

TOWN OF NEW CASTLE, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2013

TABLE OF CONTENTS

| | <u>PAGE</u> |
|--|-------------|
| INTRODUCTORY SECTION | |
| Title Page | |
| Table of Contents | |
| FINANCIAL SECTION | |
| Independent Auditors' Report | |
| Management's Discussion and Analysis | i - xi |
| Basic Financial Statements | |
| Government–Wide Financial Statements | |
| Statement of Net Position | 1 |
| Statement of Activities | 2 |
| Fund Financial Statements | |
| Balance Sheet – Governmental Funds | 3 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds | 4 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 5 |
| Statement of Net Position – Proprietary Fund Type | 6 |
| Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund Type | 7 |
| Statement of Cash Flows – Proprietary Fund Type | 8 |
| Notes to Financial Statements | 9 – 25 |
| Required Supplementary Information | |
| General Fund – Budgetary Comparison Schedule | 26 |

TABLE OF CONTENTS
(Continued)

| | <u>PAGE</u> |
|---|--------------------|
| FINANCIAL SECTION (Continued) | |
| Combining and Individual Fund Schedules | |
| Combining Balance Sheet – Nonmajor Governmental Funds | 27 |
| Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Governmental Funds | 28 |
| Conservation Trust Fund – Budgetary Comparison Schedule | 29 |
| Cemetery Fund – Budgetary Comparison Schedule | 30 |
| Utility Fund – Budgetary Comparison Schedule | 31 |
| Compliance | |
| Local Highway Finance Report | 32 - 33 |

FINANCIAL SECTION



JOHN CUTLER & ASSOCIATES

Honorable Mayor and Members of the Town Council
Town of New Castle
New Castle, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of New Castle, Colorado, as of and for the year ended December 31, 2013, 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 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 New Castle, Colorado, 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

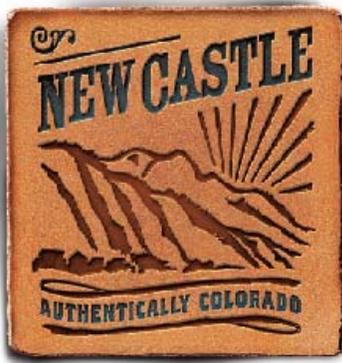
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required budgetary information on page 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund schedules and compliance listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules and compliance are fairly stated in all material respects in relation to the financial statements as a whole.

John Cutler & Associates, LLC

July 31, 2014



Town of New Castle, Colorado
Management's Discussion and Analysis
Fiscal Year Ending December 31, 2013

This Management's Discussion and Analysis (MD&A) of the Town of New Castle's 2013 financial statements is offered to provide an objective and easy-to-read analysis of the government's financial activities based on currently known facts, decisions and conditions. The MD&A should be read in conjunction with the Town's basic financial statements.

The Town of New Castle is a Home Rule Municipality incorporated in 1888. The Town has seven elected officials who are responsible for all policy decisions that affect the government's financial condition. The appointed Town Administrator is responsible for preparing the annual budget which is adopted by the Council every December. The Town Administrator and appointed Town Finance Director/Treasurer are responsible for financial reporting to the Town Council and to the public at large. The Town maintains four separate funds, which are as follows:

- A) General Fund
- B) Utility Fund
- C) Conservation Trust Fund
- D) Cemetery Fund

Overview of the Financial Statements

The financial section of this report is comprised of three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements.

Government-wide Financial Statements:

The government-wide financial statements, which consist of the Statement of Net Position and the Statement of Activities, give readers a broad overview of the entire Town's financial position and changes in financial position in a manner similar to a private-sector business. These statements report information about the Town as a whole and include all assets and liabilities using the accrual basis of accounting, which reports all of the current year's revenues and expenses regardless of when the cash is received or paid.

The *statement of net position* presents the Town of New Castle's assets and liabilities, with the difference between the two reported as net position. The net position is summarized as follows: 1) invested in capital assets, 2) unrestricted or available for any current use, 3) restricted for specific use only. Over a period of time increases or decreases in the Town's net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. Other non-financial factors, however, such as changes in the Town's property tax base, are needed to assess the overall financial condition of the Town.

The *statement of activities* presents data showing how the Town's net position sets changed as a result of the operations of the Town government during the most recent fiscal year. All changes in net position are reported when an event occurs that requires a revenue or expense to be recognized, regardless of when the related cash is received or disbursed (accrual basis of accounting). Thus, some revenues and expenses reported in this statement will result in cash flows in future periods.

The government-wide financial statements distinguish the different functions of the Town that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from the other functions that are intended to recover all or a significant portion of their costs through user fees or charges for services (*Business Type Activities*). The Governmental Activities of the Town of New Castle include general government, public safety, public works, health and welfare, and parks and recreation. The Business Type Activities include water, wastewater, and trash utilities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town's funds can be divided into three categories: Governmental Fund, Proprietary Fund and Fiduciary Fund.

Governmental Funds - The activity of the Town's General and Special Revenue funds are reported as governmental funds, which are essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the short-term flow of money into and out of these funds. These statements use the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed view of the Town's general governmental and special revenue operations and the services that are provided. Governmental fund statements help to determine the financial resources that are available to finance the Town's operations and programs in the near future.

Proprietary (Business Type) Fund - The Town of New Castle maintains one proprietary (enterprise) fund, which reports the same functions as the business-type activities in the government-wide financial statements. The Town uses the proprietary fund to account for the water, wastewater and trash operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs, including depreciation, of providing goods or services to the public be financed or recovered primarily through user fees or charges.

Fiduciary (Trust) Fund - A fiduciary fund is a fund that is held in trust for a specific purpose. The Town of New Castle maintains one fiduciary fund which reports the operating activities of the Highland Cemetery. The fiduciary fund is not included in the statement of net position or statement of activities, but is included in the Required Supplemental Information, Budgeted and Actual Revenues and Expenditures.

Financial Highlights

Governmental Activities

- As of December 31, 2013 the governmental funds held \$ 2,644,108 in assets that were readily convertible to cash and \$603,603 in current liabilities.
- As of December 31, 2013 the Town's governmental activities fund held \$10,823,051 in depreciated capital assets, a 2.99% decrease; and \$699,529 in capital asset liabilities, a 13.30% decrease.
- Total 2013 sales tax revenue decreased 1.49% or \$17,687 compared to fiscal year 2012. The 3.5% Town sales tax revenue increased 2.47% or \$26,026 compared to 2012.
- 2013 property tax revenue increased by \$36 compared to fiscal year 2012.
- 2013 building permit revenue increased by 204% or \$17,036 compared to fiscal year 2012. 2013 use tax revenue increased by 105% or \$4,222 compared to fiscal year 2012.
- 2013 lodging tax revenue increased by 12.79% or \$980 compared to fiscal year 2012.
- 2013 mineral lease tax revenue decreased by 48.5% or \$146,866 compared to fiscal year 2012 and severance tax revenue decreased by 26.6% or \$45,947.
- 2013 governmental activities salary expense increased by 1.97% or \$21,831 compared to fiscal year 2012.
- Total governmental activities net position decreased by 0.01% or \$2,629 during the 2013 fiscal year.

Business-type Activities

- As of December 31, 2013 total assets were \$22,556,792, a decrease of \$673,899. Cash, investments and receivables increased by \$23,155 and capital assets decreased by \$697,054.
- 2013 revenue from the water, wastewater and trash services decreased by \$37,114 or 1.69% compared to fiscal year 2012.

- 2013 business-type activities salary expense increased by 3.50% or \$16,025 compared to fiscal year 2012.
- 2013 business-type activities electric and natural gas utility expense of \$144,397 was an increase of 17.46% or \$21,460 compared to fiscal year 2012. 2013 Water Department operations expense increased by 12.51% or \$105,187 and the Waste Water department operations increased by 4.93% or \$49,133.
- Total enterprise liabilities decreased by \$359,598 during 2013 due to decreases in long term debt.

Statement of Net Position

The following table reflects the condensed Statement of Net Position (Assets) compared to the prior fiscal year.

| | Governmental Activities | | Business-type Activities | | Total Government | |
|--------------------------------|-------------------------|---------------|--------------------------|--------------|------------------|---------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| Current and other assets | \$ 2,680,010 | \$ 2,820,869 | \$ 2,133,575 | \$ 2,110,420 | \$ 4,813,585 | \$ 4,931,289 |
| Capital assets | 26,455,538 | 26,613,521 | 20,423,217 | 21,120,271 | 46,878,755 | 47,733,792 |
| Total assets | 29,135,548 | 29,434,390 | 22,556,792 | 23,230,691 | 51,692,340 | 52,665,081 |
| Long-term debt outstanding | 1,250,032 | 1,411,003 | 7,398,982 | 7,757,482 | 8,649,014 | 9,168,485 |
| Other liabilities | 603,603 | 738,845 | 170,693 | 171,791 | 774,296 | 910,636 |
| Total liabilities | 1,853,635 | 2,149,848 | 7,569,675 | 7,929,273 | 9,423,310 | 10,079,121 |
| Net position: | | | | | | |
| Net Invested in capital assets | 25,271,513 | 25,268,525 | 13,024,235 | 13,362,789 | 38,295,748 | 38,631,314 |
| Restricted | 160,828 | 164,710 | | | 160,828 | 164,710 |
| Unrestricted | 1,849,572 | 1,851,307 | 1,962,882 | 1,938,629 | 3,812,454 | 3,789,936 |
| Total net position | \$ 27,281,913 | \$ 27,284,542 | \$14,987,117 | \$15,301,418 | \$ 42,269,030 | \$ 42,585,960 |

The Town's total net position for fiscal year 2013 decreased by 0.74% or \$316,930. The Town's assets exceed liabilities by \$42,269,030 (net position) as of December 31, 2013. By far the largest portion of these net position (90.6%) is invested in capital assets (e.g. land, buildings, equipment, etc.). The Town uses these capital assets to provide services to citizens; therefore these assets are not available for future spending. Although the Town of New Castle's investments in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to retire these liabilities.

The restricted portion of net position (0.38%) represents resources that are subject to various debt provisions, contracts and agreements on how they may be used. The remaining balance is unrestricted and can be used to meet the Town's ongoing obligations to its citizens and creditors.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation:

Net Results of Activities – will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – will reduce current assets and increase capital assets. A second impact results in an increase in capital assets and an increase in related net debt which will not change the invested in capital assets, net of related debt.

Spending of Non-borrowed Current Assets on New Capital – will (1) reduce current assets and increase capital assets and (2) will reduce restricted and or unrestricted net position and increase invested in capital assets, net of debt.

Principal Payment on Debt – will (1) reduce current assets and reduce long-term debt and (2) reduce unrestricted net position and increase invested in capital assets, net of debt.

Reduction of Capital Assets Through Depreciation – will reduce capital assets and invested in capital assets, net of debt.

Summary of GASB Statement 54

The Governmental Accounting Standards Board (GASB) approved statement 54 in 2009, the intent of the statement is to enhance governmental fund balance reporting in order for financial statements to be more consistent and comparable between similar government entities, improve the usefulness of fund balance reporting (what funds are actually available), and clarify the meaning of governmental fund type definitions. The Town of New Castle implemented statement 54 for fiscal year 2011 as required and will **no** longer use the fund balance definitions of: reserves, designated or undesignated. We present the following summary of new fund balance terminology:

- (a) **Nonspendable** – not in spendable form, examples are inventory, long-term receivables (unless the proceeds are restricted, committed or assigned), prepaids, and legally or contractually required amounts required to be maintained intact – like the corpus of a permanent fund.
- (b) **Restricted** – Amounts constrained to being used for a specific purpose by (1) external parties (state, federal, private donor, creditors), (2) constitutional provisions, (3) enabling legislation (grant from the state), (4) what is legally reserved now.
- (c) **Committed** – constraint on use imposed by the Town itself, using its highest level of decision-making authority (resolution or ordinance), constraint can be removed or changed only by taking the same action, the action to constrain resources should occur prior to the end of the fiscal year – though the exact amount may be determined subsequently.
- (d) **Assigned** – amounts intended to be used for specific purposes where the intent is expressed by the governing body or a body or official authorized by the governing body. Includes using fund balance to balance the budget – appropriation for deficit.
- (e) **Unassigned** – available for any purpose.

STATEMENT OF ACTIVITIES

The Statement of Activities takes into consideration the Town as a whole and reflects the change in net position for fiscal year 2013.

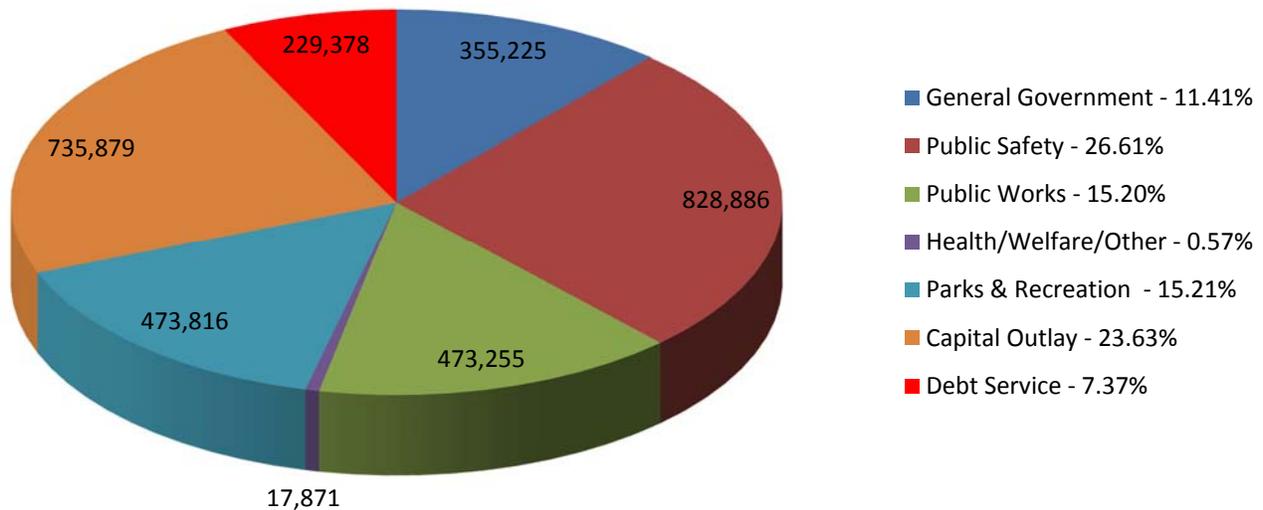
| | Governmental | | Business Type | | Totals | |
|-------------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| <u>Revenues:</u> | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | 173,343 | 159,479 | 2,159,594 | 2,196,708 | 2,332,937 | 2,356,187 |
| Operating Grants | 651,431 | 126,522 | | | 651,431 | 126,522 |
| Capital Grants | <u>117,341</u> | <u>113,225</u> | <u>36,000</u> | <u>0</u> | <u>153,341</u> | <u>113,225</u> |
| Total Program Revenues | <u>942,115</u> | <u>399,226</u> | <u>2,195,594</u> | <u>2,196,708</u> | <u>3,137,709</u> | <u>2,595,934</u> |
| General Revenues | | | | | | |
| Sales and Use Taxes | 1,169,459 | 1,187,146 | | | 1,169,459 | 1,187,146 |
| Property Taxes | 463,481 | 463,445 | | | 463,481 | 463,445 |
| Franchise Taxes | 120,403 | 109,298 | | | 120,403 | 109,298 |
| Other Taxes | 345,291 | 602,486 | | | 345,291 | 602,486 |
| Investment Income | 2,671 | 4,703 | 204 | 211 | 2,875 | 4,914 |
| Developer Reimbursement | 22,013 | 30,174 | | | 22,013 | 30,174 |
| Contributed assets | | 118,000 | | | | 118,000 |
| Other Revenues | 43,260 | 24,242 | 565 | 4,331 | 43,825 | 28,573 |
| Transfers | | | | | | |
| Total General Revenues | <u>2,166,578</u> | <u>2,539,494</u> | <u>769</u> | <u>4,542</u> | <u>2,167,347</u> | <u>2,544,036</u> |
| Total Revenue | <u>3,108,693</u> | <u>2,938,720</u> | <u>2,196,363</u> | <u>2,201,250</u> | <u>5,305,056</u> | <u>5,139,970</u> |
| <u>Expenses:</u> | | | | | | |
| General Government | 392,711 | 359,492 | | | 392,711 | 359,492 |
| Public Safety | 858,656 | 832,863 | | | 858,656 | 832,863 |
| Public Works | 1,250,883 | 1,293,786 | | | 1,250,883 | 1,293,786 |
| Parks & Recreation | 531,086 | 488,483 | | | 531,086 | 488,483 |
| Health & Welfare | 17,871 | 18,316 | | | 17,871 | 18,316 |
| Water | | | 946,094 | 840,907 | 946,094 | 840,907 |
| Wastewater | | | 1,046,260 | 997,127 | 1,046,260 | 997,127 |
| Sanitation | | | 262,504 | 237,434 | 262,504 | 237,434 |
| Interest | 60,115 | 51,426 | 255,806 | 250,253 | 315,921 | 301,679 |
| Total Expenses | <u>3,111,322</u> | <u>3,044,366</u> | <u>2,510,664</u> | <u>2,325,721</u> | <u>5,621,986</u> | <u>5,370,087</u> |
| Change in Net Position | <u>\$(2,629)</u> | <u>\$(105,646)</u> | <u>\$(314,301)</u> | <u>\$(124,471)</u> | <u>\$(316,930)</u> | <u>\$(230,117)</u> |

Governmental Activities

Taxes comprise the largest source of operating revenue for the Town’s governmental activities, 2013 tax source revenue was \$2,098,634, which is 67.51% of total revenues from governmental activities. Property taxes of \$463,481 represent 22.08% of total tax revenue. Charges for services equaled \$173,343 representing 5.58% of total revenues.

The cost of governmental activities (excluding capital outlay) in 2013 was \$2,378,431 compared to \$2,330,220 in 2012, a 2.07% increase.

Expenses by Type – Governmental Activities



General Government includes Town Council, Town Administrator, Town Clerk, Finance, General Administration, Planning and Building.

Year to year changes by type of activity:

| ACTIVITY | EXPENDITURES | | % CHANGE |
|----------------------|---------------------|-------------|---------------------|
| | 2013 | 2012 | |
| General Government | \$ 355,225 | \$ 332,095 | 6.96 |
| Public Safety | \$ 828,886 | \$ 805,889 | 2.85 |
| Public Works | \$ 473,255 | \$ 523,887 | -9.66 |
| Health/Welfare/Other | \$ 17,871 | \$ 18,316 | -2.43 |
| Parks & Recreation | \$ 473,816 | \$ 430,214 | 10.13 |
| Capital Outlay | \$ 735,879 | \$ 521,774 | 41.03 |
| Debt Service | \$ 229,378 | \$ 219,819 | 4.35 |

Business-type Activities

Total 2013 operating revenue from the Town's business-type activities decreased by \$40,880 compared to 2012; operating expenses for 2013 increased by \$179,390 compared to 2012.

Total business type net position (assets) during 2013 decreased by \$314,301, mainly due to depreciation expense.

Fund Balance

At the end of 2013, the Town's governmental funds reported a combined fund balance of \$2,076,407. This is a decrease of \$5,617 compared to the prior years ending balance. Of this total balance \$966,006 is unassigned and available to finance the Town's future operations and programs; \$35,902 is prepaid non-spendable funds; \$139,000 is restricted for emergencies, \$88,207 is restricted for Conservation Trust Fund approved expenses, \$21,828 is restricted for cemetery care; \$8,250 is committed for use in operating a volunteer ambulance service *or* to maintain and enhance the municipal parks and trees (Ord. #315), \$16,464 is committed for Police training (Ord. #383 & 2007-4), \$39,962 is committed for economic development (Ord. # 2004-11), \$5,494 is committed for Burning Mtn. Ave street maintenance (9/1995 SIA Agreement), \$291,248 is committed for traffic impacts (Ord. # 2002-17), \$371,046 is committed for transfer to the Utility Fund (Ord. #2010-3); \$32,000 is assigned for a solar system purchase, \$60,000 is assigned for future construction of a new Public Safety facility, and \$1,000 is assigned for future main street enhancement projects.

At year end the business-type activities reported total net position (assets) of \$14,987,117, a decrease of \$314,301. Of this total net position \$1,962,882 is unreserved.

Budgetary Highlights – General Fund

Town Council approved one supplement to the 2013 General Fund budget. The original appropriation of \$2,869,544 was increased by \$398,201 or 13.88% to \$3,267,745. The supplemental budget amount was to cover the additional expense related to grants received for street and sidewalk improvements and community center improvements. The original 2013 budget included \$237,492 from reserves; the Town received \$282,234 in Mineral Lease and Severance Tax direct distributions from the state, this is \$66,780 less than was budgeted. Other additional revenue and lower expenditures, resulted in the General Fund balance only decreasing by \$53,328 for the year ending 12/31/2013.

General Fund revenue for 2013 was \$421,407 over the original budget amount. This is mainly due to grants received. General Fund Expenditures for 2013 were \$237,243 more than the original budget projections mainly due to additional capital expenditures.

Capital Assets and Debt Administration

At year end the Town had \$46,878,755 invested in a broad range of capital assets including land and improvements, buildings, parks and equipment, vehicles, equipment, and water and sewer plants and distribution and collection systems. This decrease of \$855,037 or 1.79% from the 2012 year end amount is mainly due to depreciation.

Capital Assets at Year-End

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total Government</u> | |
|----------------------------------|--------------------------------|---------------------|---------------------------------|---------------------|-------------------------|---------------------|
| | <u>2013</u> | <u>2012</u> | <u>2013</u> | <u>2012</u> | <u>2013</u> | <u>2012</u> |
| Land | \$15,297,000 | \$15,297,000 | \$469,741 | \$469,741 | \$15,766,741 | \$15,766,741 |
| Water Rights | | | 516,282 | 516,282 | 516,282 | 516,282 |
| Buildings and Improvements | 3,231,311 | 3,231,311 | 14,828,536 | 14,828,536 | 18,059,847 | 18,059,847 |
| Distributions/Collection Systems | | | 11,149,728 | 11,149,728 | 11,149,728 | 11,149,728 |
| Infrastructure | 13,149,689 | 12,648,235 | | | 13,149,689 | 12,648,235 |
| Property and Equipment | 1,051,773 | 1,063,925 | 265,408 | 242,271 | 1,317,181 | 1,306,196 |
| Construction in Process | <u>335,487</u> | <u>159,718</u> | <u>373,084</u> | <u>373,084</u> | <u>708,571</u> | <u>532,802</u> |
| Less Accumulated Depreciation | <u>(6,609,722)</u> | <u>(5,786,668)</u> | <u>(7,179,562)</u> | <u>(6,459,371)</u> | <u>(13,789,284)</u> | <u>(12,246,039)</u> |
| Total Capital Assets | <u>\$26,455,538</u> | <u>\$26,613,521</u> | <u>\$20,423,217</u> | <u>\$21,120,271</u> | <u>\$46,878,755</u> | <u>\$47,733,792</u> |

During 2013 the Town purchased two new 2013 Utility Department vehicles, improved various town streets, curbs, gutters sidewalks, and expended funds to design a new pedestrian bridge, round-a-bout and park. Garfield County donated two 2008 pickups equipped as public safety vehicles. Significant capital assets added during 2013 are shown below.

Significant 2013 Capital Asset Additions

| | |
|--------------------------------|-------------------|
| Two 2008 Police Vehicles | \$ 23,437 |
| Two 2013 Utility Dept. Pickups | \$ 50,508 |
| Sidewalk, Curb & Gutter | \$ 106,312 |
| Street Improvements | \$ 395,142 |
| Pedestrian Bridge Design | \$ 89,195 |
| Round-A-Bout Design | <u>\$ 79,495</u> |
| Total | <u>\$ 744,089</u> |

Town of New Castle's Outstanding Debt

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total Government</u> | |
|-----------------------------|--------------------------------|---------------------|---------------------------------|---------------------|-------------------------|---------------------|
| | <u>2013</u> | <u>2012</u> | <u>2013</u> | <u>2012</u> | <u>2013</u> | <u>2012</u> |
| 1999 Wastewater Loan | | | 174,649 | 202,061 | 174,649 | 202,061 |
| 2004 Water Loan | | | 598,305 | 614,076 | 598,305 | 614,076 |
| 2008 Wastewater Loan | | | 6,626,028 | 6,941,345 | 6,626,028 | 6,941,345 |
| Notes Payable | 654,404 | 686,569 | | | 654,404 | 686,569 |
| Capital Leases | 45,125 | 120,223 | | | 45,125 | 120,223 |
| GO Bonds, Series 2010 | 478,000 | 540,000 | | | 478,000 | 540,000 |
| Accrued absences | <u>72,503</u> | <u>64,211</u> | <u>-</u> | <u>-</u> | <u>72,503</u> | <u>64,211</u> |
| Total Long-term Obligations | <u>\$ 1,250,032</u> | <u>\$ 1,411,003</u> | <u>\$ 7,398,982</u> | <u>\$ 7,757,482</u> | <u>\$ 8,649,014</u> | <u>\$ 9,168,485</u> |

Economic and Other Factors

Although the Town of New Castle's financial trends continue to be challenging, the organization has been able to secure grants and intergovernmental agreements to accomplish much needed infrastructure maintenance and to construct two capital projects in the near future. Even though 2013 year end General Fund reserves decreased by \$53,328 there are positive trends in the local economy and therefore in the Town's financial outlook.

A new Town website designed to highlight the area's natural beauty and recreational opportunities is being tested and should be launched during August 2014.

During the first five months of 2014, town sales tax revenues are flat compared to the same period in 2013, but increased 9.15% from the same period of 2010. Two new restaurants opened in April and May of 2014 and are attracting more people to the downtown area.

After several years of no activity, new residential construction has started to pick up. There were three new single family residential building permits issued in 2013 and 8 have been issued in 2014 through July 17th. The Lakota Canyon Ranch Development and Golf Course, now owned by Warrior Acquisitions LLC (Warrior Custom Golf), has commenced repairing the streets and sidewalks within the development that had deteriorated due to soils problems. The original developer filed bankruptcy and Warrior assumed the obligation for repairs when they purchased the development in 2012. When the repairs are complete, the community will be more attractive to potential buyers of existing and new homes. They have further plans to construct a permanent club house and promote the golf course.

The Town has also been in discussions with the Community Resources & Housing Development Corporation for the development of a 37 unit senior housing project in New Castle, the developer is still analyzing the feasibility of the project.

Town staffing remains fairly constant at 28.0 FTEs; the Town also hires some additional seasonal positions. Building inspections continue to be contracted to an outside firm.

The Town Police Department is going through a rebuilding process after the untimely death of the Police Chief and several resignations during the first several months of 2014. An outside consultant conducted a management audit and Town Council is analyzing his recommendations to strengthen and improve the department operations. The department is also anticipating moving to a newer and larger facility located at the Public Works Facility in 2015.

The Town received the following grants from the Garfield County Federal Mineral Lease District (FMLD): 4/18/14 #14-SM-08, \$24,840 for Sidewalk Repair and Replacement; 4/18/2014 #14-ST-03, \$109,000 for Resurfacing Downtown Alleyways and Asphalt Overlay. These two projects will be completed by late summer 2014. A Livewell mini grant for \$4,066 was obtained to create a community garden in the downtown area which is growing quite well.

The Town has negotiated two intergovernmental agreements with Garfield County for additional funding (\$1,000,000) for the pedestrian bridge over the railroad tracks, I-70 and the Colorado River; and a pedestrian trail (\$900,000) linking the pedestrian bridge and Apple Tree Park located in the county. The Town also has in place a \$500,000 Colorado Department of Local Affairs grant (EIAF 7321) and a \$231,000 Garfield FMLD grant (12-FT-03) for the pedestrian bridge construction. Construction on both the bridge and trail are expected to commence before the end of August 2014.

Financial Contact

The Town's financial statements are designed to present users (citizens, customers, investors and creditors) with a general overview of the Town's finances and to demonstrate the Town's accountability. If you have questions about this report or need additional financial information, contact the Town's Finance Department, Attn: Finance Director, PO Box 90, 450 West Main Street, New Castle, Colorado 81647; or telephone (970) 984-2311.

BASIC FINANCIAL STATEMENTS

TOWN OF NEW CASTLE, COLORADO

STATEMENT OF NET POSITION

As of December 31, 2013

| | GOVERNMENTAL ACTIVITIES | BUSINESS TYPE ACTIVITIES | TOTALS | |
|---|----------------------------|--------------------------------|----------------------|----------------------|
| | | | 2013 | 2012 |
| ASSETS | | | | |
| Cash and Investments | \$ 2,009,121 | \$ 1,891,476 | \$ 3,900,597 | \$ 3,814,575 |
| Receivables | | | | |
| Property Taxes | 348,416 | - | 348,416 | 458,635 |
| Sales and Other | 1,736 | - | 1,736 | 49,329 |
| Accounts | - | 242,099 | 242,099 | 251,359 |
| Due from Other Governments | 284,835 | - | 284,835 | 314,918 |
| Prepaid Expenses | 35,902 | - | 35,902 | 42,473 |
| Capital Assets, not Depreciated | 15,632,487 | 1,359,107 | 16,991,594 | 16,815,825 |
| Capital Assets, Depreciated, Net of Accumulated Depreciation | <u>10,823,051</u> | <u>19,064,110</u> | <u>29,887,161</u> | <u>30,917,967</u> |
| TOTAL ASSETS | <u>29,135,548</u> | <u>22,556,792</u> | <u>51,692,340</u> | <u>52,665,081</u> |
| LIABILITIES | | | | |
| Accounts Payable | 21,220 | 27,029 | 48,249 | 93,718 |
| Accrued Expenses | 33,974 | 59,829 | 93,803 | 87,104 |
| Accrued Interest | - | 83,835 | 83,835 | 83,835 |
| Developer Escrow | 199,993 | - | 199,993 | 187,344 |
| Noncurrent Liabilities | | | | |
| Due within One Year | 161,851 | 365,893 | 527,744 | 543,818 |
| Due in More Than One Year | <u>1,088,181</u> | <u>7,033,089</u> | <u>8,121,270</u> | <u>8,624,667</u> |
| TOTAL LIABILITIES | <u>1,505,219</u> | <u>7,569,675</u> | <u>9,074,894</u> | <u>9,620,486</u> |
| DEFERRED INFLOWS | | | | |
| Deferred Property Tax Revenue | <u>348,416</u> | <u>-</u> | <u>348,416</u> | <u>458,635</u> |
| NET POSITION | | | | |
| Investment in Capital Assets | 25,271,513 | 13,024,235 | 38,295,748 | 38,631,314 |
| Restricted for Emergencies | 139,000 | - | 139,000 | 149,000 |
| Restricted for Cemetery Care | 21,828 | - | 21,828 | 15,710 |
| Unrestricted | <u>1,849,572</u> | <u>1,962,882</u> | <u>3,812,454</u> | <u>3,789,936</u> |
| TOTAL NET POSITION | <u>\$ 27,281,913</u> | <u>\$ 14,987,117</u> | <u>\$ 42,269,030</u> | <u>\$ 42,585,960</u> |

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

TOWN OF NEW CASTLE , COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2013

| <u>FUNCTIONS/PROGRAMS</u> | <u>EXPENSES</u> | <u>PROGRAM REVENUES</u> | | |
|---------------------------------|---------------------|-----------------------------|---|---|
| | | <u>CHARGES FOR SERVICES</u> | <u>OPERATING GRANTS AND CONTRIBUTIONS</u> | <u>CAPITAL GRANTS AND CONTRIBUTIONS</u> |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General Government | \$ 392,711 | \$ 44,494 | \$ 47,743 | \$ - |
| Public Safety | 858,656 | 56,853 | - | - |
| Public Works | 1,250,883 | - | 603,688 | 68,675 |
| Health and Welfare | 17,871 | - | - | - |
| Parks and Recreation | 531,086 | 71,996 | - | 48,666 |
| Interest on Long-Term Debt | 60,115 | - | - | - |
| Total Governmental Activities | <u>3,111,322</u> | <u>173,343</u> | <u>651,431</u> | <u>117,341</u> |
| Business-Type Activities | | | | |
| Water | 946,094 | 834,039 | - | 36,000 |
| Wastewater | 1,046,260 | 1,079,722 | - | - |
| Trash | 262,504 | 245,833 | - | - |
| Interest on Long-Term Debt | 255,806 | - | - | - |
| Total Business-Type Activities | <u>2,510,664</u> | <u>2,159,594</u> | <u>-</u> | <u>36,000</u> |
| Total Primary Government | <u>\$ 5,621,986</u> | <u>\$ 2,332,937</u> | <u>\$ 651,431</u> | <u>\$ 153,341</u> |

GENERAL REVENUES

Sales Taxes
Property Taxes
Specific Ownership Taxes
Franchise Taxes
Other Taxes
Interest
Developer Reimbursements
Other

SPECIAL ITEM

Contributed Assets

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

| GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTALS | |
|----------------------------|-----------------------------|----------------------|----------------------|
| | | 2013 | 2012 |
| \$ (300,474) | \$ - | \$ (300,474) | \$ (333,425) |
| (801,803) | - | (801,803) | (772,116) |
| (578,520) | - | (578,520) | (1,099,022) |
| (17,871) | - | (17,871) | (18,316) |
| (410,424) | - | (410,424) | (370,835) |
| (60,115) | - | (60,115) | (51,426) |
| <u>(2,169,207)</u> | <u>-</u> | <u>(2,169,207)</u> | <u>(2,645,140)</u> |
| - | (76,055) | (76,055) | 37,144 |
| - | 33,462 | 33,462 | 77,610 |
| - | (16,671) | (16,671) | 6,486 |
| <u>-</u> | <u>(255,806)</u> | <u>(255,806)</u> | <u>(250,253)</u> |
| <u>-</u> | <u>(315,070)</u> | <u>(315,070)</u> | <u>(129,013)</u> |
| (2,169,207) | (315,070) | (2,484,277) | (2,774,153) |
| 1,169,459 | - | 1,169,459 | 1,187,146 |
| 463,481 | - | 463,481 | 463,445 |
| 18,144 | - | 18,144 | 20,248 |
| 120,403 | - | 120,403 | 109,298 |
| 327,147 | - | 327,147 | 582,238 |
| 2,671 | 204 | 2,875 | 4,914 |
| 22,013 | - | 22,013 | 30,174 |
| 43,260 | 565 | 43,825 | 28,573 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>118,000</u> |
| <u>2,166,578</u> | <u>769</u> | <u>2,167,347</u> | <u>2,544,036</u> |
| (2,629) | (314,301) | (316,930) | (230,117) |
| <u>27,284,542</u> | <u>15,301,418</u> | <u>42,585,960</u> | <u>42,816,077</u> |
| <u>\$ 27,281,913</u> | <u>\$ 14,987,117</u> | <u>\$ 42,269,030</u> | <u>\$ 42,585,960</u> |

TOWN OF NEW CASTLE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2013

| | GENERAL FUND | NON-MAJOR GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS | |
|--|---------------------|------------------------------------|--------------------------------|---------------------|
| | | | 2013 | 2012 |
| ASSETS | | | | |
| Cash and Investments | \$ 1,899,086 | \$ 110,035 | \$ 2,009,121 | \$ 1,955,514 |
| Taxes Receivable | 348,416 | - | 348,416 | 458,635 |
| Due from Other Governments | 284,835 | - | 284,835 | 314,918 |
| Accounts Receivable | 1,736 | - | 1,736 | 49,329 |
| Prepaid Expenses | 35,902 | - | 35,902 | 42,473 |
| TOTAL ASSETS | \$ 2,569,975 | \$ 110,035 | \$ 2,680,010 | \$ 2,820,869 |
| LIABILITIES AND FUND EQUITY | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 21,220 | \$ - | \$ 21,220 | \$ 56,332 |
| Accrued Expenses | 33,974 | - | 33,974 | 36,534 |
| Deposits and Escrow | 199,993 | - | 199,993 | 187,344 |
| TOTAL LIABILITIES | 255,187 | - | 255,187 | 280,210 |
| DEFERRED INFLOWS | | | | |
| Deferred Revenues | 348,416 | - | 348,416 | 458,635 |
| Fund Balance | | | | |
| Nonspendable | 35,902 | - | 35,902 | 42,473 |
| Restricted | 139,000 | 110,035 | 249,035 | 211,324 |
| Committed | 732,464 | - | 732,464 | 762,946 |
| Assigned | 93,000 | - | 93,000 | 88,000 |
| Unassigned | 966,006 | - | 966,006 | 977,281 |
| TOTAL FUND EQUITY | 1,966,372 | 110,035 | 2,076,407 | 2,082,024 |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY | \$ 2,569,975 | \$ 110,035 | | |

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

| | | |
|--|----------------------|----------------------|
| Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. | 26,455,538 | 26,613,521 |
| Long-term liabilities are not due and payable in the current period and are not reported in the funds. This includes Bonds Payable (\$478,000), Capital Leases (\$45,125), Loan Payable (\$654,404) and Accrued Compensated Absences (\$72,503). | (1,250,032) | (1,411,003) |
| Net position of governmental activities | <u>\$ 27,281,913</u> | <u>\$ 27,284,542</u> |

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

TOWN OF NEW CASTLE, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2013

| | GENERAL FUND | NON-MAJOR GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS | |
|-----------------------------|---------------------|------------------------------------|--------------------------------|---------------------|
| | | | 2013 | 2012 |
| REVENUES | | | | |
| Taxes | \$ 1,799,786 | \$ - | \$ 1,799,786 | \$ 1,804,343 |
| Licenses and Permits | 39,694 | - | 39,694 | 24,067 |
| Intergovernmental | 1,018,954 | 48,666 | 1,067,620 | 797,779 |
| Charges for Services | 71,996 | 4,800 | 76,796 | 78,149 |
| Court | 56,853 | - | 56,853 | 57,263 |
| Developer Reimbursements | 22,013 | - | 22,013 | 30,174 |
| Contributed Assets | - | - | - | 118,000 |
| Interest | 2,648 | 23 | 2,671 | 4,703 |
| Miscellaneous | 41,515 | 1,745 | 43,260 | 24,242 |
| TOTAL REVENUES | <u>3,053,459</u> | <u>55,234</u> | <u>3,108,693</u> | <u>2,938,720</u> |
| EXPENDITURES | | | | |
| General Government | 355,225 | - | 355,225 | 332,095 |
| Public Safety | 828,886 | - | 828,886 | 805,889 |
| Public Works | 473,255 | - | 473,255 | 523,887 |
| Health and Welfare | 17,427 | 444 | 17,871 | 18,316 |
| Parks and Recreation | 466,737 | 7,079 | 473,816 | 430,214 |
| Debt Service | | | | |
| Principal | 169,263 | - | 169,263 | 168,393 |
| Interest | 60,115 | - | 60,115 | 51,426 |
| Capital Outlay | 735,879 | - | 735,879 | 521,774 |
| TOTAL EXPENDITURES | <u>3,106,787</u> | <u>7,523</u> | <u>3,114,310</u> | <u>2,851,994</u> |
| NET CHANGE IN FUND BALANCES | (53,328) | 47,711 | (5,617) | 86,726 |
| FUND BALANCES, Beginning | <u>2,019,700</u> | <u>62,324</u> | <u>2,082,024</u> | <u>1,995,298</u> |
| FUND BALANCES, Ending | <u>\$ 1,966,372</u> | <u>\$ 110,035</u> | <u>\$ 2,076,407</u> | <u>\$ 2,082,024</u> |

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

TOWN OF NEW CASTLE, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2013

Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:

| | |
|---|-------------------|
| Net Changes in Fund Balances - Total Governmental Funds | \$ (5,617) |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$861,284), exceeded capital outlay \$703,301 in the current period. | (157,983) |
| Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These include a payments of Capital Leases and Notes Payable of \$75,098 and \$32,165 respectively, payments on bonds payable \$62,000, and change in Accrued Compensated Absences of (\$8,292). | <u>160,971</u> |
| Change in Net Position of Governmental Activities | <u>\$ (2,629)</u> |

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

TOWN OF NEW CASTLE, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPE
 As of December 31, 2013

| | <u>2013</u> | <u>2012</u> |
|---|----------------------|----------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and Investments | \$ 1,891,476 | \$ 1,859,061 |
| Accounts Receivable | <u>242,099</u> | <u>251,359</u> |
| Total Current Assets | <u>2,133,575</u> | <u>2,110,420</u> |
| Noncurrent Assets | | |
| Capital Assets, net of accumulated depreciation | <u>20,423,217</u> | <u>21,120,271</u> |
| Total Noncurrent Assets | <u>20,423,217</u> | <u>21,120,271</u> |
| TOTAL ASSETS | <u>22,556,792</u> | <u>23,230,691</u> |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts Payable | 27,029 | 37,386 |
| Accrued Expenses | 59,829 | 49,570 |
| Accrued Interest Payable | 83,835 | 83,835 |
| Notes Payable, Current | <u>365,893</u> | <u>358,502</u> |
| Total Current Liabilities | <u>536,586</u> | <u>529,293</u> |
| Noncurrent Liabilities | | |
| Deposits | - | 1,000 |
| Notes Payable, Long Term | <u>7,033,089</u> | <u>7,398,980</u> |
| Total Noncurrent Liabilities | <u>7,033,089</u> | <u>7,399,980</u> |
| TOTAL LIABILITIES | <u>7,569,675</u> | <u>7,929,273</u> |
| NET POSITION | | |
| Investment in Capital Assets | 13,024,235 | 13,362,789 |
| Unreserved | <u>1,962,882</u> | <u>1,938,629</u> |
| TOTAL NET POSITION | <u>\$ 14,987,117</u> | <u>\$ 15,301,418</u> |

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

TOWN OF NEW CASTLE, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
Year Ended December 31, 2013

| | <u>2013</u> | <u>2012</u> |
|--|----------------------|----------------------|
| OPERATING REVENUES | | |
| Water Sales | \$ 834,039 | \$ 878,051 |
| Wastewater Sales | 1,079,722 | 1,074,737 |
| Trash Sales | 245,833 | 243,920 |
| Other Revenues | 565 | 4,331 |
| | <u>2,160,159</u> | <u>2,201,039</u> |
| OPERATING EXPENSES | | |
| Water | 946,094 | 840,907 |
| Wastewater | 1,046,260 | 997,127 |
| Trash | 262,504 | 237,434 |
| | <u>2,254,858</u> | <u>2,075,468</u> |
| OPERATING LOSS | <u>(94,699)</u> | <u>125,571</u> |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Interest Income | 204 | 211 |
| Interest Expense | <u>(255,806)</u> | <u>(250,253)</u> |
| TOTAL NON-OPERATING REVENUES (EXPENSES) | <u>(255,602)</u> | <u>(250,042)</u> |
| INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS | <u>(350,301)</u> | <u>(124,471)</u> |
| Capital Contributions | <u>36,000</u> | <u>-</u> |
| NET INCOME | (314,301) | (124,471) |
| NET POSITION, Beginning | <u>15,301,418</u> | <u>15,425,889</u> |
| NET POSITION, Ending | <u>\$ 14,987,117</u> | <u>\$ 15,301,418</u> |

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

TOWN OF NEW CASTLE, COLORADO

STATEMENT OF CASH FLOWS

PROPRIETARY FUND TYPE

Year Ended December 31, 2013

Increase (Decrease) in Cash and Cash Equivalents

| | <u>2013</u> | <u>2012</u> |
|---|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash Received from Customers | \$ 2,169,419 | \$ 2,193,743 |
| Cash Paid to Suppliers | (1,022,188) | (821,830) |
| Cash Paid to Employees | (483,564) | (481,692) |
| Net Cash Provided by Operating Activities | <u>663,667</u> | <u>890,221</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Purchase of Fixed Assets | (53,150) | (21,868) |
| Note Payments | (358,500) | (351,192) |
| Interest Payments | (255,806) | (250,253) |
| Tap Fees and Capital Contributions | 36,000 | - |
| Net Cash Used by Capital and Related Financing Activities | <u>(631,456)</u> | <u>(623,313)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest Received | <u>204</u> | <u>211</u> |
| Net Increase in Cash and Cash Equivalents | 32,415 | 267,119 |
| CASH AND CASH EQUIVALENTS, Beginning | <u>1,859,061</u> | <u>1,591,942</u> |
| CASH AND CASH EQUIVALENTS, Ending | <u>\$ 1,891,476</u> | <u>\$ 1,859,061</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| Operating Income (Loss) | <u>\$ (94,699)</u> | <u>\$ 125,571</u> |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities | | |
| Depreciation | 744,700 | 741,992 |
| Loss on Sale of Assets | 5,504 | - |
| Changes in Assets and Liabilities | | |
| Accounts Receivable | 9,260 | (7,296) |
| Accounts Payable | (10,357) | 29,954 |
| Accrued Expenses | 10,259 | - |
| Deposits | (1,000) | - |
| Total Adjustments | <u>758,366</u> | <u>764,650</u> |
| Net Cash Provided by Operating Activities | <u>\$ 663,667</u> | <u>\$ 890,221</u> |

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

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of New Castle, Colorado was founded in 1888. The Town is governed by a Mayor and six-member council elected by the residents.

The accounting policies of the Town of New Castle, Colorado (the “Town”) conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the Town of New Castle has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if Town officials appoint a voting majority of the organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the Town does not include additional organizations in its reporting entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the Town reports the following major governmental fund:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The Town reports the following major proprietary fund:

The *Utility Fund* accounts for the financial activities associated with the provision of water, wastewater, and trash services.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Additionally, the Town reports the following fund type:

Permanent Fund – The *Cemetery Permanent Fund* accounts for the activities of the Town cemetery, including the sale of plots and maintenance.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less.

Investments are recorded at fair value.

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.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

| | |
|----------------------------|---------------|
| Buildings and Improvements | 10 - 40 years |
| Water and Sewer Plants | 10 - 50 years |
| Water and Sewer Lines | 10 - 50 years |
| Machinery and Equipment | 5 - 40 years |
| Infrastructure | 10 - 20 years |

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources (Continued)

In addition to the liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position and fund balance that applies to a futures period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

Employees of the Town are allowed to accumulate unused vacation time up to 320 hours or 40 days and an unlimited amount of unused sick time. Upon termination of employment from the Town, employees will be compensated for all accrued vacation time at their current pay rate. Employees are not compensated for any of their accrued sick time.

These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the governmental fund types. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Net Position are liquid assets, which have third party limitations on their use.

Unrestricted Net Position represent assets that do not have any third party limitation on their use. While Town management may have categorized and segmented portion for various purposes, the Town Council has the unrestricted authority to revisit or alter these managerial decisions.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable at December 31, 2013, by the Town are nonspendable in form.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified the following amounts as restricted as of December 31, 2013:

| | |
|----------------------|--------------------------|
| Emergency Reserves | \$ 139,000 |
| Parks and Recreation | 88,207 |
| Cemetery Care | <u>21,828</u> |
| Total | <u>\$ 249,035</u> |

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification (Continued)

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town has classified the following amounts as committed as of December 31, 2013:

| | |
|---|--------------------------|
| Support of Volunteer Ambulance Service | \$ 8,250 |
| Street Maintenance | 5,494 |
| Police Training | 16,464 |
| Economic Development and Marketing | 39,962 |
| Infrastructure Maintenance | 291,248 |
| Potable and Raw Water System Improvements | <u>371,046</u> |
| Total | <u>\$ 732,464</u> |

- Assigned – Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses established by Town Council or a Town official delegated that Town by Town Charter or ordinance.

The Town has classified the following amounts as assigned as of December 31, 2013:

| | |
|---------------------------------|-------------------------|
| Solar System Purchase | \$ 32,000 |
| Facility Construction | 60,000 |
| Main Street Enhancement Project | <u>1,000</u> |
| Total | <u>\$ 93,000</u> |

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Town would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 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 are 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.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to September 30, the Town staff submits to the Town Council 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.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance.
- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- Budgets are legally adopted for all funds of the Town. Budgets for the General, Conservation Trust, and Cemetery Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparisons presented for the Utility Fund is presented on a non-GAAP budgetary basis. Capital outlay is budgeted as an expenditure and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations by fund.

NOTE 3: DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2013 follows:

| | |
|---------------|----------------------------|
| Petty Cash | \$ 561 |
| Cash Deposits | 2,413,036 |
| Investments | <u>1,487,000</u> |
| Total | <u>\$ 3,900,597</u> |

The above amounts are classified in the statement of Net Position as follows:

| | |
|--------------------------|----------------------------|
| Governmental Activities | \$ 2,009,121 |
| Business-Type Activities | <u>1,891,476</u> |
| Total | <u>\$ 3,900,597</u> |

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2013, State regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The Town has no policy regarding custodial credit risk for deposits.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

At December 31, 2013, the Town had deposits with financial institutions with a carrying amount of \$2,413,036. The bank balances with the financial institutions were \$2,495,116. Of these balances, \$500,000 was covered by federal depository insurance and \$1,995,116 was covered by collateral held by authorized escrow agents in the financial institution's name (PDPA).

Investments

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The above investments are authorized for all funds and fund types used by Colorado municipalities.

The Town had invested \$1,487,000 in the Colorado Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Fund Trust (CSAFE), investment vehicles established for local government entities in Colorado to pool surplus funds and are registered with the State Securities Commissioner. They operate similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. Colostrust is rated AAA and CSAFE is rated AAAM by Standard and Poor's.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2013 is summarized below:

| | Balances <u>12/31/12</u> | <u>Additions</u> | <u>Deletions</u> | Balances <u>12/31/13</u> |
|---|-----------------------------|---------------------|------------------|-----------------------------|
| Governmental Activities | | | | |
| Capital Assets, not depreciated | | | | |
| Land | \$ 15,297,000 | \$ - | \$ - | \$ 15,297,000 |
| Construction in Progress | <u>159,718</u> | <u>175,769</u> | <u>-</u> | <u>335,487</u> |
| Total Capital Assets, not depreciated | <u>15,456,718</u> | <u>175,769</u> | <u>-</u> | <u>15,632,487</u> |
| Capital Assets, depreciated | | | | |
| Buildings | 3,231,311 | - | - | 3,231,311 |
| Machinery and Equipment | 1,063,925 | 26,078 | 38,230 | 1,051,773 |
| Infrastructure | <u>12,648,235</u> | <u>501,454</u> | <u>-</u> | <u>13,149,689</u> |
| Total Capital Assets, depreciated | <u>16,943,471</u> | <u>527,532</u> | <u>38,230</u> | <u>17,432,773</u> |
| Less Accumulated Depreciation | | | | |
| Buildings | 1,275,795 | 90,586 | - | 1,366,381 |
| Machinery and Equipment | 859,453 | 86,703 | 38,230 | 907,926 |
| Infrastructure | <u>3,651,420</u> | <u>683,995</u> | <u>-</u> | <u>4,335,415</u> |
| Total Accumulated Depreciation | <u>5,786,668</u> | <u>861,284</u> | <u>38,230</u> | <u>6,609,722</u> |
| Total Capital Assets, depreciated, Net | <u>11,156,803</u> | <u>(333,752)</u> | <u>-</u> | <u>10,823,051</u> |
| Governmental Activities, Capital Assets, Net | <u>\$ 26,613,521</u> | <u>\$ (157,983)</u> | <u>\$ -</u> | <u>\$ 26,455,538</u> |

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 4: CAPITAL ASSETS (Continued)

| | Balances <u>12/31/12</u> | <u>Additions</u> | <u>Deletions</u> | Balances <u>12/31/13</u> |
|--|-----------------------------|---------------------|------------------|-----------------------------|
| Business-Type Activities | | | | |
| Capital Assets, not depreciated | | | | |
| Land | \$ 469,741 | \$ - | \$ - | \$ 469,741 |
| Water Rights | 516,282 | - | - | 516,282 |
| Construction in Process | <u>373,084</u> | <u>-</u> | <u>-</u> | <u>373,084</u> |
| Total Capital Assets, not depreciated | <u>1,359,107</u> | <u>-</u> | <u>-</u> | <u>1,359,107</u> |
| Capital Assets, depreciated | | | | |
| Buildings and Improvements | 14,828,536 | - | - | 14,828,536 |
| Distribution and Collection | 11,149,728 | - | - | 11,149,728 |
| Machinery and Equipment | <u>242,271</u> | <u>53,150</u> | <u>30,013</u> | <u>265,408</u> |
| Total Capital Assets, depreciated | <u>26,220,535</u> | <u>53,150</u> | <u>30,013</u> | <u>26,243,672</u> |
| Less: Accumulated Depreciation | | | | |
| Buildings and Improvements | 3,236,706 | 453,129 | - | 3,689,835 |
| Distribution and Collection | 3,104,302 | 271,139 | - | 3,375,441 |
| Machinery and Equipment | <u>118,363</u> | <u>20,432</u> | <u>24,509</u> | <u>114,286</u> |
| Total Accumulated Depreciation | <u>6,459,371</u> | <u>744,700</u> | <u>24,509</u> | <u>7,179,562</u> |
| Total Capital Assets, depreciated, Net | <u>19,761,164</u> | <u>(691,550)</u> | <u>5,504</u> | <u>19,064,110</u> |
| Business-Type Activities, Capital Assets, Net | <u>\$ 21,120,271</u> | <u>\$ (691,550)</u> | <u>\$ 5,504</u> | <u>\$ 20,423,217</u> |

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

Governmental Activities

| | |
|----------------------|---------------|
| General Government | \$ 29,194 |
| Public Safety | 29,770 |
| Public Works | 745,050 |
| Parks and Recreation | <u>57,270</u> |

Total \$ 861,284

Business-type Activities

| | |
|-------|----------------|
| Water | \$ 271,139 |
| Sewer | <u>473,561</u> |

Total \$ 744,700

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 5: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2013.

| | Balance <u>12/31/12</u> | <u>Additions</u> | <u>Payments</u> | Balance <u>12/31/13</u> | Due In <u>One Year</u> |
|---------------------------------|----------------------------|------------------------|--------------------------|----------------------------|---------------------------|
| GO Bonds, Series 2010 | \$ 540,000 | \$ - | \$ 62,000 | \$ 478,000 | \$ 65,000 |
| Capital Leases | 120,223 | - | 75,098 | 45,125 | 45,125 |
| Notes Payable | 686,569 | - | 32,165 | 654,404 | 33,600 |
| Accrued Compensated Absences | <u>64,211</u> | <u>8,292</u> | <u>-</u> | <u>72,503</u> | <u>18,126</u> |
| Total | <u>\$ 1,411,003</u> | <u>\$ 8,292</u> | <u>\$ 169,263</u> | <u>\$ 1,250,032</u> | <u>\$ 161,851</u> |

Accrued Compensated Absences are being paid from resources generated by the General Fund.

General Obligation Bonds, Series 2010

On April 8, 2010, the Town issued \$700,000 Limited Tax General Obligation Bonds, Series 2010. Proceeds of the bonds are used to pay costs related to the Town's improvements of its potable water treatment and distribution facilities. The bonds carry interest rates ranging from 3.1% to 5.4%. Semi-annual principal and interest payments are due on April 15 and October 15 through 2020.

Capital Leases

The Town has entered into several capital lease agreements to purchase equipment which will be paid from revenues of the General Fund. These leases require monthly payments of ranging from monthly payments of \$1,362 to annual payments of \$74,072 including interest ranging from 4.5 % to 5.85%. The leases mature from October of 2011 to February 2014.

Note Payable

The Town has also obtained a line of credit in the amount of \$810,000. The original note required monthly payments of principle and interest at 5.25%. The Town refinanced this note during 2011 to obtain a lower interest rate. The new rate is 4.375% for five years. After five years, the rate changes to Prime plus 0.5% with a floor of 4.75% and a ceiling of 5.25%. All other terms of the note remain the same. The note matures in April 2028.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 5: LONG-TERM DEBT(Continued)

Future Debt Service Requirements

Following is a schedule of the future minimum lease payments required under the capital lease obligation at December 31, 2013:

Year Ended December 31,

| | |
|---|-------------------------|
| 2014 | \$ 47,296 |
| Less: Interest | <u>(2,171)</u> |
| Present Value of Minimum Lease Payments | <u>\$ 45,125</u> |

Annual debt service requirements for the Notes and Bonds Payable at December 31, 2013 are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------------------|----------------------------|--------------------------|----------------------------|
| 2014 | \$ 98,600 | \$ 50,527 | \$ 149,127 |
| 2015 | 102,100 | 46,249 | 148,349 |
| 2016 | 107,667 | 41,621 | 149,288 |
| 2017 | 112,304 | 36,578 | 148,882 |
| 2018 | 117,015 | 31,170 | 148,185 |
| 2019-2023 | 352,509 | 86,004 | 438,513 |
| 2024-2028 | <u>242,209</u> | <u>24,052</u> | <u>266,261</u> |
| Total Debt Service Requirements | <u>\$ 1,132,404</u> | <u>\$ 316,201</u> | <u>\$ 1,448,605</u> |

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 5: LONG-TERM DEBT(Continued)

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2013.

| | <u>Balance</u> <u>12/31/12</u> | <u>Additions</u> | <u>Payments</u> | <u>Balance</u> <u>12/31/13</u> | <u>Due In</u> <u>One Year</u> |
|------------------|-----------------------------------|------------------|-------------------|-----------------------------------|----------------------------------|
| 1999 CWRPDA Loan | \$ 202,061 | \$ - | \$ 27,412 | \$ 174,649 | \$ 28,659 |
| 2004 CWCB Loan | 614,076 | - | 15,771 | 598,305 | 16,480 |
| 2008 CWRPDA Loan | <u>6,941,345</u> | <u>-</u> | <u>315,317</u> | <u>6,626,028</u> | <u>320,754</u> |
| Total | <u>\$ 7,757,482</u> | <u>\$ -</u> | <u>\$ 358,500</u> | <u>\$ 7,398,982</u> | <u>\$ 365,893</u> |

Loans Payable

1999 Colorado Water Resources and Power Development Town (CWRPDA) Loan

Proceeds from this loan were used to upgrade the Town's wastewater treatment system. Principal and interest payments are due semi-annually on May 1 and November 1. Interest accrues at 4.5%. This loan matures on May 1, 2019.

2004 Colorado Water Conservation Board (CWCB) Loan

Proceeds of this loan were used for the construction of a new diversion structure and pump station on the Colorado River, and a raw water pipeline to the Town's water treatment facility. Principal and interest payments are due annually on August 1. Interest accrues at 4.5%. This loan matures on August 1, 2035.

2008 Colorado Water Resources & Power Development Town (CWRPDA) Loan

Proceeds of this loan were used for the construction of a new wastewater treatment facility and improvements to the wastewater system of the Town. Principal and interest payments are due annually on August 1. Interest accrues at 3.45%. This loan matures on August 1, 2030.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 5: LONG-TERM DEBT (Continued)

Future Debt Service Requirements

Annual debt service requirements for the outstanding loans at December 31, 2013 are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------------------|----------------------------|----------------------------|----------------------------|
| 2014 | \$ 365,893 | \$ 247,662 | \$ 613,555 |
| 2015 | 378,813 | 238,064 | 616,877 |
| 2016 | 386,387 | 228,319 | 614,706 |
| 2017 | 394,061 | 218,541 | 612,602 |
| 2018 | 407,269 | 208,747 | 616,016 |
| 2019-2023 | 2,011,087 | 894,593 | 2,905,680 |
| 2024-2028 | 2,222,196 | 651,232 | 2,873,428 |
| 2029-2033 | 1,151,989 | 126,146 | 1,278,135 |
| 2034-2035 | <u>81,287</u> | <u>5,527</u> | <u>86,814</u> |
| Total Debt Service Requirements | <u>\$ 7,398,982</u> | <u>\$ 2,818,831</u> | <u>\$10,217,813</u> |

NOTE 6: RETIREMENT COMMITMENTS

Employee Pension Plan

The Town contributes to a multiple employer defined contribution retirement plan administered by the Colorado Officials and Employees Retirement Association. Every employee who is employed by the Town is eligible to participate in the Plan immediately upon hire. Both the Town and the employee contribute from three to six percent of the employee's base salary. Plan provisions are established and may be amended by Town Council. During the year ended December 31, 2013, employer and employees contributed \$58,179, equal to their required contributions.

Participants vest in employer contributions and in earnings, losses, and changes in fair market value of Plan assets at a rate of 20% for each full twelve months of participating in the Plan. Participants are immediately vested in their own contributions and earnings.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 7: PUBLIC ENTITY RISK POOL

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of entity.

NOTE 8: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. On November 1994, voters within the Town approved the collection, retention and expenditure of State grants, all sales and use taxes and all other revenue generated by the Town in 1995 and subsequent years without limitation, notwithstanding the provisions of the Amendment.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2013, the emergency reserve of \$139,000 was recorded in the General Fund.

TOWN OF NEW CASTLE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2013

NOTE 9: RELATED PARTIES

A principal in the engineering firm contracted by the Town, is the son-in-law of one of the Town council members. The Town paid approximately \$197,000 to the engineering firm for services rendered during the year.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF NEW CASTLE, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2013

| | 2013 | | | VARIANCE | 2012 ACTUAL |
|----------------------------|---------------------|---------------------|---------------------|------------------------|---------------------|
| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | Positive (Negative) | |
| REVENUES | | | | | |
| Taxes | \$ 1,785,475 | \$ 1,785,475 | \$ 1,799,786 | \$ 14,311 | \$ 1,804,343 |
| Licenses and Permits | 5,300 | 5,300 | 39,694 | 34,394 | 24,067 |
| Intergovernmental | 629,274 | 629,274 | 1,018,954 | 389,680 | 752,796 |
| Charges for Services | 159,733 | 159,733 | 71,996 | (87,737) | 76,149 |
| Court | 36,850 | 36,850 | 56,853 | 20,003 | 57,263 |
| Developer Reimbursements | - | - | 22,013 | 22,013 | 30,174 |
| Interest | 1,360 | 1,360 | 2,648 | 1,288 | 4,669 |
| Contributed Assets | - | - | - | - | 118,000 |
| Miscellaneous | 2,060 | 2,060 | 41,515 | 39,455 | 24,242 |
| TOTAL REVENUES | <u>2,632,052</u> | <u>2,632,052</u> | <u>3,053,459</u> | <u>421,407</u> | <u>2,891,703</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | 497,170 | 497,170 | 355,225 | 141,945 | 332,095 |
| Public Safety | 871,830 | 871,830 | 828,886 | 42,944 | 805,889 |
| Public Works | 569,590 | 569,590 | 473,255 | 96,335 | 523,887 |
| Health and Welfare | 17,500 | 17,500 | 17,427 | 73 | 17,316 |
| Parks and Recreation | 466,783 | 466,783 | 466,737 | 46 | 428,066 |
| Capital Outlay | 230,800 | 629,001 | 735,879 | (106,878) | 492,974 |
| Debt Service | | | | | |
| Principal | 159,537 | 159,537 | 169,263 | (9,726) | 168,393 |
| Interest | 56,334 | 56,334 | 60,115 | (3,781) | 51,426 |
| TOTAL EXPENDITURES | <u>2,869,544</u> | <u>3,267,745</u> | <u>3,106,787</u> | <u>160,958</u> | <u>2,820,046</u> |
| NET CHANGE IN FUND BALANCE | (237,492) | (635,693) | (53,328) | 582,365 | 71,657 |
| FUND BALANCE, Beginning | <u>1,794,391</u> | <u>1,794,391</u> | <u>2,019,700</u> | <u>225,309</u> | <u>1,948,043</u> |
| FUND BALANCE, Ending | <u>\$ 1,556,899</u> | <u>\$ 1,158,698</u> | <u>\$ 1,966,372</u> | <u>\$ 807,674</u> | <u>\$ 2,019,700</u> |

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

TOWN OF NEW CASTLE, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2013

| | SPECIAL REVENUE FUND | PERMANENT FUND | TOTALS | |
|-------------------------------------|-------------------------------|---------------------------|------------|-----------|
| | CONSERVATION TRUST FUND | CEMETERY TRUST FUND | 2013 | 2012 |
| ASSETS | | | | |
| Cash | \$ 88,207 | \$ 21,828 | \$ 110,035 | \$ 62,324 |
| FUND EQUITY | | | | |
| Fund Balance | | | | |
| Restricted for Cemetery Care | \$ - | \$ 21,828 | \$ 21,828 | \$ 15,710 |
| Restricted for Park and Recreation | 88,207 | - | 88,207 | 46,614 |
| TOTAL FUND EQUITY | 88,207 | 21,828 | 110,035 | 62,324 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 88,207 | \$ 21,828 | \$ 110,035 | \$ 62,324 |

See the accompanying independent auditors' report.

TOWN OF NEW CASTLE, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

| | SPECIAL | PERMANENT | TOTALS | |
|-----------------------------|------------------|------------------|-------------------|------------------|
| | REVENUE | FUND | 2013 | 2012 |
| | CONSERVATION | CEMETERY | | |
| | TRUST | TRUST | | |
| | FUND | FUND | | |
| REVENUES | | | | |
| Intergovernmental | \$ 48,666 | \$ - | \$ 48,666 | \$ 44,983 |
| Charges for Services | - | 4,800 | 4,800 | 2,000 |
| Interest | 6 | 17 | 23 | 34 |
| Miscellaneous | - | 1,745 | 1,745 | - |
| TOTAL REVENUES | <u>48,672</u> | <u>6,562</u> | <u>55,234</u> | <u>47,017</u> |
| EXPENDITURES | | | | |
| Health and Welfare | - | 444 | 444 | 1,000 |
| Parks and Recreation | 7,079 | - | 7,079 | 30,948 |
| TOTAL EXPENDITURES | <u>7,079</u> | <u>444</u> | <u>7,523</u> | <u>31,948</u> |
| NET CHANGE IN FUND BALANCES | 41,593 | 6,118 | 47,711 | 15,069 |
| FUND BALANCES, Beginning | <u>46,614</u> | <u>15,710</u> | <u>62,324</u> | <u>47,255</u> |
| FUND BALANCES, Ending | <u>\$ 88,207</u> | <u>\$ 21,828</u> | <u>\$ 110,035</u> | <u>\$ 62,324</u> |

See the accompanying independent auditors' report.

TOWN OF NEW CASTLE, COLORADO

CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2013

| | 2013 | | VARIANCE Positive (Negative) | 2012 ACTUAL |
|----------------------------|---------------------------------|------------------|------------------------------------|------------------|
| | ORIGINAL AND FINAL BUDGET | ACTUAL | | |
| REVENUES | | | | |
| Intergovernmental | \$ 32,000 | \$ 48,666 | \$ 16,666 | \$ 44,983 |
| Interest | 5 | 6 | 1 | 5 |
| TOTAL REVENUES | <u>32,005</u> | <u>48,672</u> | <u>16,667</u> | <u>44,988</u> |
| EXPENDITURES | | | | |
| Parks and Recreation | <u>40,500</u> | <u>7,079</u> | <u>33,421</u> | <u>30,948</u> |
| NET CHANGE IN FUND BALANCE | (8,495) | 41,593 | 50,088 | 14,040 |
| FUND BALANCE, Beginning | <u>41,078</u> | <u>46,614</u> | <u>5,536</u> | <u>32,574</u> |
| FUND BALANCE, Ending | <u>\$ 32,583</u> | <u>\$ 88,207</u> | <u>\$ 55,624</u> | <u>\$ 46,614</u> |

See the accompanying independent auditors' report.

TOWN OF NEW CASTLE, COLORADO

CEMETERY FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2013

| | 2013 | | VARIANCE Positive (Negative) | 2012 ACTUAL |
|----------------------------|---------------------------------|-----------|------------------------------------|----------------|
| | ORIGINAL AND FINAL BUDGET | ACTUAL | | |
| REVENUES | | | | |
| Sale of Plots | \$ 800 | \$ 4,800 | \$ 4,000 | \$ 2,000 |
| Interest | 15 | 17 | 2 | 29 |
| Miscellaneous | - | 1,745 | 1,745 | - |
| TOTAL REVENUES | 815 | 6,562 | 5,747 | 2,029 |
| EXPENDITURES | | | | |
| Health and Welfare | 3,800 | 444 | 3,356 | 1,000 |
| NET CHANGE IN FUND BALANCE | (2,985) | 6,118 | 9,103 | 1,029 |
| FUND BALANCE, Beginning | 15,508 | 15,710 | 202 | 14,681 |
| FUND BALANCE, Ending | \$ 12,523 | \$ 21,828 | \$ 9,305 | \$ 15,710 |

See the accompanying independent auditors' report.

TOWN OF NEW CASTLE, COLORADO

UTILITY FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2013

| | 2013 | | | VARIANCE Positive (Negative) | 2012 ACTUAL |
|---------------------------------|---------------------|---------------------|----------------------|------------------------------------|----------------------|
| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | | |
| REVENUES | | | | | |
| Water Sales | \$ 775,756 | \$ 775,756 | \$ 834,039 | \$ 58,283 | \$ 878,051 |
| Wastewater Sales | 1,033,000 | 1,033,000 | 1,079,722 | 46,722 | 1,074,737 |
| Trash Sales | 245,100 | 245,100 | 245,833 | 733 | 243,920 |
| Tap Fees and Contributions | 1,600 | 1,600 | 36,000 | 34,400 | - |
| Interest | 150 | 150 | 204 | 54 | 211 |
| Other Revenues | 10,510 | 10,510 | 565 | (9,945) | 4,331 |
| TOTAL REVENUES | 2,066,116 | 2,066,116 | 2,196,363 | 130,247 | 2,201,250 |
| EXPENDITURES | | | | | |
| Water | 680,225 | 680,225 | 674,955 | 5,270 | 596,050 |
| Wastewater | 603,260 | 603,260 | 572,699 | 30,561 | 499,992 |
| Trash | 244,800 | 244,800 | 262,504 | (17,704) | 237,434 |
| Debt Service | 614,306 | 614,306 | 614,306 | - | 601,445 |
| Capital Outlay | 114,500 | 161,145 | 53,150 | 107,995 | 21,868 |
| TOTAL EXPENDITURES | 2,257,091 | 2,303,736 | 2,177,614 | 126,122 | 1,956,789 |
| NET INCOME, Budget Basis | \$ (190,975) | \$ (237,620) | 18,749 | \$ 256,369 | 244,461 |
| GAAP BASIS ADJUSTMENTS | | | | | |
| Capital Outlay | | | 53,150 | | 21,868 |
| Loan Principal Payments | | | 358,500 | | 351,192 |
| Depreciation | | | (744,700) | | (741,992) |
| NET INCOME, GAAP Basis | | | (314,301) | | (124,471) |
| NET ASSETS, Beginning | | | 15,301,418 | | 15,425,889 |
| NET ASSETS, Ending | | | \$ 14,987,117 | | \$ 15,301,418 |

See the accompanying independent auditors' report.

COMPLIANCE

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

| | |
|--|--|
| LOCAL HIGHWAY FINANCE REPORT | City or County: Town of New Castle, Colorado |
| | YEAR ENDING : December 2013 |
| This Information From The Records Of (example - City of _ or County of Town of New Castle | Prepared By: Lyle L. Layton, Finance Director Phone: (970) 984-2311 |

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) | 149,174 |
| a. Motor Fuel (from Item I.A.5.) | | 2. Maintenance: | 614,340 |
| b. Motor Vehicle (from Item I.B.5.) | | 3. Road and street services: | |
| c. Total (a.+b.) | | a. Traffic control operations | 25,759 |
| 2. General fund appropriations | 251,080 | b. Snow and ice removal | 47,587 |
| 3. Other local imposts (from page 2) | 488,092 | c. Other Street Lighting | 54,460 |
| 4. Miscellaneous local receipts (from page 2) | 420,336 | d. Total (a. through c.) | 127,806 |
| 5. Transfers from toll facilities | | 4. General administration & miscellaneous | 22,688 |
| 6. Proceeds of sale of bonds and notes: | | 5. Highway law enforcement and safety | 401,405 |
| a. Bonds - Original Issues | | 6. Total (1 through 5) | 1,315,413 |
| 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) | 1,159,508 | b. Redemption | |
| B. Private Contributions | 9,693 | c. Total (a. + b.) | 0 |
| C. Receipts from State government (from page 2) | 144,581 | 2. Notes: | |
| D. Receipts from Federal Government (from page 2) | 0 | a. Interest | |
| E. Total receipts (A.7 + B + C + D) | 1,313,782 | b. Redemption | |
| | | c. Total (a. + b.) | 0 |
| | | 3. Total (1.c + 2.c) | 0 |
| | | C. Payments to State for highways | |
| | | D. Payments to toll facilities | |
| | | E. Total disbursements (A.6 + B.3 + C + D) | 1,315,413 |

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

| | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|--|----------------------|-------------------|------------------------|-------------------|-------------------|
| | 1,631 | 1,313,782 | 1,315,413 | | 0 |

Notes and Comments:

| | | | |
|--|---|--|---------------------------|
| LOCAL HIGHWAY FINANCE REPORT | | STATE: | Town of New Castle |
| | | 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 | 29 |
| b. Other local imposts: | | b. Traffic Fines & Penalties | 14,523 |
| 1. Sales Taxes | 467,631 | c. Parking Garage Fees | |
| 2. Infrastructure & Impact Fees | 2,664 | d. Parking Meter Fees | |
| 3. Liens | | e. Sale of Surplus Property | |
| 4. Licenses | | f. Charges for Services | 1,609 |
| 5. Specific Ownership &/or Other | 17,797 | g. Other Misc. Receipts | 1,948 |
| 6. Total (1. through 5.) | 488,092 | h. Other | 402,227 |
| c. Total (a. + b.) | 488,092 | i. Total (a. through h.) | 420,336 |
| | (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 | 127,966 | 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 | 16,615 | d. Federal Transit Admin | |
| d. Other (Specify) | | e. U.S. Corps of Engineers | |
| e. Other (Specify) | | f. Other Federal | |
| f. Total (a. through e.) | 16,615 | g. Total (a. through f.) | 0 |
| 4. Total (1. + 2. + 3.f) | 144,581 | 3. Total (1. + 2.g) | |
| | | | (Carry forward to page 1) |
| III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL | | | |
| | ON NATIONAL HIGHWAY SYSTEM (a) | OFF NATIONAL HIGHWAY SYSTEM (b) | TOTAL (c) |
| A.1. Capital outlay: | | | |
| a. Right-Of-Way Costs | | | 0 |
| b. Engineering Costs | | | 0 |
| c. Construction: | | | |
| (1). New Facilities | | | 0 |
| (2). Capacity Improvements | | | 0 |
| (3). System Preservation | | 149,174 | 149,174 |
| (4). System Enhancement & Operation | | | 0 |
| (5). Total Construction (1) + (2) + (3) + (4) | 0 | 149,174 | 149,174 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5) | 0 | 149,174 | 149,174 |
| | | | (Carry forward to page 1) |
| Notes and Comments: | | | |
| A.4.h. Misc. local receipts: Grants from: Garfield County Federal Mineral Lease District \$397,227 & Assoc. Govts. NW Colo \$5,000 | | | |