

City of Woodland Park, Colorado

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Comprehensive Annual Financial Report



Woodland Park Downtown Development District
2.3.05

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For the Year Ending December 31, 2004

“City Above the Clouds”

CITY OF WOODLAND PARK, COLORADO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

December 31, 2004

Prepared By

FINANCE DEPARTMENT

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May 27, 2005



**Honorable Mayor Crane
Members of City Council, and
Citizens of Woodland Park, Colorado**

The Comprehensive Annual Financial Report (CAFR) and Independent Audit of the City of Woodland Park for the Fiscal Year ended December 31, 2004, is presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants as required by Sections 4.3 and 9.13 of the Woodland Park City Charter.

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

The City of Woodland Park's financial statements have been audited by Swanhorst & Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Woodland Park for the fiscal year ended December 31, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Woodland Park's financial statements for the fiscal year ended December 31, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Woodland Park was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of Woodland Park’s separately issued Single Audit Report.

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

Profile of the Government

The City of Woodland Park, incorporated in 1891, is located 18 miles northwest of Colorado Springs and functions as a suburb of Colorado Springs with over half of our working population commuting to Colorado Springs for employment. Woodland Park, known as the “City Above the Clouds,” provides a home to people seeking a scenic mountain environment. The City is also the largest municipality and regional service/retail center in Teller County. The City of Woodland Park currently occupies a land area of 6.51 square miles and serves a population of 7,078. The City of Woodland Park is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the city council.

The City of Woodland Park operates under the council-manager form of government with policy-making and legislative authority vested in the city council consisting of the mayor and six other members. The city council is responsible, among other things, for passing ordinances, adopting the annual budget, appointing committees, and hiring the city manager, city attorney, and municipal court judge. The city manager is responsible for carrying out the policies and ordinances of the city council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with three council members elected every two years. The mayor is elected to serve a two-year term, and shall continue in office for not more than four consecutive elective terms. Council members shall continue in office for not more than two consecutive elective terms.

The City of Woodland Park provides a full range of services, including police protection; the construction and maintenance of highways, streets, and other infrastructure; planning and zoning; recreational activities and facilities; and cultural events. Certain sanitation services are provided through the City of Woodland Park Water and Wastewater enterprise funds, which function, in essence, as a department of the City of Woodland Park and have been included as an integral part of the City of Woodland Park's financial statements. The City of Woodland Park also is financially accountable for a legally separate Downtown Development Authority that is reported separately within the City of Woodland Park's financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements.

The annual budget serves as the foundation and work plan for the City of Woodland Park's financial planning and control. All departments of the City of Woodland Park are required to submit requests for appropriation to the City Manager. The City Manager then uses these requests as the starting point for developing a proposed budget. The city manager then presents the proposed budget to the city council for consideration on or before October 15 of each year. The city council is required to hold a public hearing on the proposed budget and to adopt a final budget by no less than 15 days before the next fiscal year. The appropriated budget is prepared by fund, function (e.g. public works), and department (e.g. streets). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the city council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Woodland Park operates.

Local economy. The City of Woodland Park currently enjoys a stable economic environment with local indicators pointing to significant growth in future years. The region relies upon tourism, mining, construction, educational/health/social services, retail, real estate, and light manufacturing as its main industries. Currently, a major retailer is planning to construct a 160,000 square-foot facility in the City of Woodland Park that could employ up to 300 people. The region (which includes the City of Woodland Park as the county's major population and retail center) has an employed labor force of approximately 12,943, which is anticipated to grow with corresponding growth in population.

Long-term financial planning. The Woodland Park Downtown Development Authority (DDA) was created by the vote of the district's electorate In September of 2001. The DDA's Foundation Plan was created in February 2002 as the essential

first step, required by Colorado Law, in determining how to make downtown Woodland Park a better place for people. This Foundation Plan is intended as a basic roadmap for improving the downtown for the convenience and enjoyment of our community with top priority on supporting private enterprise, development, and redevelopment. As a result of the DDA's efforts, the City of Woodland Park's central business district is expected to become vibrant with a variety of stores, specialty shops, entertainment venues, and commercial businesses. Meanwhile, there continues to be a discernable trend toward steady residential growth. With continued growth throughout the region, Woodland Park is expected to experience continued demands relative to traffic, and water and wastewater utilities.

In order to address these demands in our community, the elected officials and management of the City of Woodland Park continue to plan for future residential development, infrastructure improvements, transportation impact mitigation, and commercial and retail growth within our community. At the same time, strict attention is given to increasing the quality of service delivery to our citizens. Special efforts are being undertaken in all areas to protect the quality of life in Woodland Park.

Cash management policies and practices. Cash temporarily idle during the year was invested in certificates of deposit, money market funds, and local government investment pools. The maturities of the investments range from zero to 36 months, with an average maturity of 5 months. The average yield on investments was 2.13% for the City of Woodland Park. Investment income includes appreciation in the fair market value of investments. Increases in fair market value during the current year, however, do not necessarily represent a trend that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

Risk management. Since 1985, the City of Woodland Park has been involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate independent governmental and legal entity formed by intergovernmental agreement of 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). CIRSA insures the City of Woodland Park for workers' compensation coverage in addition to defined liability and property damage. Various control techniques, including Behavior Based Safety and employee accident prevention training programs, have been implemented over time to minimize accident-related losses. Additional information on the City of Woodland Park's risk management activity can be found in the notes to the financial statements.

Pension plan benefits. The City of Woodland Park contributes to a single employer defined contribution money purchase pension plan on behalf of police officers and a similar plan for all other city employees. The benefits of the pension are provided through plans managed by Nexus Financial Programs, Inc. The City of Woodland Park has no obligation in connection with employee benefits offered

through this plan beyond payroll deductions. Additional information on the City of Woodland Park's pension plans can be found in the notes to the financial statements.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Woodland Park for its comprehensive annual financial report for the fiscal year ended December 31, 2003. This was the 11th consecutive year that Woodland Park has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and other departments. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Woodland Park's finances.

Respectfully submitted,



Mark Fitzgerald
City Manager



Kellie J. Case
Finance Director/Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Woodland Park,
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2003

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



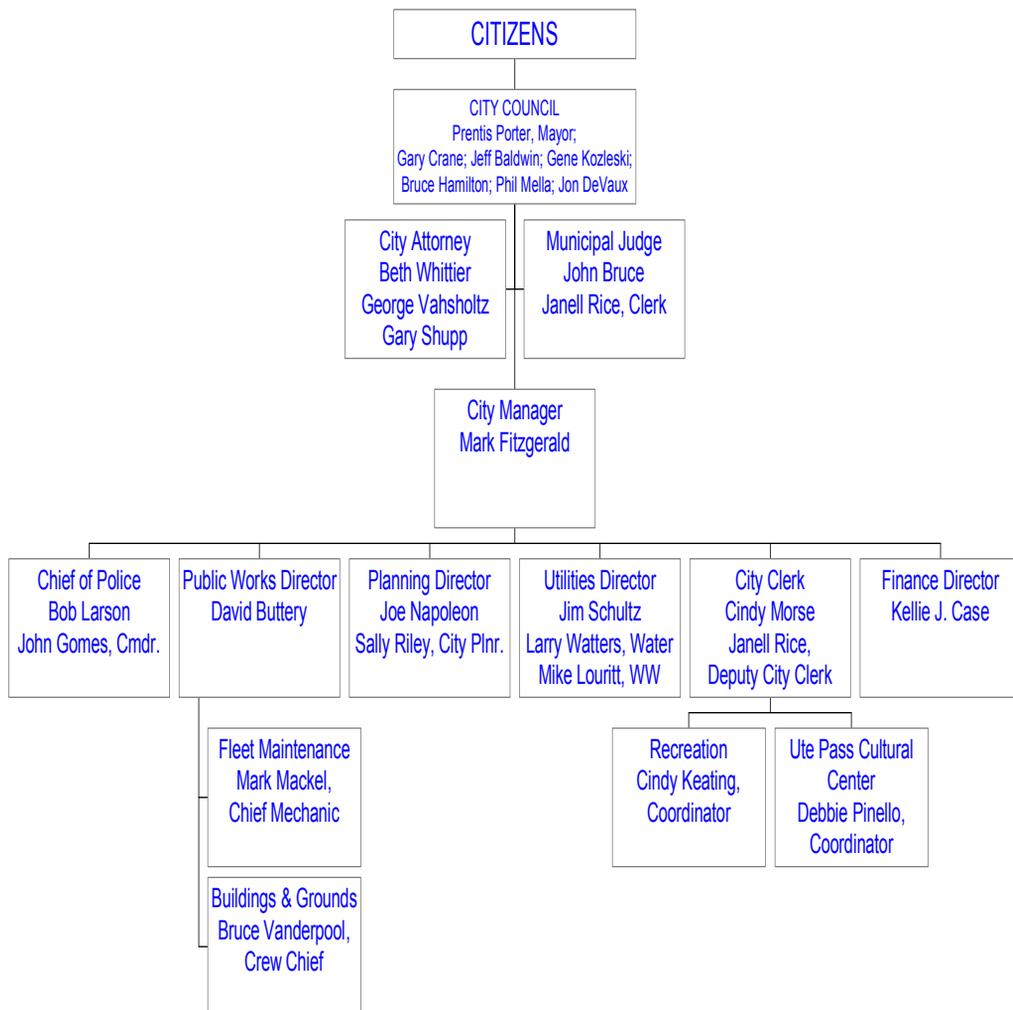
Nancy L. Zjelke

President

Jeffrey R. Emer

Executive Director

2004 City of Woodland Park Organization Chart



City of Woodland Park

LIST OF PRINCIPAL OFFICIALS
DECEMBER 31, 2004

CITY COUNCIL

<u>TITLE</u>	<u>NAME</u>
Mayor	Gary Crane
Mayor Pro Tem	Phil Mella
Council Member	Jeff Baldwin
Council Member	Jon DeVaux
Council Member	Terry Harrison
Council Member	George Parkhurst
Council Member	Steve Randolph

CITY ADMINISTRATIVE OFFICERS

<u>TITLE</u>	<u>NAME</u>
City Manager	Mark Fitzgerald
City Attorney	Icenogle, Norton, Smith & Blieszner, PC
Asst. Mgr./City Clerk	Cindy Morse
Finance Director/Treasurer	Kellie J. Case
Planning Director	Joe Napoleon
Public Works Director	David Buttery
Police Chief	Robert Larson
Utilities Director	Jim Schultz
Municipal Judge	John Bruce

FINANCIAL SECTION

Honorable Mayor and Members of the City Council
City of Woodland Park
Woodland Park, Colorado

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Woodland Park, Colorado, as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements of the City, as listed in the table of contents. These financial statements are the responsibility of the City of Woodland Park, Colorado's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Woodland Park, Colorado, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 10 to the financial statements, the City of Woodland Park, Colorado, adopted the standards of Governmental Accounting Standards Board Statements No. 34 and 38 for the year ended December 31, 2004.

The management's discussion and analysis and required supplementary information listed in the table of contents are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the City of Woodland Park, Colorado's basic financial statements. The combining and individual fund statements and schedules and state compliance listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 1, 2005, on our consideration of the City of Woodland Park, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The introductory and statistical information has not been subjected to the auditing procedures applied to the basic financial statements, and accordingly, we express no opinion on it.

Swanhorst & Company LLC

April 1, 2005



As management of the City of Woodland Park, we offer readers of the City of Woodland Park's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages "i-v" of this report.

FINANCIAL HIGHLIGHTS

- The City of Woodland Park remains in strong financial condition.
- The assets of the City of Woodland Park exceeded its liabilities at the close of 2004 by \$27,615,528 (net assets). Of this amount, \$3,541,691 or 12.8% is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$4,541,746 in 2004. This increase is primarily attributable to additional resources in the Water Fund from a significant increase in the number of building permits issued in 2004 and the resulting increased tap fee revenues.
- At December 31, 2004, the combined fund balance for the City's governmental funds was \$1,958,786, an increase of \$1,642,596 mainly due to receipt of grant revenues from 2003 activities. Cash and Fund Balance Reserved for Capital Projects increased \$115,826 from an unanticipated increase in sales tax revenues. Of the current fund balance, \$1,597,209, or 81.5%, is unreserved and available for spending at the City's discretion.
- The unreserved fund balance for the General Fund was \$1,513,492, or 29.4% of the total General Fund expenditures.
- Tax revenues increased by 5.9% over 2003, primarily due to increased retail activity and residential and commercial development.
- The City's total debt decreased \$1,530,517 to \$17,604,637. In 2004, the City refunded the 1994 Wastewater Revenue Bonds reducing the City's aggregate debt by approximately \$240,000 over the next ten years and obtained an economic gain of approximately \$185,000. The majority of the debt reduction is attributable to scheduled debt service principal payments made during 2004.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the City of Woodland Park's basic financial statements. The City of Woodland Park's basic financial statements comprise three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Woodland Park's finances, in a manner similar to a private-sector business.

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

The ***statement of activities*** presents information showing how the City of Woodland Park's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Woodland Park that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the City of Woodland Park include general government, public safety (police), streets, planning, and parks and recreation. The Business-type Activities of the City of Woodland Park include Water and Wastewater.

The government-wide financial statements include not only the City of Woodland Park, but also a legally separate Downtown Development Authority for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the City itself.

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. Some funds are required to be established by State law and bond covenants; however, City Council establishes other funds to help control and manage money for particular purposes (i.e. Iverson Memorial Trust Fund). All of the City's funds can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end are available for spending. The funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed, short-term view of cash, the governmental fund operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation presented following the fund financial statements.

Proprietary funds – When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact the City's enterprise funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, the report also presents the combining statements in connection with non-major Governmental Funds. Combining and individual fund statements and schedules can be found after the Notes in the financial section.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Woodland Park, assets exceeded liabilities by \$27,615,528 at the close of 2004.

City of Woodland Park Net Assets

	Governmental Activities	Business-Type Activities	Total
	2004	2004	2004
Current & other assets	\$ 4,040,733	\$ 2,365,016	\$ 6,405,749
Capital assets	22,422,205	18,806,088	41,228,293
Total assets	26,462,938	21,171,104	47,634,042
Long-term debt outstanding	9,778,672	7,825,965	17,604,637
Other liabilities	2,081,947	331,930	2,413,877
Total liabilities	11,860,619	8,157,895	20,018,514
Net assets:			
Invested in capital assets net of related debt	12,816,941	10,980,123	23,797,064
Restricted	276,773	0	276,773
Unrestricted	1,508,605	2,033,086	3,541,691
Total net assets	\$ 14,602,319	\$ 13,013,209	\$ 27,615,528

The largest portion of the City of Woodland Park's net assets (86.2%) reflects its investment in capital assets (e.g. land, buildings, etc.), less any related debt still outstanding (current and long-term), that was used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is 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 liquidate these liabilities. Unrestricted net assets may be used to meet the City's ongoing obligations to citizens and creditors.

The restricted portion of net assets (1.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net assets (\$3,541,691) is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

The City reports positive balances in all three categories of net assets, for the government as a whole, as well as for its separate Governmental and Business-type Activities.

Changes in Net Assets

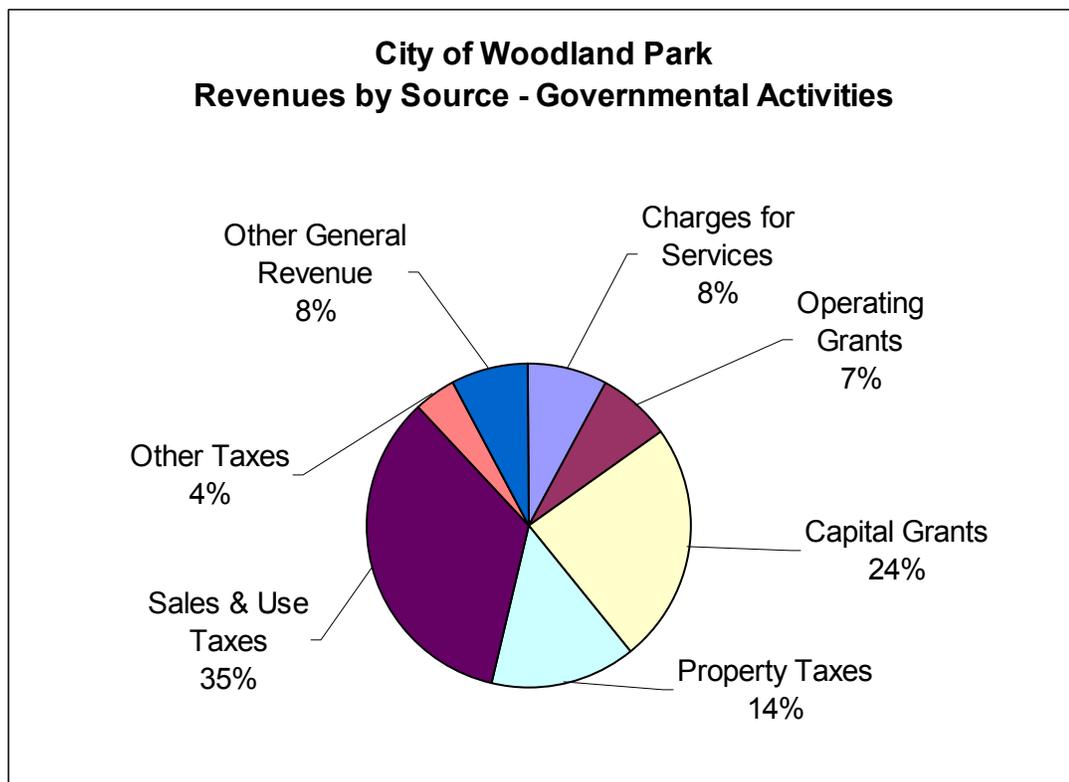
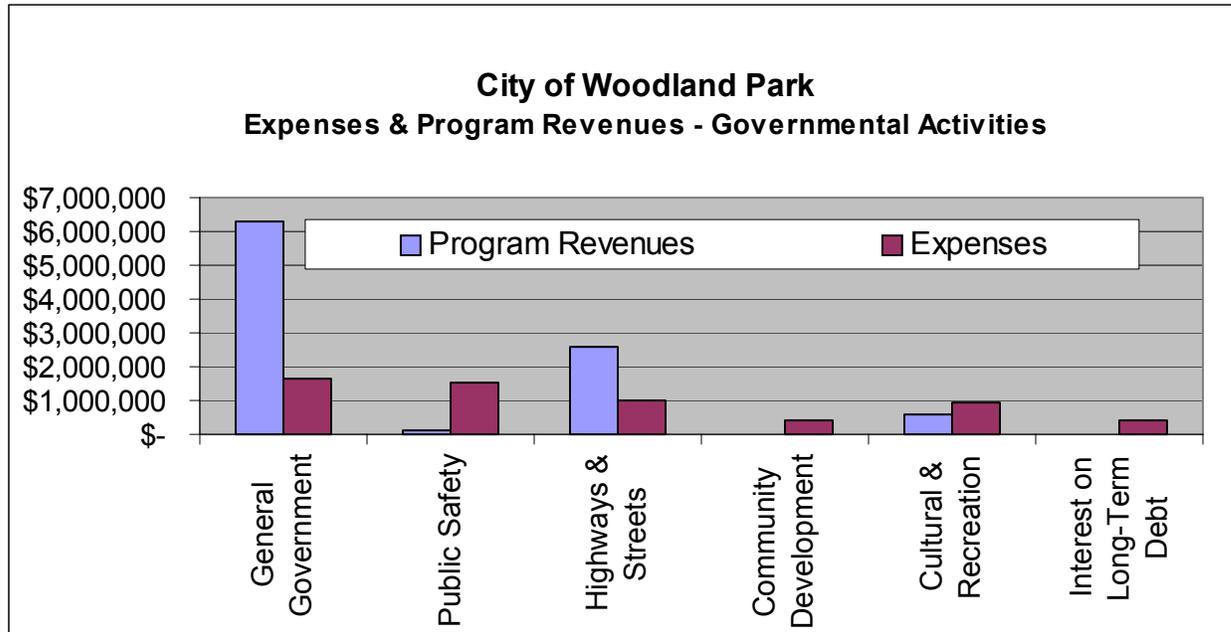
The City's total revenues of \$12,814,433 exceed program expenses of \$12,113,803, with the difference creating an increase in net assets for 2004 of \$700,630. The majority of the increase is the result of increased tax revenues, building permit and tap fees, and ongoing operations.

City of Woodland Park's Changes in Net Assets

	Governmental Activities	Business-Type Activities	Total
	2004	2004	2004
Revenues:			
Program revenues:			
Charges for services	\$ 784,340	\$ 2,291,387	\$ 3,075,727
Operating grants	691,928	0	\$ 691,928
Capital grants & contributions	2,293,669	1,164,757	\$ 3,458,426
General revenues:			
Property taxes	1,361,288	0	\$ 1,361,288
Sales & use taxes	3,309,296	0	\$ 3,309,296
Other taxes	417,192	0	\$ 417,192
Other general revenues	439,799	60,777	\$ 500,576
Total revenues	<u>9,297,512</u>	<u>3,516,921</u>	<u>12,814,433</u>
Expenses:			
General government	1,635,400	0	1,635,400
Public safety	1,547,455	0	1,547,455
Highway & streets	973,671	0	973,671
Community development	393,558	0	393,558
Cultural & recreation	931,972	0	931,972
Interest on long-term debt	433,913	0	433,913
Water	0	1,344,543	1,344,543
Wastewater	0	1,012,175	1,012,175
Total expenses	<u>5,915,969</u>	<u>2,356,718</u>	<u>12,113,803</u>
Increase in net assets before transfers	3,381,543	1,160,203	4,541,746
Net transfers	294,359	(294,359)	0
Increase (decrease) in net assets	<u>3,675,902</u>	<u>865,844</u>	<u>4,541,746</u>
Net assets - January 1	10,926,417	12,147,365	23,073,782
Net assets - December 31	\$ 14,602,319	\$ 13,013,209	\$27,615,528

Governmental Activities

Total expenses for Governmental Activities exceeded program revenues by \$3,675,902 for 2004, due to the planned expenditure of General Fund balance for one-time capital acquisitions. The following illustrates the Governmental Activities expenses and revenues:



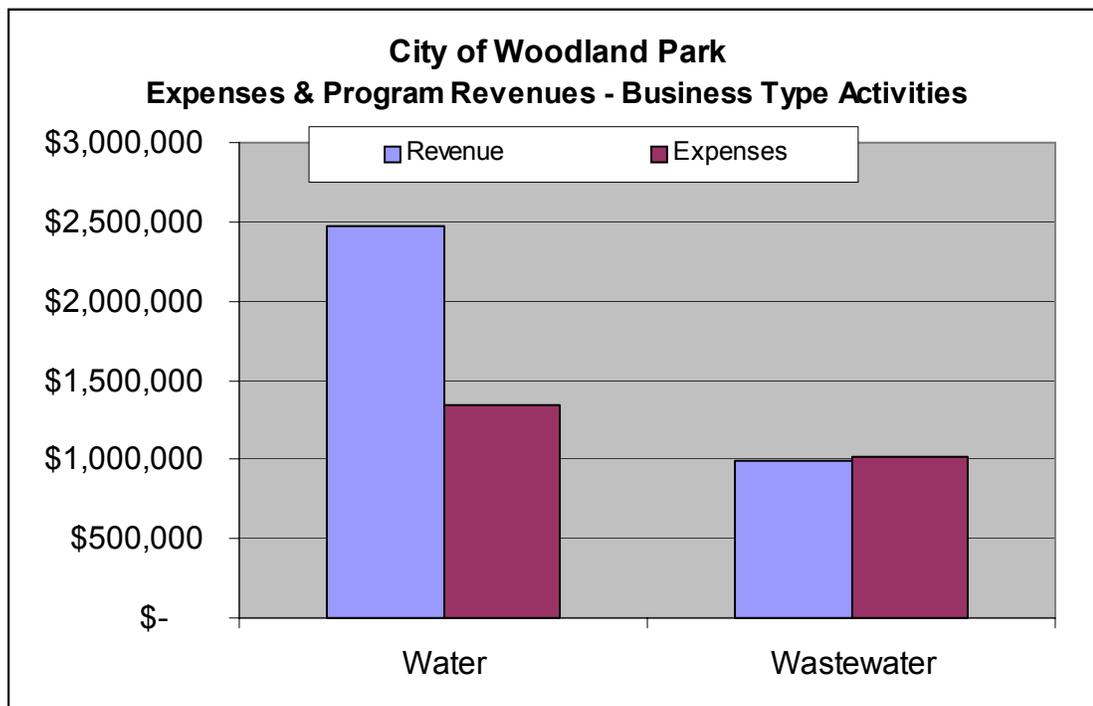
Sales and use tax revenue increased 5.5% during the year. The majority of the growth is attributed to increases in retail sales and building permit and utility tap fees in Woodland Park.

An increase in property tax revenue of \$109,660 (8.8%) was seen during the year. This growth was attributed to increasing valuations of existing properties and additional construction. The mill levy has remained constant since 1991.

Comparisons of program expenses cannot be made as the City of Woodland Park adopted GASB 34 reporting model for 2004.

Business-type Activities

Net assets in Business-type Activities increased by \$865,844, with the increase attributed to capital revenues in the Water Fund. The following illustrates the Business-type Activities revenues and expenses.



Charges for services for business-type activities increased \$38,602 or 1.7% compared to 2003. The revenue generated from water user fees accounted for most of the increase; however, the nominal amount of the increase was because of continued water restrictions brought on by drought conditions in the region. Specifically, Water and Wastewater user fees were both up 1.7% for the year. System development fee revenues increased for both the Water (\$218,459 or 37.8%) and Wastewater (\$67,625 or 22.5%) Funds as the number of building permits issued in 2004 was up significantly from prior years.

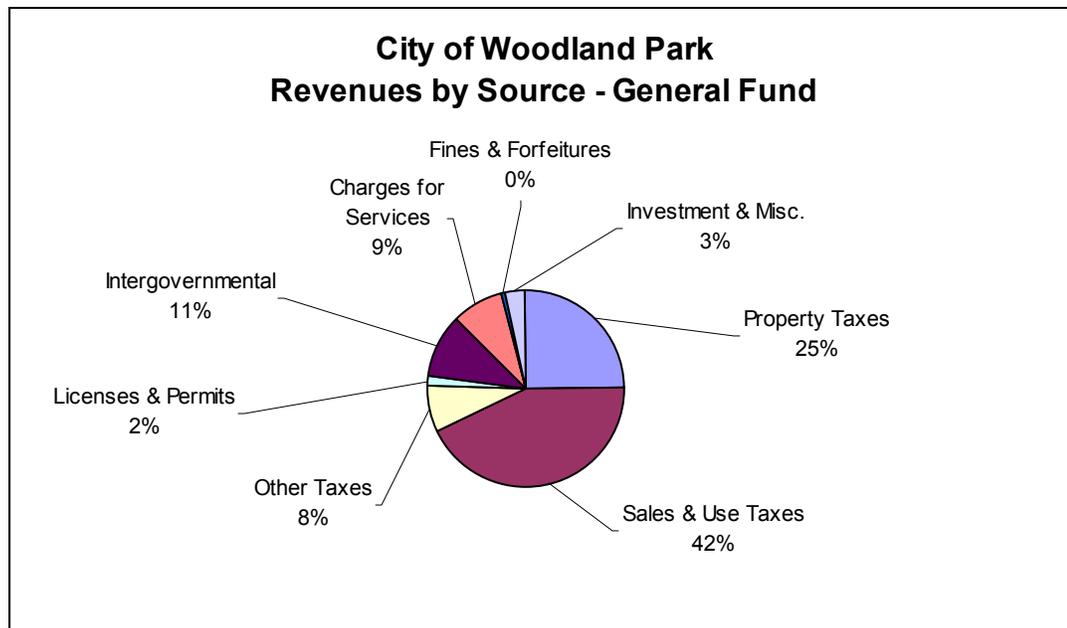
Investment earnings increased \$40,588 or 201% due to increased cash reserves and interest rates offered on investments.

The City's Funds

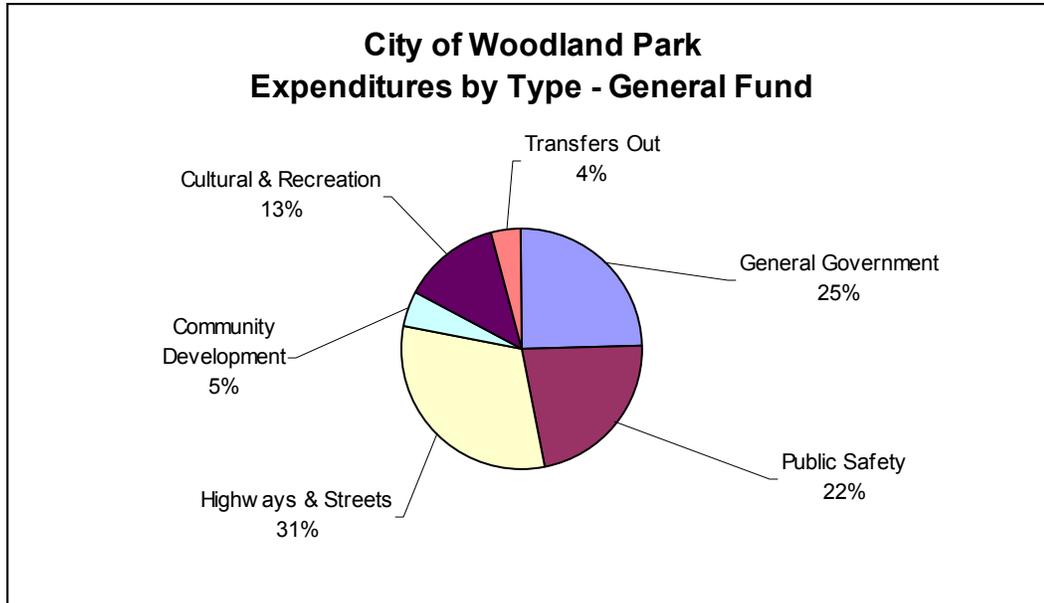
The City's Governmental Funds are accounted for using the modified accrual basis of accounting. As the City completed the year, its Governmental Funds reported a combined fund balance of \$1,958,786. Of that fund balance, \$1,597,209 million was unreserved and is available for spending at the City's discretion. The remainder of the fund balance is reserved and is not available for new spending because it is already committed as follows:

Reserved for Inventory	\$	79,104
Reserved for Prepaid Items	\$	5,700
Reserved for Debt Service	\$	119,773
Reserved for Emergencies	\$	157,000

The General Fund accounts for all of the general services provided by the City of Woodland Park. At the end of 2004, the fund balance of the General Fund totaled \$1,755,296, with an increase of \$412,580 or 30.7 percent. The current General Fund balance is 32.3% of General Fund expenditures, including transfers out, and a level above 10% is considered acceptable. Given the current economy and tightening revenues, the City's General Fund ended 2004 in an extremely strong financial position.



General Fund expenditures include all administrative functions of the City including Council, Clerk, Manager, Finance, Attorney, Human Resources, Planning, Recreation, and Municipal facilities. The following shows a graphical presentation of General Fund expenditures by type:



The City's Grants Fund accounts for the receipt and expenditure of grants received from outside agencies, whether local, state, or federal. The year-end 2004 negative fund balance of (\$177,404) is a result of the City not receiving reimbursement for expenditures incurred in 2004 until mid-2005.

The Street Capital Improvements Fund is the City's only active capital improvement fund and accounts for 1 cent of the 3 cent sales tax the city receives on retail sales in Woodland Park. The revenues of the Street Capital Improvements Fund are restricted to use for only street-related capital improvements and the maintenance thereof. The fund balance for this fund increased \$115,851 or 79.7% due to increased sales tax revenues and a decrease in street-related expenditures in 2004.

The Non Major Governmental Funds of the City of Woodland Park are comprised of three debt service funds required for the accumulation of revenues from various other funds of the City, and the payment of debt service principal and interest expenses periodically during each year. The total fund balance of the Non Major Governmental Funds at year-end 2004 was \$119,773 that is restricted for debt service, an increase over 2003 of \$62,830 or 110.3 percent.

The City of Woodland Park has two proprietary-type funds, accounting for the operation of water and wastewater services for the community. The combined net assets at year-end 2004 for the proprietary funds were \$13,013,209, with \$6,810,317 for Water and \$6,202,892 for Wastewater.

GENERAL FUND BUDGETARY HIGHLIGHTS

During 2004, the City Council approved six amendments to the General Fund budget. All recommended amendments for budget changes were made by ordinance according to the City's Municipal Code. Ordinance enactment requires public hearing and the opportunity for public discussion. The City does allow small intra-departmental budget changes that modify line items within departments within the same fund.

For the General Fund, the original and final budgeted revenues were \$5,144,534, and actual revenues of \$5,466,330 exceeded the final budget by \$321,796.

The General Fund original budgeted expenditures of \$5,874,704 increased by \$105,977 to \$5,980,681 in the final budget. The increase included \$2,270 for community investment, \$11,082 for new Cultural Center carpeting, \$8,250 for a Quonset Hut slab, \$33,375 for a new patrol vehicle with radios funded by Special Gaming revenues, \$30,000 for unanticipated street lighting electrical costs, and \$21,000 for miscellaneous streets subcontract services. The actual year-end fund balance was \$701,295 above the original budgeted amount.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

By the end of 2004, the City had invested in a broad range of capital assets, including police equipment, roads, water and wastewater improvements, storm drainage and other infrastructure. In addition to the completed Highway 24 project, the City has a completed Meadow Wood Park Master Plan and other improvements in process.

The table below provides a comparative summary of total capital assets at December 31, 2004:

City of Woodland Park
Capital Assets at Year-End 2004
 (Net of Depreciation)

	Governmental Activities 2004	Business-Type Activities 2004	Total Primary Government 2004
Land & Improvements	\$ 3,209,439	\$ 175,735	\$ 3,385,174
Buildings	\$ 3,493,219	\$ -	\$ 3,493,219
Improvements	\$ 1,678,864	\$ 12,795,398	\$ 14,474,262
Machinery & Equipment	\$ 412,600	\$ 203,382	\$ 615,982
Water Rights	\$ -	\$ 4,840,611	\$ 4,840,611
Infrastructure	\$ 13,628,083	\$ -	\$ 13,628,083
Construction in Progress	\$ -	\$ 790,962	\$ 790,962
Totals	\$ 22,422,205	\$ 18,806,088	\$ 41,228,293

Major capital expenses during 2004 included:

Construction in Progress:	
Wastewater Compost Support Building	\$ 790,962
Highway 24 Infrastructure Improvements	\$ 1,285,603
Highway 24 Median Landscaping	\$ 68,500
Central Business District Infrastructure Improvements	\$ 352,748
Meadow Wood Park Expansion Dedication	\$ 585,600
Regency Park Dedication	\$ 41,280
Saddle Club Property Purchase Down Payment	\$ 40,000
Wastewater System Improvements	\$ 97,870

The City remains committed to the preservation and maintenance of the City's largest assets. More detailed information about the City's capital assets is presented in Notes 1 and 5 to the financial statements.

Debt

Note 6 of the financial statements provide a summary of the City's long-term debt. At the end of 2004, the City had total debt outstanding of \$17,706,050. Of the total, \$3.845 million is general obligation debt, backed by the full faith and credit of the City; \$7,945,000 is revenue bonded debt to be repaid only by specific tax and fee revenues; \$3,520,000 are Certificates of Participation paid by annual appropriation of the yearly lease payments for the Public Works and Police Operations Center; and the remaining \$2,396,050 is other loans and employee compensated absences liability to be repaid according to the terms of the applicable documents.

The City's total outstanding debt was decreased by \$1,530,517 in 2004. \$2.125 million of Wastewater Revenue/Refunding Bonds were issued during the year refunding the remaining \$2.225 million of the 1994 Wastewater Revenue Bonds.

City of Woodland Park Outstanding Debt - Year End 2004

	Governmental Activities	Business-Type Activities	Total Primary Government
	2004	2004	2004
General Obligation Bonds	\$ 2,670,000	\$ 1,175,000	\$ 3,845,000
Revenue Bonds	\$ 3,250,000	\$ 4,593,587	\$ 7,843,587
Certificates of Participation	\$ 3,520,000	\$ -	\$ 3,520,000
Leases, Loans & Compensated Absences	\$ 338,672	\$ 2,057,378	\$ 2,396,050
Totals	<u>\$ 9,778,672</u>	<u>\$ 7,825,965</u>	<u>\$ 17,604,637</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Woodland Park continues to maintain a strong financial position. Citywide reserves far exceed the levels that the City has established as acceptable. In preparing the 2005 Budget, the City of Woodland Park had to take several factors into consideration, including the sluggish economy and the slow recovery in interest rates both locally and nationally. The City is being cautious with its spending in 2005, delaying discretionary purchases and monitoring revenues to continually assess the City's financial position. The 2005 Budget reflects the City's continued commitment to a continued level of services and maintenance of City infrastructure as top priorities.

At the time of this analysis, sales and use tax revenues are up 3.8% compared to 2004, and economic indicators are improving and many economists are projecting a continued steady recovery. With Property Tax revenues, due to increases in assessed valuations, and other revenues projected to have modest increases, overall General Fund revenues should offset inflationary increases in expenditures. The City anticipates ending 2005 with a fund balance of approximately \$1.39 million or 23 % of operating expenditures.

Water rates remained unchanged with the inclining rate block schedule adopted in April 2003, and the City has completed construction of a new Compost Support building at the wastewater treatment plant that will greatly enhance the operations at that facility. No rate increases are anticipated in either the Water or Wastewater Funds.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City of Woodland Park's finances and to show the City's accountability for the funds and assets it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Woodland Park, PO Box 9007, 220 W. South Avenue, Woodland Park, Colorado, 80866.

BASIC FINANCIAL STATEMENTS

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF NET ASSETS

December 31, 2004

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
ASSETS				
Cash and Investments	\$ 859,095	\$ 1,572,607	\$ 2,431,702	\$ 35,425
Accounts Receivable	1,773,869	336,869	2,110,738	540
Other Receivables	-	-	-	-
Taxes Receivable	1,322,965	-	1,322,965	126,905
Internal Balances	-	-	-	-
Supplies Inventory	79,104	77,240	156,344	-
Prepaid Expenses	5,700	-	5,700	-
Restricted Cash and Investments	-	164,065	164,065	-
Deferred Charges	-	214,235	214,235	-
Capital Assets, Not Being Depreciated	3,209,439	5,807,308	9,016,747	-
Capital Assets, Net of Accumulated Depreciation	19,212,766	12,998,780	32,211,546	-
TOTAL ASSETS	26,462,938	21,171,104	47,634,042	162,870
LIABILITIES				
Accounts Payable	330,464	132,577	463,041	2,700
Accrued Liabilities	112,641	185,288	297,929	-
Customer Deposits	262,989	14,065	277,054	-
Deferred Revenues	1,375,853	-	1,375,853	126,905
Noncurrent Liabilities				
Due Within One Year	921,471	799,917	1,721,388	-
Due in More Than One Year	8,857,201	7,026,048	15,883,249	-
TOTAL LIABILITIES	11,860,619	8,157,895	20,018,514	129,605
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	12,816,941	10,980,123	23,797,064	-
Restricted for Debt Service	119,773	-	119,773	-
Restricted for Emergencies	157,000	-	157,000	-
Unrestricted	1,508,605	2,033,086	3,541,691	33,265
TOTAL NET ASSETS	\$ 14,602,319	\$ 13,013,209	\$ 27,615,528	\$ 33,265

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

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2004

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 1,635,400	\$ 468,116	\$ -	\$ -
Public Safety	1,547,455	24,824	115,534	-
Highways and Streets	973,671	291,400	-	2,293,669
Community Development	393,558	-	-	-
Cultural and Recreation	931,972	-	576,394	-
Interest on Long-Term Debt	433,913	-	-	-
Total Governmental Activities	<u>5,915,969</u>	<u>784,340</u>	<u>691,928</u>	<u>2,293,669</u>
Business-Type Activities				
Water	1,344,543	1,303,387	-	796,586
Wastewater	1,012,175	988,000	-	368,171
Total Business-Type Activities	<u>2,356,718</u>	<u>2,291,387</u>	<u>-</u>	<u>1,164,757</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 8,272,687</u>	<u>\$ 3,075,727</u>	<u>\$ 691,928</u>	<u>\$ 3,458,426</u>
Component Unit				
Downtown Development Authority	<u>\$ 281,734</u>	<u>\$ -</u>	<u>\$ 41,692</u>	<u>\$ 260,000</u>
GENERAL REVENUES				
Property Taxes				
Specific Ownership Taxes				
Sales and Use Taxes				
Franchise Taxes				
Other Taxes				
Investment Income				
Miscellaneous				
TRANSFERS				
TOTAL GENERAL REVENUES AND TRANSFERS				
CHANGE IN NET ASSETS				
NET ASSETS, Beginning				
NET ASSETS, Ending				

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

NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
PRIMARY GOVERNMENT

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNIT
\$ (1,167,284)	\$ -	\$ (1,167,284)	\$ -
(1,407,097)	-	(1,407,097)	-
1,611,398	-	1,611,398	-
(393,558)	-	(393,558)	-
(355,578)	-	(355,578)	-
(433,913)	-	(433,913)	-
<u>(2,146,032)</u>	<u>-</u>	<u>(2,146,032)</u>	<u>-</u>
-	755,430	755,430	-
-	343,996	343,996	-
<u>-</u>	<u>1,099,426</u>	<u>1,099,426</u>	<u>-</u>
<u>(2,146,032)</u>	<u>1,099,426</u>	<u>(1,046,606)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>19,958</u>
1,361,288	-	1,361,288	-
172,765	-	172,765	-
3,309,296	-	3,309,296	-
221,891	-	221,891	-
22,536	-	22,536	-
24,444	60,777	85,221	308
415,355	-	415,355	-
294,359	(294,359)	-	-
<u>5,821,934</u>	<u>(233,582)</u>	<u>5,588,352</u>	<u>20,266</u>
3,675,902	865,844	4,541,746	20,266
<u>10,926,417</u>	<u>12,147,365</u>	<u>23,073,782</u>	<u>12,999</u>
<u>\$ 14,602,319</u>	<u>\$ 13,013,209</u>	<u>\$ 27,615,528</u>	<u>\$ 33,265</u>

CITY OF WOODLAND PARK, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2004

	<u>GENERAL</u>	<u>GRANTS FUND</u>	<u>STREET CAPITAL IMPROVEMENTS FUND</u>	<u>NON MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS					
Cash and Investments	\$ 605,579	\$ -	\$ 137,281	\$ 116,235	\$ 859,095
Accounts Receivable	419,583	1,222,733	123,865	7,688	1,773,869
Taxes Receivable	1,322,965	-	-	-	1,322,965
Due from Other Funds	1,146,274	-	-	-	1,146,274
Supplies Inventory	79,104	-	-	-	79,104
Prepaid Items	5,700	-	-	-	5,700
	<u>3,579,205</u>	<u>1,222,733</u>	<u>261,146</u>	<u>123,923</u>	<u>5,187,007</u>
TOTAL ASSETS	\$ 3,579,205	\$ 1,222,733	\$ 261,146	\$ 123,923	\$ 5,187,007
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 76,458	\$ 189,732	\$ 25	\$ 3	\$ 266,218
Retainage Payable	-	64,246	-	-	64,246
Accrued Salaries	108,609	4,032	-	-	112,641
Due to Other Funds	-	1,142,127	-	4,147	1,146,274
Customer Deposits	262,989	-	-	-	262,989
Deferred Revenues	1,375,853	-	-	-	1,375,853
	<u>1,823,909</u>	<u>1,400,137</u>	<u>25</u>	<u>4,150</u>	<u>3,228,221</u>
TOTAL LIABILITIES	1,823,909	1,400,137	25	4,150	3,228,221
FUND BALANCES					
Reserved for Inventory	79,104	-	-	-	79,104
Reserved for Prepaid Items	5,700	-	-	-	5,700
Reserved for Debt Service	-	-	-	119,773	119,773
Reserved for Emergencies	157,000	-	-	-	157,000
Unreserved, Reported in					
General Fund	1,513,492	-	-	-	1,513,492
Special Revenue Fund	-	(177,404)	-	-	(177,404)
Capital Projects Fund	-	-	261,121	-	261,121
	<u>1,755,296</u>	<u>(177,404)</u>	<u>261,121</u>	<u>119,773</u>	<u>1,958,786</u>
TOTAL FUND BALANCES	1,755,296	(177,404)	261,121	119,773	1,958,786
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,579,205	\$ 1,222,733	\$ 261,146	\$ 123,923	\$ 5,187,007

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

CITY OF WOODLAND PARK, COLORADO

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
December 31, 2004

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

Total Fund Balances - Governmental Funds	\$ 1,958,786
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	22,422,205
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.	<u>(9,778,672)</u>
Net Assets of Governmental Activities	\$ <u>14,602,319</u>

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

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 Year Ended December 31, 2004

	GENERAL	GRANTS FUND	STREET CAPITAL IMPROVEMENTS FUND	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 4,114,546	\$ -	\$ 973,230	\$ -	\$ 5,087,776
Licenses and Permits	97,633	-	-	-	97,633
Intergovernmental	576,394	2,409,203	-	-	2,985,597
Charges for Services	468,116	-	-	193,767	661,883
Fines and Forfeitures	24,824	-	-	-	24,824
Investment Income	16,219	-	5,131	3,094	24,444
Miscellaneous	168,598	199,392	47,365	-	415,355
TOTAL REVENUES	5,466,330	2,608,595	1,025,726	196,861	9,297,512
EXPENDITURES					
Current					
General Government	1,808,845	-	-	-	1,808,845
Public Safety	1,481,355	103,325	-	-	1,584,680
Highways and Streets	456,087	-	-	2,143	458,230
Community Development	234,729	166,163	-	-	400,892
Cultural and Recreation	886,378	-	-	-	886,378
Capital Outlay	285,269	1,285,604	120,464	-	1,691,337
Debt Service					
Principal	-	-	-	685,000	685,000
Interest and Fiscal Charges	-	-	-	433,913	433,913
TOTAL EXPENDITURES	5,152,663	1,555,092	120,464	1,121,056	7,949,275
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	313,667	1,053,503	905,262	(924,195)	1,348,237
OTHER FINANCING SOURCES (USES)					
Transfers In	383,793	-	-	984,882	1,368,675
Transfers Out	(284,880)	-	(789,436)	-	(1,074,316)
TOTAL OTHER FINANCING SOURCES (USES)	98,913	-	(789,436)	984,882	294,359
NET CHANGE IN FUND BALANCES	412,580	1,053,503	115,826	60,687	1,642,596
FUND BALANCES, Beginning	1,342,716	(1,230,907)	145,295	59,086	316,190
FUND BALANCES, Ending	\$ 1,755,296	\$ (177,404)	\$ 261,121	\$ 119,773	\$ 1,958,786

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

CITY OF WOODLAND PARK, 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, 2004

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

Net Change in Fund Balances - Governmental Funds	\$	1,642,596
<p>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 capital outlay \$2,461,883 exceeded depreciation expense (\$989,593) and disposal of capital assets (\$233,274) in the current year.</p>		
		1,239,016
<p>Repayments of debt principal \$780,367 and changes in compensated absences payable of \$13,923 are expenditures in the governmental funds, but they reduce long-term liabilities in the statement of net assets and do not affect the statement of activities.</p>		
		<u>794,290</u>
Change in Net Assets of Governmental Funds	\$	<u><u>3,675,902</u></u>

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

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2004

	WATER FUND	WASTEWATER FUND	TOTALS
ASSETS			
Current Assets			
Cash and Investments	\$ 365,091	\$ 1,207,516	\$ 1,572,607
Accounts Receivable	224,845	112,024	336,869
Supplies Inventory	43,175	34,065	77,240
Total Current Assets	633,111	1,353,605	1,986,716
Noncurrent Assets			
Restricted Cash	64,065	100,000	164,065
Deferred Charges	129,828	84,407	214,235
Total Other Assets	193,893	184,407	378,300
Capital Assets, Net of Accumulated Depreciation of \$3,113,153 and \$3,067,546	11,985,599	6,820,489	18,806,088
TOTAL ASSETS	12,812,603	8,358,501	21,171,104
LIABILITIES			
Current Liabilities			
Accounts Payable	30,326	102,251	132,577
Accrued Salaries	15,175	12,522	27,697
Accrued Interest Payable	157,591	-	157,591
Customer Deposits	14,065	-	14,065
Compensated Absences Payable, Current Portion	18,029	12,937	30,966
Notes Payable, Current Portion	29,951	-	29,951
Bonds Payable, Current Portion	534,000	205,000	739,000
Total Current Liabilities	799,137	332,710	1,131,847
Noncurrent Liabilities			
Compensated Absences Payable	6,009	4,312	10,321
Notes Payable	1,986,140	-	1,986,140
Bonds Payable	3,211,000	1,818,587	5,029,587
Total Noncurrent Liabilities	5,203,149	1,822,899	7,026,048
TOTAL LIABILITIES	6,002,286	2,155,609	8,157,895
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	6,354,336	4,881,309	11,235,645
Unrestricted	455,981	1,321,583	1,777,564
TOTAL NET ASSETS	\$ 6,810,317	\$ 6,202,892	\$ 13,013,209

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

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

Year Ended December 31, 2004

	<u>WATER FUND</u>	<u>WASTEWATER FUND</u>	<u>TOTALS</u>
OPERATING REVENUES			
Charges for Services	\$ 1,303,387	\$ 988,000	\$ 2,291,387
OPERATING EXPENSES			
Administration	103,408	54,480	157,888
Treatment Operations	457,691	480,933	938,624
Capital Improvements	11,780	16,563	28,343
Field Services	229,219	67,417	296,636
Customer Service	36,647	19,174	55,821
Depreciation and Amortization	173,578	259,077	432,655
TOTAL OPERATING EXPENSES	<u>1,012,323</u>	<u>897,644</u>	<u>1,909,967</u>
OPERATING INCOME	<u>291,064</u>	<u>90,356</u>	<u>381,420</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Revenue	3,751	57,026	60,777
Interest Expense	<u>(332,220)</u>	<u>(114,531)</u>	<u>(446,751)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(328,469)</u>	<u>(57,505)</u>	<u>(385,974)</u>
NET INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	<u>(37,405)</u>	<u>32,851</u>	<u>(4,554)</u>
Transfers Out	(185,524)	(108,835)	(294,359)
Capital Contributions	<u>796,586</u>	<u>368,171</u>	<u>1,164,757</u>
CHANGE IN NET ASSETS	<u>573,657</u>	<u>292,187</u>	<u>865,844</u>
NET ASSETS, Beginning	<u>6,236,660</u>	<u>5,910,705</u>	<u>12,147,365</u>
NET ASSETS, Ending	<u>\$ 6,810,317</u>	<u>\$ 6,202,892</u>	<u>\$ 13,013,209</u>

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

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF CASH FLOWSPROPRIETARY FUNDS

Year Ended December 31, 2004

Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	WASTEWATER FUND	TOTAL
Cash Flows From Operating Activities			
Cash Received from Customers	\$ 1,232,815	\$ 960,834	\$ 2,193,649
Cash Paid to Suppliers and Employees	<u>(861,923)</u>	<u>(567,590)</u>	<u>(1,429,513)</u>
Net Cash Provided by Operating Activities	<u>370,892</u>	<u>393,244</u>	<u>764,136</u>
Cash Flows From Noncapital Financing Activities			
Transfers to Other Funds	<u>(185,524)</u>	<u>(108,835)</u>	<u>(294,359)</u>
Cash Flows From Capital and Related Financing Activities			
Capital Contributions Received	796,586	368,171	1,164,757
Bond Proceeds	-	2,125,000	2,125,000
Payments to Escrow Agent	-	(2,150,954)	(2,150,954)
Bond Issuance Costs	-	(93,786)	(93,786)
Principal Payments on Leases and Bonds	(537,790)	(100,000)	(637,790)
Interest Payments on Leases and Bonds	(239,642)	(114,531)	(354,173)
Purchases of Capital Assets	<u>(7,605)</u>	<u>(948,753)</u>	<u>(956,358)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>11,549</u>	<u>(914,853)</u>	<u>(903,304)</u>
Cash Flows From Investing Activities			
Interest Received	<u>3,751</u>	<u>57,026</u>	<u>60,777</u>
Net Increase (Decrease) in Cash and Cash Equivalents	200,668	(573,418)	(372,750)
CASH AND CASH EQUIVALENTS, Beginning	<u>210,459</u>	<u>1,867,997</u>	<u>2,078,456</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 411,127</u>	<u>\$ 1,294,579</u>	<u>\$ 1,705,706</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income	\$ 291,064	\$ 90,356	\$ 381,420
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation and Amortization	173,578	259,077	432,655
Changes in Assets and Liabilities			
Accounts Receivable	(70,637)	(27,166)	(97,803)
Supplies Inventory	(4,571)	1,707	(2,864)
Accounts Payable	(7,764)	79,077	71,313
Accrued Salaries	5,007	2,333	7,340
Compensated Absences Payable	(15,850)	(12,140)	(27,990)
Customer Deposits	<u>65</u>	<u>-</u>	<u>65</u>
Total Adjustments	<u>79,828</u>	<u>302,888</u>	<u>382,716</u>
Net Cash Provided by Operating Activities	<u>\$ 370,892</u>	<u>\$ 393,244</u>	<u>\$ 764,136</u>
Non Cash Transactions			
Contributed Capital Assets	<u>\$ 90,000</u>	<u>\$ -</u>	<u>\$ 90,000</u>

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

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF NET ASSETS

FIDUCIARY FUNDS

December 31, 2004

	<u>TRUST</u>	<u>AGENCY</u>
ASSETS		
Restricted Cash	\$ <u>101,911</u>	\$ <u>17,446</u>
LIABILITIES		
Payable to Ute Pass Historical Society	<u>-</u>	<u>17,446</u>
NET ASSETS		
Restricted for Iverson Benefits	\$ <u><u>101,911</u></u>	\$ <u><u>-</u></u>

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

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF CHANGES IN NET ASSETS

TRUST FUND

December 31, 2004

	<u>TRUST</u>
REVENUES	
Investment Income	\$ <u>4,170</u>
EXPENSES	
Administration Fees	1,074
Payments to Beneficiaries	<u>3,291</u>
TOTAL EXPENSES	<u>4,365</u>
NET INCOME	(195)
NET ASSETS, Beginning	<u>102,106</u>
NET ASSETS, Ending	<u>\$ <u>101,911</u></u>

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

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Woodland Park, Colorado (the “City”) was formed on January 26, 1891, and became a home rule City in 1976. The City is governed by a Mayor and six-member Council elected by the residents.

The accounting policies of the City 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 City has considered the possibility of inclusion of additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The City is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if City 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 City. The City may also be financially accountable for organizations that are fiscally dependent upon it.

Downtown Development Authority - The Downtown Development Authority (DDA) was established by the City Council in September, 2001, to assist with the redevelopment and renovation of the downtown area. The DDA has a separate Board with members appointed by the City Council. However, the DDA is dependent upon the City for the majority of its funding. The DDA does not issue separate financial statements and maintains a single fund.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. 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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the City is financially accountable.

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*.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the City's basic financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and trust fund financial statements. The agency funds utilize the accrual basis of accounting. 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 City 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 so 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 City.

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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

In the fund financial statements, the City reports the following major governmental funds:

The *General Fund* is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The *Grants Fund* is used to account for specific grants revenues and the related expenditures.

The *Street Capital Improvements Fund* accounts for the acquisition or construction of street projects.

The City reports the following major proprietary funds:

The *Water Fund* accounts for the financial activities associated with the provision of water services.

The *Wastewater Fund* accounts for the financial activities associated with the provision of sewer services.

Additionally, the City reports the following fund types:

The *Trust and Agency Funds* are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Trust funds are governed by a trust agreement. The City holds all assets in a purely custodial capacity.

Assets, Liabilities and Net Assets/Fund Balances

Cash and Investments - Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

Receivables -- All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Interfund Receivables/Payables - During the course of operations, numerous transactions occur between individual funds. The resulting receivables and payables are classified in the fund financial statements as *due from other funds* and *due to other funds* because they are short-term in nature. Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as *internal balances*.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Assets/Fund Balances (Continued)

Inventory - Inventories are valued at cost, using the first-in, first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Capital Assets - Capital assets, which include land, buildings, equipment and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary fund types in the fund financial statements. Capital assets are defined by the City 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.

Capital assets of the City and its component units is depreciated using the straight-line method over the following estimated useful lives.

Collection and Distribution Systems	30 - 50 years
Infrastructure	30 years
Buildings	50 years
Machinery and Equipment	3 - 15 years

Deferred Revenues - Deferred revenues include grant funds that have been collected but the corresponding expenditures have not been incurred. Property taxes earned but not levied for the current fiscal year are also recorded as deferred revenue.

Compensated Absences - Employees of the City are allowed to accumulate unused vacation time up to 192 hours and unused sick time up to 248 hours. Upon termination of employment from the City, an employee will be compensated for all accrued vacation time at their current pay rate, and for 25% of accrued sick time at their current rate of pay.

Accumulated unpaid vacation and sick pay is accrued when earned. Because the accumulated pay is expected to be paid from available resources, it is reported as a liability of the individual fund.

Long-Term Obligations - In the government-wide financial statements, and proprietary fund types 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Assets/Fund Balances (Continued)

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 Assets/Fund Balances - In the government-wide financial statements, net assets are restricted when constraints placed on the net assets are externally imposed. In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

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 City 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.

Contraband Forfeitures

The Colorado Contraband Forfeiture Act allows law enforcement agencies to retain proceeds from the seizure of contraband. These proceeds are not subject to appropriation in the budget process. Cash proceeds are recorded in the General Fund. Property and equipment seized are recorded as capital assets.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance

During the year ended December 31, 2004, actual expenditures exceeded budgeted amounts for the Water Fund by \$1,345. In addition, the Grants, Drainage Debt Service, Street Capital Improvements, and Drainage Capital Improvement Funds had budgeted expenditures in excess of resources available. These may be violations of State statutes.

Accountability

The Grants Fund had a negative fund balance of \$177,404 at December 31, 2004. The City expects to receive grant revenues in the future to eliminate the negative balance.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 3: CASH AND INVESTMENTS

A summary of deposits and investments as of December 31, 2004 follows:

Petty Cash	\$ 1,675
Cash Deposits	241,394
Investments	<u>2,505,480</u>
Total	<u>\$ 2,750,549</u>

The above amounts are classified in the combined balance sheets as follows:

Primary Government Cash and Investments	\$ 2,431,702
Primary Government Restricted Cash and Investments	164,065
Trust Fund	101,911
Agency Fund	17,446
Component Unit	<u>35,425</u>
Total	<u>\$ 2,750,549</u>

Cash Deposits

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. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed 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.

Deposits are categorized to give an indication of risk assumed by the government at the end of the year. Category 1 includes deposits that are insured, Category 2 includes collateralized deposits with securities held by the pledging institution's trust department or agent in the City's name, and Category 3 includes uncollateralized, uninsured deposits.

At December 31, 2004, the City's cash deposits had a carrying amount of \$241,394, and a corresponding bank balance as follows:

Insured (Category 1)	\$ 105,494
Deposits Collateralized in Single Institution Pools (Category 2)	<u>178,310</u>
Total Cash Deposits	<u>\$ 283,804</u>

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 3: CASH AND INVESTMENTS (Continued)

Investments

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

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

The City's investments are categorized below to give an indication of the level of security assumed at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or by its agent, but not in the City's name.

	<u>Fair Value</u>
U.S. Government Agency Securities (Category 1)	<u><u>\$ 101,911</u></u>

At December 31, 2004, the City had \$539,867 invested in the Colorado Local Government Liquid Asset Trust (Colotrust) and \$1,863,702 invested in the Colorado Surplus Asset Fund Trust (CSAFE). The Trusts are investment vehicles established for local government entities in Colorado to pool surplus funds, and are registered with the State Securities Commissioner. The Trusts operate similarly to a money market fund with each share equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities, and commercial paper. A designated custodial bank provides safekeeping and depository services to the Trusts in connection with the direct investment and withdrawal functions of the Trusts. Substantially all securities owned by the Trusts are held by the Federal Reserve Bank in the account maintained for the custodial banks. The custodians' internal records identify the investments owned by the Trust.

These investments are not categorized because they are not evidenced by specific securities.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 4: INTERFUND BALANCES AND TRANSFERS

Interfund balances at December 31, 2004 were comprised of the following:

<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Amount</u>
General Fund	Grants Fund	\$ 1,142,127
General Fund	Drainage Debt Service Fund	<u>4,147</u>
Total		<u>\$ 1,146,274</u>

At December 31, 2004, the General Fund had temporarily subsidized the negative cash balances of the Grants and Drainage Debt Service Funds.

Interfund transfers during the year ended December 31, 2004 consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General	Water	\$ 151,804
COP Debt Service	Water	33,720
General	Wastewater	90,685
COP Debt Service	Wastewater	18,150
General	Street Capital Improvements	141,304
Street Debt Service	Street Capital Improvements	600,900
Drainage Debt Service	Street Capital Improvements	47,232
COP Debt Service	General	<u>284,880</u>
Total		<u>\$ 1,368,675</u>

During the year ended December 31, 2004, the Water and Wastewater Funds made transfers to the General Fund to reimburse administrative costs, and to the COP Debt Service Fund for their share of debt service. The Street Capital Improvements Fund paid the City match for street grants reported in the General Fund, and provided debt service to the Street and Drainage Debt Service Funds. The General Fund transferred its share of debt service to the COP Debt Service Fund.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 5: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2004 is summarized below:

	Restated Balances 12/31/03	Additions	Deletions	Balances 12/31/04
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 2,528,435	\$ 682,240	\$ 1,236	\$ 3,209,439
Capital Assets, Being Depreciated				
Buildings	5,492,926	19,331	257,820	5,254,437
Infrastructure	14,816,746	1,636,207	-	16,452,953
Improvements	2,436,935	90,736	7,130	2,520,541
Machinery and Equipment	1,634,015	33,369	21,310	1,646,074
Total Capital Assets, Being Depreciated	<u>24,380,622</u>	<u>1,779,643</u>	<u>286,260</u>	<u>25,874,005</u>
Less Accumulated Depreciation For				
Buildings	(1,599,156)	(187,844)	25,782	(1,761,218)
Infrastructure	(2,276,438)	(548,432)	-	(2,824,870)
Improvements	(715,933)	(132,874)	7,130	(841,677)
Machinery and Equipment	(1,134,341)	(120,443)	21,310	(1,233,474)
Total Accumulated Depreciation	<u>(5,725,868)</u>	<u>(989,593)</u>	<u>54,222</u>	<u>(6,661,239)</u>
Total Capital Assets, Being Depreciated, Net	<u>18,654,754</u>	<u>790,050</u>	<u>232,038</u>	<u>19,212,766</u>
Governmental Activities Capital Assets, Net	<u>\$ 21,183,189</u>	<u>\$ 1,472,290</u>	<u>\$ 233,274</u>	<u>\$ 22,422,205</u>
Business-Type Activities				
Capital Assets, not Being Depreciated				
Land and Improvements	\$ 175,735	\$ -	\$ -	\$ 175,735
Water Rights	4,840,611	-	-	4,840,611
Construction in Progress	3,431,464	790,962	3,431,464	790,962
Total Capital Assets, not Being Depreciated	<u>8,447,810</u>	<u>790,962</u>	<u>3,431,464</u>	<u>5,807,308</u>
Capital Assets, Being Depreciated				
Equipment and Vehicles	773,462	59,920	-	833,382
Collection and Distribution Systems	14,809,157	3,536,940	-	18,346,097
Total Capital Assets, Being Depreciated	<u>15,582,619</u>	<u>3,596,860</u>	<u>-</u>	<u>19,179,479</u>
Less Accumulated Depreciation For				
Equipment and Vehicles	(549,273)	(80,727)	-	(630,000)
Collection and Distribution Systems	(5,227,740)	(322,959)	-	(5,550,699)
Total Accumulated Depreciation	<u>(5,777,013)</u>	<u>(403,686)</u>	<u>-</u>	<u>(6,180,699)</u>
Total Capital Assets, Being Depreciated, Net	<u>9,805,606</u>	<u>3,193,174</u>	<u>-</u>	<u>12,998,780</u>
Business-Type Activities Capital Assets, Net	<u>\$ 18,253,416</u>	<u>\$ 3,984,136</u>	<u>\$ 3,431,464</u>	<u>\$ 18,806,088</u>

During the year ended December 31, 2004, the City added infrastructure assets to its capital assets. In addition, the City performed a physical inventory of all capital assets and adjusted the accounting records to reflect past additions and disposals that were not reported. As a result, capital assets at December 31, 2003, were restated by \$12,911,566.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 5: CAPITAL ASSETS (Continued)

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

Governmental Activities

General Government	\$ 56,833
Public Safety	83,538
Highway and Streets	686,936
Community Development	114,664
Cultural and Recreation	<u>47,622</u>

Total **\$ 989,593**

Business-Type Activities

Water	\$ 153,988
Wastewater	<u>249,698</u>

Total **\$ 403,686**

NOTE 6: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the year ended December 31, 2004.

	<u>Balance</u> 12/31/03	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> 12/31/04	<u>Due Within</u> <u>One Year</u>
2003A Sales Tax Refunding Bonds	\$ 2,190,000	\$ -	\$ 220,000	\$ 1,970,000	\$ 225,000
2003B Sales Tax Refunding Bonds	1,370,000	-	90,000	1,280,000	140,000
1999 Certificates of Participation	3,685,000	-	165,000	3,520,000	170,000
1998 Limited Tax General Obligation Bonds	2,100,000	-	110,000	1,990,000	115,000
1995 General Obligation Bonds	725,000	-	45,000	680,000	45,000
1994B Sales Tax Revenue Bonds	55,000	-	55,000	-	-
Capital Lease Obligations	260,631	-	95,367	165,264	96,414
Compensated Absences	<u>187,331</u>	<u>158,549</u>	<u>172,472</u>	<u>173,408</u>	<u>130,057</u>
Total	<u>\$ 10,572,962</u>	<u>\$ 158,549</u>	<u>\$ 952,839</u>	<u>\$ 9,778,672</u>	<u>\$ 921,471</u>

2003A and 2003B Limited Sales Tax Refunding Bonds were issued on March 1, 2003 and September 1, 2003, respectively, to refund all of the 1994A and the majority of the 1994B Limited Sales Tax Revenue Bonds. Principal and interest are due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 2.5% to 3.65%.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 6: LONG-TERM DEBT (Continued)

Governmental Activities (Continued)

1999 Certificates of Participation were issued to finance the construction of a public works facility and a police station. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1, through 2019. Interest accrues at rates ranging from 3.4% to 5%.

1998 Limited Tax General Obligation Bonds were issued to fund drainage improvements. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1, through 2017. Interest accrues at rates ranging from 4% to 5%.

1995 Limited Tax General Obligation Bonds were issued to make improvements to the City's street system. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 4.2% to 6.25% and the bonds mature on December 1, 2015.

1994A and 1994B Limited Sales Tax Revenue Bonds were issued to make improvements to the City's street system and to refund the 1991 and 1987 Sales Tax Revenue Bonds. Principal and interest payments were due semi-annually on June 1 and December 1. The bonds were partially refunded during 2003 and the final payment is due on June 1, 2004. Interest accrued at rates ranging from 3.95% to 6.6%.

The City has entered into several capital lease agreements to purchase land and buildings which will be paid from revenues of the General Fund.

Compensated absences of the governmental activities are expected to be liquidated primarily with revenues of the General Fund.

Business-Type Activities

Following is a summary of long-term debt transactions for the year ended December 31, 2004.

	Balance 12/31/03	Additions	Payments	Balance 12/31/04	Due Within One Year
1994 Wastewater Revenue Bonds	\$ 2,225,000	\$ -	\$ 2,225,000	\$ -	\$ -
2004 Wastewater Revenue Bonds	-	2,125,000	-	2,125,000	205,000
Loss on Refunding	-	(101,413)	-	(101,413)	-
1995 Water Revenue Bonds	2,740,000	-	170,000	2,570,000	180,000
2002 General Obligation Water Bonds	1,514,000	-	339,000	1,175,000	354,000
2001 Water Loan	770,121	-	28,790	741,331	29,951
2003 Water Loan	1,274,760	-	-	1,274,760	-
Compensated Absences	38,311	56,104	53,128	41,287	30,966
Total	<u>\$ 8,562,192</u>	<u>\$ 2,079,691</u>	<u>\$ 2,815,918</u>	<u>\$ 7,825,965</u>	<u>\$ 799,917</u>

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 6: LONG-TERM DEBT (Continued)

Business-Type Activities (Continued)

1994 Wastewater Utility Revenue Refunding Bonds were issued to refund the 1990 General Obligation Sewer Bonds. Principal payments are due annually on December 1, and interest payments are due semi-annually on June 1 and December 1, through December 1, 2013. Interest accrues at rates ranging from 3.05% to 6.05%.

2004 Wastewater Utility Revenue Refunding Bonds were issued to refund the 1994 Wastewater Utility Revenue Bonds. Principal payments are due annually on June 1, and interest payments are due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 3% to 3.5% and the bonds mature on December 1, 2013.

1995 Water Utility Revenue Bonds were issued to make acquisitions and improvements relating to the City's water utility system. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 4% to 5.5% and the bonds mature on December 1, 2015.

2002 General Obligation Water Refunding Bonds were issued to refund the 1992 General Obligation Water Refunding Bonds. Principal payments are due annually on June 1 and interest payments are due semi-annually on June 1 and December 1, through June 1, 2008. Interest accrues at the rate of 4.55%

During 2001, the City obtained loan financing from the Colorado Water Resources and Power Development Authority to improve the water system. Monthly principal and interest payments of \$29,655 are due through May 1, 2022. Interest accrues at the rate of 4%.

During 2003, the City obtained a loan from Ronald and Dean Bauer for the purchase of water rights. Interest accrues at 6.8% per annum on unpaid principal and interest. Payments are due annually beginning March 31, 2006, through 2015.

Defeased Debt

In November 2004, the City issued \$2,125,000 Wastewater Utility Revenue Refunding Bonds to advance refund the Wastewater Utility Revenue Refunding Bonds, Series 1994. \$2,225,000 of the 1994 Bonds were called and paid in full on November 9, 2004. Even though the advance refunding resulted in the recognition of an accounting loss of \$101,413, the City reduced its aggregate debt service payments by approximately \$240,000 over the next ten years and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$185,000.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 6: LONG-TERM DEBT (Continued)

Future Debt Service Requirements

Annual debt service requirements for the outstanding bonds and loans at December 31, 2004 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	1,463,951	685,480	2,149,431
2006	1,418,163	756,879	2,175,042
2007	1,461,423	702,211	2,163,634
2008	1,528,733	644,511	2,173,244
2009	1,373,624	628,354	2,001,978
2010 - 2014	7,118,957	1,715,729	8,834,686
2015 - 2019	2,821,463	367,935	3,189,398
2020 - 2022	<u>139,777</u>	<u>8,497</u>	<u>148,274</u>
Total	<u>\$ 17,326,091</u>	<u>\$ 5,509,596</u>	<u>\$ 22,835,687</u>

Following is a schedule of the future minimum lease payments required under the outstanding capital lease obligations at December 31, 2004:

<u>Year Ended December 31,</u>	
2005	\$ 105,275
2006	25,400
2007	25,400
2008	<u>23,281</u>
Total Minimum Lease Payments	179,356
Less: Interest	<u>(14,092)</u>
Present Value of Future Minimum Lease Payments	<u>\$ 165,264</u>

NOTE 7: PUBLIC ENTITY RISK POOL

The City 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 City 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.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 7: PUBLIC ENTITY RISK POOL (Continued)

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 City does not approve budgets nor does it have the ability to significantly affect the operations of entity.

NOTE 8: RETIREMENT COMMITMENTS

Police and General Employee Money Purchase Pension Plans

The City of Woodland Park contributes to a single employer defined contribution money purchase pension plan on behalf of police officers and a similar plan for all other City employees. The contribution requirements of Plan participants and the City are established and may be amended by City Council.

Police Plan - All sworn police employees, whose job duties require no less than 1600 hours of employment each year, shall be eligible to participate in the Plan. The City is required to contribute 8% of each participating employee's compensation, and each employee must contribute a matching amount. Employees may also make voluntary contributions to the Plan but may not contribute in excess of 10% of their compensation to the Plan. All contributions to the Plan become immediately vested to the employee. During the year ended December 31, 2004, the City and employee contributions were \$18,021 and \$19,388, respectively, equal to the required contribution.

General Employee Plan - All employees, other than police, are eligible to participate in the Plan as of the first day of work as an employee. The City is required to contribute 5% of each participants base salary to the Plan, and employees must contribute a matching amount. Employees hired before July 1, 1993, become vested in the Plan at 20% after 2 years of service; 40% after 3 years; 60% after 4 years; 80% after 5 years; and 100% after 6 years. Employees hired after July 1, 1993 become 100% vested after 5 years of service. During the year ended December 31, 2004, the City and employee contributions were \$43,279 and \$42,459, respectively, equal to the required contribution.

NOTE 9: 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 April 5, 1994, voters within the City approved the collection, retention and expenditure of the full revenues generated by the City in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

CITY OF WOODLAND PARK, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2004

NOTE 9: COMMITMENTS AND CONTINGENCIES (Continued)

Tabor Amendment (Continued)

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2004, the emergency reserve, of \$157,000, was recorded as a reservation of fund balance in the General Fund.

Litigation

The City is involved in various lawsuits. The outcome of this litigation cannot be determined at this time.

NOTE 10: CHANGE IN ACCOUNTING PRINCIPLE

For the year ended December 31, 2004, the City adopted the standards of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. The Statement requires the City to record certain financial information on a full-accrual basis, as displayed in the statement of net assets and the statement of activities. In addition, the City has revised or added certain note disclosures in accordance with GASB Statement No. 38, *Certain Financial Statement Note Disclosures*.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Taxes	\$ 3,956,767	\$ 3,956,767	\$ 4,114,546	\$ 157,779
Licenses and Permits	105,000	105,000	97,633	(7,367)
Intergovernmental	548,517	548,517	576,394	27,877
Charges for Services	377,100	377,100	468,116	91,016
Fines and Forfeitures	35,000	35,000	24,824	(10,176)
Investment Income	8,650	8,650	16,219	7,569
Miscellaneous	113,500	113,500	168,598	55,098
TOTAL REVENUES	5,144,534	5,144,534	5,466,330	321,796
EXPENDITURES				
General Government				
Legislative	228,750	231,020	211,246	19,774
Administration	420,927	420,927	394,027	26,900
Municipal Court	26,793	26,793	28,342	(1,549)
General Support	400,100	400,100	391,574	8,526
Finance	181,325	181,325	205,700	(24,375)
Information Systems	72,000	72,000	59,683	12,317
Public Works Administration	257,121	257,121	236,735	20,386
Fleet Maintenance	331,482	331,482	276,853	54,629
Cemetery	7,080	7,080	4,685	2,395
Total General Government	1,925,578	1,927,848	1,808,845	119,003
Public Safety				
Police	1,232,509	1,232,509	1,163,054	69,455
Special Gaming Impact	269,318	302,693	318,301	(15,608)
Total Public Safety	1,501,827	1,535,202	1,481,355	53,847
Highways and Streets				
Street Operations	344,126	395,126	456,087	(60,961)
Community Development				
Planning	251,072	251,072	234,729	16,343
Cultural and Recreation				
Buildings and Grounds	606,113	606,113	536,637	69,476
Parks and Recreation	311,224	311,224	257,020	54,204
Cultural Center	99,166	99,166	92,721	6,445
Total Cultural and Recreation	1,016,503	1,016,503	886,378	130,125
Capital Outlay				
Capital Outlay	835,598	854,930	285,269	569,661
TOTAL EXPENDITURES	5,874,704	5,980,681	5,152,663	828,018

(Continued)

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(730,170)</u>	<u>(836,147)</u>	<u>313,667</u>	<u>1,149,814</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	730,170	730,170	383,793	(346,377)
Transfers Out	<u>-</u>	<u>-</u>	<u>(284,880)</u>	<u>(284,880)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>730,170</u>	<u>730,170</u>	<u>98,913</u>	<u>(631,257)</u>
NET CHANGE IN FUND BALANCE	-	(105,977)	412,580	518,557
FUND BALANCE, Beginning	<u>1,159,978</u>	<u>1,159,978</u>	<u>1,342,716</u>	<u>182,738</u>
FUND BALANCE, Ending	<u>\$ 1,159,978</u>	<u>\$ 1,054,001</u>	<u>\$ 1,755,296</u>	<u>\$ 701,295</u>

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE

GRANTS FUND

Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,927,175	\$ 2,012,378	\$ 2,409,203	\$ 396,825
Local Match	<u>430,583</u>	<u>440,114</u>	<u>199,392</u>	<u>(240,722)</u>
TOTAL REVENUES	<u>2,357,758</u>	<u>2,452,492</u>	<u>2,608,595</u>	<u>156,103</u>
EXPENDITURES				
Public Safety	57,398	112,211	103,325	8,886
Community Development	129,398	140,717	166,163	(25,446)
Capital Outlay	<u>2,173,462</u>	<u>2,173,462</u>	<u>1,285,604</u>	<u>887,858</u>
TOTAL EXPENDITURES	<u>2,360,258</u>	<u>2,426,390</u>	<u>1,555,092</u>	<u>871,298</u>
NET CHANGE IN FUND BALANCE	(2,500)	26,102	1,053,503	1,027,401
FUND BALANCE (DEFICIT), Beginning	<u>(1,230,907)</u>	<u>(1,230,907)</u>	<u>(1,230,907)</u>	<u>-</u>
FUND BALANCE (DEFICIT), Ending	<u>\$ (1,233,407)</u>	<u>\$ (1,204,805)</u>	<u>\$ (177,404)</u>	<u>\$ 1,027,401</u>

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2004

NOTE 1: BUDGETS

Budgetary Accounting

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

- C In October, the City Administration submits to the City 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.
- C Public hearings are conducted to obtain taxpayer comments.
- C Prior to December 31, the budget is legally enacted through passage of an ordinance.
- C The City 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 City Council.
- C Budgets are legally adopted for all funds of the City. Fiduciary fund budgets are not required and have not been presented. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons presented for the enterprise funds are presented on a non-GAAP budgetary basis. Capital outlay is budgeted as an expenditure and depreciation is not budgeted.
- C All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

Compliance

During the year ended December 31, 2004, actual expenditures exceeded budgeted amounts for the Water Fund by \$1,345. In addition, the Grants, Drainage Debt Service, Street Capital Improvements, and Drainage Capital Improvement Funds had budgeted expenditures in excess of resources available. These may be violations of State statutes.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF WOODLAND PARK, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2004

	<u>STREET DEBT SERVICE FUND</u>	<u>DRAINAGE DEBT SERVICE FUND</u>	<u>COP DEBT SERVICE FUND</u>	<u>DRAINAGE CAPITAL IMPROVEMENT FUND</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
ASSETS					
Cash and Investments	\$ 113,859	\$ -	\$ 2,376	\$ -	\$ 116,235
Accounts Receivable	<u>-</u>	<u>7,688</u>	<u>-</u>	<u>-</u>	<u>7,688</u>
TOTAL ASSETS	<u>\$ 113,859</u>	<u>\$ 7,688</u>	<u>\$ 2,376</u>	<u>\$ -</u>	<u>\$ 123,923</u>
LIABILITIES					
Accounts Payable	\$ -	\$ 3	\$ -	\$ -	\$ 3
Due to Other Funds	<u>-</u>	<u>4,147</u>	<u>-</u>	<u>-</u>	<u>4,147</u>
TOTAL LIABILITIES	<u>-</u>	<u>4,150</u>	<u>-</u>	<u>-</u>	<u>4,150</u>
FUND BALANCES					
Reserved for Debt Service	<u>113,859</u>	<u>3,538</u>	<u>2,376</u>	<u>-</u>	<u>119,773</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 113,859</u>	<u>\$ 7,688</u>	<u>\$ 2,376</u>	<u>\$ -</u>	<u>\$ 123,923</u>

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
 Year Ended December 31, 2004

	STREET DEBT SERVICE FUND	DRAINAGE DEBT SERVICE FUND	COP DEBT SERVICE FUND	DRAINAGE CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES					
Charges for Services	\$ -	\$ 193,767	\$ -	\$ -	\$ 193,767
Investment Income	1,708	379	1,007	-	3,094
TOTAL REVENUES	<u>1,708</u>	<u>194,146</u>	<u>1,007</u>	<u>-</u>	<u>196,861</u>
EXPENDITURES					
Highway and Streets	-	-	-	2,143	2,143
Debt Service					
Principal	410,000	110,000	165,000	-	685,000
Interest and Fiscal Charges	159,559	101,858	172,496	-	433,913
TOTAL EXPENDITURES	<u>569,559</u>	<u>211,858</u>	<u>337,496</u>	<u>2,143</u>	<u>1,121,056</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(567,851)	(17,712)	(336,489)	(2,143)	(924,195)
OTHER FINANCING SOURCES					
Transfers In	600,900	47,232	336,750	-	984,882
NET CHANGE IN FUND BALANCES	33,049	29,520	261	(2,143)	60,687
FUND BALANCES, Beginning	80,810	(25,982)	2,115	2,143	59,086
FUND BALANCES, Ending	<u>\$ 113,859</u>	<u>\$ 3,538</u>	<u>\$ 2,376</u>	<u>\$ -</u>	<u>\$ 119,773</u>

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE

STREET DEBT SERVICE FUND

Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Investment Income	\$ 109	\$ 109	\$ 1,708	\$ 1,599
EXPENDITURES				
Debt Service				
Principal	410,000	410,000	410,000	-
Interest	197,400	197,400	156,546	40,854
Paying Agent Fees	<u>3,500</u>	<u>3,500</u>	<u>3,013</u>	<u>487</u>
TOTAL EXPENDITURES	<u>610,900</u>	<u>610,900</u>	<u>569,559</u>	<u>41,341</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(610,791)	(610,791)	(567,851)	42,940
OTHER FINANCING SOURCES				
Transfers In	<u>600,900</u>	<u>600,900</u>	<u>600,900</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(9,891)	(9,891)	33,049	42,940
FUND BALANCE, Beginning	<u>80,810</u>	<u>80,810</u>	<u>80,810</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 70,919</u>	<u>\$ 70,919</u>	<u>\$ 113,859</u>	<u>\$ 42,940</u>

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE
DRAINAGE DEBT SERVICE FUND
 Year Ended December 31, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Charges for Services	\$ 164,000	\$ 164,000	\$ 193,767	\$ 29,767
Investment Income	750	750	379	(371)
TOTAL REVENUES	164,750	164,750	194,146	29,396
EXPENDITURES				
Debt Service				
Principal	110,000	110,000	110,000	-
Interest	101,480	101,480	101,480	-
Paying Agent Fees	500	500	378	122
TOTAL EXPENDITURES	211,980	211,980	211,858	122
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(47,230)	(47,230)	(17,712)	29,518
OTHER FINANCING SOURCES				
Transfers In	47,230	47,230	47,232	2
NET CHANGE IN FUND BALANCE	-	-	29,520	29,520
FUND BALANCE, Beginning	(25,982)	(25,982)	(25,982)	-
FUND BALANCE, Ending	\$ (25,982)	\$ (25,982)	\$ 3,538	\$ 29,520

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE

COP DEBT SERVICE FUND

Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Investment Income	\$ 750	\$ 750	\$ 1,007	\$ 257
EXPENDITURES				
Principal	165,000	165,000	165,000	-
Interest	170,496	170,496	170,496	-
Paying Agent Fees	<u>200</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>335,696</u>	<u>337,496</u>	<u>337,496</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(334,946)	(336,746)	(336,489)	257
OTHER FINANCING SOURCES				
Transfers In	<u>336,746</u>	<u>336,746</u>	<u>336,750</u>	<u>4</u>
NET CHANGE IN FUND BALANCE	1,800	-	261	261
FUND BALANCE, Beginning	<u>2,115</u>	<u>2,115</u>	<u>2,115</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ 3,915</u>	<u>\$ 2,115</u>	<u>\$ 2,376</u>	<u>\$ 261</u>

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE
STREET CAPITAL IMPROVEMENT'S FUND
 Year Ended December 31, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Sales Taxes	\$ 970,000	\$ 970,000	\$ 973,230	\$ 3,230
Investment Income	4,050	4,050	5,131	1,081
Miscellaneous	32,500	32,500	47,365	14,865
TOTAL REVENUES	1,006,550	1,006,550	1,025,726	19,176
EXPENDITURES				
Capital Outlay	-	148,986	120,464	28,522
TOTAL EXPENDITURES	-	148,986	120,464	28,522
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,006,550	857,564	905,262	47,698
OTHER FINANCING SOURCES (USES)				
Transfers Out	(1,033,615)	(1,033,615)	(789,436)	244,179
NET CHANGE IN FUND BALANCE	(27,065)	(176,051)	115,826	291,877
FUND BALANCE, Beginning	145,295	145,295	145,295	-
FUND BALANCE, Ending	\$ 118,230	\$ (30,756)	\$ 261,121	\$ 291,877

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE
DRAINAGE CAPITAL IMPROVEMENT FUND
 Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
EXPENDITURES				
Highways and Streets	\$ -	\$ 2,148	\$ 2,143	\$ 5
CHANGE IN FUND BALANCE	-	(2,148)	(2,143)	5
FUND BALANCE, Beginning	<u>2,143</u>	<u>2,143</u>	<u>2,143</u>	-
FUND BALANCE, Ending	<u>\$ 2,143</u>	<u>\$ (5)</u>	<u>\$ -</u>	<u>\$ 5</u>

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE

WATER FUND

Year Ended December 31, 2004

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Charges for Services	\$ 1,265,175	\$ 1,265,175	\$ 1,303,387	\$ 38,212
Capital Contributions	430,780	430,780	796,586	365,806
Investment Income	2,050	2,050	3,751	1,701
TOTAL REVENUES	<u>1,698,005</u>	<u>1,698,005</u>	<u>2,103,724</u>	<u>405,719</u>
EXPENDITURES				
Service Operating Expenses	1,042,090	1,057,414	838,745	218,669
Capital Purchases	26,100	31,205	7,605	23,600
Interest Expense	240,420	240,420	332,220	(91,800)
Principal Payments	537,790	537,790	537,790	-
Transfers Out	33,710	33,710	185,524	(151,814)
TOTAL EXPENDITURES	<u>1,880,110</u>	<u>1,900,539</u>	<u>1,901,884</u>	<u>(1,345)</u>
CHANGE IN NET ASSETS, Budgetary Basis	<u>\$ (182,105)</u>	<u>\$ (202,534)</u>	201,840	<u>\$ 404,374</u>
RECONCILIATION TO GAAP BASIS				
Depreciation and Amortization			(173,578)	
Capital Outlay			7,605	
Debt Service Principal			<u>537,790</u>	
CHANGE IN NET ASSETS, GAAP Basis			<u>\$ 573,657</u>	

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

BUDGETARY COMPARISON SCHEDULE

WASTEWATER FUND

Year Ended December 31, 2004

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE Positive (Negative)
REVENUES				
Charges for Services	\$ 980,940	\$ 980,940	\$ 988,000	\$ 7,060
Capital Contributions	222,700	222,700	368,171	145,471
Investment Income	<u>15,800</u>	<u>15,800</u>	<u>57,026</u>	<u>41,226</u>
TOTAL REVENUES	<u>1,219,440</u>	<u>1,219,440</u>	<u>1,413,197</u>	<u>193,757</u>
EXPENDITURES				
Service Operating Expenses	741,523	741,523	638,567	102,956
Capital Purchases	838,100	1,306,709	948,753	357,956
Interest Expense	129,323	129,323	114,531	14,792
Principal Payments	175,000	175,000	100,000	75,000
Transfers Out	<u>18,150</u>	<u>18,150</u>	<u>108,835</u>	<u>(90,685)</u>
TOTAL EXPENDITURES	<u>1,902,096</u>	<u>2,370,705</u>	<u>1,910,686</u>	<u>460,019</u>
CHANGE IN NET ASSETS, Budgetary Basis	\$ <u>(682,656)</u>	\$ <u>(1,151,265)</u>	(497,489)	\$ <u>653,776</u>
RECONCILIATION TO GAAP BASIS				
Depreciation and Amortization			(259,077)	
Capital Outlay			948,753	
Debt Service Principal			<u>100,000</u>	
CHANGE IN NET ASSETS, GAAP Basis			\$ <u>292,187</u>	

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUND

Year Ended December 31, 2004

	<u>BALANCE</u> <u>12/31/03</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/04</u>
Ute Pass Historical Society				
ASSETS				
Cash and Investments	\$ <u>17,225</u>	\$ <u>221</u>	\$ <u>-</u>	\$ <u>17,446</u>
LIABILITIES				
Payable to Ute Pass Historical Society	\$ <u>17,225</u>	\$ <u>221</u>	\$ <u>-</u>	\$ <u>17,446</u>

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

STATISTICAL SECTION

City of Woodland Park

Table 1

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS

Fiscal Year	General Government	Public Safety	Highways & Streets	Comm. Development	Culture & Recreation	Capital Outlay	Debt Service	Total
2004	\$1,808,845 22.8%	\$1,584,680 19.9%	\$458,230 5.8%	\$400,892 5.0%	\$886,378 11.1%	\$1,691,337 21.3%	\$1,118,913 14.1%	\$7,949,275 100.0%
2003	\$1,768,644 15.4%	\$1,499,935 13.0%	\$900,784 7.8%	\$818,275 7.1%	\$903,018 7.8%	\$4,348,169 37.8%	\$1,281,343 11.1%	\$11,520,168 100.0%
2002	\$1,644,876 21.5%	\$1,485,710 19.4%	\$667,753 8.7%	\$476,383 6.2%	\$806,650 10.5%	\$1,441,183 18.8%	1,135,989 14.9%	\$7,658,544 100.0%
2001	\$1,534,489 18.2%	\$1,732,214 20.5%	\$561,043 6.7%	\$280,917 3.3%	\$732,353 8.7%	\$2,461,287 29.2%	\$1,132,128 13.4%	\$8,434,431 100.0%
2000	\$1,667,921 16.1%	\$1,708,780 16.5%	\$846,103 8.2%	\$243,992 2.4%	\$707,385 6.8%	\$4,059,018 39.3%	\$1,108,934 10.7%	\$10,342,133 100.0%
1999	\$1,469,772 14.6%	\$1,749,596 17.4%	\$2,384,017 23.8%	\$270,070 2.7%	\$795,275 7.9%	\$2,420,429 24.1%	\$948,248 9.5%	\$10,037,407 100.0%
1998	\$1,432,338 18.6%	\$1,446,371 18.7%	\$1,278,463 16.6%	\$289,430 3.8%	\$746,423 9.7%	\$1,823,240 23.6%	\$698,937 9.0%	\$7,715,202 100.0%
1997	\$1,245,757 19.5%	\$973,213 15.2%	\$440,554 6.9%	\$298,312 4.7%	\$862,204 13.5%	\$1,990,104 31.1%	\$583,988 9.1%	\$6,394,132 100.0%
1996	\$1,110,606 14.6%	\$840,699 11.1%	\$2,613,438 34.4%	\$187,681 2.5%	\$878,934 11.5%	\$1,379,056 18.2%	\$583,878 7.7%	\$7,594,292 100.0%
1995	\$971,214 16.3%	\$726,647 12.2%	\$1,789,761 30.1%	\$137,589 2.3%	\$668,330 11.2%	\$1,108,943 18.6%	\$554,579 9.3%	\$5,957,063 100.0%

Source: City of Woodland Park, Colorado.

(1) Includes general, special revenue, debt service and capital projects funds

City of Woodland Park

Table 2

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)
LAST TEN FISCAL YEARS

Fiscal Year	Taxes	Licenses and Permits	Inter-governmental	Charges for Services	Fines	Misc. and Interest	Total
2004	\$5,087,776 54.7%	\$97,633 1.1%	\$2,985,597 32.1%	\$661,883 7.1%	\$24,824 0.3%	\$439,799 4.7%	\$9,297,512 100.0%
2003	\$4,804,526 56.2%	\$105,528 1.2%	\$1,991,393 23.3%	\$551,154 6.4%	\$65,888 0.8%	\$1,036,900 12.1%	\$8,555,389 100.0%
2002	\$4,803,005 60.9%	\$109,692 1.4%	\$2,096,319 26.5%	\$462,297 5.8%	\$29,041 0.4%	\$395,486 5.0%	\$7,895,840 100.0%
2001	\$4,448,087 52.9%	\$109,347 1.3%	\$2,710,727 32.2%	\$412,340 4.9%	\$43,735 0.5%	\$688,208 8.2%	\$8,412,444 100.0%
2000	\$4,333,875 58.8%	\$110,488 1.5%	\$1,953,152 26.5%	\$405,185 5.5%	\$43,863 0.6%	\$522,500 7.1%	\$7,369,063 100.0%
1999	\$3,899,259 60.3%	\$104,871 1.6%	\$1,470,703 22.7%	\$336,465 5.2%	\$62,419 1.0%	\$596,088 9.2%	\$6,469,805 100.0%
1998	\$3,698,404 57.5%	\$101,882 1.6%	\$1,684,936 26.2%	\$370,802 5.7%	\$57,046 0.9%	\$520,947 8.1%	\$6,434,017 100.0%
1997	\$3,109,156 59.1%	\$94,395 1.8%	\$1,400,371 26.6%	\$330,917 6.3%	\$48,703 0.9%	\$280,803 5.3%	\$5,264,345 100.0%
1996	\$2,903,228 57.0%	\$95,078 1.9%	\$1,143,692 22.5%	\$487,188 9.6%	\$46,257 .9%	\$413,885 8.1%	\$5,089,328 100.0%
1995	\$2,953,084 63.0%	\$83,382 1.8%	\$767,977 16.3%	\$486,687 10.4%	\$52,609 1.2%	\$340,448 7.3%	\$4,684,187 100.0%

Source: City of Woodland Park, Colorado.

(1) Includes general, special revenue, debt service and capital projects funds.

City of Woodland Park

Table 3

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE (1)
LAST TEN FISCAL YEARS

Fiscal Year	Property Tax	Sales, Lodging & Use Tax (2)	Franchise Tax	Other Tax	Total
2004	\$1,361,288 26.8%	\$3,309,296 65.0%	\$221,891 4.4%	\$195,301 3.8%	\$5,087,776 100.0%
2003	\$1,251,628 26.0%	\$3,136,624 65.3%	\$186,351 3.9%	\$229,923 4.8%	\$4,804,526 100.0%
2002	\$1,182,344 24.6%	\$3,202,198 66.7%	\$184,042 3.8%	\$234,421 4.9%	\$4,803,005 100.0%
2001	\$1,021,241 23.0%	\$3,029,336 68.1%	\$195,356 4.4%	\$202,154 4.5%	\$4,448,087 100.0%
2000	\$988,784 22.8%	\$2,946,931 68.0%	\$169,428 3.9%	\$228,732 5.3%	\$4,333,875 100.0%
1999	\$822,248 21.1%	\$2,747,456 70.5%	\$156,084 4.0%	\$173,471 4.4%	\$3,899,259 100.0%
1998	\$798,716 21.6%	\$2,412,002 65.2%	\$157,079 4.3%	\$330,607 8.9%	\$3,698,404 100.0%
1997	\$682,157 22.0%	\$2,157,935 69.4%	\$159,138 5.1%	\$109,926 3.5%	\$3,109,156 100.0%
1996	\$603,581 20.8%	\$1,898,848 65.4%	\$144,964 5.0%	\$255,835 8.8%	\$2,903,228 100.0%
1995	\$568,247 19.2%	\$1,839,868 62.4%	\$142,064 4.8%	\$402,905 13.6%	\$2,953,084 100.0%

Source: City of Woodland Park, Colorado.

(1) Includes general, special revenue, debt service and capital projects funds.

(2) Lodging tax was approved by the voters and implemented July 1, 2002.

ASSESSED VALUATION, TAX LEVY & TAX COLLECTIONS
LAST TEN YEARS

Year Assessed	Year Collected	Assessed Valuation	Levy 1)	Tax	Tax Collections	% Collected
2004	2005	\$81,418,258	16.249	\$1,322,965	N/A	
2003	2004	\$81,897,690	16.249	\$1,330,756	\$1,361,288	100.02
2002	2003	\$77,003,951	16.249	\$1,251,237	\$1,251,628	100.03
2001	2002	\$74,044,180	16.249	\$1,203,144	\$1,182,344	98.27
2000	2001	\$62,870,942	16.249	\$1,021,590	\$1,021,241	99.97
1999	2000	\$60,142,133	16.249	\$977,250	\$988,784	101.18
1998	1999	\$50,665,300	16.249	\$823,260	\$822,248	99.88
1997	1998	\$48,775,118	16.249	\$794,142	\$798,716	100.58
1996	1997	\$42,438,440	16.249	\$689,582	\$682,157	98.92
1995	1996	\$37,139,350	16.249	\$610,500	\$603,581	98.87
1994	1995	\$34,911,990	16.249	\$565,000	\$568,247	100.57

Source: City of Woodland Park, Colorado.

1) Number of mills assessed by the city for all properties located within the city limits (property tax assessment)

N/A - Tax collections for 2005 are not complete as of report issue date.

PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS
 (PER \$1,000 OF ASSESSED VALUE)
 LAST TEN FISCAL YEARS

Fiscal Year	City of Woodland Park	Teller County	RE-2 Schools	N.E. Teller County Fire District	Library	Total
2004	16.249	14.633	40.229	9.242	6.545	86.898
2003	16.249	14.633	40.011	8.605	6.545	86.043
2002	16.249	14.633	34.494	8.605	6.545	80.526
2001	16.249	14.633	37.476	8.605	6.013	82.976
2000	16.249	14.633	44.605	8.605	1.369	85.461
1999	16.249	13.413	45.079	8.605	1.334	84.680
1998	16.249	13.413	49.683	8.605	1.328	89.278
1997	16.249	12.958	47.479	8.605	1.263	86.554
1996	16.249	13.976	51.123	8.605	1.369	91.322
1995	16.249	14.128	52.385	8.605	1.342	92.709

Source: Teller County Assessor's Office

PRINCIPAL TAXPAYERS
DECEMBER 31, 2004

Taxpayer	Type Of Business	2004 Assessed Valuation	Percentage of Total Assessed Valuation
Sturreal, LLC	Valve Mfg.	\$1,581,980	1.94
Safeway Stores 46, Inc.	Grocery/Gas	\$1,243,130	1.53
Brown, Allen & Linda K S	Office Space	\$ 683,530	0.84
Sturman Industries	R&D/Mfg.	\$ 637,220	0.78
Tamarac Business Center	Office Comple	\$ 593,700	0.73
TJ&I, LLC	Distribution Wrhse	\$ 583,960	0.72
Global Golf Management, LLC	Golf Course/Club	\$ 385,510	0.47
O'Keefe, Brian M	Ceramic Mfg.	\$ 378,040	0.46
SW Woodpark, LLC	Retail Space	\$ 362,960	0.45
SW Woodpark, LLC	Retail Space	\$ 343,700	0.42
Duncan, Dana E	Developer	\$ 322,420	0.40
Evans, Lee Ann H Trust	Post Office	\$ 320,960	0.39
Safeway Stores, Inc.	Retail Space	\$ 312,090	0.38
Sturman Engine Systems, LLC	Valve Mfg.	\$ 286,030	0.35
Duncan, Dana E	Developer	\$ 269,810	0.33
Diamond Campground, Inc.	Campground	\$ 240,660	0.30
Cooper, Dwight D	Developer	\$ 216,710	0.27
Mehllen, LLC	Campground	\$ 210,210	0.26
Global Golf Management, LLC	Golf Course/Club	\$ 179,990	0.22
			11.24%
Total Assessed Value City of Woodland Park		\$81,418,258	

Source: Teller County Assessor's Office

COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2004

Assessed valuation			\$81,418,258
Legal debt margin:			
No debt limitation per election			\$ 0
Debt applicable to limitation:			
Total bonded debt	\$ 11,790,000		
Less: Revenue bonds	\$ 7,945,000		
General obligation bonds for water	\$ 1,175,000		
General obligation bonds for street	\$ 680,000		
General obligation bonds for drainage	\$ 1,990,000		
Total debt applicable to limitation			\$ 0
Legal debt margin			\$ 0

Source: Computation based on Teller County Assessor's Valuation

RATIO OF GENERAL OBLIGATION DEBT TO ASSESSED VALUE
& NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year	Population	Assessed Value	General Bonded Debt	Percentage Net Bonded Debt to Assessed Value	Bonded Debt Per Capita	Personal Income Per Capita	% Debt Per Capita to Personal Income
2004	7,078	\$81,418,258	\$3,845,000	4.72%	\$543	\$29,604	1.83%
2003	7,014	\$81,897,690	\$4,339,000	5.30%	\$619	\$27,979	2.21%
2002	6,953	\$77,003,951	\$4,807,000	6.24%	\$691	\$27,212	2.54%
2001	6,515	\$74,044,180	\$5,170,000	6.98%	\$794	\$25,122	3.16%
2000	7,473	\$62,870,942	\$5,575,000	8.87%	\$746	\$21,160	3.53%
1999	7,227	\$60,142,133	\$5,955,000	9.90%	\$824	\$21,287	3.88%
1998	6794	\$50,665,300	\$6,320,000	12.47%	\$942	\$21,196	4.44%
1997	6,510	\$48,775,118	\$4,005,000	8.21%	\$615	\$21,314	2.89%
1996	5,700	\$42,438,440	\$4,220,000	9.94%	\$740	\$21,314	3.47%
1995	5,600	\$37,139,350	\$4,430,000	11.93%	\$791	\$21,314	3.71%

Sources: City general purpose financial statements; Colorado Division of Local Government, Demographic Section; State of Colorado, Division of Property Taxation, Annual Reports, 1990 - 2002.

(1) All of the City's bonded debt is for water, street, and drainage projects. The debt service for the water bonds is funded through user charges of the Water Enterprise Fund. The debt service for the street bonds is funded through a 1 percent sales tax designated for street improvements. The debt service for the drainage bonds is funded through drainage user charges.

NOTE: There is no legal debt limitation for the City's general obligation debt issued for water, street, and drainage projects.

PERCENT OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT TO
GOVERNMENTAL FUND EXPENDITURES AND GOVERNMENTAL FUND
EXPENDITURES PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Fund Expenditures	Annual Debt Service	Population	Governmental Fund Expenditures Per Capita	% Debt Service to Expenditures
2004	\$7,949,275	\$1,118,913	7,078	\$1,123.10	14.08%
2003	\$11,520,168	\$697,448	7,014	\$1,642.45	6.05%
2002	\$7,658,544	\$656,469	6,953	\$1,101.47	8.57%
2001	\$8,434,431	\$713,968	6,515	\$1,294.62	8.46%
2000	\$10,342,133	\$710,520	7,473	\$1,383.93	6.87%
1999	\$10,037,407	\$712,016	7,227	\$1,388.88	7.09%
1998	\$7,715,202	\$590,913	6,794	\$1,135.59	7.66%
1997	\$6,394,132	\$582,106	6,510	\$982.20	9.10%
1996	\$7,594,292	\$582,118	5,700	\$1,332.33	7.66%
1995	\$5,957,063	\$525,861	5,600	\$1,063.76	8.82%

Source: City of Woodland Park, Colorado.

City of Woodland Park
 Computation of Direct and Overlapping
 General Obligation Bonded Debt

December 31, 2004

Tax Year/ Collection Year	Assessed Valuation 1)	General Obligation Debt 2)	Percent Applicable to City of Woodland Park (3)	Net Overlapping Debt
City of Woodland Park	\$ 81,418,258	\$ 3,845,000	100.0%	\$3,845,000
Teller County	\$360,153,910	\$0	0%	\$0
RE-2 School District	\$201,937,617	\$22,135,000	46.3%	\$10,248,505
Rampart Regional Library District	\$197,644,039	\$4,640,000	7.5%	\$348,000
NE Teller County Fire Protection District	\$124,203,608	\$0	0%	\$0

Source: 1) Teller County Assessor's Office
 2) Teller County Finance, RE-2 School District, Rampart Regional Library District, and
 NE Teller County Fire Protection District
 3) Based upon property tax rates for 2005 – See Table 5

REVENUE BOND COVERAGE-STREETS
LAST TEN FISCAL YEARS

Fiscal Year	<u>Debt Service Requirements</u>				
	Gross Revenue(1)	Principal	Interest	Total	Coverage (Times)
2004	\$1,103,099	\$410,000	\$199,559	\$609,559	180.97%
2003	\$974,636	\$365,000	\$111,209	\$476,209	204.67%
2002	\$1,015,497	\$255,000	\$245,059	\$500,059	203.08%
2001	\$980,679	\$240,000	\$261,637	\$501,637	195.50%
2000	\$966,880	\$225,000	\$275,613	\$500,613	193.14%
1999	\$885,812	\$250,000	\$338,618	\$588,618	150.49%
1998	\$949,268	\$235,000	\$355,913	\$590,913	160.64%
1997	\$675,456	\$220,000	\$362,106	\$582,106	116.04%
1996	\$646,947	\$209,999	\$372,119	\$582,118	111.13%
1995	\$589,314	\$180,000	\$345,861	\$525,861	112.07%

Source: City of Woodland Park, Colorado.

(1) Sales tax revenue of 1% is dedicated to revenue bond payments.

(2) Debt service requirements for 1993 through 1999 included amounts for general obligation bonds. Beginning in 2000, only revenue bonds were included per the title of this table.

REVENUE BOND COVERAGE-WASTEWATER
LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenue 1)	Operating Expenses 2)	Net Revenue Avail. for Debt Service	<u>Debt Service Requirements</u>			Coverage
				Principal	Interest	Total	
2004	\$1,413,197	\$638,567	\$774,630	\$100,000	\$114,931	\$214,931	360%
2003	\$1,287,646	\$579,506	\$708,140	\$165,000	\$137,070	\$302,070	234%
2002	\$1,281,653	\$581,590	\$700,063	\$160,000	\$145,150	\$305,150	229%
2001	\$1,573,111	\$575,213	\$997,898	\$155,000	\$152,822	\$307,822	324%
2000	\$1,264,789	\$578,461	\$686,328	\$145,000	\$159,783	\$304,783	225%
1999	\$1,154,333	\$579,770	\$574,563	\$135,000	\$166,060	\$301,060	190%
1998	\$1,134,082	\$540,412	\$593,670	\$135,000	\$172,135	\$307,135	193%
1997	\$1,057,952	\$538,774	\$519,178	\$130,000	\$177,725	\$307,725	169%
1996	\$1,181,982	\$542,535	\$639,447	\$75,000	\$180,838	\$255,838	247%
1995	\$962,332	\$507,640	\$454,692	\$50,000	\$182,763	\$232,763	195%

Source: City of Woodland Park, Colorado.

1) Operating revenues, tap fees, and interest income.

2) Operating expenses less depreciation and amortization.

BONDED DEBT COVERAGE-WATER FUND
LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenue 1)	Operating Expenses 2)	Net Revenue Avail. for Debt Service	<u>Debt Service Requirements</u>			Coverage (3)
				Principal (3)	Interest (3)	Total (3)	
2004	\$2,103,724	\$838,745	\$1,264,979	\$537,790	\$246,551	\$784,341	161%
2003	\$1,864,001	\$983,903	\$880,098	\$510,672	\$270,327	\$780,999	113%
2002	\$1,864,164	\$836,864	\$1,027,300	\$427,207	\$258,755	\$685,962	150%
2001	\$1,931,470	\$722,745	\$1,208,725	\$425,000	\$303,257	\$728,257	166%
2000	\$1,987,749	\$676,285	\$1,311,464	\$140,000	\$174,732	\$314,732	417%
1999	\$1,775,599	\$671,373	\$1,104,226	\$135,000	\$180,673	\$315,673	350%
1998	\$1,802,065	\$558,282	\$1,243,783	\$130,000	\$186,263	\$316,263	393%
1997	\$2,244,330	\$606,732	\$1,637,598	\$125,000	\$191,513	\$316,513	517%
1996	\$1,609,257	\$776,023	\$833,234	\$120,000	\$196,313	\$316,313	263%
1995	\$1,456,903	\$640,348	\$816,555	\$0	\$81,797	\$81,797	998%

Source: City of Woodland Park, Colorado.

1) Operating revenues, tap fees, and interest income.

2) Operating expenses less depreciation and amortization.

3) Data restated for 2001 through 2003, and applied to 2004 forward, to include all bonded debt for the Water enterprise fund.

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population 1)	Sq. Miles within 1)City	Registered Voters 2)	Utility Accounts 1)	Water Taps Sold 1)	Public Schools 3)	Teller County Popula- tion 4)	Sq. Miles within County 4)
2004	7,078	6.51	4,630	3,088	94	3,057	22,156	559.0
2003	7,014	6.50	4,676	2,994	76	3,045	21,988	558.51
2002	6,953	6.49	4,395	2,918	62	3,122	21,827	559.0
2001	6,515	4.479	4,717	2,856	68	3,314	20,255	557.1
2000	7,473	4.448	4,876	2,746	82	3,290	21,303	557.1
1999	7,227	3.941	4,537	2,667	72	3,219	21,299	557.1
1998	6,794	3.742	4,344	2620	71	3,238	21,175	557.1
1997	6,510	3.635	4,120	2550	63	3,220	19,790	555
1996	5,700	3.6	3,741	2,500	77	3,227	18,850	555
1995	5,600	3.6	3,691	2,469	72	3,064	17,465	555

Sources: 1) City of Woodland Park, Colorado
 2) Teller County, Colorado
 3) RE-2 School District
 4) Colorado Department of Local Affairs Web Site

CONSTRUCTION VALUE AND BANK DEPOSITS
LAST TEN FISCAL YEARS

Fiscal Year	Number of Permits (1)	Construction Value (1)	Bank Deposits (2)
2004	94	\$23,407,930	\$130,116,798
2003	70	\$14,971,862	\$130,074,750
2002	65	\$14,806,163	\$135,586,170
2001	77	\$15,229,692	\$125,867,863
2000	82	\$12,713,850	\$115,653,476
1999	77	\$13,593,337	\$119,374,030
1998	71.0	\$12,923,367	\$132,474,356
1997	63.0	\$7,807,848	\$116,654,881
1996	77.0	\$9,910,315	\$107,971,275
1995	72.0	\$10,402,353	\$94,022,165

Sources: (1) City of Woodland Park Planning Department
 (2) Bank Statements of Condition; includes funds on deposit in all banks within the city limits. Beginning in 2000, all banks were not willing to provide the information. As a result, the information has lost its comparability.

City of Woodland Park

Table 16

INSURANCE IN FORCE DECEMBER 31, 2004

Coverage & Carrier	Policy Number	Policy Period From - To	Coverage	Liability Limits	Annual Premium
Property/Casualty/CIRSA Pool	CIRSA Pool	01/01/04 - 12/31/04	Building and contents, auto physical damage, real and personal property, fire and vandalism. \$500 deductible.	\$500,000	\$133,900
Excess Property NLC Mutual	CIRSA Pool	01/01/04 - 12/31/04	Same.	\$501,000,000	Included in above
Liability through CIRSA	CIRSA Pool	01/01/04 - 12/31/04	Comprehensive general liability; auto and police professional liability; public officials errors and omissions. All employees in all locations. \$500 deductible.	\$500,000 \$1,000,000	Included in above
Excess Liability Great Lakes UK Insurance Company	CIRSA Pool	01/01/04 - 12/31/04	Same.	Auto \$1,500,000 Other \$5,000,000	Included in above
Crime/CIRSA	CIRSA Pool	01/01/04 - 12/31/04	Employee dishonesty, monies and securities. \$500 deductible.	\$150,000	Included in above
Worker's Compensation/CIRSA	CIRSA Pool	01/01/04 - 12/31/04	Worker's Compensation/Job Related Injury & Liability.	\$400,000 \$2,000,000	\$126,683
Health Anthem Blue Cross/Blue Shield	C17181	01/01/04 - 12/31/04	Employee PPO medical insurance coverage.	Med- \$2m/person/life	\$498,142
Anthem Life Ins. Co.	026565	01/01/04 - 12/31/04	Life insurance coverage.	Life-\$20,000 ADD-\$20,000/Emp \$5,000/Spouse	\$9,432
Dental American Medical	500-2646	01/01/04 - 12/31/04	Employee dental insurance coverage.	\$1,200/Person/Year	\$71,959
Disability LTD/STD/Jefferson Pilot	000010002399 000010002400	01/01/04 - 12/31/04	Short term disability, max. 180 days. Long term disability to age 65 (SSNRA).	60% of 1 st 60% of 1 st	\$1,667 \$8,333
Vision - VSP	12061831	01/01/04 - 12/31/04	Vision Insurance.	Fee Schedule	\$19,735

Source: City of Woodland Park, Colorado .

MISCELLANEOUS DATA - DECEMBER 31, 2004

Date of Incorporation	January 26, 1891
Form of Government	Council/Manager
Number of employees	84
Area in square miles	6.51
Population	7,078
Woodland Park facilities and Services:	
Streets	
Miles of streets	55.29
Recreation:	
Number of developed parks	10
Acres of developed park land	40.7
Number of undeveloped parks	8
Acres of undeveloped park/open space land	86.41
Miles of trails	4.12
Number of adult/youth baseball/softball fields	7
Number of overlapping soccer fields	5
Tennis/Hard surface courts	8
Playgrounds/outdoor ice rinks/skateboard parks	6
Community/Teen Centers	3
Police protection:	
Number of stations	1
Number of patrol vehicles	13
Number of police personnel and officers	28
Wastewater System:	
Number of customers	3,074
Miles of sanitary sewers	64
Advanced Wastewater Treatment Capacity (gal/day)	893,000
Average daily treatment in gallons	625,000
Water System:	
Number of customers	3,088
Number of pressure zones	7
Maximum daily capacity in gallons	3,080,000
Current peak 7-day demand in gallons	878,000
Raw reservoir capacity in gallons	21,000,000
Potable storage tank capacity in gallons	3,550,000

Source: City Records and Archives

FEDERAL FINANCIAL ASSISTANCE



Honorable Mayor and Members of the City Council
City of Woodland Park
Woodland Park, Colorado

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

We have audited the financial statements of the City of Woodland Park as of and for the year ended December 31, 2004, and have issued our report thereon dated April 1, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Woodland Park's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Woodland Park's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the City Council and management, and is not intended to be and should not be used by anyone other than these specified parties.

April 1, 2005



Honorable Mayor and Members of the City Council
City of Woodland Park
Woodland Park, Colorado

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

Compliance

We have audited the compliance of the City of Woodland Park with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2004. The City of Woodland Park's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Woodland Park's management. Our responsibility is to express an opinion on the City of Woodland Park's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Woodland Park's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Woodland Park's compliance with those requirements.

In our opinion, the City of Woodland Park complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2004.

Internal Control Over Compliance

The management of the City of Woodland Park is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Woodland Park's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the City Council, management, federal awarding agencies and pass-thru entities and is not intended to be and should not be used by anyone other than these specified parties.

Stewart & Company LLC

April 1, 2005

CITY OF WOODLAND PARK, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2004

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unqualified

Internal control over financial reporting:

- Material weaknesses identified? _____ yes no

- Reportable conditions identified that are not considered to be material weaknesses? _____ yes none reported

Noncompliance material to financial statements noted?

_____ yes no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? _____ yes no

- Reportable conditions identified that are not considered to be material weaknesses? _____ yes none reported

Type of auditors' report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?

_____ yes no

Identification of major program:

20.205 Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?

yes _____ no

Financial Statement Findings

The audit of the financial statements did not disclose reportable conditions in internal control that would be considered material weaknesses, and did not disclose fraud, illegal acts, violations of provisions of contracts and grant agreements, or abuse that were material to those financial statements.

Findings and Questioned Costs Related to Federal Awards

The audit of federal awards did not disclose reportable conditions in internal control that would be considered material weaknesses, and did not disclose instances of noncompliance or abuse that were material to those federal awards.



Honorable Mayor and Members of the City Council
City of Woodland Park
Woodland Park, Colorado

**INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

We have audited the financial statements of the City of Woodland Park, as of and for the year ended December 31, 2004, and have issued our report thereon dated April 1, 2005. These financial statements are the responsibility of the City of Woodland Park's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Swanhorst & Company LLC

April 1, 2005

CITY OF WOODLAND PARK, COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2004

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Accrued (Deferred) 12/31/03	Receipts	Disbursements	Accrued (Deferred) 12/31/04
Environmental Protection Agency					
Passed through Colorado Water Resources and Power Development Authority Capitalization Grants for State Revolving Funds	66.458	\$ 40,085	\$ -	\$ -	\$ 40,085
TOTAL ENVIRONMENTAL PROTECTION AGENCY		<u>40,085</u>	<u>-</u>	<u>-</u>	<u>40,085</u>
U.S. Department of Transportation					
Passed through State Department of Transportation Highway Planning and Construction	20.205	1,519,530	1,337,141	1,143,998	1,326,387
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		<u>1,519,530</u>	<u>1,337,141</u>	<u>1,143,998</u>	<u>1,326,387</u>
U.S. Department of Justice					
Passed through State Department of Public Safety, Division of Criminal Justice Crime Victim Assistance	16.575	4,420	4,420	-	-
Build A Generation - Title V	16.546	10,514	68,984	67,786	9,316
Passed through State Department of Transportation Enforcing Underage Drinking Laws Program	16.727	1,951	23,243	30,528	9,236
TOTAL U.S. DEPARTMENT OF JUSTICE		<u>16,885</u>	<u>96,647</u>	<u>98,314</u>	<u>18,552</u>
U.S. Department of Health and Human Services					
Passed through Teller County, Colorado Drug-Free Communities Support Program	93.276	-	3,170	3,170	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		<u>-</u>	<u>3,170</u>	<u>3,170</u>	<u>-</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		<u>\$ 1,576,500</u>	<u>\$ 1,436,958</u>	<u>\$ 1,245,482</u>	<u>\$ 1,385,024</u>

See the accompanying Independent Auditors' Report.

CITY OF WOODLAND PARK, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2004

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Woodland Park
	YEAR ENDING : December 2004
This Information From The Records Of (example - City of _ or County of _) City of Woodland Park	Prepared By: Kellie J. Case, Finance Director/Treasurer Phone: (719) 687-9246

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)	94,122
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	155,711
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	224,172
2. General fund appropriations		b. Snow and ice removal	76,203
3. Other local imposts (from page 2)	1,345,995	c. Other	
4. Miscellaneous local receipts (from page 2)	23,683	d. Total (a. through c.)	300,375
5. Transfers from toll facilities		4. General administration & miscellaneous	236,735
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	139,567
a. Bonds - Original Issues		6. Total (1 through 5)	926,510
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	156,546
7. Total (1 through 6)	1,369,678	b. Redemption	410,000
B. Private Contributions		c. Total (a. + b.)	566,546
C. Receipts from State government (from page 2)	283,444	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	1,653,122	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	566,546
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,493,056

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	4,340,000	0	410,000	3,930,000
1. Bonds (Refunding Portion)				
B. Notes (Total)	4,340,000	0	410,000	3,930,000

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	1,653,122	1,493,056	160,066	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2004

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 Assesments	172,765	a. Interest on investments	254
b. Other local imposts:		b. Traffic Fines & Penalties	19,353
1. Sales Taxes	1,008,929	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	109,190	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Other (Road & Bridge)	55,111	g. Other Misc. Receipts	4,076
6. Total (1. through 5.)	1,173,230	h. Other	0
c. Total (a. + b.)	1,345,995	i. Total (a. through h.)	23,683
	(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	251,614	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle	31,830	d. Federal Transit Admin	0
d. Other (Specify)	0	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	31,830	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	283,444	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	0	0
b. Engineering Costs	0	28,877	28,877
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	0	0
(3). System Preservation	0	11,137	11,137
(4). System Enhancement & Operation	0	54,108	54,108
(5). Total Construction (1) + (2) + (3) + (4)	0	65,245	65,245
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	94,122	94,122
			(Carry forward to page 1)

Notes and Comments: