

City of Brush, Colorado

Financial Statements

For the Year ended December 31, 2014

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INTRODUCTORY SECTION

July 8, 2015

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Brush.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Lauer, Szabo & Associates, PC, Certified Public Accountants, have issued an unqualified (“clean”) opinion on the City of Brush’s financial statements for the year ended December 31, 2014. The independent auditors report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Brush, incorporated in 1884, is located in northeastern Colorado, 90 miles from Denver. Brush is located in a large agricultural area and serves a population of 5,410. The City of Brush is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which the City has done from time to time, and to collect sales tax. The current sales tax rate is 3.6 percent.

The City of Brush operates under the council-administrator form of government. Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and six other members, all elected on a non-partisan basis. The Council appoints the government’s administrator, who in turn appoints the heads of the various departments. Council members serve four-year terms, with three members elected every two years. The mayor is elected for a four-year term and is elected at large; constituents of their wards elect the remaining Council members.

The City of Brush provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and recreational and cultural activities. Water, trash, waste water, and storm water services are provided and functions as enterprise funds of the City of Brush and therefore has been included as an integral part of the City of Brush’s financial statements. Additional information on all of these departments can be found in the notes to the financial statements (See Note 1.C).

The Council is required to adopt a final budget by no later than December 15th of each fiscal year. This annual budget serves as the foundation for the City of Brush's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department, (e.g., police).

Local economy

Brush! is nestled in the agriculturally rich South Platte River Valley. In 1886 a number of Danish families formed a settlement, attracted to the rich and loam soil. Today bountiful crops of corn, soy, sugar beets and wheat still prevail. Although Brush remains agriculturally based, ag support industries, energy production and health care have helped diversify and strengthen our economy. Major employers include Colorado Energy Management and the adjacent tomato factory linked by waste heat from the cogeneration plant, Eben Ezer and Sunset Manor care facilities, East Morgan County Hospital, the School District and City government. The population growth is at a manageable rate of 2-3%. The City continues to partner with developers to extend infrastructure conducive to designed growth.

City parks have expanded over the last few years with the addition of Prairie Trails and Watrous parks. The most recent update to the parks was in 2014 for a newly constructed Skate Park.

Of utmost concern is water. Future development is dependent upon ample and quality water. For water rights and augmentation purposes the City is seeking additional augmentation and water sources. The appointed Water Advisory Committee, utilizing the City's Raw Water Master Plan and Water Infrastructure Master Plan are essential in developing and managing Brush's most valuable natural resource. The City is also working on a feasibility study on a reverse osmosis system to treat other water sources for the City.

Skilled labor is readily available, especially due to the close proximity of Morgan Community College and Northeastern Junior College as well as the availability of long distance learning with Colorado universities.

Retail is not as prominent as the City of Brush would like as sales tax drives our General Fund. The 2013 sales tax revenues increased by \$103,216 (8%) from the prior year. City sales tax for 2014 increased \$18,522 (1.3%). Sales tax revenues have seen increased revenue over the last three years and there are still signs of economic growth in other areas. In 2014 there were several small unoccupied buildings in Brush renovated and reopened with new businesses. Renovation continues on a vacant building for a new cheese factory.

Long-term financial planning

The Council has set a budgetary and planning policy guideline to have enough cash reserves set aside at the end of each fiscal year to cover three to six months of expenditures for emergency purposes. When possible the targeted cash reserves are six months.

To better improve the City of Brush's downtown business area, the Council is currently working with the local Chamber of Commerce on a Main Street project which will improve the current storm drainage for the downtown businesses. The cost of this project would be approximately 1.5 million dollars. In 2006, thru a joint effort between the Chamber of Commerce and the City of Brush, a ballot issue was passed to increase sales tax by .6% for future street improvements throughout the City. These funds go into the Capital Improvement Fund and are utilized for street related projects only.

The new sales tax increase went into effect January 1, 2007. Citizens witnessed numerous improvements to streets and money is being reserved for future street improvements.

Major initiatives

The City of Brush recognizes the need for additional water supplies and at the same time understands the value of water conservation. In 2008 a tiered water billing system was initiated to help generate additional revenue and to help with water conservation.

Acknowledgements

The preparation of this report would not have been possible without the dedicated service of the finance department. Credit must also be given to the Mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Brush's finances.

Respectfully submitted,

Monty Torres
City Administrator

Joanne Gosselink
Finance Officer

City of Brush
List of Elected and Appointed Officials
December 31, 2014

Elected Officials

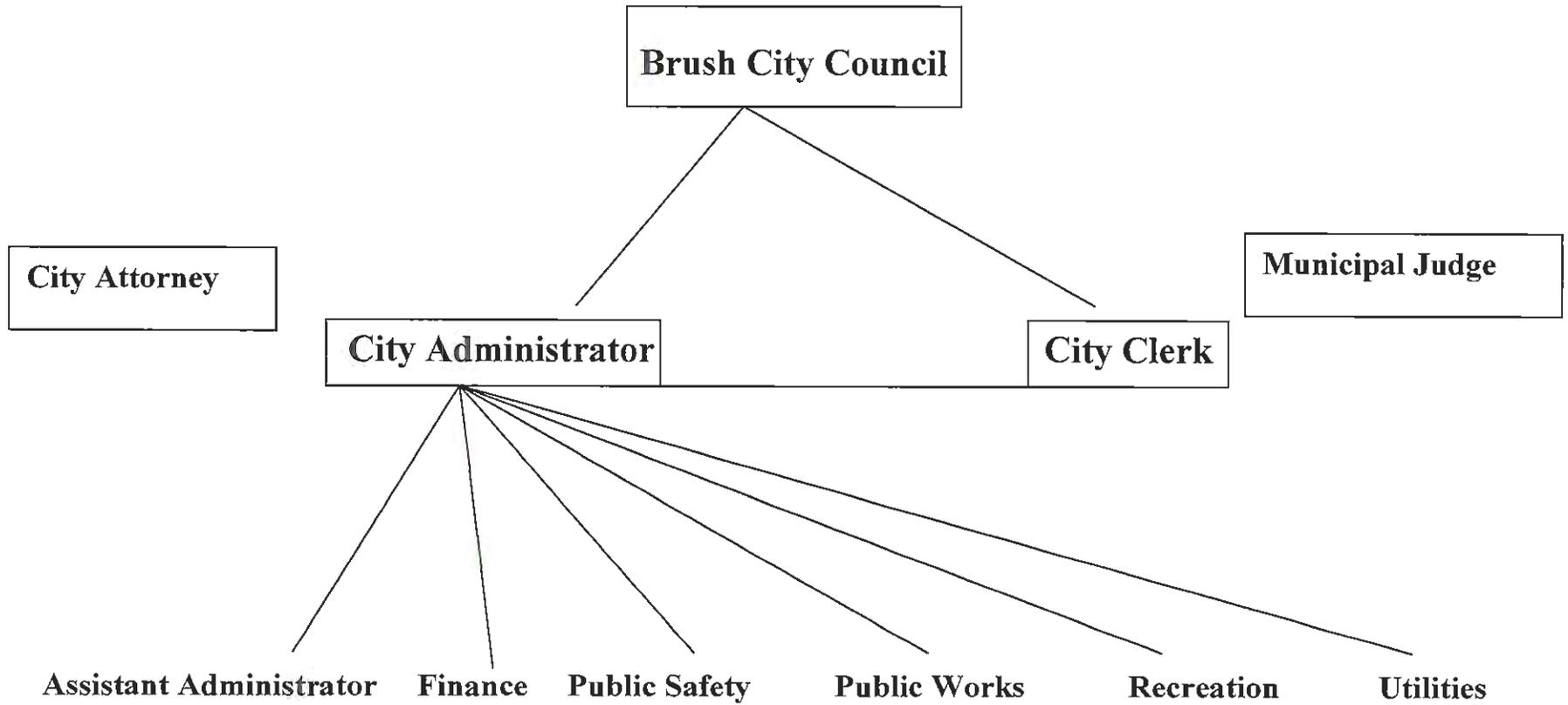
Mayor	Charles Schonberger
Council Member - Ward 1	Mark Smith
Council Member - Ward 1	Rick Bain
Council Member - Ward 2	Victoria Quinlin
Council Member - Ward 2	Kim Dykes
Council Member - Ward 3	Jeanine Anderson
Council Member - Ward 3	Heath Becker

Appointed Officials

City Administrator	Monty Torres
Assistant Administrator	Karen Schminke
City Clerk	Andrea Strand
Finance Director	Joanne Gosselink
Fire Chief	Tad Anderson
Parks and Recreation Director	Lance Schwindt
Police Chief	Mark Thomas
Public Works/Utilities Director	Dale Colerick

Functional Organizational Chart

Citizens of Brush!



FINANCIAL SECTION



Independent Auditors' Report

To the Honorable Mayor and Members of City Council
City of Brush
Brush, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brush (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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, each major fund, and the aggregate remaining fund information of the City as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis listed in the table of contents 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's basic financial statements. The other supplementary information and the local highway finance report listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates 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 other supplementary information and the local highway finance report is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
July 20, 2015

Management's Discussion and Analysis

As management of the City of Brush, we offer readers of the City of Brush financial statements this narrative overview and analysis of the financial activities of the City of Brush for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 2-4 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the City of Brush exceeded its liabilities at the close of the most recent fiscal year by \$24,137,501. Of this amount, \$7,489,012 may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of Brush's governmental funds reported combined ending fund balances of \$4,036,735 an increase of \$220,147 in comparison with the prior year. Of this amount \$2,365,871 is available for spending at the government's discretion (unreserved, unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,365,871 or 67 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Brush's basic financial statements. The City of Brush's basic financial statements comprise three components: 1) 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 Brush's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Brush assets and liabilities, with the difference between the two 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 of Brush is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (c.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Brush that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City of Brush include general government, public safety, streets, economic development, parks, and culture and recreation. The business-type activities of the City of Brush include water, trash and garbage, waste water, and storm water operations.

The government-wide financial statements have no component units reported in them. These financial statements can be found on pages 17-19 of this report.

Condensed financial statements for government wide statements are as follows:

City of Brush Net Position

	Governmental				Total	
	activities		Business-type activities		Primary Government	
	2014	2013	2014	2013	2014	2013
Current and other assets	4,903,523	4,514,221	3,959,488	4,966,921	8,863,011	9,481,142
Capital assets-net of accumulated depreciation	5,501,415	5,248,513	19,723,619	19,037,156	25,225,034	24,285,669
Total assets	<u>10,404,938</u>	<u>9,762,734</u>	<u>23,683,107</u>	<u>24,004,077</u>	<u>34,088,045</u>	<u>33,766,811</u>
Long-term liabilities	186,373	182,237	8,238,288	8,666,495	8,424,661	8,848,732
Other liabilities	201,815	55,463	659,095	655,747	860,910	711,210
Total liabilities	<u>388,188</u>	<u>237,700</u>	<u>8,897,383</u>	<u>9,322,242</u>	<u>9,285,571</u>	<u>9,559,942</u>
Deferred inflow of resources						
Deferred tax revenue	664,973	642,170			664,973	642,170
Net investment in						
Capital assets	5,501,415	5,248,513	11,147,014	10,031,455	16,648,429	15,279,958
Restricted	1,248,273	1,162,579	236,185	186,862	1,484,458	1,349,441
Unrestricted	2,602,089	2,471,772	3,402,525	4,463,528	6,004,614	6,935,300
Total net position	<u>9,351,777</u>	<u>8,882,864</u>	<u>14,785,724</u>	<u>14,681,835</u>	<u>24,137,501</u>	<u>23,564,699</u>

City of Brush Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total Primary Government</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues						
Program revenues						
Charges for services	\$ 664,306	\$ 687,956	\$ 3,189,295	\$ 3,188,112	\$ 3,853,601	\$ 3,876,068
Capital grants	341,534	181,490	-	42,700	341,534	224,190
General revenues						
Property taxes	630,340	627,149			630,340	627,149
Other	2,625,424	2,553,072	436,157	291,183	3,061,581	2,844,255
Total revenues	<u>4,261,604</u>	<u>4,049,667</u>	<u>3,625,452</u>	<u>3,521,995</u>	<u>7,887,056</u>	<u>7,571,662</u>
Program expenses						
General government	900,416	842,926			900,416	842,926
Public safety	987,518	1,097,469			987,518	1,097,469
Public works	1,204,852	1,095,035			1,204,852	1,095,035
Culture & recreation	763,445	669,293			763,445	669,293
Water			1,080,245	966,275	1,080,245	966,275
Trash & garbage			433,550	435,459	433,550	435,459
Waste water			1,749,903	1,421,848	1,749,903	1,421,848
Storm water			206,686	173,058	206,686	173,058
Total expenses	<u>3,856,231</u>	<u>3,704,723</u>	<u>3,470,384</u>	<u>2,996,640</u>	<u>7,326,615</u>	<u>6,701,363</u>
Excess (deficiency)						
before transfers	405,373	344,944	155,068	525,355	560,441	870,299
Transfers	63,540	62,790	(63,540)	(62,790)		
Increase (decrease) in net assets	<u>468,913</u>	<u>407,734</u>	<u>91,528</u>	<u>462,565</u>	<u>560,441</u>	<u>870,299</u>
Net Position - beginning of year as previously reported	8,882,864	8,475,130	14,681,835	14,219,270	23,564,699	22,694,400
Prior period adjustment			12,361		12,361	
Net Position -beginning of year as restated	<u>8,882,864</u>	<u>8,475,130</u>	<u>14,694,196</u>	<u>14,219,270</u>	<u>23,577,060</u>	<u>22,694,400</u>
Net position - ending	<u>\$ 9,351,777</u>	<u>\$ 8,882,864</u>	<u>\$ 14,785,724</u>	<u>\$ 14,681,835</u>	<u>\$ 24,137,501</u>	<u>\$ 23,564,699</u>

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Brush, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Brush can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Brush maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be the only major governmental fund. Data from the other 11 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Brush adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided on pages 48-54 for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20-22 of this report.

Proprietary funds. The City of Brush maintains four enterprise funds classified as proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Brush uses enterprise funds to account for its Water, Trash and Garbage, Waste Water, and Storm Water operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Trash and Garbage, Waste Water and Storm Water operations, all of which are considered to be major funds of the City of Brush.

The basic proprietary fund financial statements can be found on pages 23-26 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-47 of the report.

Other information. Included in the basic financial statements and accompanying notes, this report presents information concerning the City of Brush's progress in funding its obligation to provide pension benefits to its employees. The information can be found in note 8 on pages 43-44 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the general fund supplemental information. Combining and individual nonmajor fund statements and schedules can be found on pages 55-63 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Brush, assets exceeded liabilities by \$24,137,501 at the close of 2014.

Capital assets reflect 74 percent of the City of Brush's total assets (e.g., land, buildings, machinery, and equipment). The City of Brush uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Brush's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Six percent of the City of Brush's net position represents resources that are subject to external restrictions on how they may be used. There is \$6,004,614 of unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Brush is able to report positive balances in all categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

Governmental activities. Governmental activities increased the City of Brush's net position by \$468,913, thereby accounting for 84 percent of the total growth in the net position of the City of Brush.

Business-type activities. Business-type activities increased the City of Brush's net position by \$91,528. The increase to net position is 16 percent of the increase.

Financial Analysis of the Government's Funds

As noted earlier the City of Brush uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Brush's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Brush's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Brush's governmental funds reported combined ending fund balances of \$4,036,735, an increase of \$220,147 in comparison with the prior year. Approximately 59 percent of this total amount (\$2,357,871) constitutes unreserved, undesignated fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed for a variety of restricted purposes.

The general fund is the chief operating fund of the City of Brush. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$2,365,871, while total fund balance reached \$2,834,198. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 67 percent of total general fund expenditures, while total fund balance represents 83 percent of that same amount.

Proprietary funds. The City of Brush's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to \$3,402,525. The total change in net position for the Water, Trash and Garbage, Waste Water, and Storm Water funds was \$83,236, \$3,700, \$(98,797) and \$103,389, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Brush's business-type activities.

General Fund Budgetary Highlights

During the year actual revenues were more than budgeted revenues by \$295,466 of which \$127,326 can be attributed to taxes. During the year actual expenditures were less than budgeted expenditures by \$658,564. The savings is mostly in personnel.

Capital Assets and Debt Administration

Capital assets. The City of Brush's investments in capital assets for its governmental and business-type activities as of December 31, 2014, amounts to \$25,225,034 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, and streets.

Major capital asset events during the current fiscal year were for equipment purchases.

Additional information on the City of Brush's capital assets can be found in Note 3 on pages 37-38 of this report.

Long-term debt. At the end of the current fiscal year, the City of Brush had total bonded debt outstanding of \$8,161,605. This debt is paid with waste water revenues.

There was \$410,000 in principal paid on the waste water treatment plant loan which was secured thru the Colorado Water & Power Authority.

Additional information on the City of Brush's long-term debt can be found in Notes 4, and 5 on page 39-40 of this report.

Economic Factors and Next Year's Budget and Rates.

The City of Brush continues to see growth in the business area. There was a 2 percent increase in sales tax for 2014, with no increase projected for 2015. In 2014 property taxes for the City of Brush were unchanged.

During the current fiscal year, unreserved, undesignated fund balance in the general fund increased by \$8,823. The City of Brush has appropriated \$722,800 of fund balances for spending in the 2015 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2015 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Brush's finances for all those with interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Officer, 600 Edison St., City of Brush, Brush, CO 80723.

CITY OF BRUSH, COLORADO

STATEMENT OF NET POSITION

December 31, 2014

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and investments (Notes 1 & 2)	\$ 3,577,522	\$ 3,559,887	\$ 7,137,409
Cash on deposit with Morgan County Treasurer (Notes 1 & 2)	4,681		4,681
Receivables (Note 1)			
Accrued interest	1,795	1,734	3,529
Accounts receivable	202,071	323,862	525,933
Sales tax receivable	274,869		274,869
Highway users tax receivable	10,726		10,726
General property taxes receivable	664,973		664,973
Other receivables		16,862	16,862
Inventory (Note 1)	36,886	57,143	94,029
Total Current Assets	4,773,523	3,959,488	8,733,011
Noncurrent Assets			
Capital Assets (Notes 1 & 3)			
Land	492,622	1,812,635	2,305,257
Property and equipment	9,174,951	22,728,027	31,902,978
Water rights stock		972,555	972,555
Less: accumulated depreciation	(4,166,158)	(5,789,598)	(9,955,756)
Total Capital Assets	5,501,415	19,723,619	25,225,034
Total Assets	10,274,938	23,683,107	33,958,045
Liabilities			
Current Liabilities			
Accounts payable	\$ 58,459	\$ 68,982	\$ 127,441
Police bond account	4,130		4,130
Due to other agencies	4,936	534	5,470
Payroll taxes withheld and accrued	4,290	358	4,648
Accrued interest expense		91,421	91,421
Unearned lease revenues		82,800	82,800
Current portion of notes payable (Notes 4 & 5)		415,000	415,000
Total Current Liabilities	71,815	659,095	730,910
Long-Term Liabilities			
Accrued compensated absences (Notes 1 & 5)	186,373	76,683	263,056
Notes payable (Notes 4 & 5)		8,161,605	8,161,605
Total Long-Term Liabilities	186,373	8,238,288	8,424,661
Total Liabilities	258,188	8,897,383	9,155,571
Deferred inflow of resources			
Deferred tax revenues	664,973		664,973
Net Position (Notes 1 & 6)			
Net investment in capital assets	5,501,415	11,147,014	16,648,429
Restricted:			
Restricted for performance bond	88,756		88,756
Restricted for Tricentennial celebration	3,096		3,096
Restricted for emergency	123,575		123,575
Restricted for park improvements and maintenance	92,637		92,637
Restricted for police equipment	13,117		13,117
Restricted for street improvements	711,127		711,127
Restricted for fire equipment	218,739		218,739
Restricted for debt service		236,185	236,185
Unrestricted	2,599,315	3,402,525	6,001,840
Total Net Position	\$ 9,351,777	\$ 14,785,724	\$ 24,137,501

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-Type Activities		
Functions/Programs							
Governmental Activities							
General Government	\$ 900,416	\$ 21,531		\$ (878,885)			\$ (878,885)
Public Safety	987,518	70,890	\$ 18,448	(898,180)			(898,180)
Public Works	1,204,852	382,015	95,342	(727,495)			(727,495)
Culture and recreation	763,445	189,870	227,744	(345,831)			(345,831)
Total Governmental Activities	3,856,231	664,306	341,534	(2,850,391)			(2,850,391)
Business-Type Activities							
Water	1,080,245	896,206			\$ (184,039)		(184,039)
Trash and Garbage	433,550	446,452			12,902		12,902
Waste Water	1,749,903	1,534,081			(215,822)		(215,822)
Storm Water	206,686	312,556			105,870		105,870
Total Business-Type Activities	3,470,384	3,189,295			(281,089)		(281,089)
Total Primary Government	\$ 7,326,615	\$ 3,853,601	\$ -	\$ 341,534	(2,850,391)	(281,089)	(3,131,480)

CITY OF BRUSH, COLORADO

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

General Revenues			
Taxes			
Local property	630,340		630,340
Specific ownership	88,493		88,493
Franchise	257,768		257,768
Sales	1,681,089		1,681,089
Cigarette	6,177		6,177
Other revenues	578,631	427,162	1,005,793
Investment earnings	7,346	8,995	16,341
Sale of property	5,920		5,920
Transfers	63,540	(63,540)	
	<u>3,319,304</u>	<u>372,617</u>	<u>3,691,921</u>
Total General Revenues			
Change in Net Position	<u>468,913</u>	<u>91,528</u>	<u>560,441</u>
Net Position at Beginning of Year, as previously reported	8,882,864	14,681,835	23,564,699
Prior period adjustment		<u>12,361</u>	<u>12,361</u>
Net position at beginning of year, as restated	<u>8,882,864</u>	<u>14,694,196</u>	<u>23,577,060</u>
Net Position at End of Year	<u>\$ 9,351,777</u>	<u>\$ 14,785,724</u>	<u>\$ 24,137,501</u>

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	General Fund	Other Governmental Funds	Total Governmental Funds
Assets			
Cash (Notes 1 & 2)	\$ 375,541	\$ 164,165	\$ 539,706
Investments (Notes 1 & 2)	2,038,505	995,181	3,033,686
Police bond cash (Notes 1 & 2)	4,130		4,130
Cash on deposit with Morgan County Treasurer (Notes 1 & 2)	4,681		4,681
Accrued interest revenue	1,182	613	1,795
Accounts receivable (Note 1)	69,424	132,647	202,071
General property taxes receivable	622,515	42,458	664,973
Sales tax receivable	229,058	45,811	274,869
Highway users tax receivable	10,726		10,726
Due from other funds	130,000		130,000
Inventory	36,886		36,886
Total Assets	<u>\$ 3,522,648</u>	<u>\$ 1,380,875</u>	<u>\$ 4,903,523</u>
Liabilities			
Accounts payable	\$ 52,579	\$ 5,880	\$ 58,459
Police bond account	4,130		4,130
Due to other funds		130,000	130,000
Due to other agencies	4,936		4,936
Payroll taxes withheld and accrued	4,290		4,290
Total Liabilities	65,935	135,880	201,815
Deferred inflow of resources			
Deferred tax revenue	622,515	42,458	664,973
Fund Equity			
Fund Balance (Notes 1 & 6)			
Nonspendable for inventory	36,886		36,886
Restricted for performance bond	88,756		88,756
Restricted for Tricentennial celebration	3,096		3,096
Restricted for emergency		123,575	123,575
Restricted for park improvements and maintenance		92,637	92,637
Restricted for police equipment		13,117	13,117
Restricted for street improvements		711,127	711,127
Restricted for fire equipment		218,739	218,739
Committed for park improvements		28,303	28,303
Committed for cemetery maintenance		11,997	11,997
Committed for emergency		3,042	3,042
Committed for main street improvements	7,779		7,779
Assigned for community enhancement	213,138		213,138
Assigned for general equipment	118,672		118,672
Unassigned	2,365,871		2,365,871
Total Fund Equity	<u>2,834,198</u>	<u>1,202,537</u>	<u>4,036,735</u>
Total Liabilities, Deferred Inflow of Resources and Fund Equity	<u>\$ 3,522,648</u>	<u>\$ 1,380,875</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. (Note 3)	5,501,415
Long-term liabilities including accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.	<u>(186,373)</u>
Net Position of Governmental Activities	<u>\$ 9,351,777</u>

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 For the Year Ended December 31, 2014

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 2,337,264	\$ 326,603	\$ 2,663,867
Licenses and permits	36,392		36,392
Intergovernmental revenue	340,854	184,214	525,068
Charges for services	229,035	14,436	243,471
Fines and forfeits	48,264	214	48,478
Miscellaneous	691,267	47,141	738,408
Total Revenues	3,683,076	572,608	4,255,684
Expenditures			
General government	894,138		894,138
Public safety	884,241		884,241
Public works	840,516	134,744	975,260
Culture and recreation	659,126	19,257	678,383
Capital Outlay	268,460	404,515	672,975
Total Expenditures	3,546,481	558,516	4,104,997
Revenues in Excess of Expenditures	136,595	14,092	150,687
Other Financing Sources (Uses)			
Sale of property	5,920		5,920
Transfer in	66,444	30,500	96,944
Transfer out	(30,500)	(2,904)	(33,404)
Total Other Financing Sources (Uses)	41,864	27,596	69,460
Net change in fund balances	178,459	41,688	220,147
Fund Balance - Beginning of year	2,655,739	1,160,849	3,816,588
Fund Balance - End of year	<u>\$ 2,834,198</u>	<u>\$ 1,202,537</u>	<u>\$ 4,036,735</u>

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

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

Net change in fund balances of governmental funds \$ 220,147

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation expense	\$ (420,073)	
Capital outlays	<u>672,975</u>	252,902

In the statement of activities, certain operating expenses such as accrued compensated absences, are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid or accrued short term). This amount represents the net effect of long-term accrued compensated absences on the statement of activities.

(4,136)

Change in net position of governmental activities

\$ 468,913

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
December 31, 2014

	Business-Type Activities Enterprise Funds				Total
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund	
ASSETS					
Current Assets (Note 1 & 2)					
Cash (Notes 1 & 2)	\$78,698	\$37,324	\$57,439	\$114,741	\$288,202
Investments (Notes 1 & 2)	980,320	200,000	1,641,183	450,182	3,271,685
Accrued interest revenue	440	113	1,034	147	1,734
Accounts receivable (Note 1)	319,723	1,929	498	1,712	323,862
Other receivables	16,862				16,862
Inventory (Note 1)	37,582	19,561			57,143
Total Current Assets	<u>1,433,625</u>	<u>258,927</u>	<u>1,700,154</u>	<u>566,782</u>	<u>3,959,488</u>
Property, Plant and Equipment (Note 1 & 3)					
Land	1,091,760	1,475	719,400		1,812,635
Buildings and improvements	170,477				170,477
Water system	6,493,279				6,493,279
Waste water plant and sewer system			13,494,345		13,494,345
Equipment	590,697	359,967	430,603	1,061,373	2,442,640
Office equipment	127,286				127,286
Water rights stock	972,555				972,555
Subtotal	<u>9,446,054</u>	<u>361,442</u>	<u>14,644,348</u>	<u>1,061,373</u>	<u>25,513,217</u>
Less accumulated depreciation	<u>(3,739,069)</u>	<u>(294,407)</u>	<u>(1,495,517)</u>	<u>(260,605)</u>	<u>(5,789,598)</u>
Property, Plant and Equipment - Net	<u>5,706,985</u>	<u>67,035</u>	<u>13,148,831</u>	<u>800,768</u>	<u>19,723,619</u>
Total Assets	<u>\$ 7,140,610</u>	<u>\$ 325,962</u>	<u>\$ 14,848,985</u>	<u>\$ 1,367,550</u>	<u>\$ 23,683,107</u>

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS (Cont.)
December 31, 2014

	Business-Type Activities Enterprise Funds				Total
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund	
LIABILITIES AND NET POSITION					
Current Liabilities					
Accounts payable	\$ 17,344	\$ 7,925	\$ 42,435	\$ 1,278	\$ 68,982
Accrued interest payable			91,421		91,421
Due to other entity			534		534
Payroll taxes withheld and accrued	35	98	225		358
Unearned lease revenues	82,800				82,800
Note payable (Notes 4 & 5)			415,000		415,000
Total Current Liabilities	100,179	8,023	549,615	1,278	659,095
Long-Term Liabilities					
Accrued compensated absences (Note 5)	46,665	16,731	4,606	8,681	76,683
Notes payable (Notes 4 & 5)			8,161,605		8,161,605
Total Long-Term Liabilities	46,665	16,731	8,166,211	8,681	8,238,288
Total Liabilities	146,844	24,754	8,715,826	9,959	8,897,383
Net Position (Note 6)					
Net investment in capital assets	5,706,985	67,035	4,572,226	800,768	11,147,014
Restricted for debt service (Note 4)			236,185		236,185
Unrestricted	1,286,781	234,173	1,324,748	556,823	3,402,525
Total Net position	<u>\$ 6,993,766</u>	<u>\$ 301,208</u>	<u>\$ 6,133,159</u>	<u>\$ 1,357,591</u>	<u>\$ 14,785,724</u>

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Business-Type Activities- Enterprise Funds				Total
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund	
Operating Revenue					
Services	\$ 859,004	\$ 427,526	\$ 1,504,891	\$ 309,026	\$ 3,100,447
Sale of trash bags		139			139
Sale of trash cans		7,700			7,700
Administrative fees	27,956		75		28,031
Storm water maintenance assessment				3,159	3,159
Miscellaneous	9,246	11,087	29,115	371	49,819
Total Operating Revenue	896,206	446,452	1,534,081	312,556	3,189,295
Operating Expense					
Cost of sales and services	623,359	331,473	589,495	119,469	1,663,796
Administration	197,248	82,808	355,246	34,581	669,883
Depreciation	220,702	19,269	297,729	52,636	590,336
Total Operating Expense	1,041,309	433,550	1,242,470	206,686	2,924,015
Income (Loss)	(145,103)	12,902	291,611	105,870	265,280
Nonoperating Revenue (Expense)					
Interest on investments	3,670	338	4,203	784	8,995
Joint venture	122,078				122,078
Rental income			4,000		4,000
Farm income	21,144		6,888		28,032
Plant investment fee			105,000		105,000
Water rights and credit leases	4,324				4,324
Capacity and development fees	131,099		29,029		160,128
County improvements			(300,000)		(300,000)
DOW lease	3,600				3,600
Water conservation	(38,662)				(38,662)
Farm expense	(274)		(8,824)		(9,098)
Interest expense (Note 5)			(198,609)		(198,609)
Total Nonoperating Revenue (Expense)	246,979	338	(358,313)	784	(110,212)
Income (Loss) before transfers out	101,876	13,240	(66,702)	106,654	155,068
Transfer out	(18,640)	(9,540)	(32,095)	(3,265)	(63,540)
Change in net position	83,236	3,700	(98,797)	103,389	91,528
Net Position at beginning of year, as previously reported	6,910,530	285,147	6,231,956	1,254,202	14,681,835
Prior period adjustment		12,361			12,361
Net position at beginning of year, as restated	6,910,530	297,508	6,231,956	1,254,202	14,694,196
Net Position - End of year	\$ 6,993,766	\$ 301,208	\$ 6,133,159	\$ 1,357,591	\$ 14,785,724

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2014

	Business - Type Activities Enterprise Funds				Total
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund	
Cash flows from operating activities:					
Cash receipts from customers	\$ 909,916	\$ 446,201	\$ 1,544,585	\$ 313,513	\$ 3,214,215
Cash payments to suppliers for goods and services	(507,554)	(218,417)	(723,954)	(102,120)	(1,552,045)
Cash payments to employees for services	(308,200)	(203,179)	(216,063)	(51,106)	(778,548)
Net cash provided by operating activities	94,162	24,605	604,568	160,287	883,622
Cash flows from noncapital financing activities:					
Special assessments					(38,662)
Water conservation	(38,662)				(38,662)
Transfers	(18,640)	(9,540)	(32,095)	(3,265)	(63,540)
Net cash used by noncapital financing activities	(57,302)	(9,540)	(32,095)	(3,265)	(102,202)
Cash flows from capital and related financing activities:					
Additions to capital assets	(459,670)	(21,897)	(795,252)		(1,276,819)
Principal paid on debt			(410,000)		(410,000)
Interest paid on debt			(218,708)		(218,708)
Community donations	122,078				122,078
Plant investment fee			105,000		105,000
Capacity and development fee principal collections	131,099		29,095		160,194
Water rights and credit leases	4,324				4,324
County improvements			(300,000)		(300,000)
Net cash used by capital and related financing activities	(202,169)	(21,897)	(1,589,865)	0	(1,813,931)
Cash flows from investing activities:					
Farm income/(loss) - net	20,870		2,064		22,934
Interest received on investments	4,161	302	5,214	860	10,537
Net cash provided by investing activities	25,031	302	7,278	860	33,471
Net increase (decrease) in cash and cash equivalents	(140,278)	(6,530)	(1,010,114)	157,882	(999,040)
Cash & cash equivalents - beginning of year	1,199,296	243,854	2,708,736	407,041	4,558,927
Cash & cash equivalents - end of year	\$ 1,059,018	\$ 237,324	\$ 1,698,622	\$ 564,923	\$ 3,559,887
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating Income (Loss)	\$ (145,103)	\$ 12,902	\$ 291,611	\$ 105,870	\$ 265,280
Adjustment to reconcile operating income to net cash provided by operating activities:					
Depreciation	220,702	19,269	297,729	52,636	590,336
Changes in assets and liabilities					
Decrease (Increase) in accounts receivable	(1,885)	(251)	10,504	957	9,325
Decrease (Increase) in inventory	953	(6,660)			(5,707)
Decrease (Increase) in other receivables	15,594				15,594
Increase (Decrease) in accounts payable	(3,636)	(2,557)	8,710	164	2,681
Increase (Decrease) in other liabilities	7,537	1,902	(3,986)	660	6,113
Total Adjustments	239,265	11,703	312,957	54,417	618,342
Net cash provided by operating activities	\$ 94,162	\$ 24,605	\$ 604,568	\$ 160,287	\$ 883,622

The accompanying notes are an integral part of these statements.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Brush, Colorado have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the City's financial statements.

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the City of Brush, Colorado (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's financial statements to be misleading or incomplete. Based on the foregoing criteria, there are no component units included in the accompanying financial statements.

B. Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally 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.

Government-wide financial statements report information about the reporting government as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or business-type activity. 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 business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business type activity. Taxes and other items not included among program revenues are reported instead as general revenues.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basic Financial Statements (continued)

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified as governmental, proprietary, and fiduciary. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column in the financial section of the basic financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. The City has collected nearly 100% of all property taxes at December 31. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible 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 after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has no items that qualify for reporting in this category.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category. Accordingly, the item deferred tax revenues, is reported on both the statement of net position and the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period for which they are levied and that the amounts become available.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund

This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

The City reports the following major proprietary funds:

Water Fund

This fund was established to account for the operation of a City-owned and operated public water system.

Waste Water Fund

This fund was established to account for the operation of a City-owned and operated public sewer system.

Trash and Garbage Fund

This fund was established to provide for separate accountability of fees derived from the City-operated public trash system.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Storm Water Fund

This fund was established to provide for separate accountability of fees derived for the use of street and storm sewer cleaning.

Additionally, the City reports the following funds:

Grant Fund

This fund was established to account for the activity of federal and state grants.

Special Surplus and Deficiency Fund

This fund presently accounts for the emergency reserves required under the Tabor amendment (Note 7).

Conservation Trust Fund

This fund was established by the City to provide for an accounting of those funds received through the State of Colorado Lottery Fund Program. The State requires that these funds be expended in the areas of parks and recreation development.

Police Forfeiture and Confiscation Fund

This fund is used to account for monies collected from the sale of evidence seized by the police department (Note 7).

Capital Improvement Fund

This fund accounts for capital outlay acquisitions of the governmental fund types.

Fire Equipment Improvement Fund

This fund accounts for the acquisition of fire equipment and building improvements.

Cemetery Perpetual Care Fund

This fund is established to accumulate funds for the perpetual care and maintenance of the City's cemetery grounds. Current Council resolutions also allow capital purchases in this fund.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Joslin-Needham Fund

This fund is established to provide for separate accountability of monies contributed to the City by the Joslin-Needham Family Foundation earmarked for particular projects.

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

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements

D. Budgets

Annually appropriated budgets were adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles except for depreciation, debt service, and capital outlay. All governmental funds and proprietary funds are budgeted on the modified accrual basis of accounting. All appropriations lapse at year end. In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Colorado statutes provide the following timetable which is followed in the adoption of the budgets:

- (1) Submission of the proposed budget to the local governing body by October 15 of each year.
- (2) Certification of mill levies to the Board of County Commissioners by December 15.
- (3) Final adoption of budget and appropriations by December 31 of each year.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budgets (continued)

- (4) Property taxes are due by April 30 of each year if paid in full, or in two installments due February 28 and June 15 of each year.
- (5) Liens are placed on property for which taxes are delinquent in November of each year.

The actual results of operations are presented in accordance with generally accepted accounting principles, which differ in certain respects from those practices used in the preparation of the 2014 budget (Note 7). For purposes of preparing the Schedule of Revenues and Expenditures - Budget and Actual, the actual results of operations have been adjusted to a basis consistent with the City's budgeted revenues and expenditures.

E. Cash and Investments

For purposes of the statement of cash flows, the enterprise funds consider cash on hand, demand deposits, and short-term investments with an original maturity of three months or less to be cash and cash equivalents (Note 2).

F. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term interfund loans are classified as "due to/from other funds." All short-term interfund receivables and payables at year end are planned to be eliminated in the subsequent year. Long-term interfund loans are classified as "interfund note receivable/payable." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014 are recorded as prepaid items for enterprise funds.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Encumbrances

The City does not utilize encumbrance accounting.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, street lights, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation.

The costs of normal maintenance and repairs that do not add to the value or capacity of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statements of Net Assets. A composite depreciation rate is used for infrastructure assets. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	25-50 years
Improvements Other than Buildings	15-50 years
Water Distribution System	10-50 years
Sewer Collection System	10-50 years
Machinery and Equipment	5-20 years
Vehicles	5-15 years
Infrastructure	20-80 years

K. Compensated Absences

Accumulated vacation leave is reported as a liability for all leave related to past employee service for which payment to the employee is considered probable. Vested vacation and sick pay benefits are accrued when incurred. A liability for unused sick leave benefits is accrued only if the employees are eligible or it is probable that the employee will be compensated for the benefits through cash payments upon termination or retirement. The sick leave liability is estimated based on the City's assumptions concerning the probability for making payments for sick leave and its vested payment policy (vesting method).

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Compensated Absences (continued)

Accumulated vacation leave and payments for sick leave that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay the benefit. Accumulated vacation leave and sick leave termination payments for proprietary fund types are recorded as fund liabilities.

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 in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

M. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditure/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers (Note 12).

N. Net Position

Net Position comprise the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net position is classified in the following three components:

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Net Position (continued)

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that do not meet the definition of “restricted” or “net investment in capital assets.”

O. Fund Balance Classifications

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

Nonspendable, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the city council (the City’s highest level of decision-making authority),

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Fund Balance Classifications (continued)

Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the city council through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

When both restricted and unrestricted resources are available in governmental funds, the City applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

P. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

Note 2: DEPOSITS AND INVESTMENTS

Cash and Deposits

Colorado State statutes govern the City's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be returned to it. The City does not have deposit policy for custodial credit risk. As of year-end, the City had total deposits of \$6,683,413, of which \$750,000 was insured and \$5,933,413 was collateralized with securities held by the pledging institution's trust department or agent in the City's name.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 2: DEPOSITS AND INVESTMENTS (continued)

At year-end, the City had the following investments:

Investment type	Fair Value	Investment maturities (in years)		
		Less than 1	1-5	6-10
Investment in certificate of deposits	\$ 5,303,979	\$ 5,303,979	\$	\$
Investment in CSAFE	1,001,392	1,001,392		
Totals	<u>\$ 6,305,371</u>	<u>\$ 6,305,371</u>	<u>\$</u>	<u>\$</u>

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least on nationally recognized rating agency at the time of purchase. The City has no investment policy that would further limit its investment choices. At year-end, the City's investment in CSAFE was rate AAAM by Standard and Poor's and AAA by Moody's rating services.

Note 3: CAPITAL ASSETS

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

Governmental Activities		
General Government		\$ 9,126
Public Safety		96,975
Public Works		233,202
Culture and Recreation		80,770
Total Governmental Activities		<u>\$ 420,073</u>
Business-type Activities		
Water		\$ 220,702
Trash and Garbage		19,269
Waste Water		297,729
Storm Water		52,636
Total Business-type Activities		<u>\$ 590,336</u>

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 3: CAPITAL ASSETS (continued)

Capital asset activity for the year ended December 31, 2014, was as follows:

	Balance December 31, 2013	Additions and Adjustments	Deletions and Adjustments	Balance December 31, 2014
<u>Governmental Activities</u>				
Non-depreciable assets:				
Land	\$ 492,622			\$ 492,622
Depreciable assets:				
Buildings	1,645,583	\$ 50,999		1,696,582
Equipment	2,200,096	64,840	\$ (11,438)	2,253,498
Vehicles	1,065,849	104,320	(72,617)	1,097,552
Infrastructure	3,297,750	95,459		3,393,209
Land improvements	358,018	357,357		715,375
Other	18,735			18,735
Less Accumulated Depreciation	(3,830,140)	(420,073)	84,055	(4,166,158)
Net Depreciable Capital Assets	4,755,891	252,902	-	5,008,793
Total Governmental Activities	\$ 5,248,513	\$ 252,902	\$ -	\$ 5,501,415
<u>Business-Type Activities</u>				
Non-depreciable assets:				
Land	\$ 827,690	984,945		\$ 1,812,635
Water right stocks	972,555			972,555
Total non-depreciable assets	1,800,245	984,945		2,785,190
Buildings	161,321	9,156		170,477
Equipment	2,583,913	21,896		2,605,809
Systems	19,690,938	260,802		19,951,740
Less Accumulated Depreciation	(5,199,261)	(590,336)		(5,789,597)
Net Depreciable Capital Assets	17,236,911	(298,482)		16,938,429
Total Business-Type Activities	\$ 19,037,156	\$ 686,463	\$ -	\$ 19,723,619

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 4: BONDS/NOTES PAYABLE

Business-Type Activities

Waste Water Fund - Note

During 2010 the City received a \$9,465,000 loan from the Colorado Water Resources and Power Development Authority. Details of the note are as follows:

<u>REPAYMENT DATE</u>	<u>PRINCIPAL BALANCE</u>	<u>INTEREST AND FEES</u>	<u>TOTAL LOAN REPAYMENT</u>
2015	415,000.00	212,742.91	627,742.91
2016	425,000.00	203,466.17	628,466.17
2017	430,000.00	199,238.95	629,238.95
2018	435,000.00	191,727.53	626,727.53
2019	445,000.00	180,702.71	625,702.71
2020	455,000.00	170,243.61	625,243.61
2021	465,000.00	160,193.75	625,193.75
2022	475,000.00	150,054.71	625,054.71
2023	485,000.00	144,985.71	629,985.71
2024	485,000.00	140,290.71	625,290.71
2025	490,000.00	135,401.52	625,401.52
2026	500,000.00	126,556.04	626,556.04
2027	510,000.00	117,919.44	627,919.44
2028	520,000.00	109,471.18	629,471.18
2029	545,000.00	82,295.44	627,295.44
2030	575,000.00	55,031.96	630,031.96
2031	600,000.00	27,594.72	627,594.72
	<u>\$ 8,255,000.00</u>	<u>\$ 2,407,917.06</u>	<u>\$ 10,662,917.06</u>

Interest is payable semi-annually on February 1, and August 1 beginning February 1, 2011.

The City may prepay the loan repayments, in whole or in part (but if in part, in the amount of \$100,000 or any integral multiple of \$100,000) upon prior written notice of not less than ninety days.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 4: BONDS/NOTES PAYABLE (continued)

The loan agreement with Colorado Water Resources and Power Development Authority contains several covenants including the establishment and maintenance of an operations and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses. The City has restricted \$236,185 of net position in satisfaction of the three month renewal and maintenance reserve requirement at year-end. The City must also maintain waste water rates, fees and other charges that will cover operation and maintenance expenses and at least 110% of debt services for the calendar year. The City not met this requirement for the year ended December 31, 2014.

Note 5: CHANGES IN LONG-TERM DEBT

The following is a summary of changes in the City's long-term debt for the year ended December 31, 2014:

	Balance December 31, 2013	Additions	Retirements	Balance December 31, 2014	Due Within One Year
Governmental activities					
Compensated absences payable	\$ 182,237	\$ 4,136		\$ 186,373	
Business-type activities					
Compensated absences payable	\$ 70,784	\$ 5,899		\$ 76,683	
Premium on notes payable	340,711		\$ 19,106	321,605	
Notes payable	8,665,000		410,000	8,255,000	415,000
Total Business-type activities	\$ 9,076,495	\$ 5,899	\$ 429,106	\$ 8,653,288	\$ 415,000

For the governmental activities, compensated absences are generally liquidated by the general fund. The total amount of interest cost incurred and expensed was \$198,609.

Note 6: COMMITMENTS AND CONTINGENCIES

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts. In November 2000, the City's electorate approved a resolution to permit the City to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatever, without limitation, in 2000 and all subsequent years, notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution, provided however, that no local tax rate or property mill levy shall be increased at any time, nor shall any new tax be imposed, without the prior consent of voters of the City.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 6: COMMITMENTS AND CONTINGENCIES (continued)

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

The City has made the following fund balance restriction as a result of Article X, Section 20 (TABOR) of the Colorado Constitution.

Emergency Reserve

The Article requires an emergency reserve be set aside for 2014 in the amount of 3% or more of its fiscal year spending. At December 31, 2014, the City has restricted fund balance of \$123,575 in the Special Surplus and Deficiency Fund for emergencies. The City believes it is in compliance with the provisions of the TABOR Amendment.

In addition, the General Fund ending fund balance is restricted in the amount of \$3,096 for funds held on behalf of the City of Brush Bi-Centennial Committee.

The City has received a settlement payment from a performance bond provided by a developer in the Rosewood Subdivision. The settlement payment is to be used for the completion/development of the subdivision. At December 31, 2014 the balance of the funds earmarked for the subdivision was \$88,756.

The City presently levies a three and six-tenths percent (3.6%) sales tax. The sales tax is collected by the Colorado Department of Revenue and remitted to the City in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax approximately one month after collection by the vendors. The citizens of Brush passed a ballot initiative for an increase of sales tax in November of 2006, increasing the sales tax rate by six-tenths of a percent from the previous three percent. The 2007 increase is specifically for street maintenance, improvements, and other related municipal purposes. The money is to be deposited in the capital improvement fund. All amounts not spent at year-end are restricted for the purposes designated by the legislation. At December 31, 2014 the amount of fund balance restricted for street maintenance was \$711,127. This amount is restricted by enabling legislation.

The City receives monies from the State under the Colorado lottery program to be spent for park and recreation purposes only. At December 31, 2014 the amount of fund balance restricted for park maintenance and improvements was \$92,637.

The City has received fund from drug related court cases which the police department has been involved in. By state statute, expense is to be used for police equipment replacement. At December 31, 2014 the amount of fund balance restricted for park maintenance and improvements was \$13,117.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 6: COMMITMENTS AND CONTINGENCIES (continued)

The City has established a separate mill levy for the sole purpose of creating a financing mechanism for the purchase of fire fighting vehicles and related safety equipment. At December 31, 2014, the amount of fund balance restricted for fire equipment was \$218,739.

Note 7: BUDGETARY DATA

The actual results of operations are presented in accordance with generally accepted accounting principles which differ in certain respects from those practices used in the preparation of the 2014 budget. For purposes of preparing the Statements of Revenues, and Expenditures - Budget and Actual, the actual results of operations have been adjusted to a basis consistent with the City's budgeted revenues and expenditures. Adjustments necessary to convert the net income/revenues in excess of expenditures at the end of year on the GAAP basis to the budgetary basis are as follows:

	Proprietary Fund Types			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Net Income (Loss) GAAP	\$ 83,236	\$ 3,700	\$ (98,797)	\$ 103,389
Increase (Decrease) due to:				
Depreciation and amortization	220,702	19,269	297,729	52,636
Debt service-principal			(410,000)	
Capitalized interest				
Amortized premium			(19,105)	
Accrued interest			(994)	
Capital Outlay	(459,670)	(21,896)	(795,232)	
Budgetary Basis	<u>\$ (155,732)</u>	<u>\$ 1,073</u>	<u>\$ (1,026,399)</u>	<u>\$ 156,025</u>

The City may authorize Supplemental appropriations during the budget year. During 2014, the following supplemental appropriations were enacted.

Fund	Amount
Water Fund	\$ 290,000
Waste Water Fund	822,000
Joslin-Needham Fund	45,000
Totals	<u>1,157,000</u>

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 8: PENSION FUNDS

Policemen Pension Fund - F.P.P.A.

The City contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association. The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members through the Statewide Death and Disability Plan which is also administered by the Colorado Fire and Police Pension Association. The Statewide Death and Disability Plan is a non-contributory plan. All full-time, paid police officers of the City are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111 or by calling FPPA at 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Plan members and the City are required to contribute at a rate set by statute. The contribution requirements of plan members and the City are established under Title 31, Article 30, Part 10 of the CRS, as amended. The contribution rate for members is 8.0% of covered salary and for the City is 8.0% of covered salary. The City made the required contributions of \$29,759, \$30,288, and \$30,666, to the Statewide Defined Benefit Plan for the year ended December 31, 2014, 2013 and 2012, respectively, equal to their required contributions.

Volunteer Firemen's Pension Fund – FPPA Administered

Plan Description - The Fire and Police Pension Association (FPPA) administers a single-employer public employee retirement system (PERS) established for the City of Brush Volunteer Firefighters. The Public Employee Retirement System (PERS) provides retirement benefits as well as death and disability benefits. In 2014 the regular benefit was \$260 per month. A participant becomes fully vested after 20 years of active service and reaching age 50. Pre-retirement death and disability benefits are only available if incurred in the line of duty. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. Plan provisions and contribution requirements are established by the local pension board. FPPA issues independent annual reports. The report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111 or by calling FPPA at 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 8: PENSION FUNDS (continued)

In 2004 the City of Brush and the Brush Rural Fire Protection District created a new combined entity for the Firemen's Pension retirement fund, which is administered by FPPA. The new entity files an annual report with the Colorado State Auditor's office. A copy of this report can be obtained by writing to the City of Brush, 600 Edison, Brush, CO 80723 or by calling 970-842-5001.

In 2014 the City contributed \$18,687 to the plan and the State of Colorado made a contribution of \$15,550 to FPPA for the plan.

City of Brush, Colorado Money Purchase Pension Plan

The City participates in a defined contribution money purchase retirement plan for all employees (not covered by the police pension fund), age 18 or over with 12 months of service (1000 hours minimum). Under the plan, administered by Great West Retirement, the City is required to contribute 5% of covered employees salary. The covered payroll during 2014 was \$1,133,336 with total payroll of \$2,090,594. Contributions by the City were \$56,667. Vesting begins at two years with 20% and continues at 20% per year until fully vested in year six.

Note 9: DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits 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.

In 1998 this plan moved all assets into a trust for the exclusive benefit of the participants and their beneficiaries, as required by the Internal Revenue Code.

Note 10: 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; and natural disasters for which the City participates in the Colorado Intergovernmental Risk Sharing Agency (herewith referred to as "CIRSA"). CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statute and the Colorado Constitution.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 10: RISK MANAGEMENT (continued)

The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to person or property which might result in claims being made against members of CIRSA, their employees or officers.

The City recognized as an expense/expenditure the amounts paid to CIRSA annually in the amounts of \$158,702 for the Worker's Compensation Pool and \$126,364 for the Property/Casualty Pool. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the City.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability 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 coverage at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the City does not approve its budgets nor does it have the ability to significantly affect the operations of the unit. CIRSA is affiliated and shares facilities with Colorado Intergovernmental Risk Sharing Agency for Worker's Compensation (CIRSA/WC).

The City carries airport liability and boiler and machinery coverage through commercial carriers.

Note 11: GRANTS

The City receives financial assistance from various governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audit could become a liability of the City. However in the opinion of the City, any such disallowed claims will not have a material effect on the financial statements or on the overall financial position of the City at December 31, 2014.

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 12: INTERFUND TRANSFERS AND BALANCES

All interfund transfers are as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 2,904
Other Governmental Funds	General Fund	30,500
General Fund	Water Fund	18,640
General Fund	Trash & Garbage Fund	9,540
General Fund	Waste Water Fund	32,095
General Fund	Storm Water Fund	3,265
		<u>\$ 96,944</u>

The transfer between the General Fund and Other Governmental Funds is for a one-time assistance for repairs to the fire station, earnings on Cemetery Perpetual Care investments and the transfer of remaining amounts in the Grant Fund to the General Fund. The transfer from the enterprise funds to the General Fund are annual transfers for community enhancement projects which includes the City's economic development efforts.

The following is a summary of interfund borrowings and transfers for the year as presented in the fund financial statements:

<u>Due From</u>	<u>Due To</u>	<u>Amount</u>
General Fund	Grants Fund	<u>\$ 130,000</u>

All balances resulted from the time lag between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 13: OTHER SIGNIFICANT MATTERS

Conduit Debt

Financing Agreement

On March 1, 1997, the City of Brush provided for the advance refunding of the 1985 Series Industrial Development Revenue Bond with the issuance of a \$8,964,000, 1997 Series Industrial Development Revenue Bond (Training Centers International, Ltd.)

CITY OF BRUSH, COLORADO

NOTES TO FINANCIAL STATEMENTS

Note 13: OTHER SIGNIFICANT MATTERS (continued)

The bonds and interest appurtenant thereto do not constitute debt or indebtedness of the City under Colorado law and shall never constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

Other Financing Agreement

On October 21, 1994, the City of Brush provided for the issuance of a \$6,065,000, 1994 Series Industrial Development Revenue Bond (Eben Ezer Lutheran Care Center).

On August 9, 2004, the City of Brush provided for the issuance of a \$5,450,000, 2004A and B Series Industrial Development Revenue Bond (Eben Ezer Lutheran Care Center). The issuance of these bonds was for the repayment of the 1994 Series Industrial Development Revenue Bond.

The bonds and interest appurtenant thereto do not constitute debt or indebtedness of the City under Colorado law and shall never constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

Note 14: PRIOR PERIOD ADJUSTMENT

Adjustments have been made to the fund balance of the Trash and Garbage Fund in the amount of \$12,361 to correct errors in the prior period financial statements. The ending inventory was understated and expenses overstated in the prior year. An adjustment has also been made to the net position balance of the Business-Type Activities in the amount of \$12,361 related to the above corrections.

CITY OF BRUSH, COLORADO

GENERAL FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues				
Taxes				
Current property (Net of Treasurer's fees of \$11,835)	\$ 589,170	\$ 589,170	\$ 590,091	\$ 921
Specific ownership	80,000	80,000	88,493	8,493
Sales	1,275,000	1,275,000	1,391,524	116,524
Use	8,000	8,000	9,388	1,388
Gas occupation	10,000	10,000	10,000	
Total	<u>1,962,170</u>	<u>1,962,170</u>	<u>2,089,496</u>	<u>127,326</u>
Franchise				
Gas and electric	170,000	170,000	206,986	36,986
Telephone	5,000	5,000	4,721	(279)
Television cable	33,000	33,000	36,061	3,061
Total	<u>208,000</u>	<u>208,000</u>	<u>247,768</u>	<u>39,768</u>
Licenses and permits				
Liquor	8,000	8,000	9,485	1,485
Amusement	1,000	1,000	630	(370)
Building and plumbing	16,000	16,000	20,131	4,131
Animal and miscellaneous	7,300	7,300	6,146	(1,154)
Total	<u>32,300</u>	<u>32,300</u>	<u>36,392</u>	<u>4,092</u>
Intergovernmental revenue				
Highway user's tax	130,000	130,000	143,721	13,721
Severance tax	20,000	20,000	47,992	27,992
State FPPA contribution	15,190	15,190		(15,190)
Payment in lieu of taxes	5,200	5,200	6,834	1,634
Morgan County - road fund rebate	108,000	108,000	130,818	22,818
State Highway 34 maintenance	6,125	6,125	6,125	
School Liaison			5,364	5,364
Total	<u>284,515</u>	<u>284,515</u>	<u>340,854</u>	<u>56,339</u>
Charges for services				
Zoning	500	500	1,400	900
Cemetery	26,500	26,500	37,765	11,265
Swimming pool	26,000	26,000	17,934	(8,066)
Other recreation activities	109,800	122,300	138,944	16,644
Picnic shelters	5,800	5,800	8,921	3,121
Camping fees	8,000	8,000	24,071	16,071
Total	<u>\$ 176,600</u>	<u>\$ 189,100</u>	<u>\$ 229,035</u>	<u>\$ 39,935</u>

CITY OF BRUSH, COLORADO

GENERAL FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (Continued)
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Fines and forfeits Court	\$ 70,300	\$ 70,300	\$ 48,264	\$ (22,036)
Miscellaneous				
Interest	5,150	5,150	5,205	55
Farm income	2,040	2,040	2,040	
Airport rent	500	500	475	(25)
Administrative fees	519,435	519,435	519,435	
Grant income	99,000	99,000	106,956	7,956
Special events	5,000	5,000		(5,000)
Donations	100	100	4,650	4,550
Miscellaneous	10,000	10,000	52,506	42,506
Total	<u>641,225</u>	<u>641,225</u>	<u>691,267</u>	<u>50,042</u>
Total Revenues	<u>3,375,110</u>	<u>3,387,610</u>	<u>3,683,076</u>	<u>295,466</u>
Expenditures (See Schedules)				
General government	931,565	931,565	899,438	32,127
Public safety	1,180,060	1,180,060	968,975	211,085
Public works	1,230,890	1,230,890	959,140	271,750
Culture and recreation	862,530	862,530	718,928	143,602
Total Expenditures	<u>4,205,045</u>	<u>4,205,045</u>	<u>3,546,481</u>	<u>658,564</u>
Revenues in Excess (Deficiency) of Expenditures	<u>(829,935)</u>	<u>(817,435)</u>	<u>136,595</u>	<u>954,030</u>
Other Financing Sources (Uses)				
Sale of property			5,920	5,920
Transfer In	410,492	410,492	66,444	(344,048)
Transfer Out	<u>(366,590)</u>	<u>(366,590)</u>	<u>(30,500)</u>	<u>336,090</u>
Total Other Financing Sources (Uses)	<u>43,902</u>	<u>43,902</u>	<u>41,864</u>	<u>(2,038)</u>
Net change in fund balance	<u>\$ (786,033)</u>	<u>\$ (773,533)</u>	178,459	<u>\$ 951,992</u>
Fund Balance - Beginning of year			<u>2,655,739</u>	
Fund Balance - End of year			<u>\$ 2,834,198</u>	

CITY OF BRUSH, COLORADO

GENERAL FUND
 SCHEDULE OF EXPENDITURES -BUDGET AND ACTUAL
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
General Government				
Legislative				
Personal services				
Council salaries	\$ 22,500	\$ 22,500	\$ 21,900	\$ 600
Retirement and fringe benefits	2,000	2,000	1,947	53
Travel	6,000	6,000	7,888	(1,888)
Dues			314	(314)
Computer maintenance	2,070	2,070	1,311	759
Total	<u>32,570</u>	<u>32,570</u>	<u>33,360</u>	<u>(790)</u>
City Clerk				
Personal services				
Clerk's salary	44,030	44,030	43,928	102
Retirement and fringe benefits	12,980	12,980	12,891	89
Supplies	500	500	109	391
Telephone	50	50	6	44
Dues	310	310	305	5
Travel	2,000	2,000	1,048	952
Advertising	250	250		250
Elections	4,000	4,000	1,869	2,131
Records management	6,200	6,200	3,289	2,911
Total	<u>70,320</u>	<u>70,320</u>	<u>63,445</u>	<u>6,875</u>
Executive				
Personal services				
Mayor's salary	7,800	7,800	7,800	
Retirement and fringe benefits	645	645	642	3
Dues	800	800		800
Travel	1,500	1,500	2,092	(592)
Computer maintenance	345	345	200	145
Total	<u>11,090</u>	<u>11,090</u>	<u>10,734</u>	<u>356</u>
City Administrator				
Personal services				
Salaries	92,820	92,820	92,820	
Retirement and fringe benefits	27,470	27,470	30,927	(3,457)
Telephone	1,700	1,700	1,671	29
Dues	3,100	3,100	1,377	1,723
Travel	3,700	3,700	2,973	727
Fuel and oil	750	750	747	3
Repairs and maintenance	650	650	117	533
Total	<u>\$ 130,190</u>	<u>\$ 130,190</u>	<u>\$ 130,632</u>	<u>\$ (442)</u>

CITY OF BRUSH, COLORADO

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
General Government (continued)				
Administration				
Personal services				
Salaries	\$ 142,080	\$ 142,080	\$ 141,576	\$ 504
Retirement and fringe benefits	52,600	52,600	52,249	351
Supplies	16,500	16,500	11,973	4,527
Professional services	50,500	50,500	55,809	(5,309)
Pension contributions	32,075	32,075	18,687	13,388
Telephone	4,500	4,500	5,088	(588)
Utilities	12,000	12,000	9,663	2,337
Dues	4,000	4,000	3,178	822
Travel and training	4,000	4,000	2,318	1,682
Advertising	4,500	4,500	3,797	703
Insurance and bonds - general	61,645	61,645	62,632	(987)
Radio and computer maintenance	7,600	7,600	6,709	891
Contributions	22,500	22,500	30,375	(7,875)
Employee incentive program	12,500	12,500	22,989	(10,489)
Repairs and maintenance - auto	300	300	207	93
Total	<u>427,300</u>	<u>427,300</u>	<u>427,250</u>	<u>50</u>
Community Development				
Personal services				
Salaries	76,505	76,505	75,657	848
Retirement and fringe benefits	17,130	17,130	16,596	534
Supplies	1,800	1,800	1,183	617
Professional services	29,500	29,500	12,456	17,044
Telephone	250	250	264	(14)
Dues	1,250	1,250	1,345	(95)
Travel and training	2,900	2,900	2,830	70
Building and radio maintenance	7,310	7,310	2,644	4,666
Tree board	5,000	5,000	2,553	2,447
Community outreach	40,000	40,000	37,348	2,652
Fuel and oil - auto	550	550	267	283
Repairs and maintenance - auto	300	300	105	195
Capital outlay - Buildings			5,300	(5,300)
Total	<u>182,495</u>	<u>182,495</u>	<u>158,548</u>	<u>23,947</u>
Marketing				
Personal services				
Salaries	37,000	37,000	37,000	
Retirement and fringe benefits	20,500	20,500	20,176	324
Supplies	3,275	3,275	965	2,310
Telephone	250	250	30	220
Dues	775	775		775
Travel and training	3,500	3,500	2,161	1,339
Economic Deveopment	11,500	11,500	14,617	(3,117)
Fuel and oil - auto	600	600	476	124
Repairs and maintenance - auto	200	200	44	156
Total	<u>77,600</u>	<u>77,600</u>	<u>75,469</u>	<u>2,131</u>
Total General Government	<u>\$ 931,565</u>	<u>\$ 931,565</u>	<u>\$ 899,438</u>	<u>\$ 32,127</u>

CITY OF BRUSH, COLORADO

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Public Safety				
Police				
Personal services				
Salaries - permanent	\$ 485,200	\$ 485,200	\$ 419,521	\$ 65,679
Salaries - clerical and code enforcer	82,860	82,860	76,617	6,243
Retirement and fringe benefits	254,730	254,730	220,831	33,899
Supplies	28,800	28,800	10,623	18,177
Legal fees	20,000	20,000	12,752	7,248
Professional services	5,300	5,300	3,321	1,979
Telephone	4,500	4,500	6,259	(1,759)
Utilities	13,000	13,000	11,071	1,929
Dues	1,400	1,400	210	1,190
Travel and training	16,000	16,000	10,552	5,448
Repairs and maintenance - general	22,500	22,500	14,737	7,763
Recruiting	1,800	1,800	2,004	(204)
Animal control	10,350	10,350	2,832	7,518
Investigations	9,000	9,000	2,864	6,136
School liaison	1,700	1,700	639	1,061
Policing and emergency services	3,000	3,000	898	2,102
Fuel and oil	34,000	34,000	21,474	12,526
Repairs and maintenance - vehicles	18,500	18,500	10,237	8,263
Capital outlay - vehicles & radios	76,000	76,000	84,734	(8,734)
Total	<u>1,088,640</u>	<u>1,088,640</u>	<u>912,176</u>	<u>176,464</u>
Fire Department				
Personal services				
Fringe benefits	970	970	968	2
Repairs, maintenance and supplies	21,300	21,300	24,513	(3,213)
Telephone	5,000	5,000	3,386	1,614
Utilities	9,500	9,500	6,085	3,415
Professional services	1,500	1,500	385	1,115
Dues	900	900	823	77
Travel and training	10,000	10,000	5,872	4,128
Building maintenance	7,000	7,000	6,077	923
Fireworks	9,000	9,000		9,000
Radio and computer maintenance	7,250	7,250	3,831	3,419
Fuel and oil	6,000	6,000	3,292	2,708
Repairs and maintenance - vehicles	13,000	13,000	1,567	11,433
Total	<u>91,420</u>	<u>91,420</u>	<u>56,799</u>	<u>34,621</u>
Total Public Safety	<u>\$ 1,180,060</u>	<u>\$ 1,180,060</u>	<u>\$ 968,975</u>	<u>\$ 211,085</u>

CITY OF BRUSH, COLORADO

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Public Works				
Streets				
Personal services				
Salaries	\$ 268,200	\$ 268,200	\$ 264,862	\$ 3,338
Retirement and fringe benefits	169,730	169,730	163,276	6,454
Supplies	31,100	31,100	26,730	4,370
Professional services	3,000	3,000	454	2,546
Medical	1,000	1,000	235	765
Telephone	800	800	981	(181)
Electrical - street lights	95,000	95,000	93,774	1,226
Dues	200	200		200
Travel and training	5,000	5,000	1,482	3,518
Advertising	200	200	98	102
Building maintenance	3,000	3,000	470	2,530
Radio maintenance	800	800	1,465	(665)
Street repair	37,000	37,000	31,025	5,975
Forestry	4,000	4,000	1,763	2,237
Alley maintenance	1,000	1,000	862	138
Sidewalk maintenance	2,000	2,000	75	1,925
Pest and weed abatement	42,000	42,000	43,445	(1,445)
Fuel and oil	32,000	32,000	32,285	(285)
Repairs and maintenance - vehicle	59,500	59,500	34,116	25,384
Christmas lights	800	800	1,524	(724)
Snow removal	12,500	12,500	9,728	2,772
Capital Outlay - Streets and equipment	195,000	195,000	35,637	159,363
Total	963,830	963,830	744,287	219,543
Airport Facilities				
Supplies	5,000	5,000	281	4,719
Professional services	17,000	17,000	3,061	13,939
Electric	800	800	491	309
Building maintenance	3,000	3,000	315	2,685
Insurance	3,100	3,100	2,125	975
Runway repairs	12,000	12,000	14,000	(2,000)
Capital Outlay - Runway	100,000	100,000	82,987	17,013
Total	140,900	140,900	103,260	37,640
Cemetery				
Personal services				
Salaries	51,215	51,215	55,772	(4,557)
Retirement and fringe benefits	32,595	32,595	22,263	10,332
Supplies	22,200	22,200	15,314	6,886
Medical	600	600	465	135
Utilities	5,200	5,200	3,797	1,403
Dues	100	100	75	25
Travel and training	650	650	100	550
Advertising	600	600	557	43
Foundations and burial service	3,000	3,000	2,343	657
Fuel and oil	6,000	6,000	8,923	(2,923)
Repairs and maintenance	4,000	4,000	1,984	2,016
Total	126,160	126,160	111,593	14,567
Total Public Works	\$ 1,230,890	\$ 1,230,890	\$ 959,140	\$ 271,750

CITY OF BRUSH, COLORADO

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Culture and Recreation				
Swimming pool and other				
Personal services				
Salaries	\$ 246,010	\$ 246,010	\$ 216,676	\$ 29,334
Retirement and fringe benefits	59,955	59,955	56,628	3,327
Supplies	4,500	4,500	5,797	(1,297)
Medical			465	(465)
Telephone	2,500	2,500	1,792	708
Utilities	5,500	5,500	2,771	2,729
Dues	650	650	159	491
Travel and training	3,000	3,000	584	2,416
Advertising	1,000	1,000	90	910
Building and field maintenance	21,600	21,600	10,429	11,171
Copy/Computer maintenace	3,500	3,500	4,938	(1,438)
Adult summer programs	2,000	2,000	1,786	214
Youth summer programs	37,850	37,850	28,964	8,886
Adult winter programs	775	775	341	434
Youth winter programs	11,700	11,700	13,983	(2,283)
Swimming pool programs	42,950	42,950	45,826	(2,876)
Special events programs	111,000	111,000	56,517	54,483
Fuel and oil	1,700	1,700	1,224	476
Repairs and maintenance - vehicle	1,100	1,100	709	391
Total	557,290	557,290	449,679	107,611
Parks				
Personal services				
Salaries	105,745	105,745	99,085	6,660
Retirement and fringe benefits	40,545	40,545	31,186	9,359
Supplies	550	550	100	450
Medical	650	650	630	20
Utilities and telephone	30,000	30,000	35,564	(5,564)
Dues	500	500		500
Advertising	500	500	28	472
Travel and training	1,000	1,000	490	510
Building and grounds maintenance	40,750	40,750	36,700	4,050
Fuel and oil	5,500	5,500	1,762	3,738
Repairs and maintenance - vehicle	6,000	6,000	3,902	2,098
Capital Outlay - Vehicles/Campground	73,500	73,500	59,802	13,698
Total	305,240	305,240	269,249	35,991
Total Culture and Recreation	\$ 862,530	\$ 862,530	\$ 718,928	\$ 143,602

CITY OF BRUSH, COLORADO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2014

ASSETS

	Special Revenue Funds						Permanent Fund	Total Nonmajor Governmental Funds	
	Grant Fund	Special Surplus and Deficiency Fund	Conservation Trust Fund	Police Forfeiture and Confiscation Fund	Capital Improvement Fund	Fire Equipment Improvement Fund	Joslin Needham Fund		Cemetery Perpetual Care Fund
Cash		\$ 26,617	\$ 2,529	\$ 13,117	\$ 46,453	\$ 33,621	\$ 31,488	\$ 10,340	\$ 164,165
Investments		100,000	90,000		620,181	185,000			995,181
Accounts receivable	\$ 130,000				1,016	1		1,630	132,647
Accrued interest revenue			108		361	117		27	613
Property tax receivable						42,458			42,458
Sales tax receivable					45,811				45,811
Total Assets	\$ 130,000	\$ 126,617	\$ 92,637	\$ 13,117	\$ 713,822	\$ 261,197	\$ 31,488	\$ 11,997	\$ 1,380,875

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE

Liabilities									
Accounts payable					\$ 2,695		\$ 3,185		\$ 5,880
Due to other funds	\$ 130,000								130,000
Total Liabilities	130,000				2,695		3,185		135,880
Deferred Inflows of Resources									
Deferred property tax revenue						\$ 42,458			42,458
Total Deferred Inflows of Resources						42,458			42,458
Fund Balance									
Restricted for emergency		\$ 123,575							123,575
Restricted for park improvements			\$ 92,637						92,637
Restricted for police equipment				\$ 13,117					13,117
Restricted for street improvements					711,127				711,127
Restricted for fire equipment						218,739			218,739
Committed for park improvements							\$ 28,303		28,303
Committed for cemetery maintenance								\$ 11,997	11,997
Committed for emergency		3,042							3,042
Total Fund Balance	0	126,617	92,637	13,117	711,127	218,739	28,303	11,997	1,202,537
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 130,000	\$ 126,617	\$ 92,637	\$ 13,117	\$ 713,822	\$ 261,197	\$ 31,488	\$ 11,997	\$ 1,380,875

CITY OF BRUSH, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Special Revenue Funds						Permanent Funds	Total Nonmajor Governmental Funds
	Grant Fund	Special Surplus and Deficiency Fund	Conservation Trust Fund	Police Forfeiture and Confiscation Fund	Capital Improvement Fund	Fire Equipment Improvement Fund	Joslin Needham Fund	
Revenues - Classified by major source								
Taxes								
General property						\$ 40,249		\$ 40,249
Cigarette					\$ 6,177			6,177
Sales					280,177			280,177
Interest	\$ 134	\$ 221	\$ 8	1,290	344	\$ 33	\$ 111	2,141
Forfeitures			214					214
Equipment rental					6,151			6,151
Reimbursements								
Perpetual care sales							8,285	8,285
Contribution						45,000		45,000
Intergovernmental	130,000				1,470			131,470
Colorado lottery funds			52,744					52,744
Total Revenues	<u>130,000</u>	<u>134</u>	<u>52,965</u>	<u>222</u>	<u>287,644</u>	<u>48,214</u>	<u>45,033</u>	<u>572,608</u>
Expenditures - Classified by function								
Noncapital outlay			8,467		134,744		10,790	154,001
Capital outlay	130,000		89,095		105,869		33,852	404,515
Total Expenditures	<u>130,000</u>		<u>97,562</u>		<u>240,613</u>		<u>44,642</u>	<u>558,516</u>
Revenues in Excess (Deficiency) of Expenditures		134	(44,597)	222	47,031	48,214	391	14,092
Other Financing Sources (Uses)								
Transfers in					30,500			30,500
Transfers out	(2,793)						(111)	(2,904)
Total Other Financing Sources (Uses)	<u>(2,793)</u>				<u>30,500</u>		<u>(111)</u>	<u>27,596</u>
Net change in fund balance	(2,793)	134	(44,597)	222	47,031	78,714	391	41,688
Fund Balance - Beginning of year	2,793	126,483	137,234	12,895	664,096	140,025	27,912	1,160,849
Fund balance - End of year	<u>\$ -0-</u>	<u>\$ 126,617</u>	<u>\$ 92,637</u>	<u>\$ 13,117</u>	<u>\$ 711,127</u>	<u>\$ 218,739</u>	<u>\$ 28,303</u>	<u>\$ 1,202,537</u>

CITY OF BRUSH, COLORADO

GRANT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues			
State grant	<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>\$ -0-</u>
Total Revenues	130,000	130,000	
Expenditures			
Park improvements	<u>130,000</u>	<u>130,000</u>	<u> </u>
Expenditures in Excess of Revenues			
Other Financing Uses			
Transfer out	<u>(9,362)</u>	<u>(2,793)</u>	<u>(6,569)</u>
Total Other Financing Sources (Uses)	<u>(9,362)</u>	<u>(2,793)</u>	<u>(6,569)</u>
Net change in fund balance	<u><u>\$ (9,362)</u></u>	<u>(2,793)</u>	<u><u>\$ 6,569</u></u>
Fund balance at beginning of year		<u>2,793</u>	
Fund balance at end of year		<u><u>\$ -0-</u></u>	

CITY OF BRUSH, COLORADO

SPECIAL SURPLUS AND DEFICIENCY FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Interest	\$ 300	\$ 134	\$ (166)
Net change in fund balance	<u>\$ 300</u>	134	<u>\$ (166)</u>
Fund balance at beginning of year		<u>126,483</u>	
Fund balance at end of year		<u>\$ 126,617</u>	

CITY OF BRUSH, COLORADO

CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues			
Colorado lottery funds	\$ 54,000	\$ 52,744	\$ (1,256)
Interest	150	221	71
	<u>54,150</u>	<u>52,965</u>	<u>(1,185)</u>
Total Revenues			
Expenditures			
Culture and Recreation			
Noncapital outlay		8,467	(8,467)
Capital outlay - park improvements	122,500	89,095	33,405
	<u>122,500</u>	<u>97,562</u>	<u>24,938</u>
Total Expenditures			
Net change in fund balance	<u>\$ (68,350)</u>	(44,597)	<u>\$ 23,753</u>
Fund balance at beginning of year		<u>137,234</u>	
Fund balance at end of year		<u>\$ 92,637</u>	

CITY OF BRUSH, COLORADO

POLICE FORFEITURE CONFISCATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Interest	\$ 50	\$ 8	\$ (42)
Forfeitures	200	214	14
	<hr/>	<hr/>	<hr/>
Total Revenue	250	222	(28)
Expenditures			
Drug forfeiture	10,000		10,000
	<hr/>	<hr/>	<hr/>
Net change in fund balance	<u>\$ (9,750)</u>	222	<u>\$ 9,972</u>
Fund balance at beginning of year		<hr/> 12,895	
Fund balance at end of year		<u>\$ 13,117</u>	

CITY OF BRUSH, COLORADO

CAPITAL IMPROVEMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Cigarette tax	\$ 6,500	\$ 6,177	\$ (323)
Sales tax	250,000	280,177	30,177
Interest	540	1,290	750
	<u>257,040</u>	<u>287,644</u>	<u>30,604</u>
Total Revenues			
Expenditures			
Public works			
Noncapital outlay	100,000	134,744	(34,744)
Street and drainage	497,500	105,869	391,631
	<u>597,500</u>	<u>240,613</u>	<u>356,887</u>
Total Expenditures			
Net change in fund balance	<u>\$ (340,460)</u>	47,031	<u>\$ 387,491</u>
Fund balance at beginning of year		<u>664,096</u>	
Fund balance at end of year		<u>\$ 711,127</u>	

CITY OF BRUSH, COLORADO

FIRE EQUIPMENT IMPROVEMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Property tax (Net of Treasurer's fees of \$1,029)	\$ 40,190	\$ 40,249	\$ 59
Equipment & bldg rental	6,150	6,151	1
FEMA funding		1,470	1,470
Interest	350	344	(6)
	<u>46,690</u>	<u>48,214</u>	<u>1,524</u>
Total Revenues			
Expenditures			
Capital outlay			
Equipment	<u>61,000</u>	<u>61,000</u>	<u>61,000</u>
Revenues in Excess (Deficiency) of Expenditures	(14,310)	48,214	62,524
Other Financing Sources			
Transfer in	<u>30,500</u>	<u>30,500</u>	
Net change in fund balance	<u>\$ 16,190</u>	78,714	<u>\$ 62,524</u>
Fund balance at beginning of year		<u>140,025</u>	
Fund balance at end of year		<u>\$ 218,739</u>	

CITY OF BRUSH, COLORADO

JOSLIN NEEDHAM FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues				
Interest	\$ 200	\$ 200	\$ 33	\$ (167)
Contributions		45,000	45,000	
Total Revenues	200	45,200	45,033	(167)
Expenditures				
Culture and Recreation				
Noncapital outlay			10,790	(10,790)
Capital outlay	20,000	65,000	33,852	31,148
Total Expenditures	20,000	65,000	44,642	20,358
Net change in fund balance	<u>\$ (19,800)</u>	<u>\$ (19,800)</u>	391	<u>\$ 20,191</u>
Fund balance at beginning of year			<u>27,912</u>	
Fund balance at end of year			<u>\$ 28,303</u>	

CITY OF BRUSH, COLORADO

CEMETERY PERPETUAL CARE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Perpetual care sales	\$ 8,000	\$ 8,285	\$ 285
Contributions	1,000		(1,000)
Interest	1,500	111	(1,389)
Total Revenues	10,500	8,396	(2,104)
Expenditures			
Public works			
Repairs and maintenance	1,472		1,472
Capital outlay	46,500	45,699	801
Total Expenditures	47,972	45,699	2,273
Expenditures in Excess of Revenues	(37,472)	(37,303)	169
Other Financing Uses			
Transfers Out	(1,500)	(111)	1,389
Net change in fund balance	<u>\$ (38,972)</u>	(37,414)	<u>\$ 1,558</u>
Fund balance at beginning of year		<u>49,411</u>	
Fund balance at end of year		<u>\$ 11,997</u>	

CITY OF BRUSH, COLORADO

WATER FUND
 SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual (Budget Basis)	Variance- Favorable (Unfavorable)
Operating Revenue				
Water services	\$ 842,000	\$ 842,000	\$ 859,004	\$ 17,004
Administrative fees	25,000	25,000	27,956	2,956
Miscellaneous	1,000	1,000	9,246	8,246
Total Operating Revenue	868,000	868,000	896,206	28,206
Operating Expense				
Personal services				
Salaries	226,895	226,895	230,064	(3,169)
Retirement and fringe benefits	90,410	90,410	85,673	4,737
Supplies	21,850	21,850	11,938	9,912
Professional services	263,850	263,850	182,649	81,201
Telephone	1,500	1,500	1,771	(271)
Lab fees	20,000	20,000	5,150	14,850
Medical	350	350		350
Utilities	60,000	60,000	55,747	4,253
Association dues	500	500	512	(12)
Travel and training	2,000	2,000	378	1,622
Computer & radio maintenance	11,000	11,000	10,004	996
Advertising	500	500	1,098	(598)
Building	5,000	5,000	92	4,908
Licenses/permits	30,000	30,000	24,828	5,172
Insurance - general	20,000	20,000	18,889	1,111
Well electricity	40,000	40,000	34,329	5,671
Water system maintenance & materials	45,000	45,000	34,724	10,276
Line maintenance	20,000	20,000		20,000
Noncapital outlay			110,431	(110,431)
Capital outlay	452,500	452,500	173,112	279,388
Land		290,000	286,558	3,442
Fuel and oil	12,000	12,000	9,187	2,813
Repairs and maintenance - vehicle	6,000	6,000	3,143	2,857
Total Operating Expense	1,329,355	1,619,355	1,280,277	339,078
Operating Loss	(461,355)	(751,355)	(384,071)	367,284
Nonoperating Revenue (Expense)				
Interest	3,000	3,000	3,670	670
Joint venture			122,078	122,078
Water rights and credits leases	8,000	8,000	4,324	(3,676)
Water capacity and development fee	130,000	130,000	131,099	1,099
Farm income	25,550	25,550	21,144	(4,406)
DOW lease			3,600	3,600
Contributions	7,000	7,000		(7,000)
Water conservation	(40,000)	(40,000)	(38,662)	1,338
Farm expense	(15,000)	(15,000)	(274)	14,726
Total Nonoperating Revenue (Expense)	118,550	118,550	246,979	128,429

CITY OF BRUSH, COLORADO

WATER FUND
 SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION (cont.)
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budget Basis)</u>	<u>Variance- Favorable (Unfavorable)</u>
Income (Loss) before transfers out and capital contributions	(342,805)	(632,805)	(137,092)	495,713
Transfers out	(18,640)	(18,640)	(18,640)	
Capital contributions - tap fees	<u>1,000</u>	<u>1,000</u>		<u>(1,000)</u>
Change in net position	<u>\$ (360,445)</u>	<u>\$ (650,445)</u>	(155,732)	<u>\$ 494,713</u>
Adjustment to GAAP Basis				
Add capital outlay			459,670	
Deduct depreciation			<u>(220,702)</u>	
Change in net position - GAAP Basis			83,236	
Net position at beginning of year			<u>6,910,530</u>	
Net position at end of year			<u>\$ 6,993,766</u>	

CITY OF BRUSH, COLORADO

TRASH AND GARBAGE FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL

For the Year Ended December 31, 2014

	Original and Final Budget	Actual (Budget Basis)	Variance- Favorable (Unfavorable)
Operating Revenue			
Trash services	\$ 380,000	\$ 427,526	\$ 47,526
Sale of trash bags	200	139	(61)
Sale of cans	5,000	7,700	2,700
Miscellaneous	5,000	11,087	6,087
Total Operating Revenue	<u>390,200</u>	<u>446,452</u>	<u>56,252</u>
Operating Expense			
Personal services			
Salaries	126,210	123,999	2,211
Retirement and fringe benefits	83,635	81,082	2,553
Supplies	6,000	4,087	1,913
Professional services	79,260	78,660	600
Medical	800	41	759
Travel and training	600	20	580
Maintenance and telephone	3,035	2,835	200
Advertising	1,000	563	437
Insurance - general	1,300	304	996
Purchase of cans	14,000	7,346	6,654
Landfill contract	90,000	85,090	4,910
Capital outlay		21,896	(21,896)
Fuel and oil	25,000	19,626	5,374
Repairs and maintenance - vehicle	46,000	10,628	35,372
Total Operating Expense	<u>476,840</u>	<u>436,177</u>	<u>40,663</u>
Operating Income (Loss)	(86,640)	10,275	96,915
Nonoperating Revenue			
Interest	500	338	(162)
Total Nonoperating Revenue	<u>500</u>	<u>338</u>	<u>(162)</u>
Income (Loss) before transfers out	(86,140)	10,613	96,753
Transfer out	<u>(9,540)</u>	<u>(9,540)</u>	
Change in net position	<u>\$ (95,680)</u>	1,073	<u>\$ 96,753</u>
Adjustment to GAAP Basis			
Add capital outlay		21,896	
Deduct depreciation		<u>(19,269)</u>	
Change in net position - GAAP Basis		3,700	
Net position at beginning of year, as previously reported		285,147	
Prior period adjustment		<u>12,361</u>	
Net position at beginning of year, as restated		<u>297,508</u>	
Net position at end of year		<u>\$ 301,208</u>	

CITY OF BRUSH, COLORADO

WASTE WATER FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL
 For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual (Budget Basis)	Variance- Favorable (Unfavorable)
Operating Revenue				
Sewer fees	\$ 1,495,000	\$ 1,495,000	\$ 1,504,891	\$ 9,891
Miscellaneous	1,000	1,000	29,115	28,115
Administrative fees	100	100	75	(25)
Total Operating Revenue	1,496,100	1,496,100	1,534,081	37,981
Operating Expense				
Personal services				
Salaries	161,495	161,495	149,862	11,633
Retirement and fringe benefits	76,575	76,575	62,213	14,362
Supplies	23,500	23,500	26,210	(2,710)
Professional services	318,595	355,595	325,948	29,647
Medical	1,000	1,000	1,068	(68)
Telephone	2,300	2,300	1,555	745
Utilities	110,000	110,000	108,850	1,150
Association dues	1,000	1,000	175	825
Travel and training	7,000	7,000	290	6,710
Computer and radio maintenance	8,050	8,050	7,203	847
Advertising	500	500	221	279
Insurance - general	46,000	46,000	45,869	131
Permits	19,940	19,940	10,164	9,776
Repairs and maintenance	75,000	125,000	92,677	32,323
Sanitary sewer cleaning	75,000	75,000	75,000	
Manholes	20,000	20,000	1,002	18,998
Sewer lines	20,000	20,000	12,650	7,350
Noncapital outlay			315,087	(315,087)
Capital outlay	410,000	445,000	96,844	348,156
Land		700,000	698,388	1,612
Fuel and oil	8,000	8,000	7,572	428
Repairs and maintenance - vehicle	1,300	1,300	1,125	175
Total Operating Expense	1,385,255	2,207,255	2,039,973	167,282
Operating Income (Loss)	110,845	(711,155)	(505,892)	205,263
Nonoperating Revenue (Expense)				
Interest	7,000	7,000	4,203	(2,797)
Surcharge fees	500	500	29,029	28,529
Plant investment fee	50,000	50,000	105,000	55,000
Rental income			4,000	4,000
Farm income	6,890	6,890	6,888	(2)
Farm expense	(700)	(700)	(8,824)	(8,124)
Note payments	(628,710)	(628,710)	(628,708)	2
Total Nonoperating Revenue (Expense)	(565,020)	(565,020)	(488,412)	76,608
Loss before transfers out and capital contributions	(454,175)	(1,276,175)	(994,304)	281,871

CITY OF BRUSH, COLORADO

WASTE WATER FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (cont.)
 BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budget Basis)</u>	<u>Variance- Favorable (Unfavorable)</u>
Transfers out	(32,095)	(32,095)	(32,095)	
Capital contributions - tap fees	<u>6,000</u>	<u>6,000</u>		<u>(6,000)</u>
Change in net position	<u>\$ (480,270)</u>	<u>\$ (1,302,270)</u>	(1,026,399)	<u>\$ 275,871</u>
Adjustment to GAAP Basis				
Add capital outlay			795,232	
Add principal payments			410,000	
Add amortized premium			19,105	
Add accrued interest			994	
Deduct depreciation			<u>(297,729)</u>	
Change in net position - GAAP Basis			(98,797)	
Net position at beginning of year			<u>6,231,956</u>	
Net position at end of year			<u>\$ 6,133,159</u>	

CITY OF BRUSH, COLORADO

STORM WATER FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL

For the Year Ended December 31, 2014

	Original and Final Budget	Actual (Budget Basis)	Variance- Favorable (Unfavorable)
Operating Revenue			
Service Fees	\$ 312,000	\$ 309,026	\$ (2,974)
Storm water assessment	3,160	3,159	(1)
Miscellaneous	100	371	271
Total Operating Revenue	<u>315,260</u>	<u>312,556</u>	<u>(2,704)</u>
Operating Expense			
Personal services			
Salaries	35,690	34,505	1,185
Retirement and fringe benefits	18,025	17,261	764
Supplies	4,050	2,387	1,663
Professional services	29,130	31,928	(2,798)
Medical	100	41	59
Travel and training	700	225	475
Maintenance and telephone	3,460	3,236	224
Advertising	200		200
Insurance - general	4,050	3,051	999
Sewer cleaning	25,000	25,057	(57)
Line maintenance	6,700	2,843	3,857
Pond maintenance	5,000		5,000
Assessment maintenance	500	88	412
Curb & gutter maintenance	5,000	2,193	2,807
Noncapital outlay		8,457	(8,457)
Capital outlay	400,000		400,000
Gas and Oil	9,000	8,080	920
Repairs and maintenance - vehicle	13,000	14,698	(1,698)
Total Operating Expense	<u>559,605</u>	<u>154,050</u>	<u>405,555</u>
Operating Income (Loss)	(244,345)	158,506	402,851
Nonoperating Revenue			
Interest	1,000	784	(216)
Total Nonoperating Revenue	<u>1,000</u>	<u>784</u>	<u>(216)</u>
Income (loss) before transfers out	(243,345)	159,290	402,635
Transfer out	<u>(3,265)</u>	<u>(3,265)</u>	
Change in net position	<u>\$ (246,610)</u>	156,025	<u>\$ 402,635</u>
Adjustment to GAAP Basis			
Deduct depreciation		<u>(52,636)</u>	
Change in net position - GAAP Basis		103,389	
Net position at beginning of year		<u>1,254,202</u>	
Net position at end of year		<u>\$ 1,357,591</u>	

**Colorado Department of Highways
Local Highway Finance Report**

This calendar-year report of receipts and expenditures is required by the Colorado Department of Highways to maintain statewide accountability for moneys used for highway and street purposes. To ensure date accuracy, House Bill 1008 mandates that this report be included in the City's financial statements.

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

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Brush
	YEAR ENDING : December 2014
This Information From The Records Of (example - City of _ or County of _)	Prepared By: Joanne Gosselink Phone: 970-842-5001

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)	115,056
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	510,447
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	95,104
2. General fund appropriations		b. Snow and ice removal	9,439
3. Other local imposts (from page 2)	864,996	c. Other	43,435
4. Miscellaneous local receipts (from page 2)	28,564	d. Total (a. through c.)	147,978
5. Transfers from toll facilities		4. General administration & miscellaneous	17,691
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	246,822
a. Bonds - Original Issues		6. Total (1 through 5)	1,037,994
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)	893,560	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	144,434	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	1,037,994	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,037,994

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		1,037,994	1,037,994		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2014

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	165,165	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	28,564
1. Sales Taxes	610,552	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	89,279	g. Other Misc. Receipts	
6. Total (1. through 5.)	699,831	h. Other	
c. Total (a. + b.)	864,996	i. Total (a. through h.)	28,564
	(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	144,434	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		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.)	0	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	144,434	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.I. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		115,056	115,056
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	115,056	115,056
d. Total Capital Outlay (Lines I.a. + I.b. + I.c.5)	0	115,056	115,056
			(Carry forward to page 1)

Notes and Comments: