | |
| 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 | - | - | - | - | - | - | - |
| 2009 | 902,632 | 96,972,420 | 36,441,473 | 4,025,507 | 6,115,352 | 4,203,631 | - | - | - | - | - | - | - | - | - | - | - |
| 2010 | 794,109 | 78,999,116 | 35,375,547 | 3,905,196 | 5,838,491 | 3,503,408 | - | - | - | - | - | - | - | - | - | - | - |
| 2011 | 900,349 | 91,108,983 | 40,102,826 | 4,247,291 | 6,544,045 | 3,908,165 | - | - | - | - | - | - | - | - | - | - | - |
| 2012 | 971,803 | 109,452,573 | 49,869,514 | 4,585,839 | 7,402,993 | 4,450,703 | - | - | - | 10,998 | - | - | - | - | - | - | - |
| 2013 | 923,001 | 119,624,895 | 48,706,721 | 4,226,871 | 7,291,077 | 4,418,338 | - | - | - | 10,661 | - | - | - | - | - | - | - |

See accompanying Independent Auditor's Report.

**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⁾ | | St. Vrain Sanitation District | | Tri-Area Ambulance Special District ⁽³⁾ | | Carbon Valley Recreation District | | High Plains Library District ⁽⁵⁾ | |
|------|----------------------------|--------|----------------------------------|--------|----------------------------------|--------|---------------------------|--------|-----------------------------|--------|------------------------------------|-------|-------------------------------|-------|--|-------|-----------------------------------|-------|---|-------|
| | District | | Metro Dist | | Metro Dist | | District | | Metro Dist | | Sanitation ⁽³⁾ | | District | | District ⁽³⁾ | | District | | District ⁽⁵⁾ | |
| 2004 | - | - | - | - | - | - | - | - | - | - | 0.118 | 4.401 | 6.543 | 4.401 | 6.657 | 6.657 | 6.657 | 6.657 | 3.249 | 3.249 |
| 2005 | - | 5,000 | 5,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | - | - | 0.117 | 3,918 | 3,250 | 3,918 | 6,657 | 6,657 | 6,657 | 6,657 | 3,281 | 3,281 |
| 2006 | 42,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | - | - | - | 3,210 | - | 3,210 | 6,657 | 6,657 | 6,657 | 6,657 | 3,261 | 3,261 |
| 2007 | 42,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 45,000 | 45,000 | - | 2,686 | - | 2,686 | 6,657 | 6,657 | 6,657 | 6,657 | 3,253 | 3,253 |
| 2008 | 42,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 45,000 | 45,000 | - | 0.806 | - | 0.806 | 6,657 | 6,657 | 6,657 | 6,657 | 3,260 | 3,260 |
| 2009 | 42,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 45,000 | 45,000 | - | 0.737 | - | 0.737 | 6,657 | 6,657 | 6,657 | 6,657 | 3,255 | 3,255 |
| 2010 | 42,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 45,000 | 45,000 | - | 0.720 | - | 0.720 | 6,657 | 6,657 | 6,657 | 6,657 | 3,255 | 3,255 |
| 2011 | 42,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 45,000 | 45,000 | - | 0.682 | - | 0.682 | 6,657 | 6,657 | 6,657 | 6,657 | 3,271 | 3,271 |
| 2012 | 42,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 45,000 | 45,000 | - | 0.682 | - | 0.682 | 6,657 | 6,657 | 6,657 | 6,657 | 3,261 | 3,261 |
| 2013 | 42,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 45,000 | 45,000 | - | 0.680 | - | 0.680 | 6,657 | 6,657 | 6,657 | 6,657 | 3,264 | 3,264 |

Levy

| | | | | | | | | | | | | | | | |
|------|--------|--------|--------|-------|-------|-------|-------|-------|--------|--------|-------|---------|-----------|-----------|------------|
| 2004 | - | - | - | - | - | - | - | - | - | - | 5,094 | 652,837 | 1,074,342 | 1,176,502 | 8,618,092 |
| 2005 | - | 78 | 78 | 3,987 | 3,987 | 3,987 | 3,987 | 3,987 | - | - | 5,562 | 682,260 | 611,522 | 1,356,335 | 10,591,984 |
| 2006 | 564 | 9,678 | 9,678 | 3,476 | 3,476 | 3,476 | 3,476 | 3,476 | 28,044 | 28,044 | - | 698,882 | - | 1,561,222 | 12,141,237 |
| 2007 | 561 | 9,866 | 9,866 | 3,476 | 3,476 | 3,476 | 3,476 | 3,476 | 27,933 | 27,933 | - | 739,139 | - | 1,771,833 | 12,738,340 |
| 2008 | 5,770 | 16,168 | 16,168 | 1,575 | 1,575 | 1,575 | 1,575 | 1,575 | 20,849 | 20,849 | - | 312,351 | - | 1,801,510 | 13,028,371 |
| 2009 | 52,188 | 20,123 | 20,123 | 2,326 | 2,326 | 2,326 | 2,326 | 2,326 | 38,992 | 38,992 | - | 322,948 | - | 1,994,957 | 16,628,403 |
| 2010 | 64,476 | 10,723 | 10,723 | 1,594 | 1,594 | 1,594 | 1,594 | 1,594 | 37,829 | 37,829 | - | 324,544 | - | 2,017,502 | 13,310,811 |
| 2011 | 48,718 | 16,046 | 16,046 | 1,764 | 1,764 | 1,764 | 1,764 | 1,764 | 37,813 | 37,813 | - | 346,249 | - | 2,489,088 | 15,748,036 |
| 2012 | 42,752 | 15,826 | 15,826 | 1,404 | 1,404 | 1,404 | 1,404 | 1,404 | 14,470 | 14,470 | - | 370,878 | - | 2,757,648 | 19,077,319 |
| 2013 | 45,866 | 14,788 | 14,788 | 1,172 | 1,172 | 1,172 | 1,172 | 1,172 | - | - | - | 338,142 | - | 2,601,313 | 21,087,951 |

⁽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.

See accompanying Independent Auditor's Report.

**Town of Firestone
Principal Taxpayers
December 31, 2013**

| Taxpayer | Town of Firestone ⁽¹⁾ | | | Town of Firestone ⁽¹⁾ | | | Town of | |
|------------------------------------|----------------------------------|------|---------------------------|----------------------------------|------|---------------------------|----------------------|------|
| | Assessed Value | Rank | % of Total Assessed Value | Assessed Value | Rank | % of Total Assessed Value | Assessed Value | Rank |
| | 2013 | | | 2012 | | | 2011 | |
| Principal Taxpayers | | | | | | | | |
| Kerr-McGee Oil & Gas Onshore LP | \$ 13,887,490 | 1 | 1.46% | \$ 19,270,370 | 1 | 1.99% | \$ 13,634,890 | 1 |
| American Furniture Warehouse | 8,969,660 | 2 | 0.94% | 7,139,730 | 3 | 0.74% | 7,259,000 | 4 |
| Encana Oil & Gas (USA) Inc | 8,262,352 | 3 | 0.87% | 11,251,750 | 2 | 1.16% | 9,134,110 | 2 |
| Noble Energy | 3,121,404 | 4 | 0.33% | 5,282,340 | 4 | 0.55% | 7,957,760 | 3 |
| Top Operating Company | 2,719,827 | 5 | 0.29% | | | | | |
| Flatiron Constructors Inc. | 2,679,380 | 6 | 0.28% | 3,109,300 | 5 | 0.32% | | |
| Advance Forming Technology | 2,218,510 | 7 | 0.23% | 1,950,070 | 8 | 0.20% | 1,843,930 | 7 |
| Home Depot | 2,022,000 | 8 | 0.21% | 2,069,680 | 6 | 0.21% | 2,069,680 | 5 |
| Dillon Companies Inc | 1,900,190 | 9 | 0.20% | 2,015,450 | 7 | 0.21% | 2,015,450 | 6 |
| Sundance Energy | 1,711,990 | 10 | 0.18% | | | | | |
| High Plains Marketplace LLC | | | | 1,781,700 | 9 | 0.18% | 1,781,700 | 8 |
| Safeway Stores 45 Inc | | | | | | | 1,319,240 | 10 |
| Firestone Development LLC | | | | 1,512,230 | 10 | 0.16% | 1,413,050 | 9 |
| Petroleum Development Corp. | | | | | | | | |
| Public Service Company of Colorado | | | | | | | | |
| Kerr McGee Gathering LLC | | | | | | | | |
| Merit Energy | | | | | | | | |
| DCP Midstream LP | | | | | | | | |
| EOG Resources Inc. | | | | | | | | |
| Vestas Blades America Inc. | | | | | | | | |
| Colorado Interstate Gas Co. | | | | | | | | |
| Kerr-McGee Rocky Mountain Corp. | | | | | | | | |
| Patina Oil & Gas Corporation | | | | | | | | |
| Eastman Kodak Company | | | | | | | | |
| Duke Energy Field Services | | | | | | | | |
| Thermo Cogeneration | | | | | | | | |
| Qwest Corp KFA US West | | | | | | | | |
| | <u>\$ 47,492,803</u> | | <u>4.98%</u> | <u>\$ 55,382,620</u> | | <u>5.72%</u> | <u>\$ 48,428,810</u> | |

Sources: Weld County Assessor's Office

⁽¹⁾Town of Firestone information not available from 2000 to 2007

⁽²⁾This is the latest information available for the County.

See accompanying Independent Auditor's Report.

| Firestone ⁽¹⁾ | | | Town of Firestone ⁽¹⁾ | | | Weld County ⁽²⁾ | | | | | |
|---------------------------|----------------------|------|----------------------------------|-------------------------|------|----------------------------------|-----------------------|------|----------------------------------|----------------|------|
| 2010 | | | 2010 | | | 2012 | | | 2003 | | |
| % of Total Assessed Value | Assessed Value | Rank | % of Total Assessed Value | Assessed Value | Rank | % of Total County Assessed Value | Assessed Value | Rank | % of Total County Assessed Value | Assessed Value | Rank |
| 1.50% | \$ 4,132,240 | 3 | 0.48% | \$ 1,014,003,300 | 2 | 21.57% | | | | | |
| 0.80% | 8,206,440 | 1 | 0.95% | | | | | | | | |
| 1.01% | 7,550,890 | 2 | 0.87% | 205,684,190 | 5 | 4.38% | 37,432,100 | 4 | 1.51% | | |
| 0.88% | 3,475,880 | 4 | 0.40% | 1,337,193,180 | 1 | 28.44% | | | | | |
| 0.20% | 1,924,860 | 7 | 0.22% | | | | | | | | |
| 0.23% | 2,041,380 | 6 | 0.24% | | | | | | | | |
| 0.22% | 2,114,480 | 5 | 0.24% | | | | | | | | |
| 0.20% | 1,783,920 | 8 | 0.21% | | | | | | | | |
| 0.15% | 1,471,500 | 9 | 0.17% | | | | | | | | |
| 0.16% | 1,313,120 | 10 | 0.15% | | | | | | | | |
| | | | | 241,624,500 | 3 | 5.14% | | | | | |
| | | | | 207,498,900 | 4 | 4.41% | 106,284,500 | 3 | 4.27% | | |
| | | | | 80,051,600 | 9 | 1.70% | 3,164,600 | 7 | 1.27% | | |
| | | | | | | | 32,598,960 | 6 | 1.31% | | |
| | | | | 154,354,480 | 6 | 3.28% | | | | | |
| | | | | 138,522,790 | 7 | 2.95% | | | | | |
| | | | | 83,657,130 | 8 | 1.78% | | | | | |
| | | | | 44,790,900 | 10 | 0.95% | | | | | |
| | | | | | | | 185,549,500 | 1 | 7.46% | | |
| | | | | | | | 161,491,590 | 2 | 6.49% | | |
| | | | | | | | 35,998,520 | 5 | 1.45% | | |
| | | | | | | | 29,704,220 | 8 | 1.19% | | |
| | | | | | | | 26,309,600 | 9 | 1.06% | | |
| | | | | | | | 24,827,700 | 10 | 1.00% | | |
| <u>5.33%</u> | <u>\$ 34,014,710</u> | | <u>3.93%</u> | <u>\$ 3,507,380,970</u> | | <u>74.60%</u> | <u>\$ 643,361,290</u> | | <u>27.01%</u> | | |

**Town of Firestone
Property Tax Levies and Collections
Last Ten Years**

| Levy Year | Collection Year | Total Tax Levy ⁽¹⁾⁽²⁾ | Current Tax Collections | Percent of Levy Collected | Delinquent Tax Collections | Total Tax Collection ⁽³⁾ | Collections As a Percent of Tax Levy |
|-----------|-----------------|----------------------------------|-------------------------|---------------------------|----------------------------|-------------------------------------|--------------------------------------|
| 2004 | 2005 | 495,838 | 499,380 | 100.71 | ⁽⁴⁾ | 499,380 | 100.71 |
| 2005 | 2006 | 583,960 | 587,200 | 100.55 | 283 | 587,483 | 100.60 |
| 2006 | 2007 | 669,431 | 667,785 | 99.75 | 125 | 667,910 | 99.77 |
| 2007 | 2008 | 797,602 | 775,686 | 97.25 | 676 | 776,362 | 97.34 |
| 2008 | 2009 | 804,405 | 801,808 | 99.68 | 18 | 801,826 | 99.68 |
| 2009 | 2010 | 902,633 | 885,585 | 98.11 | 512 | 886,097 | 98.17 |
| 2010 | 2011 | 794,109 | 794,415 | 100.04 | 1,105 | 795,520 | 100.18 |
| 2011 | 2012 | 898,148 | 897,551 | 99.93 | 334 | 897,885 | 99.97 |
| 2012 | 2013 | 968,422 | 964,774 | 99.62 | 859 | 965,633 | 99.71 |
| 2013 | 2014 | 920,005 | ⁽⁴⁾ | - | ⁽⁴⁾ | ⁽⁴⁾ | - |

⁽¹⁾Collection year follows levy year

⁽²⁾Weld County Assessor's Office

⁽³⁾Audited Financial Statements

⁽⁴⁾Information unavailable

See accompanying Independent Auditor's Report.

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 | Developer Reimbursement Obligation | Water Loans | Capital Leases | Developer Reimbursement Obligation | | Percentage of Personal Income | Per Capita |
| 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 | 37.25% | \$ 281 |
| 2009 | 260,000 | 1,775,000 | 221,009 | 556,324 | - | 23,891 | 462,444 | 3,298,668 | 46.67% | \$ 362 |
| 2010 | 200,000 | 1,700,000 | 147,022 | 417,050 | - | 27,892 | 297,266 | 2,789,230 | 40.27% | \$ 275 |
| 2011 | 135,000 | 1,620,000 | 47,476 | 158,521 | - | 16,052 | 112,991 | 2,090,040 | 30.18% | \$ 188 |
| 2012 | 70,000 | 1,535,000 | 190,966 | - | - | 34,740 | - | 1,830,706 | 23.61% | \$ 180 |
| 2013 | - | 1,445,000 | 100,542 | - | - | 15,782 | - | 1,561,324 | 18.70% | \$ 148 |

Note: Details regarding the town's outstanding debt can be found in the notes to the financial statements.

See accompanying Independent Auditor's Report.

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 |
|------|---------------------------|---|------------------------------------|---|--------------------------------|
| 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 |
| 2009 | 9,100 | 857,705,156 | 260,000 | 3.03% | 29 |
| 2010 | 10,147 | 865,276,097 | 200,000 | 2.31% | 20 |
| 2011 | 11,096 | 908,144,710 | 135,000 | 1.49% | 12 |
| 2012 | 10,147 | 967,639,313 | 70,000 | 0.72% | 7 |
| 2013 | 10,555 | 953,953,862 | - | 0.00% | - |

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.

See accompanying Independent Auditor's Report.

Town of Firestone
Direct and Overlapping General Bonded Debt
December 31, 2013

| | Outstanding General Obligation Bonded Debt ⁽¹⁾ | Percentage Applicable to the Town ⁽²⁾ | Share of Debt Applicable to the Town |
|--|--|---|---|
| Direct Debt | | | |
| Town of Firestone | \$ 1,545,542 | 100% | \$ 1,545,542 |
| Total Direct Debt | <u>1,545,542</u> | | <u>1,545,542</u> |
| Overlapping General Obligation Debt | | | |
| Frederick-Firestone Fire Protection District | \$ 2,475,000 | 43% | \$ 1,054,103 |
| Mountain View Fire Protection District ⁽³⁾ | - | 24% | - |
| Northern Colorado Water Conservation District ⁽³⁾ | - | 3% | - |
| St Vrain Sanitation District | - | 27% | - |
| Carbon Valley Recreation District | 5,612,151 | 39% | 2,164,026 |
| St Vrain Valley School District | 425,725,000 | 5% | 20,709,644 |
| Stoneridge Metropolitan District (a portion of the Town) | | 5% | - |
| Total Overlapping General Bonded Debt | <u>433,812,151</u> | | <u>23,927,772</u> |
| Total Direct and Overlapping General Bonded Debt | <u>\$ 435,357,693</u> | | <u>\$ 25,473,314</u> |

⁽¹⁾ Provided by each government entity

⁽²⁾ The following governments had no outstanding general obligation bonded debt as of December 31, 2013 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, 2013. 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.

See accompanying Independent Auditor's Report.

Town of Firestone
Pledged Revenue - Developer Reimbursement Obligations
December 31, 2013

| Fiscal Year | Sales Tax Collected | | Assets Dedicated | | Debt Service Payments | |
|----------------|---------------------|---------------|------------------|--------------------|-----------------------|--------------------|
| | PIRA 1.25% | RIFA 0.25% | General Fund | Enterprise Fund | General Fund | Enterprise Fund |
| 2006 | 35,718 | - | 149,224 | 512,825 | 8,051 | 27,667 |
| 2007 | 183,734 | - | 693,129 | - | 114,206 | 69,528 |
| 2008 | 190,613 | - | - | 235,831 | 94,850 | 95,763 |
| 2009 | 228,931 | 16,399 | - | 83,155 | 68,921 | 176,409 |
| 2010 | 303,707 | 60,742 | - | 59,997 | 139,274 | 225,175 |
| 2011 | 369,003 | 73,801 | - | - | 258,530 | 184,275 |
| 2012 | 382,529 | 76,506 | - | - | 158,521 | 112,991 |
| 2013 | 402,771 | 80,554 | - | - | - | - |

See accompanying Independent Auditor's Report.

Town of Firestone
 Legal Debt Margin Information
 Last Ten Years

| | 2004 | 2005 | 2006 | 2007 |
|---|---------------|---------------|---------------|---------------|
| Debt limit - 3% of Actual Valuation | \$ 16,447,564 | \$ 19,007,898 | \$ 21,442,658 | \$ 25,066,357 |
| Total net debt applicable to limit | 500,000 | 460,000 | 415,000 | 365,000 |
| Legal debt margin | \$ 15,947,564 | \$ 18,547,898 | \$ 21,027,658 | \$ 24,701,357 |
| Total net debt applicable to the limit as a percentage of debt limit | 3.04% | 2.42% | 1.94% | 1.46% |

Source: Town of Firestone Finance Department

See accompanying Independent Auditor's Report.

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|----|------------|---------------|---------------|---------------|---------------|---------------|
| \$ | 25,757,260 | \$ 25,731,155 | \$ 25,958,283 | \$ 27,244,341 | \$ 29,029,179 | \$ 28,618,616 |
| | 315,000 | 260,000 | 200,000 | 135,000 | 70,000 | - |
| \$ | 25,442,260 | \$ 25,471,155 | \$ 25,758,283 | \$ 27,109,341 | \$ 28,959,179 | \$ 28,618,616 |
| | 1.22% | 1.01% | 0.77% | 0.50% | 0.24% | 0.00% |

See accompanying Independent Auditor's Report.

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 ⁽⁵⁾ | Unemploy- ment Rate ⁽²⁾ |
| 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 | 6,780,196 ⁽⁴⁾ | 27,238 | 31.1 | 24,750 | 6.3 |
| 2009 | 9,100 | 7,067,989 ⁽⁴⁾ | 25,516 ⁽⁴⁾ | 31.1 | 25,270 | 8.6 |
| 2010 | 10,147 | 6,926,000 | 27,186 | 31.1 | 26,724 | 10.0 |
| 2011 | 11,096 | 6,925,906 | 27,186 | 32.0 | 28,109 | 7.8 |
| 2012 | 10,147 | 7,755,562 | 29,986 | 33.6 | 28,109 | 9.3 |
| 2013 | 10,555 | 8,347,637 | 29,986 | 33.7 | 29,382 | 8.7 |

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⁾ From Bureau of Economic Analysis
⁽⁵⁾ From St Vrain Valley School District

See accompanying Independent Auditor's Report.

**Town of Firestone
Principal Employers
Current Year and Ten Years Ago**

| Employer | 2013 | | | | 2004 ⁽¹⁾ | | |
|-----------------------------------|--------------|------|--------------------|-------------------------------------|---------------------|------|-------------------------------------|
| | Employees | Rank | Type of Business | Percentage of Total Town Employment | Employees | Rank | Percentage of Total Town Employment |
| St. Vrain School District | 166 | 1 | Government | 6.64% | - | | |
| Flatiron | 160 | 2 | Construction | 6.40% | - | | |
| King Soopers Store - Firestone | 134 | 3 | Grocery | 5.36% | | | |
| Advanced Forming Technologies | 104 | 4 | Manufacturing Home | 4.16% | - | | |
| Home Depot | 99 | 5 | Improvement | 3.96% | - | | |
| Safeway Store - Firestone | 96 | 6 | Grocery | 3.84% | - | | |
| American Furniture Warehouse | 73 | 7 | Retail | 2.92% | - | | |
| St. Vrain Sanitation District | 47 | 8 | Government | 1.88% | - | | |
| Town of Firestone | 45 | 9 | Government | 1.80% | - | | |
| Ehrlich I-25 KIA | 41 | 10 | Auto Dealership | 1.64% | - | | |
| Comfort Suites | 30 | 11 | Hospitality | 1.20% | - | | |
| Good Times | 28 | 12 | Fast Food | 1.12% | - | | |
| Saddleback Golf Club | 26 | 13 | Recreation | 1.04% | - | | |
| Domino's Pizza | 24 | 14 | Fast Food | 0.96% | - | | |
| Parrott's Sports Grille | 21 | 15 | Restaurant | 0.84% | - | | |
| Total | 1,094 | | | 43.76% | - | | 0.00% |
| Total Town Employment (estimated) | 2,500 | | | | | | |

Source: Firestone Finance Department & Planning Department

⁽¹⁾Information not available

See accompanying Independent Auditor's Report.

Town of Firestone
Property Value and Construction
Last Ten Years

| Year | Estimated Actual Property Value ⁽¹⁾ | | | Commercial Construction ⁽²⁾ | | Residential Construction ⁽²⁾ | |
|------|--|-------------|-------------|--|------------|---|------------|
| | Commercial | Residential | Total | Number of Units | Value | Number of Units | Value |
| 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 |
| 2009 | 118,845,898 | 640,800,521 | 759,646,419 | 5 | 748,532 | 123 | 22,303,024 |
| 2010 | 117,160,690 | 665,235,050 | 782,395,740 | 2 | 1,088,501 | 87 | 19,037,912 |
| 2011 | 111,058,853 | 702,135,833 | 813,194,686 | 6 | 305,850 | 134 | 12,069,990 |
| 2012 | 119,719,877 | 719,652,488 | 839,372,365 | 2 | 869,400 | 71 | 12,922,858 |
| 2013 | 126,990,855 | 711,483,814 | 838,474,669 | 7 | 4,625,128 | 78 | 20,178,465 |

Source:

⁽¹⁾Weld County Assessor's Office

⁽²⁾Town of Firestone Building Department (Safebuilt)

See accompanying Independent Auditor's Report.

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

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Function | | | | | | | | | | |
| General Government | 7.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 8.00 | 9.00 | 12.00 | 12.00 |
| Public Safety | | | | | | | | | | |
| Police | 16.00 | 16.00 | 22.00 | 23.00 | 24.00 | 23.00 | 23.00 | 20.00 | 18.00 | 19.00 |
| CSO | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Public Works | 7.00 | 8.00 | 10.00 | 10.00 | 11.00 | 13.00 | 14.00 | 11.00 | 12.00 | 13.00 |
| Water | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 2.00 |
| Total | 34.00 | 37.00 | 45.00 | 46.00 | 48.00 | 48.00 | 48.00 | 43.00 | 45.00 | 48.00 |

Source: Town of Firestone Finance Department

See accompanying Independent Auditor's Report.

**Town of Firestone
Miscellaneous Statistics
Last Six Years**

Date of Incorporation 1908
Form of Government Trustees & Town Manager

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---------|---------|---------|---------|---------|---------|
| Number of Employees | | | | | | |
| Non-Exempt (Hourly) | 37 | 40 | 40 | 35 | 37 | 38 |
| Exempt (Salary) | 9 | 8 | 8 | 8 | 8 | 10 |
| Planning area in square miles | 20 | 20 | 26 | 47 | 47 | 56 |
| Town of Firestone's facilities and services | | | | | | |
| Miles of streets | 74 | 74 | 74 | 74 | 74 | 74 |
| Parks: | | | | | | |
| Number of parks | 18 | 18 | 18 | 18 | 18 | 18 |
| Number of park, open space, and undeveloped acres maintained | 998 | 998 | 998 | 998 | 998 | 998 |
| Number of trail & sidewalk miles maintained | 5 | 5 | 5 | 5 | 5 | 5 |
| Police Protection: | | | | | | |
| Number of stations | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of police personnel and officers | 26 | 25 | 23 | 22 | 23 | 23 |
| Number of patrol units | 12 | 15 | 15 | 16 | 16 | 16 |
| Water System: | | | | | | |
| Linear Feet of water lines maintained | 124,768 | 124,768 | 124,768 | 308,051 | 307,824 | 288,482 |
| Number of customer accounts | 3,071 | 3,125 | 3,219 | 3,293 | 3,344 | 3,435 |
| Services not included in the reporting entity: | | | | | | |
| Fire Protection Districts - Frederick Firestone Fire Protection District | 1 | 1 | 1 | 1 | 1 | 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 County School District RE-1 | 2 | 2 | 2 | 2 | 2 | 2 |

Source: Town of Firestone Finance Department

See accompanying Independent Auditor's Report.

COMPLIANCE

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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 2013 |
| This Information From The Records Of (example - City of _ or County of | | Prepared By: | Alison Westerhold |
| | | Phone: | 303-531-6256 |

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) | 1,011,678 |
| a. Motor Fuel (from Item I.A.5.) | | 2. Maintenance: | 426,194 |
| b. Motor Vehicle (from Item I.B.5.) | | 3. Road and street services: | |
| c. Total (a.+b.) | | a. Traffic control operations | 33,160 |
| 2. General fund appropriations | | b. Snow and ice removal | 41,919 |
| 3. Other local imposts (from page 2) | 225,810 | c. Other | 84,167 |
| 4. Miscellaneous local receipts (from page 2) | 150,354 | d. Total (a. through c.) | 159,246 |
| 5. Transfers from toll facilities | | 4. General administration & miscellaneous | 54,059 |
| 6. Proceeds of sale of bonds and notes: | | 5. Highway law enforcement and safety | |
| a. Bonds - Original Issues | | 6. Total (1 through 5) | 1,651,177 |
| b. Bonds - Refunding Issues | | B. Debt service on local obligations: | |
| c. Notes | | 1. Bonds: | |
| d. Total (a. + b. + c.) | 0 | a. Interest | |
| 7. Total (1 through 6) | 376,164 | b. Redemption | |
| B. Private Contributions | | c. Total (a. + b.) | 0 |
| C. Receipts from State government (from page 2) | 384,389 | 2. Notes: | |
| D. Receipts from Federal Government (from page 2) | 126,531 | a. Interest | 1,585 |
| E. Total receipts (A.7 + B + C + D) | 887,084 | b. Redemption | 17,915 |
| | | c. Total (a. + b.) | 19,500 |
| | | 3. Total (1.c + 2.c) | 19,500 |
| | | C. Payments to State for highways | |
| | | D. Payments to toll facilities | |
| | | E. Total disbursements (A.6 + B.3 + C + D) | 1,670,677 |

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) | 28,612 | | 13,935 | 14,677 |

V. LOCAL ROAD AND STREET FUND BALANCE

| | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|--|----------------------|-------------------|------------------------|-------------------|-------------------|
| | 4,584,685 | 887,084 | 1,670,677 | 3,801,092 | 0 |

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2013

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 | 810 |
| b. Other local imposts: | | b. Traffic Fines & Penalties | |
| 1. Sales Taxes | | c. Parking Garage Fees | |
| 2. Infrastructure & Impact Fees | 80,417 | d. Parking Meter Fees | |
| 3. Liens | | e. Sale of Surplus Property | |
| 4. Licenses | | f. Charges for Services | 143,044 |
| 5. Specific Ownership &/or Other | 145,393 | g. Other Misc. Receipts | 6,500 |
| 6. Total (1. through 5.) | 225,810 | h. Other | |
| c. Total (a. + b.) | 225,810 | i. Total (a. through h.) | 150,354 |
| | (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 | 345,349 | 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 | 39,040 | d. Federal Transit Admin | 125,000 |
| d. Other (Specify) - DOLA Grant | | e. U.S. Corps of Engineers | |
| e. Other (Specify) | | f. Other Federal | 1,531 |
| f. Total (a. through e.) | 39,040 | g. Total (a. through f.) | 126,531 |
| 4. Total (1. + 2. + 3.f) | 384,389 | 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 | | 14,424 | 14,424 |
| b. Engineering Costs | | 35,033 | 35,033 |
| c. Construction: | | | |
| (1). New Facilities | | 904,918 | 904,918 |
| (2). Capacity Improvements | | 34,012 | 34,012 |
| (3). System Preservation | | 22,725 | 22,725 |
| (4). System Enhancement & Operation | | 566 | 566 |
| (5). Total Construction (1) + (2) + (3) + (4) | 0 | 962,221 | 962,221 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5) | 0 | 1,011,678 | 1,011,678 |
| | | | (Carry forward to page 1) |

Notes and Comments: