



City of
Golden

**Comprehensive Annual
Financial Report**

For the Year Ended
December 31, 2013

Golden, Colorado

CITY OF
GOLDEN, COLORADO



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR YEAR ENDED DECEMBER 31, 2013

Michael C. Bestor
City Manager

Prepared
by the
Finance Department

Jeffrey A. Hansen
Finance Director

City of Golden, Colorado
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2013

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City of Golden

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June 6, 2014

Honorable Mayor Sloan,
Members of City Council, and
Citizens of Golden, Colorado:

By State law, the City of Golden is required to publish a Comprehensive Annual Financial Report (CAFR) within seven months of the close of each fiscal year. The report shall be 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. In conformance with those requirements, we hereby submit the CAFR for the City of Golden for the fiscal year ended December 31, 2013.

This report was prepared by the City's Finance Department. Responsibility for both the accuracy of the prepared data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the City and results of the operations of its various funds. All necessary disclosures are included in this document, enabling the reader to gain a full understanding of the City's financial activities.

City management is responsible for establishing, implementing, and maintaining an internal control framework designed to ensure that City assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control framework is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of control should not exceed the benefits likely to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management.

The City Charter requires an annual audit of the books of account, financial records, and transactions of all City administrative departments by independent certified public accountants selected by City Council. The 2013 audit was conducted by CliftonLarsonAllen LLP. 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. The independent auditor concluded that the City of Golden's financial statements for the fiscal year ended December 31, 2013 are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.



Management’s discussion and analysis (MD&A) provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the financial section, immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City of Golden is situated in central Jefferson County, on the west edge of the Denver Metropolitan area at the foot of the Rocky Mountains. Golden is located along Interstate 70, U.S. Highways 6 and 40, and state highways 93 and 470, providing good highway access to the entire region, including Denver to the east, Boulder to the north and the mountains to the west. Its location, accessibility, views of the mountains and mesas, and “small town feel” combine to make Golden a desirable location to visit, live, work, and play.

The City has a rich history as part of the “Old West”. Golden was a mining town established in 1859, and served as the Colorado Territorial Capital from 1862-67. Golden incorporated in 1871 and became a home rule city in 1967. At December 31, 2013, Golden had an estimated population of 19,324 and a land area of 9.7 square miles.

The City operates under the council-manager form of government. Policy-making and legislative authority are vested in the City Council, consisting of the Mayor and six other members. The Council is elected on a non-partisan basis for four-year staggered terms, with elections every two years. Four of the council members are elected by wards, two by districts (each encompassing two wards), and the Mayor is elected at large. The City Council is primarily responsible for passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and direction of the Council, overseeing the day-to-day operations of the City, and appointing the heads of the various departments.

The City provides a full range of services including public safety (police and fire), streets, water, wastewater, drainage, public improvements, parks and recreation, planning and development, and general administrative services. The Parks and Recreation, Public Works, and Police Departments are all nationally accredited, with the City having the first municipal parks and recreation department in Colorado to achieve such distinction. The City is the seventh agency in the nation to achieve accreditation in all three departments. These distinctions are an indication of the quality of the City’s employees, operations, and services provided.

Component Units: Although it is a separate legal entity, established to provide additional parking and parking improvements in the downtown area, the Golden Downtown General Improvement District (GDGID) functions, in essence, as a department of the City and therefore, is included as an integral part of the City’s financial statements. The Golden Capital Leasing Corporation (GCLC) was formed in 2006 to facilitate an annually renewable lease-purchase agreement resulting from the issuance of Certificates of Participation (COP’s) to finance the construction of a new municipal shops facility and the reconstruction of Fire Station #1. The GCLC also functions as an integral part of the City and is reported as a blended component unit. The Golden Urban Renewal Authority (GURA) is included as a discretely presented component unit, as the City Council appoints the members of the GURA board and established the tax increment financing for GURA’s operations, of which sales tax increments are paid by the City.

Budget: The budget serves as the foundation for the City's financial planning and control. While the City prepares a biennial budget document, the City Council formally adopts an annual budget and is required by the City Charter to adopt the final budget no later than the close of the prior fiscal year. The budget is prepared at the fund and department levels. Expenditures may not exceed appropriations at the fund level. Management may make transfers within a fund. Any budget revisions that change the total expenditures of any fund must be approved by the City Council.

Economic Condition and Outlook

Local Economy: Compared to most of the nation, the City has experienced a quicker and stronger recovery from the recession of 2008-09. That recovery has continued in 2013 as sales tax revenues were up 3.5% after increasing 8.3% in 2012. Use tax collections were up 4.7% in 2013 after being down 8.5% in 2012.

The City maintains a good mix of retail, commercial, and industrial businesses. With Colorado School of Mines, Jefferson County offices, Interplaza, the Golden Town Center, Corporate Center, and the Coors Technology Center within the City's borders, and MillerCoors as our neighbor, Golden has a very strong and diversified employment base.

Major retailers include Home Depot, Kohl's, King Soopers, Safeway, Petco, Staples, Golfsmith, and Big 5 Sporting Goods, as well as many of the major fast food chains. In addition, some of the larger local retail businesses include Briarwood Inn, Table Mountain Inn, the Golden Hotel, Bent Gate, and several automotive dealerships.

In the non-retail arena, the City has a wide variety of commercial, manufacturing and industrial businesses, especially in areas of energy and technology, including: Mobile Energy Solutions, a manufacturer of hydrogen fuel cell powered buses; Echoserve, a manufacturer in the medical imaging sector; an Audi test facility and offices; CoorsTek, Rocky Mountain Metal Container, and other businesses that support and complement the operations of the MillerCoors facility; Source Gas corporate offices, located in downtown Golden; environmental engineering firms Biochar and Biovantage Resources; Broad Reach Engineering, a space flight hardware and vehicle design firm; manufacturers Master Tech Services and PMC Hydraulics; and bicycle manufacturers Yeti and Maverick.

Economic development efforts in the past have proven successful in the strengthening of the City's revenue base. The additions of the Golden Town Center, which includes King Soopers, and Interplaza, which includes Kohl's and Home Depot, have made a significant impact on the City's sales tax revenues, both keeping Golden citizens shopping in Golden and also bringing in customers from surrounding areas. To help bring these retailers to Golden, the City Council approved a shareback of a portion of the sales tax revenues over several years. Sales for both Kohl's and Home Depot were higher than projected as they reached their cap on the shareback in 2006, ahead of schedule by almost two years. The Golden Town Center agreement expired in 2009. With the completion of these agreements, the City now retains 100% of the sales tax generated, which has helped offset the impacts of the recent recession and will help cover the increasing costs of providing the quality services our citizens expect into the future.

In 2013, several businesses moved their operations to Golden. The Earth Treks Climbing Gym opened late in 2013, providing an indoor climbing amenity to the community. Steelhead Composites located their headquarters and production facility in Corporate Center to make hydraulic components for hybrid



vehicles. Oswego Creative renovated a building on 10th Street and moved their operations back to the City. Outlast Technologies, the leader in phase change materials to regulate temperature, moved its headquarters to Golden. And, Pason Engineering began construction of a new facility in the Coors Tech Center, with completion scheduled for 2014. In addition, Coors Tek, an economic leader in the field of industrial ceramics, invested millions in new equipment for two additional Golden locations acquired in 2012. Also, the Jefferson Office Park completed construction on the 2nd building in the complex, which is home to a Veterans Administration clinic and offices.

In 2014, Rocky Mountain Reagents and Spyderco have both announced major expansions to their Golden facilities. Speeco, a manufacturer of farm equipment, is moving its operations to Golden and has begun construction on a new facility. And, Photo Stencil, a leading provider of high-performance stencils and tooling, began construction/expansion to relocate its operations to a new facility in the Coors Tech Center, with plans to begin full-scale operations in early 2015.

Also in 2013, construction was completed on the West Line of the metro area light rail system. The Line, which began operating on April 26th, begins in Golden along the U.S. Highway 6 corridor, with various stops between Golden and Downtown Denver. To complement the light rail and help move tourists and others between the light rail station and Downtown Golden, the City partnered with the Regional Transportation District (RTD) to provide a circulator bus and call-n-ride service in Golden.

Residentially, construction began in 2013 on West 8th, a new 99-unit high-end apartment complex near the Clear Creek corridor. The complex has pre-leased over 1/3 of the units, with construction scheduled for completion in July 2014. In addition, Golden Vista broke ground on a mixed-use complex that includes 172 apartment units and 5,000 square feet of retail space, with completion scheduled for 2015. Golden Vista is located across Highway 6 from the light rail station, but is connected by a pedestrian bridge across the highway.

Downtown Golden continues to be a vibrant area for tourists and residents alike. Sales tax revenues increased 3.15% in 2013, on top of a 10.2% increase in 2012. New retail businesses opening in 2013 included: Clear Creek Wine and Spirits, PranaTonic Wellness, Golden Goods, Casa Alba, and two new brew pubs: Barrels and Bottles, and Mountain Toad.

In 2013, voters approved the formation of a Downtown Development Authority to takeover for GURA, whose tax-increment financing expires for the downtown area at the end of 2014. GURA has established other urban renewal projects in the City, including a stretch of West Colfax Avenue and a commercial area near Golden High School that will house a Natural Grocers store.

Year after year, Downtown Golden continues to be a regional draw and a gathering place for community events including Buffalo Bill Days, Fine Arts Festival, Christmas Candlelight Walk and caroling, car shows, kayak competitions, and 4th of July events and fireworks, among others. These events also result in additional business for the downtown retailers and restaurants.

City facilities also contribute significantly to the local economy, providing job opportunities (especially for the local youth) and bringing people to the Golden area where they might also frequent other local establishments. The Splash at Fossil Trace is a very popular outdoor family aquatics park that operates from Memorial Day weekend through mid-to-late August. Fossil Trace Golf Club, designed by Jim Engh, provides a challenging golf experience as well as scenic views of the surrounding mesas, foothills

and Rocky Mountains. The clubhouse, which includes an outdoor wedding area and a banquet/meeting room facility in addition to the restaurant area, provides sufficient room to allow catered events to be held year round. Fossil Trace opened in late July 2003 to rave reviews and has annually earned local and national recognition. Recent honors include: Best opening Hole in Colorado (2008) and Most Memorable Hole in Colorado (2010) by *Colorado Avid Golfer Magazine*; Best Course in Denver by *ABC Denver 7 A-List* (2008); America's Top Golf Courses by *Zagat Survey* (2008); Most Admired Facility Operators by *Golf Inc. Magazine* (2008); 4½ out of 5 stars for "Places to Play" (2006 through 2011) and a Top 50 Course for Women (2011) by *Golf Digest Magazine's*; #1 Course to Play in Denver (2010 and 2011) by *ESPN.com Travel*; featured in *Golf Week's* Best Municipal Courses list (2009-2011), and several People's Choice awards, including Best Denver/Front Range Course and Best Charity Tournament Venue in *Colorado Avid Golfer Magazine* (Spring 2013).

Prior to the recent recession, property tax revenues increased on an annual basis, primarily due to increases in assessed valuations. The City has a growth restriction in place, limiting the number of residential building permits issued per year to 1% of the current number of residential units. Builders are allowed to accumulate permit allocations for larger projects to allow for cost efficiencies in the construction of the projects. The 2013 assessment increased 3.9% compared to the 2012 valuation, a good indication that property values are recovering from the Great Recession.

The City's diverse revenue structure has successfully seen the City through the tough economic recession and allows it to retain the small town character and high quality living environment, while continuing to maintain existing infrastructure and provide high level services.

Long-Term Financial Planning: The City's budget process includes the preparation of a 10-year capital improvement plan (CIP). The CIP identifies major construction and equipment needs that are on the horizon, as well as projections of those revenues dedicated for capital purchases. One-third of the City's three percent sales tax rate is dedicated to capital improvements. In addition, highway user's tax, lottery funds, and the majority of the City's share of the county open space tax are all dedicated to capital improvements.

A key component of the CIP is the City's commitment to maintaining its current infrastructure. Streets, curbs, gutters, sidewalks, and the utility system are evaluated annually, with resources dedicated to keeping infrastructure at acceptable quality levels and avoiding more costly major repairs and reconstruction. The City adopted this infrastructure maintenance program 20 years ago with Council's commitment that funding for the program is the highest priority in the CIP. Major repairs, reconstructions, and other capital needs are then prioritized from any remaining resources.

While the 10-year CIP is a planning tool that is subject to change, it allows the City to prepare for major capital needs and match those needs with the appropriate projected revenue sources. This process also helps the City plan for potential debt issuances to finance needed projects.

Relevant Financial Policies: The Colorado Constitutional Amendment passed in November 1992, commonly known as the Taxpayer Bill of Rights (TABOR), restricts growth in governmental spending and revenues, with those amounts adjusted annually for inflation and a local growth factor. In November 1995, Golden's voters approved a referendum that allowed the City to retain revenues that might otherwise have been refundable to citizens under the TABOR limits. As a result, the City is able to retain any "excess" revenues and spend them for capital improvements, municipal operations and services, and



other public purposes. The City continues to be subject to other provisions of TABOR, including maintaining an emergency reserve equal to 3% of annual spending and the requirement for elections to approve any tax increase or debt issuance (except related to enterprise funds, *i.e.*, Water, Wastewater, or Drainage Utility operations).

Major Initiatives: The City dedicates a significant amount of resources toward maintaining and improving the quality of life for the citizens and visitors in Golden. Major initiatives completed in 2013 include:

The City was the project coordinator for the \$2.1 million pedestrian bridge project over U.S. Highway 6 near the light rail station. The City received \$1.8 million in grant funding from RTD and the Federal Government for the project.

A “complete streets” renovation on South Golden Road, provides an expanded sidewalk/trail and bike lanes as part of the street improvement project.

Renovations were completed in early 2013, and the I.T. staff moved into the remodeled building that previously housed the Planning and Public Works administration.

The summer of 2012 saw a new found popularity for activity along Clear Creek. The warm temperatures and mild water flow in the creek brought people across the metro area to Golden to kayak, tube, wade, camp, and otherwise just hang out in and along the creek. Unfortunately, this activity damaged much of the natural vegetation along the creek banks and made many areas unstable along the corridor. In 2013, \$352,000 was spent for stabilization projects along Clear Creek, fencing off certain areas to allow the vegetation to replenish and creating specific entry/exit points along the creek to minimize future damage.

In addition, work began on the installation of photovoltaic solar panels at several City facilities. The \$3.3 million project makes significant progress towards the City Council’s long-term sustainability goals for the City. Construction was completed and the systems on-line in early 2014.

Other Projects – The City invested in several other large capital construction projects during 2013. Investments in water and sewer system improvements (\$3.65 million), street improvements (\$1.97 million), park and trail improvements (\$948,400), curb-gutter-sidewalks (\$681,000), and Community Center Improvements (\$673,000) including a replacement/upgrade to the HVAC system, reflect the City’s commitment to maintaining the existing infrastructure.

Looking Ahead – Other projects include the continuation of infrastructure maintenance/replacements, park and trail improvements, information technology and communication systems improvements, investments for energy savings and sustainability, and public safety equipment replacements. In 2014, in addition to the continuation of on-going system improvements, the City has budgeted \$300,000 for a “complete streets” renovation on Heritage Road, \$310,000 for an extension of the Tucker Gulch trail and \$450,000 for additional stabilization and other improvements along Clear Creek as a result of damage incurred from the recent floods that struck Northern Colorado.

In addition, the City received \$20 million in grant funding from the State Department of Transportation for the construction of a grade separated interchange along Highway 6 at 19th Street. The project includes a \$5 million local match requirement, with the City contributing \$4 million and the Colorado School of

Mines contributing \$1 million. Design and engineering will begin during the summer of 2014, with construction starting soon thereafter. Completion is planned for 2016.

Awards and Acknowledgements

Awards: 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 Golden for its Comprehensive Annual Financial Report for the fiscal year December 31, 2012. This was the 22nd consecutive year that the City of Golden 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA Distinguished Budget Presentation Award for its 2013-2014 Biennial Budget. This marked the 12th consecutive period that the City has received this award.

Acknowledgments: The timely preparation of this report was made possible by the efficient and dedicated service of Accounting Manager Stephanie Novello, Accountant Maureen Wallen, and the entire Finance Department staff. Each member of the department has our sincere appreciation for their contributions in the preparation of this report.

In closing, without the leadership and support of the City Council, preparation of this report would not have been possible.

Sincerely,



Michael C. Bestor
City Manager



Jeffrey A. Hansen
Finance Director





City of
Golden

ELECTED AND APPOINTED OFFICIALS

Elected Officials

Mayor
Council Member – Ward 1
Mayor Pro-Tem – Ward 2
Council Member – Ward 3
Council Member – Ward 4
Council Member - District 1
Council Member – District 2

Marjorie Sloan
Marcia Claxton
Joe Behm
Pamela Gould
Laura Weinberg
Saoirse Charis-Graves
Marcie Miller

Appointed Officials

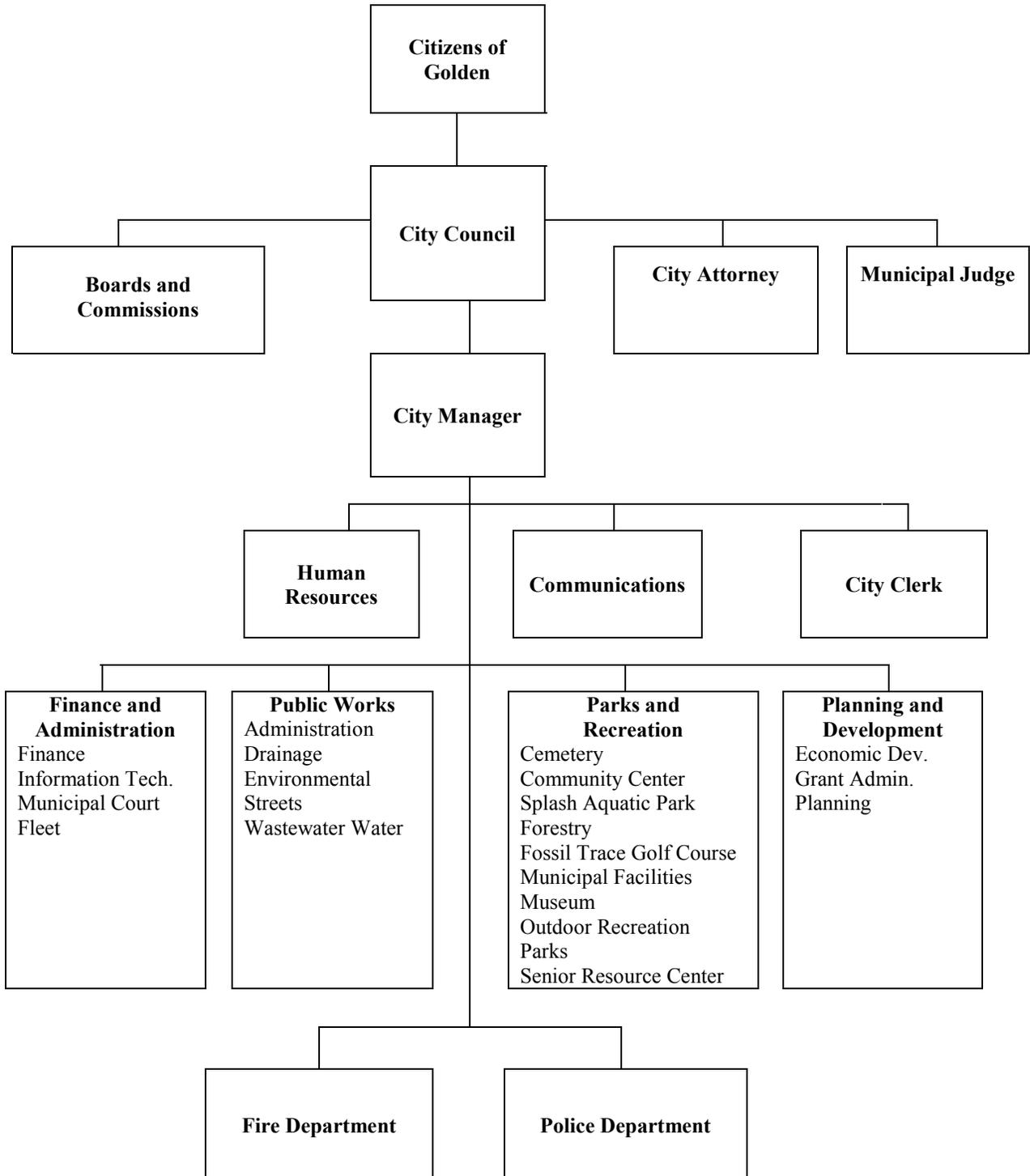
City Manager
City Attorney
City Clerk
Finance Director
Fire Chief
Human Resources Director
Planning and Development Director
Parks and Recreation Director
Police Chief
Public Works Director

Michael Bestor
David Williamson, Esq
Susan Brooks
Jeff Hansen
John Bales
Teresa Reilly
Steve Glueck
Rod Tarullo
Bill Kilpatrick
Dan Hartman





Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Golden
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO





CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

City Council
City of Golden
Golden, Colorado

Report on the Financial Statements

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 Golden, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement. The financial statements of the Golden Urban Renewal Authority, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*.

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

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



Opinions

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

Report on Summarized Comparative Information

We have previously reported on the City of Golden's 2012 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated June 25, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension information on pages 4 to 15 and 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Golden's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, Local Highway Finance Report and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic

financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2014, on our consideration of the City of Golden's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Golden's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
June 4, 2014



MANAGEMENT'S DISCUSSION & ANALYSIS

This discussion and analysis of the City of Golden's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2013. Please read it in conjunction with the transmittal letter and the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City of Golden's financial position continues to be strong and improved during 2013.
- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of 2013 by \$172.8 million (net position). Of this amount, \$15.0 million or 8.7% is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$8.2 million (before prior period adjustment) in 2013. \$6.1 million of the increase was in the Governmental activities, primarily related to the City's investment in Capital Assets and an increase in Unrestricted Net Position. In the Governmental activities, Current and Other Assets increased by \$971,000, primarily a result of normal operations. Capital assets increased an additional \$3.2 million from current year activities. Total net position for Business-type activities increased \$2.1 million, primarily related to developer contributions/system development fees in the utility funds and the on-going investment in Capital Assets.
- At December 31, 2013, the combined fund balance for the City's governmental funds was \$12.0 million, an increase of \$1.4 million. The fund balance of the General Fund decreased \$440,000 as part of a budgeted reduction of available reserves. The Sales and Use Tax Capital Improvement Fund (SUT Fund) increased \$1.6 million, primarily from increased grant revenue and transfers into the Fund for capital needs.
- The unassigned fund balance for the General Fund was \$1.9 million, or 8.6% of the total General Fund expenditures. Total fund balance for the General Fund was 29.8% of expenditures.
- Total sales and use tax revenues, which include audit revenue and on-going sales and use tax remittances, decreased 8.9% from 2012. \$1.7 million was collected in audit revenue, a decrease of \$2.5 million compared to 2012, a result of a large payment received in 2012 after the City received favorable decisions in District Court and the Court of Appeals after several years of litigation.
- On-going sales tax revenues were up 3.5%, with use tax revenues up 4.7%. For sales tax, general merchandise, grocery, automotive, and accommodations showed the largest increases from 2013. Utilities, professional services, and business supplies & services had the biggest increases in use tax.
- The City's total debt principal decreased \$2.9 million to \$33.1 million. In 2013, the City issued \$2.9 million of Water Revenue Refunding Bonds to refund the remaining 2002 Water Revenue Bonds, realizing a present value savings of \$245,222 on the transaction.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the City of Golden's basic financial statements. The City'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 Golden's finances in a manner similar to a private-sector business.

The *statement of net position* presents the financial condition of the City as a whole at the end of the fiscal year by presenting information on all of the City's assets, deferred outflows and inflows of resources, and liabilities. The difference between the City's assets and deferred outflows of resources,



less deferred inflows of resources and liabilities is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The **statement of activities** presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses 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 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 include general government, public safety (police and fire), public works, planning and economic development, parks and recreation. The Business-type Activities of the City include Water, Wastewater, Drainage, Fossil Trace Golf Club, Splash Aquatic Park, Community Center, Cemetery Operations, Rooney Road Sports Complex, and Museums.

The government-wide financial statements include not only the City of Golden, but also two component units, the Golden Downtown General Improvement District (GDGID) and the Golden Urban Renewal Authority (GURA). Financial activities for the GDGID, which was formed to provide for parking improvements and maintenance in downtown Golden, are blended with the City activities. Financial information for GURA is reported separately from the financial information presented for the City itself. The Golden Capital Leasing Corporation (GCLC), which issued Certificates of Participation (COP's) for the construction of municipal facilities, is another component unit of the City. However, the GCLC is not reported in the financial statements as it has no financial balances or transactions outside of those reported by the City.

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 spendable resources for particular purposes (i.e. Community Center 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 spendable resources flow into and out of those funds and the balances left at year-end that are available for future years. 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 to cash, the governmental fund operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation at the bottom of 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 Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary



funds. Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities - such as the City's Fleet Management, Information Technology, and Insurance Funds.

Fiduciary funds – Resources held for the benefit of parties outside the government are reported in fiduciary funds. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's operations. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The basic fiduciary fund financial statements can be found within the basic financial statements, just before the Notes to the Financial Statements.

Notes to Financial Statements

The notes provide additional information that is essential to 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 after the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents the combining statements referred to earlier in connection with non-major Governmental Funds and Internal Service Funds. Schedules that compare actual revenues and expenditures/expenses to budget amounts are also included. Combining and individual fund statements and schedules can be found after the Notes in the financial section.

Effective for the year ending December 31, 2013, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*. In implementing this Statement, the City was required to make prior period adjustments that restated the 2013 Beginning Net Position for both the governmental and business type activities (see Note 13).

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$172.8 million at the close of 2013.

	Net Position				Total Primary	
	(in Thousands)				Government	
	Governmental Activities		Business-type Activities		2013	2012
	2013	2012	2013	2012		
Current and other assets	\$24,472	\$23,501	\$5,849	\$6,673	\$30,321	\$30,174
Capital assets	85,741	82,539	100,509	98,651	186,250	181,190
Total assets	<u>110,213</u>	<u>106,040</u>	<u>106,358</u>	<u>105,324</u>	<u>216,571</u>	<u>211,364</u>
Deferred outflows of resources	935	0	62	0	997	0
Long-term debt outstanding	22,440	24,890	7,190	7,835	29,630	32,725
Other liabilities	7,601	11,287	2,248	2,340	9,849	13,627
Total liabilities	<u>30,041</u>	<u>36,177</u>	<u>9,438</u>	<u>10,175</u>	<u>39,479</u>	<u>46,352</u>
Deferred inflows of resources	5,295	0	0	0	5,295	0
Net position:						
Net investment in capital assets	60,696	55,426	92,371	89,677	153,067	145,103
Restricted	4,020	3,871	663	487	4,683	4,358
Unrestricted	11,096	10,566	3,948	4,985	15,044	15,551
Total net position	<u>75,812</u>	<u>69,863</u>	<u>96,982</u>	<u>95,149</u>	<u>172,794</u>	<u>165,012</u>

By far the largest portion of the City of Golden’s net position (88.6%) reflect its investment in capital assets (e.g. land, buildings, rec. campus, equipment, 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 the 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 position may be used to meet the City’s ongoing obligations to citizens and creditors.

The restricted portion of net position (2.7%) represents resources that are subject to external restrictions as to how they may be used. The remaining balance of net position (\$15.0 million) is unrestricted and may be used to meet the City’s ongoing obligations to citizens and creditors.

The changes in Governmental Activities from 2012 to 2013 are primarily a result of normal operations and maintenance of the City’s capital infrastructure. Capital assets increased; long term debt decreased as debt was repaid; and net investment in capital assets increased as a result of the above factors. The other changes in Governmental Activities are a result of on-going operations, primarily in the General Fund.

In the Business-Type Activities, the increase in net position is primarily due to on-going operations, system development fees from new construction, and the bond refunding that resulted in the increase in capital assets and the reduction of long-term debt outstanding and other liabilities.

CHANGES IN NET POSITION

The City’s total revenues of \$51.2 million exceeded program expenses of \$43.0 million. The total increase in net position for 2013 is \$8.2 million, primarily as a result of on-going operations within the governmental activities. The increase in business activities is a result of developer contributions to the water and wastewater systems related to new construction.

Changes in Net Position
(in Thousands)

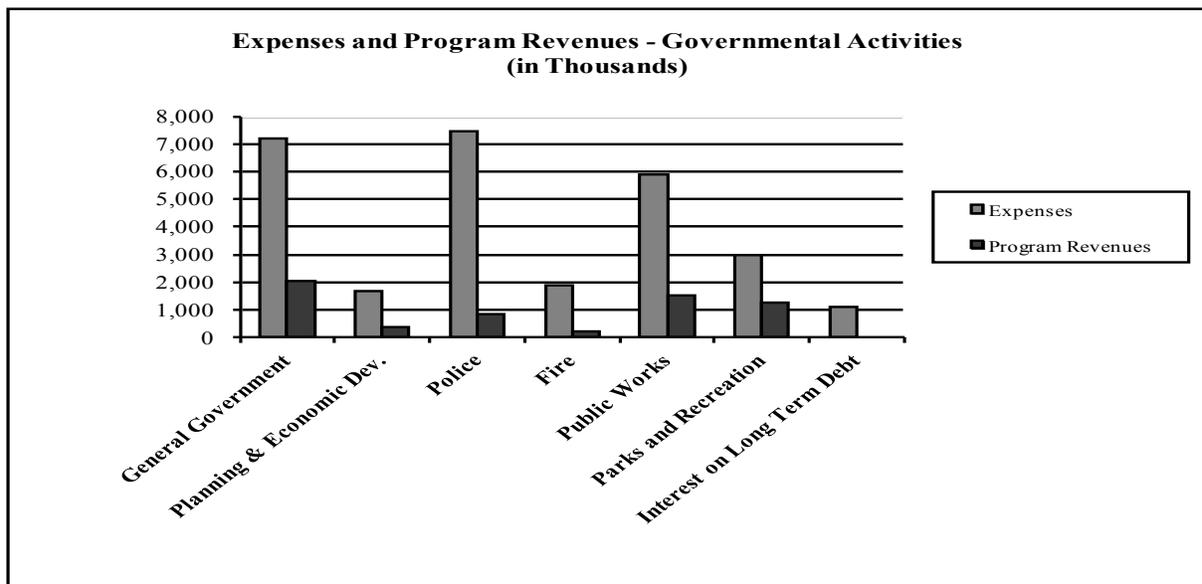
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Program revenues:						
Charges for services	\$3,874	\$3,391	\$13,552	\$14,183	\$17,426	\$17,574
Operating grants	1,009	1,242	57	38	1,066	1,280
Capital grants/Contributions	1,411	813	2,940	335	4,351	1,148
General revenues:						
Property taxes	5,074	4,974	0	0	5,074	4,974
Sales and use taxes	17,505	19,209	0	0	17,505	19,209
Franchise fees	1,225	1,118	0	0	1,225	1,118
Other taxes	395	368	0	0	395	368
Other general revenues	3,628	1,471	504	403	4,132	1,874
Total revenues	<u>34,121</u>	<u>32,586</u>	<u>17,053</u>	<u>14,959</u>	<u>51,174</u>	<u>47,545</u>

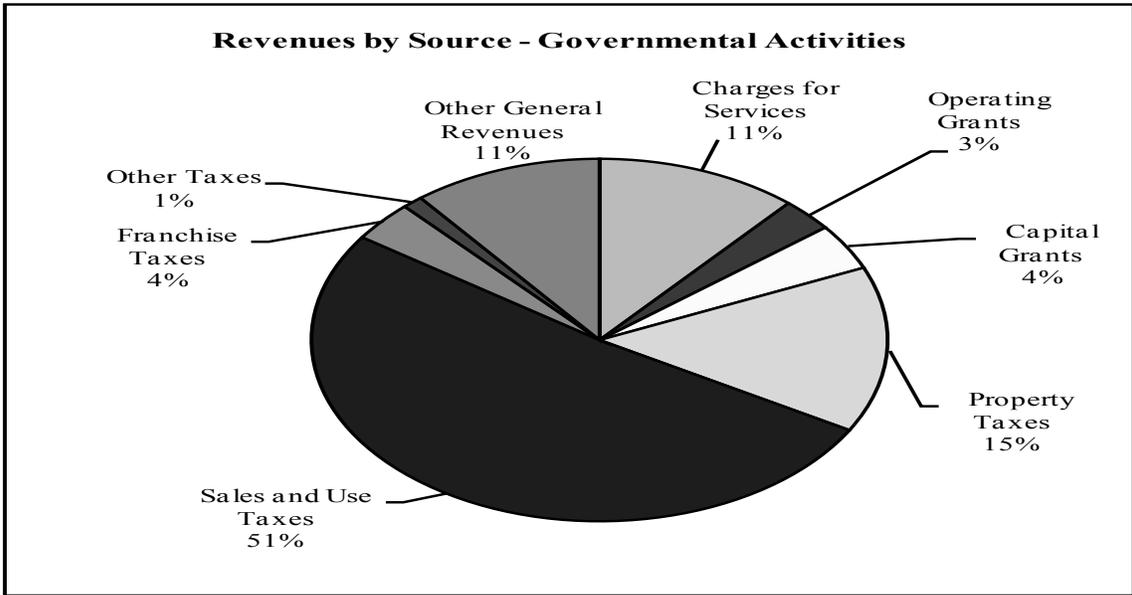


	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Program expenses:						
General Government	7,171	6,356	0	0	7,171	6,356
Planning & Economic Development	1,661	1,692	0	0	1,661	1,692
Police	7,457	6,960	0	0	7,457	6,960
Fire	1,861	1,866	0	0	1,861	1,866
Public Works	5,881	5,912	0	0	5,881	5,912
Parks and Recreation	2,976	2,906	0	0	2,976	2,906
Interest on Long-Term Debt	1,101	1,186	0	0	1,101	1,186
Water	0	0	5,188	5,051	5,188	5,051
Wastewater	0	0	1,730	1,612	1,730	1,612
Drainage	0	0	749	703	749	703
Fossil Trace Golf Course	0	0	3,072	3,068	3,072	3,068
Community Center	0	0	2,331	2,324	2,331	2,324
Aquatic Park	0	0	564	600	564	600
Cemetery Operations	0	0	495	520	495	520
Rooney Road Sports Complex	0	0	203	211	203	211
Museums	0	0	563	484	563	484
Total expenses	28,108	26,878	14,895	14,573	43,003	41,451
Excess before transfers	6,013	5,708	2,158	386	8,171	6,094
Transfers	99	329	(99)	(329)	0	0
Increase in net position	6,112	6,037	2,059	57	8,171	6,094
Beginning net position	69,863	63,456	95,149	95,092	165,012	158,548
Prior Period Adjustment	(163)	370	(226)	0	(389)	370
Ending net position	\$75,812	\$69,863	\$96,982	\$95,149	\$172,794	\$165,012

Governmental Activities

Total expenses exceeded Program Revenues for Governmental Activities by \$21.8 million for 2013, compared to \$21.4 million in 2012. The increase in net position after transfers was \$6.1 million in 2013 and \$6.0 million in 2012. The following illustrates the Governmental Activities revenues and expenses:



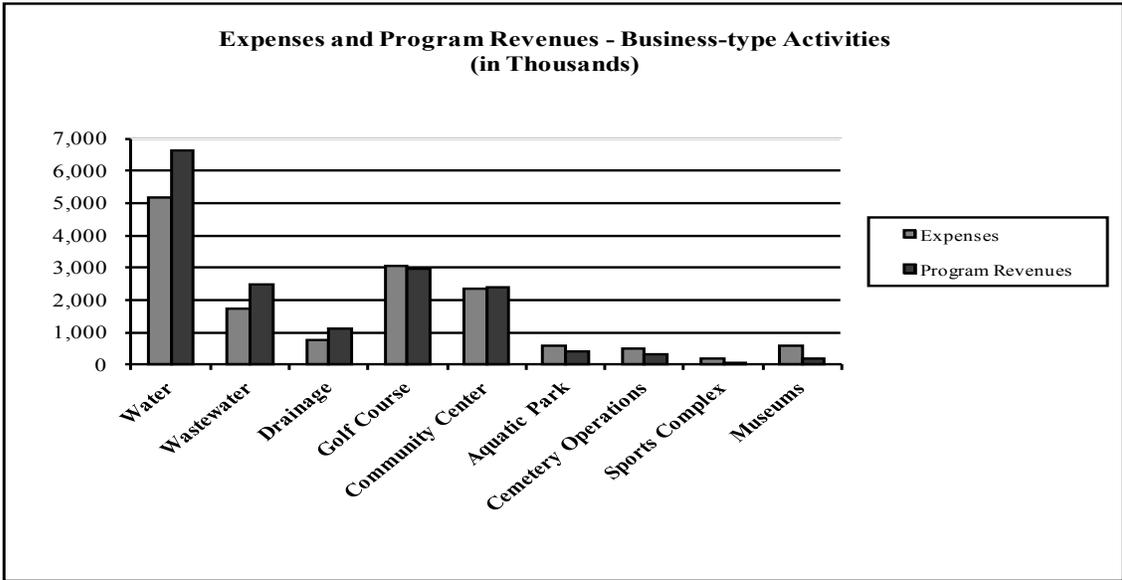


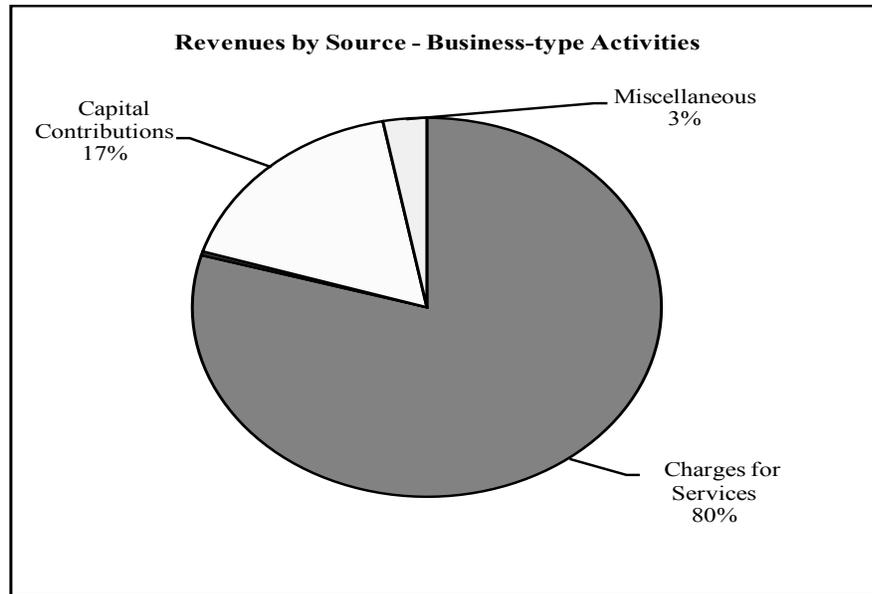
Sales and use tax revenue decreased 8.9% in 2013, primarily from the collection in 2012 of the audit that was in litigation for several years. Charges for service revenue improved primarily due to increases in construction activity and building permit related revenues. Changes in all the other revenue sources were minimal.

Program expenses increased \$1.2 million from 2012. General Government increased \$815,000, primarily due to increases in the sales tax increment paid to GURA, a leadership training program through Human Resources, and increased Economic Development programs. The Police Department increased \$497,000 due to increased personnel costs. Interest on long-term debt decreased as a result on-going principal payments on the 2010 Sales & Use Tax Refunding Bonds.

Business-type Activities

Net position in Business-type Activities increased by \$2.1 million (before prior period adjustment) in 2013 compared to a \$57,000 increase in 2012. The following illustrates the Business-type Activities revenues and expenses:





Charges for services for business-type activities decreased \$631,000, or 4.4%, compared to 2012. The decrease was weather related as above average precipitation in the spring and summer months resulted in decreased revenues in the Water Fund and at Fossil Trace Golf Club. The increase in capital contributions is the result of developer contributions to the utility system from new commercial and multi-family construction projects.

The Community Center, Cemetery, and Museum Funds received transfers of \$300,000, \$115,000 and \$340,000 respectively, from the General Fund to subsidize operations. In addition, the Community Center Fund received a \$25,000 transfer from the SUT Fund for capital equipment, and the Cemetery Fund received a \$50,000 transfer from interest earned in the Cemetery Perpetual Care Fund to help cover the cost of maintenance and improvements to the grounds.

Program expenses for business-type activities increased \$322,000, primarily due increased personnel and other operating costs in most areas.

THE CITY’S FUNDS

At year end, the City’s Governmental Funds reported a combined fund balance of \$12.0 million, an increase of \$1.4 million from 2012. The primary changes are a decrease of \$440,000 in the General Fund, which was a planned spend down of reserves, and an increase of \$1.6 million in the SUT Fund, including a \$1.5 million transfer from the General Fund in anticipation of the Highway 6 and 19th Street interchange project beginning in 2014. Fund balances in the Governmental Funds are as follows:

General Fund:	
Unassigned	\$1,878,000
Assigned	1,611,000
Restricted	940,000
Nonspendable	2,092,000
Sales and Use Tax Capital Improvement Fund:	
Assigned	2,401,000
Restricted	250,000

Other Governmental Funds:	
Assigned	861,000
Restricted	467,000
Nonspendable	1,500,000

The Enterprise Funds ended 2013 with a total unrestricted net position of \$3.9 million, a decrease of \$1.0 million from 2012. The primary change occurred in the Water Fund, which declined \$1.3 million as a result of decreased charges for service and a planned spend down of cash for capital purchases. The changes in the other funds are minimal and the result of on-going operations. Unrestricted net position balances in the Enterprise Funds are as follows:

Water Fund	\$1,073,000
Wastewater Fund	2,010,000
Drainage Fund	(153,000)
Fossil Trace Golf Course Fund	(226,000)
Community Center Fund	203,000
Other Proprietary Funds	1,041,000

The negative unrestricted net position in the Fossil Trace Golf Course Fund occurred in 2012 and was budgeted to be resolved in 2013. However, poor weather in 2013 negatively impacted revenues and the Fund maintained the negative position. The negative unrestricted net position in the Drainage Fund is the result of a needed capital improvement to the Kinney Run storm drainage system. The City partnered with Urban Drainage & Flood Control on the project and the timing of the project was dictated by them. City Council chose to temporarily incur the negative net position in the Fund rather than raising rates. The negative balance in both funds is anticipated to be resolved in 2014.

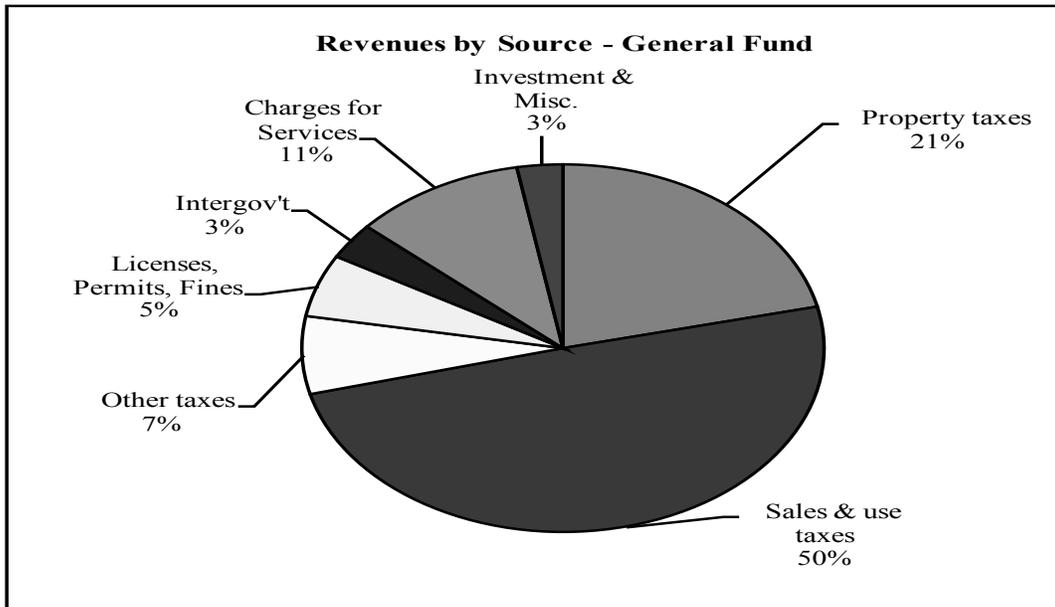
GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund accounts for all of the general services provided by the City of Golden. The 2013 Original Budget anticipated a use of fund balance of \$480,000, with the Final Budget projecting a use of fund balance of \$3.4 million. However, at the end of 2013, the fund balance totaled \$6.5 million, a decrease from 2012 of \$440,000. The year end fund balance is 27.0% of General Fund expenditures, including transfers out. The City's Budget Policy recommends a 20% level, but above 10% is considered acceptable. Given the recent challenges in the economy, low interest rates, the ever increasing costs for personnel and insurance benefits, and continual pressure to subsidize the community's desires for improvements to infrastructure and other capital projects, the City's General Fund ended 2013 in a very strong financial position.

2013 General Fund revenues decreased \$725,000 from 2012. The decrease was primarily due to the Fund's share of the collection in 2012 of the tax audit that was in litigation. Construction related activities resulted in increased revenues in licenses and permits, and charges for services. Intergovernmental revenues declined as an ARRA grant and a FEMA grant were completed in 2012. Investment income declined based on the GASB requirement that the City value its investments at fair value at year-end, creating an artificial reduction in investment income compared to the amortized cost valuation.

The following illustrates revenues by source for the General Fund:

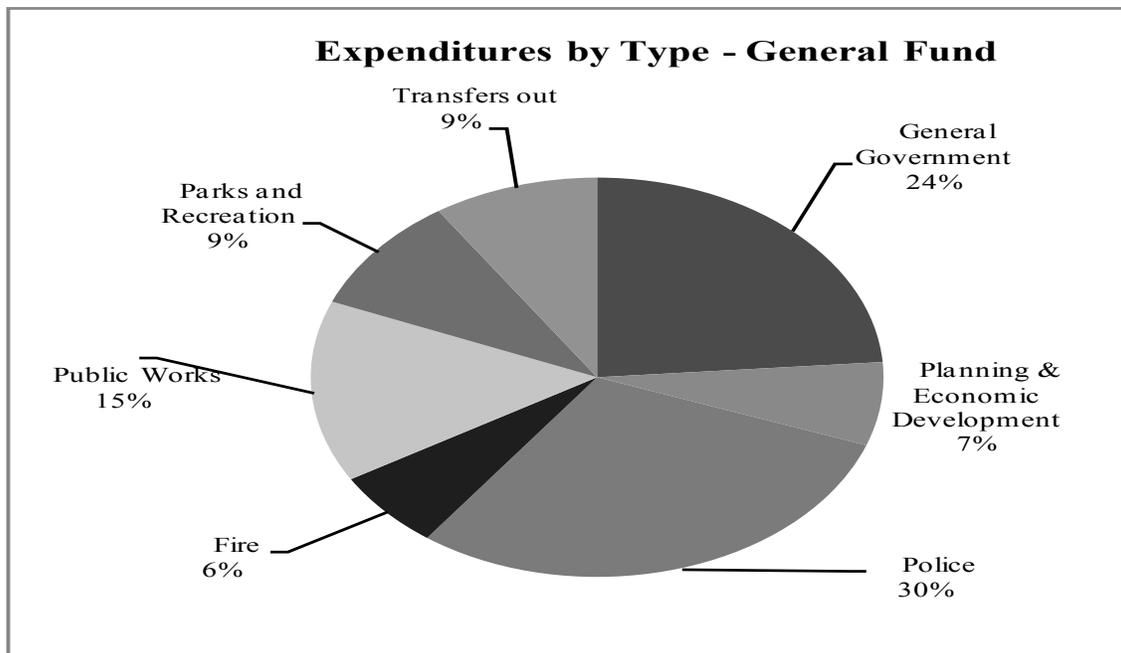




General Fund expenditures include all administrative functions of the City (i.e. Council, Clerk, Manager, Finance, Attorney, Human Resources, Municipal Facilities); public safety; streets and public works administration; planning and economic development; parks, outdoor recreation and administration; as well as a tax increment paid to the GURA for development incentives/sharebacks.

Total General Fund expenditures (excluding transfers out) decreased \$116,000 in 2013. In spite of increased personnel costs for salaries and benefits, several departments were able to decrease expenditures for supplies and services to offset the personnel cost increases. Transfers out increased in 2013, primarily from additional transfers to the SUT Fund.

The following illustrates expenditures by type for the General Fund:



All recommended amendments to the budget come through the Finance Department to the City Council via Ordinance as required by the City’s Municipal Code. Ordinance enactment requires public hearing and the opportunity for public discussion. The Code does allow management to move budget amounts between departments and between line items within departments within the same fund, as long as the total budget for the fund remains unchanged.

For 2013, City Council approved two budget amendments that impacted the General Fund. Ordinance 1952 approved an inter-fund loan that included the General Fund providing a loan of \$1.8 million to the SUT Fund for the acquisition and installation of solar photovoltaic panels at various City facilities. Ordinance 1958 included amendments to the General Fund budget for additional tax increment funds to GURA, subsidy to the Cemetery Fund, and a transfer to the SUT Fund for a portion of the City’s matching funds toward the Highway 6 and 19th Street interchange project.

For the General Fund, the original and final budgeted revenues (including transfers in) were \$22.5 and \$23.2 million respectively. Actual revenues of \$23.7 million were \$491,000 greater than the final budget. Original and final budgeted expenditures (including transfers out) were \$22.9 and \$26.6 million respectively. Actual General Fund expenditures (including transfers out) totaled \$24.2 million. The year-end fund balance was \$3.0 million greater than the final budgeted amount.

CAPITAL ASSETS

In 2013, the City invested in a broad range of capital assets, including streets, water and wastewater lines, storm drainage and other infrastructure improvements; municipal facilities; park and trail improvements; and various equipment and vehicles.

The following table provides a comparative summary of total capital assets at December 31, 2013 and 2012:

Capital Assets at Year-end
(Net of Depreciation, in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$13,933	\$13,933	\$6,889	\$6,889	\$20,822	\$20,822
Land Improvements	8,123	8,476	11,522	12,334	19,645	20,810
Buildings	12,325	12,739	19,026	19,644	31,351	32,383
Artwork	914	914	7	7	921	921
Vehicles, Machinery & Equipment	5,863	5,827	2,740	2,800	8,603	8,627
Water rights	0	0	14,779	14,779	14,779	14,779
Infrastructure	41,752	40,124	43,390	41,918	85,142	82,042
Construction in progress	2,831	526	2,155	280	4,986	806
Totals	\$85,741	\$82,539	\$100,508	\$98,651	\$186,249	\$181,190

Major capital expenses during 2013 included:



Water System Improvements	\$2,731,832
Street Improvements	1,973,150
Light Rail Station Pedestrian Bridge	1,657,102
Park and Trail Improvements	947,676
Curb, Gutter and Sidewalks	681,323
Community Center Improvements	672,603
Replacement Vehicles & Heavy Equipment	651,991
Storm Drainage System Improvements	471,199
Wastewater System Improvements	441,994
Building Improvements	370,482

The City remains committed to the upkeep 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 7 of the financial statements provides a summary of the City's long-term debt. At the end of 2013, the City had total debt outstanding of \$33.1 million. \$22.4 million is in revenue bonds, to be repaid only by specific tax and fee revenues. The capital lease, which covers the debt on the COP's, is to be repaid from sales and use tax revenues. The City's total debt decreased \$2.9 million in 2013 as a result of payments on the existing debt and the adjustment for the issuance of the 2013 Water Revenue Refunding Bonds that refunded the balance of the 2002 Water Revenue Bonds.

	Outstanding Debt, at Year-end					
	(in Thousands)					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Revenue bonds and notes (backed by specific tax and fee revenues)	14,270	15,720	8,165	8,975	22,435	24,695
Certificates of Participation	10,620	11,220	0	0	10,620	11,220
Totals	\$24,890	\$26,940	\$8,165	\$8,975	\$33,055	\$35,915

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Golden continues to maintain a strong financial position. City-wide reserves are at or above the levels required in the City's Budget Policy. In preparing the 2014 Budget, the City was conservatively optimistic in projecting revenue increases for sales and use taxes. The City continues to be cautious with its spending, delaying discretionary purchases as necessary and monitoring revenues to continually assess the City's financial position. The 2014 Budget reflects the City's continued commitment to capital replacement with maintenance of City infrastructure as a top priority.

The 2014 Budget anticipated sales and use tax revenues to increase 2.5% over projected 2013 amounts. Through April 2014 receipts, total sales and use tax revenue is up 14.5%, with sales tax up 4.7%, use tax up 48.7%, and audit revenue up 22.5% respectively compared to 2013. With other revenues projected to have modest increases and fund balance well above required levels, the General Fund remained strong through the recent recession and is maintaining that strength during the economic recovery. The City anticipates ending 2014 with a fund balance in the General Fund at 16.8% of operating expenditures.



The City's utility funds also remain in strong financial condition. For 2014, water rates were increased 5%, and wastewater rates increased 15%. Looking forward, the City has enough water resources, even in drought situations, to serve its citizens for many years to come. Additional rate increases are anticipated periodically for both funds as needed to cover operating costs and capital needs.

Rates for the Managerial Enterprise Funds - Community Center, the Splash Aquatic Park, Fossil Trace Golf Course, Rooney Road Sports Complex, and the Cemetery - are set to balance between competition and cost. The 2014 Budget includes funding for operations subsidy of the Community Center, Cemetery and Museums. The City's golf course, Fossil Trace Golf Club, has a full tournament schedule for 2014 and continues to sell out tee times on a daily basis during the prime golfing season. Generally, these rates are adjusted with each biennial budget. As such, there were increases implemented in 2013, with additional minor increases to some rates/fees in 2014.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to show the City's accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact the City's Finance Department at City of Golden, 911 10th Street, Golden, CO 80401, or at www.cityofgolden.net.



BASIC FINANCIAL STATEMENTS



City of Golden, Colorado
STATEMENT OF NET POSITION
December 31, 2013
With Comparative Totals for December 31, 2012

	Primary Government				Component Unit
	Governmental Activities	Business-Type Activities	Totals		
			2013	2012	
ASSETS					
Cash and Investments	\$ 16,203,141	\$ 2,247,688	\$ 18,450,829	\$ 18,912,609	\$ 1,402,410
Property Taxes Receivable	5,294,909	-	5,294,909	5,095,717	1,546,280
Accounts Receivable	3,409,113	1,406,354	4,815,467	4,486,320	186,618
Internal Balances	(1,419,197)	1,419,197	-	-	-
Prepaid Expenses	266,255	-	266,255	266,255	4,238
Inventory	34,449	112,797	147,246	241,508	-
Restricted Cash and Investments	682,920	663,144	1,346,064	782,312	523,158
Bond Issuance Costs (Net of Amortization)	-	-	-	389,112	-
Capital Assets not being depreciated	17,678,148	23,829,913	41,508,061	37,328,172	1,009,149
Capital Assets (Net of Accumulated Depreciation)	68,063,013	76,678,381	144,741,394	143,862,575	5,227,466
TOTAL ASSETS	110,212,751	106,357,474	216,570,225	211,364,580	9,899,319
DEFERRED OUTFLOWS OF RESOURCES					
Amount on Refunding of Bonds	935,425	61,973	997,398	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	935,425	61,973	997,398	-	-
LIABILITIES					
Accounts Payable and Accrued Liabilities	1,430,291	562,446	1,992,737	2,175,648	87,691
Accrued Interest Payable	109,837	32,342	142,179	163,921	-
Escrow Deposits and Other	546,743	75,324	622,067	370,254	-
Claims Payable	471,924	-	471,924	515,315	-
Unearned Property Taxes	-	-	-	5,095,717	-
Unearned Revenue	193,647	227,180	420,827	453,712	-
Noncurrent Liabilities					
Due Within One Year	2,475,000	1,036,275	3,511,275	3,270,682	1,192,611
Due in More Than One Year	24,813,476	7,504,208	32,317,684	34,306,867	1,261,112
TOTAL LIABILITIES	30,040,918	9,437,775	39,478,693	46,352,116	2,541,414
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	5,294,909	-	5,294,909	-	1,546,280
TOTAL DEFERRED INFLOWS OF RESOURCES	5,294,909	-	5,294,909	-	1,546,280
NET POSITION					
Net Investment in Capital Assets	60,696,499	92,370,199	153,066,698	145,102,952	3,782,892
Restricted for					
Parks & Recreation	1,294,991	-	1,294,991	1,160,199	-
Capital Projects	190,421	-	190,421	131,866	-
Cemetery Perpetual Care (Nonexpendable)	1,312,664	-	1,312,664	1,272,366	-
Cemetery Perpetual Care (Expendable)	282,117	-	282,117	326,950	-
Debt Service Reserve	-	663,144	663,144	486,683	500,000
Emergency Reserves	940,000	-	940,000	980,000	-
Unrestricted	11,095,657	3,948,328	15,043,985	15,551,448	1,528,733
TOTAL NET POSITION	\$ 75,812,349	\$ 96,981,671	\$ 172,794,020	\$ 165,012,464	\$ 5,811,625

The notes to the financial statements are an integral part of this statement.

City of Golden, Colorado
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013
With Comparative Totals for December 31, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 7,170,606	\$ 2,044,000	\$ -	\$ -
Planning & Economic Development	1,661,333	390,231	-	-
Police	7,456,650	631,301	211,734	-
Fire	1,861,319	210,705	1,193	-
Public Works	5,880,920	83,250	796,529	654,894
Parks and Recreation	2,976,540	514,664	-	755,650
Unallocated Interest on Long-Term Debt	1,100,795	-	-	-
Total Governmental Activities	<u>28,108,163</u>	<u>3,874,151</u>	<u>1,009,456</u>	<u>1,410,544</u>
Business-Type Activities				
Water	5,187,505	5,136,052	-	1,493,080
Wastewater	1,729,759	1,872,216	-	611,203
Drainage	748,555	942,604	-	155,476
Fossil Trace Golf Course	3,072,239	2,966,052	-	-
Community Center	2,331,446	1,751,272	-	639,575
Splash Aquatic Park	564,345	388,834	-	-
Cemetery Operations	495,176	329,166	-	-
Rooney Road Sports Complex	202,745	66,711	-	-
Museums	563,082	98,543	56,808	41,098
Total Business-Type Activities	<u>14,894,852</u>	<u>13,551,450</u>	<u>56,808</u>	<u>2,940,432</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 43,003,015</u>	<u>\$ 17,425,601</u>	<u>\$ 1,066,264</u>	<u>\$ 4,350,976</u>
COMPONENT UNIT				
Golden Urban Renewal Authority	<u>\$ 1,040,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GENERAL REVENUES				
Taxes				
Property				
Sales and Use				
Franchise Fees				
Other				
Grants and Contributions not Restricted to Specific Programs				
Investment Income				
Miscellaneous				
Gain on Disposal of Capital Assets				
TRANSFERS				
TOTAL GENERAL REVENUES AND TRANSFERS				
CHANGE IN NET POSITION				
NET POSITION, Beginning				
Prior Period Adjustment (Note 13)				
NET POSITION, Beginning as restated				
NET POSITION, Ending				

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-Type Activities	Totals		Component Unit
		2013	2012	
\$ (5,126,606)	\$ -	\$ (5,126,606)	\$ (4,524,528)	\$ -
(1,271,102)	-	(1,271,102)	(1,507,628)	-
(6,613,615)	-	(6,613,615)	(6,061,003)	-
(1,649,421)	-	(1,649,421)	(1,605,675)	-
(4,346,247)	-	(4,346,247)	(4,980,423)	-
(1,706,226)	-	(1,706,226)	(1,566,709)	-
(1,100,795)	-	(1,100,795)	(1,185,983)	-
<u>(21,814,012)</u>	<u>-</u>	<u>(21,814,012)</u>	<u>(21,431,949)</u>	<u>-</u>
-	1,441,627	1,441,627	733,589	-
-	753,660	753,660	195,995	-
-	349,525	349,525	252,512	-
-	(106,187)	(106,187)	208,196	-
-	59,401	59,401	(584,607)	-
-	(175,511)	(175,511)	(187,344)	-
-	(166,010)	(166,010)	(139,949)	-
-	(136,034)	(136,034)	(147,150)	-
-	(366,633)	(366,633)	(348,058)	-
-	<u>1,653,838</u>	<u>1,653,838</u>	<u>(16,816)</u>	<u>-</u>
<u>(21,814,012)</u>	<u>1,653,838</u>	<u>(20,160,174)</u>	<u>(21,448,765)</u>	<u>-</u>
-	-	-	-	(1,040,272)
5,074,134	-	5,074,134	4,973,794	1,384,790
17,505,037	-	17,505,037	19,209,249	834,794
1,224,798	-	1,224,798	1,067,572	-
394,656	-	394,656	368,061	-
2,536,149	-	2,536,149	438,838	-
6,549	12,639	19,188	158,646	7,166
837,458	491,737	1,329,195	1,132,285	5,650
247,685	-	247,685	144,964	-
99,657	(99,657)	-	-	-
<u>27,926,123</u>	<u>404,719</u>	<u>28,330,842</u>	<u>27,543,409</u>	<u>2,232,400</u>
6,112,111	2,058,557	8,170,668	6,094,644	1,192,128
69,863,268	95,149,196	165,012,464	158,548,254	4,661,220
(163,030)	(226,082)	(389,112)	369,566	(41,723)
<u>69,700,238</u>	<u>94,923,114</u>	<u>164,623,352</u>	<u>158,917,820</u>	<u>4,619,497</u>
<u>\$ 75,812,349</u>	<u>\$ 96,981,671</u>	<u>\$ 172,794,020</u>	<u>\$ 165,012,464</u>	<u>\$ 5,811,625</u>



City of Golden, Colorado
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2013

With Comparative Totals for December 31, 2012

		Sales and Use Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds	
	General			2013	2012
ASSETS					
Cash and Investments	\$ 3,738,580	\$ 6,384,289	\$ 1,185,832	\$ 11,308,701	\$ 10,566,533
Property Taxes Receivable	5,268,635	-	26,274	5,294,909	5,095,717
Accounts and Taxes Receivable	2,011,061	633,691	6,706	2,651,458	2,652,828
Prepaid Items	257,555	-	-	257,555	257,555
Inventories	34,449	-	-	34,449	133,597
Advance to Other Funds	1,800,000	-	1,500,000	3,300,000	-
Due from Other Funds	100,000	-	-	100,000	100,000
Due from Other Governments	54,276	434,765	204,494	693,535	291,387
Restricted Cash and Investments	432,490	250,430	-	682,920	295,629
Total Assets	<u>\$ 13,697,046</u>	<u>\$ 7,703,175</u>	<u>\$ 2,923,306</u>	<u>\$ 24,323,527</u>	<u>\$ 19,393,246</u>
LIABILITIES					
Liabilities					
Accounts Payable	1,005,022	232,517	68,483	1,306,022	1,290,128
Accrued Liabilities	102,947	-	-	102,947	101,309
Escrow Deposits and Other	443,796	-	-	443,796	305,404
Advances from Other Funds	-	4,819,197	-	4,819,197	1,519,197
Unearned Property Taxes	-	-	-	-	5,095,717
Unearned Revenue	193,647	-	-	193,647	455,943
Total Liabilities	<u>1,745,412</u>	<u>5,051,714</u>	<u>68,483</u>	<u>6,865,609</u>	<u>8,767,698</u>
DEFERRED INFLOWS OF RESOURCES					
Property Tax Revenue	5,268,635	-	26,274	5,294,909	-
Use Tax Revenue	162,500	-	-	162,500	-
Total Deferred Inflows of Resources	<u>5,431,135</u>	<u>-</u>	<u>26,274</u>	<u>5,457,409</u>	<u>-</u>
Fund Balance					
Nonspendable:					
Prepaid Items	257,555	-	-	257,555	257,555
Inventories	34,449	-	-	34,449	133,597
Permanent Fund Principal	-	-	1,312,664	1,312,664	1,272,366
Advance to Other Funds	1,800,000	-	187,336	1,987,336	-
Restricted for:					
TABOR Reserve	940,000	-	-	940,000	980,000
Parks & Recreation	-	-	306,383	306,383	258,977
Parking Improvements	-	-	65,946	65,946	50,975
Cemetery Maintenance	-	-	94,781	94,781	326,950
Debt Service	-	250,430	-	250,430	295,629
Assigned for:					
Street Improvements	-	-	124,475	124,475	80,891
Parks & Recreation	-	251,644	736,964	988,608	901,222
Capital Projects	-	2,149,387	-	2,149,387	773,704
Future Year Expenditures	1,610,812	-	-	1,610,812	-
Unassigned	1,877,683	-	-	1,877,683	5,293,682
Total Fund Balance	<u>6,520,499</u>	<u>2,651,461</u>	<u>2,828,549</u>	<u>12,000,509</u>	<u>10,625,548</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 13,697,046</u>	<u>\$ 7,703,175</u>	<u>\$ 2,923,306</u>		
Amounts reported for governmental activities in the Statement of Net Position are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets for internal service funds of \$ 3,948,940 have been deducted from total governmental Net Capital Assets of \$85,741,161.				81,792,221	78,623,344
Long-term assets are not available to pay current expenditures, and therefore, are deferred in the funds.				162,500	212,500
Internal Service Funds are used by management to charge the costs of certain activities to individual funds, such as insurance, fleet and information technology management. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.				8,200,605	8,558,731
Long-term liabilities, including bonds payable (\$ 14,270,000), bond premium (\$ 1,160,778), certificates of participation (\$ 10,620,000), compensated absences (\$ 1,188,987), accrued interest on long-term debt (\$ 109,837), deferred refunding \$935,425, bond discount \$ 70,691 are not due and payable in the current period and therefore are not reported in the funds.				(26,343,486)	(28,156,855)
NET POSITION OF GOVERNMENTAL ACTIVITIES				<u>\$ 75,812,349</u>	<u>\$ 69,863,268</u>

The notes to the financial statements are an integral part of this statement.



City of Golden, Colorado
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013
With Comparative Totals for December 31, 2012

	General	Sales and Use Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds	
				2013	2012
REVENUES					
Taxes	\$ 18,386,308	\$ 5,834,867	\$ 27,450	\$ 24,248,625	\$ 25,718,676
Licenses and Permits	673,820	-	-	673,820	463,112
Intergovernmental	756,434	1,835,437	1,418,496	4,010,367	2,481,733
Charges for Services	2,521,468	-	54,727	2,576,195	2,376,162
Fines and Forfeitures	624,136	-	-	624,136	551,415
Investment Income	55	228	2,256	2,539	90,375
Miscellaneous	647,329	186,600	3,529	837,458	770,646
TOTAL REVENUES	<u>23,609,550</u>	<u>7,857,132</u>	<u>1,506,458</u>	<u>32,973,140</u>	<u>32,482,119</u>
EXPENDITURES					
Current					
General Government	5,745,219	-	16,028	5,761,247	5,921,726
Planning & Economic Development	1,630,787	-	-	1,630,787	1,707,737
Police	7,143,867	-	-	7,143,867	6,787,524
Fire	1,535,326	-	-	1,535,326	1,537,001
Public Works	3,553,887	-	-	3,553,887	3,754,843
Parks and Recreation	2,290,432	-	-	2,290,432	2,322,771
Debt Service					
Principal	-	2,050,000	-	2,050,000	2,000,000
Interest and Other Charges	-	1,126,117	-	1,126,117	1,190,134
Capital Outlay	-	4,982,208	1,794,312	6,776,520	5,826,168
TOTAL EXPENDITURES	<u>21,899,518</u>	<u>8,158,325</u>	<u>1,810,340</u>	<u>31,868,183</u>	<u>31,047,904</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	<u>1,710,032</u>	<u>(301,193)</u>	<u>(303,882)</u>	<u>1,104,957</u>	<u>1,434,215</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	105,000	2,810,028	957,396	3,872,424	3,436,035
Transfers (Out)	(2,254,996)	(982,392)	(465,032)	(3,702,420)	(2,906,949)
Proceeds from Sale of Assets	-	100,000	-	100,000	30,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,149,996)</u>	<u>1,927,636</u>	<u>492,364</u>	<u>270,004</u>	<u>529,086</u>
NET CHANGE IN FUND BALANCES	<u>(439,964)</u>	<u>1,626,443</u>	<u>188,482</u>	<u>1,374,961</u>	<u>1,963,301</u>
FUND BALANCES, Beginning	<u>6,960,463</u>	<u>1,025,018</u>	<u>2,640,067</u>	<u>10,625,548</u>	<u>8,662,247</u>
FUND BALANCES, Ending	<u>\$ 6,520,499</u>	<u>\$ 2,651,461</u>	<u>\$ 2,828,549</u>	<u>\$ 12,000,509</u>	<u>\$ 10,625,548</u>

The notes to the financial statements are an integral part of this statement.



City of Golden, Colorado
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 For the Year Ended December 31, 2013

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	1,374,961
Amounts reported for governmental activities in the Statement of Activities are different because:		
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 as depreciation expense. This is the amount by which capital additions \$6,588,697 and developer contributions \$654,894, less net dispositions (\$655) and Internal Service Fund capital additions (\$1,046,214), exceed depreciation (\$3,995,487) less Internal Service Fund depreciation \$967,640 in the current period.		3,168,875
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term debt liabilities in the Statement of Net Position. These include bond payments \$1,450,000, Certificate of participation \$600,000, amortization of bond premium \$162,528, amortization of loss on refunding (\$133,632), accrued interest on outstanding debt \$6,525, amortization of bond discount (\$10,098) and an increase in accrued compensated absences of (\$98,922).		1,976,401
Receipt of payment of a long-term receivable is not reported as revenues in the Statement of Activities.		(50,000)
Internal Service Funds are used by management to charge the costs of certain activities to funds, such as insurance, fleet and information technology management. The net revenue (expense) of the internal service funds is reported with governmental activities.		<u>(358,126)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u><u>6,112,111</u></u>

The notes to the financial statements are an integral part of this statement.

City of Golden, Colorado
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Year Ended December 31, 2013
With Comparative Totals for December 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Actual 2012
	Original	Final			
Budgetary Fund Balance, Beginning	\$ 4,834,492	\$ 6,960,463	\$ 6,960,463	\$ -	\$ 6,241,030
Resources (Inflows)					
Taxes	17,424,563	18,144,563	18,386,308	241,745	19,271,426
Licenses and Permits	555,500	605,500	673,820	68,320	463,112
Intergovernmental	653,990	653,990	756,434	102,444	1,021,608
Charges for Services	2,464,025	2,464,025	2,521,468	57,443	2,299,357
Fines and Forfeitures	564,675	564,675	624,136	59,461	551,415
Investment Income	54,417	54,417	55	(54,362)	61,179
Miscellaneous	631,853	631,853	647,329	15,476	671,852
Transfers In	105,000	105,000	105,000	-	100,000
Total Resources	\$ 22,454,023	\$ 23,224,023	\$ 23,714,550	\$ 490,527	\$ 24,439,949
AMOUNTS AVAILABLE FOR APPROPRIATION	\$ 27,288,515	\$ 30,184,486	\$ 30,675,013	\$ 490,527	\$ 30,680,979
Charges to Appropriations (Outflows)					
Current					
General Government	5,722,574	6,022,573	5,745,219	277,354	5,905,821
Planning & Economic Development	1,660,251	1,660,251	1,630,787	29,464	1,707,737
Police	7,225,636	7,225,636	7,143,867	81,769	6,787,524
Fire	1,565,953	1,565,953	1,535,326	30,627	1,537,001
Public Works	3,604,393	3,604,393	3,553,887	50,506	3,754,843
Parks and Recreation	2,470,369	2,470,369	2,290,432	179,937	2,322,771
Transfers Out	685,000	2,285,000	2,254,996	30,004	1,704,819
Interfund Borrowing	-	1,800,000	-	1,800,000	-
Total Charges to Appropriations	22,934,176	26,634,175	24,154,514	2,479,661	23,720,516
Budgetary Fund Balance, Ending	4,354,339	3,550,311	6,520,499	2,970,188	6,960,463
TOTAL APPROPRIATIONS	\$ 27,288,515	\$ 30,184,486	\$ 30,675,013	\$ 490,527	\$ 30,680,979
BUDGET-TO-GAAP RECONCILIATION					
Resources (Inflows)					
Actual amounts (budgetary basis) available for appropriation			\$ 30,675,013		\$ 30,680,979
Differences - budget to GAAP					
The fund balance at the beginning of the year is a budgetary resource but is not a current-year revenue for financial reporting purposes			(6,960,463)		(6,241,030)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.			(105,000)		(100,000)
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds			\$ 23,609,550		\$ 24,339,949
Charges to Appropriations (Outflows)					
Actual amount (budgetary basis) of total charges to appropriations			24,154,514		23,720,516
Differences - budget to GAAP					
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes			(2,254,996)		(1,704,819)
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds			\$ 21,899,518		\$ 22,015,697

The notes to the financial statements are an integral part of this statement.



City of Golden, Colorado
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2013
With Comparative Totals for December 31, 2012

	Business-Type Activities - Enterprise Funds		
	Water Fund	Wastewater Fund	Drainage Fund
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 366,550	\$ 304,220	\$ 31,722
Accounts Receivable	834,362	341,402	192,481
Prepaid Expenses	-	-	-
Inventory	13,032	-	-
Due From Other Funds	350,000	-	-
Restricted Cash and Cash Equivalents	488,144	-	175,000
Total Current Assets	<u>2,052,088</u>	<u>645,622</u>	<u>399,203</u>
Non-Current Assets			
Advances to Other Funds	-	1,519,197	-
Bond Issuance Costs (Net of Amortization)	-	-	-
Capital Assets Not Being Depreciated	19,807,394	-	963,999
Capital Assets (Net of Accumulated Depreciation)	35,234,294	6,896,425	12,429,438
Total Non-Current Assets	<u>55,041,688</u>	<u>8,415,622</u>	<u>13,393,437</u>
TOTAL ASSETS	<u>57,093,776</u>	<u>9,061,244</u>	<u>13,792,640</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Refunding of Bonds	-	-	(61,973)
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>(61,973)</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	283,108	94,578	16,916
Accrued Liabilities	40,116	763	-
Accrued Interest Payable	27,159	-	5,183
Due To Other Funds	-	-	350,000
Claims Payable	-	-	-
Unearned Revenue	-	-	-
Compensated Absences, Current Portion	25,243	10,763	846
Bonds Payable, Current Portion	700,000	-	275,000
Due to Other funds			
Due to Other Funds			
Total Current Liabilities	<u>1,075,626</u>	<u>106,104</u>	<u>647,945</u>
Non-Current Liabilities			
Accrued Compensated Absences	114,998	49,033	3,855
Bonds Payable, Long-Term Portion (Net of Unamortized Premium)	5,810,000	-	1,415,068
Total Non-Current Liabilities	<u>5,924,998</u>	<u>49,033</u>	<u>1,418,923</u>
TOTAL LIABILITIES	<u>7,000,624</u>	<u>155,137</u>	<u>2,066,868</u>
NET POSITION			
Net Investment in Capital Assets	48,531,688	6,896,425	11,765,342
Restricted for Debt Service	488,144	-	175,000
Unrestricted	1,073,320	2,009,682	(152,597)
TOTAL NET POSITION	<u>\$ 50,093,152</u>	<u>\$ 8,906,107</u>	<u>\$ 11,787,745</u>

The notes to the financial statements are an integral part of this statement.

Fossil Trace Golf Course Fund	Community Center Fund	Total Nonmajor Proprietary Funds	Totals		Governmental Activities - Internal Service Funds
			2013	2012	
\$ 29,570	\$ 408,266	\$ 1,107,360	\$ 2,247,688	\$ 2,952,065	\$ 4,894,440
16,470	14,532	7,107	1,406,354	1,481,014	64,120
-	-	-	-	-	8,700
93,087	-	6,678	112,797	107,911	-
-	-	-	350,000	150,000	-
-	-	-	663,144	486,683	-
<u>139,127</u>	<u>422,798</u>	<u>1,121,145</u>	<u>4,779,983</u>	<u>5,177,673</u>	<u>4,967,260</u>
-	-	-	1,519,197	1,519,197	-
-	-	-	-	226,082	-
2,024,661	820,865	212,994	23,829,913	21,955,259	-
7,760,109	6,780,180	7,577,935	76,678,381	76,696,020	3,948,941
<u>9,784,770</u>	<u>7,601,045</u>	<u>7,790,929</u>	<u>102,027,491</u>	<u>100,396,558</u>	<u>3,948,941</u>
<u>9,923,897</u>	<u>8,023,843</u>	<u>8,912,074</u>	<u>106,807,474</u>	<u>105,574,231</u>	<u>8,916,201</u>
-	-	-	(61,973)	-	-
-	-	-	(61,973)	-	-
62,002	76,569	29,273	562,446	568,679	124,271
-	32,668	1,777	75,324	64,850	-
-	-	-	32,342	47,559	-
75,000	-	25,000	450,000	250,000	-
-	-	-	-	-	471,924
163,299	63,881	-	227,180	210,269	-
11,718	8,433	4,271	61,275	55,682	-
-	-	-	975,000	1,140,000	-
<u>312,019</u>	<u>181,551</u>	<u>60,321</u>	<u>2,383,567</u>	<u>2,337,039</u>	<u>596,195</u>
53,383	38,416	19,456	279,140	253,660	119,402
-	-	-	7,225,068	7,834,336	-
<u>53,383</u>	<u>38,416</u>	<u>19,456</u>	<u>7,504,208</u>	<u>8,087,996</u>	<u>119,402</u>
<u>365,402</u>	<u>219,967</u>	<u>79,777</u>	<u>9,887,775</u>	<u>10,425,035</u>	<u>715,597</u>
9,784,770	7,601,045	7,790,929	92,370,199	89,676,943	3,948,941
-	-	-	663,144	486,683	-
<u>(226,275)</u>	<u>202,831</u>	<u>1,041,367</u>	<u>3,948,328</u>	<u>4,985,570</u>	<u>4,251,664</u>
<u>\$ 9,558,495</u>	<u>\$ 7,803,876</u>	<u>\$ 8,832,296</u>	<u>\$ 96,981,671</u>	<u>\$ 95,149,196</u>	<u>\$ 8,200,605</u>



City of Golden, Colorado
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2013
 With Comparative Totals for December 31, 2012

	Business-Type Activities - Enterprise Funds		
	Water Fund	Wastewater Fund	Drainage Fund
OPERATING REVENUES			
Charges for Services	\$ 5,136,052	\$ 1,872,216	\$ 942,604
Intergovernmental	-	-	1,126
Miscellaneous	278,382	-	2,385
TOTAL OPERATING REVENUES	5,414,434	1,872,216	946,115
OPERATING EXPENSES			
Personnel Services	1,427,951	480,721	126,744
Operating	2,259,455	1,006,966	128,148
Depreciation and Amortization	1,190,620	242,072	377,041
Claims	-	-	-
Premiums	-	-	-
TOTAL OPERATING EXPENSES	4,878,026	1,729,759	631,933
Operating Income (Loss)	536,408	142,457	314,182
NONOPERATING REVENUES (EXPENSES)			
Investment Income	2,234	9,722	260
Interest Expense	(307,779)	-	(61,742)
Gain (Loss) on Sale of Capital Assets	(1,700)	-	(54,880)
TOTAL NONOPERATING REVENUES (EXPENSES)	(307,245)	9,722	(116,362)
Income (Loss) Before Transfers and Capital Contributions	229,163	152,179	197,820
Transfers In	-	-	-
Transfers (Out)	(300,000)	-	(50,000)
Capital Contributions	1,493,080	611,203	154,350
Change in Net Position	1,422,243	763,382	302,170
NET POSITION, Beginning	48,856,800	8,142,725	11,525,766
Prior Period Adjustment	(185,891)	-	(40,191)
NET POSITION, Beginning as restated	48,670,909	8,142,725	11,485,575
NET POSITION, Ending	\$ 50,093,152	\$ 8,906,107	\$ 11,787,745

The notes to the financial statements are an integral part of this statement.

Fossil Trace Golf Course Fund	Community Center Fund	Total Nonmajor Proprietary Funds	Totals		Governmental Activities - Internal Service Funds
			2013	2012	
			\$ 2,966,052	\$ 1,751,272	
-	-	56,808	57,934	37,603	-
158,422	3,410	49,138	491,737	361,639	20,393
<u>3,124,474</u>	<u>1,754,682</u>	<u>989,200</u>	<u>14,101,121</u>	<u>14,582,118</u>	<u>5,214,917</u>
1,160,495	1,236,552	803,066	5,235,529	5,153,255	948,461
1,243,711	774,562	611,801	6,024,643	5,775,906	1,444,066
664,886	320,332	410,481	3,205,432	3,221,858	967,640
-	-	-	-	-	1,597,603
-	-	-	-	-	987,509
<u>3,069,092</u>	<u>2,331,446</u>	<u>1,825,348</u>	<u>14,465,604</u>	<u>14,151,019</u>	<u>5,945,279</u>
55,382	(576,764)	(836,148)	(364,483)	431,099	(730,362)
368	(424)	479	12,639	41,493	4,010
-	-	-	(369,521)	(419,468)	-
(3,147)	1,600	-	(58,127)	(2,376)	147,685
<u>(2,779)</u>	<u>1,176</u>	<u>479</u>	<u>(415,009)</u>	<u>(380,351)</u>	<u>151,695</u>
52,603	(575,588)	(835,669)	(779,492)	50,748	(578,667)
-	395,343	555,000	950,343	874,705	-
(700,000)	-	-	(1,050,000)	(1,203,791)	(70,347)
-	637,975	41,098	2,937,706	335,568	290,888
<u>(647,397)</u>	<u>457,730</u>	<u>(239,571)</u>	<u>2,058,557</u>	<u>57,230</u>	<u>(358,126)</u>
10,205,892	7,346,146	9,071,867	95,149,196	95,091,966	8,558,731
-	-	-	(226,082)	-	-
<u>10,205,892</u>	<u>7,346,146</u>	<u>9,071,867</u>	<u>94,923,114</u>	<u>95,091,966</u>	<u>8,558,731</u>
<u>\$ 9,558,495</u>	<u>\$ 7,803,876</u>	<u>\$ 8,832,296</u>	<u>\$ 96,981,671</u>	<u>\$ 95,149,196</u>	<u>\$ 8,200,605</u>



City of Golden, Colorado
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2013
Increase (Decrease) in Cash and Cash Equivalents
With Comparative Totals for December 31, 2012

	Business-Type Activities - Enterprise Funds		
	Water Fund	Wastewater Fund	Drainage Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers/Users	\$ 5,487,391	\$ 1,848,433	\$ 945,811
Cash Paid to Suppliers	(2,213,451)	(1,028,435)	(176,472)
Cash Paid to Employees	(1,415,481)	(472,408)	(126,744)
Cash Paid to Providers	-	-	-
Cash Paid to Claimants	-	-	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>1,858,459</u>	<u>347,590</u>	<u>642,595</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to Other Funds	(300,000)	-	(50,000)
Transfers from Other Funds	-	-	-
Interfund Loan Made	(350,000)	-	350,000
Repayment of Interfund Loan	150,000	-	(150,000)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(500,000)</u>	<u>-</u>	<u>150,000</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Purchase of Capital Assets	(2,687,952)	(441,994)	(471,189)
Proceeds from Sale of Capital Assets	-	-	-
Proceeds from Issuance of Debt	2,900,000	-	-
Interest Paid	(322,535)	-	(62,200)
Principal Payments	(3,435,000)	-	(275,000)
Contributed Capital	1,196,246	319,938	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>(2,349,241)</u>	<u>(122,056)</u>	<u>(808,389)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	2,233	9,723	261
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>2,233</u>	<u>9,723</u>	<u>261</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(988,549)</u>	<u>235,257</u>	<u>(15,533)</u>
CASH AND CASH EQUIVALENTS, Beginning	<u>1,843,243</u>	<u>68,963</u>	<u>222,255</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 854,694</u>	<u>\$ 304,220</u>	<u>\$ 206,722</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 536,408	\$ 142,457	\$ 314,182
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	1,130,689	242,072	366,815
Amortization Expense	59,931	-	10,226
Changes in Assets and Liabilities			
Accounts Receivable	72,957	(23,783)	(304)
Inventory	11,405	-	-
Accounts Payable	27,791	(21,469)	(48,324)
Accrued Liabilities	6,808	-	-
Claims Payable	-	-	-
Unearned Revenue	-	-	-
Accrued Compensated Absences	12,470	8,313	-
Total Adjustments	<u>1,322,051</u>	<u>205,133</u>	<u>328,413</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,858,459</u>	<u>\$ 347,590</u>	<u>\$ 642,595</u>
NON-CASH TRANSACTIONS			
Capital Assets Contributed	<u>\$ 296,834</u>	<u>\$ 291,265</u>	<u>\$ 154,350</u>

The notes to the financial statements are an integral part of this statement.



Fossil Trace Golf Course Fund	Community Center Fund	Total Nonmajor Proprietary Funds	Totals		Governmental Activities - Internal Service Funds
			2013	2012	
\$ 3,132,372	\$ 1,767,922	\$ 1,010,762	\$ 14,192,691	\$ 14,367,317	\$ 5,211,887
(1,262,696)	(724,248)	(619,283)	(6,024,585)	(6,215,181)	(1,639,684)
(1,152,200)	(1,236,981)	(801,345)	(5,205,159)	(5,175,379)	(919,407)
-	-	-	-	-	(984,461)
-	-	-	-	-	(1,539,685)
<u>717,476</u>	<u>(193,307)</u>	<u>(409,866)</u>	<u>2,962,947</u>	<u>2,976,757</u>	<u>128,650</u>
(700,000)	-	-	(1,050,000)	(1,203,791)	(70,347)
-	395,343	555,000	950,343	874,705	-
75,000	-	25,000	100,000	100,000	-
-	-	(100,000)	(100,000)	(50,000)	-
<u>(625,000)</u>	<u>395,343</u>	<u>480,000</u>	<u>(99,657)</u>	<u>(279,086)</u>	<u>(70,347)</u>
(108,430)	(17,330)	-	(3,726,895)	(3,306,933)	(755,327)
-	1,600	-	1,600	15,933	193,445
-	-	-	2,900,000	-	-
-	-	-	(384,735)	(424,034)	-
-	-	-	(3,710,000)	(1,120,000)	-
-	-	-	1,516,184	264,633	-
<u>(108,430)</u>	<u>(15,730)</u>	<u>-</u>	<u>(3,403,846)</u>	<u>(4,570,401)</u>	<u>(561,882)</u>
367	(424)	480	12,640	41,493	4,008
<u>367</u>	<u>(424)</u>	<u>480</u>	<u>12,640</u>	<u>41,493</u>	<u>4,008</u>
(15,587)	185,882	70,614	(527,916)	(1,831,237)	(499,571)
45,157	222,384	1,036,746	3,438,748	5,269,985	5,394,011
<u>\$ 29,570</u>	<u>408,266</u>	<u>\$ 1,107,360</u>	<u>\$ 2,910,832</u>	<u>\$ 3,438,748</u>	<u>\$ 4,894,440</u>
\$ 55,382	(576,764)	\$ (836,148)	\$ (364,483)	\$ 431,099	\$ (730,362)
664,886	320,332	410,480	3,135,274	3,198,596	967,641
-	-	-	70,157	23,262	-
(6,589)	10,816	21,563	74,660	(221,004)	(3,031)
(16,291)	-	-	(4,886)	26,778	(192,570)
(2,694)	45,945	(7,482)	(6,233)	(418,572)	-
-	4,369	(703)	10,474	(57,128)	-
-	-	-	-	-	57,918
14,487	2,424	-	16,911	6,203	-
8,295	(429)	2,424	31,073	(12,477)	29,054
<u>662,094</u>	<u>383,457</u>	<u>426,282</u>	<u>3,327,430</u>	<u>2,545,658</u>	<u>859,012</u>
<u>\$ 717,476</u>	<u>(193,307)</u>	<u>\$ (409,866)</u>	<u>\$ 2,962,947</u>	<u>\$ 2,976,757</u>	<u>\$ 128,650</u>
\$ -	637,975	\$ 41,098	\$ 1,421,522	\$ 70,935	\$ 290,887



City of Golden, Colorado
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 December 31, 2013

	ASSETS	Volunteer Firefighter Length of Service Award Trust Fund
Current Assets		
Cash and Investments		<u>\$ 559,537</u>
TOTAL ASSETS		<u>559,537</u>
	LIABILITIES	
Current Liabilities		
Accounts Payable		<u>5,032</u>
TOTAL LIABILITIES		<u>5,032</u>
	NET POSITION	
Restricted For Separation Benefits		<u>\$ 554,505</u>

The notes to the financial statements are an integral part of this statement.

City of Golden, Colorado
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the Year Ended December 31, 2013

	Volunteer Firefighter Length of Service Award Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 116,650
Total contributions	<u>116,650</u>
Investment Earnings:	
Interest	2,771
Total investment earnings	<u>2,771</u>
 TOTAL ADDITIONS	 <u>119,421</u>
DEDUCTIONS	
Benefits:	
Distributions	79,259
TOTAL DEDUCTIONS	<u>79,259</u>
 Change in Net Position	 40,162
 NET POSITION - Beginning	 <u>514,343</u>
 NET POSITION - Ending	 <u>\$ 554,505</u>

The notes to the financial statements are an integral part of this statement.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Golden (the City) is a Colorado Home Rule City operating under a charter provided by the authority of the Constitution of the State of Colorado, and adopted by its citizens on November 7, 1967. The City operates under a Council-Manager form of government as authorized by its charter. The City provides the following services: public safety (police and fire), street maintenance, water treatment and distribution, wastewater and storm drainage transmission, parks and recreation, cemetery, planning and development, public improvements, historic preservation and general administrative services.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

A. Reporting Entity

Management has considered all potential component units in defining the City for financial reporting purposes. As required by generally accepted accounting principles, these financial statements present the City of Golden (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City:

Blended Component Units The Golden Downtown General Improvement District (GDGID) (Special Revenue Fund) was established by City ordinance on May 12, 1963, for the purpose of constructing certain parking improvements in and around the Golden downtown area. Although it is legally separate from the City, the Golden Downtown General Improvement District is reported as if it were part of the primary government because the City Council is the Board of Directors for GDGID. Additionally, the City provides financial support to GDGID. The Golden Capital Leasing Corporation (GCLC) was established by City ordinance on December 8, 2005, for the purpose of issuing Certificates of Participation for the construction of municipal shop facilities and fire station #1. The majority of its board is comprised of City staff that is appointed by City Council and City staff is responsible for operations of GCLC. Although it is legally separate from the City, GCLC is reported as if it were part of the primary government because it provides services solely to the City. GCLC has no financial balances or transactions outside of those reported by the City, and therefore, are not reported separately in the financial statements. GCLC does not issue separate financial statements.

Discretely Presented Component Unit The component unit column in the government-wide financial statements includes the financial data of the Golden Urban Renewal Authority (GURA); the City's only other component unit. It is reported in a separate column to emphasize that it is legally separate from the City. However, all nine members of GURA's governing body are appointed by the Mayor and the diversion of incremental sales taxes from the City to GURA constitutes a financial burden on the City. GURA was established in accordance with Colorado State Statute by City resolution on June 26, 1989, for the purpose of revitalizing the downtown core.

Complete financial statements of GURA can be obtained from its administrative office:

Golden Urban Renewal Authority
922 Washington Avenue, Suite 100
Golden, CO 80401

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2013

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide and Fund Financial Statements The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present financial information for the City as a whole, excluding fiduciary activity. 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 primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds and the fiduciary fund even though the latter is excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are presented with an economic resources measurement focus and the accrual basis of accounting, as are the proprietary and trust fund financial statements. Accordingly, all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

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. 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 and claims and judgments, are recorded only when payment is due.

The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund This is the City's primary operating fund. It accounts for all activities of the government, except those required to be accounted for in another fund.

Sales and Use Tax Capital Improvement Fund This fund accounts for revenues collected from a 1-cent sales and use tax restricted for capital improvements by citizen election.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2013

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. The City also recognizes as operating revenue in the Water Fund the portion of tap fees intended to recover the cost of connecting new customers to the system. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following major proprietary funds:

Water Fund This fund accounts for all activities necessary for the provision of water services to City residents.

Wastewater Fund This fund accounts for all activities necessary for the provision of wastewater (sewer) services to City residents.

Drainage Fund This fund accounts for capital improvements for storm water drainage funded by a charge for all impervious property within City limits.

Fossil Trace Golf Course Fund This fund accounts for all activities necessary for the operation of the City's golf course.

Community Center Fund This fund accounts for all activities necessary for the operation of the City's community center.

Additionally, the City reports the following fund types:

Internal Service Funds These funds account for the risk management, information technology and fleet management services provided to other departments or agencies of the City on a cost reimbursement basis.

Volunteer Firefighter Length of Service Award Trust Fund This fund accounts for the activities of the Volunteer Firefighter Length of Service Award, which accumulates resources for benefit payments to qualified volunteer firefighters. This fund was established due to an Internal Revenue Service ruling regarding the nominal cash payments made to volunteer firefighters on a per call basis and for the annual length of service awards.

Certain eliminations have been made in regard to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Reconciliation of the Fund financial statements to the Government-Wide financial statements is provided within the statements to explain the differences created by the integrated approach of GASB Statement No. 34.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2013

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

C. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. Taxes are payable the following year in two installments, on February 28 and June 15, or in total on April 30. Property taxes are billed and collected by Jefferson County, Colorado. Taxes for the following year are levied January 1 and are recorded as a receivable with a corresponding offset to deferred inflows of resources at December 31.

D. Budgets and Budgetary Accounting

The City follows these procedures each year in establishing the budget as reflected in the financial statements:

1. In early fall, the City Manager submits to City Council a proposed operating and capital budget for the fiscal year commencing the following January 1. The budget is prepared by fund, department and division and includes actual data from the prior year, current year budget, revenue estimates and requested appropriations. City departments are subject to this Council-appropriated budget exclusively. No other budget is utilized.
2. The City Council holds public hearings at regular Council meetings to obtain taxpayer comments prior to adoption.
3. On or before December 15, the budget is legally enacted and the required mill levy is adopted through the passage of a resolution. The mill levy is then certified to the County Commissioners.
4. On or before December 31, the expenditures are appropriated for the ensuing year. The appropriation is at the total fund level and lapses at year end.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Funds, Permanent Fund and the Proprietary Funds.
6. Budgets for the General, Special Revenue, Capital Projects, and Permanent Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). The budgets for the Proprietary Funds are adopted on a basis consistent with GAAP except that capital expenditures and debt principal are treated as expenditures, and depreciation is not budgeted. This is in accordance with Colorado Budget Law.
7. Management may approve budget revisions except those that change total appropriations at the fund level. Appropriations revising the total expenditures of any fund must be approved by the City Council.
8. Colorado Budget Law and the Golden City Charter require that expenditures of a fund not exceed the appropriations for that fund. Appropriations for contingencies may not be expended or transferred except by ordinance approved by City Council.

E. Cash and Investments

For purposes of the statement of cash flows, the City defines cash and cash equivalents as amounts in demand deposits as well as short-term, highly liquid investments with original maturities of three months or less.



CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

Cash equivalents are both readily convertible to cash and are so near their maturity that they present insignificant risk of change in value due to interest rate changes. Investments are stated at fair value.

F. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "interfund receivables" or "interfund payables" on the balance sheet. Residual balances between governmental activities and business-type activities are reported as internal balances on the statement of net assets.

G. Inventories

In governmental-type funds, inventories (when they exist) are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed, rather than when purchased. In proprietary-type funds, inventories are valued at the lower of cost or market using the FIFO method.

H. Capital Assets

All purchased capital assets are valued at cost where historical records are available, or at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair value on the date received. The City's policy is to record all assets over \$5,000. Interest costs for governmental funds are expensed as incurred and therefore, not capitalized. Significant interest costs in proprietary funds are capitalized.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. All public domain ("infrastructure") capital assets consisting of roads, streets and sidewalks, bridges, drainage systems, and lighting and traffic signal systems are capitalized as a separate category.

Assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.

Estimated useful lives for asset types are as follows:

Land Improvements	20 years
Buildings	45 years
Machinery and Equipment	5 to 20 years
Infrastructure	20 to 45 years

I. Deferred Outflows of Resources

The City reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. The City has deferred amounts on refunding bonds that will be amortized over time.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2013

J. Deferred Inflows of Resources

The City's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The City will not recognize the related revenue until a future event occurs. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the City's year) under the modified accrual basis of accounting.

K. Compensated Absences

City employees are allowed to accumulate unused vacation leave, compensatory time and vested sick leave. Employees are limited in the amount of vacation time they are allowed to accrue, depending on years of service. Sick leave may accrue to 480 hours. If more than 480 hours of sick leave is accrued, it must be converted to retirement health savings at the rate of 3 for 1. These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the government fund types. A long-term liability has been recorded in the government-wide financial statements for the accrued compensated absences. The liability includes the related FICA and pension benefits.

L. 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. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method, which approximates the effective interest method.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, as expenditures in 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.

M. Fund Balances

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. In the fund financial statements, the governmental fund balance is presented in five possible categories:

- a) Nonspendable—resources which cannot be spent because they are either 1) not in spendable form or; 2) legally or contractually required to be maintained intact.
- b) Restricted—resources with constraints placed on the use of resources which are either 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.
- c) Committed—resources which are subject to limitations the City imposes upon itself by action of the City Council. Commitments may be established, modified, or rescinded only through ordinances approved by City Council.

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

- f) Assigned—resources neither restricted nor committed for which a City has a stated intended use as established by the City Council or the City Manager to which the City Council has delegated the authority to assign amounts for specific purposes pursuant to the budgetary and fund balance policies.
- g) Unassigned—resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

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

N. Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City’s financial position and operations. However, complete comparative data has not been reported since its inclusion would make the financial statements unduly complex and difficult to read. Certain balances from the prior year have been reclassified to conform to current year presentation.

NOTE 2: DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds of the City.

Cash and investments at December 31, 2013, consisted of the following:

Petty Cash	\$	7,695
Deposits		2,763,518
Investments		17,585,217
Total	\$	<u>20,356,430</u>

Cash and investments are reported in the financial statements as follows:

Primary Government Cash and Investments	\$	18,450,829
Primary Government Restricted Cash and Investments		1,346,064
Fiduciary Funds Cash and Investments		559,537
Total	\$	<u>20,356,430</u>

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible depositories. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a fair value equal to at least 102 percent of the uninsured deposits. The State Regulatory Commission for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. The carrying amount of the cash deposit is \$2,763,518 at December 31, 2013.

Cash and Investments

The City's investment policies generally require the investment activities to be in accordance with State Statutes. The policy further defines authorized investments for use by the City as follows: certificates of deposit, government obligations and securities, repurchase agreements, commercial paper, corporate notes and bonds, bankers' acceptances, certain money market and mutual funds, and local government investment pools.

At December 31, 2013, the City had the following investments:

Investment Type	S&P Rating	Investment Maturities (in Years)		Fair Value
		Less Than 1 Year	1 - 5 Years	
Investment Pool	AAAm	\$ 3,885,484	\$ -	\$ 3,885,484
Corporate Bonds	AA+	502,249	2,057,640	2,559,889
Corporate Bonds	AA		1,057,709	1,057,709
Corporate Bonds	AA-	300,103	1,562,816	1,862,919
Corporate Bonds	A+	610,576	-	610,576
Commercial Paper	A-1	1,547,606	-	1,547,606
Certificates of Deposit	NR	-	497,398	497,398
FHLB	AA+	-	501,223	501,223
FHLMC	AA+	-	996,374	996,374
FFCB	AA+	-	1,479,044	1,479,044
FNMA	AA+	175,422	2,411,573	2,586,995
Total		\$ 7,021,440	\$ 10,563,777	\$ 17,585,217

Credit Risk – State statute limits investments in commercial paper so that at the time of purchase, it is rated in its highest rating category and corporate bonds must be at least AA- or Aa3 by two or more nationally recognized organizations (NRSROs). It is the City's policy to limit investments at the time of purchase in these types of instruments to ratings of at least A1 and A+ respectively. The City also requires that U.S. Agency Securities have the highest possible rating. Money Market Funds must have a rating of AAAm, AAA or AAA/V-1.

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

Interest Rate Risk – State statute limits investments in U.S. Agency Securities to a maximum 5 year maturity and Corporate Bonds to 3 years. The City of Golden is a Home Rule City and its investment policy is less restrictive than the State statutes and allows investments in Corporate Bonds with maturities not exceeding five years from the date of trade settlement.

Custodial Risk – At December 31, 2013, the City’s investments were held in safekeeping at Wells Fargo Brokerage Services. To be eligible for designation as the City’s safekeeping and custodian bank, a financial institution shall qualify as a depository of public funds in the State of Colorado as defined in CRS 24-75-603 et seq. and be a Federal Reserve member financial institution. Furthermore, the City prefers the financial institution to have a Highline Data Bank Credit Rating of 30 or higher, Wells Fargo’s rating as of December 31, 2013 was 61.

Concentration of Credit Risk – State statutes generally do not limit the amount the City may invest in one issuer. At December 31, 2013, the City’s investment in one issuer of corporate bonds represented 5.3% of total investments.

Local Government Investment Pool – At December 31, 2013, the City had \$3,885,484 invested in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating CSAFE. CSAFE operates similarly to money market funds and each share is equal in value to \$1.00. CSAFE is rated AAAM by Standard and Poor’s. Investments are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian’s internal records identify the investments owned by the participating governments.

Restricted Cash and Investments

Cash and investments of \$488,144, \$175,000 and \$250,430 representing debt service required reserves, are restricted in the Water Enterprise Fund, Drainage Enterprise Fund and Sales and Use Tax Fund, respectively, and \$432,490 representing escrow deposits held by the City are restricted in the General Fund.

NOTE 3: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of inter-fund balances as of December 31, 2013, is as follows:

	<u>Payable Fund:</u>				<u>Total</u>
	<u>Sales & Use Tax Capital Imp. Fund</u>	<u>Drainage Fund</u>	<u>Fossil Trace Golf Club Fund</u>	<u>Cemetery Operations Fund</u>	
Receivable Fund:					
General Fund	\$ 1,800,000		\$ 75,000	\$ 25,000	\$ 1,900,000
Cemetery Perpetual Care Fund	1,500,000				1,500,000
Water Fund		350,000			350,000
Wastewater	1,519,197				1,519,197
Total	<u>\$ 4,819,197</u>	<u>\$ 350,000</u>	<u>\$ 75,000</u>	<u>\$ 25,000</u>	<u>\$ 5,269,197</u>

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

The composition of interfund receivables and payables are;

- 1) The balance of an advance from the Wastewater Fund to the Sales and Use Tax Fund for the purchase of land for the shops facilities. The City purchased excess land as part of the transaction. As this land is sold, it will be used to repay the loan. The Sales and Use Tax Fund is paying interest annually to the Wastewater Fund that is calculated based on the annualized return year-to-date net of fees of the Cutwater Asset Management portfolio. The interest rate for 2013 was .63%.
- 2) The balance of an advance from the General Fund for the solar project. The Sales and Use Tax Fund will repay the advance. The Sales and Use Tax Fund is paying interest annually to the General Fund that is calculated based on the annualized return year-to-date net of fees of the Cutwater Asset Management portfolio. The interest rate for 2013 was .63%.
- 3) The balance of an advance from the Cemetery Perpetual Care Fund for the solar project. The Sales and Use Tax Fund will repay the advance. The Sales and Use Tax Fund is paying interest annually to the Cemetery Perpetual Care Fund that is calculated based on the annualized return year-to-date net of fees of the Cutwater Asset Management portfolio. The interest rate for 2013 was .63%.
- 4) A loan from the Water Fund to the Drainage Fund to cover a temporary negative cash position as of December 31, 2013.
- 5) A loan from the General Fund to the Cemetery Operations Fund to cover a temporary negative cash position as of December 31, 2013.
- 6) A loan from the General Fund to the Fossil Trace Golf Course Fund to cover a temporary negative cash position as of December 31, 2013.

Interfund Transfers:

	Transfers Out:							Total
	General Fund	Sales and Use Tax Capital Fund	Water Fund	Drainage Fund	Fossil Trace Golf Course Fund	Other Governmental Funds	Internal Services Funds	
Transfers In:								
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,000	\$ -	\$ 105,000
Sales and Use Tax Capital Improvement Fund	1,500,000	-	300,000	50,000	700,000	260,028	-	2,810,028
Community Center Fund	300,000	24,996	-	-	-	-	70,347	395,343
Other Governmental Funds	-	957,396	-	-	-	-	-	957,396
Nonmajor Proprietary Funds	454,996	-	-	-	-	100,004	-	555,000
Total	\$ 2,254,996	\$ 982,392	\$ 300,000	\$ 50,000	\$ 700,000	\$ 465,032	\$ 70,347	\$ 4,822,767

Transfers are used to;

- 1) Move revenues from the Open Space Fund and Fossil Trace Golf Course Fund for proportionate share of debt obligations to the Sales and Use Tax Capital Improvement Fund which is responsible for the payment of principal and interest on outstanding debt.
- 2) Move unrestricted funds from the General Fund to the Community Center Fund and Museum to assist with costs not covered by charges for services.

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

- 3) Move unrestricted funds from the General Fund to the Capital Programs Fund to cover ongoing capital needs.
- 4) Move funds from the Open Space Fund to cover ongoing maintenance in the General Fund and Rooney Road Sports Complex.
- 5) Move revenues from the Water and Drainage Funds to the Sales and Use Tax Fund which is responsible for the payment of principal and interest on outstanding debt.
- 6) Move revenues from Sales and Use Tax to the Capital Programs Fund for use in on-going capital projects.
- 7) Move revenues from Sales and Use Tax to the Community Center Fund to assist with capital costs not covered by charges for services.
- 8) Transfer from Cemetery Perpetual Care Fund to Cemetery operations for on-going costs.
- 9) Transfer from the General Fund to the Cemetery Operations Fund for on-going costs.
- 10) Transfer from the General Fund to the Sales and Use Tax Capital Improvement Fund for office remodel.

NOTE 4: LONG TERM RECEIVABLES

In late 2010, the City reached a settlement with a taxpayer regarding use tax for the period ending July 31, 2008. The amount of the full settlement was \$462,500; the taxpayer paid \$200,000 of the settlement up front and entered into payment arrangements for the remaining balance. The City established a long term receivable for the remaining balance, with the outstanding payments due as follows:

<u>Payment Due</u>	<u>Amount</u>
January 31, 2014	\$ 50,000
January 31, 2015	50,000
January 31, 2016	<u>62,500</u>
Total	<u><u>\$ 162,500</u></u>

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

NOTE 5: CAPITAL ASSETS

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

	<u>Balance</u> <u>12/31/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2013</u>
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 13,932,642	\$ -	\$ -	\$ 13,932,642
Construction in Progress	526,457	2,353,370	48,135	2,831,692
Artwork	<u>913,814</u>	<u>-</u>	<u>-</u>	<u>913,814</u>
Total Capital Assets, Not Being Depreciated	<u>15,372,913</u>	<u>2,353,370</u>	<u>48,135</u>	<u>17,678,148</u>
Capital Assets, Being Depreciated				
Land Improvements	15,864,042	369,942	17,500	16,216,484
Buildings	17,313,169	174,026	-	17,487,196
Vehicles	7,037,981	645,422	367,591	7,315,812
Machinery and Equipment	8,655,581	645,628	149,927	9,151,282
Infrastructure	<u>73,874,880</u>	<u>3,103,340</u>	<u>1,000</u>	<u>76,977,220</u>
Total Capital Assets, Being Depreciated	<u>122,745,653</u>	<u>4,938,358</u>	<u>536,018</u>	<u>127,147,994</u>
Total Capital Assets	<u>138,118,566</u>	<u>7,291,728</u>	<u>584,153</u>	<u>144,826,142</u>
Less Accumulated Depreciation For				
Land Improvements	7,388,034	723,056	17,500	8,093,590
Buildings	4,574,420	587,428	-	5,161,848
Vehicles	4,599,288	614,731	325,206	4,888,813
Machinery and Equipment	5,266,788	595,005	146,553	5,715,240
Infrastructure	<u>33,750,567</u>	<u>1,475,267</u>	<u>344</u>	<u>35,225,490</u>
Total Accumulated Depreciation	<u>55,579,098</u>	<u>3,995,487</u>	<u>489,603</u>	<u>59,084,981</u>
Total Capital Assets, Being Depreciated, Net	<u>67,166,555</u>	<u>942,871</u>	<u>46,415</u>	<u>68,063,013</u>
Total Capital Assets, Net	<u>\$ 82,539,468</u>	<u>\$ 3,296,241</u>	<u>\$ 94,550</u>	<u>\$ 85,741,161</u>

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

	<u>Balance</u> <u>12/31/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2013</u>
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 6,889,344	\$ -	\$ -	\$ 6,889,344
Construction in Progress	279,904	1,929,530	54,880	2,154,554
Water Rights	14,779,180	-	-	14,779,180
Artwork	<u>6,835</u>	<u>-</u>	<u>-</u>	<u>6,835</u>
Total Capital Assets, Not Being Depreciated	<u>21,955,263</u>	<u>1,929,530</u>	<u>54,880</u>	<u>23,829,913</u>
Capital Assets, Being Depreciated				
Land Improvements	21,036,274	103,157	-	21,139,431
Buildings	28,300,088	-	3,980	28,296,108
Machinery and Equipment	8,475,046	320,464	1,207,551	7,587,959
Infrastructure	<u>59,619,641</u>	<u>2,795,267</u>	<u>-</u>	<u>62,414,908</u>
Total Capital Assets, Being Depreciated	<u>117,431,049</u>	<u>3,218,888</u>	<u>1,211,531</u>	<u>119,438,406</u>
Total Capital Assets	<u>139,386,312</u>	<u>5,148,419</u>	<u>1,266,411</u>	<u>143,268,320</u>
Less Accumulated Depreciation For				
Land Improvements	8,702,175	915,364	-	9,617,539
Buildings	8,656,262	614,172	833	9,269,601
Machinery and Equipment	5,675,338	378,556	1,205,850	4,848,044
Infrastructure	<u>17,701,261</u>	<u>1,323,580</u>	<u>-</u>	<u>19,024,841</u>
Total Accumulated Depreciation	<u>40,735,036</u>	<u>3,231,672</u>	<u>1,206,683</u>	<u>42,760,025</u>
Total Capital Assets, Being Depreciated, Net	<u>76,696,013</u>	<u>(12,784)</u>	<u>4,848</u>	<u>76,678,381</u>
Total Capital Assets, Net	<u>\$ 98,651,276</u>	<u>\$ 1,916,746</u>	<u>\$ 59,728</u>	<u>\$ 100,508,294</u>

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

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

Governmental Activities

General Government	\$ 202,427
Police	97,020
Fire	217,180
Public Works	2,032,443
Parks and Recreation	478,777
Internal Service Funds	
Fleet Service	847,985
Information Technology	119,655
Total Governmental Activities	<u>\$ 3,995,487</u>

Business-Type Activities

Water	\$ 1,221,344
Wastewater	242,072
Drainage	372,557
Golf Course	664,886
Community Center	320,332
Splash Aquatic Park	177,081
Cemetery Operations	36,279
Museum	20,146
Rooney Road Sports Complex	176,975
Total Business-Type Activities	<u>\$ 3,231,672</u>

NOTE 6: CONSTRUCTION COMMITMENTS

As of December 31, 2013, the City has several construction projects in progress. These include on-going road and pedestrian projects, and other Parks and Recreation projects.

<u>Project</u>	<u>Expenditures</u>	<u>Commitment</u>	<u>Project Total</u>
Public Works Construction Projects	\$ 33,363	\$ 66,637	\$ 100,000
Parks and Recreation On-going Projects	2,269,826	949,419	3,219,245
 Total	 <u>\$ 2,303,189</u>	 <u>\$ 1,016,056</u>	 <u>\$ 3,319,245</u>

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

NOTE 7: LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2013, was as follows:

	Balance 12/31/12	Additions	Payments/ Reductions	Balance 12/31/13	Due within one year
Governmental-Type Activities					
Revenue Bonds	\$ 15,720,000	\$ -	\$ 1,450,000	\$ 14,270,000	\$ 1,825,000
Premium	1,323,306	-	162,526	1,160,780	-
Discount	(80,789)	-	(10,098)	(70,691)	-
Certificates of Participation	11,220,000	-	600,000	10,620,000	625,000
Compensated Absences	1,180,413	882,493	754,519	1,308,387	25,000
Total	\$ 29,362,930	\$ 882,493	\$ 2,956,947	\$ 27,288,476	\$ 2,475,000

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

	Balance 12/31/12	Additions	Payments/ Reductions	Balance 12/31/13	Due within one year
Business-Type Activities					
Revenue Bonds	\$ 8,975,000	\$ 2,900,000	\$ 3,710,000	\$ 8,165,000	\$ 975,000
Premium	71,637	-	36,569	35,068	-
Compensated Absences	309,342	296,054	264,981	340,415	61,275
Total	\$ 9,355,979	\$ 3,196,054	\$ 4,011,550	\$ 8,540,483	\$ 1,036,275

Revenue Bonds

The City issued revenue bonds in its Sales and Use Tax Capital Improvement Fund, Water Utility Enterprise Fund and Drainage Utility Enterprise Fund to provide funds for major capital acquisitions and construction. Sales and Use Tax Refunding Revenue bonds pledge 1-cent of the City's 3-cent sales tax for debt service. During the year ended December 31, 2013, pledged sales and use tax revenues of \$5,834,867 were available to pay annual debt service of \$2,076,550. Remaining Sales and Use Tax Revenue Bonds debt service at December 31, 2013 was \$16,853,400. The Drainage Utility Refunding Bonds pledge drainage utility fees for payment of debt service; net drainage utility revenues of \$691,223 were available to pay annual debt service of \$337,200. Remaining Drainage Utility Refunding Bond debt service at December 31, 2013 was \$1,854,612. The Water Revenue Bonds pledge water utility fees for payment of debt service. During the year ended December 31, 2013, net water revenues of \$1,766,827 were available to pay annual debt service of \$1,424,736. Remaining Water Revenue Bond debt service at December 31, 2013 was \$7,925,213. The City issued \$2,900,000 of Water Revenue Refunding bonds on November 12, 2013, to refund the remaining 2002 Water Revenue Bonds Series B, realizing a present value savings of \$245,222 and a total savings of \$275,081 on the transaction.

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

Revenue bonds outstanding at December 31, 2013, are as follows:

2010 Sales and Use Tax Refunding Revenue Bonds; interest ranging from 2.5% to 5.0% payable semiannually; bond principal payable annually beginning in 2010 with final payment in 2020.	\$ 14,270,000
2006A Water Revenue Refunding Bonds; interest ranging from 4.0% to 4.125% payable semiannually; bond principal payable annually beginning in 2006 with final payment in 2015. Bonds were used to extinguish a long-term contract for water rights associated with the Vidler Tunnel.	245,000
2006B Water Revenue Bonds; interest ranging from 4.0% to 4.61% payable semiannually; bond principal payable annually beginning in 2006 with final payment in 2025.	3,365,000
2009 Drainage Utility Enterprise Revenue Refunding Bonds; interest ranging from 2.0% to 4.0% payable semiannually; bond principal payable annually beginning in 2009 with final payment in 2019.	1,655,000
2013 Water Revenue Bonds; interest 2.45% payable semiannually; bond principal payable annually beginning in 2014 with final payment in 2022.	<u>2,900,000</u>
Total Revenue Bonds	\$ <u>22,435,000</u>

The following schedule represents the City's debt service requirements to maturity for outstanding revenue bonded debt at December 31, 2013:

Year Ending December 31	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2014	\$ 1,825,000	\$ 583,050	\$ 975,000	\$ 283,577
2015	1,880,000	528,300	1,000,000	253,003
2016	1,935,000	471,900	875,000	274,684
2017	2,030,000	375,150	865,000	192,869
2018	2,100,000	308,000	815,000	164,026
2019-2023	4,500,000	317,000	2,950,000	453,868
2024-2028	-	-	685,000	46,575
	<u>\$ 14,270,000</u>	<u>\$ 2,583,400</u>	<u>\$ 8,165,000</u>	<u>\$ 1,668,602</u>



CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

Certificates of Participation

In March, 2006, the City entered into an annually-renewable lease purchase agreement with Golden Capital Leasing Corporation (GCLC) for the purpose of financing City shop facilities and improvements to a fire station. Certificates of Participation in the lease, representing assignments of GCLC's interest in the City's rental payments, were sold to investors, with the net proceeds of \$14,360,000 being used for construction of the improvements. GCLC also assigned its interest in the leased property to the trustee for the Certificate holders. While the lease does not constitute an indebtedness of the City for state law purposes because it is subject to annual appropriation, it is treated as a capital lease for financial reporting purposes pursuant to generally accepted accounting principles applicable to governmental units. The rentals under the lease consist of separately identified principal and interest components. Payments of the principal component are due semiannually on December 1, through 2026. The interest component accrues at rates ranging from 4.0% to 4.5% and is payable semiannually on June 1 and December 1.

The following schedule represents the City's debt service requirements to maturity for outstanding certificates of participation debt at December 31, 2013:

Year Ending December 31	Governmental Activities	
	Principal	Interest
2014	\$ 625,000	\$ 465,996
2015	655,000	437,871
2016	685,000	408,396
2017	710,000	380,996
2018	740,000	352,596
2019-2023	4,205,000	1,255,900
2024-2028	3,000,000	274,050
	<u>\$ 10,620,000</u>	<u>\$ 3,575,805</u>

Net book value of capital assets acquired as part of the Certificates of Participation are as follows:

Asset Type	Governmental Activities
Land Improvements	\$ 3,512,552
Building and Building Improvements	7,961,569
Furniture & Fixtures	87,031
Machinery & Tools	239,548
Total	<u>\$ 11,800,700</u>

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

NOTE 8: POLICE SEIZURE FUNDS

The Colorado Contraband Forfeiture Act allows law enforcement agencies to retain proceeds from the seizure of contraband. The law further provides that these funds are not subject to appropriation by City Council. The City of Golden Police Department may spend the funds of law enforcement activities at its discretion. On December 31, 2013, the City had \$86,926 in trust for police seizure funds, which was recorded as unearned revenue in the General Fund.

NOTE 9: COMMITMENTS AND CONTINGENCIES

A. Water and Sewage Treatment Agreement with the Adolph Coors Company

The City entered into an agreement with the Adolph Coors Company (Coors) on December 27, 1979, whereby the City of Golden and Coors agreed to maximize the use of and yield from its respective Clear Creek water rights and minimize cash outlay by the City. Coors treats all of the City's sewage deliverable to the Coors wastewater treatment system and the City provides Coors as much developed nontributary or reusable storage water as possible. This agreement has been modified by subsequent amendments and, in general, provides that the amount of payment Coors receives, whether by the provision of water or by the payment of money for the provision of sewage treatment and disposal, shall be determined by component prices as originally accepted and adjusted quarterly. The adjustment is made on the basis of the value of money at the adjustment date as reflected by the consumer price index of the U.S. Department of Commerce. The term of this agreement extends for so long as Coors continues to operate a brewery near Golden, Colorado. In the unlikely event that Coors should not maintain a brewery near the City, the City would be obligated to purchase the wastewater treatment system from the company. For the year ended December 31, 2013, the City sold \$303,336 of water under this agreement and incurred \$499,314 in sewage treatment expense. The City reflects the revenue from these transactions in its Water Enterprise Fund and the expense in its Wastewater Enterprise Fund.

B. Risk Management

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. The City uses Internal Service Funds to account for these various risks. Property and liability self-insurance is accounted for in the Insurance Fund. The Medical Benefit Plan Fund accounts for self-insurance of employee medical claims. The Workers' Compensation Insurance Fund accounts for employee workers' compensation claims. Each fund reduces loss exposure by purchasing individual and aggregate stop-loss insurance. On December 31, 2013 there were claims liabilities of \$28,800 in the Insurance Fund, \$183,089 in the Workers' Compensation Insurance Fund, and \$260,035 in the Medical Benefit Plan Fund which reflect incurred but not reported claims that may be expected to be paid out of future resources but represent liabilities to the fund in the current year. Each reserve was computed based on a historical review of claim experience.

Changes in claims payable for the years ended December 31, 2012, and 2013, were as follows:

CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

	Property & Liability Insurance	Medical Benefit Plan	Workers' Compensation Insurance
Claims Payable 12/31/2011	\$ 8,107	\$ 217,533	\$ 186,176
2012 Claims and Changes in Estimate	72,294	1,438,730	141,297
Claim Payments	(45,101)	(1,417,923)	(187,107)
Claims Payable 12/31/2012	35,300	238,340	140,366
2013 Claims and Changes in Estimate	80,618	1,378,602	138,383
Claim Payments	(87,118)	(1,356,907)	(95,660)
Claims Payable, 12/31/2013	<u>\$ 28,800</u>	<u>\$ 260,035</u>	<u>\$ 183,089</u>

The City self-insures for health benefit claims up to a maximum of \$75,000 per claim and up to an annual aggregate of \$2,000,000. Insurance policies have been purchased to cover losses above these limits. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The City participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA) for property, liability and workers' compensation coverage. CIRSA is a separate and legal entity that was formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, 29-1-201 et. seq., 29-13-102, 84-44-101(1)(c) and (3), and 84-44-204, C.R.S., as amended, and Colorado Constitution, Article XIV, Section 18(2). Membership is generally restricted to Colorado municipalities that are members of the Colorado Municipal League.

The purposes of CIRSA are to provide property, liability and workers' compensation coverages and related services for its member municipalities through joint self-insurance and excess insurance.

It is the intent of the members of CIRSA to create an entity in perpetuity that 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 or 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. The board of directors may credit member municipalities' future contributions in the event of a surplus. Although it has never occurred, CIRSA member municipalities are subject to a supplemental assessment in the event of a deficiency.

The deductible paid by the City for property and liability per occurrence is \$5,000 and \$100,000, respectively. The auto liability deductible is \$50,000 and the auto physical damage deductible is \$2,500 per occurrence.

The deductible paid by the City for workers' compensation in each incident is \$100,000. The excess of loss contract for workers' compensation coverage limits CIRSA's per occurrence exposure to \$400,000 and provides coverage to statutory limits for the State of Colorado. The statutory limit for employer liability is \$1,000,000.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2013

D. Litigation

The City is a defendant in several lawsuits. The City attorney estimates that the potential claims against the City not covered by insurance resulting from such litigation would not materially affect the financial statements of the City.

The City is engaged at various stages of litigation with several taxpayers with regard to assessments from sales and use tax audits. As a result, the City is holding \$254,111 in escrow in the General Fund, pursuant to C.R.S. 39-21-105(4)(b) and depending on the outcome of the litigation, the City may be entitled to recognize these funds as revenue or may be required to release the funds to the appropriate taxpayer.

The City learned in 2014 that it did not prevail in the case where the city prepaid the interest expense to the court, so that will be expensed in 2014.

NOTE 10: RETIREMENT COMMITMENTS

A. City of Golden Police and Fire Pension Plan

The City of Golden contributes to a single-employer defined contribution money purchase plan on behalf of certain designated police and fire department employees who have reached the age of 21-years and are full-time, paid, sworn police officers or who are full-time, paid firefighters. The City contributes 13% and employees contribute 10% of the employee's base salary. This contribution rate and other provisions are established and may be amended by City Council. During the year ended December 31, 2013, employees and the City made the required contributions to the plan of \$367,574 and \$571,451, respectively. The five-year vesting schedule is as follows: 0% at 1 year full-time service; 40% at 2 years; 60% at 3 years; 80% at 4 years; and 100% at 5 years. In 1988, an amendment was made to the Plan Document to incorporate loans as an investment option. Participants may borrow up to 50% of vested balances as an investment option. Loans outstanding at December 31, 2013, are \$356,016. Authority for establishing or amending the plan's provisions rests with the City Council.

All of the Police and Fire Pension Plan investments as of December 31, 2013 totaling \$16,521,031 are managed and administered by the International City Managers Association Retirement Corporation and are invested in mutual funds.

B. City of Golden City Pension Plan

All City employees outside of sworn Police and Fire personnel participate in social security. Additionally, the City of Golden contributes to a single-employer defined contribution money purchase plan on behalf of all full-time permanent employees outside of the Police and Fire departments. The City contributes 5% and employees contribute 2% of the employee's base salary. The City also contributes a matching percentage for employees that participate in the deferred compensation plan up to 3%. The contribution rates and other provisions are established and may be amended by City Council. During the year ended December 31, 2013, employees and the City made the required contributions to the plan of \$175,713 and \$661,017, respectively. The vesting schedule is as follows: a plan participant will be vested 20% from the date of hire, 40% after one full year of service, 60% after two full years of service, 80% after three full years of service and 100% after four full years of service for the City's contribution. Additionally, loans to participants of up to 50% of vested balances are available for hardship withdrawals. Loans outstanding at December 31, 2013, are \$157,132. Authority for establishing or amending the plan's provisions rests with the City Council.



CITY OF GOLDEN, COLORADO

Notes to Financial Statements December 31, 2013

All of the City Pension Plan cash and investments as of December 31, 2013 totaling \$13,322,874 are managed and administered by the International City Managers Association Retirement Corporation and are invested in mutual funds.

C. City of Golden Volunteer Firefighters Pension Plan

Plan Description - The City has established a single employer-defined benefit pension plan for volunteer firefighters as authorized by State of Colorado statute. The plan is administered by the Fire and Police Pension Association (FPPA). Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a monthly pension. Vesting for reduced monthly pension benefits begins at 10 years of service, with full pension after 20 years. A firefighter who is disabled in the line of duty and whose disability is considered permanent shall be compensated in an amount determined by the Board of Trustees to be reasonable and proper considering the financial condition of the fund. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Spouses of deceased firefighters may receive benefits as authorized by State statute. The annual financial report of FPPA may be obtained by contacting FPPA at www.fppaco.org.

Funding Policy - The Volunteer Firefighters Pension Plan receives contributions from the City in an amount not to exceed one-half mill of property tax revenue. As established by the Legislature, the State of Colorado contributes up to 90% of the City's contribution and the City recognizes the State's contribution as an on-behalf payment of fringe benefits. The contributions are not actuarially determined. An actuary is used to determine the adequacy of contributions. The actuarial study as of January 1, 2011, indicated that the current levels of contributions to the fund are not adequate to support the prospective benefits for the present plan on an actuarially sound basis.

Annual Pension Cost - For the year ended December 31, 2013, the City and State actual contributions were \$116,500 and \$77,940, respectively. The required contribution was determined as part of the January 1, 2013, actuarial valuation using the entry age normal cost method.

Actuarial assumptions included the following:

- Interest rate – 7.5% per annum, compounded annually, net of operating expenses
- Inflation rate – 3%
- Retirement - Age 50 and 20 years of service, minimum vesting at 10 years
- Disability - Graduated rates for all disabilities
- Mortality – RP-2000 Generational Mortality Tables
- Separation - Graduated rates for all withdrawals
- Marital Status - 90% married
- Asset Valuation – Five year smoothed fair value method

Based on an amortization period of 20 years using the level dollar method on an open basis, the plan's expected contributions exceed the amount recommended to eliminate the unfunded actuarial accrued liability.

Trend Information of the Plan follows:



CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/2009	\$ 198,940	\$ 198,940	100%	---0---
12/31/2010	248,940	248,940	100%	---0---
12/31/2011	243,829	243,829	100%	---0---
12/31/2012	232,940	232,940	100%	---0---
12/31/2013	230,407	231,327	100%	---0---

The Annual Required Contribution (ARC) has been the same as the Annual Pension Cost (APC) for each of the last five years. All plan investments of \$2,921,280 as of December 31, 2013, are managed by FPPA.

Funded Status and Funding Progress – At January 1, 2013, the most recent actuarial valuation date, was as follows. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about the funded status of the Plan.

<u>Fiscal Year Ending</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded (Overfunded) AAL</u>	<u>Funded Ratio</u>
2013	\$ 2,810,660	\$ 4,679,734	\$ 1,869,074	60%
2011	2,766,076	4,329,311	1,563,235	64%
2009	2,729,318	4,383,155	1,653,837	62%

D. Deferred Compensation Plan

The City offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are available to all City employees and permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Investments are held in trust exclusively for the benefit of the employees and are managed by the trustees under a number of investment options. The choice of investment option(s) is made by the participant. The plan is managed and administered by the International City Managers Association Retirement Corporation and are invested in mutual funds.

E. Retirement Health Saving Plan (VantageCare)

The City enrolls employees into the Retirement Health Savings upon eligibility. VantageCare RHS is a retirement health benefit savings vehicle that gives participants the opportunity to accumulate assets to pay for medical expenses (e.g., health insurance and prescription expenses) in retirement on a tax-free basis. The plan utilizes excess sick leave placed into an employee’s account at the end of each year and upon separation from employment. Funds are available for use upon separation from employment to pay for medical expenses. Investments are held in trust exclusively for the benefit of the employees and are managed by the trustees under a number of investment options. The choice of investment option(s) is made by the participant. The plan is managed and administered by the International City Managers Association Retirement Corporation and are invested in mutual funds.

CITY OF GOLDEN, COLORADO

Notes to Financial Statements
December 31, 2013

NOTE 11: TAXPAYER BILL OF RIGHTS (TABOR) AMENDMENT TO THE COLORADO CONSTITUTION

On November 3, 1992, Colorado voters approved the Taxpayer Bill of Rights (TABOR) amendment to the Colorado Constitution. This measure contains both revenue and spending limits.

Annual property tax increases and spending increases are limited to the increase in the Consumer Price Index for the Denver - Boulder area plus a local annual growth factor determined by net new construction on real property. Additionally, the measure requires voter approval for any new bonded debt. The measure applies to all City funds except the Conservation Trust Fund, the Water Enterprise Fund, the Wastewater Enterprise Fund, and the Drainage Enterprise Fund.

On November 7, 1995, Golden voters approved the retention by the City of all revenues generated and received during 1995 and subsequent years from sales and use taxes, property taxes, fees, fines, charges, grants, donation and interest earnings notwithstanding the revenue and spending limits contained in the TABOR Amendment to the Colorado Constitution. Management believes the City is in compliance with the TABOR Amendment.

For 2013, the City was required to reserve 3% of its fiscal year spending as “emergency reserves.” The TABOR emergency reserve of \$940,000 has been recorded as restricted fund balance in the General Fund.

NOTE 12: DISCRETELY PRESENTED COMPONENT UNIT

A. Notes Payable Tax Increment Revenue Note: On November 22, 2005, the Golden Urban Renewal Authority (GURA) entered into a non-revolving loan agreement with the Colorado Business Bank (Lender) for a maximum of \$8,750,000, to be drawn upon over time in minimum increments of \$250,000. GURA shall make principal and interest payments on the loan commencing June 1, 2006, and continuing on June 1 and December 1 of each calendar year thereafter during the term of the loan. The amount of such principal payments shall be (a) based on level amortization schedule of the remainder of the term of the loan; (b) calculated by the Lender on December 1 of each year during the term of this agreement, commencing December 1, 2005; and (c) based on the then current outstanding principal balance of the loan. All remaining outstanding amounts due are payable on December 1, 2015.

A portion of the proceeds were used to pay-off the loans to Wells Fargo and the City of Golden. The remainder of the loan proceeds will be used for the design and construction of a public parking garage in downtown Golden.

B. Colorado Brownfields Revolving Loan Fund Loan: On September 7, 2007, the GURA entered into a revolving loan agreement with Colorado Housing and Finance Authority (the Lender) for a maximum of \$227,000. GURA shall make interest payments on August 1, 2008 for the outstanding balance in arrears for the period from February 1, 2008 to and including July 31, 2008, and continuing on February 1 and August 1 of each succeeding year to and including August 1, 2011 for the outstanding balance in arrears for the preceding six month period. The loan bears interest at 2%.

Commencing on February 1, 2012 and on each succeeding February 1 and August 1 including February 1, 2015, GURA will pay interest on only the accruing outstanding balance for the preceding six month period, together with a principal amount of \$25,000 to be applied to the outstanding balance of the note. On August 1, 2015 (the “Maturity Date”), the remaining principal and interest payments shall be due and payable in full.

The following is a schedule of all debt repayment as of December 31, 2013 based on the current outstanding principal:



CITY OF GOLDEN, COLORADO

**Notes to Financial Statements
December 31, 2013**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,192,611	\$ 75,701	\$ 1,268,312
2015	1,261,112	32,903	1,294,015
	<u>\$ 2,453,723</u>	<u>\$ 108,604</u>	<u>\$ 2,562,327</u>

NOTE 13: COMPLIANCE AND ACCOUNTABILITY

During the year ended December 31, 2013, actual expenses exceeded appropriations for the Fossil Trace Golf Course Fund by \$20,906 due to increased part-time salaries and operating expenses. The over-expense was funded with available net position.

Effective January 1, 2013, the City of Golden implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement provides further guidance on determining which balances, currently reported as assets and liabilities, should be reported as deferred outflows or deferred inflows of resources. The adoption of this pronouncement resulted in the reclassification of certain assets as outflows and also required a prior period adjustment to restate beginning net position for both Governmental and Business type activities.

Required Supplementary Information

City of Golden, Colorado
 SCHEDULE OF FUNDING PROGRESS
 VOLUNTEER FIREFIGHTERS' PENSION PLAN
 For the Year Ended December 31, 2013
 (Unaudited)

Actuarial Valuation Date	Actuarial Value Of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio	Covered Payroll (c)	UAAL as a Percentage of Payroll ((b-a)/c)
1/1/1996	1,786,396	1,635,993	(150,403)	109%	N/A	N/A
1/1/1997	2,055,116	1,967,649	(87,467)	104%	N/A	N/A
1/1/1999	2,654,620	2,367,088	(287,532)	112%	N/A	N/A
1/1/2001	3,049,713	3,757,212	707,499	81%	N/A	N/A
1/1/2003	2,692,395	3,894,409	1,202,014	69%	N/A	N/A
1/1/2005	2,661,365	4,077,321	1,415,956	65%	N/A	N/A
1/1/2007	3,131,190	4,187,524	1,056,334	75%	N/A	N/A
1/1/2009	2,729,318	4,383,155	1,653,837	62%	N/A	N/A
1/1/2011	2,766,076	4,329,311	1,563,235	64%	N/A	N/A
1/1/2013	2,810,660	4,679,734	1,869,074	60%	N/A	N/A

GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Conservation Trust Fund - accounts for lottery proceeds received from the State government. Spending is restricted to the development or improvement of City parks. The City's share is determined primarily by population data.

Golden Downtown General Improvement District (GDGID) Fund - accounts for monies received from the collection of tax revenues generated through the assessment of an annual mill levy. Expenditures are for the purchase of parking lots and the construction of parking improvements in and around the Golden downtown area. While a separate legal entity from the City, the GDGID is blended with the City's financial statements since City Council acts as the GDGID Board of Directors.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for revenues and expenditures dedicated to capital improvements projects.

Capital Programs Fund - accounts for capital projects and resources which are not required to be accounted for in another fund.

Open Space Fund - accounts for parkland acquisition and development projects funded from the City's attributable share of Jefferson County's Open Space Program. Funding for the Program comes from a 1/2 cent county wide sales tax.

Sales and Use Tax Capital Improvements Fund - accounts for revenues collected from a 1 cent sales and use tax earmarked for capital improvements voted in by electors in 1991.

PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Cemetery Perpetual Care Fund – This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to maintain the City's cemetery.



City of Golden, Colorado
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 20123

		Special Revenue Funds		
		Conservation Trust	Golden Downtown General Improvement District	Total
ASSETS				
Cash and Cash Equivalents		\$ 319,437	65,364	\$ 384,801
Accounts Receivable		594	582	1,176
Property Taxes Receivable		-	26,274	26,274
Due from Other Governments		-	-	-
Interfund Receivable		-	-	-
TOTAL ASSETS		320,031	92,220	412,251
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable		13,648	-	13,648
Total Liabilities		13,648	-	13,648
Deferred Inflows of Resources				
Deferred Property Taxes		-	26,274	26,274
Total Deferred Inflows of Resources		-	26,274	26,274
Fund Balances				
Nonspendable:				
Permanent fund principal		-	-	-
Restricted for:				
Parks & Recreation		306,383	-	306,383
Parking Improvements		-	65,946	65,946
Cemetery Maintenance		-	-	-
Assigned for:				
Street Improvements		-	-	-
Parks & Recreation		-	-	-
Total Fund Balances		306,383	65,946	372,329
TOTAL LIABILITIES AND FUND BALANCES		\$ 320,031	\$ 92,220	\$ 412,251

See the accompanying independent auditors' report.

Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
Capital Programs	Open Space	Total	Cemetery Perpetual Care	2013
\$ 136,953	572,753	\$ 709,706	\$ 91,325	\$ 1,185,832
617	1,457	2,074	3,456	6,706
-	-	-	-	26,274
41,740	162,754	204,494	-	204,494
-	-	-	1,500,000	1,500,000
<u>179,310</u>	<u>736,964</u>	<u>916,274</u>	<u>1,594,781</u>	<u>2,923,306</u>
54,835	-	54,835	-	68,483
<u>54,835</u>	<u>-</u>	<u>54,835</u>	<u>-</u>	<u>68,483</u>
-	-	-	-	26,274
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,274</u>
-	-	-	1,312,664	1,312,664
-	-	-	-	306,383
-	-	-	-	65,946
-	-	-	282,117	282,117
124,475	-	124,475	-	124,475
-	736,964	736,964	-	736,964
<u>124,475</u>	<u>736,964</u>	<u>861,439</u>	<u>1,594,781</u>	<u>2,828,549</u>
<u>\$ 179,310</u>	<u>\$ 736,964</u>	<u>\$ 916,274</u>	<u>\$ 1,594,781</u>	<u>\$ 2,923,306</u>



City of Golden, Colorado
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2013

	Special Revenue Funds		
	Conservation Trust	Golden Downtown General Improvement District	Total
REVENUES			
Taxes	\$ -	\$ 27,450	\$ 27,450
Intergovernmental	204,938	-	204,938
Charges for Services	-	-	-
Investment Income	161	20	181
Miscellaneous	-	3,529	3,529
TOTAL REVENUES	<u>205,099</u>	<u>30,999</u>	<u>236,098</u>
EXPENDITURES			
Current			
General Government	-	16,028	16,028
Capital Outlay	157,693	-	157,693
TOTAL EXPENDITURES	<u>157,693</u>	<u>16,028</u>	<u>173,721</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>47,406</u>	<u>14,971</u>	<u>62,377</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	47,406	14,971	62,377
FUND BALANCES, Beginning	<u>258,977</u>	<u>50,975</u>	<u>309,952</u>
FUND BALANCES, Ending	<u>\$ 306,383</u>	<u>\$ 65,946</u>	<u>\$ 372,329</u>

See the accompanying independent auditors' report.

Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds 2013
Capital Programs	Open Space	Total	Cemetery Perpetual Care	
\$ -	\$ -	\$ -	\$ -	\$ 27,450
515,179	698,379	1,213,558	-	1,418,496
10,477	-	10,477	44,250	54,727
(13)	869	856	1,219	2,256
-	-	-	-	3,529
<u>525,643</u>	<u>699,248</u>	<u>1,224,891</u>	<u>45,469</u>	<u>1,506,458</u>
-	-	-	-	16,028
1,439,455	197,164	1,636,619	-	1,794,312
<u>1,439,455</u>	<u>197,164</u>	<u>1,636,619</u>	<u>-</u>	<u>1,810,340</u>
(913,812)	502,084	(411,728)	45,469	(303,882)
957,396	-	957,396	-	957,396
-	(415,028)	(415,028)	(50,004)	(465,032)
<u>957,396</u>	<u>(415,028)</u>	<u>542,368</u>	<u>(50,004)</u>	<u>492,364</u>
43,584	87,056	130,640	(4,535)	188,482
80,891	649,908	730,799	1,599,316	2,640,067
<u>\$ 124,475</u>	<u>\$ 736,964</u>	<u>\$ 861,439</u>	<u>\$ 1,594,781</u>	<u>\$ 2,828,549</u>



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 SALES AND USE TAX CAPITAL PROJECTS FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 5,405,267	\$ 5,765,267	\$ 5,834,867	\$ 69,600
Intergovernmental	1,810,000	1,810,000	1,835,437	25,437
Investment Income	5,300	5,300	228	(5,072)
Sales of Assets	100,000	100,000	-	(100,000)
Miscellaneous	186,600	186,600	186,600	-
TOTAL REVENUES	7,507,167	7,867,167	7,857,132	(10,035)
EXPENDITURES				
Debt Service	3,191,546	3,191,546	3,176,117	15,429
Capital Outlay	5,404,300	7,264,300	4,982,208	2,282,092
TOTAL EXPENDITURES	8,595,846	10,455,846	8,158,325	2,297,521
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,088,679)	(2,588,679)	(301,193)	2,287,486
OTHER FINANCING SOURCES (USES)				
Transfers In	1,310,030	2,810,030	2,810,028	(2)
Transfers Out	(982,400)	(982,400)	(982,392)	(8)
Interfund Borrowing	-	3,300,000	3,300,000	-
Proceeds from Sale of Assets	-	-	100,000	100,000
TOTAL OTHER FINANCING SOURCES (USES)	327,630	5,127,630	5,227,636	99,990
NET CHANGE IN FUND BALANCE	(761,049)	(761,049)	4,826,443	5,587,492
FUND BALANCE, Beginning	1,022,048	1,025,018	1,025,018	-
FUND BALANCE, Ending	\$ 260,999	\$ 263,969	\$ 5,851,461	\$ 5,587,492
BUDGET-TO-GAAP RECONCILIATION				
Resources (Inflows)				
Differences - budget to GAAP				
Interfund borrowing from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.			(3,300,000)	
Proceeds from the sale of assets are inflows of budgetary resources but are not revenues for financial reporting purposes.			(100,000)	
FUND BALANCE, Ending per GAAP			\$ 2,451,461	

City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 CONSERVATION TRUST FUND
 For the Year Ended December 31, 20123

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	\$ 169,680	\$ 169,680	\$ 204,938	\$ 35,258
Investment Income	1,121	1,121	161	(960)
TOTAL REVENUES	<u>170,801</u>	<u>170,801</u>	<u>205,099</u>	<u>34,298</u>
EXPENDITURES				
Capital Outlay	413,245	413,245	157,693	255,552
TOTAL EXPENDITURES	<u>413,245</u>	<u>413,245</u>	<u>157,693</u>	<u>255,552</u>
NET CHANGE IN FUND BALANCE	(242,444)	(242,444)	47,406	289,850
FUND BALANCE, Beginning	<u>249,746</u>	<u>249,746</u>	<u>258,977</u>	<u>9,231</u>
FUND BALANCE, Ending	<u>\$ 7,302</u>	<u>\$ 7,302</u>	<u>\$ 306,383</u>	<u>\$ 299,081</u>

See the accompanying independent auditors' report.

City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 GOLDEN DOWNTOWN GENERAL IMPROVEMENT DISTRICT
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 27,375	\$ 27,375	\$ 27,450	\$ 75
Investment Income	415	415	20	(395)
Miscellaneous	4,899	4,899	3,529	(1,370)
TOTAL REVENUES	<u>32,689</u>	<u>32,689</u>	<u>30,999</u>	<u>(1,690)</u>
EXPENDITURES				
Current				
General Government	19,975	19,975	16,028	3,947
TOTAL EXPENDITURES	<u>19,975</u>	<u>19,975</u>	<u>16,028</u>	<u>3,947</u>
NET CHANGE IN FUND BALANCE	12,714	12,714	14,971	2,257
FUND BALANCE, Beginning	<u>42,680</u>	<u>42,680</u>	<u>50,975</u>	<u>8,295</u>
FUND BALANCE, Ending	<u>\$ 54,818</u>	<u>\$ 55,394</u>	<u>\$ 65,946</u>	<u>\$ 10,552</u>

See the accompanying independent auditors' report.

City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 CAPITAL PROGRAMS FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	\$ 504,000	\$ 504,000	\$ 515,179	\$ 11,179
Charge for Services	50,000	50,000	10,477	(39,523)
Investment Income	2,000	2,000	(13)	(2,013)
TOTAL REVENUES	<u>556,000</u>	<u>556,000</u>	<u>525,643</u>	<u>(30,357)</u>
EXPENDITURES				
Capital Outlay	<u>1,500,000</u>	<u>1,562,500</u>	<u>1,439,455</u>	<u>123,045</u>
TOTAL EXPENDITURES	<u>1,500,000</u>	<u>1,562,500</u>	<u>1,439,455</u>	<u>123,045</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(944,000)</u>	<u>(1,006,500)</u>	<u>(913,812)</u>	<u>92,688</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>957,400</u>	<u>957,400</u>	<u>957,396</u>	<u>(4)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>957,400</u>	<u>957,400</u>	<u>957,396</u>	<u>(4)</u>
NET CHANGE IN FUND BALANCE	13,400	(49,100)	43,584	92,684
FUND BALANCE, Beginning	<u>(13,400)</u>	<u>80,891</u>	<u>80,891</u>	<u>-</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 31,791</u>	<u>\$ 124,475</u>	<u>\$ 92,684</u>

See the accompanying independent auditors' report.

City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 OPEN SPACE FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	\$ 746,950	\$ 746,950	\$ 698,379	\$ (48,571)
Investment Income	-	5,704	869	(4,835)
Miscellaneous	6,629	925	-	(925)
TOTAL REVENUES	<u>753,579</u>	<u>753,579</u>	<u>699,248</u>	<u>(54,331)</u>
EXPENDITURES				
Capital Outlay	666,000	666,000	197,164	468,836
TOTAL EXPENDITURES	<u>666,000</u>	<u>666,000</u>	<u>197,164</u>	<u>468,836</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>87,579</u>	<u>87,579</u>	<u>502,084</u>	<u>414,505</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(415,030)	(415,030)	(415,028)	(2)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(415,030)</u>	<u>(415,030)</u>	<u>(415,028)</u>	<u>(2)</u>
NET CHANGE IN FUND BALANCE	(327,451)	(327,451)	87,056	414,507
FUND BALANCE, Beginning	<u>603,640</u>	<u>603,640</u>	<u>649,908</u>	<u>46,268</u>
FUND BALANCE, Ending	<u>\$ 410,585</u>	<u>\$ 276,189</u>	<u>\$ 736,964</u>	<u>\$ 460,775</u>

See the accompanying independent auditors' report.

City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 CEMETERY PERPETUAL CARE FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 56,950	\$ 56,950	\$ 44,250	\$ (12,700)
Investment Income	15,000	15,000	1,219	(13,781)
TOTAL REVENUES	71,950	71,950	45,469	(26,481)
OTHER FINANCING SOURCES (USES)				
Transfers Out	50,000	50,000	50,004	4
Interfund Borrowing	-	1,500,000	1,500,000	-
TOTAL OTHER FINANCING SOURCES (USES)	50,000	1,550,000	1,550,004	4
NET CHANGE IN FUND BALANCE	21,950	(1,478,050)	(1,504,535)	(26,485)
FUND BALANCE, Beginning	1,532,711	1,532,711	1,599,316	66,605
FUND BALANCE, Ending	\$ 1,554,661	\$ 54,661	\$ 94,781	\$ 40,120
 BUDGET-TO-GAAP RECONCILIATION				
Resources (Inflows)				
Differences - budget to GAAP				
Interfund borrowing from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.				
			1,500,000	
FUND BALANCE, Ending per GAAP			\$ 1,594,781	

See the accompanying independent auditors' report.

PROPRIETARY FUNDS

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following Non-major proprietary funds:

Splash Aquatic Park Fund - accounts for all activities necessary for the operation of the City's aquatic park.

Cemetery Operations Fund - accounts for all activities necessary for the operation of the City's cemetery.

Rooney Road Sports Complex Fund - accounts for all activities necessary for the construction and operation of the City's sports complex.

Museum Fund - accounts for all activities necessary for the operation of the City's museums.



City of Golden, Colorado
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 December 31, 2013

	Splash Aquatic Fund	Cemetery Operations Fund	Rooney Road Sports Complex Fund	Museum Operations Fund	Totals 2013
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 38,161	\$ 19,016	\$ 850,946	\$ 199,237	\$ 1,107,360
Accounts Receivable	87	2,500	1,642	2,878	7,107
Inventory	-	-	-	6,678	6,678
Total Current Assets	<u>38,248</u>	<u>21,516</u>	<u>852,588</u>	<u>208,793</u>	<u>1,121,145</u>
Non-Current Assets					
Capital Assets Not Being Depreciated	182,325	-	-	30,669	212,994
Capital Assets (Net of Accumulated Depreciation)	<u>4,034,906</u>	<u>548,426</u>	<u>2,438,736</u>	<u>555,867</u>	<u>7,577,935</u>
Total Non-Current Assets	<u>4,217,231</u>	<u>548,426</u>	<u>2,438,736</u>	<u>586,536</u>	<u>7,790,929</u>
TOTAL ASSETS	<u><u>4,255,479</u></u>	<u><u>569,942</u></u>	<u><u>3,291,324</u></u>	<u><u>795,329</u></u>	<u><u>8,912,074</u></u>
LIABILITIES					
Current Liabilities					
Accounts Payable	4,494	12,713	1,009	11,057	29,273
Accrued Liabilities	351	1,426	-	-	1,777
Compensated Absences, Current Portion	-	1,740	-	2,531	4,271
Interfund Payable	-	25,000	-	-	25,000
Total Current Liabilities	<u>4,845</u>	<u>40,879</u>	<u>1,009</u>	<u>13,588</u>	<u>60,321</u>
Non-Current Liabilities					
Accrued Compensated Absences	-	7,926	-	11,530	19,456
TOTAL LIABILITIES	<u>4,845</u>	<u>48,805</u>	<u>1,009</u>	<u>25,118</u>	<u>79,777</u>
NET POSITION					
Net Investment in Capital Assets	4,217,231	548,426	2,438,736	586,536	7,790,929
Unrestricted	<u>33,403</u>	<u>(27,289)</u>	<u>851,579</u>	<u>183,674</u>	<u>1,041,367</u>
TOTAL NET POSITION	<u><u>\$ 4,250,634</u></u>	<u><u>\$ 521,137</u></u>	<u><u>\$ 3,290,315</u></u>	<u><u>\$ 770,210</u></u>	<u><u>\$ 8,832,296</u></u>

See the accompanying independent auditors' report.

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2013

	Splash Aquatic Fund	Cemetery Operations Fund	Rooney Road Sports Complex Fund	Museum Operations Fund	Totals 2013
OPERATING REVENUES					
Charges for Services	\$ 388,834	\$ 329,166	\$ 66,711	\$ 98,543	\$ 883,254
Intergovernmental	-	-	-	56,808	56,808
Miscellaneous	62	624	-	48,452	49,138
TOTAL OPERATING REVENUES	388,896	329,790	66,711	203,803	989,200
OPERATING EXPENSES					
Personnel Services	173,815	235,287	25,565	368,399	803,066
Operating	213,449	223,611	204	174,537	611,801
Depreciation and Amortization	177,081	36,278	176,976	20,146	410,481
TOTAL OPERATING EXPENSES	564,345	495,176	202,745	563,082	1,825,348
Operating Income (Loss)	(175,449)	(165,386)	(136,034)	(359,279)	(836,148)
NONOPERATING REVENUES (EXPENSES)					
Investment Income	(56)	(10)	421	124	479
TOTAL NONOPERATING REVENUES (EXPENSES)	(56)	(10)	421	124	479
Income (Loss) Before Transfers and Capital Contributions	(175,505)	(165,396)	(135,613)	(359,155)	(835,669)
Transfers In	-	165,004	50,000	339,996	555,000
Capital Contributions	-	-	-	41,098	41,098
Change in Net Position	(175,505)	(392)	(85,613)	21,939	(239,571)
NET POSITION, Beginning	4,426,139	521,529	3,375,928	748,271	9,071,867
NET POSITION, Ending	<u>\$ 4,250,634</u>	<u>\$ 521,137</u>	<u>\$ 3,290,315</u>	<u>\$ 770,210</u>	<u>\$ 8,832,296</u>

See the accompanying independent auditors' report.

City of Golden, Colorado
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 For the Year Ended December 31, 2013
 Increase (Decrease) in Cash and Cash Equivalents

	Splash Aquatic Fund	Cemetery Operations Fund	Rooney Road Sports Complex Fund	Museum Operations Fund	Totals 2013
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers/Users	\$ 412,493	\$ 328,220	68,648	201,401	\$ 1,010,762
Cash Paid to Suppliers	(210,055)	(232,811)	77	(176,494)	(619,283)
Cash Paid to Employees	(173,507)	(235,277)	(26,586)	(365,975)	(801,345)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>28,931</u>	<u>(139,868)</u>	<u>42,139</u>	<u>(341,068)</u>	<u>(409,866)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund Loan Made	-	25,000	-	-	25,000
Transfers from Other Funds	-	165,004	50,000	339,996	555,000
Repayment of Interfund Loan	-	(100,000)	-	-	(100,000)
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>90,004</u>	<u>50,000</u>	<u>339,996</u>	<u>480,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	(57)	(10)	421	126	480
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>(57)</u>	<u>(10)</u>	<u>421</u>	<u>126</u>	<u>480</u>
NET INCREASE (DECREASE) IN CASH	28,874	(49,874)	92,560	(946)	70,614
CASH AND CASH EQUIVALENTS, Beginning	<u>9,287</u>	<u>68,890</u>	<u>758,386</u>	<u>200,183</u>	<u>1,036,746</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 38,161</u>	<u>\$ 19,016</u>	<u>\$ 850,946</u>	<u>\$ 199,237</u>	<u>\$ 1,107,360</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating (Loss)	\$ (175,449)	\$ (165,386)	\$ (136,034)	\$ (359,279)	\$ (836,148)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Depreciation Expense	177,080	36,278	176,976	20,146	410,480
Changes in Assets and Liabilities					
Accounts Receivable	23,598	(1,570)	1,937	(2,402)	21,563
Accounts Payable	3,394	(9,200)	281	(1,957)	(7,482)
Accrued Liabilities	308	10	(1,021)	-	(703)
Deferred Revenue	-	-	-	-	-
Accrued Compensated Absences	-	-	-	2,424	2,424
Total Adjustments	<u>204,380</u>	<u>25,518</u>	<u>178,173</u>	<u>18,211</u>	<u>426,282</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 28,931</u>	<u>\$ (139,868)</u>	<u>\$ 42,139</u>	<u>\$ (341,068)</u>	<u>\$ (409,866)</u>
NON-CASH TRANSACTIONS					
Capital Assets Contributed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,098</u>	<u>\$ 41,098</u>

See the accompanying independent auditors' report.

City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 WATER FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 6,521,850	\$ 6,761,850	\$ 5,136,052	\$ (1,625,798)
Miscellaneous	100,000	100,000	278,382	178,382
Investment Income	14,875	14,875	2,234	(12,641)
Bond Proceeds	-	3,100,000	2,900,000	(200,000)
Sale of Capital Assets	-	-	(1,700)	(1,700)
Capital Contributions	-	-	1,493,080	1,493,080
TOTAL REVENUES	<u>6,636,725</u>	<u>9,976,725</u>	<u>9,808,048</u>	<u>(168,677)</u>
EXPENSES				
Personnel Services	1,385,203	1,385,203	1,427,951	(42,748)
Operating	2,123,192	2,123,192	2,259,455	(136,263)
Debt Service	1,187,536	4,287,536	3,742,779	544,757
Transfers Out	300,000	300,000	300,000	-
Capital Outlay	1,980,825	2,780,825	2,687,952	92,873
TOTAL EXPENSES	<u>\$ 6,976,756</u>	<u>\$ 10,876,756</u>	<u>\$ 10,418,137</u>	<u>\$ 458,619</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 5,414,434
Plus: Investment Income	2,234
Plus: Contributed Capital	1,493,080
Plus: Bond Proceeds	2,900,000
Plus: Sale of Capital Assets	(1,700)
Budgetary Revenues	<u>9,808,048</u>
GAAP Operating Expenses	4,878,026
Less: Depreciation and Amortization Expense	(1,190,620)
Plus: Debt Service	3,742,779
Plus: Capital Outlay	2,687,952
Plus: Transfers Out	300,000
Budgetary Expenses	<u>\$ 10,418,137</u>

See the accompanying independent auditors' report.

City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 WASTEWATER FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 2,057,090	\$ 2,057,090	\$ 1,872,216	\$ (184,874)
Investment Income	46,319	46,319	9,722	(36,597)
Capital Contributions	-	-	611,203	611,203
TOTAL REVENUES	2,103,409	2,103,409	2,493,141	389,732
EXPENSES				
Personnel Services	515,969	515,969	480,721	35,248
Operating	1,095,469	1,095,469	1,006,966	88,503
Capital Outlay	442,898	442,898	441,994	904
TOTAL EXPENSES	\$ 2,054,336	\$ 2,054,336	\$ 1,929,681	\$ 124,655

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 1,872,216
Plus: Investment Income	9,722
Plus: Contributed Capital	611,203
Budgetary Revenues	2,493,141
GAAP Operating Expenses	1,729,759
Less: Depreciation and Amortization Expense	(242,072)
Plus: Capital Outlay	441,994
Budgetary Expenses	\$ 1,929,681

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 DRAINAGE FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 935,650	\$ 935,650	\$ 942,604	\$ 6,954
Miscellaneous	-	-	2,385	2,385
Intergovernmental	-	-	1,126	1,126
Capital Contributions	500	500	154,350	153,850
TOTAL REVENUES	<u>936,150</u>	<u>936,150</u>	<u>1,100,465</u>	<u>164,315</u>
EXPENSES				
Personnel	129,210	129,210	126,744	2,466
Operating	136,241	136,241	128,148	8,093
Debt Service	337,200	337,200	336,742	458
Capital Outlay	500,000	500,000	471,189	28,811
Transfers Out	50,000	50,000	50,000	-
TOTAL EXPENSES	<u>\$ 1,152,651</u>	<u>\$ 1,152,651</u>	<u>\$ 1,112,823</u>	<u>\$ 39,828</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 946,115
Plus: Capital Contributions	154,350
Budgetary Revenues	<u>1,100,465</u>
GAAP Operating Expenses	631,933
Less: Depreciation and Amortization Expense	(377,041)
Plus: Debt Service	336,742
Plus: Capital Outlay	471,189
Plus: Transfers Out	50,000
Budgetary Expenses	<u>\$ 1,112,823</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 FOSSIL TRACE GOLF COURSE FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 3,114,860	\$ 3,114,860	\$ 2,966,052	\$ (148,808)
Miscellaneous	133,000	133,000	158,422	25,422
Investment Income	2,000	2,000	368	(1,632)
Sale of Capital Assets	-	-	(3,147)	(3,147)
TOTAL REVENUES	<u>3,249,860</u>	<u>3,249,860</u>	<u>3,121,695</u>	<u>(128,165)</u>
EXPENSES				
Personnel Services	1,181,520	1,181,520	1,160,495	21,025
Operating	1,064,210	1,064,210	1,243,711	(179,501)
Capital Outlay	246,000	246,000	108,430	137,570
Transfers Out	700,000	700,000	700,000	-
TOTAL EXPENSES	<u>\$ 3,191,730</u>	<u>\$ 3,191,730</u>	<u>\$ 3,212,636</u>	<u>\$ (20,906)</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 3,124,474
Plus: Investment Income	368
Plus: Sale of Capital Assets	(3,147)
Budgetary Revenues	<u>3,121,695</u>

GAAP Operating Expenses	3,069,092
Less: Depreciation Expense	(664,886)
Plus: Capital Outlay	108,430
Plus: Transfers Out	700,000
Budgetary Expenses	<u>\$ 3,212,636</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 COMMUNITY CENTER FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 1,671,310	\$ 1,671,310	\$ 1,751,272	\$ 79,962
Miscellaneous	-	-	5,010	5,010
Investment Income	2,000	2,000	(424)	(2,424)
Transfers In	372,000	372,000	395,343	23,343
TOTAL REVENUES	<u>2,045,310</u>	<u>2,045,310</u>	<u>2,151,201</u>	<u>105,891</u>
EXPENSES				
Personnel Services	1,278,153	1,278,153	1,236,552	41,601
Operating	711,497	711,497	774,562	(63,065)
Capital Outlay	65,000	65,000	17,330	47,670
TOTAL EXPENSES	<u>\$ 2,054,650</u>	<u>\$ 2,054,650</u>	<u>\$ 2,028,444</u>	<u>\$ 26,206</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 1,754,682
Plus: Investment Income	(424)
Plus: Gain/(Loss) on Sale of Capital Assets	1,600
Plus: Transfers In	395,343
Budgetary Revenues	<u>2,151,201</u>
GAAP Operating Expenses	2,331,446
Less: Depreciation Expense	(320,332)
Plus: Capital Outlay	17,330
Budgetary Expenses	<u>\$ 2,028,444</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 SPLASH AQUATIC PARK FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 427,250	\$ 427,250	\$ 388,834	\$ (38,416)
Miscellaneous	-	-	62	62
Investment Income	385	385	(56)	(441)
Transfers In	30,000	30,000	-	(30,000)
TOTAL REVENUES	<u>457,635</u>	<u>457,635</u>	<u>388,840</u>	<u>(68,795)</u>
EXPENSES				
Personnel Services	168,200	178,200	173,815	4,385
Operating	230,977	230,977	213,449	17,528
Capital Outlay	-	-	-	-
TOTAL EXPENSES	<u>\$ 399,177</u>	<u>\$ 409,177</u>	<u>\$ 387,264</u>	<u>\$ 21,913</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 388,896
Plus: Investment Income	(56)
Budgetary Revenues	<u>388,840</u>
GAAP Operating Expenses	564,345
Less: Depreciation Expense	(177,081)
Budgetary Expenses	<u>\$ 387,264</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 CEMETERY OPERATIONS FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 452,000	\$ 452,000	\$ 329,166	\$ (122,834)
Miscellaneous	-	-	624	624
Investment Income	100	100	(10)	(110)
Transfers In	65,000	65,000	165,004	100,004
TOTAL REVENUES	<u>517,100</u>	<u>517,100</u>	<u>494,784</u>	<u>(22,316)</u>
EXPENSES				
Personnel Services	218,376	218,376	235,287	(16,911)
Operating	218,145	218,145	223,611	(5,466)
Capital Outlay	45,000	45,000	-	45,000
TOTAL EXPENSES	<u>\$ 481,521</u>	<u>\$ 481,521</u>	<u>\$ 458,898</u>	<u>\$ 22,623</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 329,790
Plus: Transfers In	<u>165,004</u>
Budgetary Revenues	<u>494,784</u>
GAAP Operating Expenses	495,176
Less: Depreciation Expense	<u>(36,278)</u>
Budgetary Expenses	<u>\$ 458,898</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 ROONEY ROAD SPORTS COMPLEX FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 57,306	\$ 57,306	\$ 66,711	\$ 9,405
Investment Income	6,435	6,435	421	(6,014)
Transfers In	50,000	50,000	50,000	-
TOTAL REVENUES	<u>113,741</u>	<u>113,741</u>	<u>117,132</u>	<u>3,391</u>
EXPENSES				
Personnel Services	36,160	36,160	25,565	10,595
Operating	200	200	204	(4)
Capital Outlay	74,300	74,300	-	74,300
TOTAL EXPENSES	<u>\$ 110,660</u>	<u>\$ 110,660</u>	<u>\$ 25,769</u>	<u>\$ 84,891</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 66,711
Plus: Investment Income	421
Plus: Transfers In	50,000
Budgetary Revenues	<u>117,132</u>
GAAP Operating Expenses	202,745
Less: Depreciation Expense	(176,976)
Budgetary Expenses	<u>\$ 25,769</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 MUSEUM FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 85,050	\$ 85,050	\$ 98,543	\$ 13,493
Intergovernmental	33,000	53,000	56,808	3,808
Miscellaneous	21,250	42,750	48,452	5,702
Investment Income	500	500	124	(376)
Transfers In	340,000	340,000	339,996	(4)
TOTAL REVENUES	<u>479,800</u>	<u>521,300</u>	<u>543,923</u>	<u>22,623</u>
EXPENSES				
Personnel Services	367,780	382,780	368,399	14,381
Operating	109,996	171,996	174,537	(2,541)
TOTAL EXPENSES	<u>\$ 477,776</u>	<u>\$ 554,776</u>	<u>\$ 542,936</u>	<u>\$ 11,840</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 203,803
Plus: Investment Income	124
Plus: Transfers In	339,996
Budgetary Revenues	<u>543,923</u>
GAAP Operating Expenses	563,082
Less: Depreciation Expense	(20,146)
Budgetary Expenses	<u>\$ 542,936</u>

See the accompanying independent auditors' report.



INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Insurance Fund - accounts for property and liability self-insurance activities. Premiums are charged monthly to the General, Water, Wastewater, Cemetery Operations, Community Center, Fleet Management, and Information Systems Funds.

Medical Benefit Fund - a self-insurance fund for the payment of medical claims for employees and their covered dependents. Funding is obtained through monthly premiums charged to each department based on type of coverage and number of employees.

Fleet Management Fund - accounts for repair, maintenance and replacement of all City vehicles except most Fire Department vehicles. Funding is established through base rates charged to each department on a monthly basis for each vehicle in use.

Information Technology Fund - accounts for repair, maintenance and replacement of all City computer equipment. Funding is established through base rates charged to each department on a monthly basis for each computer in use.

Workers' Compensation Fund - accounts for workers' compensation and unemployment insurance activity. Premiums are charged monthly to the General, Water, Wastewater, Cemetery Operations, Community Center, Fleet Management, and Information Systems Funds.



City of Golden, Colorado
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 December 31, 2013
 With Comparative Totals for December 31, 2012

	Insurance Fund	Medical Benefit Fund	Fleet Management Fund
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,132,137	\$ 1,995,617	\$ 574,231
Accounts Receivable	12,213	4,389	45,399
Prepaid Expenses	-	8,700	-
Total Current Assets	<u>1,144,350</u>	<u>2,008,706</u>	<u>619,630</u>
Capital Assets			
Capital Assets (Net of Accumulated Depreciation)	-	-	3,332,235
TOTAL ASSETS	<u><u>1,144,350</u></u>	<u><u>2,008,706</u></u>	<u><u>3,951,865</u></u>
LIABILITIES			
Current Liabilities			
Accounts Payable	17,269	7,431	20,845
Claims Payable	28,800	260,035	-
Total Current Liabilities	<u>46,069</u>	<u>267,466</u>	<u>20,845</u>
Non-Current Liabilities			
Accrued Compensated Absences	-	-	49,079
Total Non-Current Liabilities	<u>-</u>	<u>-</u>	<u>49,079</u>
TOTAL LIABILITIES	<u><u>46,069</u></u>	<u><u>267,466</u></u>	<u><u>69,924</u></u>
NET POSITION			
Net Investment in Capital Assets	-	-	3,332,235
Unrestricted	1,098,281	1,741,240	549,706
TOTAL NET POSITION	<u><u>\$ 1,098,281</u></u>	<u><u>\$ 1,741,240</u></u>	<u><u>\$ 3,881,941</u></u>

See the accompanying independent auditors' report.

Information Technology Fund	Workers' Compensation Fund	Totals	
		2013	2012
\$ 423,554	\$ 768,901	\$ 4,894,440	\$ 5,394,011
590	1,529	64,120	61,091
-	-	8,700	8,700
<u>424,144</u>	<u>770,430</u>	<u>4,967,260</u>	<u>5,463,802</u>
616,706	-	3,948,941	3,916,124
<u>1,040,850</u>	<u>770,430</u>	<u>8,916,201</u>	<u>9,379,926</u>
59,815	18,911	124,271	316,841
-	183,089	471,924	414,006
<u>59,815</u>	<u>202,000</u>	<u>596,195</u>	<u>730,847</u>
70,323	-	119,402	90,348
<u>70,323</u>	<u>-</u>	<u>119,402</u>	<u>90,348</u>
<u>130,138</u>	<u>202,000</u>	<u>715,597</u>	<u>821,195</u>
616,706	-	3,948,941	3,916,124
294,006	568,431	4,251,664	4,642,607
<u>\$ 910,712</u>	<u>\$ 568,431</u>	<u>\$ 8,200,605</u>	<u>\$ 8,558,731</u>



City of Golden, Colorado
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 For the Year Ended December 31, 20123
 With Comparative Totals for December 31, 2012

	Insurance Fund	Medical Benefit Fund	Fleet Management Fund
OPERATING REVENUES			
Charges for Services	\$ 61,952	\$ 2,142,940	\$ 1,256,676
Miscellaneous	4,844	14,799	73
TOTAL OPERATING REVENUES	<u>66,796</u>	<u>2,157,739</u>	<u>1,256,749</u>
OPERATING EXPENSES			
Personnel Services	-	-	327,503
Operating	-	129,720	458,697
Depreciation	-	-	847,985
Claims	80,618	1,378,602	-
Premiums	254,870	539,488	1,896
TOTAL OPERATING EXPENSES	<u>335,488</u>	<u>2,047,810</u>	<u>1,636,081</u>
Operating Income (Loss)	<u>(268,692)</u>	<u>109,929</u>	<u>(379,332)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment Income	1,282	1,116	834
Gain (Loss) on Sale of Capital Assets	-	-	151,059
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>1,282</u>	<u>1,116</u>	<u>151,893</u>
Net Income (Loss) before Transfers and Capital Contributions	(267,410)	111,045	(227,439)
Transfers Out	-	(70,347)	-
Capital Contributions	-	-	69,866
Change In Net Position	(267,410)	40,698	(157,573)
NET POSITION, Beginning	1,365,691	1,700,542	4,039,514
Prior Period Adjustment	-	-	-
NET POSITION, Beginning as restated	<u>1,365,691</u>	<u>1,700,542</u>	<u>4,039,514</u>
NET POSITION, Ending	<u>\$ 1,098,281</u>	<u>\$ 1,741,240</u>	<u>\$ 3,881,941</u>

See the accompanying independent auditors' report.

Information Technology Fund	Workers' Compensation Fund	Totals	
		2013	2012
\$ 1,394,772	\$ 338,184	\$ 5,194,524	\$ 5,437,540
-	677	20,393	79,210
<u>1,394,772</u>	<u>338,861</u>	<u>5,214,917</u>	<u>5,516,750</u>
620,958	-	948,461	895,310
854,636	1,013	1,444,066	1,375,108
119,655	-	967,640	855,680
-	138,383	1,597,603	1,652,321
1,152	190,103	987,509	884,883
<u>1,596,401</u>	<u>329,499</u>	<u>5,945,279</u>	<u>5,663,302</u>
(201,629)	9,362	(730,362)	(146,552)
335	443	4,010	26,778
(3,374)		147,685	175,460
<u>(3,039)</u>	<u>443</u>	<u>151,695</u>	<u>202,238</u>
(204,668)	9,805	(578,667)	55,686
	-	(70,347)	(200,000)
<u>221,022</u>	<u>-</u>	<u>290,888</u>	<u>12,095</u>
16,354	9,805	(358,126)	(132,219)
894,358	558,626	8,558,731	8,321,384
-	-	-	369,566
<u>894,358</u>	<u>558,626</u>	<u>8,558,731</u>	<u>8,690,950</u>
<u>\$ 910,712</u>	<u>\$ 568,431</u>	<u>\$ 8,200,605</u>	<u>\$ 8,558,731</u>



City of Golden, Colorado
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Year Ended December 31, 2013
 Increase (Decrease) in Cash and Cash Equivalents
 With Comparative Totals for December 31, 2012

	Insurance Fund	Medical Benefit Fund	Fleet Management Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Users	\$ 60,222	\$ 2,159,032	\$ 1,257,108
Cash Paid to Suppliers	11,610	(130,835)	(672,843)
Cash Paid to Employees	-	-	(325,583)
Cash Paid to Providers	(254,870)	(539,488)	-
Cash Paid to Claimants	(87,118)	(1,356,907)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(270,156)</u>	<u>131,802</u>	<u>258,682</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers (to) Other Funds	-	(70,347)	-
Transfers from Other Funds	-	-	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>(70,347)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Purchase of Capital Assets	-	-	(645,422)
Proceeds from Sale of Capital Assets	-	-	193,445
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>(451,977)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	1,282	1,116	832
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>1,282</u>	<u>1,116</u>	<u>832</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(268,874)	62,571	(192,463)
CASH AND CASH EQUIVALENTS, Beginning	<u>1,401,011</u>	<u>\$ 1,933,046</u>	<u>\$ 766,694</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 1,132,137</u>	<u>\$ 1,995,617</u>	<u>\$ 574,231</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (268,692)	\$ 109,929	\$ (379,332)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	-	-	847,985
Changes in Assets and Liabilities			
Accounts Receivable	(6,574)	1,293	358
Prepaid Items	-	-	-
Accounts Payable	11,610	(1,115)	(212,250)
Accrued Liabilities	-	-	-
Claims Payable	(6,500)	21,695	-
Accrued Compensated Absences	-	-	1,920
Total Adjustments	<u>(1,464)</u>	<u>21,873</u>	<u>638,013</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (270,156)</u>	<u>\$ 131,802</u>	<u>\$ 258,681</u>
NON-CASH TRANSACTIONS			
Capital Assets Contributed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,865</u>

See the accompanying independent auditors' report.

Information Technology Fund	Workers' Compensation Fund	Totals	
		2013	2012
\$ 1,396,057	\$ 339,468	\$ 5,211,887	\$ 5,474,423
(850,193)	2,577	(1,639,684)	(1,163,401)
(593,824)	-	(919,407)	(896,640)
-	(190,103)	(984,461)	(871,900)
-	(95,660)	(1,539,685)	(1,649,519)
<u>(47,960)</u>	<u>56,282</u>	<u>128,650</u>	<u>892,963</u>
-	-	(70,347)	(200,000)
-	-	-	-
-	-	(70,347)	(200,000)
(109,905)	-	(755,327)	(799,880)
-	-	193,445	302,674
<u>(109,905)</u>	<u>-</u>	<u>(561,882)</u>	<u>(497,206)</u>
335	443	4,008	26,778
<u>335</u>	<u>443</u>	<u>4,008</u>	<u>26,778</u>
(157,530)	56,725	(499,571)	222,535
\$ 581,084	\$ 712,176	5,394,011	5,171,476
<u>\$ 423,554</u>	<u>\$ 768,901</u>	<u>\$ 4,894,440</u>	<u>\$ 5,394,011</u>
\$ (201,629)	\$ 9,362	\$ (730,362)	\$ (146,552)
119,655	-	967,641	855,680
1,285	607	(3,031)	(42,327)
-	-	-	(8,671)
5,595	3,590	(192,570)	233,778
-	-	-	(417)
-	42,723	57,918	2,802
27,134	-	29,054	(1,330)
<u>153,669</u>	<u>46,920</u>	<u>859,012</u>	<u>1,039,515</u>
\$ (47,960)	\$ 56,282	\$ 128,650	\$ 892,963
\$ 221,022	\$ -	\$ 290,887	\$ 12,095



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 INSURANCE FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Premiums	\$ 61,945	\$ 61,945	\$ 61,952	\$ 7
Miscellaneous	2,000	2,000	4,844	2,844
Investment Income	18,000	18,000	1,282	(16,718)
TOTAL REVENUES	<u>81,945</u>	<u>81,945</u>	<u>68,078</u>	<u>(13,867)</u>
OPERATING EXPENSES				
Insurance Claims	75,000	90,000	80,618	9,382
Insurance Premiums	231,120	256,120	254,870	1,250
TOTAL EXPENSES	<u>\$ 306,120</u>	<u>\$ 346,120</u>	<u>\$ 335,488</u>	<u>\$ 10,632</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 66,796
Plus: Investment Income	1,282
Budgetary Revenues	<u>\$ 68,078</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 MEDICAL BENEFIT FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Premiums	\$ 2,299,100	\$ 2,299,100	\$ 2,142,940	\$ (156,160)
Miscellaneous Income	-	-	14,799	14,799
Investment Income	15,000	15,000	1,116	(13,884)
TOTAL REVENUES	<u>2,314,100</u>	<u>2,314,100</u>	<u>2,158,855</u>	<u>(155,245)</u>
EXPENSES				
Operating	167,000	217,000	129,720	87,280
Medical Claims	1,615,000	1,625,000	1,378,602	246,398
Medical Premiums	545,000	545,000	539,488	5,512
TOTAL EXPENSES	<u>\$ 2,327,000</u>	<u>\$ 2,387,000</u>	<u>\$ 2,047,810</u>	<u>\$ 339,190</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 2,157,739
Plus: Investment Income	1,116
Budgetary Revenues	<u>2,158,855</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 FLEET MANAGEMENT FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 1,372,200	\$ 1,372,200	\$ 1,256,676	\$ (115,524)
Miscellaneous	-	-	73	73
Investment Income	5,500	5,500	834	(4,666)
Transfers In	-	-	-	-
Gain/(Loss) on Sale of Capital Assets	50,000	50,000	151,059	101,059
TOTAL REVENUES	<u><u>1,427,700</u></u>	<u><u>1,427,700</u></u>	<u><u>1,408,642</u></u>	<u><u>(19,058)</u></u>
EXPENSES				
Personnel Services	341,940	341,940	327,503	14,437
Operating	490,706	490,706	460,593	30,113
Capital Outlay	715,500	715,500	645,422	70,078
Transfers Out	-	-	-	-
TOTAL EXPENSES	<u><u>\$ 1,548,146</u></u>	<u><u>\$ 1,548,146</u></u>	<u><u>\$ 1,433,518</u></u>	<u><u>\$ 114,628</u></u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 1,256,749
Plus: Investment Income	834
Plus: Gain/(Loss) on Sale of Capital Assets	151,059
Budgetary Revenues	<u><u>1,408,642</u></u>
GAAP Operating Expenses	1,636,081
Less: Depreciation Expense	(847,985)
Plus: Capital Outlay	645,422
Plus: Transfers Out	-
Budgetary Expenses	<u><u>\$ 1,433,518</u></u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 INFORMATION TECHNOLOGY FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for Services	\$ 1,397,930	\$ 1,397,930	\$ 1,394,772	\$ (3,158)
Miscellaneous	20,000	20,000	-	(20,000)
Investment Income	3,525	3,525	335	(3,190)
Gain/(Loss) on Sale of Capital Assets	-	-	(3,374)	(3,374)
TOTAL REVENUES	<u>1,421,455</u>	<u>1,421,455</u>	<u>1,391,733</u>	<u>(26,348)</u>
EXPENSES				
Personnel Services	593,760	593,760	620,958	(27,198)
Operating	785,040	785,040	855,788	(70,748)
Capital Outlay	219,500	219,500	109,905	109,595
Transfers Out	-	-	-	-
TOTAL EXPENSES	<u>\$ 1,598,300</u>	<u>\$ 1,598,300</u>	<u>\$ 1,586,651</u>	<u>\$ 11,649</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 1,394,772
Plus: Investment Income	335
Plus: Gain/(Loss) on Sale of Capital Assets	(3,374)
Budgetary Revenues	<u>1,391,733</u>
GAAP Operating Expenses	1,596,401
Less: Depreciation Expense	(119,655)
Plus: Capital Outlay	109,905
Budgetary Expenses	<u>\$ 1,586,651</u>

See the accompanying independent auditors' report.



City of Golden, Colorado
 BUDGETARY COMPARISON SCHEDULE
 WORKERS' COMPENSATION FUND
 For the Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Premiums	\$ 313,300	313,300	\$ 338,184	\$ 24,884
Miscellaneous	-	-	677	677
Interest	6,000	6,000	443	(5,557)
TOTAL REVENUES	<u>319,300</u>	<u>319,300</u>	<u>339,304</u>	<u>20,004</u>
EXPENSES				
Operating	5,000	5,000	1,013	3,987
Medical Claims	105,000	105,000	138,383	(33,383)
Medical Premiums	180,000	195,000	190,103	4,897
TOTAL EXPENSES	<u>\$ 290,000</u>	<u>\$ 305,000</u>	<u>\$ 329,499</u>	<u>\$ (24,499)</u>

Reconciliation to GAAP Basis

GAAP Operating Revenues	\$ 338,861
Plus: Investment Income	443
Budgetary Revenues	<u>\$ 339,304</u>

See the accompanying independent auditors' report.





Statistical Section

This section of the City of Golden Comprehensive Annual Financial Report presents detailed data as a context for understanding the information in the financial statements, note disclosures, and required supplementary information.

Contents	Schedules	Pages
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the City's financial condition has changed over time.	1-4	95-99
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the City's largest revenue source, sales and use taxes.	5-7	100-102
<u>Debt Capacity</u> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue debt in the future.	8-11	103-106
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	12	107
Note: The City of Golden does not track employment data, and is therefore not available so the Principal Employers schedule has been omitted		
<u>Operating Information</u> These schedules contain service data to help the reader understand how information in the financial report relates to the services the City provides and the activities it performs.	13-15	108-110

Schedule 1
City of Golden, Colorado
net position, Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Net Investment in Capital Assets	\$ 16,323,746	\$ 19,266,012	\$ 16,367,045	\$ 23,694,684	\$ 29,160,435	\$ 44,353,119	\$ 48,666,221	\$ 51,383,273	\$ 55,426,009	\$ 60,696,499
Restricted	10,105,736	10,059,060	12,989,749	8,282,036	5,611,049	4,276,796	3,369,864	3,478,867	3,871,381	4,020,193
Unrestricted	4,723,777	5,718,188	6,689,612	7,249,786	7,475,163	8,721,440	8,951,693	8,594,148	10,565,878	11,095,657
Total governmental activities net position	\$ 31,153,259	\$ 35,043,260	\$ 36,046,406	\$ 39,226,506	\$ 42,246,647	\$ 57,351,355	\$ 60,987,778	\$ 63,456,288	\$ 69,863,268	\$ 75,812,349
Business-type Activities										
Net Investment in Capital Assets	\$ 74,750,816	\$ 77,698,804	\$ 80,049,764	\$ 87,415,593	\$ 87,563,599	\$ 87,045,968	\$ 87,095,908	\$ 88,397,393	\$ 89,676,943	\$ 92,370,199
Restricted	-	-	6,747,028	-	467,500	640,683	589,683	539,183	486,683	663,144
Unrestricted	1,185,796	5,771,556	-	5,788,411	6,622,369	7,112,499	6,781,845	6,155,390	4,985,570	3,948,328
Total business-type activities net position	\$ 75,936,612	\$ 83,470,360	\$ 86,796,792	\$ 93,204,004	\$ 94,653,468	\$ 94,799,150	\$ 94,467,436	\$ 95,091,966	\$ 95,149,196	\$ 96,981,671
Primary Government										
Net Investment in Capital Assets	\$ 91,074,562	\$ 96,964,816	\$ 96,416,809	\$ 111,110,277	\$ 116,724,034	\$ 131,399,087	\$ 135,762,129	\$ 139,780,666	\$ 145,102,952	\$ 153,066,698
Restricted	10,105,736	10,059,060	12,989,749	8,282,036	5,611,049	4,276,796	3,959,547	4,018,050	4,358,064	4,683,337
Unrestricted	5,909,573	11,489,744	13,436,640	13,038,197	14,097,532	15,833,939	15,733,538	14,749,538	15,551,448	15,043,985
Total primary governmental net position	\$ 107,089,871	\$ 118,513,620	\$ 122,843,198	\$ 132,430,510	\$ 136,432,615	\$ 151,509,822	\$ 155,455,214	\$ 158,548,254	\$ 165,012,464	\$ 172,794,020

Source: Current and prior years' financial statements





Schedule 2
City of Golden, Colorado
Changes in Net Position, Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities:										
General Government										
Planning & Economic Development	\$ 4,617,366	\$ 6,066,324	\$ 5,587,093	\$ 4,817,642	\$ 4,506,258	\$ 5,177,505	\$ 4,869,996	\$ 5,500,012	\$ 6,355,983	\$ 7,170,606
Police	2,053,159	1,789,201	1,415,200	1,304,805	1,465,776	1,369,737	1,508,834	1,382,978	1,691,531	1,661,333
Fire	1,238,786	1,192,564	1,257,956	1,405,429	1,730,747	1,641,196	1,679,083	1,745,639	1,866,043	1,861,319
Public Works	4,042,258	3,952,018	3,646,448	4,929,887	5,409,722	5,904,355	5,215,528	6,052,699	5,911,551	5,880,920
Parks and Recreation	2,242,324	2,353,850	2,740,624	2,639,123	3,219,073	2,862,860	3,140,486	3,027,771	2,906,184	2,976,540
Interest on Long-Term Debt	1,454,922	1,389,262	1,707,625	1,878,313	1,783,158	1,662,301	1,439,222	1,250,874	1,185,983	1,100,795
Total governmental activities expenses	21,339,558	22,715,028	22,454,681	23,284,963	25,006,437	25,326,906	25,364,121	26,385,934	26,877,628	28,108,163
Business-type Activities:										
Water	4,867,748	5,804,455	5,071,451	5,166,199	5,265,393	5,015,706	5,034,206	5,184,993	5,050,660	5,187,505
Wastewater	1,669,669	1,548,467	1,759,007	1,739,040	1,680,177	1,800,782	1,680,328	1,688,415	1,612,250	1,729,759
Drainage	795,588	697,358	655,173	658,855	765,790	688,114	746,306	722,895	703,348	748,555
Fossil Trace Golf Course	2,431,527	2,617,113	2,626,453	3,117,330	2,856,814	2,777,396	2,842,321	3,246,913	3,068,085	3,072,239
Community Center	1,755,446	1,657,412	1,972,918	2,009,580	2,221,468	2,242,511	2,252,136	2,397,638	2,323,726	2,331,446
Splash Aquatic Park	421,709	494,757	531,445	488,854	558,347	543,739	560,403	563,162	599,632	564,345
Cemetery Operations	375,817	373,603	417,338	449,144	492,491	405,231	463,207	469,231	519,664	495,176
Rooney Road Sports Complex	(16,670)	-	-	4,642	75,040	429,611	218,047	224,028	210,984	202,745
Museums	-	-	-	-	-	-	221,704	482,821	484,514	563,082
Total business-type activities expenses	12,300,834	13,193,165	13,033,785	13,633,644	13,915,520	13,903,090	14,018,658	14,980,096	14,572,863	14,894,852
Total primary governmental expenses	\$ 33,640,392	\$ 35,908,193	\$ 35,488,466	\$ 36,918,607	\$ 38,921,957	\$ 39,229,996	\$ 39,382,779	\$ 41,366,030	\$ 41,450,491	\$ 43,003,015
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	\$ 1,201,354	\$ 1,136,415	\$ 1,146,513	\$ 1,127,166	\$ 1,250,927	\$ 1,200,019	\$ 1,723,496	\$ 1,847,935	\$ 1,831,455	\$ 2,044,000
Planning & Economic Development	181,783	244,988	229,005	227,686	250,438	193,281	250,503	224,140	183,903	390,231
Police	388,767	527,818	555,536	424,444	520,778	487,604	511,695	505,398	559,379	631,301
Fire	276,870	277,314	276,550	286,513	266,957	90,423	67,197	66,832	206,092	210,705
Public Works	34,535	34,195	37,030	39,865	38,485	24,475	266,032	204,427	83,025	83,250
Parks and Recreation	438,522	482,578	520,357	593,108	564,284	574,066	523,103	587,907	526,835	514,664
Operating grants and contributions	1,053,258	1,145,883	1,071,762	1,051,029	1,054,024	684,415	1,004,169	1,324,893	1,242,350	1,009,456
Capital grants and contributions	669,755	902,621	784,391	648,195	653,740	784,822	944,014	657,761	812,640	1,410,544
Total governmental activities program revenues	4,244,844	4,751,812	4,621,144	4,398,006	4,599,633	4,039,105	5,290,209	5,419,293	5,445,679	6,294,151

Schedule 2 (continued)
City of Golden, Colorado
Changes in Net Position, Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-type Activities:										
Water	4,501,931	4,265,618	4,739,036	5,242,732	5,421,192	5,120,162	5,577,631	5,196,576	5,596,503	5,136,052
Wastewater	1,812,730	1,457,120	1,434,764	1,450,345	1,440,329	1,370,846	1,463,566	1,518,208	1,731,358	1,872,216
Drainage	759,635	774,806	777,684	790,264	807,845	875,074	944,425	929,285	931,646	942,604
Fossil Trace Golf Course	2,673,924	2,997,333	3,003,575	3,247,816	3,177,675	2,851,431	2,822,063	2,935,738	3,272,538	2,966,052
Community Center	1,151,162	1,254,074	1,168,670	1,384,465	1,511,712	1,542,138	1,572,965	1,671,282	1,726,489	1,751,272
Splash Aquatic Park	216,314	328,975	367,037	419,841	363,055	348,031	406,553	411,203	412,288	388,834
Cemetery Operations	330,570	338,555	296,485	382,568	340,517	360,008	344,737	386,302	360,375	329,166
Rooney Road Sports Complex	-	-	-	6,624	41,326	71,841	50,066	63,834	87,845	66,711
Museums	-	-	-	-	-	-	29,407	78,845	87,845	98,543
Operating grants and contributions	-	-	-	-	-	-	4,620	71,412	37,603	56,808
Capital grants and contributions	913,145	1,522,610	1,102,042	4,249,182	252,592	1,758,531	1,229,504	1,771,594	335,568	2,940,432
Total business-type activities program revenues	12,359,411	12,939,091	12,889,293	17,173,837	13,356,243	14,298,062	14,445,537	15,028,998	14,556,047	16,548,690
Total primary government program revenues	\$ 16,604,255	\$ 17,690,903	\$ 17,510,437	\$ 21,571,843	\$ 17,955,876	\$ 18,337,167	\$ 19,735,746	\$ 20,448,291	\$ 20,001,726	\$ 22,842,841
Net (Expense)/Revenue										
Governmental activities	(17,094,714)	(17,963,216)	(17,833,537)	(18,886,957)	(20,406,804)	(21,287,801)	(20,073,912)	(20,966,641)	(21,431,949)	(21,814,012)
Business-type activities	58,577	(254,074)	(144,492)	3,540,193	(559,277)	394,972	426,879	48,902	(16,816)	1,653,838
Total primary government net expenses	(17,036,137)	(18,217,290)	(17,978,029)	(15,346,764)	(20,966,081)	(20,892,829)	(19,647,033)	(20,917,739)	(21,448,765)	(20,160,174)
Taxes										
Property taxes	3,544,635	3,567,294	3,774,879	3,759,246	3,933,004	4,507,619	4,918,182	4,977,820	4,973,794	5,074,134
Sales and use taxes	12,027,677	14,344,480	14,267,092	15,424,457	15,470,174	15,751,182	15,100,688	15,666,953	19,209,249	17,505,037
Franchise Fees	-	-	-	-	-	-	-	-	1,067,572	1,224,798
Other taxes	1,279,391	1,344,031	1,332,356	1,356,450	1,483,706	1,333,663	1,319,110	1,305,542	368,061	394,656
Unrestricted grants and contributions	483,570	246,058	244,095	283,677	312,501	1,274,517	961,563	489,795	438,838	2,536,149
Investment income	177,932	412,227	1,205,682	1,065,071	465,012	371,821	192,814	109,887	117,153	6,549
Miscellaneous	669,083	1,162,727	293,323	1,831,451	1,294,886	751,527	685,278	754,859	770,646	837,458
Gain (Loss) on sale of capital assets	-	-	-	-	-	-	-	-	144,964	247,685
Transfers	(14,000)	776,400	(2,280,744)	(1,653,295)	467,662	876,000	532,700	130,295	329,086	99,657
Total governmental activities	18,768,288	21,853,217	18,836,683	22,067,057	23,426,945	24,866,329	23,710,335	23,435,151	27,419,363	27,926,123
Business-type activities:										
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Investment income	93,036	177,037	176,357	441,047	346,310	174,057	91,675	67,841	41,493	12,639
Miscellaneous	198,548	929,732	1,013,823	204,222	168,370	279,470	323,115	638,082	361,639	491,737
Gain (Loss) on sale of capital assets	2,369,836	7,457,453	-	568,455	1,494,223	-	-	-	-	-
Transfers	14,000	(776,400)	2,280,744	1,653,295	(467,662)	(876,000)	(532,700)	(130,295)	(329,086)	(99,657)
Total business-type activities	2,675,420	7,787,822	3,470,924	2,867,019	1,541,241	(422,473)	(117,910)	575,628	74,046	404,719
Total primary government	21,443,708	29,641,039	22,307,607	24,934,076	24,968,186	24,443,856	23,592,425	24,010,779	27,493,409	28,330,842
Changes in Net Position										
Governmental activities	1,673,574	3,890,001	1,003,146	3,180,100	3,020,141	3,578,528	3,636,423	2,468,510	5,987,414	6,112,111
Business-type activities	2,733,997	7,533,748	3,326,432	6,407,212	981,964	(27,501)	308,969	624,530	57,230	2,058,557
Total primary government	4,407,571	11,423,749	4,329,578	9,587,312	4,002,105	3,551,027	3,945,392	3,093,040	6,044,644	8,170,668

Source: Current and prior year's financial statements





Schedule 3
City of Golden, Colorado
Fund Balances, Governmental Funds, Last Ten Years
(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010 (a)	2011 (a)	2012	2013
General Fund										
Reserved	\$ 690,000	\$ 760,000	\$ 770,000	\$ 830,000	\$ 820,000	\$ 860,964	\$ -	\$ -	\$ 257,555	\$ 257,555
Non-spendable	-	-	-	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	93,832	129,436	133,597	34,449
Inventory	-	-	-	-	-	-	-	-	-	1,800,000
Advance to Other Funds	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	810,000	830,000	980,000	940,000
TABOR Reserve	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	900,000	-	-	-
Public Works Building Renovation	-	-	-	-	-	-	-	-	-	-
Future Year Expenditures	-	-	-	-	-	-	4,478,139	5,281,594	5,589,311	1,610,812
Unassigned	1,814,764	3,018,772	4,028,508	4,755,200	5,043,365	5,038,642	-	-	-	1,877,683
Unreserved	2,504,764	3,778,772	4,798,508	5,585,200	5,863,365	5,899,606	6,281,971	6,241,030	6,960,463	6,520,499
Total general fund	\$ 9,415,736	\$ 9,299,060	\$ 12,219,749	\$ 7,452,036	\$ 4,791,049	\$ 3,849,816	\$ -	\$ -	\$ -	\$ -
All other Governmental Funds										
Reserved	-	-	-	-	-	-	-	-	-	-
Non-spendable	-	-	-	-	-	-	-	-	-	-
Sales and Use Tax fund prepaid expenditures	-	-	-	-	-	-	-	390,600	-	-
Permanent fund principal	-	-	-	-	1,154,385	-	-	1,221,970	1,272,366	1,312,664
Advance to Other Funds	-	-	-	-	-	-	-	-	-	187,336
Restricted	-	-	-	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	121,488	190,546	258,977	306,383
Parking Improvements	-	-	-	-	-	-	24,498	34,974	50,975	65,946
Debt Service	-	-	-	-	-	-	-	-	50,975	250,430
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	229,211	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-
Street Improvements	-	-	-	-	-	-	284,188	247,256	80,891	124,475
Parks & Recreation	-	-	-	-	-	-	618,686	570,770	901,222	988,608
Cemetery Maintenance	-	-	-	-	-	-	436,094	383,351	326,950	94,781
Capital Projects	-	-	-	-	-	-	-	-	773,704	2,149,387
Unassigned	-	-	-	-	-	-	-	(618,250)	-	-
Unreserved, reports in:										
Special revenue funds	121,583	108,248	142,228	71,283	1,719	10,589	-	-	-	-
Capital projects funds	258,158	168,401	269,302	118,046	44,640	48,686	-	-	-	-
Total all other governmental funds	\$ 9,795,477	\$ 9,575,709	\$ 12,631,279	\$ 7,641,365	\$ 4,837,408	\$ 3,909,091	\$ 2,868,550	\$ 2,421,217	\$ 3,716,060	\$ 5,480,010

(a) In fiscal year 2011, the City adopted GASB 54 which changed fund balance classifications

Source: Current and prior year's financial statements

Schedule 4
City of Golden, Colorado
Changes in Fund Balances, Governmental Funds, Last Ten Years
(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 17,451,702	\$ 19,255,805	\$ 19,374,327	\$ 20,540,153	\$ 20,886,884	\$ 21,592,464	\$ 21,075,480	\$ 21,950,315	\$ 25,718,676	\$ 24,248,625
Licenses, fees and permits	452,574	449,215	444,613	399,506	497,159	408,720	753,713	592,813	463,112	673,820
Intergovernmental	2,135,445	2,294,562	2,100,248	1,982,901	1,993,520	2,743,756	2,909,746	2,357,731	2,481,733	4,010,367
Charges for services	1,685,646	1,732,081	1,772,181	1,881,894	1,882,222	1,689,893	2,085,335	2,347,764	2,376,162	2,576,195
Fines and penalties	383,608	522,012	548,197	417,382	512,488	471,253	502,978	496,062	551,415	624,136
Investment Income	129,924	330,134	1,075,728	887,426	372,418	277,730	146,447	74,222	90,375	2,539
Sale of Assets									30,000	
Miscellaneous	859,673	1,040,825	634,775	1,824,678	1,294,886	751,527	685,278	754,859	770,646	837,458
Total revenues	23,098,572	25,624,634	25,950,069	27,933,940	27,439,577	27,935,343	28,158,977	28,573,766	32,482,119	32,973,140
Expenditures										
General Government	3,635,029	4,284,641	3,798,477	4,329,837	4,297,011	4,493,789	5,004,402	5,784,476	5,921,726	5,761,247
Planning & Economic Development	2,052,573	1,778,679	1,419,275	1,276,160	1,390,685	1,372,685	1,500,018	958,132	1,707,737	1,630,787
Police	5,520,411	5,764,997	5,994,716	5,984,639	6,595,491	6,540,684	7,180,681	7,180,012	6,787,524	7,143,867
Fire	1,013,217	1,004,102	1,017,534	1,193,304	1,300,760	1,391,733	1,491,259	1,492,412	1,537,001	1,535,326
Public Works	2,959,739	2,938,014	3,167,468	3,388,969	3,615,899	3,786,083	3,245,651	3,566,271	3,754,843	3,553,887
Parks and Recreation	1,801,595	1,910,186	2,249,871	1,928,013	2,435,339	2,028,967	2,262,389	2,190,495	2,322,771	2,290,432
Bond issuance costs										
Capital outlay	2,348,350	4,810,198	16,599,440	10,781,237	7,457,230	6,119,745	5,426,645	4,834,826	5,826,168	6,776,520
Debt Service	1,454,922	1,389,262	1,707,625	1,878,313	1,783,158	1,683,333	1,553,674	1,255,711	1,190,134	1,126,117
Interest	1,314,080	1,482,115	1,641,551	1,705,000	1,775,000	1,855,000	1,930,000	1,930,000	2,000,000	2,050,000
Principal										
Total expenditures	22,099,916	25,362,194	37,595,957	32,465,472	30,650,573	29,272,019	29,594,719	29,192,335	31,047,904	31,868,183
Excess of revenues over (under) expenditures	998,656	262,440	(11,645,888)	(4,531,532)	(3,210,996)	(1,336,676)	(1,435,742)	(618,569)	1,434,215	1,104,957
Other Financing Sources (Uses)										
Proceeds from borrowing			14,452,349				21,540,924			
Payment to Refunded Escrow Agent							(21,316,758)			
Transfers in	1,143,000	1,650,300	2,211,600	1,938,314	2,872,194	2,392,210	1,622,477	2,308,700	3,436,035	3,872,424
Transfers out	(1,262,000)	(858,500)	(942,755)	(1,610,004)	(2,186,990)	(1,947,610)	(1,069,077)	(2,178,405)	(2,906,949)	(3,702,420)
Proceeds from Sale of Assets										100,000
Total other financing sources (uses)	(119,000)	791,800	15,721,194	328,310	685,204	444,600	777,566	130,295	529,086	270,004
Net change in fund balances	\$ 879,656	\$ 1,054,240	\$ 4,075,306	\$ (4,203,222)	\$ (2,525,792)	\$ (892,076)	\$ (658,176)	\$ (488,274)	\$ 1,963,301	\$ 1,374,961
Debt service as a percentage of noncapital expenditures	14.0%	14.0%	16.0%	16.5%	15.3%	15.3%	14.4%	13.1%	12.6%	12.7%



Schedule 5
City of Golden, Colorado
Sales and Use Tax Revenue by Type of Industry
Last Ten Fiscal Years

Fiscal Year	General Merchandise	Grocery	Restaurants	Automotive	Professional Service Entertainment	Business Service Supply	Manufacturing Production	Accommodations	Utilities	Penalties, Interest, Audit and Refunds	Total Sales and Use Tax	Total Direct Tax Rate
2004	3,430,945	1,579,380	847,994	1,777,474	291,175	1,459,027	1,042,805	421,027	1,075,513	702,337	12,627,677	3.00%
2005	3,547,075	1,601,518	888,740	1,611,226	264,848	1,495,188	1,157,734	461,246	1,236,450	2,080,455	14,344,480	3.00%
2006	3,730,307	1,634,197	888,563	1,631,235	224,367	1,479,607	1,354,410	537,330	1,550,426	1,236,650	14,267,092	3.00%
2007	3,763,806	1,764,332	942,213	1,653,227	209,021	1,570,467	1,997,471	544,192	1,758,856	1,220,872	15,424,457	3.00%
2008	3,623,634	1,872,238	1,063,091	1,517,506	219,142	1,603,657	1,794,141	577,002	1,792,379	914,320	14,977,110	3.00%
2009	3,194,223	1,821,959	1,114,154	1,419,891	202,481	1,385,679	1,908,278	511,440	1,495,509	2,697,568	15,751,182	3.00%
2010	3,474,560	1,852,014	1,207,334	1,413,191	220,409	1,425,246	1,548,668	568,214	1,367,912	2,023,140	15,100,688	3.00%
2011	3,536,704	1,966,836	1,308,285	1,517,602	462,754	1,257,469	1,991,188	587,972	1,472,531	1,303,111	15,404,452	3.00%
2012	3,727,945	2,101,032	1,442,026	1,884,673	289,703	1,312,312	1,966,953	652,177	268,553	4,161,750	17,807,124	3.00%
2013	3,972,140	2,271,135	1,462,911	1,961,438	341,743	1,295,763	1,774,480	726,932	1,466,629	2,424,215	17,697,386	3.00%

Source: City of Golden Sales and Use Tax Reports



Schedule 6
City of Golden, Colorado
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rate		Overlapping Rates							Total Overlapping Sales Tax Rate
	City of Golden	Total Direct Sales Tax Rate	State of Colorado	Jefferson County	Rapid Transit District RTD	Cultural Facilities District	Football Stadium District			
2004	3.00%	3.00%	2.90%	0.50%	0.60%	0.10%	0.10%	0.10%	0.10%	7.20%
2005	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.10%	0.10%	7.60%
2006	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.10%	0.10%	7.60%
2007	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.10%	0.10%	7.60%
2008	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.10%	0.10%	7.60%
2009	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.10%	0.10%	7.60%
2010	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.10%	0.10%	7.60%
2011	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.10%	0.10%	7.60%
2012	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.00%	0.00%	7.50%
2013	3.00%	3.00%	2.90%	0.50%	1.00%	0.10%	0.10%	0.00%	0.00%	7.50%

Note: The City's sales tax rate may be increased only by a majority vote of the City's residents.

Source: City of Golden Sales and Use Tax Reports





Schedule 7
City of Golden, Colorado
Principal Sales and Use Tax Payers
Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Aggregate top ten filers ^{1, 2}	\$ 5,152,792	\$ 5,054,400	\$ 5,157,219	\$ 5,497,506	\$ 5,928,670	\$ 5,385,593	\$ 5,254,407	\$ 4,935,469	\$ 6,601,244	\$ 6,067,530
Aggregate all other filers ²	6,569,202	7,053,390	7,355,145	7,758,698	8,573,901	8,944,193	8,069,717	8,402,397	8,127,260	9,205,642
Total sales and use tax ²	\$ 11,721,994	\$ 12,107,790	\$ 12,512,365	\$ 13,256,204	\$ 14,502,571	\$ 14,329,786	\$ 13,324,124	\$ 13,337,866	\$ 14,728,504	\$ 15,273,172
Top ten filers as a percentage of total sales tax	43.96%	41.75%	41.22%	41.47%	40.88%	37.58%	39.44%	37.00%	44.82%	39.73%

¹ Colorado State Statutes and City of Golden Ordinances prohibit disclosure of individual sales tax returns, therefore the current year top ten filers are listed in alphabetical order as follows: Coors Tek, Home Depot #1522, Golden Hotel Mgt, Jefferson County, King Soopers, Kohl's Department Store, Miller Coors LLC, Safeway #322, Table Mountain Inn, and Xcel Energy.

² Excludes building use tax, audit revenue, penalties, interest and refunds

Source: City of Golden Sales and Use Tax Reports

Schedule 8
City of Golden, Colorado
Ratio of Outstanding Debt, by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities							Total Primary Government	Percentage of Personal Income ³	Per Capita ³
	Sales Tax Revenue Bonds ¹	Capital Leases	General Obligation Water Bonds ²	Water Revenue Bonds	Water Refunding Bonds	Drainage Revenue Bonds	Term Loan Payable	Total Primary Government		Percentage of Personal Income ³	Per Capita ³			
2004	26,085,000	813,666	2,015,000	3,265,000	1,640,000	3,475,000	4,130,000	41,423,666	5.82%	2,320				
2005	24,955,000	461,551	1,655,000	3,175,000	1,640,000	3,295,000	-	35,181,551	4.77%	1,951				
2006	23,775,000	14,360,000	1,275,000	7,815,000	2,615,000	3,110,000	-	52,950,000	6.85%	2,907				
2007	22,545,000	13,885,000	870,000	7,600,000	2,525,000	2,915,000	-	50,340,000	6.49%	2,811				
2008	21,260,000	13,395,000	445,000	7,385,000	2,430,000	2,710,000	-	47,625,000	5.91%	2,660				
2009	19,915,000	12,885,000	-	7,175,000	2,330,000	2,705,000	-	45,010,000	5.60%	2,505				
2010	18,515,000	12,355,000	-	6,860,000	1,840,000	2,455,000	-	42,025,000	5.23%	2,339				
2011	17,140,000	11,800,000	-	6,560,000	1,330,000	2,205,000	-	39,035,000	4.37%	2,069				
2012	15,720,000	11,220,000	-	6,250,000	795,000	1,930,000	-	35,915,000	3.84%	1,887				
2013	14,270,000	10,620,000	-	6,265,000	245,000	1,655,000	-	33,055,000	3.53%	1,723				

¹ Sales tax revenue bonds pledge 1-cent of the City's 3-cent sales tax.

² General obligation bonds have been issued for business-type activities. While general obligation water bonds are direct obligations and pledge the full faith and credit of the City, the City is bound by bond covenant to establish water rates which will provide for operations and debt service.

³ See schedule 12 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Source: Current and prior year's financial statements





Schedule 9
City of Golden, Colorado
Ratio of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General bonded debt outstanding										
General obligation debt ¹	\$ 2,015,000	\$ 1,655,000	\$ 1,275,000	\$ 870,000	\$ 445,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total	2,015,000	1,655,000	1,275,000	870,000	445,000	-	-	-	-	-
Actual water sales ²	\$ 4,501,931	\$ 5,032,371	\$ 5,644,524	\$ 6,306,334	\$ 5,610,181	\$ 6,242,616	\$ 6,260,513	\$ 6,233,121	\$ 5,712,752	\$ 6,629,132
Percentage of actual water sales	45%	33%	23%	14%	8%	0%	0%	0%	0%	0%
Per capita ³	\$ 112.85	\$ 91.77	\$ 70.00	48.59	24.85	-	-	-	-	-
Less: Amounts set aside to repay general debt	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to debit limit	\$ 2,015,000	\$ 1,655,000	\$ 1,275,000	\$ 870,000	\$ 445,000	\$ -	\$ -	\$ -	\$ -	\$ -
Legal debt limit ⁴	-	-	-	-	-	-	-	-	-	-
Legal debt margin ⁵	\$ 2,015,000	\$ 1,655,000	\$ 1,275,000	\$ 870,000	\$ 445,000	\$ -	\$ -	\$ -	\$ -	\$ -
Legal debt margin as a percentage of debt limit	100%	100%	100%	100%	100%	0%	0%	0%	0%	0%

¹ General obligation bonds have been issued for business-type activities. While general obligation water bonds are direct obligations and pledge the full faith and credit of the City, the City is bound by bond covenant to establish water rates which will provide for operations and debt service.

² Source: Current and prior year's financial statements. Includes water sales and tap fees.

³ See Schedule 12 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

⁴ Section 12.6 of the City of Golden Charter states "There shall be no limitation as to the amount of bonds which may be issued by the city, subject only to the election provisions of section 12.3."

⁵ The legal debt margin is the city's available borrowing authority.

Schedule 10
City of Golden, Colorado
Direct and Overlapping Governmental Activities Debt
As of December 31, 2012

Jurisdiction	Debt Outstanding	Percentage Applicable To Government	Estimated Share of Overlapping Debt
Direct:			
City of Golden	\$ 24,890,000	100.00%	\$ 24,890,000
Overlapping: ^{1, 2}			
Fairmount Fire Protection District	2,385,670	7.50%	178,925
Jefferson County School District No. R-1	<u>473,965,000</u>	6.00%	<u>28,416,519</u>
Total Overlapping	<u>476,350,670</u>		<u>28,595,444</u>
Total Direct and Overlapping	<u>\$ 501,240,670</u>		<u>\$ 53,485,444</u>

¹ The Golden Downtown General Improvement District, Jefferson County, Pleasant View Metropolitan District, Pleasant View Water and Sanitation District and the Urban Drainage and Flood Control District also overlap the City but have no general obligation debt outstanding.

² The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the entities taxable assessed value that is within the City's boundaries and dividing it by their total taxable assessed value.

Source: Jefferson County Assessor, City of Golden and special districts



Schedule 11
City of Golden, Colorado
Pledged-Revenue Coverage
Last Ten Fiscal Years

Water Revenue Bonds^{1,4,7}

Fiscal Year	Water Revenues	Less: Operating Expenses ⁶	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004	4,618,358	3,341,452	1,276,906	65,000	221,238	4.46
2005	5,051,911	4,291,059	760,852	65,000	220,548	2.66
2006	5,459,510	3,504,824	1,954,686	175,000	279,047	4.31
2007	5,293,045	3,454,645	1,838,400	305,000	455,760	2.42
2008	5,689,754	3,575,192	2,114,562	310,000	444,010	2.80
2009	5,226,609	3,527,106	1,699,503	310,000	431,910	2.29
2010	5,778,095	3,493,428	2,284,667	805,000	419,660	1.87
2011	5,741,706	3,497,249	2,244,457	810,000	388,735	1.87
2012	5,716,720	3,479,760	2,236,960	845,000	356,335	1.86
2013	5,414,434	3,647,607	1,766,827	3,000,000	307,779	0.53

Drainage Utility Revenue Bonds⁵

	Drainage Utility Charge	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004	759,967	402,324	357,643	170,000	185,798	2.14
2005	774,806	294,102	480,704	180,000	178,147	2.16
2006	777,684	238,243	539,441	185,000	169,867	2.19
2007	841,352	219,358	621,994	195,000	161,173	2.36
2008	808,051	235,135	572,916	205,000	151,813	2.26
2009	875,074	231,774	643,300	255,000	23,690	3.14
2010	1,005,960	288,278	717,682	250,000	77,700	3.07
2011	931,871	267,587	664,284	250,000	72,700	2.89
2012	931,667	251,747	679,920	275,000	67,700	2.72
2013	946,115	254,892	691,223	275,000	56,012	2.86

Sales Tax Revenue Bonds^{2,3}

	1-cent Sales & Use Tax Increment	Debt Service		Coverage
		Principal	Interest	
2004	4,208,874	985,000	1,322,451	1.82
2005	4,778,235	1,130,000	1,279,826	1.98
2006	4,757,507	1,180,000	1,230,200	1.97
2007	5,139,232	1,230,000	1,178,276	2.13
2008	5,178,572	1,285,000	1,124,051	2.15
2009	5,173,539	1,345,000	1,063,731	2.15
2010	4,877,618	21,845,000	2,884,547	0.20
2011	5,161,617	1,375,000	703,300	2.48
2012	6,419,750	1,420,000	662,050	3.08
2013	5,834,867	1,450,000	626,550	2.81

¹ The City issued \$5,051,000 of water revenue bonds in 2002. \$1,615,000 was for a refunding of 1989 G.O. debt and \$3,400,000 for improvements and additions to the City's water system.

² Sales tax revenue bonds pledge 1-cent of the City's 3-cent sales tax.

³ The City issued \$19,915,000 of sales tax revenue refunding bonds in 2010 to refund the outstanding 2001 sales and use tax revenue bonds.

⁴ The City issued \$5,790,000 of water revenue bonds in 2006. \$1,095,000 was for a refunding of remaining payments of principal under an outstanding lease-purchase agreement entered into to finance the acquisition of water rights

⁵ Per Bond covenants, coverage based on Drainage Utility Charge.

⁶ Per Bond documents, depreciation and amortization expense is not included in operating expenses.

⁷ The City issued \$2,900,000 of water revenue bonds in 2013 for a refunding of 2002 water revenue bonds.

Source: Current and prior year's financial statements



Schedule 12
City of Golden, Colorado
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>Education Level in Years of Formal Schooling ¹</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2004	17,855	711,361	39,841	38.40	13.67	2,870	5.00
2005	18,034	738,294	40,939	38.60	13.67	2,842	5.10
2006	18,214	772,510	42,413	39.20	13.67	2,795	4.40
2007	17,906	776,153	43,346	39.40	13.67	2,933	3.90
2008	17,906	806,397	45,035	39.50	13.67	2,877	5.00
2009	17,965	803,826	44,744	39.70	13.67	2,882	7.90
2010	18,026	822,354	45,620	35.60	14.43	2,826	9.90
2011	18,867	892,482	47,304	34.60	14.71	2,767	7.30
2012	19,035	934,904	49,115	40.60	14.40	2,592	7.40
2013	19,186	937,639	48,871	33.90	14.37	6,164	7.00

¹ Most recent information available is from the 2010 Census.

Source: 2000 Bureau of the Census
2010 Bureau of the Census
City of Golden
Colorado Department of Labor and Employment
Jefferson County School District R-1

Schedule 13
City of Golden, Colorado
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government										
Administration ^{1,6}	10	10	9	9	10	10	10	10	11	12
Finance ^{2,5}	8	8	8	9	9	9	9	10	11	11
Court	3	3	3	3	3	3	3	3	3	3
Planning	5	5	5	5	5	5	5	5	6	6
Public Works ⁷	9	9	9	9	11	10	10	10	10	11
Streets	14	14	14	14	14	13	13	14	13	13
Other	7	7	8	10	10	9	10	10	10	10
Police										
Sworn Officers ³	46	44	45	44	44	42	43	43	43	44
Reserve Officers	15	15	15	4	4	4	4	5	5	5
Dispatchers	10	10	10	10	10	10	10	10	10	10
Civilians ⁸	6	6	8	8	8	8	8	8	8	9
Fire										
Sworn Personnel	6	6	4	6	6	6	6	6	6	6
Civilians	1	2	3	3	3	3	3	3	3	3
Volunteers	62	47	47	60	60	64	74	82	84	84
Utilities										
Prevention and Maintenance	9	9	10	10	10	10	10	10	10	10
Environmental Services	6	6	6	6	6	6	6	6	8	8
Water Treatment	9	9	8	8	8	8	8	8	8	8
Parks and Recreation										
Management	4	4	4	5	5	5	5	5	5	5
Outdoor Recreation	1	1	1	1	1	1	1	1	1	1
Parks and Forestry	10	10	10	10	10	8	10	9	9	10
Community Center	7	7	8	11	10	9	9	9	9	10
Cemetery	3	3	3	2	2	2	2	2	2	2
Aquatic Park	1	1	1	1	1	1	1	1	1	1
Golf Course ⁴	8	8	8	8	8	7	8	8	8	8
Museum	-	-	-	-	-	-	4	4	5	5
Other	2	2	3	-	-	-	-	-	-	-
	262	246	250	256	258	253	272	282	289	295

¹ In 2003 a full time administrative intern was hired as part of a two-year DOLA grant program

² The finance department changed a part-time sales tax technician to full-time in 2011

³ The police department began hiring additional officers in 2003 as part of a COPS grant initiative

⁴ Late 2003 the Fossil Trace Golf Club opened for business, the first full year for the golf course was 2004.

⁵ The finance department added a full time sales tax auditor in 2012

⁶ The human resources department added a full time analyst in 2013

⁷ The public works department hired a full time inspector in 2013 which has been vacant since 2008

⁸ The police department hired a full time civilian accreditation coordinator in 2013

Note: In 2009, 8 positions were held vacant due to the economy, 1 in Fleet, 2 in Parks, 1 in Golf Course, 1 in Community Center and 1 in Streets. All the positions were anticipated to be filled in 2010 except the one in Streets which was filled in 2011.

Source: City of Golden Human Resources Department

Schedule 14
City of Golden, Colorado
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Physical arrests	1,607	1,968	1,756	1,367	1,300	1,205	1,144	970	977	1,026
Traffic violations	4,298	6,065	5,674	4,694	4,889	4,423	3,462	3,301	4,409	4,726
Parking violations	589	695	692	1,378	1,184	1,726	2,349	2,420	1,617	827
Fire										
Emergency responses	1,234	1,101	1,110	1,259	1,195	1,275	1,287	1,379	1,372	1,406
Inspections conducted	679	956	1,244	1,290	1,070	1,200	1,364	1,350	1,132	1,524
Parks and Recreation										
Community Center admissions	153,376	159,230	158,039	191,878	222,442	227,009	224,326	220,863	226,067	225,974
Golf Course rounds played ³	43,227	44,145	40,696	41,435	41,115	32,521	32,934	34,249	38,891	37,464
Aquatic Park admissions	30,159	46,305	50,338	59,965	53,165	44,159	53,403	55,384	54,124	47,612
Cemetery plot sales	145	142	112	118	110	125	119	146	86	78
Cemetery plot opening/closings	158	147	146	147	149	158	149	112	135	114
Utilities¹										
Daily average consumption MGD ²	3.41	3.15	2.61	3.27	3.53	3.00	3.45	3.32	3.37	3.07
Maximum daily capacity MGD ²	15	15	15	13	13	13	8	7	7	7
New connections	62	72	41	42	36	18	39	32	8	12
Facilities and services not included in the reporting entity:										
Education:										
Number of elementary schools	2	2	2	2	2	2	2	2	2	2
Number of elementary instructors	65	56	55	50	55	50	51	57	57	57
Number of secondary schools	2	2	2	2	2	2	2	2	2	2
Number of secondary instructors	137	116	98	101	98	98	101	104	104	104
Number of universities	1	1	1	1	1	1	1	1	1	1

¹ Coors Brewing Company provides wastewater treatment in exchange for water provided from the City

² MGD - Millions of gallons per day

³ Total 18 hole equivalent rounds; 9 and 18 holes combined

Source: Various city departments



Schedule 15
City of Golden, Colorado
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	17	17	18	18	15	15	15	15	15	15
Fire Stations	4	4	4	4	4	4	4	4	4	4
Public Works										
Street (miles)	230	230	236	230	230	242	242	242	242	242
Traffic Signals	13	17	18	18	18	16	16	16	16	16
Parks and Recreation										
Community centers	1	1	1	1	1	1	1	1	1	1
Parks	18	18	17	17	18	18	18	18	18	18
Park, trail and open space acreage	654	654	674	674	748	748	765	765	765	765
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	5	5	5	5	5	5	5	5	5	5
Utilities ¹										
Water treatment plants	1	1	1	1	1	1	1	1	1	1
Water mains (miles)	106	106	109	108	108	108	109	109	109	109
Sanitary sewer (miles)	73	73	75	76	78	78	79	79	79	80
Storm sewers (miles)	26	26	48	52	58	61	62	62	62	66
Water connections	5,155	5,182	5,198	5,263	5,279	5,109	5,343	5,374	5,378	5,353
Wastewater connections	4,907	4,933	4,955	5,000	5,022	5,045	5,078	5,108	5,056	5,056

¹ Coors Brewing Company provides wastewater treatment in exchange for water provided from the City

Note: No capital assets are available for general government function

Source: Various city departments



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

LOCAL HIGHWAY FINANCE REPORT

City or County:
Golden

YEAR ENDING :
December 2013

This Information From The Records Of (example - City of _ or County of The City of Golden) Prepared By: Stephanie Novello and Vince Auriemma
Phone: 303-384-8021

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)	2,883,570
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	322,220
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	479,131
2. General fund appropriations		b. Snow and ice removal	233,883
3. Other local imposts (from page 2)	3,394,774	c. Other	
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	713,014
5. Transfers from toll facilities		4. General administration & miscellaneous	52,136
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	3,970,940
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	3,394,774	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	576,166	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	3,970,940	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
			3,970,940

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		3,970,940	3,970,940		0

Notes and Comments:



LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2013	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	998,726	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,114,698	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	281,350	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	2,396,048	h. Other	
c. Total (a. + b.)	3,394,774	i. Total (a. through h.)	0
	(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	515,179	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	60,987	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	60,987	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	576,166	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		317,403	317,403
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		2,566,167	2,566,167
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	2,566,167	2,566,167
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,883,570	2,883,570
			(Carry forward to page 1)
Notes and Comments:			



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

City Council
City of Golden
Golden, Colorado

We have audited, in accordance with the 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, the 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 Golden, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City of Golden's basic financial statements, and have issued our report thereon dated June 4, 2014. The financial statements of the Golden Urban Renewal Authority, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Golden Urban Renewal Authority.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Golden's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Golden's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Golden's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described as item 2013-001 in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Golden's financial statements are free from 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*.

The City of Golden's Response to Finding

The City of Golden's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Golden's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
June 4, 2014



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL
PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133**

City Council
City of Golden
Golden, Colorado

Report on Compliance for Each Major Federal Program

We have audited the City of Golden's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the City of Golden's major federal program for the year ended December 31, 2013. The City of Golden's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City of Golden's major federal program based on our audit of the types of compliance requirements referred to above. 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 Golden'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 on compliance for the major federal program. However, our audit does not provide a legal determination of the City of Golden's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Golden complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2013.



Report on Internal Control Over Compliance

Management of the City of Golden is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Golden's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Golden's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
June 4, 2014

CITY OF GOLDEN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

Section I—Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) 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 weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes none reported

Type of auditors’ report issued on compliance for major program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? yes no

Identification of major program:

CFDA Number(s)	Name of Federal Program or Cluster
-----------------------	---

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

CITY OF GOLDEN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

PART II—FINDINGS RELATED TO FINANCIAL STATEMENTS

2013-001 Financial Statement Preparation, Significant Deficiency

Criteria: The City is required to maintain records necessary to support the preparation of its Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting principles.

Condition: In performing the City's audit, we proposed certain adjustments to worker's compensation claims liabilities, pooled cash accounts and fund balance restrictions and assignments. Management also identified various other adjustments throughout the audit. In addition, we noted several revisions to draft versions of the CAFR, primarily related to required footnote disclosures and reconciliations from fund level financial statements to government-wide financial statements.

Cause: The City's draft CAFR was not completed and reviewed prior to the start of the audit.

Effect: The City and its auditors experienced delays in completing the audit.

Recommendation: We recommend management review its year-end closing procedures to ensure the general ledger includes all necessary adjustments to prepare a draft CAFR in advance of the annual audit. In addition, we recommend management consider delaying the start of the audit to ensure there is sufficient time for management to prepare for the audit. Finally, given the recent increase in responsibilities of the City's Accounting Manager, we recommend management follow its existing plan to attend training sessions throughout the year, related to financial statement preparation, generally accepted accounting principles and requirements of the Governmental Accounting Standards Board. Such routine training is considered a best practice for all accounting and financial staff of the City.

Views of Responsible Officials and Planned Corrective Actions: Management agrees to delay the start of the audit to allow staff more time to complete the internal process and allow for a more accurate general ledger and draft CAFR to be prepared. Management also acknowledges that the Accounting Manager has less than two years experience in the position. Management will continue to provide mentoring and on-going training opportunities for the Accounting Manager to allow for better knowledge and experience in the position going forward.

Contact Information: Jeff Hansen, Finance Director

CITY OF GOLDEN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

CITY OF GOLDEN
PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

PART II—FINDINGS RELATED TO FINANCIAL STATEMENTS

None.

PART III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.



City of Golden
Schedule of Expenditure of Federal Awards

Period End December 31, 2013

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Other Identification Number	Current Year Expenditures
U.S. Department of Transportation			
Highway Planning and Construction	20.205	STE M540-004(18539)	1,315,622.34
Total U.S. Department of Transportation			1,315,622.34
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607	29-RI-03-13-3	2,814.50
Total U.S. Department of Justice			2,814.50
U.S. Department of Homeland Security			
Assistance to Fire Fighters- Floods	97.044	EMW-2011-FF-00558	1,192.75
Total U.S. Department of Homeland Security			1,192.75
TOTAL FEDERAL AWARDS EXPENDED			1,319,629.59

City of Golden
Notes to the Schedule of Expenditure of Federal Assistance

For the Period Ended December 31, 2013

CITY OF GOLDEN, COLORADO

**Notes to Schedule of Expenditures of Federal Awards
December 31, 2013**

NOTE 1: GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Golden (the City). The City's reporting entity is defined in Note 1 to the City's basic financial statements.

NOTE 2: BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the City's financial statements. The City uses the accrual basis or modified accrual basis of accounting as appropriate which is described in Note 1 to the City's basic financial statements.