City of Black Hawk, Colorado

Comprehensive Annual Financial Report
For The Year
Ended December 31, 2009

City of Black Hawk, Colorado

Comprehensive Annual Financial Report
For The Year
Ended December 31, 2009

Prepared By

Finance Department

Lance Hillis
Director of Finance

Black Hawk, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2009

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BLACK HAWK ®

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Mayor
David D. Spellman

Aldermen
Linda Armbright
Paul G. Bennett
Diane Cales
Jim Johnson
Tom Kerr
Greg Moates

City Attorney
Corey Y. Hoffmann

City Manager
Michael Copp

Assistant to the City Manager for Administration
Melissa A. Greiner

City Clerk
Jeanie M. Magno

Community Planning & Development Coordinator
Cynthia L. Linker

Finance Director
Lance R. Hillis

Fire Chief
Robert Norris

IT Director
Jeffrey L. Young

Police Chief
Stephen N. Cole

Public Works Director
Thomas Isbester

August 16, 2010

To the Honorable Mayor and Members of the City Council,
Citizens of the City of Black Hawk, Colorado and the Financial Community:

We are pleased to transmit the Comprehensive Annual Financial Report (CAFR) of the City of Black Hawk for the year ended December 31, 2009. This submittal is in accordance with Colorado State Statutes and the City of Black Hawk Charter provisions. This report of the financial condition of the City as of December 31, 2009, and the activity which brought about that condition meets the City Charter requirements as well as provides full financial disclosure in accordance with generally accepted accounting principles (GAAP).

The Finance Department prepared this report in conformance with standards of the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants, the Government Finance Officers Association (GFOA) and the Colorado State Auditor. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management.

The purpose of the CAFR is to provide citizens, investors, grantor agencies and other interested parties with reliable information concerning the financial condition of the City. The City management believes the data as presented is accurate in all material respects. The data is presented in a manner designed to set forth fairly the financial position and results of City operations as measured by the financial activity of its various funds. Also, all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

State law requires that the financial statements of the City of Black Hawk be audited by independent certified public accountants selected by the City Council. The independent auditing firm of John Cutler & Associates, whose report is included herein, has audited the basic financial statements and related notes.

GAAP require that the City's management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a "*Management's Discussion and Analysis*" (MD&A). This transmittal letter should be read in conjunction with MD&A.

REPORTING ENTITY DEFINITION

The financial reporting entity, the City, includes all the funds of the primary government as well as all of its component units. Additional financial information concerning the blended component units may be obtained through the Finance Department of the City of Black Hawk, Colorado.

PROFILE OF THE CITY

The City is a political subdivision of the State of Colorado which was incorporated on March11, 1864, under a territorial charter, prior to the time Colorado became a state in 1876. The City is located in central Colorado in Gilpin County, approximately 35 miles west of Denver at the intersection of state highways 119 and Black Hawk Street The City is located at an altitude of 8,042 feet and covers an area of approximately three square miles. Since 2001, upon the approval by the City's residents of a home rule charter, the City has operated under Colorado law as a home rule municipality. The City charter establishes the powers of the City and describes its system of government.

Although the City had several thousand residents at its peak as a mining town in the late 1800's, the population decreased as the mines were depleted. Prior to the legalization of limited gaming in 1991, the City was generally a seasonal residential area and tourist attraction. Since limited gaming began in 1991, the population has decreased from approximately 227 in 1990 to around 100 residents today.

The City charter creates a Council-Manager form of government and establishes the City Council as the policy-making legislative body of the City. The City council consists of six aldermen and a Mayor. The members of the City council are elected at large for staggered four-year terms, and the Mayor is elected from the City at large for a four-year term. The Mayor presides at all City council meetings and has the same power, rights and privileges as an alderman, except the mayor shall not vote except in the case of a tie vote. The City council currently meets on the second and fourth Wednesday of each month. Special meetings are held at the request of the Mayor or any two aldermen.

The City provides a wide range of services to its residents including police protection, fire protection, public works, parks, public improvements, planning and zoning, water and general administration. Sanitation services are provided by the Black Hawk/Central City Sanitation District, gas and electric service is provided by Xcel Energy, and telephone service is provided by Qwest Communications.

Although the City has a small population, the daily population ranges from 10,000 – 15,000 per day, primarily due to availability of gaming. Therefore, City staffing is much larger than that normally found in a small City.

LOCAL ECONOMY

The City's economy relies almost 100% on gaming for its revenue streams. The level of gaming activity within the City may be affected by, among other things, the amount of disposable income and entertainment expenditures of individuals participating in gaming activities. The number of gaming devices operated within the City is subject to, among other things:

- The availability of space within a constitutionally defined area in which gaming is legal.
- The continued availability of money's to finance the capital investment necessary to acquire, improve, construct or equip gaming establishments.
- The continued profitability of operating gaming establishments after the payment of winnings to players, all applicable licenses, taxes and fess and capital and operation expenses.

Currently, the City has 18 operating casinos with the largest ten accounting for 88% of device fee revenues for the City. The four largest casinos generate about 50% of device fee revenues. The casinos are continuing to expand; currently they make up over 1.5 million square feet, with the gaming area totaling over 232,000 square feet.

There is competition for gaming revenues. Currently, limited gaming is authorized in only three cities in the State, our City, Central City and Cripple Creek. Increases in the relative levels of gaming activity in the other two existing gaming towns in the state, the introduction of gaming to any additional Colorado local governments or the limiting of any fees imposed by the City on limited gaming may have a negative impact upon the economy and property values of the City and fees and taxes generated by the City.

FINANCIAL MANAGEMENT

Internal Control Structure

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

All accounting records for general governmental operations at the fund level are maintained on a modified accrual basis with the revenues recorded when measurable and available, and expenditures recorded when the services or goods are received and the liabilities incurred.

Cash Management

The City maintains a common checking account and investment pool with separate accounting for each fund. Cash otherwise temporarily idle during the year was invested in money market accounts, the State of Colorado investment pool, debt instruments of federal agencies and government securities.

Legislative Development

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, (often referred to as TABOR) which has several limitations including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the amendment. However, the City has made certain interpretations of the amendment's language in order to determine its compliance.

Awards and Acknowledgements

One objective measure of the quality of the City's financial management is the City's receipt of the annual GFOA Certificate of Achievement for Excellence in Financial Reporting. The 2008 Certificate is the 3rd annual award received by the City. We believe that this 2009 CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this CAFR would not have been possible without the efficient and dedicated service of Lance Hillis, the City's Finance Director and Dana Wood, the Assistant to the City Manager for Finance are to be especially thanked for preparing this report.

Finally, credit also must be given to the Mayor and City council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

Michael Copp
City Manager

City of Black Hawk, Colorado

Elected Officials

(In Office as of December 31, 2009)

Mayor and Alderman

David Spellman
In office since July 2006
Current term expires April 2012

Diane Cales
In office since April 2006
Current term expires April 2010

Kathleen Doles
In office since April 1994
Current term expires April 2010

Tom Kerr
In office since April 1994
Current term expires April 2012

Greg Moates
In office since April 2008
Current term expires April 2012

Paul Bennett
In office since April 2004
Current term expires April 2012

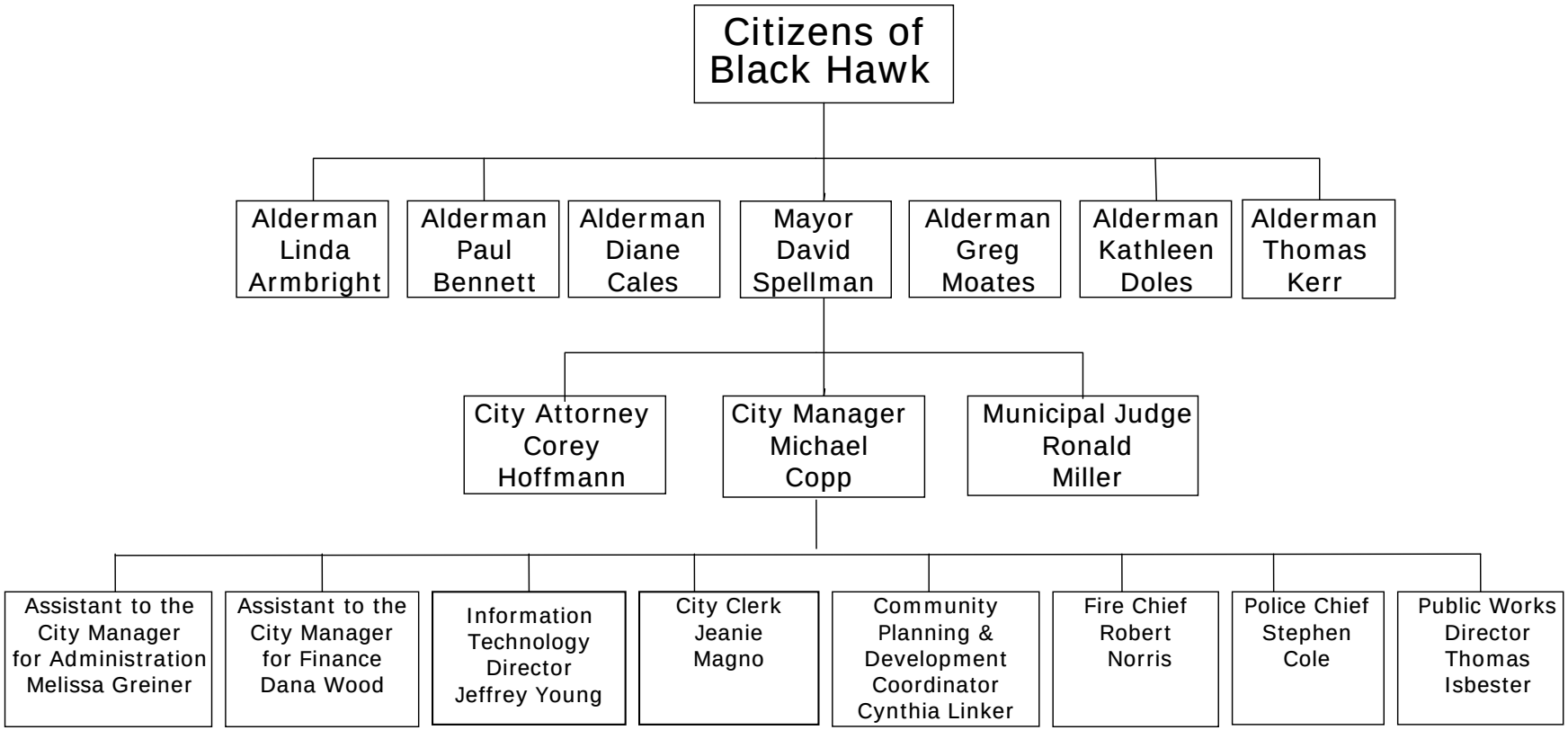
Linda Armbright
In office since April 2006
Current term expires April 2010

City of Black Hawk, Colorado

Appointed Principal Officials

December 31, 2009

Name	**Position**
Michael Copp	City Manager
Melissa Greiner	Assistant to the City Manager For Administration
Dana Wood	Assistant to the City Manager For Finance
Jeanie Magno	City Clerk
Jeffrey Young	Information Technology Director
Robert Norris	Fire Chief
Stephen N. Cole	Police Chief
Cynthia Linker	Community Planning and Development Coordinator
Thomas Isbester	Public Works Director
Ronald L. Miller	Judge, Municipal Court



As of December 31, 2009

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Black Hawk
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

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

President

Executive Director

JOHN CUTLER
& ASSOCIATES

To the City Council
City of Black Hawk, Colorado

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, business-type activities and the aggregate remaining fund information of the City of Black Hawk, Colorado as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the District, as listed in the table of contents. These financial statements are the responsibility of City of Black Hawk, Colorado's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Black Hawk Business Improvement District, which represent 5.0% percent, 8.5% percent, respectively, of the assets, and revenues of the governmental activities. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Black Hawk Business Improvement District, is based on the report of the other auditors.

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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities and the aggregate remaining fund information of the City of Black Hawk, Colorado, as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Black Hawk, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

John Cutler & Associates, LLC

August 6, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Black Hawk, Colorado (the City) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the calendar year ended December 31, 2009. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements, schedules and note disclosures following this section.

Financial Highlights

- The City's assets exceeded its liabilities by $94,223,314 (net assets) for the calendar year reported.

- Total net assets are comprised of the following:

  (1) Capital assets, net of related debt, of $84,612,759 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  (2) Net assets of $10,306,311 are restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
  (3) There is an unrestricted net assets deficit of $695,756.

- The City's governmental funds reported total ending fund balance of $20,070,877 this year. This compares to the prior year ending fund balance of $20,934,860 showing a decrease of $863,983 during the current year. Unreserved fund balance of $13,122,891 at December 31, 2009 shows a $819,464 decrease from the prior year.

- At the end of the current calendar year, unreserved, undesignated fund balance for the general fund was $9,381,452, or 87.2% of total general fund expenditures.

- During calendar year 2009, all the outstanding long-term debt was transferred from the business-type activities to the governmental activities.

- Overall, the City continues to maintain a strong financial position, in spite of a less than stable economy.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Assets.* This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference reported as *net assets*.

Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities, which* reports how the City's net assets changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by gaming taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, planning, public safety, and public works. Business-type activities include the water system.

The government-wide financial statements are presented on pages 17 & 18 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The City has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 19 - 22 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

The *proprietary fund* is reported in the fund financial statements and generally report water service for which the City charges customers a fee. The City's proprietary fund is classified as an enterprise fund. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements.

The basic enterprise fund financial statements are presented on pages 23 - 26 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 27 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budget presentations. Budgetary comparison schedules are included as "required supplementary information" for the general fund and the major special revenue funds. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These schedules demonstrate compliance with the City's adopted and final revised budget. These budget comparison schedules are presented on pages 49 - 53.

Supplementary Information

Combining and comparative individual statements and schedules for nonmajor funds are presented as supplementary information in this report beginning on page 54.

Financial Analysis of the City as a Whole

The City's net assets at calendar year-end are $94,223,314. The following table provides a summary of the City's net assets:

Summary of Net Assets

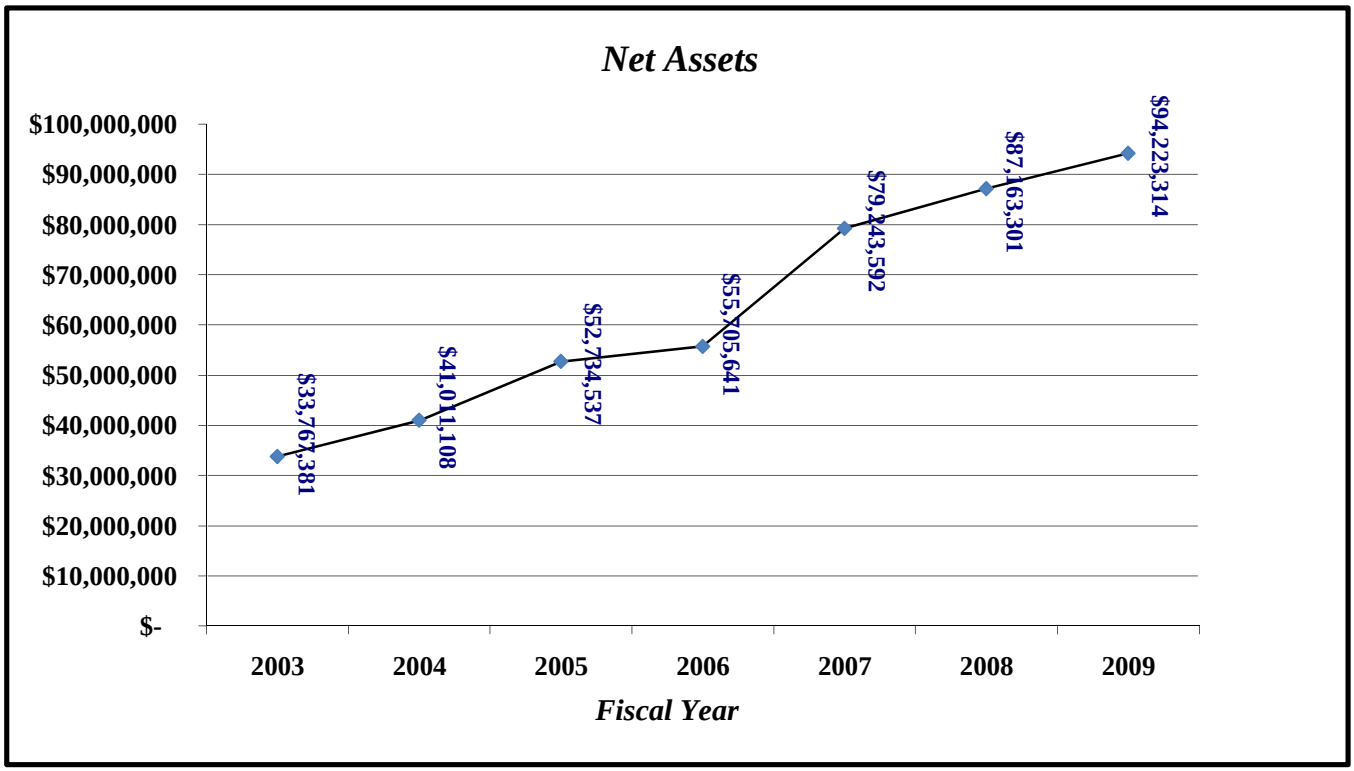
	Governmental Activities		Business-type Activities		Total	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**
Assets:						
Current assets	$ 22,162,160	$ 22,642,160	$ 1,512,003	$ 3,985,125	$ 23,674,163	$ 26,627,285
Other assets	1,334,492	1,197,786	-	503,667	1,334,492	1,701,453
Capital assets	60,003,414	57,019,566	28,891,370	25,373,006	88,894,784	82,392,572
Total assets	83,500,066	80,859,512	30,403,373	29,861,798	113,903,439	110,721,310
Liabilities:						
Current liabilities	5,647,700	3,874,811	471,414	2,812,530	6,119,114	6,687,341
Long-term liabilities	13,544,737	4,448,700	16,274	12,421,967	13,561,011	16,870,667
Total liabilities	19,192,437	8,323,511	487,688	15,234,497	19,680,125	23,558,008
Net assets:						
Invested in capital assets, net of debt	55,721,389	50,752,082	28,891,370	11,643,353	84,612,759	62,395,435
Restricted	9,371,846	9,999,900	-	1,235,475	9,371,846	11,235,375
Unrestricted	(785,606)	11,784,019	1,024,315	1,748,473	238,709	13,532,492
Total net assets	$ 64,307,629	$ 72,536,001	$ 29,915,685	$ 14,627,301	$ 94,223,314	$ 87,163,302

The City continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 4.8 to 1 as compared to a 5.8 to 1 at December 31, 2008. The current ratio for the business type activities at December 31, 2009 is 3.2 to 1. At December 31, 2008, the current ratio was 1.4 to 1. For the City overall, the current ratio is 3.9 to 1 as compared to 4 to 1 at December 31, 2008. These ratios are strong.

The City reported positive balances in net assets for both governmental and business-type activities. Net assets decreased $8,228,372 for governmental activities and increased by $15,288,384 for business-type activities. The City's overall financial position improved during calendar year 2009. The major causes of the changes between governmental activities and business-type activities relates to the transfer of the debt and related items from the business-type activities to governmental activities for $12,066,203.

Note that approximately 86.7% of the governmental activities' net assets are tied up in capital. This compares to 70% at December 31, 2008. The City uses these capital assets to provide services to its citizens. However, with business type activities, the City has spent approximately 96.6% of its net assets on capital as compared to 79.6% at December 31, 2008. Capital assets in the business-type activities also provide utility services, but they also generate revenues for this fund. 89.8% of the City's total net assets are included in capital assets as compared to 71.6% at December 31, 2008.

The following chart reports the total net asset balances from calendar year 2003 - 2009.



Note that in calendar year 2007, the City began reporting its infrastructure retroactively.

(This page continued on the subsequent page)

The following table provides a summary of the City's changes in net assets:

Summary of Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**
Revenues:						
Program:						
Charges for services	$ 1,219,364	$ 691,791	$ 2,782,031	$ 1,427,314	$ 4,001,395	$ 2,119,105
Operating grants	5,141,584	6,230,709	-	-	5,141,584	6,230,709
Capital grants & contributions	-	50,000	49,019	1,276,201	49,019	1,326,201
General:						
Taxes	10,417,529	10,888,190	-	-	10,417,529	10,888,190
Intergovernmental	6,056,663	7,172,188	-	-	6,056,663	7,172,188
Other	248,911	1,842,448	86,033	142,883	334,944	1,985,331
Total revenues	23,084,051	26,875,326	2,917,083	2,846,398	26,001,134	29,721,724
Program Expenses:						
General government	4,085,428	4,349,581	-	-	4,085,428	4,349,581
Planning	281,256	368,509	-	-	281,256	368,509
Public safety	5,255,467	6,396,298	-	-	5,255,467	6,396,298
Public works	5,709,460	7,171,578	-	-	5,709,460	7,171,578
Culture and recreation	-	10,940	-	-	-	10,940
Interest	432,372	524,620	-	-	432,372	524,620
Water	-	-	3,177,139	3,184,682	3,177,139	3,184,682
Total expenses	15,763,983	18,821,526	3,177,139	3,184,682	18,941,122	22,006,208
Excess (deficiency)	7,320,068	8,053,800	(260,056)	(338,284)	7,060,012	7,715,516
Transfers	(15,548,440)	(3,371,609)	15,548,440	3,371,609	-	-
Net changes in net assets	(8,228,372)	4,682,191	15,288,384	3,033,325	7,060,012	7,715,516
Beginning net assets	72,536,001	67,853,810	14,627,301	11,593,976	87,163,302	79,447,786
Ending net assets	$ 64,307,629	$ 72,536,001	$ 29,915,685	$ 14,627,301	$ 94,223,314	$ 87,163,302

GOVERNMENTAL REVENUES

Gaming revenues provide the City's largest revenue stream. In 2009, the City recognized $8,395,345 in device taxes levied on gaming devices located within the City's casinos. This amount compares to $8,761,539 in 2008, or a decrease of 4.2%. The City also received $6,056,663 from the State of Colorado for their share of the state gaming tax. This amount compares to $7,172,188 in 2008. The 2009 amount is 15.6% below 2008. Both of these decreases relates to the current recession. Finally, the City received $3,391,732 from the State of Colorado Historical Society for preservation and restoration. This amount is paid to the City, through the State of Colorado, from casino gaming taxes paid to the State of Colorado. This amount compares to $4,016,425 in 2008 or a 15.6% reduction, also due to the poor economy.

In addition, the City relies on sales and use taxes to support governmental operations and capital. Sales and use taxes provided just 5.8% of the City's total governmental revenues as compared to 5.2% in 2008. The 2009 amount is just $58,402 less than the 2008 amount. Because of the City's healthy financial position, we have been able to earn $119,870 in interest earnings to support governmental activities as compared to $522,039 in 2008. This reduction relates primarily to lower investment rates. In 2009, program revenues covered just 40.4% of operating costs. This means that the government's taxpayers and the City's other general governmental revenues (e.g., device taxes) fund 59.6% of the governmental activities. As a result, the general economy and the City businesses (i.e., primarily casinos) have a major impact on the City's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

70% of the total costs relates to public safety and public works. Note that general government reported more program revenues in 2009 than program costs. This revenue includes both preservation and restoration state funding and special assessments.

This table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the City's taxpayers by each of these functions.

Governmental Activities

	2009		2008	
	Total Cost of Services	**Net Cost of Services**	**Total Cost of Services**	**Net Cost of Services**
General government	$ 4,085,428	$ (2,046,427)	$ 4,349,581	$ (2,472,639)
Planning	281,256	241,842	368,509	338,005
Public safety	5,255,467	5,076,349	6,396,298	6,363,822
Public works	5,709,460	5,698,899	7,171,578	7,084,278
Culture and recreation	-	-	10,940	10,940
Interest	432,372	432,372	524,620	524,620
Total	$ 15,763,983	$ 9,403,035	$ 18,821,526	$ 11,849,026

BUSINESS-TYPE ACTIVITIES

The City's only enterprise fund is the water fund. The Water Fund's net assets are $29,915,685 at December 31, 2009 are $14,627,301 at December 31, 2008 and are $11,593,976 at December 31, 2007.

(This page is continued on the subsequent page)

The following table compares the water fund's statements of net assets for the last three years:

Summary of Net Assets

	December 31, 2009		December 31, 2008		December 31, 2007	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Assets:						
Current assets	$ 1,512,003	5%	$ 3,985,125	13%	$ 4,427,939	16%
Other noncurrent assets	-	0%	503,667	2%	515,796	2%
Capital assets	28,891,370	95%	25,373,006	85%	22,790,440	82%
Total assets	30,403,373	100%	29,861,798	100%	27,734,175	100%
Liabilities:						
Current liabilities	471,414	97%	2,812,530	18%	2,468,046	15%
Noncurrent liabilities	16,274	3%	12,421,967	82%	13,672,153	85%
Total liabilities	487,688	100%	15,234,497	100%	16,140,199	100%
Net assets:						
Invested in capital assets, net of debt	28,891,370	97%	11,643,353	80%	8,291,732	72%
Restricted	-	0%	1,235,475	8%	1,317,800	11%
Unrestricted	1,024,315	3%	1,748,473	12%	1,984,444	1%
Total net assets	$ 29,915,685	100%	$ 14,627,301	100%	$ 11,593,976	100%

As referenced above, the City decided to begin the repayment of all long-term bonds, from governmental activities, rather than from the water fund, since the general fund has been funding this debt through interfund transfers from the general fund to the water fund. As a result, the water fund reported contributed capital totaling $12,066,203.

(This page continued on the subsequent page)

The following table compares the water fund operations for the last three years:

Summary of Changes in Net Assets

	2009		2008		2007	
	Business-type Activities	Percentage of Total	Business-type Activities	Percentage of Total	Business-type Activities	Percentage of Total
Revenues:						
Charges for services:	$ 2,782,031	18.6%	$ 1,427,314	50.1%	$ 729,783	37.9%
Capital contributions	12,115,222	80.9%	1,276,201	44.8%	1,110,941	57.7%
Investment earnings	21,571	0.1%	142,859	5.0%	83,822	4.4%
Other	64,462	0.4%	24	0.0%	-	0.0%
Total revenues	14,983,286	100.0%	2,846,398	100.0%	1,924,546	100.0%
Expenses:						
Personal services	705,750	22.2%	794,635	25.0%	828,625	25.5%
Professional services	415,328	13.1%	353,953	11.1%	253,933	7.8%
General services	353,695	11.1%	296,712	9.3%	335,336	10.3%
Purchased services	8,436	0.3%	8,917	0.3%	6,586	0.2%
Program services	4,213	0.1%	3,496	0.1%	8,906	0.0%
Supplies	42,511	1.3%	32,368	1.0%	39,810	1.2%
Repairs and maintenance	33,395	1.1%	19,655	0.6%	22,087	0.7%
Capital outlay - non-capitalized	8,954	0.3%	338	0.0%	27,458	0.8%
Depreciation	819,430	25.8%	833,613	26.2%	799,878	24.6%
Amortization	66,570	2.1%	62,879	2.0%	171,403	5.3%
Interest	718,857	22.6%	778,116	24.4%	756,497	23.3%
Total expenses	3,177,139	100.0%	3,184,682	100.0%	3,250,519	99.7%
Excess (deficiency)	11,806,147		(338,284)		(1,325,973)	
Transfers	3,482,237		3,371,609		4,628,642	
Net change	15,288,384		3,033,325		3,302,669	
Beginning net assets	14,627,301		11,593,976		8,291,307	
Ending net assets	$ 29,915,685		$ 14,627,301		$ 11,593,976	

BUSINESS-TYPE ACTIVITIES

2009 Analysis – The charges for services increased $1,354,717 or a 94.9% increase over the 2008 amount. This increase related to the following:

- Consumption increased from 84 million gallons in 2008 to 91 million gallons in 2009, or a 9.1% increase.
- Base fees increased from flat fees to calculated fees based on tap size and square footage of facility. The revenue for base fees increased from $295,350 in 2008 to $1,095,160 in 2009.
- Consumption rates increased on tiered charges, generally a $1 increase for each tier. The revenue for consumption increased from $1,081,126 in 2008 to $1,341,674 in 2009.

Total operating expenses increased approximately $48,025 or 2% over 2008. Personal services decreased $88,885 or 11.2% due to positions that became vacant in late 2008 and were not replaced until mid-2009. Within general services, plant costs were up $34,000 and distribution costs were up $52,000. Professional services increased approximately $62,000 over the 2008 amount, because of legal fees relating to water rights and the water fund is now paying their share of the accounting and auditing fees. In addition, plant expenses increased due to general maintenance and repairs, electrical work and pump and control repair. Distribution costs increased due to Chase street water main repair.

Because of the increased revenues in 2009, this fund reported an operating income of $454,781 as compared to an operating loss in 2008 of $916,349. In total net assets increased $15,288,384, primarily due to the transfer of the outstanding long-term debt of $12,066,203 to governmental activities and transfers in of $3,482,237 from the general fund.

2008 Analysis – The charges for services increased $697,531 or a 95.6% increase over 2007. Total operating expenses increased approximately $21,068 or .9% over 2007. Personal services decreased $33,990 or 4.4% due to vacancies in two water plant operator positions. Professional services increased approximately $100,000 over the 2007 amount, because of legal fees relating to water rights.

In 2008, the operating loss was down 42.5% due primarily to the increase in charges for services. In 2008, the water fund constructed a pre-treatment facility (Vortex) and restored and old water tank by the restoration and preservation fund at a cost of $1,276,201.

This fund also received the following transfers;

- General fund - $2.1 million to cover operations and capital
- Debt service fund - $1.3 million to assist with the debt service payments.

Financial Analysis of the City's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $20,070,877 as compared to $20,934,860 at December 31, 2008. The majority of this decrease relates to:

- The general fund reported an increase of $1,741,088 in fund balance due to major efforts of curtailing operating expenditures by all departments
- The capital project fund's fund balance decreased $2,622,231primarily due to street improvements on Bobtail Street.

Of this year-end total, $1,322,2891 is unreserved indicating availability for continuing City service requirements, which includes $1,740,835 for capital projects and $2,981,375 for restricted impact fee financed projects. Legally restricted fund balances (i.e., the reserved fund balances) include: $2,021,520 legally restricted to preservation and restoration, $4,418,846 restricted to debt service (of this amount, $546,984 relates to the business improvement district), and $362,126 set aside for emergencies.

The total ending fund balances of governmental funds show a decrease of $863,983 or 4.1% from the prior year. This compares to a decrease of $2,069,596 at December 31, 2008.

Major Governmental Funds

General Fund - The general fund is the City's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased by $1,741,088 or 21.7%. In calendar year 2008, the fund balance decreased $2,276,990. Of course, the amount of fund balance is contingent upon the amount of transfers to other funds.

Total revenues decreased about $1.4 million or 8.2% in 2009 as compared to an 18% increase in 2008. Total taxes decreased approximately $410,104 or 4.2%. Device fees were down $330,379 or 4.1% and sales and use tax was down $58,402 or 4.2%.

The majority of the City's revenues relates to the gaming industry. On November 4, 2008, Colorado voters approved Amendment 50, giving the electorate in the state's three gaming cities the option to approve raising the maximum wager limit up to $100, add the games of craps and/or roulette, and allow 24-hour gaming effective July 2, 2009. The City's casinos have implemented these changes.

However, as the economy begins a downward plunge, the population has less spendable income, which converts to less gaming activity. From 2008 to 2009, the average number of devices in the City was reduced from 9,816 to 9,386 or 4.4%. Part of this decrease relates to the inclusion of the games of craps and roulette, which require more space, although only charged a single fee for each table. There is one less casino at the end of 2009. On the positive side, the amount of money wagered minus the amount paid out in prizes increased 4.2%. The 2009 amount is still below a like amount in 2007 (the peak year) by 8.8%

Because of a shrinking economy, as discussed above, device fee revenue decreased $330,379 or 4.1%, as compared to a 1.9% decrease in 2008 and sales and use taxes decreased $58,402. The City's share of the gaming tax on casinos is 10% of the total taxes paid to the State of Colorado, split between the three Colorado gaming cities, in proportion to the respective gaming revenue. The amount recognized in 2009 was $6,056,663 or a 15.6% reduction from 2008.

Investment earnings were down approximately $115,000 from 2008 due to less money to invest and lower interest rates.

Most other revenue streams were consistent with that of 2008.

Expenditures in total decreased $1,814,277 or 14.4%. In total, at the end of 2008, 16 employee positions were eliminated and in 2009.

Professional services expenditures in the City's manager's office decreased by $501,757 or 53.0%, primarily related to:

- Legal fees for the City attorney were about $30,000 below the 2008 amount
- In 2008, $80,000 was spent on lobbying. however, there were no lobbying costs in 2009
- 2008 marketing ($450,000 for funding of the Black Hawk/Central City Convention Bureau) that generally was not duplicated in 2009 or about $111,000 was spent on marketing

In the finance department, personal costs were down $34,341 and professional services fees were down $38,385, primarily due to reduced audit fees because of changing auditing firms.

Planning expenditures for personal costs were down $193,578, but professional fees increased $103,822. The planning director position was eliminated; however, certain planning activities were contracted out to private firms.

Police expenditures for personal costs were down $536,913 or 16.5% from the 2008 amount. There was a net elimination of eight positions. Purchased services increased due to the new police grant for approximately $61,000. Fire department expenditures for personal costs were down $408,564 or 17.8% from the 2008 amount due to the elimination of 17 positions. Our costs for ambulance services increased $222,000 in 2009 from $185,000 in 2008.

The expenditures for the public works personal costs decreased $223,017 or 12.5% from 2008. At the end of 2008, two positions were eliminated. However, general services costs for public works increased $182,873 over 2008. The major increases are as follows:

- Gas and electric ($18,000)
- Streets ($110,000)

The general fund transferred $3,482,237 to the water fund for capital projects as compared to $2,118,897 in 2008. However, in 2008, the general fund transferred $5.8 million for general government capital projects and debt service, which these amounts were not duplicated in 2009.

After transfers out to other funds, the fund balance increased approximately $1.7 million over 2008. The ending unreserved fund balance is considered very adequate, representing the equivalent of 87.2% of annual expenditures.

Preservation and Restoration Fund – During 2009, the City awarded preservation and restoration grants to City property owners totaling $893,392, as compared to $451,511 in 2008. The City expended approximately $2.4 million on City owned preservation projects as compared to approximately $4.2 million in 2008. The City received preservation and restoration funding from the state totaling approximately $3.4 million as compared to $4 million in 2008.

Transportation Authority Fund – This fund received device fees of $720,041 and charges for transportation services totaling $657,176. This fund also received grant funds to assist with the construction of a bus barn. The fund expended $989,532 to provide transportation services, resulting in an excess of revenues over expenditures of $516,205. The ending fund balance deficit was reduced to $1,235,650. However, because of federal grants and estimated future excess revenues in this fund, the deficit will be eliminated over the next eight years.

In 2009, this fund reduced their interfund loan payable to the general fund by $213,813, or the required payment per the amortization schedule.

Business Improvement District Fund – This fund reported property tax revenue of approximately $434,000 and special assessment revenue of approximately $1.5 million. During 2009, this fund retired both general obligation bonds and special assessment bonds totaling $1,700,000. At December 31, 2009, this fund reported a fund balance of $786,900.

Capital Projects Fund – This fund reported investment earnings of $27,348 and transfers in totaling $100,000 from the general fund. The fund spent $2,749,579 on capital outlay, resulting in a year-end fund balance of $1,740,835.

Impact Fees Fund – In 2009, there were impact fees recognized as revenue totaling $62,828. This fund incurred no expenditures in 2009. At year-end, the December 31, 2009 fund balance was $2,981,375.

Budgetary Highlights

The General Fund – The general fund's budget was not amended during 2009. Note that the budget is adopted on a non-GAAP budgetary basis, which means that capital assets acquired through capital leases are not reflected with the general fund's budget.

Actual revenues were $572,064 below the budget. Device fees recognized exceeded the budget by $197,619. On the negative side, the City's share of gaming taxes distributed by the State of Colorado were $569,836 below our estimate. Charges for transportation fees were $102,707 below the budget and investment earnings were $105,793 below the budget.

The total general government function was under spent by $1,279,827. In the mayor and council's budget, program services were under spent by $807,528. This under spending related to the mayor and council discretionary budget. Professional services within the city manager's budget were below budget by $221,433. The savings were as follows:

- Lobbying - $81,000
- Public relations - $60,000
- City attorney - $40,000
- Outside legal services - $44,000

The planning personal services budget was under spent by $176,233 due to the elimination of two positions.

Capital outlay for the fire department was under spent by $100,868 and capital outlay for public works was under spent by $192,494. Beginning in 2009, the City is appropriating $100,000 per year, which is set aside in the general fund for the purchase of a fire truck. The savings in capital outlay for public works relates to delayed street improvement projects.

Also in public works, the professional services classification budget was under spent by $148,245 and the general services budget was under spent by $183,842, primarily due to delayed projects.

The City spent just 81.8% of the appropriated final budget.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2009, was $60,003,414 and $28,891,370 respectively. The total increase in this net investment was 5.2% for governmental activities and a 13.9% increase for business-type activities. The overall increase was 10.3% for the City as a whole. See Note 3-D for additional information about changes in capital assets during the calendar year and outstanding at the end of the year.

The following table provides a summary of capital asset activity.

Capital Assets

	Governmental Activities		Business Activities		Total	
	2009	2008	2009	2008	2009	2008
Non-depreciable assets:						
Land	$ 15,143,505	$ 14,893,857	$ 230,786	$ 230,786	$ 15,374,291	$ 15,124,643
Works of art & historic treasures	1,087,309	1,087,309	-	-	1,087,309	1,087,309
Intangible assets	207,718	-	3,489,759	3,474,347	3,697,477	3,474,347
Construction in progress	5,025,515	1,001,691	5,991,384	1,902,595	11,016,899	2,904,286
Total non-depreciable	21,464,047	16,982,857	9,711,929	5,607,728	31,175,976	22,590,585
Depreciable assets:						
Buildings and improvements	19,611,441	19,460,319	-	-	19,611,441	19,460,319
Plant and equipment	-	-	21,752,967	21,571,473	21,752,967	21,571,473
Distribution system	-	-	5,849,886	5,849,886	5,849,886	5,849,886
Vehicles and equipment	4,873,663	4,677,243	376,034	341,235	5,249,697	5,018,478
Infrastructure	30,569,257	30,488,584	-	-	30,569,257	30,488,584
Total depreciable assets	55,054,361	54,626,146	27,978,887	27,762,594	83,033,248	82,388,740
Less accumulated depreciation	16,514,994	14,589,437	8,799,446	7,997,316	25,314,440	22,586,753
Book value - depreciable assets	38,539,367	40,036,709	19,179,441	19,765,278	57,718,808	59,801,987
Percentage depreciated	30%	27%	31%	29%	30%	27%
Book value - all assets	$ 60,003,414	$ 57,019,566	$ 28,891,370	$ 25,373,006	$ 88,894,784	$ 82,392,572

At December 31, 2009, the depreciable capital assets for governmental activities were 30% depreciated. This compares slightly above the December 31, 2008 percentage. This comparison indicates that the City is replacing its assets at almost the same rate as they are depreciating which is a positive indicator.

With the City's business type activities, only 31% of the asset values were depreciated at December 31, 2009 compared to 29% at December 31, 2008.

In governmental activities, the intangible assets consist of a purchased easement. The increase in the construction in progress relates to:

- Dubois street reconstruction - $1,315,916
- Chase street reconstruction - $109,905
- Bobtail street reconstruction - $2,598,001

In the water fund, most of the intangible assets are water rights and water storage in the Georgetown Lake. The increase in the business-type construction in progress relates to:

- Green Lake Leavenworth improvements (inflow pipe) - $573,282
- Silver Gulch water tank - $3,564,760

Long-term Debt

As mentioned above, all of the business-type activities bonded debt was transferred to the governmental activities at the end of 2009.

The following table presents the outstanding debt at December 31, 2009 and 2008.

Outstanding Borrowings

	Governmental Activities		Business-type Activities		Totals		% Change
	2009	2008	2009	2008	2009	2008	
Capital leases	$ 72,564	$ 180,434	$ -	$ -	$ 72,564	$ 180,434	-60%
Device fee revenue bonds	14,610,000	1,935,250	-	14,179,750	14,610,000	16,115,000	-9%
General obligation bonds	995,000	1,215,000	-	-	995,000	1,215,000	-18%
Special assessment bonds	1,525,000	3,005,000	-	-	1,525,000	3,005,000	-49%
Compensated absences	435,117	423,964	40,685	29,535	475,802	453,499	5%
Total	$ 17,637,681	$ 6,759,648	$ 40,685	$ 14,209,285	$ 17,678,366	$20,968,933	-16%

See Note 3-F for additional information about the City's long-term debt.

Economic Conditions Affecting the City

The City was incorporated in 1864 and is located in central Colorado in Gilpin County, approximately 35 miles west of the City of Denver. The City has a population of only approximately 100. However in 1990, the City became one of three Colorado cities in which limited gaming is permitted. As a result, the City must provide most of its services to a much higher population base due to gaming. The City receives almost all of its revenue from gaming related sources.

The level of gaming activity within the City can be affected by the amount of disposal income and entertainment expenditures of individuals participating in gaming activities. The number of gaming devices operated within the City is subject to:

- The availability of space within a constitutionally defined area in which limited gaming is legal
- The continued availability of monies to finance the capital investment necessary to acquire, improve, construct or equip gaming establishments
- The continued profitability of operating gaming establishments after the payment of winnings of players, all applicable licenses, taxes and fees and capital and operation expenses.

The City monitors the gaming community very thoroughly to insure a stable revenue base.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Finance Director or City Manager at the City, Post Office 68, Black Hawk, Colorado, 80432.

City of Black Hawk, Colorado
Statement of Net Assets
December 31, 2009

	Primary Government		
	Governmental Activities	**Business-type Activities**	**Total**
Assets			
Current Assets			
Cash and cash equivalents (Note 3A)	$ 17,993,598	$ 934,465	$ 18,928,063
Receivables:			
Accounts	428,055	573,007	1,001,062
Property taxes	444,426	-	444,426
Other taxes	1,019,300	-	1,019,300
Intergovernmental	73,502	-	73,502
Notes (Note 1-E-2)	186,714	-	186,714
Inventory	105,260	-	105,260
Prepaid items	45,494	4,531	50,025
Restricted assets	1,865,811	-	1,865,811
Total Current Assets	22,162,160	1,512,003	23,674,163
Noncurrent Assets			
Notes receivable (Note 1-E-2)	639,358	-	639,358
Deferred charges	645,134	-	645,134
Escrow deposit	50,000	-	50,000
Capital assets (Note 3D)			
Nondepreciable	21,464,047	9,711,929	31,175,976
Depreciable, net	38,539,367	19,179,441	57,718,808
Total Noncurrent Assets	61,337,906	28,891,370	90,229,276
Total Assets	83,500,066	30,403,373	113,903,439
Liabilities			
Current Liabilities			
Accounts payable	621,285	233,059	854,344
Accrued expenses	474,816	18,950	493,766
Retainage payable	259,034	194,994	454,028
Accrued interest payable	69,367	-	69,367
Unearned revenue	441,134	-	441,134
Deposits payable	158,300	-	158,300
Compensated absences payable	261,070	24,411	285,481
Capital leases payable	57,694	-	57,694
General obligation bonds payable	230,000	-	230,000
Special assessment bonds payable	1,420,000	-	1,420,000
Revenue bonds payable	1,655,000	-	1,655,000
Total Current Liabilities	5,647,700	471,414	6,119,114
Long-Term Liabilities (net of current portion): (Note 3F)			
Compensated absences payable	174,047	16,274	190,321
Capital leases payable	14,870	-	14,870
General obligation bonds payable	726,522	-	726,522
Special assessment bonds payable	105,000	-	105,000
Revenue bonds payable	12,524,298	-	12,524,298
Total Long-term Liabilities	13,544,737	16,274	13,561,011
Total Liabilities	19,192,437	487,688	19,680,125
Net Assets			
Invested in capital assets, net of related debt (Note 3H)	55,721,389	28,891,370	84,612,759
Restricted for:			
Capital projects	2,981,375	-	2,981,375
Debt service	3,871,862	-	3,871,862
Preservation and restoration	2,021,520	-	2,021,520
Emergencies (Note 2D)	362,126	-	362,126
Other program purposes	134,963	-	134,963
Unrestricted	(785,606)	1,024,315	238,709
Total Net Assets	$ 64,307,629	$ 29,915,685	$ 94,223,314

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Statement of Activities
For the Year Ended December 31, 2009

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets, Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total
Primary Government							
Governmental Activities							
General government	$ 4,085,428	$ 1,074,334	$ 5,057,521	$ -	$ 2,046,427	$ -	$ 2,046,427
Planning	281,256	39,414	-	-	(241,842)	-	(241,842)
Public safety	5,255,467	105,616	73,502	-	(5,076,349)	-	(5,076,349)
Public works	5,709,460	-	10,561	-	(5,698,899)	-	(5,698,899)
Interest	432,372	-	-	-	(432,372)	-	(432,372)
Total Governmental Activities	15,763,983	1,219,364	5,141,584	-	(9,403,035)	-	(9,403,035)
Business-Type Activities:							
Water	3,177,139	2,782,031	-	49,019	-	(346,089)	(346,089)
Total - Primary Government	$ 18,941,122	$ 4,001,395	$ 5,141,584	$ 49,019	(9,403,035)	(346,089)	(9,749,124)
		General Revenues					
		Property and specific ownership taxes			445,187	-	445,187
		Sales and use taxes			1,342,501	-	1,342,501
		Road and bridge taxes			89,925	-	89,925
		Device fee taxes			8,395,345	-	8,395,345
		Franchise taxes			138,226	-	138,226
		Other taxes			6,345	-	6,345
		Intergovernmental - gaming			6,056,663	-	6,056,663
		Investment earnings			119,870	21,571	141,441
		Miscellaneous			129,041	64,462	193,503
		Total General Revenues			16,723,103	86,033	16,809,136
		Transfers			(15,548,440)	15,548,440	-
		Change in Net Assets			(8,228,372)	15,288,384	7,060,012
		Net Assets Beginning of Year			72,536,001	14,627,301	87,163,302
		Net Assets End of Year			$ 64,307,629	$ 29,915,685	$ 94,223,314

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Balance Sheet
Governmental Funds
December 31, 2009

	General	Preservation & Restoration	Transportation Authority	Business Improvement District	Debt Service	Capital Projects	Impact Fee	Other Governmental Funds	Total Governmental Funds
Assets									
Cash and cash equivalents	$ 7,650,261	$ 2,334,747	$ -	$ 240,648	$ 2,550,862	$ 2,100,742	$ 2,981,375	$ 134,963	$ 17,993,598
Cash and cash equivalents - restricted	-	-	-	544,811	1,321,000	-	-	-	1,865,811
Receivables:									
Accounts	186,258	128,377	113,420	-	-	-	-	-	428,055
Property taxes	10,000	-	-	434,426	-	-	-	-	444,426
Other taxes	1,019,300	-	-	-	-	-	-	-	1,019,300
Intergovernmental	73,502	-	-	-	-	-	-	-	73,502
Notes	-	826,072	-	-	-	-	-	-	826,072
Interfund notes	1,210,504	-	-	-	-	-	-	-	1,210,504
Interfund	120,907	-	-	-	-	-	-	-	120,907
Escrow deposit	-	50,000	-	-	-	-	-	-	50,000
Inventory	67,320	-	37,940	-	-	-	-	-	105,260
Prepaid items	45,494	-	-	-	-	-	-	-	45,494
Total Assets	$ 10,383,546	$ 3,339,196	$ 151,360	$ 1,219,885	$ 3,871,862	$ 2,100,742	$ 2,981,375	$ 134,963	$ 24,182,929
Liabilities and Fund Balances (Deficits)									
Liabilities									
Accounts payable	$ 234,945	$ 97,748	$ 55,599	$ 1,851	$ -	$ 231,142	$ -	$ -	$ 621,285
Grant tax payable	-	275,787	-	-	-	-	-	-	275,787
Retainage payable	14,659	115,610	-	-	-	128,765	-	-	259,034
Accrued expenditures	196,570	2,459	-	-	-	-	-	-	199,029
Interfund notes payable	-	-	1,210,504	-	-	-	-	-	1,210,504
Interfund payable	-	-	120,907	-	-	-	-	-	120,907
Deposits payable	158,300	-	-	-	-	-	-	-	158,300
Deferred revenue	10,000	826,072	-	431,134	-	-	-	-	1,267,206
Total Liabilities	614,474	1,317,676	1,387,010	432,985	-	359,907	-	-	4,112,052
Fund Balances (Deficits)									
Reserved for:									
Emergencies	342,126	-	-	20,000	-	-	-	-	362,126
Debt service	-	-	-	546,984	3,871,862	-	-	-	4,418,846
Preservation and restoration	-	1,971,520	-	-	-	-	-	-	1,971,520
Escrow deposits	-	50,000	-	-	-	-	-	-	50,000
Prepaid items	45,494	-	-	-	-	-	-	-	45,494
Unreserved:									
Unreserved, designated for equipment purchases	100,000	-	-	-	-	-	-	-	100,000
Undesignated, reported in:									
General fund	9,281,452	-	-	-	-	-	-	-	9,281,452
Special revenue funds	-	-	(1,235,650)	219,916	-	-	-	134,963	(880,771)
Capital projects funds	-	-	-	-	-	1,740,835	2,981,375	-	4,722,210
Total Fund Balances (Deficits)	9,769,072	2,021,520	(1,235,650)	786,900	3,871,862	1,740,835	2,981,375	134,963	20,070,877
Total Liabilities and Fund Balances (Deficits)	$ 10,383,546	$ 3,339,196	$ 151,360	$ 1,219,885	$ 3,871,862	$ 2,100,742	$ 2,981,375	$ 134,963	$ 24,182,929

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Reconciliation of the Balance Sheet of Governmental Funds
to the Government-Wide Statement of Net Assets
December 31, 2009

Total Governmental Fund Balances			$	20,070,877
Amounts reported for governmental activities in the statement of net assets are different because:				
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.				
Cost of capital assets	$	76,518,408		
Less accumulated depreciation		(16,514,994)		60,003,414
Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net assets.				
Interfund receivables	$	(1,331,411)		
Interfund payables		1,331,411		-
Long-term notes receivable are not available to pay current period expenditures and therefore are deferred in the funds.				826,072
Bond premiums, discounts, refundings and issuance costs are reported as other financing sources and uses and expenditures in the governmental fund financial statements but capitalized on the government-wide statement of net assets.				
Bond issuance costs	$	645,134		
Premiums, discounts and refundings		469,180		1,114,314
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net assets.				
Revenue bonds	$	(14,610,000)		
General obligation bonds		(995,000)		
Special assessment bonds		(1,525,000)		
Capital leases		(72,564)		
Accrued interest		(69,367)		
Compensated absences		(435,117)		(17,707,048)
Net Assets of Governmental Activities			$	64,307,629

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	General	Preservation & Restoration	Transportation Authority	Business Improvement District	Debt Service	Capital Projects	Impact Fee	Other Governmental Funds	Total Governmental Funds
Revenues									
Taxes	$ 9,256,216	$ -	$ 720,041	$ 434,927	$ -	$ -	$ -	$ -	$ 10,411,184
Special assessments	-	-	-	1,536,382	-	-	-	-	1,536,382
Impact fees	-	-	-	-	-	-	62,828	-	62,828
Intergovernmental	6,147,071	3,391,731	128,400	-	-	-	-	1,008	9,668,210
Licenses and permits	51,679	-	-	-	-	-	-	-	51,679
Charges for services	404,443	-	657,176	-	-	-	-	450	1,062,069
Fines and forfeitures	42,788	-	-	-	-	-	-	-	42,788
Investment earnings	44,607	14,122	120	8,789	2,227	27,348	21,761	896	119,870
Miscellaneous	90,710	187,185	-	1,182	-	-	-	-	279,077
Total Revenues	16,037,514	3,593,038	1,505,737	1,981,280	2,227	27,348	84,589	2,354	23,234,087
Expenditures									
Current:									
General government	2,223,911	893,392	-	600,043	-	-	-	-	3,717,346
Planning	278,414	-	-	-	-	-	-	-	278,414
Public safety	5,225,582	-	-	-	-	-	-	-	5,225,582
Public works	2,915,832	-	989,532	-	-	-	-	-	3,905,364
Capital Outlay	-	2,428,020	-	-	-	2,749,579	-	-	5,177,599
Debt Service:									
Principal retirement	107,870	-	-	1,700,000	185,500	-	-	-	1,993,370
Interest and fiscal charges	7,580	-	-	219,056	91,522	-	-	-	318,158
Total Expenditures	10,759,189	3,321,412	989,532	2,519,099	277,022	2,749,579	-	-	20,615,833
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,278,325	271,626	516,205	(537,819)	(274,795)	(2,722,231)	84,589	2,354	2,618,254
Other Financing Sources (Uses)									
Transfers in	300,000	-	-	-	255,000	100,000	-	-	655,000
Transfers out	(3,837,237)	(300,000)	-	-	-	-	-	-	(4,137,237)
Total Other Financing Sources (Uses)	(3,537,237)	(300,000)	-	-	255,000	100,000	-	-	(3,482,237)
Net Change in Fund Balances	1,741,088	(28,374)	516,205	(537,819)	(19,795)	(2,622,231)	84,589	2,354	(863,983)
Fund Balances Beginning of Year	8,027,984	2,049,894	(1,751,855)	1,324,719	3,891,657	4,363,066	2,896,786	132,609	20,934,860
Fund Balances End of Year	$ 9,769,072	$ 2,021,520	$ (1,235,650)	$ 786,900	$ 3,871,862	$ 1,740,835	$ 2,981,375	$ 134,963	$ 20,070,877

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities
For the Year Ended December 31, 2009

Net Changes In Fund Balances - Total Governmental Funds		$ (863,983)
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	$ (2,010,106)	
Capital outlay	4,993,953	2,983,847
Revenue from the long-term notes receivable reported in the government-wide statement of activities does not provide current financial resources and are not reported as revenues in the governmental fund operating statement.		
Deferred @ 12/31/09	(976,108)	
Deferred @ 12/31/08	826,072	(150,036)
To record the assumption of the water fund debt and bond related items.		(12,066,203)
Accrued interest is reported in the statement of activities, but does not require the use of financial resources and therefore are not reported as reported as expenditures in governmental funds.		
Liability @ 12/31/09	$ (17,426)	
Liability @ 12/31/08	24,800	7,374
Deferred bond issue related costs are reported in the governmental fund's operating statement because these transactions require the use of current financial resources but are not capitalized on the government-wide statement of net assets.		(121,588)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		1,993,370
Compensated absences are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 12/31/09	$ (435,117)	
Liability @ 12/31/08	423,964	(11,153)
Change In Net Assets of Governmental Activities		$ (8,228,372)

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Water Fund
Comparative Statement of Net Assets
December 31, 2009 and 2008

	2009	2008
Assets		
Current Assets:		
Cash and cash equivalents	$ 934,465	$ 2,629,978
Accounts receivable	573,007	118,341
Prepaid items	4,531	1,331
Restricted assets:		
Cash and cash equivalents	-	1,235,475
Total Current Assets	1,512,003	3,985,125
Noncurrent Assets:		
Deferred charges	-	503,667
Capital assets:		
Nondepreciable	9,711,929	5,607,728
Depreciable, net	19,179,441	19,765,278
Total Noncurrent Assets	28,891,370	25,876,673
Total Assets	30,403,373	29,861,798
Liabilities		
Current Liabilities:		
Accounts payable	233,059	1,387,909
Retainage payable	194,994	12,494
Accrued expenses	18,950	18,123
Compensated absences payable	24,411	17,721
Total Current Liabilities	471,414	1,436,247
Current Liabilities Payable from Restricted Assets:		
Revenue bonds payable	-	1,319,500
Accrued interest payable	-	56,783
Total Current Liabilities Payable from Restricted Assets	-	1,376,283
Total Current Liabilities	471,414	2,812,530
Long-Term Liabilities (net of current portion):		
Compensated absences payable	16,274	11,814
Revenue bonds payable	-	12,410,153
Total Long-Term Liabilities	16,274	12,421,967
Total Liabilities	487,688	15,234,497
Net Assets		
Invested in capital assets, net of related debt	28,891,370	11,643,353
Restricted for revenue bonds	-	1,235,475
Unrestricted	1,024,315	1,748,473
Total Net Assets	$ 29,915,685	$ 14,627,301

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Water Fund
Statement of Revenues, Expenses
and Changes in Fund Net Assets
For the Years Ended December 31, 2009 and 2008

	2009	2008
Operating Revenues		
Charges for services	$ 2,782,031	$ 1,427,314
Miscellaneous	64,462	24
Total Operating Revenues	2,846,493	1,427,338
Operating Expenses		
Personal services	705,750	794,635
Professional services	415,328	353,953
General services	353,695	296,712
Program services	4,213	3,496
Purchased services	8,436	8,917
Supplies	42,511	32,368
Repairs and maintenance	33,395	19,655
Capital outlay - non-capitalized	8,954	338
Depreciation	819,430	833,613
Total Operating Expenses	2,391,712	2,343,687
Operating Income (Loss)	454,781	(916,349)
Non-Operating Revenues (Expenses)		
Interest and fiscal charges	(718,857)	(778,116)
Investment earnings	21,571	142,859
Amortization	(66,570)	(62,879)
Total Non-Operating Revenues (Expenses)	(763,856)	(698,136)
(Loss) Before Capital Contributions and Transfers In	(309,075)	(1,614,485)
Capital contributions	12,115,222	1,276,201
Transfers in	3,482,237	3,371,609
Change in Net Assets	15,288,384	3,033,325
Net Assets Beginning of Year	14,627,301	11,593,976
Net Assets End of Year	$ 29,915,685	$ 14,627,301

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Water Fund
Statement of Cash Flows
For the Years Ended December 31, 2009 and 2008

	2009	2008
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	$ 2,391,827	$ 1,365,307
Cash payments for personal services	(694,600)	(786,514)
Cash payments for goods and services	(1,841,255)	(854,620)
Net Cash (Used in) Operating Activities	(144,028)	(275,827)
Cash Flows from Noncapital Financing Activities		
Transfers in	3,482,237	3,371,609
Cash Flows from Capital and Related Financing Activities		
Principal paid on bonds	(1,319,500)	(712,000)
Interest paid on bonds	(723,699)	(785,034)
Payments for capital acquisitions	(4,252,411)	(2,247,783)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(6,295,610)	(3,744,817)
Cash Flows from Investing Activities		
Investment earnings	26,413	142,859
Net Increase (Decrease) in Cash and Cash Equivalents	(2,930,988)	(506,176)
Cash and Cash Equivalents Beginning of Year	3,865,453	4,371,629
Cash and Cash Equivalents End of Year	$ 934,465	$ 3,865,453
Reconciliation to Cash and Cash Equivalents:		
Unrestricted	$ 934,465	$ 2,629,978
Restricted	-	1,235,475
Total Cash and Cash Equivalents	$ 934,465	$ 3,865,453

City of Black Hawk, Colorado
Water Fund
Statement of Cash Flows
For the Years Ended December 31, 2009 and 2008

(Continued)

	2009	2008
Reconciliation of Operating Income (Loss) to Net Cash (Used in) Operating Activities		
Operating Income (Loss)	$ 454,781	$ (916,349)
Adjustments:		
Depreciation	819,430	833,613
(Increase) Decrease in Assets:		
Accounts receivable	(454,666)	(62,031)
Prepaid items	(3,200)	(1,331)
Increase (Decrease) in Liabilities:		
Accounts payable	(1,154,850)	(150,344)
Retainage payable	182,500	12,494
Accrued expenses	827	4,142
Compensated absences payable	11,150	3,979
Net Cash (Used in) Operating Activities	$ (144,028)	$ (275,827)
Noncash Capital Activities:		
Capital asset acquisitions included in accounts payable and retainage payable at December 31	$ 352,370	$ 1,363,220
Capital assets contributed	22,619	1,276,201
Issuance of refunding debt including premium	-	2,094,222
Repayment of refunded debt	-	(2,170,000)
Bond issuance costs and refunding differences	-	(131,451)
Assumption of debt and debt related items by the governmental activities	12,066,203	-

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2009

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The City of Black Hawk, Colorado (the "City") became a home rule city January 16, 2001, as authorized by Article 20 of the Colorado State Constitution. Prior to that date, the City functioned as a territorial charter city. A City Aldermen/Manager form of government governs the City with a Mayor and Board of Aldermen. The City aldermen appoint the City manager. The City provides the following services: public safety, street maintenance, public improvements, culture-recreation, planning and zoning, water services and general administration.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise fund at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

The most significant of the City's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City, this entity includes the legal entity of the City and two blended component units.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

Brief descriptions of the blended component units follow:

Black Hawk Business Improvement District (the District) – The District was created by ordinance passed by the City's Board of Alderman on July 26, 1995. The purpose of the District is to construct public improvements for gaming and commercial interests within the City. A board of directors, appointed by the City's Board of Alderman, governs the District. The District issues a separate financial report which is available at the offices of L. Paul Goedecke, P.C., 950 Wadsworth Boulevard, Suite 204, Lakewood, Colorado, 80214.

Black Hawk Transportation Authority (the Authority) – The Authority was created by an intergovernmental agreement between the Authority and the City. The purpose of the Authority is to affect the planning and development of transportation resource systems and facilities to provide public transportation, parking and all related services. The Authority is governed by a three member Board of Directors of which one member is appointed by the District, one member by the City of Central City with the City's Board of Alderman appointing the balance of the members. The Authority does not issue separate financial statements.

Black Hawk Urban Renewal Authority (Renewal Authority) – The Renewal Authority was created by resolution passed by the City's Board of Alderman in July 2008. The purpose of the Renewal Authority is to develop urban renewal projects. The Board of Alderman serves as the Renewal Authority's governing board. The Authority does not issue separate financial statements. During 2009, the Renewal Authority had no financial activity.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include a statement of net assets and a statement of activities. These statements report financial information for the City as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government.

Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the City's general revenues, from business-type activities, generally financed in whole or in part with charges for services to external customers.

The statement of net assets presents the financial position of the governmental and business-type activities of the City and it's discretely presented component units at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges for services to users of the City's services and fines; (2) operating grants and contributions which finance annual operating activities including restricted investment earnings; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying the function to which the program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the City, primarily taxes. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental and proprietary funds.

Major individual governmental and enterprise funds are reported in separate columns.

Fund Accounting - The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

> ***Governmental Funds*** - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and liabilities as fund balance. The following are the City's major governmental funds:

Note 1 - Summary of Significant Accounting Policies (Continued)

General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of the State of Colorado.

Preservation and Restoration Fund – This fund accounts for the various preservation and restoration programs of the City, which are primarily funded through gaming revenues received from the State of Colorado, earmarked for this purpose.

Transportation Authority Fund – This fund accounts for transportation services provided within Gilpin County, primarily to and from casinos.

Business Improvement District Fund – This fund accounts for marketing and the construction of public improvements to the casinos.

Debt Service Fund – This fund receives transfers from the general fund and retires the governmental activities bonded debt, excluding the District's debt.

Capital Projects Fund – This fund accounts for the construction of significant City capital projects.

Impact Fee Fund – This fund accounts for the parking and related projects of the City which are funded through an impact fee collected from new developments within the City.

The Proprietary Fund - Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The City's proprietary fund is classified as a major enterprise fund.

Water Fund – This fund accounts for the operations of the City's water system.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, the proprietary fund type is accounted for on a flow of economic resources measurement focus on both financial reporting levels and the fiduciary fund is accounted for on a flow of economic resources at the fund reporting level. All assets and all liabilities associated with the operation of these funds are included on the statements of net assets. The statements of changes in fund net assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. The proprietary fund uses the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the calendar year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current calendar year. For the City, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include property taxes, specific ownership taxes, sales taxes, device fees, grants, and contributions. On an accrual basis, revenue from property taxes and specific ownership taxes is recognized in the calendar year for which the taxes are levied. (Note 3-C) Property taxes are assessed in one year for the subsequent years' budget. Recognition for the levy made in 2009 is revenue for the 2009 budget year. Therefore, a property tax receivable and a liability of an equal amount are reported as "unearned revenue" on the government-wide statement of net assets and as deferred revenue at the fund financial reporting level. Sales taxes are recognized in the year, in which the underlying event takes place (i.e., the calendar year in which the sale takes place).

Revenue from grants and contributions is recognized in the calendar year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, device taxes and federal and state grants.

Deferred/Unearned Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Property taxes receivable not collected within 60 days of year-end have been recorded as deferred revenue. Since property taxes are levied in December (i.e., there is a legal claim) for the next calendar year's operations, the total levy is reported as taxes receivable and deferred revenue as of December 31, 2009.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

Deferred revenue is reclassified as "*unearned revenue*" on the government-wide statement of net assets.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash balances of most City funds are pooled and invested. Interest earned from investments purchased with pooled cash is allocated to each fund based on the fund's average equity balance in the pooled fund. For the purpose of the statement of cash flows, the City considers cash and cash equivalents to include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

Investments are stated at fair value based on quoted market prices.

Colorado law authorizes the City to invest in the following type of obligations:

- Obligations of the United States and certain U.S. government agency securities.
- Certain international agency securities.
- General obligation and revenue bonds of U.S. local government entities.
- Bankers' acceptances of certain banks.
- Commercial paper limited to securities with highest rating category by at least one nationally recognized rating agency at time of purchase.
- Written repurchase agreements collateralized by certain authorized securities.
- Certain money market funds.
- Guaranteed investment contracts.
- Local government investment pools.

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. Unbilled water charges are accrued as receivables and revenue at December 31, 2009.

At December 31, 2009, the City holds two notes receivable as follows (Note 3-B):

Horseshoe Casino, LLC – An original contract was approved in 1997 between the City and Horseshoe Casino, LLC to move the "Lace House" from a site adjacent to the Horseshoe Casino, and owned by the casino to Mountain City, a site owned by the City. The Lace House is an historical house that the City owns. The City initially paid costs, which the City capitalized. The Horseshoe Casino has the responsibility to repay the City for the cost of building the house foundation, building the rock wall and moving the house. The casino began reimbursing the City in March 2009 monthly for a five year period.

FBA Blackhawk, LLC – On November 14, 2008 the City and the FBA Blackhawk LLC entered into an agreement for the City to make certain improvements to address and remediate a mine adit discovered under High Street adjacent to the owner's property. The City will pay the cost of improvements, and collect reimbursement from the owner over a term of three years, paid annually. The owner's financial responsibility is limited to $30,000 with the City's responsibility being any costs in excess of $30,000.

At the fund reporting level, the notes receivable are reported at the amount outstanding in the preservation and restoration fund and deferred revenue is reported for the portion of the receivable that is not available. All costs related to these projects were reported as expenditures.

At the government-wide financial reporting level, the total amount of the note receivable has been recognized as revenue. The costs for the Lace House were capitalized on the government-wide statement of net assets.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term transactions or interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Consumable Inventory

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost while the inventories of enterprise fund are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed. Inventories of the enterprise fund are expensed when consumed.

These inventories consist primarily of fuel and public works parts.

1-E-5 Restricted Assets

Cash and investments are restricted for debt service applicable to various debt obligations.

1-E-6 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net assets but does not report these assets in the City fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activities column of the government-wide statement of net assets and in the enterprise fund's statement of net assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars for all capital assets other than land. All land is recorded, without regard to its cost. The City's reported infrastructure consists of drainage structures, retaining walls and street lighting. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized.

The City capitalizes the cost of water rights, which includes the acquisition cost, legal and engineering costs related to the development and augmentation of those rights. Since the rights have a perpetual life, they are not amortized. All other costs, including costs incurred for the protection of those rights, are expensed.

The City capitalizes works of art and historical treasures, consisting primarily of statues and sculptures. These works are not depreciated since they are inexhaustible.

All reported capital assets are depreciated except for land, water rights, works of art and historical treasures and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement.

Note 1 - Summary of Significant Accounting Policies (Continued)

Depreciation is computed using the straight-line method over the following useful lives:

	Estimated Lives	
Asset Class	Governmental Activities	Business-type Activities
Buildings and improvements	25 - 40 Years	---
Vehicles and equipment	5 - 20 Years	5 - 20 Years
General government infrastructure	15 - 25 Years	---
Water plant and equipment	---	40 Years
Water distribution system	---	10 - 30 Years

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

1-E-7 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits do not vest.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. The proprietary fund reports the total compensated liability in this fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "*when due*."

1-E-8 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-9 Bond Premiums, Discounts, Refunding Differences and Issuance Costs

On the government-wide statement of net assets and the proprietary fund type statement of net assets, unamortized bond premiums and discounts and unamortized bond refunding differences are netted against bonds payable. Unamortized bond issuance costs are reported as deferred charges. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts and bond issuance costs are deferred and amortized over the life of the bonds using the effective interest method. Bond refunding differences are amortized over the shorter of the life of the refunding debt or refunded debt.

At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as an expenditure.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-10 Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net assets."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management's intent to set aside unreserved fund balances for specific uses.

Net Assets - Net assets represent the difference between assets and liabilities. The "net assets" invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets (i.e., the unspent portion). This net asset amount also is adjusted by any bond issuance deferred amounts. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

1-E-11 Operating and Nonoperating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for providing water. Operating expenses are necessary costs incurred to provide the water services. All other revenues and expenses are considered nonoperating including investment earnings, interest expense and amortization.

1-E-12 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, system develop fees or from grants or outside contributions of resources restricted to capital acquisition and construction (e.g., water lines).

I-E-13 Device Fees Tax

The City adopted an ordinance imposing an occupational tax (i.e., a device fee) on gaming devices used within the City. The fee is paid on all gaming devices for which the State of Colorado has issued a device tax stamp. The City annual device fee tax is $750 per device. The annual transportation device tax is $77 per device. The annual business improvement district tax is $89 per device.

I-E-14 Impact Fees

The City imposes two types of impact fees.

Parking Impact Fees – The City imposes a parking impact fee, charged to developers at the time of application for a building permit. The fee is levied to aid the development of additional parking facilities. The fee is $2,000 for each required parking space based upon various factors included in the ordinance. Parking impact fees not expended or encumbered within ten years from the date of collection are refunded.

Fire and Police Impact Fees - The City imposes a fire and police impact fee, charged to developers at the time of application for a building permit. The fee is levied for the acquisition of facilities and equipment for public safety. The fees are based upon the type and size of the development. These impact fees not expended or encumbered within six years from the date of collection are refunded.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-15 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported separately after general revenues. Transfers between funds reported in the governmental activities column are eliminated.

1-E-16 Estimates

The preparation of the financial statements in conformity with GAAP in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-17 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

1-E-18 Related Parties

The Mayor and Board of Alderman and resident City employees may receive preservation and restoration grants to restore their personal property in accordance with City policy and State Statutes.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The City adopts an annual operating budget for all governmental funds. The budget resolution reflects the total of each department's appropriation in each fund. The City also adopts an annual budget for its water fund.

Annual budgets are adopted for City funds. The budgets are adopted on a basis consistent with GAAP for all governmental fund types with the following exception:

- Any inceptions of capital leases and related capital outlay are not budgeted
- The budget for the water fund is adopted on the modified accrual basis of accounting (i.e., a non-GAAP budgetary basis)

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the total appropriation within each individual fund. Any change in total to a fund appropriation requires approval of the City's Board of Aldermen.

2-B. Fund Deficit

The transportation authority fund reported a net fund balance deficit of $1,235,650 at December 31, 2009. This deficit relates to the construction of the bus barn. As the planned funding over the next eight years occurs, this deficit will be eliminated.

Note 2 – Stewardship, Compliance and Accountability (Continued)

2-C. Emergency Reserves

In 1992, Colorado voters approved an amendment to the Colorado Constitution that placed certain limits on revenue and expenditures of the state and local governments. Although the limit is placed on both revenue and expenditures, the constitutional amendment actually applies to revenue collections. The amendment is complex and subject to judicial interpretation.

However, cities have the option of placing a ballot measure before the voters asking for approval on retaining the revenue over the limit. The City's voters approved a ballot measure on November 7, 1995 that allows the City to exclude all revenues from those included within Article X, Section 20 of the Colorado Constitution.

Article X, Section 20 of the Colorado Constitution requires a reserve of 3% of its fiscal spending for emergencies. The use of this reserve is restricted to the purpose for which it was established and can be used solely for declared emergencies. In accordance with Article X, Section 20 of the Colorado Constitution, the City has reserved all fund balances for future expenditures in the general fund.

On November 5, 2002, the City's electors authorized the Black Hawk Business Improvement District to issue debt not to exceed $9,600,000 with a repayment cost of $17,000,000 and to increase taxes $900,000 annually by the imposition of special assessments against benefited properties for the purpose of financing construction of pedestrian overpasses.

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits

Colorado State statutes govern the City's deposit of cash. The Public Deposit Protection Act (PDPA) for banks and savings and loans requires the state regulators to certify eligible depositories for public deposits. The Act requires eligible depositories with public deposits in excess of the 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 local Colorado 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 the uninsured public deposits as a group. The market value of the assets in the pool must be at least equal to 102% of the uninsured deposits.

Custodial Credit Risk – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered.

At December 31, 2009, the carrying amount of the City's deposits was $8,725,385 and the bank balance was $9,046,987. Of the bank balance, $500,000 was covered by federal deposit insurance and $8,546,987 was covered by the provisions of the Colorado Public Deposit Protection Act (i.e., cash collateralized with securities held by the pledging financial institution's trust department or agent in the City's name).

Note 3 - Detailed Notes on All Funds (Continued)

Investments

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City has no formal policy regarding interest rate risk.

Investment Type	Fair Value
Certificates of deposit	$ 4,214,966
American National Bank - trust account	1,125,000
Money market accounts	819,606
Colotrust state investment pool	5,903,444
Total	$ 12,063,016

As of December 31, 2009 the District had invested in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The weighted average maturity of the Colotrust is less than 60 days.

Credit Quality Risk – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Both the Colotrust and C-Safe, are local government investment pools that the City invests in, were rated AAAm by Standard & Poor's. These pools were rated AAA by Fitch and Moody's. The Wells Fargo Bank sponsored money market fund was rated AAA by Standard & Poor's. The American National Bank trust account were rated AAA by Standard & Poor's. The maturity schedules for the above investments are less than one year. The City has no policy regarding credit risk.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the City's investments may not be recovered. The City's certificates of deposits are insured under FDIC up to $250,000 per bank, the custodial credit risk for the uninsured deposits are covered under PDPA for the excess of $3,714,966.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's certificates of deposits are issued by the following banks:

Bank	Amount	%
Colorado Business Bank	$ 3,588,540	85%
Mutual of Omaha	626,426	15%
Total	$ 4,214,966	100%

Note 3 - Detailed Notes on All Funds (Continued)

Cash and Investment Reconciliation		
Petty cash	$	5,473
Deposits		8,725,385
Investments		12,063,016
Total Cash and Investments	$	20,793,874

Fund Reporting Level		
Governmental fund type - balance sheet	$	17,993,598
Governmental fund type - balance sheet - restricted		1,865,811
Proprietary fund type - statement of net assets		934,465
Total	$	20,793,874

3-B. Receivables

Receivables at December 31, 2009, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

The City holds two notes receivable at December 31, 2009 (Note 1-E-2).

Notes Receivable - Horseshoe Casino, LLC – This note receivable to the City is being repaid monthly over a five-year period at an interest rate of 5%. The initial amount of the note receivable was $955,500. The repayment schedule is as follows:

Year	Principal	Interest	Total
2010	$ 179,845	$ 36,532	$ 216,377
2011	189,047	27,331	216,378
2012	198,719	17,659	216,378
2013	208,884	7,493	216,377
2014	35,839	223	36,062
Total	$ 812,334	$ 89,238	$ 901,572

FBA Blackhawk, LLC - This note receivable to the City is being repaid annually over a three-year period at no interest. Although the FBA Blackhawk, LLC's maximum exposure is $30,000, the actual reimbursable costs are $20,608.

Note 3 - Detailed Notes on All Funds (Continued)

The repayment schedule is as follows:

Year	Principal
2010	$ 6,869
2011	6,869
Total	$ 13,738

3-C. Property Taxes

Annual property taxes are levied by the City on assessed valuation as of January 1, and attached as an enforceable lien on the property at that time. Generally, property taxes are levied on December 15 for the subsequent year's operations. The taxes are payable by April. However, taxpayers may pay property taxes in two equal installments, in February and June.

Delinquent taxpayers are notified in August and generally sales of tax liens on delinquent properties are held in November or December. The County treasurer remits the taxes collected monthly to the City.

3-D. Capital Assets

Capital asset activity for governmental activities for the year ended December 31, 2009, was as follows:

	Balance 1/1/2009	Additions	Deductions	Balance 12/31/2009
Governmental activities:				
Nondepreciable capital assets:				
Land	$ 14,893,857	$ 249,648	$ -	$ 15,143,505
Works of art and historical treasures	1,087,309	-	-	1,087,309
Intangible	-	207,718	-	207,718
Construction in progress	1,001,691	4,023,824	-	5,025,515
Total nondepreciable capital assets	16,982,857	4,481,190	-	21,464,047
Depreciable capital assets:				
Buildings and improvements	19,460,319	151,122	-	19,611,441
Vehicles and equipment	4,677,243	280,968	84,548	4,873,663
Infrastructure	30,488,584	80,673	-	30,569,257
Total depreciable capital assets	54,626,146	512,763	84,548	55,054,361
Total capital assets	71,609,003	4,993,953	84,548	76,518,408
Accumulated depreciation:				
Buildings and improvements	3,845,141	657,740	-	4,502,881
Vehicles and equipment	3,570,012	378,014	84,548	3,863,478
Infrastructure	7,174,283	974,352	-	8,148,635
Total accumulated depreciation	14,589,436	2,010,106	84,548	16,514,994
Governmental activities capital assets, net	$ 57,019,567	$ 2,983,847	$ -	$ 60,003,414

Note 3 - Detailed Notes on All Funds (Continued)

›vernmental activities depreciation expense

General government	$ 399,853
Public safety	197,134
Public works	1,413,119
Total governmental activities depreciation expense	$ 2,010,106

Capital asset activities for the water fund for the year ended December 31, 2009, was as follows:

	Balance 1/1/2009	Additions	Deductions	Balance 12/31/2009
Business-type activities:				
Nondepreciable capital assets				
Land	$ 230,786	$ -	$ -	$ 230,786
Water rights	3,474,347	15,412	-	3,489,759
Construction in progress	1,902,595	4,252,485	163,696	5,991,384
Total nondepreciable capital assets	5,607,728	4,267,897	163,696	9,711,929
Depreciable capital assets:				
Plant and equipment	21,571,473	181,494	-	21,752,967
Distribution system	5,849,886	-	-	5,849,886
Vehicles and equipment	341,235	52,099	17,300	376,034
Total depreciable capital assets	27,762,594	233,593	17,300	27,978,887
Total capital assets	33,370,322	4,501,490	180,996	37,690,816
Accumulated depreciation:				
Plant and equipment	4,901,771	578,427	-	5,480,198
Distribution system	2,898,391	209,763	-	3,108,154
Vehicles and equipment	197,154	31,240	17,300	211,094
Total accumulated depreciation	7,997,316	819,430	17,300	8,799,446
Business-type activities capital assets, net	$ 25,373,006	$ 3,682,060	$ 163,696	$ 28,891,370

3-E. Interfund Balances and Transfers

Interfund Balances - Interfund balances at December 31, 2009, consists of a receivable of $120,907 in general fund and payable from the transportation authority fund. This interfund balance relates to the reclassification of a cash overdraft in the cash and investment pool. This balance was eliminated on the government-wide statement of net assets. This payable will not likely be repaid in full within the next year.

Transportation Authority Interfund Note Payable – In 2009, the construction of a bus barn was completed. In March 2009, the Black Hawk Transportation Authority (a blended component unit of the City) entered into an intergovernmental agreement with the City to partially fund the construction costs of the bus barn in the amount of $1,706,130. This amount will be repaid over ten years, interest free. In 2009, the transportation authority fund repaid $213,813 of the original note payable. This balance was eliminated on the government-wide statement of net assets.

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to amortize the above obligation follows:

Year	Principal
2010	$ 213,813
2011	213,813
2012	213,813
2013	113,813
2014	113,813
2015	113,813
2016	113,813
2017	113,813
Total	$ 1,210,504

Interfund Transfers - Interfund transfers for the year ended December 31, 2009, consisted of the following:

	Transfers from:		
Transfer to	General fund	Preservation and restoration fund	Total
General fund	$ -	$ 300,000	$ 300,000
Capital projects fund	100,000	-	100,000
Water fund	3,482,237	-	3,482,237
Nonmajor governmental funds	255,000	-	255,000
Total	$ 3,837,237	$ 300,000	$ 4,137,237

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3-F. Long-Term Debt

Governmental Activities Bonds **-** The following is a summary of the outstanding long-term bonds at December 31, 2009.

2004 Device Tax Revenue Refunding Bonds – On March 15, 2004, the City issued serial tax revenue refunding bonds, in the amount of $1,375,000 to advance refund $1,375,000 of the outstanding 1994 Series devise tax revenue bonds. The interest rates on this debt are 2.15% to 4.6%.

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to amortize this debt, as of December 31, 2009 follow:

Year	Principal	Interest	Total
2010	$ 130,000	$ 29,091	$ 159,091
2011	135,000	24,151	159,151
2012	140,000	18,683	158,683
2013	145,000	12,663	157,663
2014	135,000	6,210	141,210
Total	$ 685,000	$ 90,798	$ 775,798

2006 Device Tax Revenue Refunding Bonds, Series 2006A and Series 2006B **-** On October 26, 2006, the City issued device tax revenue refunding bonds, in the amount of $13,270,000, Series 2006A and $300,000, Series B, for a total of $13,570,000 to advance refund the 1997 Device Tax Revenue Bonds in the amount of $1,330,000 reported in governmental activities and to partially advance refund the 1998 Device Tax Revenue Bonds in the amount of $11,580,000 reported in the water fund. The Series 2006A bonds carry a 5% interest rate with a final maturity on December 1, 2021. The Series 2006B bonds carry interest rates ranging from 5.75% to 5.83%, with a final maturity on December 1, 2011.

Annual debt service requirements to amortize this debt, as of December 31, 2009 follow:

	Series A			Series B		
Year	Principal	Interest	Total	Principal	Interest	Total
2010	$ 925,000	$ 618,000	$ 1,543,000	$ 75,000	$ 9,597	$ 84,597
2011	965,000	571,750	1,536,750	90,000	5,247	95,247
2012	1,115,000	523,500	1,638,500	-	-	-
2013	845,000	467,750	1,312,750	-	-	-
2014	885,000	425,500	1,310,500	-	-	-
2015-2019	5,175,000	1,414,500	6,589,500	-	-	-
2020-2021	2,450,000	185,250	2,635,250	-	-	-
Total	$ 12,360,000	$ 4,206,250	$ 16,566,250	$ 165,000	$ 14,844	$ 179,844

	Total		
Year	Principal	Interest	Total
2010	$ 1,000,000	$ 627,597	$ 1,627,597
2011	1,055,000	576,997	1,631,997
2012	1,115,000	523,500	1,638,500
2013	845,000	467,750	1,312,750
2014	885,000	425,500	1,310,500
2015-2019	5,175,000	1,414,500	6,589,500
2020-2021	2,450,000	185,250	2,635,250
Total	$ 12,525,000	$ 4,221,094	$ 16,746,094

Note 3 - Detailed Notes on All Funds (Continued)

2008 General Obligation Refunding Bonds, Series 2008 - On April 29, 2008, the City issued general obligation refunding bonds, in the amount of $2,075,000, to advance refund the 1997 General Obligation Refunding Bonds in the amount of $2,170,000 reported in the water fund. The Series 2009 bonds carry interest rates ranging from 3.00% to 3.75%, and an average interest rate of 3.22779% with a final maturity on December 1, 2012.

Annual debt service requirements to amortize this debt, as of December 31, 2009 follow:

Year	Principal	Interest	Total
2010	$ 450,000	$ 50,225	$ 500,225
2011	460,000	34,475	494,475
2012	490,000	18,375	508,375
Total	$ 1,400,000	$ 103,075	$ 1,503,075

2004 General Obligation Refunding Bonds – On December 30, 2004, the Business Improvement District refunded general obligation bonds by issuing $2,020,000, with interest rates ranging from 2.75% - 5.00%. The final payment is due December 1, 2013. Annual debt service requirements to amortize this debt, as of December 31, 2009 follow:

Year	Principal	Interest	Total
2010	$ 230,000	$ 48,000	$ 278,000
2011	240,000	37,560	277,560
2012	255,000	26,250	281,250
2013	270,000	13,500	283,500
Total	$ 995,000	$ 125,310	$ 1,120,310

2005 Special Assessment Refunding Bonds – In April 2005, the Business Improvement District refunded all outstanding special assessment debt with special assessment refunding bonds, Series 2005A, Series 2005B and Series 2005C. The refunding debt originally totaled $8,610,000 with interest rates ranging from 4% - 5% with a final maturity due of June 1, 2011.

Annual debt service requirements to amortize the special assessment refunding debt, as of December 31, 2009 follow:

Year	Principal	Interest	Total
2010	$ 1,420,000	$ 76,250	$ 1,496,250
2011	105,000	5,250	110,250
Total	$ 1,525,000	$ 81,500	$ 1,606,500

2005 Capital Lease - On May 2, 2005, the City entered into a capital lease for a bus in the amount of $232,055. This lease was retired in 2009.

2006 Capital Lease - On March 1, 2006, the City entered into a capital lease for a bus. Payments are $15,054 quarterly, which includes principal and interest. This lease meets the criteria of a capital lease since the lessor transfers benefits and risks of ownership to the lessee at the end of the lease term. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the lease is included in governmental activities general capital assets in the amount of $113,743 (cost of $265,400 less accumulated depreciation of $151,657). The lease carries an interest rate of 4.930%. The outstanding balance of the corresponding liability is included in governmental activities general long-term debt.

Note 3 - Detailed Notes on All Funds (Continued)

Future minimum lease payments as of December 31, 2009 follow:

Year	Principal	Interest	Total
2010	$ 57,694	$ 2,521	$ 60,215
2011	14,870	184	15,054
Total	$ 72,564	$ 2,705	$ 75,269

(this page continued on the subsequent page)

Note 3 - Detailed Notes on All Funds (Continued)

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended December 31, 2009:

Governmental Activities	Outstanding 1/1/2009	Additions	Reductions	Transfer of Debt	Outstanding 12/31/2009	Amounts Due in One Year
2004 Device Tax Revenue Refunding Bonds	$ 611,250	$ -	$ 97,500	$ 171,250	$ 685,000	$ 130,000
2006 Device Tax Revenue Refunding Bonds - Series A	1,324,000	-	88,000	11,124,000	12,360,000	1,000,000
2006 Device Tax Revenue Refunding Bonds - Series B	-	-	-	165,000	165,000	75,000
2008 General Obligation Refunding Bonds - Series A		-	-	1,400,000	1,400,000	450,000
2004 General Obligation Refunding Bonds - BID	- 1,215,000	-	\ 220,000	-	995,000	230,000
2005 Special Assessment Refunding Bonds - BID	3,005,000	-	1,480,000	-	1,525,000	1,420,000
2005 Capital Lease	52,935	-	52,935	-	-	-
2006 Capital Lease	127,499	-	54,935	-	72,564	57,694
Bond premiums	26,844	-	2,078	151,453	176,219	-
Bond discounts	(48,121)	-	(9,643)	-	(38,478)	-
Bond refunding	(46,923)	-	(346)	(560,344)	(606,921)	-
Total Bonds and Capital Leases	6,267,484	-	1,985,459	12,451,359	16,733,384	3,362,694
Compensated Absences	423,964	307,928	296,775	-	435,117	261,070
Total Governmental Activities	$ 6,691,448	$ 307,928	$ 2,282,234	$ 12,451,359	$ 17,168,501	$ 3,623,764
Business-Type Activities						
2004 Device Tax Revenue Refunding Bonds	$ 203,750	$ -	$ 32,500	$ (171,250)	$ -	$ -
2006 Device Tax Revenue Refunding Bonds - Series A	11,916,000	-	792,000	(11,124,000)	-	-
2006 Device Tax Revenue Refunding Bonds - Series B	235,000	-	70,000	(165,000)	-	-
2008 General Obligation Refunding Bonds - Series A	1,825,000	-	425,000	(1,400,000)	-	-
Bond premiums	167,330	(15,877)	-	(151,453)	-	-
Bond refunding	(617,427)	57,083	-	560,344	-	-
Total Bonds	13,729,653	41,206	1,319,500	(12,451,359)	-	-
Compensated Absences	29,535	31,825	20,675	-	40,685	24,411
Total Business-Type Activities	$ 13,759,188	$ 73,031	$ 1,340,175	$ (12,451,359)	$ 40,685	$ 24,411

Note 3 - Detailed Notes on All Funds (Continued)

All bond obligations of the City's governmental activities will be financed through future debt service fund's expendable available financial sources as they become due. All capital lease obligations of the City's governmental activities will be financed through future the general fund's expendable available financial sources as they become due. Principal and interest payments related to the City's water enterprise fund are financed from income derived from the operation of the water system. The compensated absences liability will be paid from the fund in which the employees' salaries are paid, generally the general fund and the water fund.

Defeasance of Debt - In 2004, 2006 and 2009 the City defeased certain Device Tax Revenue Bonds and General Obligation Water Bonds by placing the proceeds of refunding bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. Approximately $17,150,000 is considered defeased as of December 31, 2009.

3-G. Pensions

The City sponsors two pension plans presented below.

Defined Contribution Plan - The employees of the City (except for paid firefighters) participate in ICMA Retirement Corporation Prototype Money Purchase Plan, which is a defined contribution plan, which was established by the City and is maintained and administered by ICMA Retirement Corporation. At December 31, 2009, there were 71 plan members. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees become plan members upon the start of employment. Under this plan, 5.00% of the plan members' compensation is withheld and remitted to the Plan Administrator along with the matching payment of 10.00% from the City. The City's contributions plus earnings become fully vested after five years with partial vesting beginning after one year. City contributions for plan members who leave employment before they are fully vested are used to reduce the City's current period contribution requirement. There is no liability for benefits under the plan beyond the City's matching payments. Plan provisions and contribution requirements are established and may be amended by the City's Board of Aldermen.

Contributions actually made by plan members and the City for the years ended December 31, 2009, 2008, and 2007 were, $234,873, $227,927and $233,284 and the City's contributions were $277,752, $455,853 and $466,583 respectively.

State Fire And Police Pension Plan (FPPA Defined Benefit Plan) - 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 (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by FPPA. This is a noncontributory plan. All full-time, paid firefighters of the City are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Colorado Statutes assign the authority to establish benefit provision 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 calling FPPA at 303-770-3772 in the Denver metro area and 1-800-332-FPPA (3772) from outside the metro area.

The financial statements of the Statewide Defined Benefit Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Statewide Defined Benefit Plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

The contribution requirements of plan members and the City are established by statute. The contribution rate for plan members is 8.0% of covered salary and for the City is 8.0% of covered salary. The City's contributions to the Statewide Defined Benefit Plan for the years ended December 31, 2009, 2008, and 2007 were $106,675, $121,019 and $117,362, respectively, equal to the City's required contributions for each year.

3-H. Invested in Capital Assets, Net of Related Debt

The "invested in capital assets, net of related debt" amounts reported on the government-wide statement of net assets as of December 31, 2009 are as follows:

Invested in capital assets, net of related debt:	Governmental Activities	Business - Type Activities
Cost of capital assets	$ 76,518,408	$ 37,690,816
Less accumulated depreciation	16,514,994	8,799,446
Book value	60,003,414	28,891,370
Less capital related debt	4,342,314	-
Plus net bond premiums, (discounts) and (refunding amounts)	(60,289)	-
Invested in capital assets, net of related debt	$ 55,721,389	$ 28,891,370

Note 4 - Other Notes

4-A. Risk Management

The City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity, which was established pursuant to an intergovernmental agreement authorized by Colorado state statutes. The purposes of CIRSA are to provide property and casualty and workers' compensation insurance coverage and risk management services to its municipal members at a reasonable cost.

Members can participate actively in policy-making through the Board of Directors, which are nominated and elected by members; involvement on a number of board committees; and participation at annual general membership meetings. Operations are funded by individual membership contributions.

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 by-laws, any member of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA. Also, it is 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. The by-laws shall constitute the substance of the intergovernmental contract among the members. The amount of settlements has not exceeded insurance coverage for any of the three previous years.

The City carries commercial insurance coverage for the other risks of loss including workers compensation and employee health and accident insurance. Settled claims have not exceeded this commercial coverage in any of the past three years.

4-B. Contingent Liabilities

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will be minimal.

The City is a defendant in various lawsuits at December 31, 2009. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

City of Black Hawk, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes	$ 9,042,235	$ 9,042,235	$ 9,256,216	$ 213,981	$ 9,666,320
Intergovernmental	6,643,853	6,643,853	6,147,071	(496,782)	7,191,206
Licenses and permits	23,875	23,875	51,679	27,804	37,685
Charges for services	551,465	551,465	404,443	(147,022)	330,035
Fines and forfeitures	31,000	31,000	42,788	11,788	32,476
Investment earnings	150,400	150,400	44,607	(105,793)	159,710
Miscellaneous	166,750	166,750	90,710	(76,040)	52,165
Total Revenues	16,609,578	16,609,578	16,037,514	(572,064)	17,469,597
Expenditures					
Current:					
General government	3,503,738	3,503,738	2,223,911	1,279,827	2,879,983
Planning	408,565	408,565	278,414	130,151	376,483
Public safety	5,468,225	5,468,225	5,225,582	242,643	6,199,634
Public works	3,778,581	3,778,581	3,031,282	747,299	3,117,366
Total Expenditures	13,159,109	13,159,109	10,759,189	2,399,920	12,573,466
Excess of Revenues Over Expenditures	3,450,469	3,450,469	5,278,325	1,827,856	4,896,131
Other Financing Sources (Uses)					
Transfers in	300,000	300,000	300,000	-	735,101
Transfers out	(3,837,237)	(3,837,237)	(3,837,237)	-	(7,908,222)
Total Other Financing Sources (Uses)	(3,537,237)	(3,537,237)	(3,537,237)	-	(7,173,121)
Net Change in Fund Balances	$ (86,768)	$ (86,768)	1,741,088	$ 1,827,856	(2,276,990)
Fund Balances Beginning of Year			8,027,984		10,304,974
Fund Balances End of Year			$ 9,769,072		$ 8,027,984

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
Preservation & Restoration Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 3,710,811	$ 3,710,811	$ 3,391,731	$ (319,080)	$ 4,016,425
Investment earnings	30,000	30,000	14,122	(15,878)	72,810
Miscellaneous	-	-	187,185	187,185	-
Total Revenues	3,740,811	3,740,811	3,593,038	(147,773)	4,089,235
Expenditures					
Current:					
Grants	2,038,000	2,038,000	893,392	1,144,608	451,511
Capital Outlay	2,397,000	2,397,000	2,428,020	(31,020)	4,209,426
Total Expenditures	4,435,000	4,435,000	3,321,412	1,113,588	4,660,937
Excess (Deficiency) of Revenues Over (Under) Expenditures	(694,189)	(694,189)	271,626	965,815	(571,702)
Other Financing Uses					
Transfers out	(300,000)	(300,000)	(300,000)	-	(497,000)
Net Change in Fund Balances	$ (994,189)	$ (994,189)	(28,374)	$ 965,815	(1,068,702)
Fund Balances Beginning of Year			2,049,894		3,118,596
Fund Balances End of Year			$ 2,021,520		$ 2,049,894

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
Transportation Authority Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes	$ 722,453	$ 722,453	$ 720,041	$ (2,412)	$ 755,856
Intergovernmental	100,000	100,000	128,400	28,400	362,431
Charges for services	415,297	415,297	657,176	241,879	582,326
Investment earnings	-	-	120	120	2,946
Total Revenues	1,237,750	1,237,750	1,505,737	267,987	1,703,559
Expenditures					
Current:					
Public works	1,139,779	1,139,779	989,532	150,247	1,127,665
Capital Outlay	-	-	-	-	2,254,939
Total Expenditures	1,139,779	1,139,779	989,532	150,247	3,382,604
Excess (Deficiency) of Revenues Over (Under) Expenditures	97,971	97,971	516,205	418,234	(1,679,045)
Other Financing (Uses)					
Transfers out	-	-	-	-	(238,101)
Net Change in Fund Balances	$ 97,971	$ 97,971	516,205	$ 418,234	(1,917,146)
Fund Balances Beginning of Year			(1,751,855)		165,291
Fund Balances End of Year			$ (1,235,650)		$ (1,751,855)

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
Business Improvement District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes	$ 454,563	$ 454,563	$ 434,927	$ (19,636)	$ 456,851
Special assessments	1,536,275	1,536,275	1,536,382	107	1,840,892
Investment earnings	36,000	21,288	8,789	(12,499)	56,544
Miscellaneous	-	-	1,182	1,182	-
Total Revenues	2,026,838	2,012,126	1,981,280	(30,846)	2,354,287
Expenditures					
Current:					
General government	847,541	847,541	600,043	247,498	604,320
Debt Service:					
Principal	1,665,612	1,699,980	1,700,000	(20)	2,170,000
Interest and fiscal charges	234,519	228,719	219,056	9,663	285,530
Total Expenditures	2,747,672	2,776,240	2,519,099	257,141	3,059,850
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (720,834)	$ (764,114)	(537,819)	$ 226,295	(705,563)
Fund Balances Beginning of Year			1,324,719		2,030,282
Fund Balances End of Year			$ 786,900		$ 1,324,719

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
Notes to the Required Supplementary Information
For the Year Ended December 31, 2009

Note 1 – Budgetary Basis of Accounting

The general fund adopts an annual budget on a basis consistent with generally accepted accounting principles (GAAP) except that the inception of capital leases and the related capital outlay are not budgeted. Also, debt service expenditures related to capital leases are budgeted within the public works function budget, rather than separately as debt service expenditures.

The preservation and restoration, the transportation authority and the business improvement district funds adopt annual budget on a basis consistent with generally accepted accounting principles.

City of Black Hawk, Colorado
General Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 7,650,261	$ 5,904,463
Receivables:		
Accounts	186,258	43,746
Property taxes	10,000	10,000
Other taxes	1,019,300	846,714
Intergovernmental	73,502	-
Interfund note	1,210,504	1,424,317
Interfund	120,907	493,224
Inventory	67,320	72,746
Prepaid items	45,494	22,000
Total Assets	$ 10,383,546	$ 8,817,210
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 234,945	$ 159,294
Retainage payable	14,659	-
Accrued expenditures	196,570	193,686
Refundable deposits	158,300	425,155
Deferred revenue	10,000	11,091
Total Liabilities	614,474	789,226
Fund Balances		
Reserved for:		
Emergencies	342,126	377,204
Prepaid items	45,494	22,000
Unreserved, designated for equipment purchases	100,000	-
Unreserved, undesignated	9,281,452	7,628,780
Total Fund Balances	9,769,072	8,027,984
Total Liabilities and Fund Balances	$ 10,383,546	$ 8,817,210

See accompanying independent auditor's report

City of Black Hawk, Colorado
General Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2009 and 2008

	2009	2008
Revenues		
Taxes	$ 9,256,216	$ 9,666,320
Intergovernmental	6,147,071	7,191,206
Licenses and permits	51,679	37,685
Charges for services	404,443	330,035
Fines and forfeitures	42,788	32,476
Investment earnings	44,607	159,710
Miscellaneous	90,710	52,165
Total Revenues	16,037,514	17,469,597
Expenditures		
Current:		
General government	2,223,911	2,879,983
Planning	278,414	376,483
Public safety	5,225,582	6,199,634
Public works	2,915,832	2,879,265
Debt Service:		
Principal	107,870	222,876
Interest	7,580	15,225
Total Expenditures	10,759,189	12,573,466
Excess of Revenues Over Expenditures	5,278,325	4,896,131
Other Financing Sources (Uses)		
Transfers in	300,000	735,101
Transfers out	(3,837,237)	(7,908,222)
Total Other Financing Sources (Uses)	(3,537,237)	(7,173,121)
Net Change in Fund Balances	1,741,088	(2,276,990)
Fund Balances Beginning of Year	8,027,984	10,304,974
Fund Balances End of Year	$ 9,769,072	$ 8,027,984

See accompanying independent auditor's report

City of Black Hawk, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes					
Property	$ 10,000	$ 10,000	$ 9,738	$ (262)	$ 9,969
Specific ownership	700	700	522	(178)	565
Road and bridge	80,000	80,000	89,925	9,925	90,055
Sales and use	1,329,000	1,329,000	1,342,501	13,501	1,400,903
Franchise	140,000	140,000	138,226	(1,774)	152,460
Device fees	7,477,685	7,477,685	7,675,304	197,619	8,005,683
Occupational	4,850	4,850	-	(4,850)	6,685
Total Taxes	9,042,235	9,042,235	9,256,216	213,981	9,666,320
Licenses and Permits					
Business licenses	12,445	12,445	15,371	2,926	16,075
Building permits	11,300	11,300	24,518	13,218	19,145
Other	130	130	11,790	11,660	2,465
Total Licenses and Permits	23,875	23,875	51,679	27,804	37,685
Intergovernmental					
Gaming	6,626,499	6,626,499	6,056,663	(569,836)	7,172,188
Highway users	9,354	9,354	10,561	1,207	9,855
Cigarette taxes	8,000	8,000	6,345	(1,655)	9,163
Police grants	-	-	73,502	73,502	-
Total Intergovernmental	6,643,853	6,643,853	6,147,071	(496,782)	7,191,206
Charges for Services					
Plan review fees	8,400	8,400	14,896	6,496	11,359
Shop facilities	25,000	25,000	-	(25,000)	27,445
Black Hawk transportation	350,000	350,000	247,293	(102,707)	131,891
Gilpin County	50,000	50,000	27,297	(22,703)	48,914
Rents	118,065	118,065	114,957	(3,108)	110,426
Total Charges for Services	551,465	551,465	404,443	(147,022)	330,035
Fines and Forfeitures					
Municipal court	20,000	20,000	22,634	2,634	20,749
County court	4,000	4,000	3,375	(625)	2,414
Parking	500	500	950	450	420
Police department services	1,500	1,500	8,263	6,763	2,109
Victim service surcharge	5,000	5,000	7,566	2,566	6,784
Total Fines and Forfeitures	31,000	31,000	42,788	11,788	32,476
Investment Earnings	150,400	150,400	44,607	(105,793)	159,710
Miscellaneous	166,750	166,750	90,710	(76,040)	52,165
Total Revenue	16,609,578	16,609,578	16,037,514	(572,064)	17,469,597

(continued)

City of Black Hawk, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

(continued)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Expenditures					
General Government					
Mayor and Council					
Personal services	$ 374,664	$ 374,664	$ 194,834	$ 179,830	$ 177,542
Program services	1,021,000	1,021,000	213,472	807,528	225,071
Total Mayor and Council	1,395,664	1,395,664	408,306	987,358	402,613
Municipal Court					
Personal services	50,117	50,117	34,811	15,306	51,487
Professional services	3,500	3,500	3,040	460	8,215
Purchased services	243	243	-	243	-
Program services	575	575	75	500	170
Supplies	200	200	-	200	130
Total Municipal Court	54,635	54,635	37,926	16,709	60,002
City Manager					
Personal services	372,334	372,334	374,258	(1,924)	375,501
Professional services	662,000	662,000	440,567	221,433	942,324
General services	-	-	69	(69)	-
Purchased services	213,907	213,907	223,525	(9,618)	216,500
Program services	450	450	3,703	(3,253)	1,294
Vehicle operation and maintenance	-	-	164	(164)	486
Supplies	5,100	5,100	4,768	332	5,219
Total City Manager	1,253,791	1,253,791	1,047,054	206,737	1,541,324
City Clerk					
Personal services	92,986	92,986	87,227	5,759	98,740
Professional services	2,000	2,000	622	1,378	3,254
General services	4,000	4,000	4,162	(162)	3,735
Purchased services	49,380	49,380	16,685	32,695	54,554
Program services	9,600	9,600	11,983	(2,383)	12,215
Supplies	3,000	3,000	2,731	269	3,752
Total City Clerk	160,966	160,966	123,410	37,556	176,250
Total carried forward	2,865,056	2,865,056	1,616,696	1,248,360	2,180,189

(continued)

City of Black Hawk, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

(continued)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Total brought forward	$ 2,865,056	$ 2,865,056	$ 1,616,696	$ 1,248,360	$ 2,180,189
Expenditures					
General Government					
MIS					
Personal services	130,061	130,061	140,043	(9,982)	134,509
Professional services	5,000	5,000	1,184	3,816	6,642
General services	22,000	22,000	26,716	(4,716)	28,527
Purchased services	97,200	97,200	89,079	8,121	97,541
Program services	1,500	1,500	862	638	1,008
Supplies	33,000	33,000	34,250	(1,250)	42,248
Total MIS	288,761	288,761	292,134	(3,373)	310,475
Finance					
Personal services	183,441	183,441	171,890	11,551	206,231
Professional services	144,000	144,000	136,494	7,506	174,879
General services	7,000	7,000	682	6,318	135
Purchased services	2,380	2,380	2,145	235	1,265
Program services	10,200	10,200	377	9,823	-
Supplies	2,900	2,900	3,493	(593)	6,809
Total Finance	349,921	349,921	315,081	34,840	389,319
Total General Government	3,503,738	3,503,738	2,223,911	1,279,827	2,879,983
Planning					
Personal services	340,265	340,265	164,032	176,233	357,610
Professional services	42,000	42,000	110,224	(68,224)	6,402
General services	1,200	1,200	-	1,200	-
Vehicle operation and maintenance	2,650	2,650	33	2,617	1,103
Purchased services	11,650	11,650	457	11,193	1,536
Program services	-	-	188	(188)	1,607
Supplies	10,800	10,800	3,480	7,320	8,225
Total Planning	408,565	408,565	278,414	130,151	376,483
Public Safety					
Police					
Personal services	2,819,443	2,819,443	2,725,464	93,979	3,262,377
Professional services	21,900	21,900	16,446	5,454	42,179
General services	23,000	23,000	19,269	3,731	6,667
Vehicle operation and maintenance	63,500	63,500	39,643	23,857	44,465
Purchased services	9,200	9,200	64,813	(55,613)	11,313
Program services	29,500	29,500	8,501	20,999	24,049
Supplies	82,300	82,300	71,610	10,690	84,799
Capital outlay	105,000	105,000	95,051	9,949	35,853
Total Police	3,153,843	3,153,843	3,040,797	113,046	3,511,702
Total carried forward	7,066,146	7,066,146	5,543,122	1,523,024	6,768,168

(continued)

City of Black Hawk, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

(continued)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Total brought forward	$ 7,066,146	$ 7,066,146	$ 5,543,122	$ 1,523,024	$ 6,768,168
Expenditures					
Public Safety					
Fire					
Personal services	1,928,982	1,928,982	1,880,359	48,623	2,288,923
Professional services	3,000	3,000	3,467	(467)	1,618
General services	14,500	14,500	11,367	3,133	9,896
Vehicle operation and maintenance	15,500	15,500	21,740	(6,240)	20,336
Purchased services	5,900	5,900	1,813	4,087	3,609
Program services	5,500	5,500	5,513	(13)	18,762
Supplies	39,000	39,000	34,394	4,606	159,788
Capital outlay	105,000	105,000	4,132	100,868	-
Total Fire	2,117,382	2,117,382	1,962,785	154,597	2,502,932
Ambulance Division					
Professional services	197,000	197,000	222,000	(25,000)	185,000
Total Public Safety	5,468,225	5,468,225	5,225,582	242,643	6,199,634
Public Works					
Personal services	1,636,225	1,636,225	1,561,400	74,825	1,784,417
Professional services	209,000	209,000	60,755	148,245	49,201
General services	1,024,500	1,024,500	840,658	183,842	657,785
Vehicle operation and maintenance	171,500	171,500	110,820	60,680	118,162
Purchased services	12,500	12,500	8,741	3,759	8,721
Program services	145,500	145,500	107,208	38,292	118,511
Supplies	133,500	133,500	88,338	45,162	82,681
Capital outlay	445,856	445,856	253,362	192,494	297,888
Total Public Works	3,778,581	3,778,581	3,031,282	747,299	3,117,366
Total Expenditures	13,159,109	13,159,109	10,759,189	2,399,920	12,573,466
Excess of Revenues Over Expenditures	3,450,469	3,450,469	5,278,325	1,827,856	4,896,131
Other Financing Sources (Uses)					
Transfers in	300,000	300,000	300,000	-	735,101
Transfers out	(3,837,237)	(3,837,237)	(3,837,237)	-	(7,908,222)
Total Other Financing Sources (Uses)	(3,537,237)	(3,537,237)	(3,537,237)	-	(7,173,121)
Net Change in Fund Balances	$ (86,768)	$ (86,768)	1,741,088	$ 1,827,856	(2,276,990)
Fund Balances Beginning of Year			8,027,984		10,304,974
Fund Balances End of Year			$ 9,769,072		$ 8,027,984

See accompanying independent auditor's report

City of Black Hawk, Colorado
Preservation and Restoration Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 2,334,747	$ 2,305,271
Receivables:		
Accounts	128,377	9,691
Notes	826,072	976,108
Escrow deposit	50,000	50,000
Total Assets	$ 3,339,196	$ 3,341,070
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 97,748	$ 91,493
Accrued expenditures	2,459	-
Grant tax payable	275,787	150,718
Retainage payable	115,610	72,857
Deferred revenue	826,072	976,108
Total Liabilities	1,317,676	1,291,176
Fund Balances		
Reserved for:		
Preservation and restoration	1,971,520	1,999,894
Escrow deposit	50,000	50,000
Total Fund Balances	2,021,520	2,049,894
Total Liabilities and Fund Balances	$ 3,339,196	$ 3,341,070

See accompanying independent auditor's report

City of Black Hawk, Colorado
Transportation Authority Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Accounts receivable	$ 113,420	$ 179,460
Inventory	37,940	42,913
Total Assets	$ 151,360	$ 222,373
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 55,599	$ 56,687
Interfund notes payable	1,210,504	1,424,317
Interfund payable	120,907	493,224
Total Liabilities	1,387,010	1,974,228
Fund Balances		
Unreserved	(1,235,650)	(1,751,855)
Total Liabilities and Fund Balances	$ 151,360	$ 222,373

See accompanying independent auditor's report

City of Black Hawk, Colorado
Business Improvement District Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 240,648	$ 696,812
Cash and cash equivalents - restricted	544,811	629,798
Property taxes receivables	434,426	444,392
Total Assets	$ 1,219,885	$ 1,771,002
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 1,851	$ 4,883
Deferred revenue	431,134	441,400
Total Liabilities	432,985	446,283
Fund Balances		
Reserved for:		
Emergencies	20,000	20,000
Debt service	546,984	631,750
Unreserved	219,916	672,969
Total Fund Balances	786,900	1,324,719
Total Liabilities and Fund Balances	$ 1,219,885	$ 1,771,002

See accompanying independent auditor's report

City of Black Hawk, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

	Conservation Trust	Dory Hill Cemetery	Total Nonmajor Special Revenue Funds
Assets			
Cash and cash equivalents	$ 18,457	$ 116,506	$ 134,963
Fund Balances			
Unreserved, undesignated	$ 18,457	$ 116,506	$ 134,963

See accompanying independent auditor's report

City of Black Hawk, Colorado
Combining Statement of Revenues and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2009

	Conservation Trust	Dory Hill Cemetery	Total Nonmajor Special Revenue Funds
Revenues			
Intergovernmental	$ 1,008	$ -	$ 1,008
Charges for services	-	450	450
Investment earnings	38	858	896
Total Revenues	1,046	1,308	2,354
Fund Balances Beginning of Year	17,411	115,198	132,609
Fund Balances End of Year	$ 18,457	$ 116,506	$ 134,963

See accompanying independent auditor's report

City of Black Hawk, Colorado
Conservation Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 18,457	$ 17,411
Fund Balances		
Unreserved, undesignated	$ 18,457	$ 17,411

See accompanying independent auditor's report

City of Black Hawk, Colorado
Conservation Fund
Schedule of Revenues andChanges in Fund Balances - Budget to Acutal
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	**Final Budget**	**Actual**	**Variance With Final Budget**	**Actual**
Revenues					
Intergovernmental	$ 1,124	$ 1,124	$ 1,008	$ (116)	$ 1,106
Investment earnings	150	150	38	(112)	295
Total Revenues	1,274	1,274	1,046	(228)	1,401
Expenditures					
Current					
Culture and recreation	850	850	-	850	10,940
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 424	$ 424	1,046	$ 622	(9,539)
Fund Balances Beginning of Year			17,411		26,950
Fund Balances End of Year			$ 18,457		$ 17,411

See accompanying independent auditor's report

City of Black Hawk, Colorado
Dory Hill Cemetery Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 116,506	$ 115,198
Fund Balances		
Unreserved, undesignated	$ 116,506	$ 115,198

See accompanying independent auditor's report

City of Black Hawk, Colorado
Dory Hill Cemetery Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	$ 100	$ 100	$ 450	$ 350	$ 500
Investment earnings	2,500	2,500	858	(1,642)	3,311
Miscellaneous	-	-	-	-	900
Total Revenues	2,600	2,600	1,308	(1,292)	4,711
Expenditures					
Current					
Public works	1,000	1,000	-	1,000	510
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 1,600	$ 1,600	1,308	$ (292)	4,201
Fund Balances Beginning of Year			115,198		110,997
Fund Balances End of Year			$ 116,506		$ 115,198

See accompanying independent auditor's report

City of Black Hawk, Colorado
Debt Service Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 2,550,862	$ 3,698,132
Cash and cash equivalents - restricted	1,321,000	193,525
Total Assets	$ 3,871,862	$ 3,891,657
Fund Balances		
Reserved for debt service	$ 3,871,862	$ 3,891,657

See accompanying independent auditor's report

City of Black Hawk, Colorado
Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	$ 20,000	$ 20,000	$ 2,227	$ (17,773)	$ 33,510
Expenditures					
Debt Service:					
Principal retirement	185,500	185,500	185,500	-	93,000
Interest and fiscal charges	91,989	91,989	91,522	467	94,788
Total Expenditures	277,489	277,489	277,022	467	187,788
(Deficiency of Revenues (Under) Expenditures	(257,489)	(257,489)	(274,795)	(17,306)	(154,278)
Other Financing Sources (Uses)					
Transfers in	255,000	255,000	255,000	-	3,157,222
Transfers out	(2,013,605)	(2,013,605)	-	2,013,605	(1,252,712)
Total Other Financing Sources (Uses)	(1,758,605)	(1,758,605)	255,000	2,013,605	1,904,510
Net Change in Fund Balances	$ (2,016,094)	$ (2,016,094)	(19,795)	$ 1,996,299	1,750,232
Fund Balances Beginning of Year			3,891,657		2,141,425
Fund Balances End of Year			$ 3,871,862		$ 3,891,657

See accompanying independent auditor's report

City of Black Hawk, Colorado
Impact Fee Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 2,981,375	$ 2,896,786
Fund Balances		
Unreserved, undesignated	$ 2,981,375	$ 2,896,786

See accompanying independent auditor's report

City of Black Hawk, Colorado
Impact Fee Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Impact fees	$ -	$ -	$ 62,828	$ 62,828	$ -
Investment earnings	66,000	66,000	21,761	(44,239)	92,091
Total Revenues	66,000	66,000	84,589	18,589	92,091
Expenditures					
Capital Outlay	-	-	-	-	416,719
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 66,000	$ 66,000	84,589	$ 18,589	(324,628)
Fund Balances Beginning of Year			2,896,786		3,221,414
Fund Balances End of Year			$ 2,981,375		$ 2,896,786

See accompanying independent auditor's report

City of Black Hawk, Colorado
Capital Projects Fund
Comparative Balance Sheet
December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	$ 2,100,742	$ 4,363,066
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 231,142	$ -
Retainage payable	128,765	-
Total Liabilities	359,907	-
Fund Balances		
Unreserved, undesignated	1,740,835	4,363,066
Total Liabilities and Fund Balances	$ 2,100,742	$ 4,363,066

See accompanying independent auditor's report

City of Black Hawk, Colorado
Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	**Final Budget**	**Actual**	**Variance with Final Budget**	**Actual**
Revenues					
Investment earnings	$ 71,000	$ 71,000	$ 27,348	$ (43,652)	$ 100,822
Expenditures					
Capital Outlay	5,826,000	5,826,000	2,749,579	3,076,421	254,386
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,755,000)	(5,755,000)	(2,722,231)	3,032,769	(153,564)
Other Financing Sources					
Transfers in:					
General fund	100,000	100,000	100,000	-	2,632,103
Net Change in Fund Balances	$ (5,655,000)	$ (5,655,000)	(2,622,231)	$ 3,032,769	2,478,539
Fund Balances Beginning of Year			4,363,066		1,884,527
Fund Balances End of Year			$ 1,740,835		$ 4,363,066

See accompanying independent auditor's report

City of Black Hawk, Colorado
Water Fund
Schedule of Revenues, Expenses and Changes
in Fund Net Assets - Budget and Actual (Non-GAAP) Budgetary Basis
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for the Year Ended December 31, 2008)

	2009				2008
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Operating Revenues					
Charges for services	$ 2,501,000	$ 2,501,000	$ 2,782,031	$ 281,031	$ 1,427,314
Miscellaneous	-	-	64,462	64,462	24
Total Operating Revenues	2,501,000	2,501,000	2,846,493	345,493	1,427,338
Operating Expenses					
Personal services	853,660	853,660	705,750	147,910	794,635
Professional services	527,000	527,000	415,328	111,672	353,953
General services	553,000	553,000	353,695	199,305	296,712
Program services	9,000	9,000	4,213	4,787	3,496
Purchased services	26,250	26,250	8,436	17,814	8,917
Supplies	55,500	55,500	42,511	12,989	32,368
Repairs and maintenance	41,000	41,000	33,395	7,605	19,655
Capital outlay - capitalized and noncapitalized	5,300,000	5,300,000	4,324,129	975,871	3,478,056
Debt service - principal	1,820,300	1,820,300	1,319,500	500,800	712,000
Total Operating Expenses	9,185,710	9,185,710	7,206,957	1,978,753	5,699,792
Operating Income (Loss)	(6,684,710)	(6,684,710)	(4,360,464)	2,324,246	(4,272,454)
Non-Operating Revenues (Expenses)					
Interest and fiscal charges	(193,306)	(193,306)	(718,857)	(525,551)	(778,116)
Investment earnings	101,000	101,000	21,571	(79,429)	142,859
Total Non-Operating Revenues (Expenses)	(92,306)	(92,306)	(697,286)	(604,980)	(635,257)
(Loss) Before Contributions and Transfers In	(6,777,016)	(6,777,016)	(5,057,750)	1,719,266	(4,907,711)
Capital contributions	-	-	12,115,222	12,115,222	1,276,201
Transfers in	5,495,843	5,495,843	3,482,237	(2,013,606)	3,371,609
Change in Net Assets - Budgetary Basis	$ (1,281,173)	$ (1,281,173)	10,539,709	$ 11,820,882	(259,901)
Reconciliation to GAAP Basis - Change in Net Assets					
Deduct:					
Depreciation			(819,430)		(833,613)
Amortization			(66,570)		(62,879)
Add:					
Capitalized capital outlay			4,315,175		3,477,718
Debt principal			1,319,500		712,000
Change in Net Assets - GAAP Basis			15,288,384		3,033,325
Net Assets Beginning of Year			14,627,301		11,593,976
Net Assets End of Year			$ 29,915,685		$ 14,627,301

See accompanying independent auditor's report

City of Black Hawk, Colorado
Introduction to Statistical Section
(Unaudited)

This part of the City of Black Hawk's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information has not been audited by the independent auditor. In 2007, the Black Hawk Transportation Authority and the Black Hawk Business Improvement District, two City component units, were reclassified from discretely presented to blended pursuant to generally accepted accounting principles. Unless otherwise indicated, the years prior to 2007 have not been restated to reflect this reclassification.

Contents	**Exhibit**
Financial Trends	I - XII
These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in a historical perspective. Since a significant funding source for the City is state aid relating to the City's share of state gaming taxes, a trend table presenting this revenue has been added.	
Revenue Capacity	XIII - XVI
These tables contain information that may assist the reader in assessing the viability of the City's two most significant "own-source" revenue sources, gaming device taxes and sales taxes. Property taxes are not a major revenue for the City , therefore, the tables relating to the City's property taxes are not presented.	
Debt Capacity	XVII - XX
These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	XXI - XXVII
These tables offer economic and demographic indicators that are commonly used for financial analysis and that can inform one's understanding the City's present and ongoing financial status. Since the gaming industry is competitive between three authorized gaming cities within the State of Colorado, selected comparison tables are presented for gaming information.	
Operating Information	XXVIII - XXX
These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.	

Data Source:
Unless otherwise noted, the information in these tables is derived from the annual financial reports for the relevant year include only six years.

Notes:
The City implemented GASB Statement No. 34 in calendar year 2003, therefore, tables presenting government-wide financial data include only seven years.

Exhibit I

City of Black Hawk, Colorado
Changes in Net Assets - Governmental Activities
Last Seven Calendar Years [1]
(accrual basis of accounting)

	For the Calendar Year Ended December 31,						
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Expenses:							
General government [2]	$ 3,860,525	$ 7,912,296	$ 6,178,636	$ 11,031,421	$ 3,578,935	$ 4,349,581	$ 4,085,428
Planning	1,174,887	676,589	722,507	565,561	446,144	368,509	281,256
Public safety	5,170,503	5,512,157	5,538,941	6,319,260	6,245,176	6,396,298	5,255,467
Public works	3,648,385	2,744,570	3,598,032	3,991,812	5,177,834	7,171,578	5,709,460
Culture and recreation	-	-	-	-	-	10,940	-
Interest and fiscal charges	251,960	199,579	202,633	183,006	618,596	524,620	432,372
Total Expenses	14,106,260	17,045,191	16,240,749	22,091,060	16,066,685	18,821,526	15,763,983
Program Revenues:							
Charges for services:							
Plan review fees	356,253	258,201	318,357	32,757	70,631	11,359	14,896
Building permits	54,563	212,616	169,834	51,312	108,664	19,145	24,518
Impact fees	194,184	60,746	125,086	212,216	14,644	-	62,828
Sales of houses - historical preservation	-	829,163	291,760	189,107	-	-	-
Transportation fees	-	-	-	-	-	582,326	904,469
Other	80,617	63,803	143,695	171,195	670,442	78,961	212,653
Operating grants and contributions [3]	3,705,564	3,856,784	3,703,779	3,993,205	6,554,477	6,230,709	5,141,584
Capital grants and contributions [4]	1,109	88,791	5,858	-	12,070,480	50,000	-
Total Program Revenues	4,392,290	5,370,104	4,758,369	4,649,792	19,489,338	6,972,500	6,360,948
Net (Expense) Revenue	(9,713,970)	(11,675,087)	(11,482,380)	(17,441,268)	3,422,653	(11,849,026)	(9,403,035)
General Revenues:							
Taxes:							
Property and specific ownership taxes	8,336	9,979	9,466	9,756	830,844	467,385	445,187
Sales and use taxes	1,109,786	2,525,684	2,458,540	4,155,906	1,871,058	1,400,903	1,342,501
Road and bridge taxes	6,841	73,719	71,771	80,428	84,792	90,055	89,925
Device taxes	7,971,743	7,637,917	7,108,203	7,541,870	8,930,631	8,761,539	8,395,345
Franchise taxes	93,991	118,676	128,986	132,332	145,338	152,460	138,226
Other	-	17,297	13,835	12,971	18,156	15,848	6,345
Gaming	6,599,843	6,710,104	6,587,172	7,110,170	7,530,055	7,172,188	6,056,663
Investment earnings	249,841	239,637	506,585	1,316,836	1,127,219	522,039	119,870
Miscellaneous [5]	68,464	368,622	2,053,147	621,263	2,557,025	1,320,408	129,041
Total General Revenues	16,108,845	17,701,635	18,937,705	20,981,532	23,095,118	19,902,825	16,723,103
Transfers [7]	(2,494,424)	(1,480,915)	(2,683,926)	(3,104,995)	(4,628,642)	(3,371,609)	(15,548,440)
Total General Revenues and Transfers	13,614,421	16,220,720	16,253,779	17,876,537	18,466,476	16,531,216	1,174,663
Special Item [6]	(1,614,558)	-	-	-	-	-	-
Change in Net Assets	$ 2,285,893	$ 4,545,633	$ 4,771,399	$ 435,269	$ 21,889,129	$ 4,682,190	$ (8,228,372)

Notes:

[1] The City implement GASB Statement No. 34 in calendar year 2003, therefore, only seven years of government-wide financial data is presented.

[2] The 2006 amount includes a payment for land relating to an eminent domain settlement of $5.3 million.

[3] The 2006 amount includes infrastructure donated by the casinos, primarily a road.

[4] The majority of these revenues are the City's share of State gaming revenue set aside for historical preservation projects.

[5] The 2007 amount includes a recovery of $2,221,034 relating to the eminent domain setttlement referenced below.

[6] The 2003 amount was a write-down to fair value of the cost of historical preservation houses restored by the City and sold in 2004.

[7] The 2009 amount includes the assumption of the business-type activities long-term debt, totaling $12,066,203.

Data Source:

Applicable years' annual financial report.

Exhibit II

City of Black Hawk, Colorado

Changes in Net Assets - Governmental Activities - Percentage of Total

Last Seven Calendar Years [1]

(accrual basis of accounting)

	For the Calendar Year Ended December 31,						
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Expenses:							
General government [2]	27.4%	46.4%	38.0%	49.9%	22.3%	23.1%	26.0%
Planning	8.3%	4.0%	4.5%	2.6%	2.8%	2.0%	1.8%
Public safety	36.6%	32.3%	34.1%	28.6%	38.9%	34.0%	33.3%
Public works	25.9%	16.1%	22.2%	18.1%	32.2%	38.1%	36.2%
Interest and fiscal charges	1.8%	1.2%	1.2%	0.8%	3.8%	2.8%	2.7%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:							
Charges for services:							
Plan review fees	8.1%	4.8%	6.7%	0.7%	0.4%	0.2%	0.2%
Building permits	1.3%	4.0%	3.6%	1.1%	0.6%	0.3%	0.4%
Impact fees	4.4%	1.1%	2.6%	4.6%	0.1%	0.0%	1.0%
Sales of houses - historical preservation	0.0%	15.4%	6.1%	4.1%	0.0%	0.0%	0.0%
Transportation fees	0.0%	0.0%	0.0%	0.0%	0.0%	8.4%	14.2%
Other	1.8%	1.2%	3.0%	3.7%	3.4%	1.0%	3.4%
Operating grants and contributions [3]	84.4%	71.8%	77.9%	85.9%	33.6%	89.4%	80.8%
Capital grants and contributions [4]	0.0%	1.7%	0.1%	0.0%	61.9%	0.7%	0.0%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:							
Taxes:							
Property and specific ownership taxes	0.1%	0.1%	0.0%	0.0%	3.6%	2.3%	2.7%
Sales and use taxes	6.9%	14.3%	13.0%	19.8%	8.1%	7.0%	8.0%
Road and bridge taxes	0.0%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%
Device taxes	49.4%	43.1%	37.5%	35.9%	38.7%	44.0%	50.2%
Franchise taxes	0.6%	0.6%	0.7%	0.6%	0.6%	0.8%	0.8%
Other	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%
Gaming	41.0%	37.9%	34.8%	33.9%	32.6%	36.0%	36.2%
Investment earnings	1.6%	1.4%	2.7%	6.3%	4.9%	2.6%	0.7%
Miscellaneous [5]	0.4%	2.1%	10.8%	3.0%	11.0%	6.7%	0.9%
Total General Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] The City implement GASB Statement No. 34 in calendar year 2003, therefore, only seven years of government-wide financial data is presented.

[2] The 2006 amount includes a payment for land relating to an eminent domain settlement of $5.3 million.

[3] The 2006 amount includes infrastructure donated by the casinos, primarily a road.

[4] The majority of these revenues are the City's share of State gaming revenue set aside for historical preservation projects.

[5] The 2007 amount includes a recovery of $2,221,034 relating to the eminent domain setttlement referenced below.

Data Source:

Applicable years' annual financial report.

Exhibit III

City of Black Hawk, Colorado

Changes in Net Assets - Business-type Activities

Last Seven Calendar Years [1]

(accrual basis of accounting)

	For the Calendar Year Ended December 31,						
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Expenses:							
Water	$ 3,517,404	$ 3,390,240	$ 3,501,744	$ 2,994,339	$ 3,250,519	$ 3,184,682	$ 3,177,139
Program Revenues:							
Charges for services - water	523,141	523,369	536,025	699,648	729,783	1,427,314	2,782,031
Operating grants and contributions	77,180	-	-	-	-	-	-
Capital grants and contributions	15,378	632,342	118,856	27,356	1,110,941	1,276,201	49,019
Total Program Revenues	615,699	1,155,711	654,881	727,004	1,840,724	2,703,515	2,831,050
Net (Expense) Revenue	(2,901,705)	(2,234,529)	$ (2,846,863)	$ (2,267,335)	$ (1,409,795)	$ (481,167)	$ (346,089)
General Revenues:							
Investment earnings	-	15,736	-	9,071	83,822	142,859	21,571
Miscellaneous	-	60,439	23,956	30,991	-	24	64,462
Total General Revenues	-	76,175	23,956	40,062	83,822	142,883	86,033
Transfers In [2]	2,494,424	1,480,915	2,683,926	3,104,995	4,628,642	3,371,609	15,548,440
Total General Revenues and Transfers	2,494,424	1,557,090	2,707,882	3,145,057	4,712,464	3,514,492	15,634,473
Change in Net Assets	$ (407,281)	$ (677,439)	$ (138,981)	$ 877,722	$ 3,302,669	$ 3,033,325	$ 15,288,384

Notes:

[1] The City implemented GASB Statement No. 34 in calendar year 2003, therefore, only seven years of government-wide financial data is presented.

[2] In 2009, the governmental-activitiews assumed responsibility for all business-type long-term debt, resulting in a transfer in of $12,066,203.

Data Source:

Applicable years' annual financial report.

Exhibit IV

City of Black Hawk, Colorado
Changes in Net Assets - Total
Last Seven Calendar Years [1]
(accrual basis of accounting)

	For the Calendar Year Ended December 31,						
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Expenses:							
Governmental activities [2]	$ 14,106,260	$ 17,045,191	$ 16,240,749	$ 22,091,060	$ 16,066,685	$ 18,821,526	$ 15,763,983
Business-type activities [3]	3,517,404	3,390,240	3,501,744	2,994,339	3,250,519	3,184,682	3,177,139
Total Expenses	17,623,664	20,435,431	19,742,493	25,085,399	19,317,204	22,006,208	18,941,122
Program Revenues:							
Governmental activities [2]	4,392,290	5,370,104	4,758,369	4,649,792	19,489,338	6,972,500	6,360,948
Business-type activities [3]	615,699	1,155,711	654,881	727,004	1,840,724	2,703,515	2,831,050
Total Program Revenues	5,007,989	6,525,815	5,413,250	5,376,796	21,330,062	9,676,015	9,191,998
Net (Expense) Revenue	(12,615,675)	(13,909,616)	(14,329,243)	(19,708,603)	2,012,858	(12,330,193)	(9,749,124)
General Revenues and Transfers:							
Governmental activities [2]	13,614,421	16,220,720	16,253,779	17,876,537	18,466,476	16,531,216	1,174,663
Business-type activities [3]	2,494,424	1,557,090	2,707,882	3,145,057	4,712,464	3,514,492	15,634,473
Total General Revenues and Transfers	16,108,845	17,777,810	18,961,661	21,021,594	23,178,940	20,045,708	16,809,136
Change in Net Assets	$ 3,493,170	$ 3,868,194	$ 4,632,418	$ 1,312,991	$ 25,191,798	$ 7,715,515	$ 7,060,012

Notes:

[1] The City implemented GASB Statement No. 34 in calendar year 2003, therefore, only seven years of government-wide data is presented.

Data Source:

[2] See Exxhibit I

[3] See Exhibit III

Exhibit V

City of Black Hawk, Colorado

Government-wide Net Assets by Category [2]

Last Seven Calendar Years [1]

(accrual basis of accounting)

	December 31, 2003	December 31, 2004	December 31, 2005	Restated[6] December 31, 2006	December 31, 2007	December 31, 2008	December 31, 2009
Governmental Activities							
Invested in capital assets, net of related debt [3, 4, 5]	$ 6,731,922	$ 13,998,360	$ 30,536,621	$ 39,998,733	$ 44,818,459	$ 50,752,082	$ 55,721,389
Restricted	12,208,422	13,625,132	7,843,324	6,709,556	8,973,493	9,999,900	9,371,846
Unrestricted	6,396,224	5,634,242	6,740,199	706,045	14,061,857	11,784,018	(785,606)
Total Governmental Activities Net Assets	25,336,568	33,257,734	45,120,144	47,414,334	67,853,809	72,536,000	64,307,629
Business-type Activities							
Invested in capital assets, net of related debt[7]	6,592,829	7,280,187	7,275,369	6,845,299	6,642,322	11,643,353	28,891,370
Restricted	1,321,969	711,669	544,240	1,295,851	1,317,800	1,235,475	934,465
Unrestricted	516,015	(238,482)	(205,216)	150,157	3,429,661	1,748,473	89,850
Total Business-type Activities Net Assets	8,430,813	7,753,374	7,614,393	8,291,307	11,389,783	14,627,301	29,915,685
Primary Government							
Invested in capital assets, net of related debt [3]	13,324,751	21,278,547	37,811,990	46,844,032	51,460,781	62,395,435	84,612,759
Restricted	13,530,391	14,336,801	8,387,564	8,005,407	10,291,293	11,235,375	10,306,311
Unrestricted	6,912,239	5,395,760	6,534,983	856,202	17,491,518	13,532,491	(695,756)
Total Primary Government Net Assets	$ 33,767,381	$ 41,011,108	$ 52,734,537	$ 55,705,641	$ 79,243,592	$ 87,163,301	$ 94,223,314

Notes:

[1] The City implement GASB Statement No. 34 in calendar year 2003, therefore only seven years of government-wide financial data is

[2] Accounting standards require that net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are considered restricted only when (1) an external party, such as the State of Colorado or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation which is enacted by the City. There are no restrictions currently reported as a result of enabling legislation.

[3] In 2004, includes additional costs for a maintenance facility ($318,000), relocate CDOT ($360,000), drainage at Bobtail ($930,000) and lower main street ($519,000) projects.

[4] In 2005, includes additional costs for Clear Creek street ($251,000), relocate CDOT ($488,000), Church street guardrail ($461,000), drainage at Bobtail ($568,000), post office ($1,040,000), Crooks Palace ($1,528,000), BLM acquisition ($1,400,000) and the bank ($1,870,000) projects. Also, includes a $7 million prior period adjustment to increase the estimated cost of the City owned land.

[5] In 2006, includes additional costs for the post office ($388,000), Crooks Palace ($1,600,000) and the bank ($1,127,000) projects. Also, includes a $6.4 million prior period adjustment to report infrastructure retroactively to construction date.

[6] Includes the Black Hawk Transportation Authority and the Black Hawk Business Improvement District.

[7] In 2009, the significant increase in "invested in capital assets, net of related debt" relates to an increase of construction in progress, primarily for the Silver Gulch water tank ($3.6 million) and the governmental activities assumption of the business-type activities long-term bonded debt in the amount of $12,066,203.

Data Source:

Applicable years' annual financial report.

Exhibit VI

Black Hawk, Colorado
General Governmental Revenues by Source
Last Ten Calendar Years
(modified accrual basis of accounting)

Revenue Source	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	Amounts									
	Amounts									
Taxes	$ 9,701,324	$ 9,506,679	$ 9,508,694	$ 9,195,399 [1]	$ 10,376,445	$ 9,785,011	$ 11,926,812	$ 11,873,523	$ 10,879,027	$ 10,411,184
Special assessments	-			-	-	-	-	1,840,892	1,840,892	1,536,382
Intergovernmental	7,428,515	9,221,040	10,126,569	10,320,024	10,573,715	10,296,741	11,109,826	12,250,936	11,571,168	9,668,210
Licenses and permits	201,140	47,000	59,703	80,378	238,591	197,029	84,352	131,528	37,685	51,679
Fines and forfeitures	35,138	24,230	22,274	18,377	17,000	20,135	16,917	29,921	32,476	42,788
Charges for services	161,859	67,028	131,738	390,278	279,029	414,722	153,995	688,288	621,630	1,062,069
Impact and development fees	1,374,259	-	90,552	194,184	60,746	125,086	401,323	14,644	-	62,828
Investment earnings	1,058,926	947,656	474,139	249,841	239,637	506,585	1,316,836	1,127,219	522,039	119,870
Miscellaneous [4]	73,038	32,240	25,789	52,654	1,197,785 [2]	2,323,097 [3]	621,263	2,557,025	344,296	279,077
Total revenues	$ 20,034,199	$ 19,845,873	$ 20,439,458	$ 20,501,135	$ 22,982,948	$23,668,406	$ 25,631,324	$ 30,513,976	$ 25,849,213	$ 23,234,087
% change from prior year	24.9%	-0.9%	3.0%	0.3%	12.1%	3.0%	8.3%	19.0%	-15.3%	-10.1%
	Percentage of Total									
Taxes	48.4%	47.9%	46.5%	44.9%	45.1%	41.3%	46.5%	38.9%	42.1%	44.8%
Special assessments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%	7.1%	6.6%
Intergovernmental	37.1%	46.5%	49.5%	50.3%	46.0%	43.5%	43.3%	40.1%	44.8%	41.6%
Licenses and permits	1.0%	0.2%	0.3%	0.4%	1.0%	0.8%	0.3%	0.4%	0.1%	0.2%
Fines and forfeitures	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%
Charges for services	0.8%	0.3%	0.6%	1.9%	1.2%	1.8%	0.6%	2.3%	2.4%	4.6%
Impact and development fees	6.9%	0.0%	0.4%	0.9%	0.3%	0.5%	1.6%	0.0%	0.0%	0.3%
Investment earnings	5.3%	4.8%	2.3%	1.2%	1.0%	2.1%	5.1%	3.7%	2.0%	0.5%
Miscellaneous	0.4%	0.2%	0.1%	0.3%	5.2%	9.8%	2.4%	8.5%	8.4%	1.2%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] In 2003, the Dory Hill Cemetery Fund was reclassified from an expendable trust fund to a special revenue fund. The data is restated and included in all years presented.

[2] The 2004 amount includes $829,163 for the sale of City owned restored houses.

[3] The 2005amount includes $297,760 for the sale of City owned restored houses, a $328,061 reimbursement for excavating, and $1,448,175 from the sale of land.

[4] The 2007 amount include a $2.2 million recovery of an emminet domain settlement paid in 2006.

Data Source:
Applicable years' annual financial report.

Exhibit VII

City of Black Hawk, Colorado

Tax Revenues by Source - Governmental Funds

Last Seven Calendar Years [1]

(modified accrual basis of accounting)

Calendar Year	Property and Ownership	Road and Bridge	Sales and Use [2]	Franchise	Device	Other [3]	Total
	Amounts						
2003	$ 8,336	$ 6,841	$ 1,109,786	$ 93,991	$ 7,971,743	$ 4,702	$ 9,195,399
2004	9,979	73,719	2,525,684	118,676	7,637,917	10,470	10,376,445
2005	9,466	71,771	2,458,540	128,986	7,108,203	8,045	9,785,011
2006	9,756	80,428	4,155,906	132,332	7,541,870	6,520	11,926,812
2007 [4]	830,844	84,792	1,871,058	145,338	8,930,631	10,860	11,873,523
2008	467,385	90,055	1,400,903	152,460	8,761,539	6,685	10,879,027
2009	445,187	89,925	1,342,501	138,226	8,395,345	-	10,411,184
Percentage Change In Dollars Over 7 Years	5240.5%	1214.5%	21.0%	47.1%	5.3%	-100.0%	13.2%
	Percentage of Total						
2003	0.1%	0.1%	12.1%	1.0%	86.7%	0.1%	100.0%
2004	0.1%	0.7%	24.3%	1.1%	73.6%	0.1%	100.0%
2005	0.1%	0.7%	25.1%	1.3%	72.6%	0.1%	100.0%
2006	0.1%	0.7%	34.8%	1.1%	63.2%	0.1%	100.0%
2007	7.0%	0.7%	15.8%	1.2%	75.2%	0.1%	100.0%
2008	4.3%	0.8%	12.9%	1.4%	80.5%	0.1%	100.0%
2009	4.3%	0.9%	12.9%	1.3%	80.6%	0.0%	100.0%

Notes:

[1] Only seven years of detailed tax data is available.

[2] The significant increase in 2006 relates to a substantial increase in casino construction.

[3] Includes occupational taxes, liquor taxes and other taxes.

[4] Beginning in 2007, the business improvement district was included as a blended component unit, which affects the property and device tax amounts.

Data Source:

Applicable years' annual financial report.

Exhibit VIII

City of Black Hawk, Colorado

City's Share of State Gaming Taxes [1]

Last Ten Calendar Years

(modified accrual basis of accounting)

Calendar Year	Unrestricted [2]	Restricted For Preservation [3] and Restoration	Total	Total Percentage Change
2000	$ 4,745,777	$ 2,646,328	$ 7,392,105	9.98%
2001	5,871,402	3,287,985	9,159,387	23.91%
2002	6,472,838	3,624,789	10,097,627	10.24%
2003	6,599,843	3,695,913	10,295,756	1.96%
2004	6,710,174	3,757,658	10,467,832	1.67%
2005	6,587,172	3,689,180	10,276,352	-1.83%
2006	7,110,170	3,981,695	11,091,865	7.94%
2007	7,530,055	4,216,831	11,746,886	5.91%
2008	7,172,188	4,016,425	11,188,613	-4.75%
2009	6,056,663	3,391,731	9,448,394	-15.55%
Percentage Change in Dollars Over 10 Years	27.6%	28.2%	27.8%	

Notes:

[1] The State Constitutional amendment that authorized limited gaming in three Colorado cities requires limited gaming establishments to pay up to 40% of their adjusted gross profits (the total amount of all wagers made by players less all payments to players) to the State of Colorado. A portion of these taxes is returned to the gaming cities.

[2] The State of Colorado must distribute 10% of their state gaming taxes to the three gaming cities in Colorado, in proportion to the gaming revenues generated in each respective city.

[3] 20% of the state gaming taxes are distributed to the State of Colorado's state historical fund to be used for restoration and preservation of the three gaming cities in Colorado in proportion to the gaming revenues generated in the respective cities.

Data Source:

Applicable years' annual financial report.

Exhibit IX

City of Black Hawk, Colorado
General Governmental Expenditures by Function [1]
Last Ten Calendar Years
(modified accrual basis of accounting)

	For the Year Ended December 31,									
Function	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Current:										
General government [2]	$ 4,109,233	$ 5,046,972	$ 4,306,624	$ 3,739,799	$ 4,979,283	$ 5,330,439	$ 5,347,801	$ 3,165,107	$ 3,935,814	$ 3,717,346
Planning	664,577	454,512	523,589	1,159,281	668,311	700,510	566,361	446,488	376,483	278,414
Public safety	3,285,768	4,040,078	4,703,019	5,034,439	5,256,946	5,366,116	6,018,337	6,051,813	6,199,634	5,225,582
Public works	1,583,518	1,547,911	2,080,349	2,306,217	3,053,618	3,631,126	2,850,987	3,828,417	4,007,440	3,905,364
Culture and recreation	24,564	35,221	-	-	-	-	-	-	10,940	-
Total Current	9,667,660	11,124,694	11,613,581	12,239,736	13,958,158	15,028,191	14,783,486	13,491,825	14,530,311	13,126,706
% Change From Prior Year	44.6%	15.1%	4.4%	5.4%	14.0%	7.7%	-1.6%	-8.7%	7.7%	-9.7%
Capital Outlay [3]	2,597,675	3,369,370	4,210,590	3,419,925	6,579,654	10,396,919	4,389,185	2,169,020	7,135,470	5,177,599
% Change From Prior Year	-27.1%	29.7%	25.0%	-18.8%	92.4%	58.0%	-57.8%	-50.6%	229.0%	-27.4%
Debt Service										
Principal	360,145	376,250	391,250	415,000	518,840	618,132	543,223	2,298,025	2,485,876	1,993,370
Interest and fees	307,346	297,255	271,398	253,934	307,107	198,356	237,700	495,143	395,543	318,158
Total Debt Service	667,491	673,505	662,648	668,934	825,947	816,488	780,923	2,793,168	2,881,419	2,311,528
% Change From Prior Year	-64.5%	0.9%	-1.6%	0.9%	23.5%	-1.1%	-4.4%	257.7%	3.2%	-19.8%
Total Expenditures	$ 12,932,826	$ 15,167,569	$ 16,486,819	$ 16,328,595	$ 21,363,759	$ 26,241,598	$ 19,953,594	$ 18,454,013	$ 24,547,200	##########
% Change From Prior Year	6.6%	17.3%	8.7%	-1.0%	30.8%	22.8%	-24.0%	-7.5%	33.0%	-16.0%
Debt Service as a Percentage of Noncapital Expenditures	6.5%	5.7%	5.4%	5.2%	5.6%	5.2%	5.0%	17.2%	15.2%	14.8%

Notes:

[1] In 2003, the Dory Hill Cemetery Fund was reclassified from an expendable trust fund to a special revenue fund. This fund is restated and included as a special revenue fund for all years presented.

[2] In 2001, the general government function includes a $581,392 sales tax refund paid to taxpayers for over payments.

Data Source:
Applicable years' annual financial report.

Exhibit X

City of Black Hawk, Colorado

General Governmental Current Expenditures by Function (Unaudited) [1]

Last Ten Calendar Years

(modified accrual basis of accounting)

	For the Year Ended December 31,									
	2000	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Function	**Amounts**									
Current:										
General government	$ 4,109,233	$ 5,046,972	$ 4,306,624	$ 3,739,799	$ 4,979,283	$ 5,330,439	$ 5,347,801	$ 3,165,107	$ 3,935,814	$ 3,717,346
Planning	664,577	454,512	523,589	1,159,281	668,311	700,510	566,361	446,488	376,483	278,414
Public safety	3,285,768	4,040,078	4,703,019	5,034,439	5,256,946	5,366,116	6,018,337	6,051,813	6,199,634	5,225,582
Public works	1,583,518	1,547,911	2,080,349	2,306,217	3,053,618	3,631,126	2,850,987	3,828,417	4,007,440	3,905,364
Culture and recreation	24,564	35,221	-	-	-	-	-	-	10,940	-
Total Current	$ 9,667,660	$ 11,124,694	$ 11,613,581	$ 12,239,736	$ 13,958,158	$ 15,028,191	$ 14,783,486	$ 13,491,825	$ 14,530,311	$ 13,126,706
	Percentage of Total									
Current:										
General government	42.5%	45.4%	37.1%	30.6%	35.7%	35.5%	36.2%	23.5%	27.0%	28.3%
Planning	6.9%	4.1%	4.5%	9.5%	4.8%	4.7%	3.8%	3.3%	2.6%	2.1%
Public safety	34.0%	36.3%	40.5%	41.1%	37.7%	35.7%	40.7%	44.9%	42.7%	39.8%
Public works	16.4%	13.9%	17.9%	18.8%	21.9%	24.2%	19.3%	28.4%	27.6%	29.8%
Parks and recreation	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] Includes all governmental fund types.

Data Source:

Applicable years' annual financial report.

Exhibit XI

City of Black Hawk, Colorado
Summary of Changes in Fund Balances - Governmental Funds
Last Ten Calendar Years
(modified accrual basis of accounting)

	For the Year Ended December 31,									
Source	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Total Revenues	$ 20,034,199	$ 19,845,873	$ 20,439,458	$ 20,501,135	$ 22,982,948	$ 23,668,406	$ 25,631,324	$ 30,513,976	$ 25,849,213	$ 23,234,087
Total Expenditures	12,932,826	15,167,569	16,486,819	16,328,595	21,363,759	26,241,598	19,953,594	18,454,013	24,547,200	20,615,833
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,101,373	4,678,304	3,952,639	4,172,540	1,619,189	(2,573,192)	5,677,730	12,059,963	1,302,013	2,618,254
Other Financing Sources										
Inception of capital lease obligation	-	-	-	-	524,075	232,055	265,400	-	-	-
Issuance of bonds	-	-	-	-	1,031,250	-	1,327,000	-	-	-
Bond premium	-	-	-	-	-	-	31,346	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(991,626)	-	(1,330,000)	-	-	-
Transfers in	2,834,000	5,023,340	4,514,625	1,793,094	3,394,872	2,383,522	1,661,579	3,726,595	6,524,426	655,000
Transfers out	(7,332,469)	(8,409,440)	(8,430,838)	(4,287,518)	(4,875,787)	(5,045,638)	(4,766,574)	(8,355,237)	(9,896,035)	(4,137,237)
Total Other Financing Sources	(4,498,469)	(3,386,100)	(3,916,213)	(2,494,424)	(917,216)	(2,430,061)	(2,811,249)	(4,628,642)	(3,371,609)	(3,482,237)
Net Change in Fund Balances	2,602,904	1,292,204	36,426	1,678,116	701,973	(5,003,253)	2,866,481	7,431,321	(2,069,596)	(863,983)
Fund Balances, Beginning of Year	15,981,940	17,465,476	18,757,680	18,794,106	18,857,664	19,559,637	14,556,384	12,884,856	23,004,456	20,934,860
Other Changes [1]	(1,119,368)	-	-	(1,614,558)	-	-	(4,538,009)	2,688,279	-	-
Fund Balances, End of Year	$ 17,465,476	$ 18,757,680	$ 18,794,106	$ 18,857,664	$ 19,559,637	$ 14,556,384	$ 12,884,856	$ 23,004,456	$ 20,934,860	$ 20,070,877

Notes:
[1] Consists primarily of restatements and special items. The 2006 special item of $5,323,543 relates to an eminent domain settlement.

Data Source:
Applicable years' annual financial report.

Exhibit XII

City of Black Hawk, Colorado
Fund Balances - Governmental Funds
Last Ten Calendar Years
(modified accrual basis of accounting)

	December 31,									
	2000	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
General Fund										
Reserved	$ 818,000	$ 684,000	$ 581,000	$ 475,000	$ 467,364	$ 511,906	$ 474,780	$ 354,111	$ 399,204	$ 387,620
Unreserved	2,992,258	2,429,503	331,718	2,065,894	4,799,376	6,275,828	6,073,465	9,950,863	7,628,780	9,381,452
Subtotal General Fund	3,810,258	3,113,503	912,718	2,540,894	5,266,740	6,787,734	6,548,245	10,304,974	8,027,984	9,769,072
General Fund Percentage Change From Prior Year	-18.2%	-18.3%	-70.7%	178.4%	107.3%	28.9%	-3.5%	57.4%	-22.1%	21.7%
All Other Governmental Funds										
Reserved [1]	10,875,610	10,448,832	11,961,081	11,733,422	10,787,404	4,389,565	1,178,921	5,260,021	6,593,301	6,460,366
Unreserved										
Special Revenue Funds	2,779,608	1,994,944	2,476,242	106,565	143,009	195,453	148,365	2,333,520	(1,078,886)	(880,771)
Capital Projects Funds	-	3,200,401	3,444,065	4,476,783	3,362,484	3,416,965	5,009,325	5,105,941	7,392,461	4,722,210
Subtotal All Other Governmental Funds	13,655,218	15,644,177	17,881,388	16,316,770	14,292,897	8,001,983	6,336,611	12,699,482	12,906,876	10,301,805
Total Governmental Funds										
Reserved	11,693,610	11,132,832	12,542,081	12,208,422	11,254,768	4,901,471	1,653,701	5,614,132	6,992,505	6,847,986
Unreserved	556,424	7,624,848	6,252,025	6,649,242	8,304,869	9,888,246	11,231,155	17,390,324	13,942,355	13,222,891
Total Governmental Funds	$ 12,250,034	$ 18,757,680	$ 18,794,106	$ 18,857,664	$ 19,559,637	$ 14,789,717	$ 12,884,856	$ 23,004,456	$ 20,934,860	$ 20,070,877
All Governmental Funds Percentage Change	-23.4%	53.1%	0.2%	0.3%	3.7%	-24.4%	-12.9%	78.5%	-9.0%	-4.1%

Notes:

[1] For consistency, the fund balance in the debt service fund was reclassified from unreserved to reserved for years 2001 - 2004.

[2] The 2000 - 2003 fund balance for the preservation restoration fund have been reclassified from unreserved to reserved to be consistent with the 2004 - 2006 reporting.

Data Source:

Applicable years' annual financial report.

Exhibit XIII

Black Hawk, Colorado

Number of Devices - By Casino [1, 2]

Last Six Calendar Years [3]

	For the Calendar Years December 31,											
	2004		2005		2006		2007		2008		2009	
Major Casino	**Amount**	**% of Total**	**Amount**	**% of Total**	**Amount**	**% of Total**	**Amount**	**% of Total**	**Amount**	**% of Total**	**Amount**	**% of Total**
Isle of Capri	1,099	11.7%	1,408	14.5%	1,424	14.1%	1,403	14.2%	1,387	14.2%	1,327	14.1%
Ameristar (formerly Mountain High)	1,030	11.0%	902	9.3%	1,662	16.4%	1,664	16.8%	1,634	16.8%	1,581	16.8%
Lodge	949	10.1%	721	7.4%	943	9.3%	998	10.1%	976	10.0%	1,018	10.8%
Riviera	1,012	10.8%	960	9.9%	842	8.3%	870	8.8%	829	8.5%	767	8.2%
Mardi Gras	703	7.5%	721	7.4%	743	7.3%	679	6.9%	706	7.2%	655	7.0%
Colorado Central	662	7.1%	810	8.3%	685	6.8%	663	6.7%	668	6.9%	613	6.5%
Bullwhackers	688	7.3%	687	7.1%	692	6.8%	687	6.9%	664	6.8%	598	6.4%
Fitzgeralds	599	6.4%	605	6.2%	600	5.9%	595	6.0%	911	9.3%	752	8.0%
Canyon/Grand Plateau	589	6.3%	559	5.8%	433	4.3%	448	4.5%	419	4.3%	419	4.5%
Gilpin	448	4.8%	457	4.7%	457	4.5%	458	4.6%	446	4.6%	416	4.4%
Total Major Casinos [4]	7,779	82.9%	7,830	80.7%	8,481	83.7%	8,465	85.5%	8,640	88.6%	8,146	86.8%
All Other Casinos	1,609	17.1%	1,872	19.3%	1,649	16.3%	1,439	14.5%	1,111	11.4%	1,240	13.2%
Total All Casinos [5]	9,388	100.0%	9,702	100.0%	10,130	100.0%	9,904	100.0%	9,751	100.0%	9,386	100.0%

Notes:

[1] The City adopted an ordinance imposing an occupational tax (i.e., a device fee) on gaming devices used within the City. The fee is paid on all gaming devices for which the State of Colorado has issued a device tax stamp.

[2] Based upon the number of devices at December 31 of each year.

[3] Detailed data only available from 2004-2009.

Data Source:

[4] City Finance Department

[5] Colorado Department of Revenue, Gaming Division,
http://www.revenue.state.co.us/Gaming/wrap.asp?incl=abstract

Exhibit XIV

City of Black Hawk, Colorado
Annual Device Fee Rates
Last Ten Calendar Years

Year	Regular [1]	Business Improvement District [2]	Transportation Authority [3]	Total
2000	$ 750	$ 89	$ 154	$ 993
2001	750	89	77	916
2002	750	89	77	916
2003	750	89	77	916
2004	750	89	77	916
2005	750	89	77	916
2006	750	89	77	916
2007	750	89	77	916
2008	750	89	77	916
2009	750	89	77	916

Notes:

[1] From 2001 - 2006, the City waved the regular device fee for the first 50 machines within each casino.

[2] The City collects the device fee for the Business Improvement District, a blended component unit of the City. In addition, the City maintains the device fees and is able to spend these fees on public improvements.

[3] The City collects the device fee for the Transportation Authority, a blended component unit of the City.

Data Source :
City Finance Department

Exhibit XV

City of Black Hawk, Colorado

Principal Device Fee Payers

For the Calendar Years Ended December 31, 2009 and 2004 [1]

2009

Principal Device Fee Payers - Casinos	Total Fees [2]	Rank	Percentage of Total Fees
Ameristar (formerly Mountain High)	$ 1,214,625	1	15.83%
Isle of Capri	1,135,431	2	14.79%
Lodge	792,194	3	10.32%
Fitzgeralds	669,414	4	8.72%
Riviera	644,592	5	8.40%
Mardi Gras	574,952	6	7.49%
Lady Luck	533,210	7	6.95%
Bullwhackers	505,569	8	6.59%
Gilpin	352,467	9	4.59%
Canyon/Grand Plateau	349,740	10	4.56%
Total Principal Fee Payers	6,772,194		88.23%
All Other Fee Payers	903,110		11.77%
Total	$ 7,675,304		100.00%

2004

Principal Device Fee Payers - Casinos	Total Fees [2, 3]	Rank	Percentage of Total Fees
Isle of Capri	$ 888,459	1	12.79%
Riviera	797,834	2	11.48%
Lodge	756,443	3	10.89%
Ameristar (formerly Mountain High)	737,751	4	10.62%
Mardi Gras	554,583	5	7.98%
Colorado Central	542,207	6	7.80%
Bullwhackers	473,188	7	6.81%
Fitzgeralds	467,044	8	6.72%
Canyon/Grand Plateau	460,820	9	6.63%
Gilpin	332,237	10	4.78%
Total Principal Fee Payers	6,010,566		86.52%
All Other Fee Payers	936,758		13.48%
Total	$ 6,947,324		100.00%

Notes:

[1] The City began accumulating this level of detailed information in 2004.

[2] Total fees based upon the amount of billings for each calendar year for regular and business improvement district device fees. Ameristar and Bullwhackers casinos are not charged the Business Improvement District fee.

[3] The device fees do not include the Black Hawk Business Transportation Authority fees.

Data Source:

City Finance Department.

Exhibit XVI

City of Black Hawk, Colorado

Direct and Overlapping Sales and Use Tax Rates

Last Ten Calendar Years

Calendar Year	Direct City [1]	Overlapping State of Colorado	Total Direct and Overlapping
2000	0.00%	2.90%	2.90%
2001	0.00%	2.90%	2.90%
2002	0.00%	2.90%	2.90%
2003 [1]	4.00%	2.90%	6.90%
2004	4.00%	2.90%	6.90%
2005	4.00%	2.90%	6.90%
2006	4.00%	2.90%	6.90%
2007	4.00%	2.90%	6.90%
2008	4.00%	2.90%	6.90%
2009 [2]	5.50%	2.90%	8.40%

Notes:

[1] The City began levying a sales and use tax in 2003.

[2] The additional 1.5% is a dedicated portion of the City sales tax levied for the school district.

Data Source : Colorado Department of Revenue, Sales Tax Information Division, http://www.taxview.state.co.us/

City of Black Hawk, Colorado
Ratios of Total Debt Outstanding by Type
Last Ten Calendar Years

	Governmental Activities					Business-type Activities						
Calendar Year	**Device Tax Revenue Bonds**	**General Obligation Bonds**	**Special Assessment Bonds**	**Capital Leases**	**Total**	**Device Tax Revenue Bonds**	**General Obligation Bonds**	**Total**	**Total [1]**	**Estimated Population [2]**	**Total Debt Per Capita [3]**	**Total Debt Per Gaming Device [4], [5]**
2000	$ 3,960,000	$ -	$ -	$ -	$ 3,960,000	$ 13,576,250	$ 4,420,000	$ 17,996,250	$ 21,956,250	118	$ 186,070	$ 2,559
2001	4,482,500	-	-	-	4,482,500	13,357,500	4,150,000	17,507,500	21,990,000	118	186,356	2,091
2002	4,091,250	-	-	-	4,091,250	13,133,750	3,855,000	16,988,750	21,080,000	117	180,171	2,242
2003	3,676,250	-	-	-	3,676,250	12,913,750	3,535,000	16,448,750	20,125,000	116	173,491	2,116
2004	3,230,000	-	-	451,485	3,681,485	12,660,000	3,220,000	15,880,000	19,561,485	111	176,230	2,084
2005	2,752,500	-	-	542,908	3,295,408	12,387,500	2,890,000	15,277,500	18,572,908	111	167,323	1,914
2006	2,398,250	-	-	616,335	3,014,585	13,021,750	2,540,000	15,561,750	18,576,335	111	167,354	1,834
2007 [6]	2,028,250	1,425,000	4,965,000	403,310	8,821,560	12,816,750	2,170,000	14,986,750	23,808,310	111	214,489	2,404
2008	1,935,250	1,215,000	3,005,000	180,434	6,335,684	12,354,750	1,825,000	14,179,750	20,515,434	111	184,824	2,103
2009 [7]	13,210,000	2,395,000	1,525,000	72,564	17,202,564	-	-	-	17,202,564	111	154,978	1,764

Notes:

[3] Because of the City's small population, the debt per capita is extremely high. However, because of gaming, the City's daily population is in the range of 10,000 - 15,000.

[4] Using percentage of personal income or percentage of actual taxable value of property would not be meaningful since the City receives an immaterial amount of property taxes. A better measure for the City is the debt per gaming device within the City.

[6] Beginning in 2007, includes debt related to the Black Hawk Business Improvement District. Years prior to 2007 have not been restated.

[7] In 2009, all business-type long-term bonded debt was transferred to governmental activities.

Data Source:

[1] Applicable years' annual financial report.

[2] 2001 - 2009 are estimated counts by City management and the Colorado Department of Local Affairs, Division of Local Government. The 2000 count is based upon the United States Department of Commerce, Bureau of Census.

[5] Number of gaming devices. Colorado Department of Revenue, Gaming Division, http://www.revenue.state.co.us/Gaming/wrap.asp?incl=abstract

Exhibit XVIII

City of Black Hawk, Colorado

Ratios of General Bonded Debt Outstanding [1]

Last Ten Calendar Years

Calendar Year	General Obligation Bonds [1]	Estimated Population	Debt Per Capita	Total Debt Per Gaming Device Per Casino [2, 3]
2000	$ 4,420,000	118	$ 37,458	$ 515
2001	4,150,000	118	35,169	395
2002	3,855,000	117	32,949	410
2003	3,535,000	116	30,474	372
2004	3,220,000	111	29,009	343
2005	2,890,000	111	26,036	298
2006	2,540,000	111	22,883	251
2007	3,595,000	111	32,387	363
2008	3,040,000	111	27,387	124
2009	2,395,000	111	21,577	-

Notes:

[2] Using percentage of personal income or percentage of actual taxable value of property would not be meaningful since the City receives an immaterial amount of property taxes. A better measure for the City is debt per gaming device within the City.

Data Source:

[1] Applicable years' annual financial report.

[3] Number of gaming devices. Colorado Department of Revenue, Gaming, Division, http://www.revenue.state.co.us/Gaming/wrap.asp?incl=abstract

Exhibit XIX

City of Black Hawk, Colorado

Direct and Overlapping Governmental Activities Debt

December 31, 2009

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [3]	Estimated Share of Overlapping Debt
City Direct Debt:			
City:			
Device tax revenue bonds	$ 13,210,000		
General obligation refunding bonds	1,400,000		
Capital leases	72,564		
Black Hawk Business Improvement District:[1]			
General obligation refunding bonds	995,000		
Special assessment refunding bonds	1,525,000		
Total direct debt	$ 17,202,564	100.00%	$ 17,202,564
Overlapping Debt [2, 3, 5, 6]			
General Obligation Bonds: [4]			
Gilpin County RE-1 School District (June 30, 2009)	$ 7,960,000	75.38%	6,000,248
General obligation bonds	42,526	75.38%	32,056
Capital leases			
Miners Mesa Commercial Metropolitan District			
General obligation bonds	6,291,000	100.00%	6,291,000
Silver Dollar Metropolitan District			
General obligation bonds	23,110,000	100.00%	23,110,000
Total Overlapping Debt			35,433,304
Total Direct and Overlapping Debt			$ 52,635,868

Notes:

[1] The Black Hawk Business Improvement District is a blended component unit of the City.

[2] Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

[3] For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using assessed property values. Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the City's boundaries and dividing it by each unit's total assessed value.

[4] Debt as of most current data available.

[5] Although overlapping the City's boundaries, both Black Hawk-Central City Sanitation District and Gilpin County do not have any outstanding governmental activities debt.

Data Source:

[6] Each specific government.

Exhibit XX

City of Black Hawk, Colorado
Legal Debt Margin
Last Ten Calendar Years

	For the Calendar Year Ended December 31,									
	2000	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Assessed Value [1]	$ 126,342,900	$ 150,651,240	$ 173,497,740	$ 176,547,400	$ 174,912,530	$ 190,933,200	$ 204,515,190	$ 216,585,941	$ 223,438,722	$256,051,781
Legal Debt Margin										
Debt limit (10% of assessed value)	$ 12,634,290	$ 15,065,124	$ 17,349,774	$ 17,654,740	$ 17,491,253	$ 19,093,320	$ 20,451,519	$ 21,658,594	$ 22,343,872	$ 25,605,178
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	1,425,000	1,215,000	2,395,000
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	-	-	-	-	-	-	-	1,425,000	1,215,000	2,395,000
Legal debt margin	$ 12,634,290	$ 15,065,124	$ 17,349,774	$ 17,654,740	$ 17,491,253	$ 19,093,320	$ 20,451,519	$ 20,233,594	$ 21,128,872	$ 23,210,178
As a percentage of debt limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	93.42%	94.56%	90.65%

Data Source:
[1] http://128.121.167.61/Assessor/Gilpin2009abstract.pdf

Exhibit XXI

City of Black Hawk, Colorado
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	County Population [1, 2]	*(thousands of dollars)* County Personal Income [1, 2]	County Per Capita Income [1, 2]	County Per Capita Personal Income % of U.S. [2]	County Median Age [3]	Unemployment Rate		
						Gilpin County [4]	State of Colorado [4]	United States[5]
2000	4,816	$ 167,492	$ 34,778	115%	38.3	2.1%	2.4%	4.0%
2001	4,833	176,718	36,565	117%	N/A	5.1%	5.6%	4.7%
2002	4,859	177,492	36,529	116%	N/A	5.3%	5.6%	5.8%
2003	4,867	178,177	36,609	113%	N/A	5.7%	5.7%	6.0%
2004	4,861	176,024	36,211	107%	N/A	4.9%	5.4%	5.5%
2005	4,939	194,002	39,280	111%	N/A	5.0%	4.8%	5.1%
2006	5,034	209,058	41,529	110%	N/A	3.5%	3.9%	4.6%
2007	5,070	210,715	41,561	106%	N/A	4.4%	4.3%	4.6%
2008	5,238	217,408	41,506	103%	N/A	5.6%	5.9%	5.8%
2009	5,412	224,313	41,447	103%	N/A	6.3%	7.7%	9.3%

Notes:

[1] Information available for Gilpin County, not for the City.

Data Source:

[2] Gilpin County - 2000 - 2008 - U.S. Bureau of Economic Analysis - http://www.bea.gov/bea/regional/reis/drill.cfm, 2009 estimated by management.

3 Gilpin County - U.S. Census Bureau - http://factfinder.census.gov/servlet/GCTTable?_bm=y&-geo_id=04000US08&-ds_name=DEC_2000_SF1_U&-_lang=en&-redoLog=false&-format=ST-2&-mt_name=DEC_2000_SF1_U_GCTP5_ST2&-CONTEXT=gct

[4] Colorado Department of Labor and Employment, http://www.coworkforce.com/lmi/ali/lfpage.asp, December of each year.

[5] United States Department of Labor, Bureau of Labor Statistics, http://www.bls.gov/cps/cpsaat1.pdf

Exhibit XXII

City of Black Hawk, Colorado[1]

Principal Employers

For the Calendar Years 2007 and 2005 [2]

	2007			
Employer	**Product or Service**	**Number of Employees**	**Rank**	**Percentage of Total**
Isle of Capri	Casino/Hotel	579	1	17.16%
The Lodge	Casino/Hotel	508	2	15.05%
Ameristar	Casino/Hotel	500	3	14.81%
Fortune Valley Hotel and Casino	Casino/Hotel	340	4	10.07%
Mardi Gras	Casino	322	5	9.54%
Rivera	Casino/Hotel	261	6	7.73%
Fitzgerald's	Casino	261	7	7.73%
Colorado Central Station	Casino	224	8	6.64%
Bullwhackers	Casino	194	9	5.75%
Gilpin County	Government	186	10	5.51%
Total Principal Employers		3,375		100.00%

	2005			
Employer	**Product or Service**	**Number of Employees**	**Rank**	**Percentage of Total**
Isle of Capri	Casino/Hotel	650	1	20.24%
The Lodge	Casino/Hotel	520	2	16.19%
Rivera	Casino/Hotel	357	3	11.12%
Mardi Gras	Casino	350	4	10.90%
Fitzgerald's	Casino	319	5	9.93%
Colorado Central Station	Casino	315	6	9.81%
Bullwhackers	Casino	240	7	7.47%
The Canyon	Casino	160	8	4.98%
Gilpin County	Government	160	9	4.98%
The Gilpin	Casino	140	10	4.36%
Total Principal Employers		3,211		100.00%

Notes:

[1] Total number of employees within the City not available, therefore County information is presented.

[2] 2007 and 2005 is the only information available for the City.

Data Source **:**

Individual employers

Exhibit XXIII

City of Black Hawk, Colorado[1]

Average Number of Employees - By Industry [2]

Calendar Years 1999 - 2007 [3]

	Calendar Year								
Industry	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**
Construction	162	121	96	100	88	93	118	124	76
Manufacturing	16	16	N/A	N/A	N/A	N/A	10	11	13
Transportation, Communications and Public Utilities	16	35	13	16	17	-	-	-	-
Wholesale Trade	N/A	N/A	N/A	N/A	4	2	N/A	1	4
Retail Trade	122	123	27	26	27	26	21	23	17
Finance, Insurance and Real Estate	2	3	8	10	10	9	12	14	11
Services (includes casinos)	4,251	4,843	4,991	5,244	4,781	4,691	4,794	4,651	4,338
Government	340	304	324	362	374	392	417	412	406
Total	4,909	5,445	5,459	5,758	5,301	5,213	5,372	5,236	4,865

Notes:

[1] Information is only available for Gilpin County

[3] Information for 2008 & 2009 not available.

Data Source:

[2] State of Colorado, Department of Labor and Employment, Labor Market Information Section, Colorado *Labor Force Review*

Exhibit XXIV

City of Black Hawk, Colorado

Comparison of the Average Number of Gaming Devices by Gaming City

Last Ten Calendar Years

Calendar Year	Black Hawk, Colorado Number of Devices	Black Hawk, Colorado Percentage of Total	Cripple Creek, Colorado Number of Devices	Cripple Creek, Colorado Percentage of Total	Central City, Colorado Number of Devices	Central City, Colorado Percentage of Total	Total Number of Devices	Total Percentage of Total
2000	8,430	57.8%	4,195	28.8%	1,962	13.5%	14,587	100.0%
2001	8,707	59.6%	4,208	28.8%	1,683	11.5%	14,598	100.0%
2002	9,721	62.5%	4,218	27.1%	1,606	10.3%	15,545	100.0%
2003	9,602	62.1%	4,247	27.5%	1,610	10.4%	15,459	100.0%
2004	9,462	60.3%	4,654	29.7%	1,565	10.0%	15,681	100.0%
2005	9,543	58.0%	4,795	29.2%	2,105	12.8%	16,443	100.0%
2006	10,160	59.5%	4,785	28.0%	2,134	12.5%	17,079	100.0%
2007	10,036	59.6%	4,591	27.3%	2,210	13.1%	16,837	100.0%
2008	9,816	58.6%	4,799	28.6%	2,146	12.8%	16,761	100.0%
2009	9,386	58.2%	4,679	29.0%	2,071	12.8%	16,136	100.0%
Percentage Change In Dollars Over 10 Years	11.3%		11.5%		5.6%		10.6%	

Notes:

Data Source:

Colorado Department of Revenue, www.revenue.state.co.us/Gaming/wrap.asp?publications.

Exhibit XXV

City of Black Hawk, Colorado

Comparison of the Average Number of Casinos by Gaming City

Last Ten Calendar Years

Calendar Year	Black Hawk, Colorado		Cripple Creek, Colorado		Central City, Colorado		Total	
	Number of Casinos	Percentage of Total	Number of Casinos	Percentage of Total	Number of Casinos	Percentage of Total	Number of Casinos	Percentage of Total
1999	19	39.6%	18	37.5%	11	22.9%	48	100.0%
2000	19	41.3%	19	41.3%	8	17.4%	46	100.0%
2001	20	46.5%	18	41.9%	5	11.6%	43	100.0%
2002	20	47.6%	17	40.5%	5	11.9%	42	100.0%
2003	22	50.0%	17	38.6%	5	11.4%	44	100.0%
2004	21	46.7%	19	42.2%	5	11.1%	45	100.0%
2005	21	45.7%	19	41.3%	6	13.0%	46	100.0%
2006	19	43.2%	19	43.2%	6	13.6%	44	100.0%
2007	20	46.5%	17	39.5%	6	14.0%	43	100.0%
2008	19	46.3%	16	39.0%	6	14.6%	41	100.0%
2009	18	45.0%	16	40.0%	6	15.0%	40	100.0%

Data Source:

Colorado Department of Revenue, www.revenue.state.co.us/Gaming/wrap.asp?publications.

Exhibit XXVI

City of Black Hawk, Colorado

Comparison of the Average Number of Casino Employees by Gaming City [1]

Last Ten Calendar Years

Calendar Year	Black Hawk, Colorado Number of Employees	Black Hawk, Colorado Percentage of Total	Cripple Creek, Colorado Number of Employees	Cripple Creek, Colorado Percentage of Total	Central City, Colorado Number of Employees	Central City, Colorado Percentage of Total	Total Number of Employees	Total Percentage of Total
2000	4,105	53.5%	2,766	36.1%	798	10.4%	7,669	100.0%
2001	4,259	59.7%	2,272	31.9%	601	8.4%	7,132	100.0%
2002	4,863	63.4%	2,230	29.1%	582	7.6%	7,675	100.0%
2003	4,541	61.7%	2,274	30.9%	549	7.5%	7,364	100.0%
2004	4,368	56.7%	2,812	36.5%	523	6.8%	7,703	100.0%
2005	4,449	55.4%	2,787	34.7%	793	9.9%	8,029	100.0%
2006	4,379	55.9%	2,702	34.5%	748	9.6%	7,829	100.0%
2007	4,453	55.4%	2,699	33.6%	886	11.0%	8,038	100.0%
2008	5,309	58.5%	2,953	32.5%	811	8.9%	9,073	100.0%
2009	4,276	50.8%	3,261	38.7%	888	10.5%	8,425	100.0%
Percentage Change In Dollars Over 10 Years	4.2%		17.9%		11.3%		9.9%	

Notes:

[1] Includes licensed and not licensed employees.

Data Source:

Colorado Department of Revenue, www.revenue.state.co.us/Gaming/wrap.asp?publications.

Exhibit XXVI

City of Black Hawk, Colorado

Comparison of Adjusted Gross Proceeds (AGP) by Gaming City [1]

Last Ten Calendar Years

	Black Hawk, Colorado			Cripple Creek, Colorado			Central City, Colorado			Total		
Calendar Year	**Annual AGP**	**Percentage of Total**	**Percentage Change**	**Annual AGP**	**Percentage of Total**	**Percentage Change**	**Annual AGP**	**Percentage of Total**	**Percentage Change**	**Annual AGP**	**Percentage of Total**	**Percentage Change**
2000	$ 433,768,948	68.7%	22.2%	$ 134,630,255	21.3%	9.8%	$ 63,452,945	10.0%	-14.0%	$ 631,852,149	100.0%	14.6%
2001	478,326,427	70.7%	10.3%	138,617,688	20.5%	3.0%	59,730,077	8.8%	-5.9%	676,674,192	100.0%	7.1%
2002	524,464,856	72.9%	9.6%	142,436,212	19.8%	2.8%	52,800,335	7.3%	-11.6%	719,701,403	100.0%	6.4%
2003	506,476,837	72.5%	-3.4%	142,525,101	20.4%	0.1%	49,908,926	7.1%	-5.5%	698,910,864	100.0%	-2.9%
2004	524,035,343	72.2%	3.5%	148,689,335	20.5%	4.3%	53,178,879	7.3%	6.6%	725,903,556	100.0%	3.9%
2005	531,878,276	70.4%	1.5%	151,011,042	20.0%	1.6%	72,610,402	9.6%	36.5%	755,499,720	100.0%	4.1%
2006	554,484,627	70.9%	4.3%	153,075,257	19.6%	1.4%	74,538,934	9.5%	2.7%	782,098,818	100.0%	3.5%
2007	581,385,160	71.2%	4.9%	154,962,066	19.0%	1.2%	79,782,553	9.8%	7.0%	816,129,779	100.0%	4.4%
2008	508,685,618	71.1%	-12.5%	140,081,962	19.6%	-9.6%	67,112,131	9.4%	-15.9%	715,879,711	100.0%	-12.3%
2009	529,976,828	72.1%	4.2%	140,356,304	19.1%	0.2%	64,257,223	8.7%	-4.3%	734,590,354	100.0%	2.6%
Percentage Change In Dollars Over 10 Years	22.2%			4.3%			1.3%			16.3%		

Notes:

[1] AGP is the amount of money wagered minus the amount paid out in prizes. It is the tax base used by the State of Colorado for taxing gaming casinos.

Data Source:

Colorado Department of Revenue, www.revenue.state.co.us/Gaming/wrap.asp?publications.

Exhibit XXVIII

City of Black Hawk, Colorado
City Employees by Function/Program
Last Ten Calendar Years

Function/program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
City Clerk's Office	2.00	2.50	2.75	3.00	3.00	2.75	1.75	1.75	1.00	1.25
City Manager's Office	2.00	2.00	2.00	2.00	2.00	3.00	2.75	3.00	3.00	2.75
Community Planning & Development	5.00	5.00	5.00	5.00	5.00	5.00	5.00	3.00	3.00	1.00
Facilities Maintenance	2.00	2.00	1.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Finance	2.50	2.50	2.75	2.75	2.75	2.50	2.00	2.50	2.50	3.00
Fire Department	17.00	21.00	24.00	24.00	24.00	24.00	24.00	23.00	23.00	18.00
Fleet	3.50	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00
Human Resources	1.00	1.00	1.00	1.00	1.00	1.50	0.00	0.00	0.00	0.00
IT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
Municipal Court Fund	0.50	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Parks	0.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Police	32.00	32.00	38.00	38.00	38.00	38.00	38.00	40.00	38.75	30.75
Public Works Administration	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Streets	5.00	5.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	6.00
Water	10.00	10.00	8.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Total	85.50	92.25	102.75	104.00	105.00	106.00	102.75	103.50	101.50	85.00
Percentage Change Over Prior Year	8.2%	7.9%	11.4%	1.2%	1.0%	1.0%	-3.1%	0.7%	-1.9%	-16.3%

Data Source:
City Employees Services Division

Exhibit XXIX

City of Black Hawk, Colorado

Operating Statistics by Function/Program

2000 - 2009

	For The Year Ended December 31,									
	2000	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Function/program										
Fire										
Building inspections[2]	62	49	47	31	55	45	50	50	55	42
Number of sprinkler inspections	-	-	-	-	-	-	-	-	3	4
Number of plan reviews	-	-	-	-	-	-	-	-	6	9

Notes:

[1] The City has not been collecting operating statistics but will begin to expand this table in 2010.

[2] 2006 and 2007 are estimated amounts.

Data Source :

Fire Department

Exhibit XXX

City of Black Hawk, Colorado

Capital Asset and Infrastructure Statistics by Function/Program

Last Ten Calendar Years [1]

	December 31,									
Capital Assets	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Buildings and related structures	-	-	-	-	-	35	38	38	40	40
Number of vehicles	-	-	-	-	-	97	101	104	106	106
Works of art	-	-	-	-	-	12	12	14	16	16
Street lights	-	-	-	434	434	434	434	434	449	449
Streets:										
Asphalt	12	12	14	14	14	14	14	16	16	16
Aggregate	1	1	1	1	1	1	1	1	1	1
Concrete	3	3	3	3	3	3	3	4	4	4
Gravel	1	1	1	1	1	1	1	1	1	1
Dirt	1	1	1	1	1	1	1	1	1	1
Bridges	6	6	6	6	6	6	6	6	6	6
Traffic signals	22	22	22	22	22	22	22	30	30	30

Notes:

[1] If the number is blank, this information is not available.

Data Source :

City capital asset records.

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

LOCAL HIGHWAY FINANCE REPORT	City or County: **City of Black Hawk**
	YEAR ENDING : **December 2009**
This Information From The Records Of (example - City of _ or County of _ **City of Black Hawk**	Prepared By: **Lance Hillis** Phone: **303-582-2283**

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	3,001,551
3. Other local imposts (from page 2)	90,447
4. Miscellaneous local receipts (from page 2)	26,959
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	3,118,957
B. Private Contributions	
C. Receipts from State government (from page 2)	10,561
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	3,129,518

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	2,622,110
2. Maintenance:	397,230
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	44,903
c. Other	
d. Total (a. through c.)	44,903
4. General administration & miscellaneous	
5. Highway law enforcement and safety	65,275
6. Total (1 through 5)	3,129,518
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	3,129,518

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
0	3,129,518	3,129,518	0	(0)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: **Colorado** **City of Black Hawk** YEAR ENDING (mm/yy): **December 2009**

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	89,925	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	26,959
1. Sales Taxes		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	522	g. Other Misc. Receipts	
6. Total (1. through 5.)	522	h. Other	
c. Total (a. + b.)	90,447	i. Total (a. through h.)	26,959
	(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	10,561	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)		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)	10,561	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities		151,122	151,122
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation		2,470,988	2,470,988
(5). Total Construction (1) + (2) + (3) + (4)	0	2,622,110	2,622,110
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,622,110	2,622,110
			(Carry forward to page 1)

Notes and Comments:

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