



REGULAR MEETING AGENDA

City of Black Hawk City Council
211 Church Street, Black Hawk, CO

June 24, 2015
3:00 p.m.

RINGING OF THE BELL:

1. CALL TO ORDER:
2. ROLL CALL & PLEDGE OF ALLEGIANCE:
3. ADENDA CHANGES:
4. CONFLICTS OF INTEREST: (Council disclosures are on file w/City Clerk & Sec. of State)
5. PUBLIC COMMENT: *Please limit comments to 5 minutes*
6. APPROVAL OF MINUTES: June 10, 2015
7. PUBLIC HEARINGS:
 - A. CB15, An Ordinance Approving a Water Storage Agreement Between the City of Black Hawk and the City of Golden
 - B. Resolution 47, A Resolution Approving the Comprehensive Sign Plan and Conditionally Approving a Certificate of Appropriateness for the 1859 Est. Comprehensive Sign Plan
 - C. Resolution 48, A Resolution Approving the Certificate of Appropriateness for the Mountain Mocha Café Standard Sign Plan
8. ACTION ITEMS:
 - D. Resolution 49, A Resolution Accepting City of Black Hawk 2014 Audit
 - E. Resolution 50, A Resolution Awarding the Propane Supplier Services Agreement with Polar Gas in an Amount Not To Exceed \$17,145.00
 - F. Local Liquor Authority Consideration of the Certification of a Promotional Association and Common Consumption Area for Horseshoe Gilpin Inc.
9. CITY MANAGER REPORTS:
10. CITY ATTORNEY:
11. EXECUTIVE SESSION:
12. ADJOURNMENT:

MISSION STATEMENT

The mission of the City of Black Hawk is to progressively provide cost effective programs and services of the highest quality to the community.



**City of Black Hawk
City Council**

June 10, 2015

MEETING MINUTES

Facilities Maintenance Worker Mike Haberhauer rang the bell.

1. **CALL TO ORDER:** The regular meeting of the City Council was called to order on Wednesday, June 10, 2015, at 3:00 p.m. by Mayor Spellman.

2. **ROLL CALL:** Present were: Mayor Spellman, Aldermen Armbright, Bennett, Johnson, Torres, Moates, and Midcap.

Staff present: City Attorney Hoffmann, City Manager Lewis, Police Chief Cole, City Clerk/Administrative Services Director Greiner, Finance Director Hillis, Public Works Director Isbester, Fire Chief Taylor, and Deputy City Clerk Martin.

- PLEDGE OF ALLEGIANCE:** Mayor Spellman led the meeting in the recitation of the Pledge of Allegiance.

3. **AGENDA CHANGES:** Deputy City Clerk Martin confirmed there were no changes to the agenda.

4. **CONFLICTS OF INTEREST:** City Attorney Hoffmann asked Council to declare any Conflicts of Interest on any issue appearing on the agenda this afternoon other than those previous disclosures and conflicts that have already been disclosed and are on file with the City Clerk and Secretary of State. There were no conflicts noted from City Council.

City Attorney Hoffmann asked the audience if there were any objections to any member of Council voting on any issue on the agenda this afternoon. The audience had no objections.

5. **INTRODUCTION OF NEW EMPLOYEE:** Public Works Director Isbester introduced the new Facilities Maintenance Worker Mike Haberhauer who has been employed with the City since late April.

6. PUBLIC COMMENTS: Deputy City Clerk Martin stated no one had signed up to speak.

7. APPROVAL OF MINUTES May 27, 2015.

MOTION TO APPROVE Alderman Armbright **MOVED** and was **SECONDED** by Alderman Johnson to approve the Minutes as presented.

MOTION PASSED There was no discussion and the motion passed unanimously.

8. PUBLIC HEARINGS:

None

9. ACTION ITEMS:

A. Resolution 44, A Resolution Approving the Service Agreement for Vehicle Towing Services Between the City of Black Hawk and D & J Towing & Recovery

Mayor Spellman read the title.

Police Chief Cole explained that one of the towing contracts with the City has changed ownership, so a new agreement is required to be signed.

MOTION TO APPROVE Alderman Bennett **MOVED** and was **SECONDED** by Alderman Johnson to approve Resolution 44, A Resolution Approving the Service Agreement for Vehicle Towing Services Between the City of Black Hawk and D & J Towing & Recovery.

MOTION PASSED There was no discussion and the motion **PASSED** unanimously.

B. Resolution 45, A Resolution Authorizing the Donation of AED Trainers to the Jefferson County Sheriff's Office

Mayor Spellman read the title.

Fire Chief Don Taylor said he has outdated AED units, per Black Hawk's standards, which have been replaced through a grant. Taylor would like to donate these units to the Jefferson County Sheriff's office to be used for training their staff.

MOTION TO APPROVE

Alderman Armbright **MOVED** and was **SECONDED** by Alderman Torres to approve Resolution 45, A Resolution Authorizing the Donation of AED Trainers to the Jefferson County Sheriff's Office.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

C. Resolution 46, A Resolution Approving the Agreement Between the City of Black Hawk and PLM Asphalt and Concrete Inc. in the Amount Not to Exceed \$65,460.00 for Milling and Overlaying Lower Miners Mesa Road

Mayor Spellman read the title.

Public Works Director Tom Isbester explained that Lower Miners Mesa Road is the one section of road in the City that hasn't had any work done to it yet. Three bids were received and staff has recommended PLM Asphalt and Concrete Inc. for the work.

MOTION TO APPROVE

Alderman Johnson **MOVED** and was **SECONDED** by Alderman Moates to approve Resolution 46, A Resolution Approving the Agreement Between the City of Black Hawk and PLM Asphalt and Concrete Inc. in the Amount Not to Exceed \$65,460.00 for Milling and Overlaying Lower Miners Mesa Road.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

10. CITY MANAGER REPORTS:

City Manager Lewis stated that George K. Baum & Company reached out to the City to refinance the 2006 bond, since it is in the final five years. Lewis said refinancing would allow the same maturity date, yet cut the interest rate in half and save the City roughly \$500,000.00.

Lewis also mentioned that the same residential street closures would occur again for July 4.

11. CITY ATTORNEY:

City Attorney Hoffmann reported several conversations with casinos regarding Promotional Associations and he anticipates an application before Council shortly.

12. EXECUTIVE SESSION:

City Attorney Hoffmann recommended item numbers 2 and 5 for Executive Session, in regards to legal issues regarding the City's Preservation Grant and Easement program, pending project with the

Colorado Department of Public Health & Environment, and pending legislation.

**MOTION TO
ADJOURN INTO
EXECUTIVE
SESSION**

Alderman Bennett **MOVED** and was **SECONDED** by Alderman Johnson to adjourn into Executive Session at 3:10 p.m. to hold a conference with the City’s attorney to receive legal advice on specific legal questions, pursuant to C.R.S., § 24-6-402(4)(b) and to determine positions relative to matters that may be subject to negotiations, develop a strategy for negotiations, and/or instruct negotiators, pursuant to C.R.S., § 24-6-402(4)(e).

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

**MOTION TO
ADJOURN**

Alderman Moates **MOVED** and was **SECONDED** by Alderman Johnson to adjourn the Executive Session at 3:50 p.m.

MOTION PASSED

There was no discussion and the motion **PASSED** unanimously.

13. ADJOURNMENT:

Mayor Spellman declared the Regular Meeting of the City Council closed at 3:50 p.m.

Melissa A. Greiner
City Clerk

David D. Spellman
Mayor

COUNCIL BILL 15
ORDINANCE 2015-15
AN ORDINANCE APPROVING
A WATER STORAGE
AGREEMENT BETWEEN THE
CITY OF BLACK HAWK AND
THE CITY OF GOLDEN

STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK

COUNCIL BILL NUMBER: CB15

ORDINANCE NUMBER: 2015-15

**TITLE: AN ORDINANCE APPROVING A WATER STORAGE AGREEMENT
BETWEEN THE CITY OF BLACK HAWK AND THE CITY OF GOLDEN**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLACK HAWK,
GILPIN COUNTY:

Section 1. The City of Black Hawk hereby approves the Water Storage Agreement between the City of Black Hawk and the City of Golden, as more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference, and authorizes the Mayor to execute the same on behalf of the City.

Section 2. Safety Clause. The Board of Aldermen hereby finds, determines, and declares that this Ordinance is promulgated under the general police power of the City of Black Hawk, that it is promulgated for the health, safety, and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Board of Aldermen further determines that the Ordinance bears a rational relation to the proper legislative object sought to be attained.

Section 3. Severability. If any clause, sentence, paragraph, or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

Section 4. Effective Date. The City Clerk is directed to post the Ordinance as required by the Charter. This Ordinance shall become effective upon posting by the City Clerk.

READ, PASSED AND ORDERED POSTED this 24th day of June, 2015.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk



CITY OF BLACK HAWK

REQUEST FOR COUNCIL ACTION

SUBJECT: Approve Council Bill 15, an Ordinance approving the Water Storage Agreement with the City of Golden.

RECOMMENDATION: If City Council chooses to approve Council Bill 15, an Ordinance approving the Water Storage Agreement with the City of Golden, the recommended motion is as follows: "Approve Council Bill 15, an Ordinance approving the Water Storage Agreement with the City of Golden."

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The City of Golden is required to deliver 100 acre feet of water to the City of Black Hawk each year. This water is typically provided from the Vidler Tunnel. The Vidler water is trans-basin water making it valuable because the water can be used to extinction without return flow requirements. In most years, the City of Black Hawk takes delivery of the Vidler water into Green Lake or Georgetown Lake, but because of the wet spring, room in these reservoirs is not available. The City of Golden has space available in its Guanella Reservoir and will store the water until we can exchange it to Green Lake or Georgetown Lake. The cost of the storage is 50% of the water put into Guanella Reservoir. For example, if we store 100 acre feet in Guanella, we keep 50 acre feet and Golden gets 50 acre feet. There is no monetary cost to the City. The alternative is to let the water go down stream and make no use of it.

FUNDING SOURCE: N/A

WORKSHOP DATE: June 24, 2015

ORIGINATED BY: James Ford

STAFF PERSON RESPONSIBLE: James Ford

PROJECT COMPLETION DATE: October 31, 2016

DOCUMENTS ATTACHED: agreement

CITY ATTORNEY REVIEW: [] Yes [] No [] N/A INITIALS _____

SUBMITTED BY:

Thomas Isbester, Public Works Director

REVIEWED BY:

Jack Lewis, City Manager

WATER STORAGE AGREEMENT

This AGREEMENT dated this ____ day of _____, 2015, is entered into between the City of Golden, a Colorado municipal corporation (“Golden”) and the City of Black Hawk, a Colorado municipal corporation (“Black Hawk”).

Recitals

WHEREAS C.R.S. § 29-1-201, as amended, authorizes the Parties to cooperate and contract with one another with respect to functions lawfully authorized to each of the Parties and the people of the State of Colorado have encouraged such cooperation and contracting through the adoption of Colorado Constitution, Article XIV, § 18(2); and

WHEREAS, the purpose of Part 2 of Article 1 of Title 29, C.R.S., is to implement the aforesaid provisions of the Colorado Constitution and authorize the Parties to enter into intergovernmental agreements; and

WHEREAS, C.R.S. § 29-1-203(1) provides, inter alia, that governmental units may cooperate with one another to provide any function, service, or facility lawfully authorized to each of the contracting units;

WHEREAS, Black Hawk and Golden entered into an Assignment and Water Delivery Agreement dated June 7, 2007, pursuant to which Black Hawk is entitled to delivery from Golden of 100 acre-feet of fully consumable water between June 1, 2015 and October 31, 2015 (the “2015 Golden delivery”); and

WHEREAS, Golden owns and controls a reservoir known as Guanella Reservoir, an off-channel reservoir located adjacent to the West Fork of Clear Creek in Sections 29 and 30, Township 3 South, Range 74 West of the 6th P.M., in Clear Creek County, Colorado; and

WHEREAS, this Agreement is intended to authorize Black Hawk to store up to 100 acre-feet of the 2015 Golden delivery in Guanella Reservoir subject to the limitations herein; and

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows.

1. Black Hawk shall be entitled to store up to 100 acre-feet of the 2015 Golden delivery in Guanella Reservoir. Depending on the source of the water delivered by Golden to Black Hawk, such storage may be by diversion of water into storage from the West Fork of Clear Creek, by exchange from Clear Creek, and/or by book-over of Golden’s water previously stored in Guanella Reservoir.

2. Any water stored by Black Hawk in Guanella Reservoir pursuant to this Agreement shall be owned by Black Hawk and Golden on a 50%/50% basis.

3. Black Hawk will be charged *pro rata* with evaporation loss on its stored water at the same rate as applied to other waters stored in Guanella Reservoir, which will reduce Black Hawk’s storage account under this Agreement.

4. Any water stored by Black Hawk in Guanella Reservoir during 2015 under this Agreement after evaporation loss is assessed and owned by Black Hawk, shall be removed from storage on or before June 15, 2016. Black Hawk will coordinate with Golden on the timing and rate of release it

desires for such water in a manner consistent with Golden's operations of Guanella Reservoir. Any water owned by Black Hawk pursuant to this agreement and remaining in storage in Guanella after June 15, 2016 may be released by Golden or may be booked over into Golden's storage accounts.

5. Golden and Black Hawk shall provide each other with all necessary accounting information relating to water stored by Black Hawk hereunder and, to the extent necessary, shall provide said information to the Division Engineer and/or Water Commissioner. To the extent any approvals are necessary in implementing this Agreement, those shall be Black Hawk's exclusive responsibility.

6. The term of this Agreement shall be from the date of execution through June 15, 2016. This Agreement may be renewed annually upon mutual written agreement of the Parties.

7. Black Hawk acknowledges that this Agreement provides for storage of raw water only. Neither party makes representations with respect to the quality of water diverted into or stored in Guanella Reservoir, or released therefrom, nor assumes responsibility therefor.

8. Nothing herein modifies any of the obligations of Golden and Black Hawk as set forth in the Assignment and Water Delivery Agreement dated June 7, 2007, except as may be expressly modified herein by allowing storage of up to 100 AF of the 2015 Golden delivery in Guanella Reservoir and the subsequent release of a portion thereof.

9. Notice: Any required notice, demand, or conveyance of information shall be sent via U.S. mail or fax, or telephone call and subsequent mailing or fax to:

Golden:

Utilities Director
City of Golden
911 Tenth Street
Golden, CO 80401
Fax: 303.384.8161

With copy to:
Glenn E. Porzak
Porzak Browning & Bushong LLP
929 Pearl Street, Suite 300
Boulder, CO 80302
Fax: 303.443.6864

Black Hawk:

Director of Public Works
City of Black Hawk
P.O. Box 68
987 Miners Mesa Road
Black Hawk, CO 80422
Fax: 303.582.2250

With copy to:
Harvey W. Curtis
Harvey W. Curtis and Associates
8310 South Valley Highway, Suite 230
Englewood, CO 80112
Fax: 303.292.1764

The above individuals and addresses may be modified at any time by written notice.

10. Entire Agreement; Amendments. This Agreement constitutes the entire agreement among the parties. This Agreement may be altered, amended or revoked only by an instrument in writing signed by both parties.

11. Assignment. This Agreement, and the rights, interests and obligations hereunder, may not be assigned by Black Hawk without Golden's prior written consent.

12. Indemnification. To the extent permitted by law, Black Hawk agrees to indemnify, defend and hold harmless Golden and its agents from and against all claims, causes of action, costs,

STATE OF COLORADO)
)ss.:
COUNTY OF GILPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015,
by David Spellman as Mayor of the City of Black Hawk.

WITNESS my hand and official seal.

Notary Public



My Commission Expires:

[SEAL]

RESOLUTION 47-2015
A RESOLUTION
APPROVING THE
COMPREHENSIVE SIGN
PLAN AND
CONDITIONALLY
APPROVING A
CERTIFICATE OF
APPROPRIATENESS FOR
THE 1859 EST.
COMPREHENSIVE SIGN
PLAN

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 47-2015

TITLE: A RESOLUTION APPROVING THE COMPREHENSIVE SIGN PLAN AND CONDITIONALLY APPROVING A CERTIFICATE OF APPROPRIATENESS FOR THE 1859 EST. COMPREHENSIVE SIGN PLAN

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The Comprehensive Sign Plan for 1859 Est., attached hereto as **Exhibit A** and incorporated herein by this reference, is hereby approved.

Section 2. The City Council hereby determines to approve the Certificate of Appropriateness for the Comprehensive Sign Plan for 1859 Est. upon the satisfaction of the following conditions:

- A. Proper Building, Electrical, and Sign Permits shall be applied for and approved prior to the installation of any new sign;
- B. Projecting signs will comply with the regulations pertaining to height limitations and placement as stated in the City of Black Hawk Municipal Code and according to the existing license agreement between the property owner and the City of Black Hawk; and
- C. The applicant shall update the 1859 Est. Comprehensive Sign Plan to show the requirement to utilize an anchor to fasten each of the proposed Special Event Signs (two swoop flags) to the proposed sign.

RESOLVED AND PASSED this 24th day of June, 2015.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

NOTICE OF PUBLIC HEARING

Notice is hereby given that the City of Black Hawk Board of Aldermen shall hold a public hearing concerning a Certificate of Appropriateness for a Comprehensive Sign Plan for 1859 Est., located on property described in Exhibit A and generally located at 231 Gregory Street, pursuant to the City of Black Hawk zoning ordinance.

The public hearing is to be held before the City of Black Hawk Board of Aldermen on Wednesday, June 24, 2015 at 3:00 p.m. or as soon as possible thereafter. The public hearing shall be held in the City of Black Hawk Council Chambers located at 211 Church Street, Black Hawk, Colorado, 80422, or at such other time or place in the event these hearings are adjourned.

ALL INTERESTED PARTIES
MAY ATTEND

Melissa A. Greiner
City Clerk

Exhibit A

231 Gregory Street –

S: 7 T: 3S R: 72W Subd: BLACK HAWK Block: 028 Lot: 002

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: 1859 Est. Comprehensive Sign Plan at 231 Gregory Street.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen: **MOTION TO APPROVE Resolution No.47-2015, a resolution approving a Certificate of Appropriateness for the 1859 Est. Comprehensive Sign Plan, with the following conditions:**

1. Proper Building, Electrical, and Sign Permits shall be applied for and approved prior to the installation of any new sign.
2. Projecting signs will comply with the regulations pertaining to height limitations and placement as stated in the City Code and according to the existing license agreement between the property owner and the City of Black Hawk.
3. The applicant shall update the 1859 Est. Comprehensive Sign Plan to show the requirement to utilize an anchor to fasten each of the proposed Special Event Signs (two swoop flags) to the proposed sign bracket.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

On April 10, 2015 The City of Black Hawk received an application for a Certificate of Appropriateness for a Comprehensive Sign Plan (CSP) Constructive Engineering Solutions (Jim Ticconi) on behalf of the 1859 Est. The intent of this submittal is to create a plan that will include existing 1859 Est. signs and allow installation of additional new signs. 1859 Est. proposes to install a total of 80.3 square feet of sign area. In addition, 1859 Est. CSP proposes to utilize two Special Event Signs. Per the new Sign Code and in Section 15-13(f)(3)(a) Special Event Signs do not count toward the total approved sign area and can only be utilized through an approved Comprehensive Sign Plan.

The application materials for the 1859 Est. Comprehensive Sign Plan have been reviewed by staff for compliance with the Municipal Code. A few iterations of their sign plan were provided in advance of this version and staff is now ready to support this version of their sign plan. The staff review is addressed in the attached staff report.

AGENDA DATE:

June 24, 2015

WORKSHOP DATE:

N/A

FUNDING SOURCE:

N/A

DEPARTMENT DIRECTOR APPROVAL:

Yes[]No

STAFF PERSON RESPONSIBLE:

Cynthia Linker, CP&D and Vincent Harris,
Baseline Corporation

DOCUMENTS ATTACHED:

Land Use Development Application; 1859
Est. CSP

RECORD:

[]Yes[X]No

CITY ATTORNEY REVIEW:

[]Yes[X]N/A

SUBMITTED BY:

REVIEWED BY:


6/10/2015
Vince Harris, Baseline Corporation


Jack D. Lewis, City Manager

Staff Report



STAFF REPORT: Certificate of Appropriateness Approval for a Comprehensive Sign Plan for 1859 Est. (P-15-11)

For: City Council
Project: 1859 Est. Comprehensive Sign Plan
Property Address: 231 Gregory Street
Applicants: Jim Ticconi, Constructive Engineering Solutions o/b/o 1859 Est.
Zoning: HARD District
Prepared by: Zeljko Spiric, Baseline Corporation
Approved by: Vincent Harris, Baseline Corporation
Reviewed by: Cynthia Linker, CP&D



BACKGROUND:

On April 10, 2015, the City of Black Hawk received an application for a Certificate of Appropriateness for a Comprehensive Sign Plan (CSP) from Constructive Engineering Solutions (Jim Ticconi) on behalf of the 1859 Est. The intent of this submittal is to create a plan that will include existing 1859 Est. signs and allow installation of additional new signs. Attached to this staff report is a copy of the proposed CSP document that catalogues all signs, both existing and proposed. 1859 Est. is permitted 128 sq.ft. of sign area without a CSP and 217.6 sq.ft. (with the 70% additional allowance) with a CSP per the existing Sign Code (Chapter 15 of the Municipal Code).

In total, the proposed 1859 Est. CSP will include 17 signs (see chart on page 2 of the CSP document) of varying sizes with a total sign area of approximately 80.3 sq.ft. Among the 17 signs are two (2) proposed Electronic Message Center (EMC) signs that will be utilized to advertise the business promotions and activities. In addition to the EMC signs, the CSP identifies five (5) projecting signs, nine (9) window signs, and one (1) walls sign. Two of the five projecting signs are proposed to be Special Event signs. Signs 1-11 on the chart count toward the sign area allowed; signs 12-17 do not count toward the allowed sign area. The *'directional type'* and *Special Event Signs* do not count toward the total sign area for this CSP. A license agreement exists to allow signs to project over the public right-of-way. No banner signs are proposed with this CSP.

The proposed signs will be placed at various spots on the building (see Images 1 and 2).

Excerpts from the proposed CSP, indicating the proposed signs and their locations, have been included below.

Image 1: Sign Location Map



231 Gregory Sign Location with Labels

Image 2: Proposed Sign List

1	32" Diameter Blade Projecting Sign	12 Sq. Ft	Projecting Sign	Existing
2	32" Diameter Blade Projecting Sign	12 Sq. Ft	Projecting Sign	Existing
3	1859 Est. Decal (Left)	1 Sq. Ft	Window Sign	Existing
4	1859 Est. Decal (Right)	1 Sq. Ft	Window Sign	Existing
5	Green Cross [Lower Window]	2.6 Sq. Ft	Neon Sign	Existing
6	48"X8" Green Cross	32 Sq. Ft.	Blade Sign	Proposed
7	42" Television	6.6 Sq. Ft.	EMC Sign	Proposed
8	42" Television	6.6 Sq. Ft.	EMC Sign	Proposed
9	Parking Arrow	2.9 Sq. Ft	Neon Sign	Proposed
10	Cross Decal - Marijuana	1.8 Sq. Ft.	Window Sign	Proposed
11	Cross Decal - Marijuana	1.8 Sq. Ft.	Window Sign	Proposed
12	Swoop Flag - Marijuana	N/A (24 Sq. Ft)	Flag - Special Event Sign	Proposed
13	Swoop Flag - Marijuana	N/A (24 Sq. Ft)	Flag - Special Event Sign	Proposed
14	OPEN' sign	N/A	Neon Sign	Existing
15	Hours of Operation	N/A	Window Sign	Existing
16	21 & Older	N/A	Window Sign	Existing
17	FDC Sign	N/A	Wall Sign	Existing
Total Approved Sign Area (sq. ft)		80.3 Ft		Signs 14-17 do not count toward sign area
Total Sign Area Allowed per Sign Code Sec. 15-13 (f)(1) (sq.ft)		217.6 Ft		

The proposed Comprehensive Sign Plan has been reviewed by staff for compliance with Chapter 15 (Sign Code – Sign Regulations) of the Black Hawk Municipal Code.

APPLICABLE CITY OF BLACK HAWK REGULATIONS:

Section 15-13 (Sign Code) of the Municipal Code regulates the need for Comprehensive Sign Plans (CSP). This staff report relates the need for City Council to review and take action on new CSP's. Section 15-13 (b)(1) states that any building located in a nonresidential district wanting to have additional sign area than allowed in a Standard Sign Plan is required to prepare a CSP. In addition, a CSP is required for all buildings wanting to utilize signs to advertise special events and if they desire to use EMC's. The 1859 Est. CSP proposes to utilize two (2) special event signs. (This business is the first one to propose "special event" signs (proposed swoop-flags) since the new Sign Code was approved in 2014. The Black Hawk Municipal Code requires a public hearing necessitating a notice in the paper and posting of the property. Both the notification and posting have been completed.

A Comprehensive Sign Plan is a mechanism provided by the City of Black Hawk Municipal Code to offer more flexibility with the number, size, proportion and balance of signs. The City of Black Hawk Municipal Code permits a total allowable square footage of sign area to be calculated at one square foot per linear foot of building frontage. Every business is allowed a minimum of 128 linear feet of building frontage or in essence 128 square feet of sign area. The CSP allows for the total sign area to be calculated at 135% of the total allowed building frontage. An additional 35% of sign area is permitted for those CSP's that propose utilization of Electronic Message Centers (EMC). The total sign area proposed may be a maximum of one-hundred and seventy percent (170%) of the permitted sign area allowed on the subject property, if all requirements are met. Based on the minimum building frontage calculations above, 1859 Est. is allowed 217.6 square feet via this process. Excerpts from the Black Hawk Code as they relate to the regulation of Comprehensive Sign Plans are included below. Those regulations that are particular to this submittal have been provided along with staff comments.

The 1859 Est. Comprehensive Sign Plan now proposes 80.3 sq.ft. of sign area. Included below is an evaluation for the CSP.

Excerpts from:

*The City of Black Hawk
Municipal Code
Chapter 15 – Sign Code
Article IV – Sign Regulations*

Sec. 15-13. Comprehensive Sign Plans. The Comprehensive Sign Plan is the device and process employed by the City to ensure an appropriate balance between building architecture, signage and neighborhood aesthetics. This Section assumes that strict compliance with preceding sections of this Chapter provides effective signage for smaller properties and developments and meets community goals for appearance and safety. However, as developments grow in size, opportunities for more effective signage increases. Larger sites offer opportunities for alternative regulation of the number, size, proportion and balance of signs according to alternative standards consistent with the types of establishments, state of the art technology and their approved architecture character.

Sec. 15-13(b) Applicability. *A Comprehensive Sign Plan is required for each of the following uses:*

(1) Any building located in a nonresidential district wanting to have additional sign area than allowed in a Standard Sign Plan and wanting the ability to utilize special event banners and signs for any special event as defined in the Black Hawk Municipal Code. The regulations governing a Certificate of Appropriateness can be found in Section 16-368 (City Council historic review process) of the Black Hawk Municipal Code.

Staff Comment: The applicant is required to submit a CSP since the applicant has proposed to utilize an electronic messaging center and special event signs. Per the City of Black Hawk Sign Code these signs require a CSP. In addition, the applicant proposes to utilize two (2) special event signs (swoop-flags) that will be installed at the top of the building façade facing Gregory Street. These signs will have a permanent location and a secure method of attachment.

Sec. 15-13 (c) Application filing. *Applications for Comprehensive Sign Plans shall be submitted to the Planning Department.*

Sec. 15-13 (d) Submittal requirements.

(1) Applicants must submit a detailed Comprehensive Sign Plan with attached written stipulations for review and approval. Such stipulations shall consider all appropriate concerns including, but not limited to, the following items: location, relationship of signs to adjacent properties, size, height, color, lighting, technology options, orientation, construction materials and typography.

(2) Comprehensive Sign Plans shall include:

a. All signs, their location in site plan format, and color renderings of the proposed signage. Where sign lighting will have a significant impact on the visual interpretation of the sign, color renderings should be submitted to show the effects of the proposed signs and lighting.

b. Dimensions of each proposed sign listed in a chart summarizing the total area of each and all proposed signs together with the total allowed sign area for the property. The height above grade shall be indicated for blade signs and freestanding signs.

c. A statement as to the calculation of the allowed sign area based on the appropriate building frontage length for the building.

d. The site plan shall include the property lines of the subject site in order to determine that all signage is contained on the property.

Staff Comment: The applicant has prepared a CSP in accordance with City regulations.

Sec. 15-13 (e) *In case of projecting or blade signs that utilize the airspace above public right-of-way, a license agreement will be generated by the City of Black Hawk for the applicant to review and it shall be reviewed for approval by City Council.*

Staff Comment: All regulations have been fulfilled. A license agreement already exists for the encroachment of existing blade signs.

Sec. 15-13(f) *No minimum or maximum standards are established for the Comprehensive Sign Plan, except as follows:*

(1) *The total sign area proposed may not exceed one hundred and thirty-five percent (135%) of the permitted sign area allowed on the subject property as calculated and regulated in Section 15-61. An additional thirty-five percent (35%) of sign area may be granted to a Comprehensive Sign Plan if the application includes the use of electronic message signs (EMS). Therefore, the total sign area proposed may be a maximum of one-hundred and seventy percent (170%) of the permitted sign area allowed on the subject property, if all requirements are met.*

(2) *Permanent window signage shall meet the requirements as set forth in Section 15-43(8).*

(3) *Temporary Banner Sign and Special Event Signs:*

a. Temporary Banner Sign: One temporary vinyl style banner sign is allowed only if included in an approved Comprehensive Sign Plan. A temporary banner sign shall not count toward the maximum sign area permitted for a given business and shall adhere to the following regulations:

- 1. There shall not be more than one (1) Temporary Banner Sign attached to the building; and*
- 2. Such sign shall be placed in the approved designated display location on the building and shall be constructed out of high quality material; and*
- 3. Such sign shall be allowed to be made of flexible plastic, cardboard, vinyl, fabric or similar non-rigid water-proof material; and*
- 4. Such sign shall be attached in an inconspicuous manner without zip ties, ropes or other similar visible material; and*
- 5. Such sign shall be adhered to the building with grommets and be attached with nuts, bolts or other similar non-visible fasteners; and*
- 6. Such sign shall not exceed thirty-two (32) square feet in size; and*
- 7. Placement of such sign shall be allowed for thirty (30) consecutive days, six (6) times in a calendar year as specified by the business owner and proper notification to the Planning Department for such days.*

b. Special Event Signs: Special Event Signs are allowed only if included in an approved Comprehensive Sign Plan Signs that are related to approved special events as defined in this Chapter 15 and Article X of Chapter 6 (Section 6-332) shall adhere to these regulations and are also subject to approval of a sign permit from the Planning Department and approval by staff, subject to and adhere to the following:

Standards:

- 1. Special Event Signs are allowed with the permitted special event provided that the sign area shall be limited to a total of seventy-five (75) square feet and a maximum of three (3) such signs. Such signs must be on private property and securely attached to the wall of a permitted building or permitted structure on the site in a manner that does not allow the sign to wave or flap in any way; and*
- 2. Special Event Signs and any other approved special event associated items shall be located within one-hundred (100) feet of the permitted special event area on the property which must be shown on the Comprehensive Sign Plan and sign permit for the special event.*

3. *Method of attachment shall be shown in detail in the Comprehensive Sign Plan and no strings, rope or similar attachment item shall be visible from 50 feet or more from such attachment location ; and*
4. *Special Event Signs shall not be placed above the roof line of any building or structure: and.*
5. *Special Event signs shall not be counted toward the allowed sign area for a property or business.*

Staff Comment: The property abuts public right-of-way only along the Gregory Street. In total, the building façade on the subject property abuts 25 linear feet of public right-of-way. Per section 15-41 of the Black Hawk Sign Code, 1859 Est. is allowed a minimum of 128 linear feet of building frontage. Based on the above regulation, 1859 Est. is permitted a total of 217.6 sq.ft. of sign area.

1859 Est. does not propose the use of Banner Signs; however, it does propose to utilize Special Event Signs as part of this Comprehensive Sign Plan. The proposed Special Event Signs meets all criteria cited above. In particular, the proposed Special Event Signs are less than seventy-five (75) square feet in area. These signs will be installed on the 3rd floor side of the building facing Gregory Street. The applicant has included details on the method of attachment and the staff believes that this method will be adequate and safe for the use of these signs. The proposed Special Event Signs and the mounting brackets will be attached to the building façade. Swoop flags will be anchored to the bracket when in place. A condition has been added to note this required attachment.

Sec. 15-13(g) The Comprehensive Sign Plan shall be reviewed in terms of its impact on surrounding land uses and its compatibility with the purposes of this Chapter and with other City planning and zoning programs and regulations.

Sec. 15-13(i) Council review and approval. Within sixty (60) days of receipt of a complete application, the Council shall act to approve, approve with conditions or deny the application. The comprehensive sign plan shall be approved if:

- (1) *Implementation of the comprehensive sign plan will provide signage more compatible with the surrounding development and designed with a high quality appearance; and*

Staff Comment: The proposed signs are compatible with the other business signs that surround the property in the heart of Black Hawk’s HARD district.

- (2) *Implementation of the comprehensive sign plan will result in architecture and graphics of a scale appropriate for the surrounding neighborhood and development area; and*

Staff Comment: The proposed signs are compatible with surrounding properties in terms of size and scale. The applicant has limited the number of signs on the property and the proposed signs do not over-encumber the façade of the subject building and complement the existing architecture.

- (3) *Implementation of the comprehensive sign plan will provide signage consistent with the architecture and site plan characteristics of the proposed or existing project; and*

Staff Comment: Both existing and new signs are consistent in size and form of the building architecture and site characteristics.

- (4) *Implementation of the comprehensive sign plan will be materially beneficial in achieving the goals and objectives of the City's standards that relate to community design and aesthetics; and*

Staff Comment: The proposed signs meet the objectives of the City’s standards.

(5) Implementation of the comprehensive sign plan will be materially beneficial in achieving the goals and objectives cited in the purpose of the Sign Code; and

Staff Comment: The proposed sign plan meets the purpose of the comprehensive sign plan program.

STAFF COMMENTS:

Staff from Baseline Corporation has reviewed and evaluated the proposed Comprehensive Sign Plan for the 1859 Est. and find the document to be in compliance with the regulations established in Sec. 15-13(f) of the Sign Code, which state that the total sign area used may not exceed one hundred and seventy (170%) of the permitted sign area. The CSP document includes 80.3 total square feet of sign area. The total permitted sign area for the 1859 Est., based on building street frontage, is 217.6 sq.ft.

Several signs project into the public-right of way. A license agreement exists to allow these projecting signs to extend into the public right-of-way and it is attached to this report. The applicant has chosen not to utilize a banner sign. However, the applicant proposes to utilize Special Event Signs as part of this Comprehensive Sign Plan. The Special Event Signs do not count toward the total allowed sign area for the proposed CSP. The proposed signs will be attached to the side of the building facing Gregory Street utilizing a method that staff has confirmed to be in compliance with Sign Code criteria. The proposed special event signs (two swoop flags) shall be anchored to the proposed special event sign bracket. This anchor is required in order to prevent the proposed swoop flags from being removed from the sign bracket by strong winds and potentially endangering the passers-by. A condition of approval has been added to note this required attachment.

Staff recommends that the a **Certificate of Appropriateness for the proposed Comprehensive Sign Plan for the 1859 Est.** be approved, subject to following conditions:

1. Proper Building, Electrical, and Sign Permits shall be applied for and approved prior to the installation of any new sign.
2. Projecting signs will comply with the regulations pertaining to height limitations and placement as stated in the City Code and according to the existing license agreement between 1859 Est. and the City of Black Hawk.
3. The applicant shall update the 1859 Est. Comprehensive Sign Plan to reflect the requirement to utilize an anchor to fasten each of the proposed Special Event Signs (two swoop flags) to the proposed sign bracket.

FINDINGS:

Within sixty (60) days of receipt of a complete application, the City Council may approve, conditionally approve, or deny the application for Comprehensive Sign Plan. Sections 15-13 (a) Purpose and (b) Applicability provide the ability of the property owner to submit the application. Following are findings that can be referred to relate to the criteria in Section 15-13(i):

- (1) Implementation of the Comprehensive Sign Plan will provide signs that are compatible with the surrounding development and designed with a high quality appearance; and

(2) Implementation of the Comprehensive Sign Plan will result in architecture and graphics of a scale appropriate for the surrounding neighborhood and development area; and

(3) Implementation of the Comprehensive Sign Plan will provide signs consistent with the architecture and site plan characteristics of the proposed or existing project; and

(4) Implementation of the Comprehensive Sign Plan will be materially beneficial in achieving the goals and objectives of the City's standards that relate to community design and aesthetics; and

(5) Implementation of the Comprehensive Sign Plan will be materially beneficial in achieving the goals and objectives cited in the purpose of the Sign Code.

RECOMMENDATION:

Baseline Staff recommends City Council consider a **MOTION TO APPROVE WITH CONDITIONS** a Certificate of Appropriateness for the Comprehensive Sign Plan for the 1859 Est. as submitted and included with this staff report. The conditions are as follows:

1. Proper Building, Electrical, and Sign Permits shall be applied for and approved prior to the installation of any new sign.
2. Projecting signs will comply with the regulations pertaining to height limitations and placement as stated in the City Code and according to the existing license agreement between the property owner and the City of Black Hawk.
3. The applicant shall update the 1859 Est. Comprehensive Sign Plan to show the requirement to utilize an anchor to fasten each of the proposed Special Event Signs (two swoop flags) to the proposed sign bracket.

Attachments:

- Land Development Application Form
- Comprehensive Sign Plan document
- Executed License Agreement; October 8, 2014

Applicant's Submittal



City of Black Hawk
 Community Planning and Development
 211 Church Street
 P.O. Box 68
 Black Hawk, CO 80422
 Ph: 303-582-0615 Fax: 303-582-2239



DATE: 4/10/15 APPLICANT NAME: Constructive Engineering Solutions LLC / James Ticconi
 APPLICANT ADDRESS: 1231 8th Street, Golden, Co. 80401
 APPLICANT MAILING ADDRESS: 1231 8th Street, Golden, Co. 80401
 APPLICANT CONTACT NUMBER 303-269-1575 EMAIL ADDRESS: jimticconi@hotmail.com
 PROPERTY OWNER NAME: Culver Van der Jagt
 PROPERTY OWNER ADDRESS: 1468 Pearl Street Denver, Co. 80210
 PROPERTY OWNER MAILING ADDRESS: 1468 Pearl Street Denver, Co. 80210
 PROPERTY OWNER CONTACT NUMBER: 303-345-3508 EMAIL ADDRESS: culver@cololawyer.com
 PROJECT NAME: 5B1S dba Est. 1859
 PROJECT ADDRESS: 231 Gregory Street, Black Hawk, Co
 PROJECT DESCRIPTION: Comprehensive Sign Plan Updates
 IS PROPERTY WITHIN CITY LIMITS: YES NO
 PRESENT ZONING: Commercial CURRENT USE: Marijuana Dispensary
 NAME OF EXISTING PLANNED UNIT DEVELOPMENT (IF APPLICABLE): _____
 NAME OF EXISTING SUBDIVISION PLAT (IF APPLICABLE): _____
 GILPIN COUNTY ASSESSOR'S I.D. NO.(S): _____ EXISTING PROPERTY SIZE: _____ ACRES/SQ.FEET
 (PLEASE ATTACH A COPY OF SURVEY/PLAT.)
 EXISTING BUILDING SIZE: 3660 SQ. FT. AND/OR NUMBER OF EXISTING RESIDENTIAL UNITS: _____

PLEASE READ and ACKNOWLEDGE THE FOLLOWING

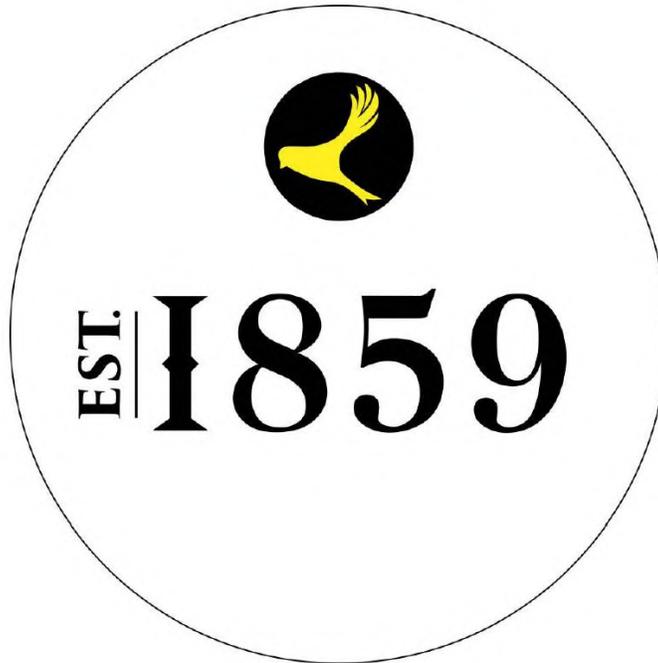
FOR INFORMATIONAL PURPOSES, SECTION 16-370 OF THE BLACK HAWK MUNICIPAL CODE ESTABLISHES THE REQUIREMENT FOR APPLICANTS TO PAY FEES TO COVER THE COSTS THE CITY MAY INCUR BY HAVING THE CITY APPROVED CONSULTANTS EVALUATE AND PROCESS APPLICATIONS. IF YOU HAVE ANY QUESTIONS RELATED TO THIS, PLEASE CONTACT COMMUNITY PLANNING AND DEVELOPMENT FOR CLARIFICATION.

APPLICANT AGREES TO THE FOLLOWING CERTIFICATION STATEMENT AND AFFIDAVIT:

I, as the applicant, hereby certify that to the best of my knowledge and believe, all information supplied with this application is true and accurate and that consent of the property owner listed above, without which the requested action cannot lawfully be accomplished, has been granted. Permission is also hereby granted to the City of Black Hawk staff and their consultants to physically enter upon and inspect the subject property and take photographs as necessary for preparation of the case. In addition, I have read and understand Section 16-370 of the Black Hawk Municipal Code and by signing this application I am agreeing that I am authorized to sign on behalf of the property owner, or business-owner, or applicant and commit and agree to the payment of any and all fees associated with processing this application and further agree to pay City of Black Hawk invoices associated with the processing of this application.

SIGNATURE OF APPLICANT: James M Ticconi DATE: 4-10-15

1859 Est.
Comprehensive Sign Plan
April 2015



Certificate of Completeness

This Comprehensive Sign Plan has been approved by the Black Hawk City Council on _____, 2015. This document represents the approved Comprehensive Sign Plan including any conditions by City Council.

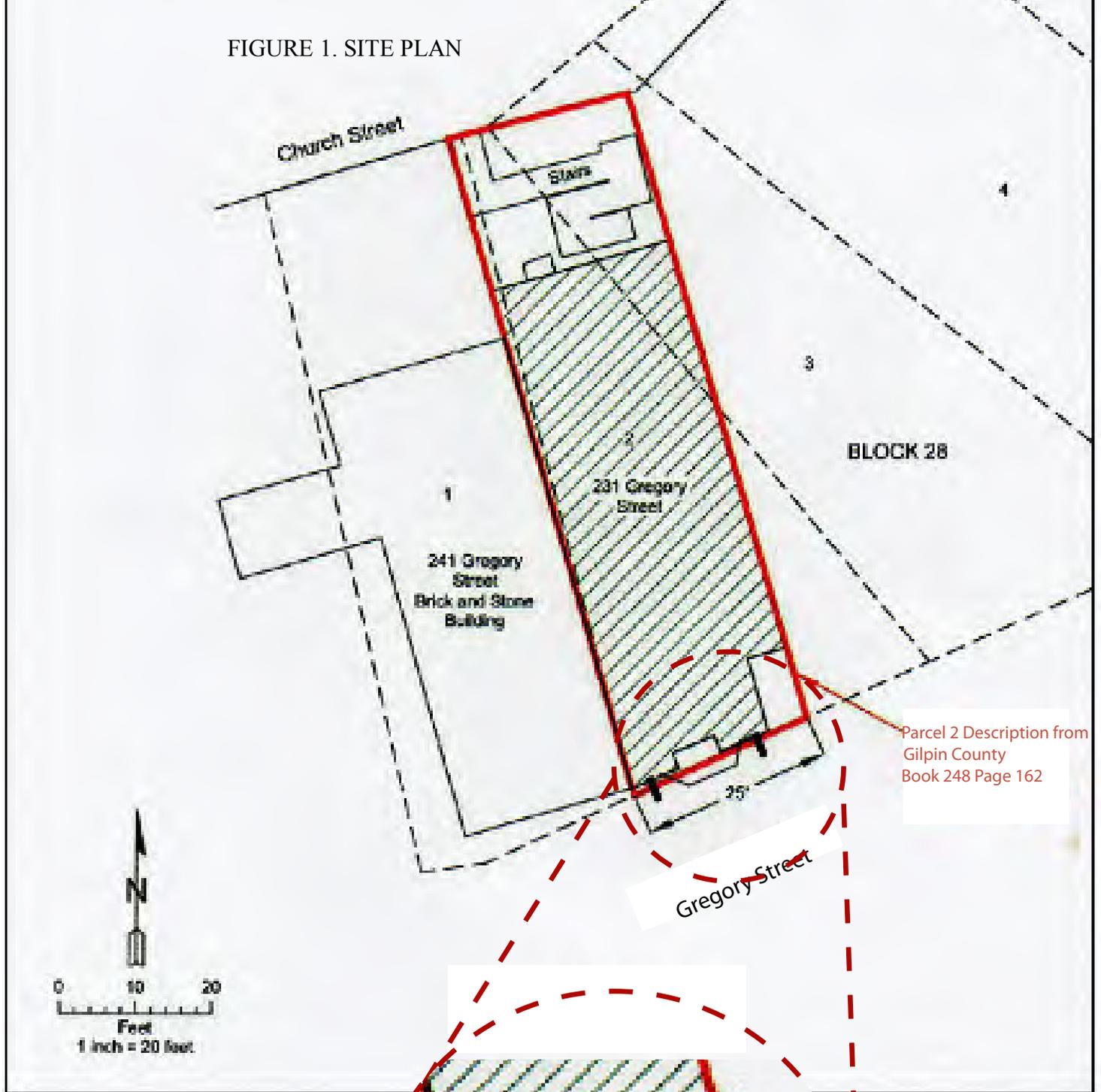
Completeness certification by Baseline Corporation this _____ day of _____, 2015.

Signature _____
Vincent Harris, AICP – Planning Director

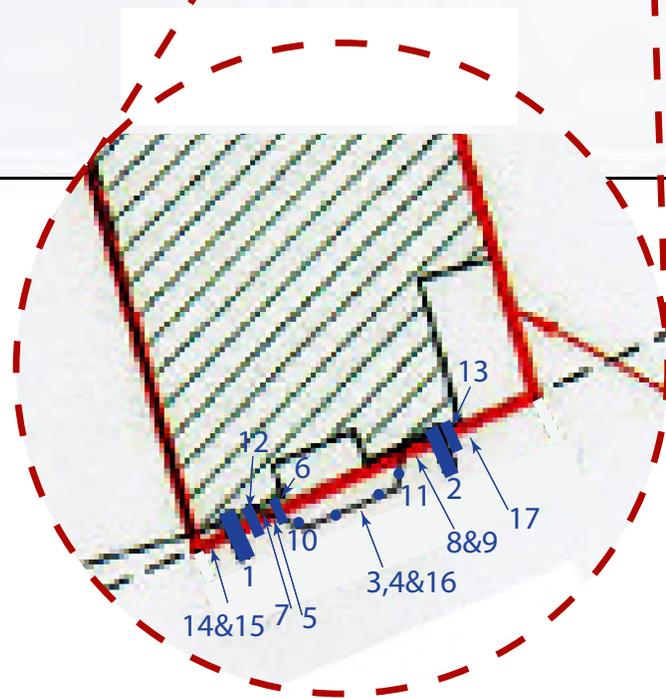
1	32" Diameter Blade Projecting Sign	12 Sq. Ft	Projecting Sign	Existing
2	32" Diameter Blade Projecting Sign	12 Sq. Ft	Projecting Sign	Existing
3	1859 Est. Decal (Left)	1 Sq. Ft	Window Sign	Existing
4	1859 Est. Decal (Right)	1 Sq. Ft	Window Sign	Existing
5	Green Cross (Lower Window)	2.6 Sq. Ft	Neon Sign	Existing
6	48"X8" Green Cross	32 Sq. Ft.	Blade Sign	Proposed
7	42" Television	6.6 Sq. Ft.	EMC Sign	Proposed
8	42" Television	6.6 Sq. Ft.	EMC Sign	Proposed
9	Parking Arrow	2.9 Sq. Ft	Neon Sign	Proposed
10	Cross Decal - Marijuana	1.8 Sq. Ft.	Window Sign	Proposed
11	Cross Decal - Marijuana	1.8 Sq. Ft.	Window Sign	Proposed
12	Swoop Flag - Marijuana	N/A (24 Sq. Ft)	Flag - Special Event Sign	Proposed
13	Swoop Flag - Marijuana	N/A (24 Sq. Ft)	Flag - Special Event Sign	Proposed
14	OPEN' sign	N/A	Neon Sign	Existing
15	Hours of Operation	N/A	Window Sign	Existing
16	21 & Older	N/A	Window Sign	Existing
17	FDC Sign	N/A	Wall Sign	Existing
Total Approved Sign Area (sq. ft)		80.3 Ft		Signs 14-17 do not count toward sign area
Total Sign Area Allowed per Sign Code Sec. 15-13 (f)(1) (sq.ft)		217.6 Ft		

Existing Building Frontage	25 Ft
Minimum Building Frontage Allowed per Sign Code Sec. 15-41(d).	128 Ft.
Max allowed per Sign Code Sec. 15-13 (f)(1) - (170% of min. building frontage allowed).	217.6 Ft.

FIGURE 1. SITE PLAN

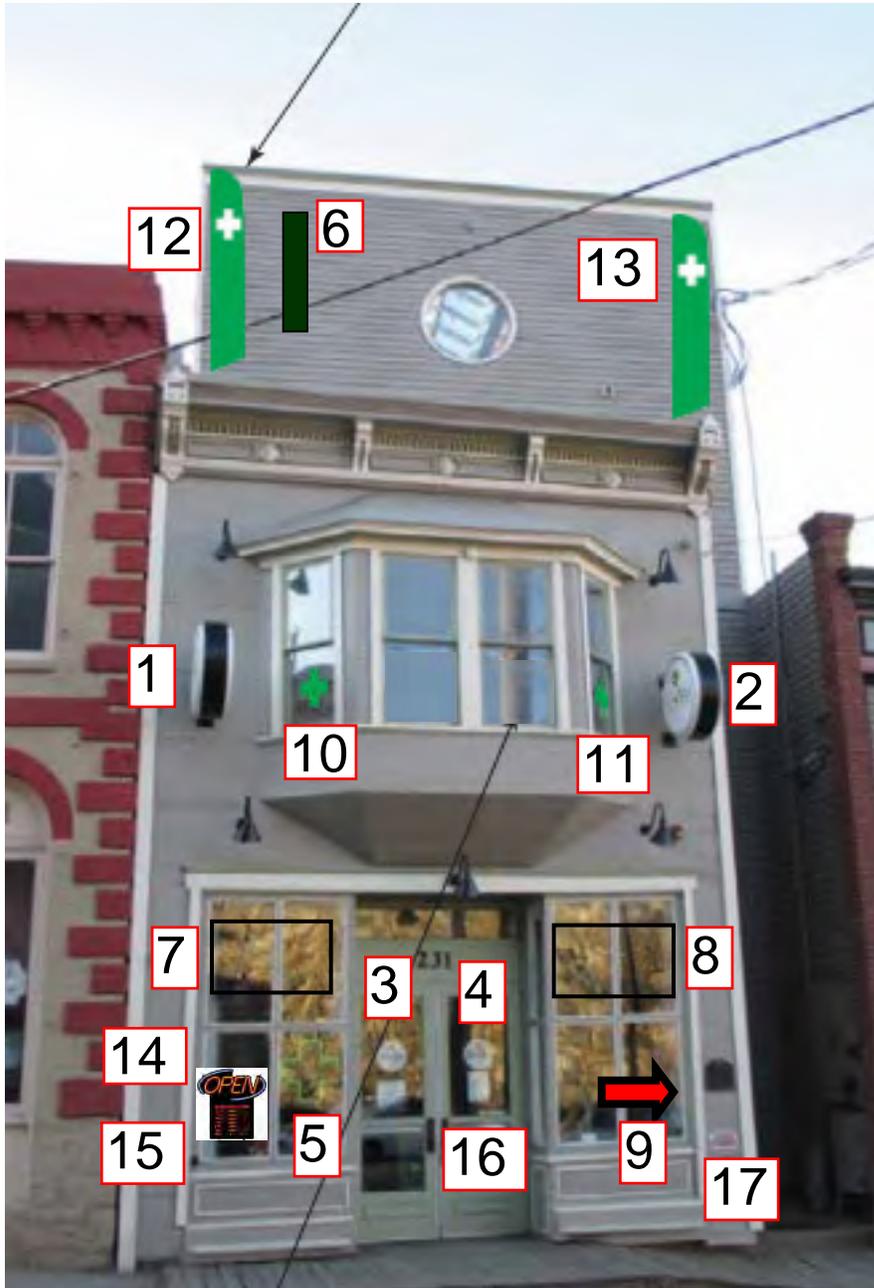


Parcel 2 Description from
Gilpin County
Book 248 Page 162



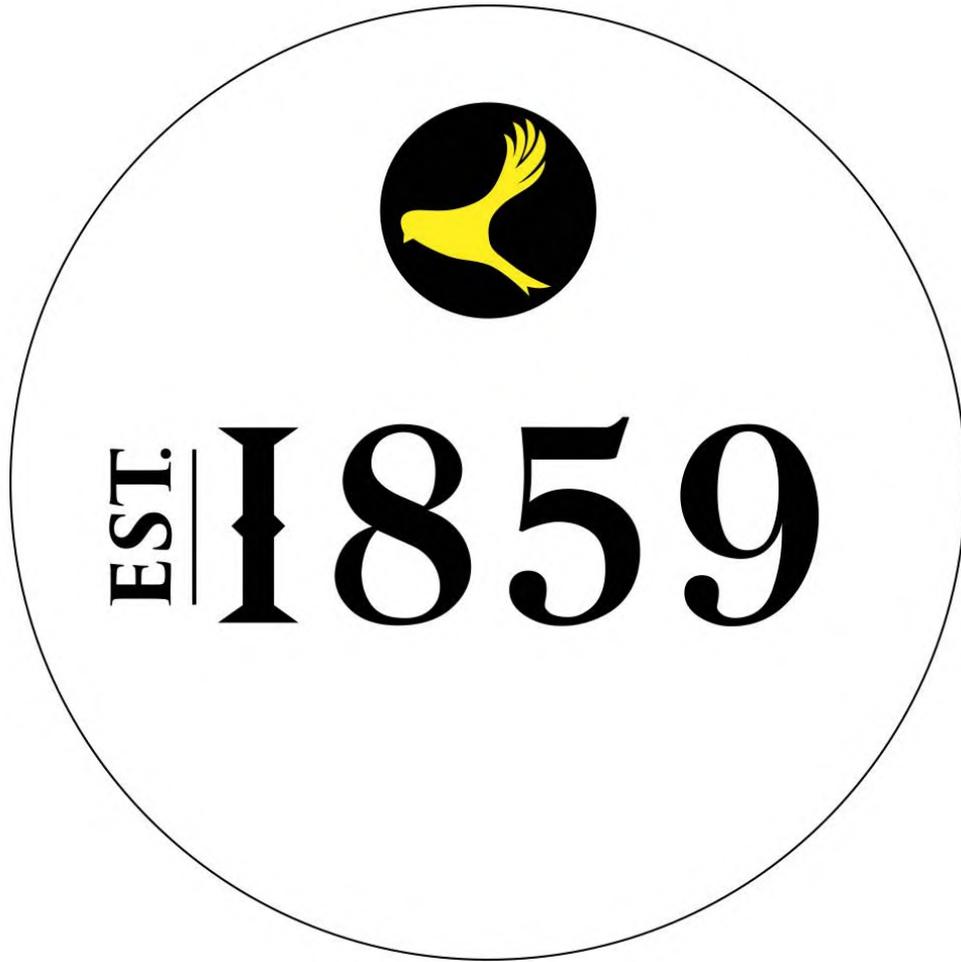


231 Gregory Sign Location



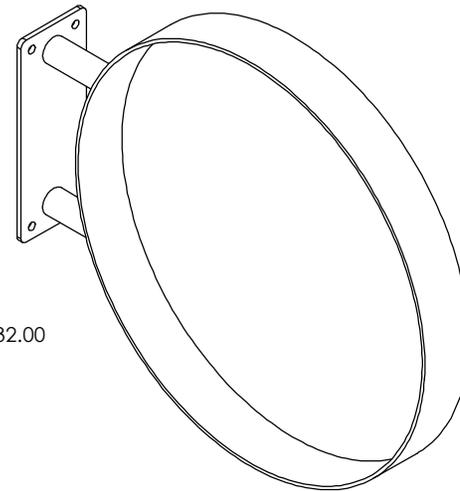
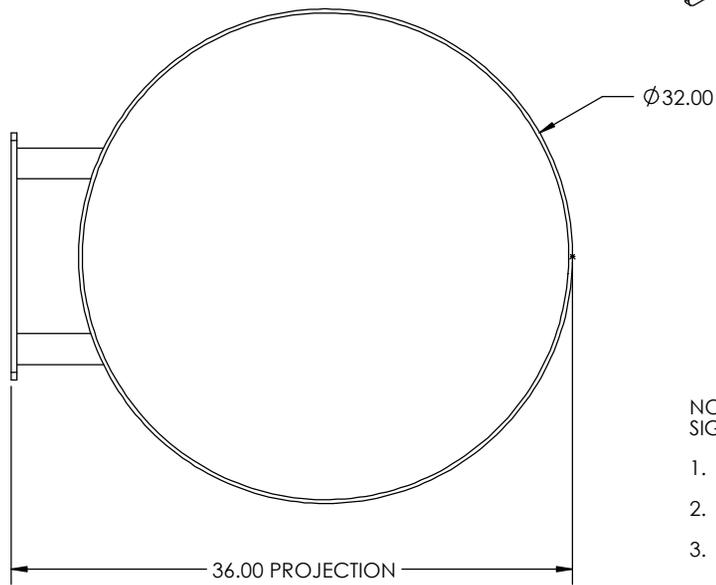
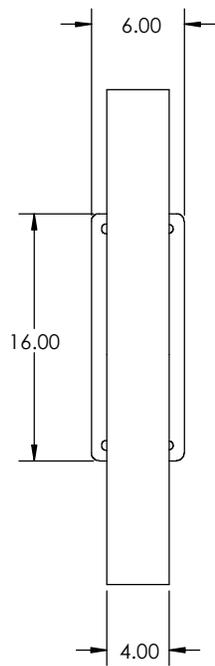
231 Gregory Sign Location with Labels

Sign 1&2: Detail1



PROJECTION SIGN SIDE PANEL, 32" DIAMETER ACRYLIC,
INTERNALLY ILLUMINATED. WHITE WITH BLACK AND CANARY
YELLOW

Sign 1&2: Detail 2.



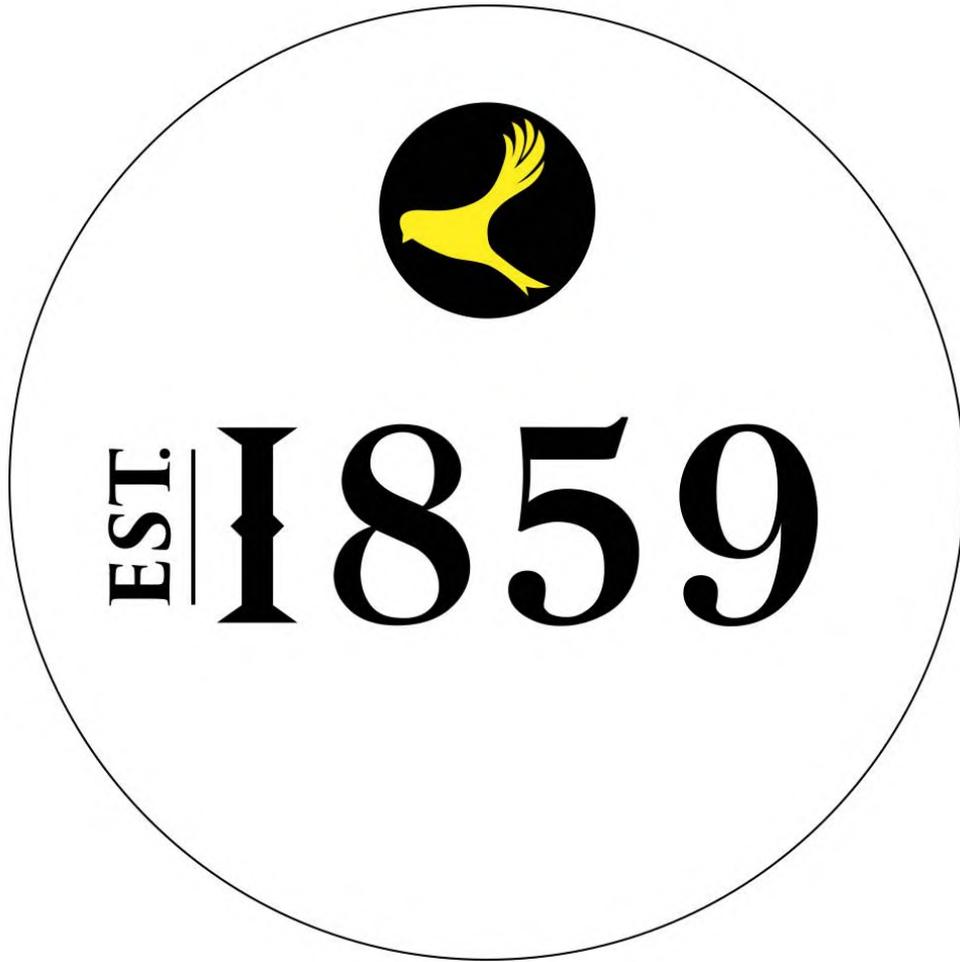
NOTES: THIS IS CONCEPT SKETCH OF INTERNALLY ILLUMINATED SIGN FRAMEWORK

1. SIGN TO BE UL LISTED WITH UL DECALS AND PROPER DOCUMENTATION.
2. MOUNTING FRAME TO BE PAINTED TO MATCH EXISTING BLACK GOOSENECK LIGHTING
3. ELECTRICAL CONNECTION TO BE CONCEALED AND PASS THROUGH LOWER MOUNTING ROD

PROPRIETARY AND CONFIDENTIAL
 THE INFORMATION CONTAINED IN THIS DRAWING IS THE SOLE PROPERTY OF CONSTRUCTIVE ENGINEERING SOLUTIONS LLC. ANY REPRODUCTION IN PART OR AS A WHOLE WITHOUT THE WRITTEN PERMISSION IS PROHIBITED.

UNLESS OTHERWISE SPECIFIED:		NAME	DATE	Constructive Engineering Solutions	
DIMENSIONS ARE IN INCHES		DRAWN		TITLE:	
TOLERANCES:		CHECKED		1859 Sign Frame	
FRACTIONAL ±		ENG APPR.		SIZE	DWG. NO.
ANGULAR: MACH ±		MFG APPR.		B	CES0121
TWO PLACE DECIMAL ±		Q.A.		SCALE: 1:8	WEIGHT:
THREE PLACE DECIMAL ±		COMMENTS:		SHEET 1 OF 1	
INTERPRET GEOMETRIC TOLERANCING PER:					
MATERIAL					
Steel Plate/Tube					
FINISH					
Gloss Black					
DO NOT SCALE DRAWING					

Sign 3 & 4: Detail

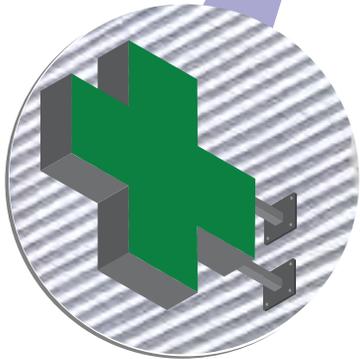


WINDOW DECAL LOGO, 1 SQUARE FOOT AREA DECAL, APPROX 6"
RADIUS. AFFIXED TO INSIDE OF GLASS

Existing Building View

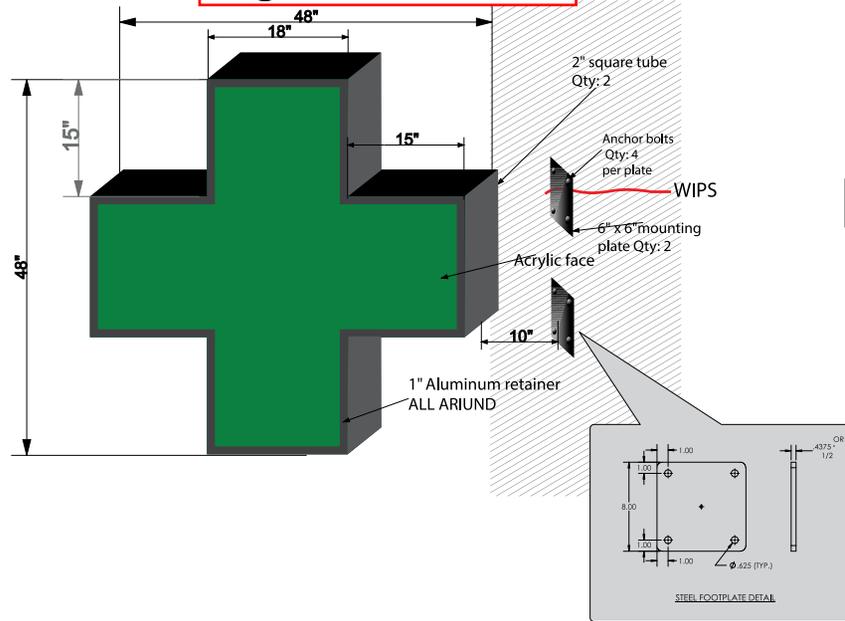


Building Elevation with signs mock up

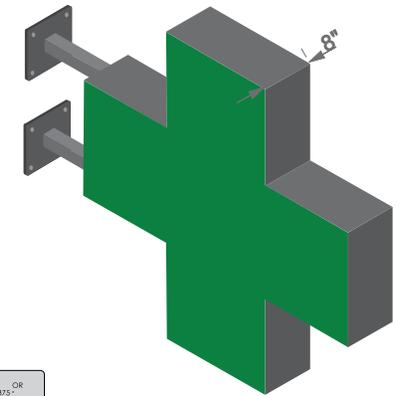


Enlarged sign view
Qty: 1 Double face

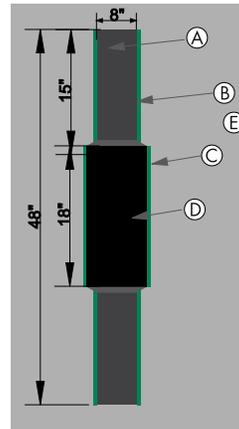
Sign 6: Detail 1



Perspective View

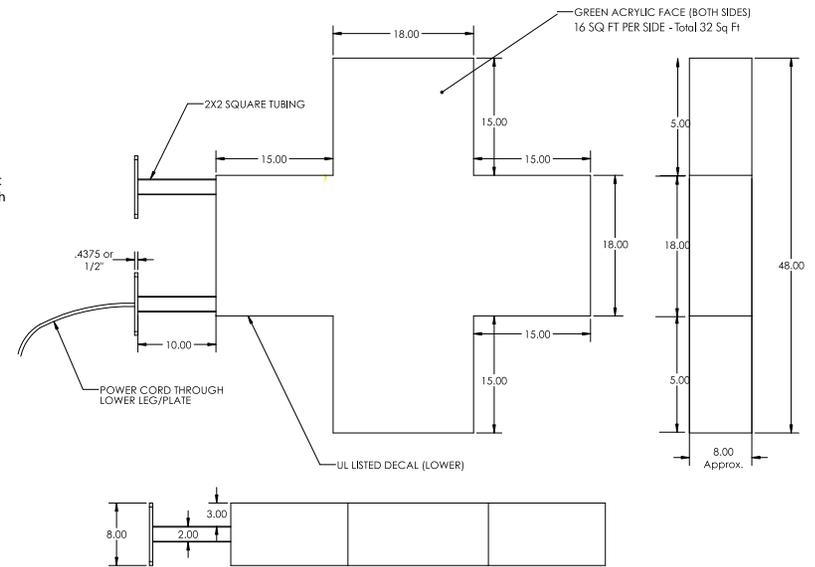


Side View



Qty: 1

- (A) Double Sided 8" deep 48" x 48" cross shaped sign cabinet internally illuminated with green LED's Qty: 1
- (B) 1/8" - white acrylic face Size: 48" x 48" 16 SQ FT per face Perimeter: 192 Qty: 2
- (C) Kelly Green Gerber 230-146 translucent vinyl Qty: 2
- (D) Cross "Arms: 18" x 15" Qty: 4



BSC WILL ENDEAVOR TO CLOSELY MATCH COLORS, INCLUDING PMS, WHERE SPECIFIED WE CANNOT GUARANTEE MATCHES DUE TO VARYING COMPATIBILITY OF SURFACE MATERIALS AND PAINTS USED. ALL ILLUMINATED DISPLAYS BUILT 120 VOLT UNLESS OTHERWISE SPECIFIED. 120 VAC. PRIMARY POWER TO AND FINAL HOOKUP BY OTHERS SIGN CIRCUIT(S) REQUIRE DEDICATED HOT, NEUTRAL, AND GROUND TERMINATING AT PANEL.

bscsigns
303-464-0644
FAX: 303-464-0608

CLIENT	Constructive Engineering	W.O. #	***
JOB	Cross Blade Sign	ADDRESS	231 Gregory Street Blackhawk, CO 80422
DATE	4/1/2015	DESIGNER	Barbara
SALES REP.	Julia	EMAIL	Julia@bscsigns.com
ART LOC.	***		

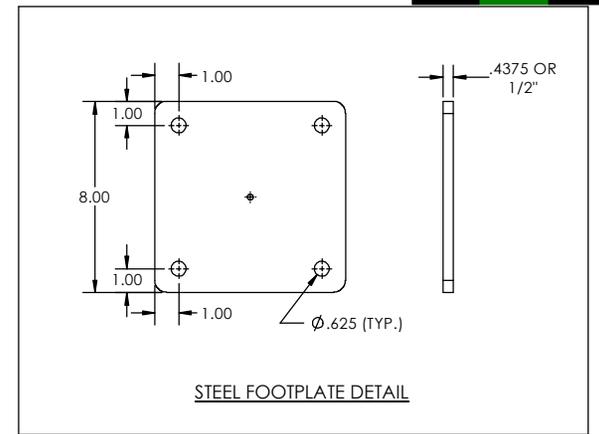
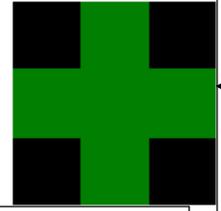
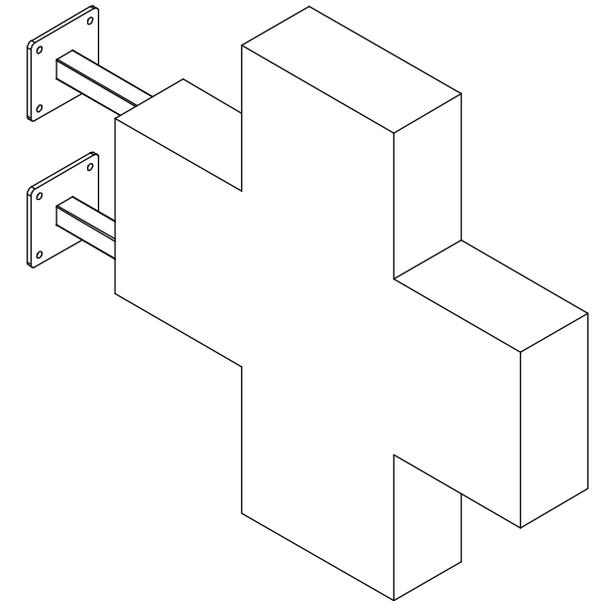
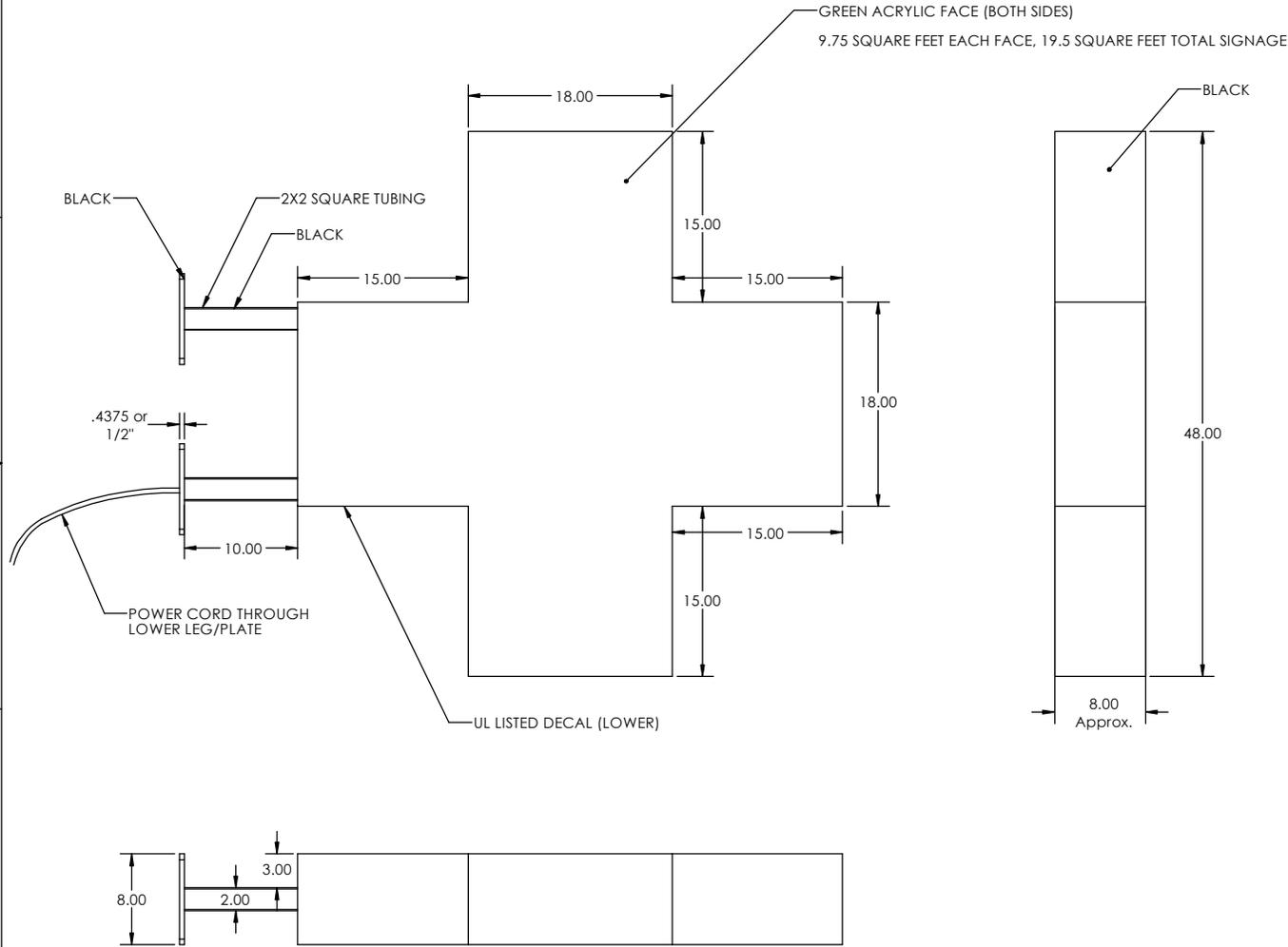
ARTWORK PHASE:

<input checked="" type="checkbox"/>	CONCEPTUAL # *
<input type="checkbox"/>	REVISION #
<input type="checkbox"/>	FINAL ARTWORK
<input type="checkbox"/>	PRODUCTION
<input type="checkbox"/>	SHOP DRAWING

CLIENT APPROVAL		LAND LORD APPROVAL	
SIGNATURE:	DATE:	SIGNATURE:	DATE:
DO NOT MANUFACTURE WITHOUT APPROVALS			
THE BOXES ABOVE MUST BE INITIALED AND DATED PRIOR TO MANUFACTURING			



Sign 6: Detail 2



GREEN CROSS PROJECTION SIGN

Est. 1859

Property Address:
231 Gregory Street
Black Hawk, CO

Legal Description:	Parcel Number:	Schedule Number:
--------------------	----------------	------------------

Property Owner:	Engineering/Design Prepared By: Constructive Engineering Solutions, LLC Tel: 303-269-1575 1231 8th Street, Golden, CO 80401
-----------------	--

Date Prepared:
April 1, 2015



SCALE: 1 1/2" = 1' 0"

SHEET:
1 OF 1

A1
SIGN

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Sign 7 and 8: Detail 1



Sign Number 7,8: Vizio 42" TV



VideoSecu Brand TV Mount: Installation to Ceiling Joist per Manufacturers Installation specifications.
(Installation Bracket for Signs Number 7,8, Model MPC57B)

Sign 7 and 8: Detail 2



Television Sample Content for Signs 7, 8. Televisions have slot machine style reels with center matching central window style.

Sign 9:Detail.



SIGN NUMBER 9 IMAGE, 13" TALL X 32" LONG, STEADY ILLUMINATION

Sign 10 and 11: Detail

Glass Decal
Sign #10, #11

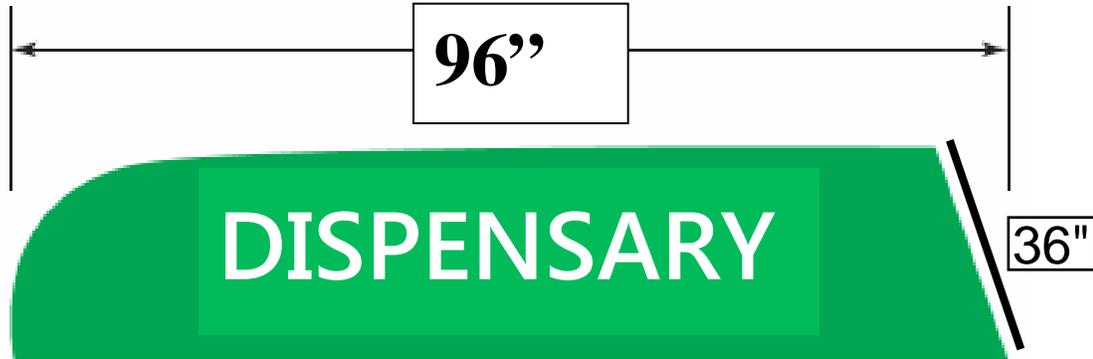
Material: 2 Color
Vinyl



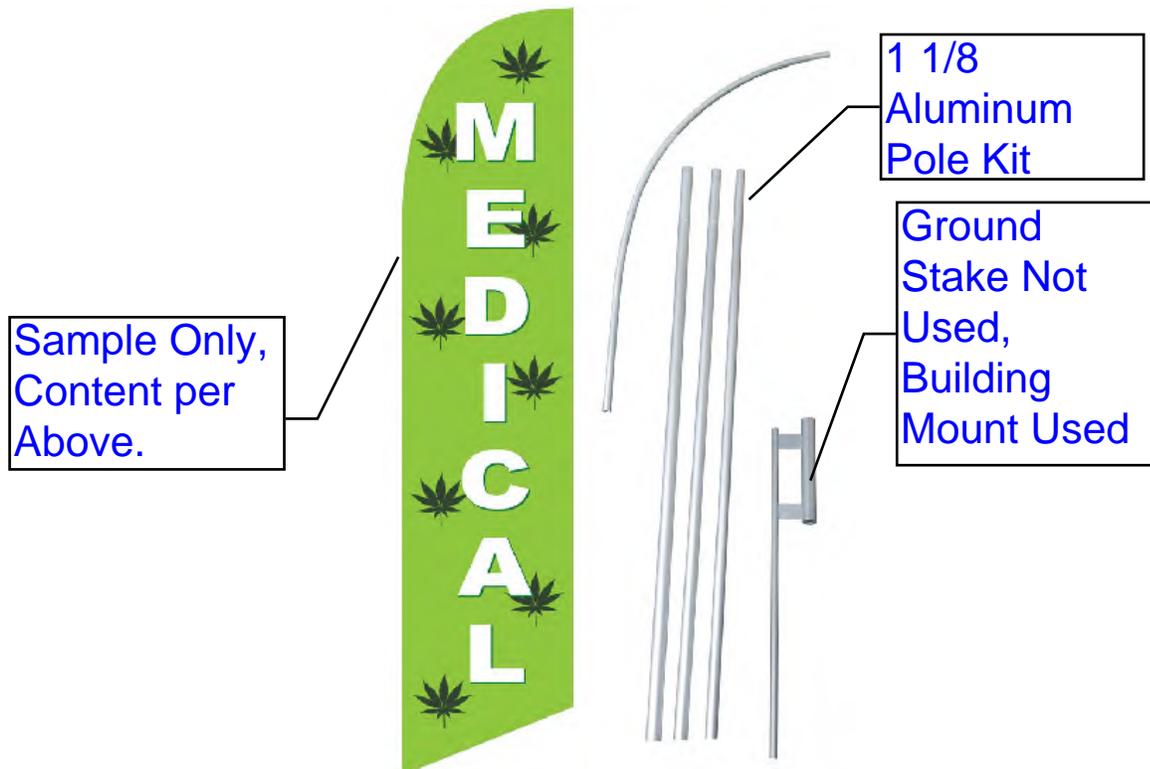
Sign 12 and 13: Detail 1



Swoop Flag
Sign #14



Swoop Flag
Sign #15

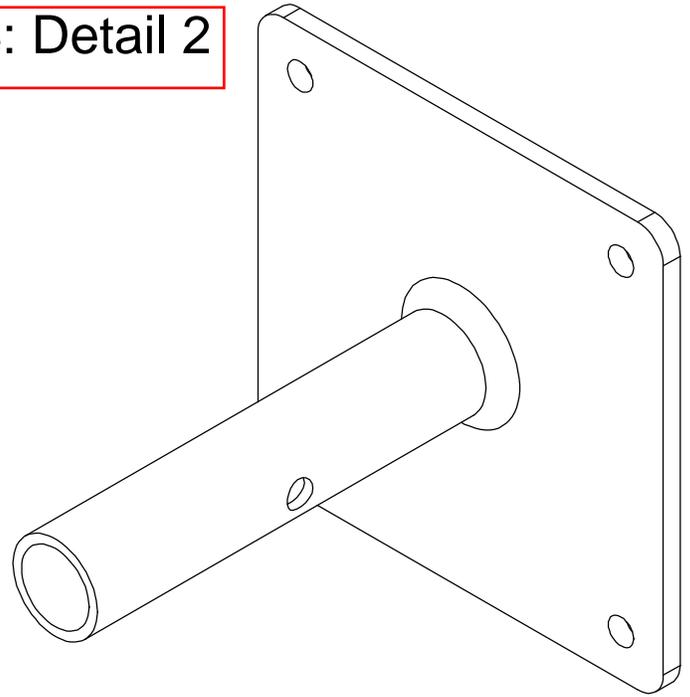
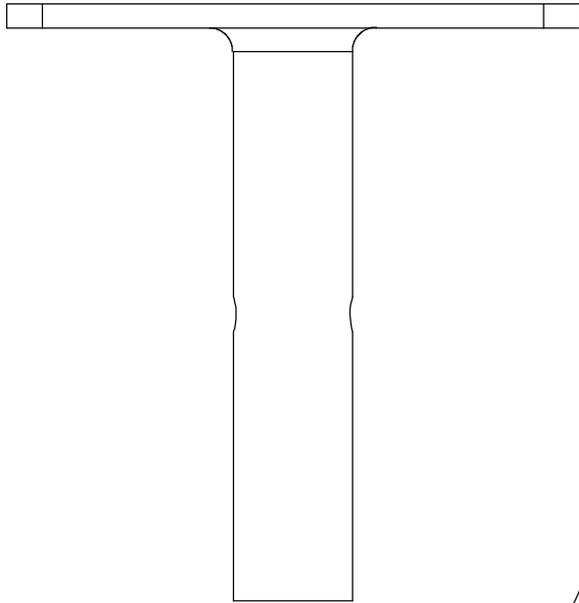


Swoop flags are only allowed during permitted special events. Content varies per event. Number of flags is limited to 2. Size of each flag must remain 24. sq.ft.

Sample Swoop Flag: NeoPlex Manufacturing, 8' Tall Flag, Custom Graphics. Material 150 Denier Polyester, Dye Sublimation Imprinting for color fastness.

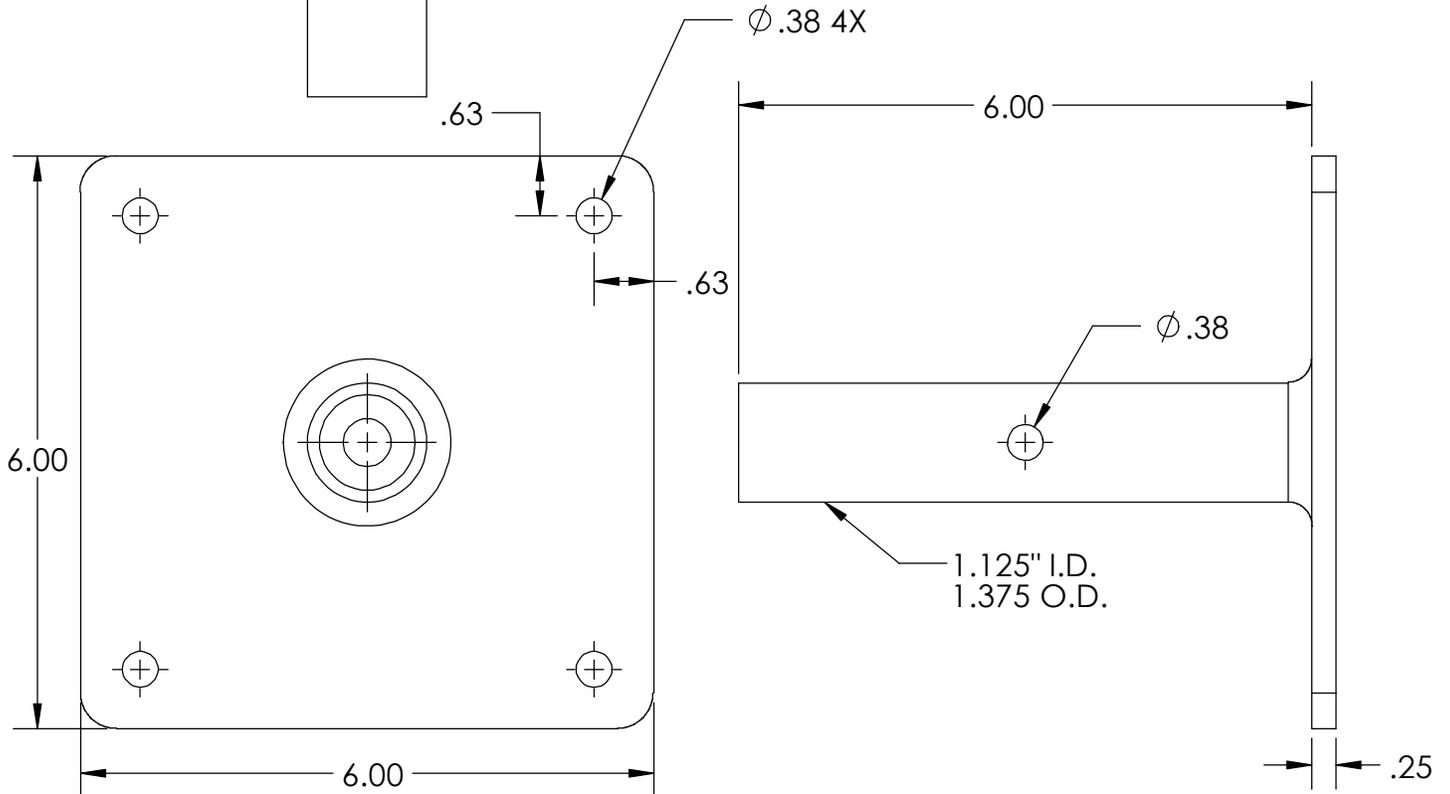
(This is a manufacturer Sample only—Content as per signage sample. 1 1/8" Aluminum pole kit. Mounting Bracket information attached Separately. Flags are direct lag bolted to top of building parapet.)

Sign 12 and 13: Detail 2



NOTE: 3/8 X 2" BOLT TO FIX
FLAG POLE

USE 3/8X2.5" LAG BOLTS (4X)
TO AFFIX TO TOP OF PARAPET



<p>PROPRIETARY AND CONFIDENTIAL</p> <p>THE INFORMATION CONTAINED IN THIS DRAWING IS THE SOLE PROPERTY OF CONSTRUCTIVE ENGINEERING. ANY REPRODUCTION IN PART OR AS A WHOLE WITHOUT THE WRITTEN PERMISSION OF <INSERT COMPANY NAME HERE> IS PROHIBITED.</p>			DIMENSIONS ARE IN INCHES TOLERANCES: FRACTIONAL ± ANGULAR: MACH ± BEND ± TWO PLACE DECIMAL ± THREE PLACE DECIMAL ±	NAME	DATE	
			MATERIAL STEEL PLATE/TUBING	DRAWN		
			FINISH BLACK	CHECKED		
	NEXT ASSY	USED ON		ENG APPR.		
				MFG APPR.		
APPLICATION		DO NOT SCALE DRAWING	Q.A.		COMMENTS:	
			SIZE	DWG. NO.		REV.
			A	Swoop Flag Base		
			SCALE:1:4	WEIGHT:	SHEET 1 OF 1	

Sign 14 and 15: Detail



Sign 16 Open Sign, Sign 17 Hours of Operation. Combined Unit, 20"X20" Total

Sign 16: Detail

21 AND OLDER
NO WEAPONS
NO PHOTOGRAPHY

Sign 18: Decal to right door leaf inside of glass, black and white vinyl decal. [22" W X 11" T]

Sign 17: Detail



- STURDY ALUMINUM SIGN, 6" TALL X 12" WIDE (0.5 Sq. Ft)
- RED FONT ON WHITE BACKGROUND
- SIGN TO BE LOCATED DIRECTLY ABOVE FIRE DEPARTMENT CONNECTIONS TO BUILDING AS ILLUSTRATED WITH LABEL NUMBER 8.

LICENSE

THIS LICENSE is made and entered into this 8 day of October, 2014, by and between the CITY OF BLACK HAWK, Colorado whose address is 201 Selak Street, Black Hawk, CO 80422 (the "City") and Culver W. Van Der Jagt and Frank J. Garofalo, owners in tenancy in common of the real property whose address is 231 Gregory Street, Black Hawk, CO 80422 ("Licensee").

1. PROPERTY LICENSED. The property that is licensed for the use and the term provided for in this license is described in Exhibit A, which is attached hereto and incorporated by this reference ("Property Licensed"). The Property Licensed for the installation of projecting blade signs is subject to all easements, lands, and rights-of-way of record.

2. RELOCATION. In the event the construction or reconstruction of any roadways, or the construction, reconstruction or repair of any of the City's property necessitates the relocation or removal of the structure(s) or fixtures(s) described in paragraph 5 herein, then Licensee shall, at its sole cost and expense, timely perform or cause the performance of such relocation or removal of the structures(s) or fixture(s).

3. INSURANCE. Licensee shall obtain for itself, its agents, successors, assigns, lessees, licensees and agents, necessary and adequate workman's compensation insurance, personal injury insurance, and property damage insurance, with limits commensurate with the hazards and risks associated with the use of the Property Licensed, but in no event less than the liability limits established by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as now in effect or as hereinafter amended. Neither Licensee nor its agents, successors and assigns shall commence any construction, placement, operation or maintenance of the fixture or structure on the Property Licensed until it has obtained all insurance required under this section and shall have filed a certificate of insurance or a certified copy of the insurance policy with the City. Each insurance policy shall list the City as an additional named insured and shall contain a clause providing that coverage shall not be cancelled by the insurance company without thirty (30) days written notice to the City of intention to cancel.

4. UTILITIES. Licensee covenants and agrees to pay all charges for electric power and other utilities assessed, levied or incurred on the Property Licensed by reason of the operation of the projection blade signs during the term of this license or any renewal thereof.

5. INSTALLATION, MAINTENANCE, REPAIR AND ALTERATIONS. Licensee shall initially install the projecting blade signs on the Property Licensed in the manner submitted and as designed. After initial installation, Licensee covenants and agrees not to make or permit to be made any alterations in, or additions to, the Property Licensed without the prior written consent of the City and its associated review agencies and to keep the improvements thereon including wiring, if appropriate, in good repair and

in a condition that will not interfere with the proper functioning of the Property Licensed, at the expense of Licensee; ordinary wear and tear and loss by fire, flood, or act of God excepted. Licensee also agrees to repair any and all damage to any improvement that may be damaged as a result of the installation of projecting blade signs.

6. USE. Licensee covenants and agrees that it shall utilize the Property Licensed to Licensee and for no other purpose and not to use the Property Licensed or permit it to be used for purposes prohibited by the laws of the applicable United States, State of Colorado, or any political subdivision thereof.

7. RE-ENTRY. Licensee covenants and agrees to permit the City or its duly authorized representatives to inspect the Property Licensed and to do such other acts and things, as it deems necessary for the protection of its interests therein.

8. NOTICE. Any notice required under this License shall be in writing and mailed by certified mail to the respective parties at the address hereinabove given. The Public Works Director shall be the representative of the City to accept or respond to any notice or the like provided hereunder. In the event Licensee should change the address hereinabove given during the term of this License, Licensee shall notify the City in writing of such change of address:

The City: Tom Isbester
 Director of Public Works
 City of Black Hawk
 P.O. Box 68
 Black Hawk, CO 80422

Licensee: Culver W. Van Der Jagt and Frank J. Garofalo
 1468 S. Pearl St.
 Denver, CO 80210

9. NO COVENANT OF TITLE OR QUIET POSSESSION. The rights granted herein are without covenant of title or warranty of quiet possession of the Property Licensed and no water or water rights are granted by this License.

10. SUCCESSORS AND ASSIGNS. This License shall insure to the benefit of, and be binding upon, the successors and assigns of the parties.

11. ASSIGNMENT OR SUB-LEASE. Licensee covenants and agrees not to assign this License or to sublet any part of the Property Licensed without first obtaining the written consent of the City, which will not be unreasonably withheld.

12. PROPERTY LICENSED TAKEN "AS IS." Licensee understands and agrees that the Property Licensed is licensed "as is." The City makes no warranty, written or implied, that the Property Licensed is fit for any purpose or that it meets any federal, state, county or local law, ordinance or regulation applying to the Property Licensed.

13. LIABILITY AND INDEMNIFICATION. The City shall not be liable for any loss, injury, death or damage to any person or personal property which may arise from the Licensee's use or condition, caused by Licensee's use, of the Property Licensed including, but not limited to, loss, injury, death, or damage resulting from ice, water, rain, snow, gas, electrical wires, fire, equipment malfunctions, faulty installation, or theft. Licensee hereby expressly agrees, to the extent permitted by law, to defend, indemnify and hold harmless the City, its officers, agents, employees and insurers against any liability, loss, damage, demand, action, cause of action or expense of whatever nature (including court costs and attorney fees) which may result from any loss, injury, death or damage allegedly sustained by any person, firm, corporation or other entity which arises out of or is caused by reason of Licensee's negligent use of the Property Licensed or Licensee's failure to fulfill the terms and conditions of the License.

14. RESERVATION FOR COUNCIL USE. This License is made under and conformable to the provisions of all City of Black Hawk regulations insofar as applicable. Said provisions are incorporated herein and made part hereof by this reference and shall supersede any apparently conflicting provisions otherwise contained in the License. The City reserves the right to make full use of the Property Licensed as may be necessary or convenient in the operation of the public streets and the City retains all rights to operate, maintain, install, repair, remove or relocate any of its facilities located within the Property Licensed at any time and in such a manner as it deems necessary.

15. TERMINATION.

a. This License Agreement may be terminated by the City at any time upon thirty (30) days written notice to Licensee. If the City terminates this License due to a default by Licensee, Licensee shall be responsible for removing the projecting blade signs on the Property Licensed if directed by the City.

16. VENUE. For the resolution of any dispute arising hereunder, venue shall be in the courts of Gilpin County, State of Colorado.

IN WITNESS WHEREOF, the parties hereto each herewith subscribe the same in duplicate.

LICENSEE:

Culver W. Van Der Jagt

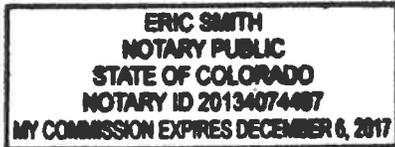
By: [Signature]
Name: Culver W. Van Der Jagt

STATE OF Colorado)
) ss.
COUNTY OF Denver)

The forgoing instrument was subscribed, sworn to, and acknowledged before me this 29th day of September, 2014, by Culver W. Van Der Jagt.

My commission expires: 12/16/17

(SEAL)



[Signature]
Notary Public

LICENSEE:

Frank J. Garofalo

By: [Signature]
Name: Frank J. Garofalo

STATE OF Massachusetts)
) ss.
COUNTY OF Norfolk)

The forgoing instrument was subscribed, sworn to, and acknowledged before me this 30th day of September, 2014, by Frank J. Garofalo.

My commission expires: 03/07/2019

(SEAL)



[Signature]
Notary Public

CITY OF BLACK HAWK, COLORADO

By: 
David D. Spellman, Mayor

ATTEST:

Melissa Greiner, City Clerk

EXHIBIT A

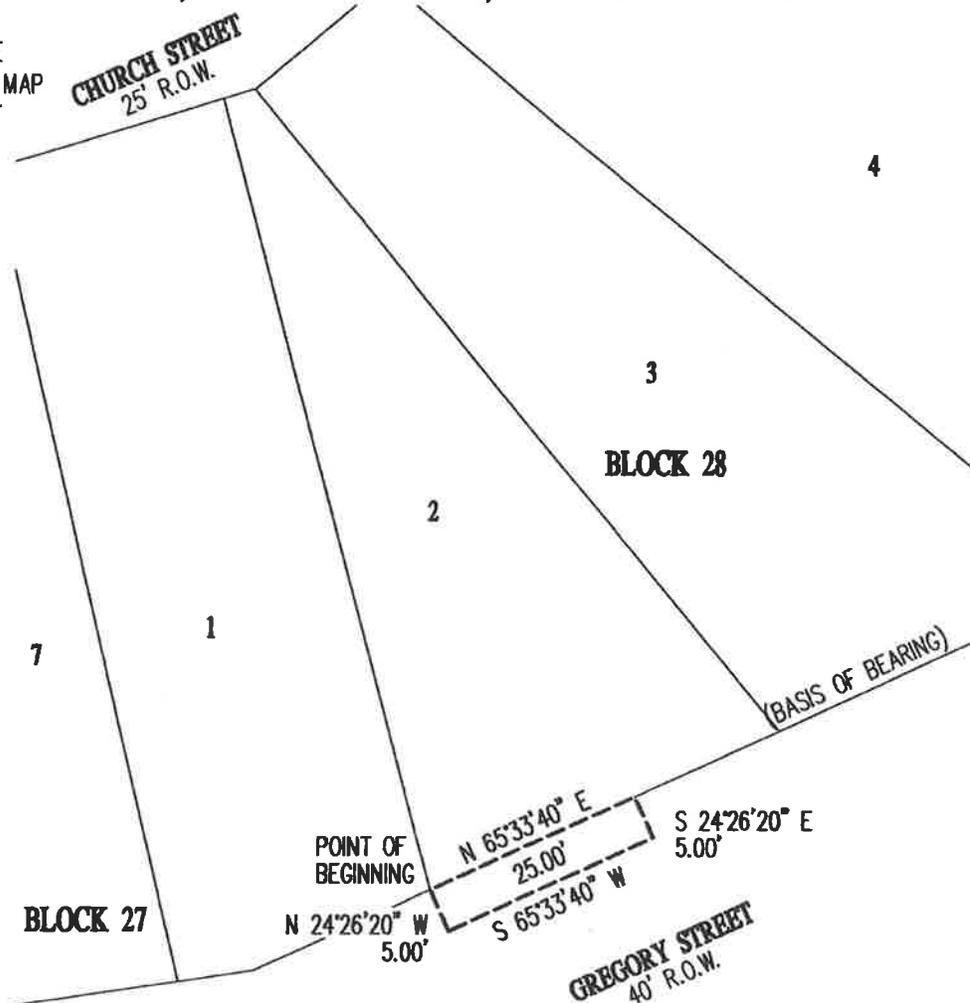
A SIGN EASEMENT, LOCATED WITHIN GREGORY STREET RIGHT-OF-WAY CITY OF BLACK HAWK, COUNTY OF GILPIN, STATE OF COLORADO

NOTE:

BLOCK 28 IS BASED UPON THE CITY OF BLACK HAWK SURVEY MAP OF BLOCK 28, OF THE MAP OF BLACK HAWK, SURVEYED BY ALBERT JOHNSON, CITY SURVEYOR, DATED MAY AND JUNE 1866.



SCALE: 1"=20'
DATE: 09.23.2014



DESCRIPTION:

A SIGN EASEMENT, LOCATED WITHIN THE GREGORY STREET RIGHT-OF-WAY, CITY OF BLACK HAWK, COUNTY OF GILPIN, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 2, BLOCK 28 AND THE NORTHERLY GREGORY STREET RIGHT-OF-WAY; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY, N 65°33'40" E, 25.00 FEET, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO; THENCE S 24°26'20" E, 5.00 FEET; THENCE S 65°33'40" W, 25.00 FEET; THENCE N 24°26'20" W, 5.00 FEET TO THE POINT OF BEGINNING, CONTAINING 125 SQUARE FEET MORE OR LESS.



CCS CONSULTANTS, INC.

4860 Robb Street, Suite 206
Wheat Ridge, Colorado 80033
Phone: 303-403-4706, Fax: 303-403-0800

NOTE:
THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED LAND SURVEY.
IT IS INTENDED ONLY TO DEPICT THE ATTACHED DESCRIPTION.

PROJECT NO.: CCS-BLH\90BLH28\LOT 2, BLOCK 28\SIGN EASEMENT



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/05/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER GREENPOINT INSURANCE ADVISORS LLC ("GPIA") 11479 S PINE DR #32 PARKER CO 80134		CONTACT NAME: JB WOODS, PRESIDENT PHONE A/C, No.: (303) 841-8999 E-MAIL ADDRESS: JB@GPBUSINESSINSURANCE.COM PRODUCER CUSTOMER ID:		FAX A/C, No.: (303) 380-1250
INSURED 5B1S, LLC 231 GREGORY ST BLACKHAWK CO 80422		INSURER(S) AFFORDING COVERAGE		NAIC #
		INSURER A: MESA UNDERWRITERS SPECIALTY		
		INSURER B:		
		INSURER C:		
		INSURER D:		
		INSURER E:		
		INSURER F:		

COVERAGES CERTIFICATE NUMBER: 1 REVISION NUMBER: 0

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> 500 DEDUCTIBLE GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJ-ECT <input type="checkbox"/> LOC	Y	N	MP0005001000943	10/08/2014	10/08/2015	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ EXCLUDED
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
								\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						WC STATUTORY LIMITS	OTHER
							E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RECREATIONAL MARIJUANA STORE. ADDITIONAL INSURED LANDLORD CULVER VAN DER JAGT NO WARRANTY PROVIDED BY GPIA FOR MEETING CONTRACTUAL CONDITIONS BETWEEN INSURED AND CERTIFICATE HOLDER PERTAINING TO INSURANCE COVERAGES OR POLICY LANGUAGE

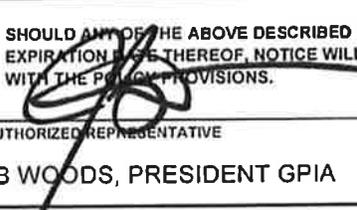
CERTIFICATE HOLDER

CANCELLATION

CULVER VAN DER JAGT
 VAN DER JAGT LAW FIRM
 1468 S PEARL ST
 DENVER CO 80210

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE


 JB WOODS, PRESIDENT GPIA

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/08/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER GREENPOINT INSURANCE ADVISORS LLC AKA "GPJA" 11479 S PINE DR #32 PARKER CO 80134		CONTACT NAME: JB WOODS, PRESIDENT PHONE A/C, No.: (303) 841-8999 FAX A/C, No.: (303) 380-1250 E-MAIL ADDRESS: JB@GPBUSINESSINSURANCE.COM PRODUCER CUSTOMER ID:	
INSURED 5B1S, LLC 231 GREGORY ST BLACKHAWK CO 80422		INSURER(S) AFFORDING COVERAGE INSURER A: MESA UNDERWRITERS SPECIALTY INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 1

REVISION NUMBER: 0

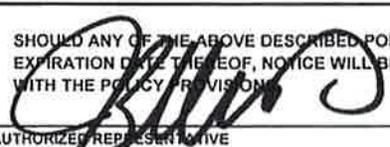
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> 500 DEDUCTIBLE GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJ-ECT <input type="checkbox"/> LOC	Y	Y	MP0005001000943	10/08/2014	10/08/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & AO V INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPI/OP AGG \$ EXCLUDED
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNEU AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MAOE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N		N/A			WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E L. EACH ACCIDENT \$ E L. DISEASE - EA EMPLOYEE \$ E L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RECREATIONAL MARIJUANA STORE. ADDITIONAL INSURED: CITY OF BLACKHAWK, WAIVER OF SUBROGATION, PRIMARY NON-CONTRIBUTORY CLAUSE. GPJA DOES NOT NOTIFY CERTIFICATE HOLDER OF INSURANCE CANCELLATION, CHANGES OR CONTRACTUAL CONFORMITY BETWEEN INSURED AND CERTIFICATE HOLDER.

CERTIFICATE HOLDER**CANCELLATION**

CITY OF BLACKHAWK 211 CHURCH ST BLACKHAWK CO 80422	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE J. B. WOODS, PRESIDENT
--	---

RECEIVED

OCT 09 2014



Hull & Company, Inc.
 8400 E. Prentice Ave, Suite 535
 Greenwood Village, CO 80111
 (303)217-4855 Fax: (866)610-8043
 Managing General Agents ■ Wholesale Insurance Brokers

DATE: 10/08/2014
TO: JB Woods
 GREENPOINT INSURANCE ADVISORS, LLC
 11479 S. PINE DRIVE
 Parker, CO 80134

FROM: Jodie Faulkner
 (877)409-4855
 jodie.faulkner@hullden.com

Agency Code: 104361

Agency Fax: (303)380-1250

Insurance Binder

Insurance Terms:

Insured: 5B1S,LLC
 1640 Logan Street, Suite 200 , Denver, CO 80203

Policy #: MP0005001000943 **Renewal of Policy #:** NEW
 Policy Type: Occurrence

Insurer: Non-Admitted
 Mesa Underwriters Specialty Insurance Company - 40 Wantage Avenue Branchville NJ 07890
 Hull & Company, Inc. is responsible for collecting and filing the Surplus Lines taxes.

Effective Date: 10/08/2014

Term of Policy Coverage: 10/08/2014 to 10/08/2015

Premium: \$1,000.00
 Policy Fee \$200.00
 CO SL Tax(3%) \$36.00
Total: \$1,236.00

Minimum Earned Percent: 25.00 % **Minimum Earned Premium:** \$ 187.50
 Note: Policy fees are fully earned.

Locations:
 231 Gregory Street, Black Hawk, CO, 80422

Commercial General Liability

Limits:
 General Aggregate: \$2,000,000
 Products/Completed Operations Aggregate: Excluded
 Each Occurrence: \$1,000,000
 Personal and Advertising Injury: \$1,000,000
 Damages to Premises Rented To You: \$100,000
 Medical Payments (any one person): \$5,000

Deductible (BI/PD) \$500

Deductible Includes Loss Adjustment Expense

Class	Description	Sub-Line	Basis	Exposure	Final Rate	Premium
49950	Additional Insured(s)	Premises/Operations	Units	1	100	Included
61224	Buildings or Premises-office- premises occupied by employees of the insured - other than NFP	Premises/Operations	Area	2,545	77.748	\$750 MP
49950	Waiver of Subrogation - CG2404 - 100% earned	Premises/Operations	Other	1	250	\$250

Endorsements/Exclusions: (include, but are not limited to, the following terms, conditions and exclusions.)

IL0017 - Common Policy Conditions
CG 21 47 - Employment-Related Practices Exclusion
CG 21 67 - Fungi or Bacteria Exclusion
CG 21 39 - Contractual Liability Limitation
IL 00 17 - Common Policy Conditions
CG 21 49 - Total Pollution Exclusion
CG 21 04 - Exclusion - Products/Completed Operations
CG 00 01 - Commercial General Liability Coverage Form
CG 21 55 - Total Pollution Excl with Hostile Fire Except
CG 21 96 - Silica or Silica Related Dust Excl
IL 00 21 - Nuclear Energy Liability Excl Endt
MUS 01 01 10043 - Privacy Notice
MUS 01 01 20055 - Assault and Battery Exclusion
MUS 01 01 20058 - Lead Contamination
MUS 01 01 20063 - Punitive Damages Exclusion
MUS 01 01 20080 - Earth Movement Exclusion
MUS 01 01 20082 - Exclusion - Asbestos
MUS 01 01 20094 - Amendment of Conditions - Premium Audit
MUS 01 01 20112 - Exclusion - Occupational Disease
MUS 01 01 10001 - POLICY JACKET
MUS 01 01 10007 - Minimum Earned Premium Endorsement
MUS 01 01 20084 - Non-Stacking of Limits
MUS 01 01 10002 - Commercial Policy Declarations
MUS 01 01 10003 - Schedule of Forms and Endorsements
ILN 020 - Co Fraud Statement
MUS 01 01 20001 - General Liability Coverage Part Declarations
MUS 01 01 20002 - General Liability Supplemental Declarations
MUS 01 01 20004 - Liability Deductible
MUS 01 01 20007 - Limit Coverage for Contractors & Employee GL
CG 21 16 - Professional Liability Exclusion - **-Any and All professional liability exposures**
CG 21 44 - Designated Premises Endorsement
IL 01 25 - CO Changes-Civil Union
MUS 01 01 30002 - Property Coverage Supplemental Declarations
IL 01 69 - CO Changes-Concealment, Misrepresentation or Fraud
CG 24 04 - Waiver of Subrogation
CG 20 11 - Managers or Lessors of Premises-Additional Insured
CG 24 26 - Amendment of Insured Contract
CG 21 73 - TRIA Reject
MUS 01 01 10019 - CO Service of Suit
ILN 020 CO Fraud
IL 01 25 - CO Civil Union

Conditions: (include, but are not limited to, the following terms, conditions and exclusions.)

100% Minimum & Deposit
25% Minimum Earned Premium
No Flat Cancellations
Policy cannot be cancelled flat after inception
Policy Fees are 100% Fully Earned
Subject to No Losses

Additional Interests

Additional Insured: City of Blackhawk, 211 Church St., Black Hawk, CO, 80422,

Special Provisions:

This binder is effective from 10/08/2014 to 11/07/2014 12:01 a.m. It is being offered on the basis indicated. It is incumbent upon you to ascertain the accuracy of the binder and to review with the insured the terms of the binder carefully, as the coverage, terms and conditions may be different than those you requested. Standard Company and/or ISO forms are applicable. The issued policy will replace the binder. If changes or corrections are required, please notify our office in writing immediately. Changes may require carrier approval and will be issued by endorsement as your office is not granted binding authority.

Please be sure to check the carrier's A. M. Best rating to satisfy you and your client's interests.

The annual premium is due with your Hull & Company, Inc. statement, unless otherwise noted.

10/08/14
Page 3 of 3

If the retail agent issues a certificate of insurance or evidence of insurance it must be according to the terms of this binder and the insurance policy. Any request to change, endorse or modify the terms of this binder or the insurance policy must be submitted in writing to the insurance company for its advanced written approval and shall not be effective if communicated by means of a certificate of insurance or evidence of insurance. Hull & Company, Inc., Denver ("Broker") disclaims and undertakes no responsibility for incorrectly issued or inaccurate certificates or evidence of insurance. Broker will provide copies of certificates or evidence of insurance issued by the retail agent to the respective insurance companies only if required by such insurance company. Be advised that the insurance company/ies may or may not review and/or approve a certificate or evidence of insurance. If Producer provides copies of certificates or evidence of insurance to Broker, Broker will not review, analyze or otherwise comment on the accuracy, completeness or propriety of any certificate or evidence. Submission of a certificate or evidence of insurance to our office and/or the insurance company's office does not constitute approval of the certificate or evidence.

Shannon Mikita for Jodie Faulkner
(877)409-4855 ext. 3098
shannon.mikita@hullden.com

RESOLUTION 48-2015
A RESOLUTION
APPROVING THE
CERTIFICATE OF
APPROPRIATENESS FOR
THE MOUNTAIN MOCHA
CAFÉ STANDARD SIGN
PLAN

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 48-2015

**TITLE: A RESOLUTION APPROVING THE CERTIFICATE OF
 APPROPRIATENESS FOR THE MOUNTAIN MOCHA CAFÉ
 STANDARD SIGN PLAN**

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The City Council hereby approves the Certificate of Appropriateness for the Standard Sign Plan for the Mountain Mocha Café upon the satisfaction of the following conditions:

- A. Projecting signs shall comply with the regulations pertaining to height limitations and placement as stated in the City of Black Hawk Municipal Code; and

- B. Proper Building, Electrical, and Sign Permits shall be applied for and approved prior to the installation of any new sign.

RESOLVED AND PASSED this 24th day of June, 2015.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

NOTICE OF PUBLIC HEARING

Notice is hereby given that the City of Black Hawk Board of Aldermen shall hold a public hearing concerning a Certificate of Appropriateness for a Standard Sign Plan for the Mountain Mocha Cafe, located on property described in Exhibit A and generally located at 135 Clear Creek Street, pursuant to the City of Black Hawk zoning ordinance.

The public hearing is to be held before the City of Black Hawk Board of Aldermen on Wednesday, June 24, 2015 at 3:00 p.m. or as soon as possible thereafter. The public hearing shall be held in the City of Black Hawk Council Chambers located at 211 Church Street, Black Hawk, Colorado, 80422, or at such other time or place in the event these hearings are adjourned.

ALL INTERESTED PARTIES MAY ATTEND

Melissa A. Greiner
City Clerk

Exhibit A

135 Clear Creek Street –

S: 7 T: 3S R: 72W Subd: BLACK HAWK Block: 011 Lot: 2A (LOT 2A, BLOCK 11, AMENDMENT NO. 1 RECORDED AT RECEPTION NO. 133649 OF THE GILPIN COUNTY RECORDS).

**CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION**

SUBJECT: Certificate of Appropriateness, Standard Sign Plan for Mountain Mocha Cafe (P-15-07)

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen: **MOTION TO APPROVE Resolution No. 48-2015, a resolution approving a Certificate of Appropriateness for the Mountain Mocha Café Standard Sign Plan, with the following conditions:**

1. Projecting signs shall comply with the regulations pertaining to height limitations and placement as stated in the City Code.
2. Proper Building, Electrical, and Sign Permits shall be applied for and approved prior to the installation of any new sign.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

On May 14, 2015, the City of Black Hawk received an application for a Certificate of Appropriateness for a Standard Sign Plan from the owner of Mountain Mocha Café, a coffee shop located at 135 Clear Creek Street. The intent of this submittal is to create a sign plan that will allow installation of new advertising signs on the building. Attached to this staff report is a copy of the Standard Sign Plan document that catalogues all proposed signs. The coffee shop is permitted 128 sq. ft. of sign area per Chapter 15 (Sign Code) of the Municipal Code.

AGENDA DATE:

June 24, 2015

WORKSHOP DATE:

N/A

FUNDING SOURCE:

N/A

DEPARTMENT DIRECTOR APPROVAL:

Yes No

STAFF PERSON RESPONSIBLE:

Cynthia Linker, CPD and Vincent Harris,
Baseline Corporation

DOCUMENTS ATTACHED:

Land Use Development Application;
Mountain Mocha Cafe

RECORD:

Yes No

CITY ATTORNEY REVIEW:

Yes N/A

SUBMITTED BY:



6/10/2015

Vince Harris, Baseline Corporation

REVIEWED BY:



Jack D. Lewis, City Manager

Staff Report



STAFF REPORT: Certificate of Appropriateness, Standard Sign Plan for Mountain Mocha Cafe (P-15-07)

For: City Council
Project: Mountain Mocha Café Standard Sign Plan
Property Address: 135 Clear Creek Street
Applicants: Jeremy Allensworth, Owner of Mountain Mocha Cafe
Zoning: **Transitional Gaming (TG)** District
Prepared by: Zeljko Spiric, Baseline Corporation
Approved by: Vincent Harris, Baseline Corporation
Reviewed by: Cynthia Linker, CP&D



BACKGROUND:

On May 14, 2015, the City of Black Hawk received an application for a Certificate of Appropriateness for a Standard Sign Plan from the owner of Mountain Mocha Café a coffee shop located at 135 Clear Creek Street. The intent of this submittal is to create a sign plan that will allow installation of new advertising signs on the building. Attached to this staff report is a copy of the Standard Sign Plan document that catalogues all proposed signs. The coffee shop is permitted 128 sq. ft. of sign area per Chapter 15 (Sign Code) of the Municipal Code.

In total, the coffee shop owner proposes six signs totaling approximately 35.3 sq. ft. Among the proposed six signs are one blade sign, one wall sign and four window signs. The signs will be placed at various locations on the building (see Images below). The sign identified as 4 listed in the proposed Sign Plan is exempt from being counted toward the total sign area as it fits the criteria of signs used to display general information. Businesses in nonresidential district using these signs are allowed a maximum of five signs displaying general information such as open/closed, store hours, etc. (Black Hawk Sign Code, Section 15-41). Total sign area was adjusted to reflect the above exemptions and updated to request a total of 35.3 sq. ft.

Image 1: Proposed Sign Location Map

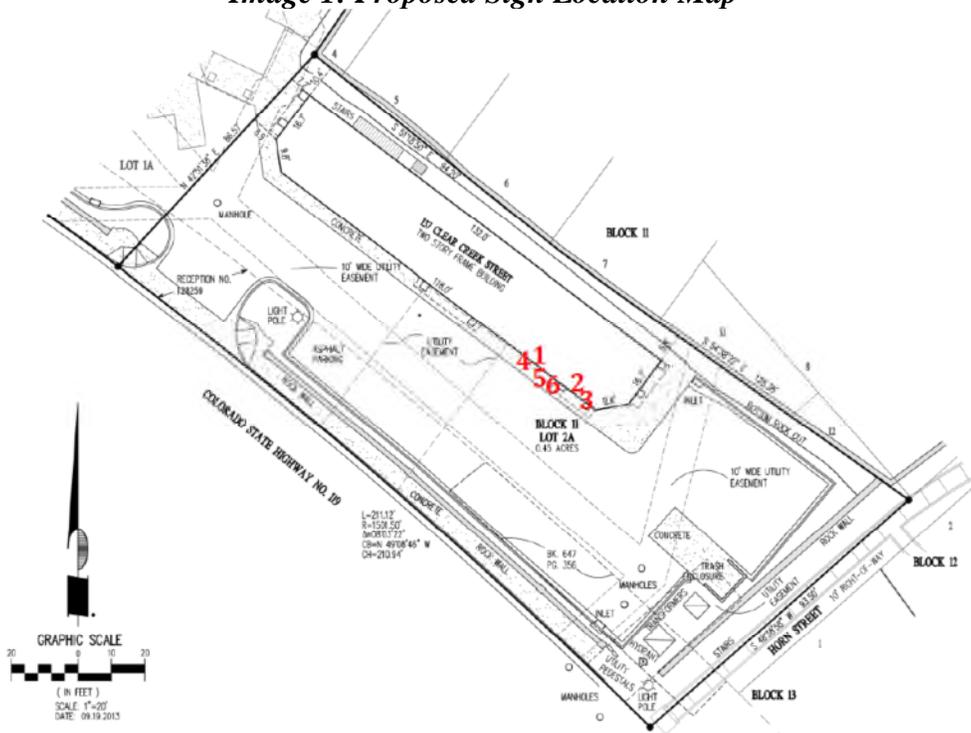


Image 2: Proposed Sign Details

Signs to be utilized by Mountain Mocha Coffee Shop			
Sign Number	Description	Sq. Footage	Notes
1	Coffee Shop 10' x 2.3'	23.3 sq ft	280 total sq ft. reclaimed barn wood sign w/ acrylic lettering
2	Mountain Mocha Café 36"x24"	6 sq ft	reclaimed barn wood sign w/ acrylic lettering
3	Mountain Mocha	2 sq.ft	Window sign on front entry doorway.
4	"Open" Neon Sign	Does not count toward square area.	N/A
5	"Coffee" 1' x 2'	2 sq.ft	Window Sign
6	"Shop" 1' x 2'	2 sq.ft	Window Sign
Total Proposed Sign Area		35.3 sq ft	
Total Approved Signs Area		35.3 sq.ft	
Total Sign Area Allowed		128 sq.ft	
Total Building Frontage		33 ft	
Maximum Building Frontage Allowed		128 ft.	

Image 3: Proposed Sign Location Details



The proposed Standard Sign Plan has been reviewed by staff for compliance with Chapter 15 (Sign Code) of the Black Hawk Municipal Code. A summary of these regulations follows.

APPLICABLE CITY OF BLACK HAWK REGULATIONS:

Section 15-12 (Sign Code) of the Municipal Code regulates the need for Standard Sign Plans. This staff report relates the need for City Council to review and take action on the proposed Standard Sign Plan. The Black Hawk Municipal Code requires a public hearing necessitating a notice in the paper and posting of the property. Both the notification and posting have been completed.

The Standard Sign Plan provided by business owner via the City of Black Hawk (property owner). Procedures are in place for this type of building arrangement and the Municipal Code allows each business owner to propose signage for their use/business. The purpose of the Standard Sign Plan is to ensure appropriate balance between building architecture, signage and neighborhood aesthetics for smaller buildings. In addition, the Standard Sign Plan process is used for applications related to the installation of signs in a nonresidential district. All properties in a nonresidential district utilizing a Standard Sign Plan are permitted a total sign area that is equal to the length of the building frontage (ratio: one (1) square foot of sign area for every one (1) linear foot of building frontage). Furthermore, all properties located within the nonresidential district are entitled to a minimum of 128 square feet of sign area (Section 15-41) if their building frontage is less than 128 feet wide.

Mountain Mocha Café proposes 36.3 sq. ft. of sign area when the store is allowed 128 sq. ft. The applicant is requesting a sign area well less than the parameters established by the City Sign Code.

Excerpts from:

*The City of Black Hawk
Municipal Code
Chapter 15 – Sign Code
Article II – Sign Applications, Permits, and Plans*

Sec. 15-12. Standard Sign Plans.

Sec. 15-12 (a) Purpose. *The Standard Sign Plan is the device and process employed by the City to ensure an appropriate balance between building architecture, signage and neighborhood aesthetics for smaller buildings. This Section assumes that strict compliance with this Chapter provides effective signage for smaller projects and meets community goals for appearance and safety.*

Sec. 15-12 (b) Applicability. *Standard Sign Plan process shall be used for applications for installation of signs in the Nonresidential District (Article III, Division 2 of this chapter) utilizing the building frontage to sign area ratio or the minimum sign size allowed or a property that does not have an approved Comprehensive Sign Plan. In addition to the Standard Sign Plan, the applicant shall be required to submit a Certificate of Appropriateness application. The regulations governing a Certificate of Appropriateness can be found in Section 16-368 (City Council historic review process) of the Black Hawk Municipal Code.*

Staff Comment: **The applicant is allowed to submit a Standard Sign Plan due to following criteria:**

- **The applicant is proposing a small amount of sign area to be installed on the building;**
- **The business does not have an approved Comprehensive Sign Plan;**
- **And, the business does not meet the criteria for a Comprehensive Sign Plan as described in Chapter 15, Section 15-13 of the City of Black Hawk Municipal Sign Code.**

Sec. 15-12 (c) Application filing. *Applications for Standard Sign Plans shall be submitted to the Planning Department.*

Staff Comment: **The applicant has submitted documents to appropriate Planning Department personnel.**

Sec. 15-12 (d) Submittal requirements.

(1) *Applicants must submit a simple scaled sign plan with attached written stipulations for review and approval. Such stipulations shall consider all appropriate concerns including, but not limited to, the following items: the name and address of the project location, the name of the contractor manufacturing and/or installing the sign relationship of the sign to adjacent properties, size, height, color, lighting, orientation, construction materials and typography.*

(2) *Standard Sign Plans shall include:*

a. All signs, their location in site plan format, and color renderings of the proposed signage. Where sign lighting will have a significant impact on the visual interpretation of the sign, color renderings should be submitted to show the effects of the proposed signs and lighting.

b. Dimensions of each proposed sign listed in a chart summarizing the total area of each and all proposed signs together with the total allowed sign area for the property. The height above grade shall be indicated for blade signs and freestanding signs.

c. A statement as to the calculation of the allowed sign area based on the appropriate building frontage length for the building.

Staff Comment: The applicant has prepared the Standard Sign Plan in accordance with City regulations.

Sec. 15-12 (e). Affected parties. All parties affected by provisions of the Standard Sign Plans must be signatories to such plans; provided, however, that if the multiple building complexes or any part thereof is governed by a management agreement, the duly constituted representative of the management association or firm shall be the signatory to such plans. It is unnecessary for owners or lessees to sign if said representative has signed on their behalf.

Staff Comment: Owner of the Mountain Mocha Cafe applied for the Standard Sign Plan as allowed by the landlord (City of Black Hawk).

Sec. 15-12(f) City Council review and approval. Within forty-five (45) days of receipt of a complete application, the City Council shall act to approve, approve with conditions or deny the application for a Standard Sign Plan. The Standard Sign Plan shall be approved if:

(1) Implementation of the Standard Sign Plan will provide signage that is compatible with the surrounding development;

Staff Comment: The proposed sign plan is compatible with the surrounding development. The style and design of the signs are unique to the retail store but complement the neighboring uses.

(2) Implementation of the Standard Sign Plan will result in architecture and graphics of a scale appropriate for the surrounding neighborhood;

Staff Comment: The proposed signs are appropriate for the building and do not over-encumber the façade. Graphics are appropriate, in color and design, and coordinate well with the colors of the building.

(3) Implementation of the Standard Sign Plan will provide signage consistent with the architecture and site plan characteristics of the proposed project;

Staff Comment: All proposed signs are appropriately placed on the façade of the building and complement the building architectural features.

(4) Implementation of the Standard Sign Plan will be materially beneficial in achieving the goals and objectives of the City's standards that relate to community design and aesthetics;

Staff Comment: The proposed signs meet the objective of the City's standards and match the existing approved architectural character and desired aesthetics.

(5) Implementation of the Standard Sign Plan will be materially beneficial in achieving the goals and objectives cited in the Standard Sign Plan statement of purpose.

Staff Comment: The proposed sign plan meets the objectives of the Standard Sign Plan program.

STAFF COMMENTS:

Staff from Baseline Corporation has reviewed and evaluated the proposed Standard Sign Plan for the Mountain Mocha Cafe and finds the document to be in compliance with the regulations established in Sec. 15-12 and Sec. 15-41 of the Sign Code, which state that the total sign area utilized in a Standard Sign Plan may be up to 128 square feet. The proposed Mountain Mocha Cafe Standard Sign Plan document includes approximately 35.3 total square feet of sign area. The total allowed sign area for the Mountain Mocha Cafe is up to 128 sq. ft. A license agreement is not needed for the projecting sign since the sign projects over city-owned right-of-way.

Staff recommends that a **Certificate of Appropriateness for a Standard Sign Plan for the Mountain Mocha Café** be granted, subject to the following conditions:

1. Projecting signs shall comply with the regulations pertaining to height limitations and placement as stated in the City Code.
2. Proper Building, Electrical, and Sign Permits shall be applied for and approved prior to the installation of any new sign.

FINDINGS:

Within forty-five (45) days of receipt of a complete application, the City Council may approve, conditionally approve, or deny the application for Standard Sign Plan. Sections 15-12 (a) *Purpose* and (b) *Applicability* provide the ability of the property owner to submit the application. Following are findings that can be referred to related to the criteria in Section 15-13 (f):

- (1) Implementation of the Standard Sign Plan will provide signage that is compatible with the surrounding development and designed with a high quality appearance; and
- (2) Implementation of the Standard Sign Plan will result in architecture and graphics of a scale appropriate for the surrounding neighborhood and development area; and
- (3) Implementation of the Standard Sign Plan will provide signage consistent with the architecture and site plan characteristics of the proposed or existing project; and
- (4) Implementation of the Standard Sign Plan will be materially beneficial in achieving the goals and objectives of the City's standards that relate to community design and aesthetics; and
- (5) Implementation of the Standard Sign Plan will be materially beneficial in achieving the goals and objectives cited in the purpose of the Sign Code.

RECOMMENDATION:

Baseline Staff recommends City Council consider a **MOTION TO APPROVE WITH CONDITIONS** a Certificate of Appropriateness for a Standard Sign Plan for Mountain Mocha Cafe as submitted and included with this staff report. The conditions are as follow:

1. Projecting signs shall comply with the regulations pertaining to height limitations and placement as stated in the City Code.
2. Proper Building, Electrical, and Sign Permits shall be applied for and approved prior to the installation of any new sign.

Attachments:

- Land Development Application Form
- Standard Sign Plan document

Applicant's Submittal



City of Black Hawk

Community Planning and Development
211 Church Street
P.O. Box 68
Black Hawk, CO 80422
Ph: 303-582-0615 Fax: 303-582-2239

LAND DEVELOPMENT APPLICATION

IMPORTANT INFORMATION FOR APPLICANTS

- It is recommended that the applicant meet with City staff prior to submitting an application.
- Applications will be accepted by the City of Black Hawk Community and Planning Department Monday through Friday between the hours of 9:00 a.m. and 3:00 p.m.
- In order to avoid delays in the review process, please complete the application in its entirety.
- Completed applications will be scheduled for City review a MINIMUM of 15 days AFTER receipt of completed application (as applicable).
- A minimum of four (4) sets of attachments must accompany the application. This requirement may vary depending on the size and type of project. Please confirm with the Community Planning and Development Department. All documents must also be submitted electronically via email. Electronic copy of submittal documents must be in PDF format.
- Only complete applications will be reviewed. Incomplete applications will delay the review process.
- The Community Planning and Development Department will complete an application sufficiency review and will determine which design standards are applicable, and notify the applicant if additional information is necessary.
- Once a sufficiency review of the application has been completed by the Black Hawk Community Planning and Development Administrator or the City's Planning Consultant, and the application is found complete, it will be processed. Applicants will be responsible for fees/costs to process the application as explained in the "Land Development Application Fees" handout.

ITEMS REQUIRED PRIOR TO APPLICATION SUBMITTAL

PLEASE COMPLETE THE CHECKLIST BELOW:

- Meet with City Staff and/or Planning Consultant prior to submitting land development application. This meeting ensures that all necessary information and documentation can be provided at the time of application submittal.
- A completed Land Development Application.
- A written description of the proposed use, development, or project.
- A graphic representation of the proposed project (pictures or drawings-four (4) copies plus an electronic version), with enough information on them to explain your concept.
- A list of questions that you may need answered.



BLACK HAWK

City of Black Hawk

Community Planning and Development
211 Church Street
P.O. Box 68
Black Hawk, CO 80422
Ph: 303-582-0615 Fax: 303-582-2239



**LAND DEVELOPMENT
APPLICATION**

DATE: 5/14 APPLICANT NAME: Jeremy Allensworth
 APPLICANT ADDRESS: 135 Clear Crk St
 APPLICANT MAILING ADDRESS: PO Box 160
 APPLICANT CONTACT NUMBER: 303-582-2011 EMAIL ADDRESS: Jeremyallensworth@gmail.com
 PROPERTY OWNER NAME: City of Black Hawk
 PROPERTY OWNER ADDRESS: PO Box 68
 PROPERTY OWNER MAILING ADDRESS: PO Box 68
 PROPERTY OWNER CONTACT NUMBER: 303-582-2283 EMAIL ADDRESS: Lhillis@cityofblackhawk.org
 PROJECT NAME: Mountain Mocha Exterior Sign Plan
 PROJECT ADDRESS: 135 Clear Crk St
 PROJECT DESCRIPTION: New outside signage - Two wooden signs
 IS PROPERTY WITHIN CITY LIMITS: YES NO
 PRESENT ZONING: _____ CURRENT USE: Coffee Shop
 NAME OF EXISTING PLANNED UNIT DEVELOPMENT (IF APPLICABLE): _____
 NAME OF EXISTING SUBDIVISION PLAT (IF APPLICABLE): _____
 GILPIN COUNTY ASSESSOR'S I.D. NO.(S): _____ EXISTING PROPERTY SIZE: _____ ACRES/SQ.FEET
 (PLEASE ATTACH A COPY OF SURVEY/PLAT.)
 EXISTING BUILDING SIZE: _____ SQ. FT. AND/OR NUMBER OF EXISTING RESIDENTIAL UNITS: _____

PLEASE READ THE FOLLOWING

FOR INFORMATIONAL PURPOSES, SECTION 16-370 OF THE BLACK HAWK MUNICIPAL CODE ESTABLISHES THE REQUIREMENT FOR APPLICANTS TO PAY FEES TO COVER THE COSTS THE CITY MAY INCUR BY HAVING THE CITY APPROVED CONSULTANTS EVALUATE AND PROCESS APPLICATIONS. IF YOU HAVE ANY QUESTIONS RELATED TO THIS, PLEASE CONTACT US FOR CLARIFICATION.

THIS IS A REQUIRED TO BE SUBMITTED - AND YOU AGREE TO THE FOLLOWING STATEMENT

CERTIFICATION:

I hereby certify that to the best of my knowledge and believe, all information supplied with this application is true and accurate and that consent of the property owner listed above, without which the requested action cannot lawfully be accomplished, has been granted. Permission is also hereby granted to the City of Black Hawk staff to physically enter upon and inspect the subject property and take photographs as necessary for preparation of the case. In addition, I have read and understand Section 16-370 of the Black Hawk Municipal Code and by signing this application I am agreeing that I am authorized to sign on behalf of the property owner, or business owner, or applicant and commit and agree to the payment of any fees to process this application when the City of Black Hawk send a monthly invoice for processing this application.

SIGNATURE OF APPLICANT: _____ DATE: 5/14/15



BLACK HAWK

City of Black Hawk

Community Planning and Development
211 Church Street
P.O. Box 68
Black Hawk, CO 80422
Ph: 303-582-0615 Fax: 303-582-2239

LAND DEVELOPMENT APPLICATION

Consultants and City Staff Review Only. Do not write below this line.

All Submittal attachments included? Yes No, additional paperwork needed (see last page)

Public Hearing Required? Yes No Administrative Approval: Yes No

Date: _____ Date: _____

ACTION REQUESTED (COMPLETED BY CONSULTANTS OR CITY STAFF):

ANNEXATION OF _____ ACRES OF LAND AND _____ ACRES OF RIGHT-OF-WAY

ZONING/REZONING: FROM: _____ TO: _____

PLANNED UNIT DEVELOPMENT (AMENDMENT)

FINAL PLAT: _____ EXISTING LOTS _____ PROPOSED LOTS

MINOR PLAT

SPECIAL USE PERMIT

VACATION OF EASEMENT: _____ RIGHT-OF-WAY: _____

VARIANCE

SITE DEVELOPMENT PLAN

CERTIFICATE OF APPROPRIATENESS

TEMPORARY USE PERMIT

HISTORIC PRESERVATION FUND GRANT

FEMA ELEVATION CERTIFICATE

FLOOD PLAIN DEVELOPMENT PERMIT

MOTOR VEHICLE/RECREATION VEHICLE STORAGE PERMIT

COMPREHENSIVE SIGNAGE PLAN/SIGN PERMIT

BOARD OF APPEALS

Black Hawk Police Department

REVIEW TO BE COMPLETED BY:

City Surveyor – CCS Consulting

Baseline Corporation

Colorado Code Consultants

Community Planning and Development

Public Works

Black Hawk Fire Department

Black Hawk Police Department

TO BE COMPLETED BY CITY STAFF AND CONSULTANT



City of Black Hawk
 Community Planning and Development
 211 Church Street
 P O Box 68
 Black Hawk, CO 80422
 Ph 303-582-0615 Fax 303-582-2230



POTENTIAL SUBMITTAL DOCUMENTS REQUIRED IF SELECTED BY CONSULTANTS OR CITY STAFF

- One legible copy (no faxed copies) of the recorded Warranty Deed(s) or other such recorded documents, reflecting current ownership and any recorded copies of all documents references within the Warranty Deed(s)
- If dedications to the City are to be made, one legible copy (no faxed copies) of the recorded Deed(s) of Trust, mortgage(s) and/or assignments to any and all lending agencies or individuals, including recorded legible copies of any document(s) referenced within the text
- If the applicant is someone other than the current owner, a notarized letter of authorization empowering the applicant to act on behalf of the owner
- A title commitment guaranteeing clear title, including legible, recorded copies of all documents referenced within the title commitment by book and page or reception number. The title commitment must have an "Effective date" no earlier than two weeks prior to the date of the Land Use Pre-Planning Application
- If the owner or lender is a corporation, a joint venture, or a partnership, an authorization of signatures (official verification that the signatures are authorized to sign up on behalf of the corporation, joint venture or partnership) will be required in the form of
 - A copy of the Articles of Incorporation and/or Corporate Bylaws, or a copy of the Partnership or Operating agreement, which identifies by proper name and title those authorized to sign on the corporation, joint venture or partnership's behalf, or
 - A certified corporate resolution by the board of directors specifically identifying and authorizing the signatories.
- A written description of the request. Include Structures location, size and general design
- Annexation Petition
- Annexation Plat
- Site Development Plan: prepared in accordance with the Black Hawk Zoning Ordinance
- Planned Unit Development (PUD): prepared in accordance with the Black Hawk Zoning Ordinance or conceptual site plan for rezoning proposals to non-Planned Unit Development zone district
- Preliminary Map: prepared in accordance with the Black Hawk Subdivision Ordinance
- Final Plat: prepared in accordance with the Black Hawk Subdivision Ordinance
- ALTA Survey of property showing the property dimensions, existing structures, existing vegetation, adjacent roadways, etc.
- Lot Line Adjustment Plat: prepared in accordance with the Black Hawk Subdivision Ordinance
- One copy of the Traverse Closure Sheet(s) which include the external boundary and all internal lots, and street centerlines.
- Preliminary Drainage Report: prepared in accordance with the Black Hawk Regulations
- Final Drainage Report: prepared in accordance with the Black Hawk Regulations
- Geological Report: prepared in accordance with the Black Hawk Subdivision Ordinance
- Final Traffic Study: prepared in accordance with the Black Hawk Transportation Regulations
- Final Grading and Erosion Control Plan: prepared in conformance with the Black Hawk Regulations
- Preliminary Plans for Public Improvements
- Quantities Estimates for Public Improvements including an 8-1/2 x 11" location map.
- Subdivision Agreement (SA) Information Sheet, if the SA is to be signed by someone other than the current owner of the property.
- A written legal description prepared by a registered land surveyor
- Storm Water Management Plan (SWAMP)
- Other forms and applications

Submit Sign Plan sheets with dimensions demonstrating proposed signs - Baseline can help organize the sheets for submittal to City Council for their review and approval

TO BE COMPLETED BY CITY STAFF AND CONSULTANT

Mountain Mocha Cafe

Standard Sign Plan

May 2015

Certificate of Completeness

This Comprehensive Sign Plan has been approved by the Black Hawk City Council on _____, 2015. This document represents the approved Comprehensive Sign Plan including any conditions by City Council.

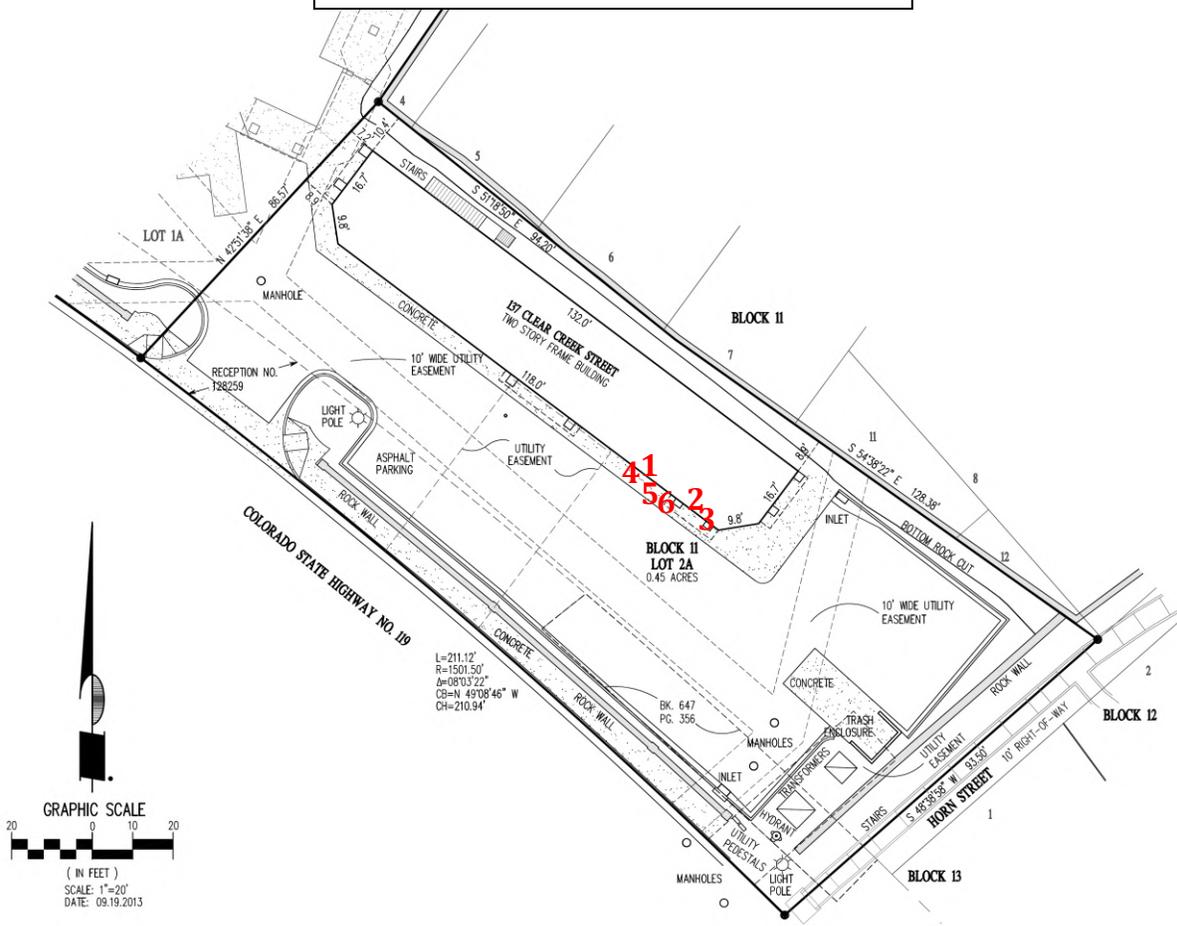
Completeness certification by Baseline Corporation this _____ day of _____, 2015.

Signature _____

Vincent Harris, AICP - Planning Director

Signs to be utilized by Mountain Mocha Coffee Shop			
Sign Number	Description	Sq. Footage	Notes
1	Coffee Shop 10' x 2.3'	23.3 sq ft	280 total sq ft. reclaimed barn wood sign w/ acrylic lettering
2	Mountain Mocha Café 36"x24"	6 sq ft	reclaimed barn wood sign w/ acrylic lettering
3	Mountain Mocha	2 sq.ft	Window sign on front entry doorway.
4	"Open" Neon Sign	Does not count toward square area.	N/A
5	"Coffee" 1' x 2'	2 sq.ft	Window Sign
6	"Shop" 1'x 2'	2 sq.ft	Window Sign
Total Proposed Sign Area		35.3 sq ft	
Total Approved Signs Area		35.3 sq.ft	
Total Sign Area Allowed		128 sq.ft	
Total Building Frontage		33 ft	
Maximum Building Frontage Allowed		128 ft.	

Mountain Mocha Sign Location Site Plan



Elevation



Side View





Sign 1: Rectangular barn wood/acrylic sign
28 inches high, 10 feet long with acrylic lettering
Affixed to stone with anchors above arched window



Sign 2: Rectangular barn wood/acrylic sign.
36 inches wide, 24 inches tall with acrylic lettering.
Affixed above main door as blade sign.



Sign 3: Window Sign

Affixed to the main entry doorway.



Sign 4: "Open"

Neon sign affixed to the interior of the window.



Sign 5 and 6: Window Signs.

Affixed to the interior of the window.

RESOLUTION 49-2015
A RESOLUTION
ACCEPTING CITY OF
BLACK HAWK 2014 AUDIT

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 49-2015

**TITLE: A RESOLUTION ACCEPTING CITY OF BLACK HAWK 2014
AUDIT**

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF BLACK HAWK, COLORADO, THAT:

Section 1. The City Council hereby approves the 2014 Comprehensive Annual
Financial Report (Audit) for the City of Black Hawk.

RESOLVED AND PASSED this 24th day of June, 2015.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: 2014 Comprehensive Annual Financial Report – (Audit)

RECOMMENDATION: Staff recommends Acceptance of the 2014 Audit

MOTION TO APPROVE: Staff recommends the following motion to the Mayor and Board of Aldermen: **MOTION TO APPROVE** Resolution No. 49-2015, A Resolution Accepting City of Black Hawk 2014 Audit

SUMMARY AND BACKGROUND OF SUBJECT MATTER: Colorado State law requires that the financial statements of the City of Black Hawk be audited by an independent Certified Public Accountant. The City’s auditor, John Cutler & Associates, LLC has issued a clean or unqualified opinion. This means the Financial Statements present fairly, the financial position of the City. This is the best type of opinion an auditee may receive from an external auditor.

AGENDA DATE: June 24, 2015

WORKSHOP DATE: N/A

FUNDING SOURCE: General Fund

DEPARTMENT DIRECTOR APPROVAL: [X]Yes []No

STAFF PERSON RESPONSIBLE: Lance Hillis, Finance Director

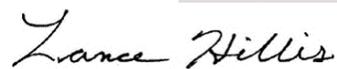
DOCUMENTS ATTACHED: 2014 Comprehensive Annual Financial Report (Audit)

RECORD: []Yes [X]No

CITY ATTORNEY REVIEW: []Yes [X]N/A

SUBMITTED BY:

REVIEWED BY:





Lance Hillis, Finance Director

Jack D. Lewis, City Manager

City of Black Hawk, Colorado



*Comprehensive Annual Financial Report
For The Year
Ended December 31, 2014*

City of Black Hawk, Colorado

*Comprehensive Annual Financial Report
For The Year
Ended December 31, 2014*

Prepared By

Finance Department

*Lance Hillis
Finance Director*

Black Hawk, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2014

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Black Hawk, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2014

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Black Hawk, Colorado
Comprehensive Annual Financial Report
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BLACK HAWK



INCORPORATED 1864

Office of the City Manager

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P.O. Box 68
Black Hawk, CO 80422
www.cityofblackhawk.org
303-582-0292 Office
303-582-0848 Fax

Mayor

David D. Spellman

Aldermen

Linda Armbright
Paul G. Bennett
Hal Midcap
Jim Johnson
Greg Moates
Benito Torres

City Attorney

Corey Y. Hoffmann

City Manager

Jack D. Lewis

City Clerk /

Administrative Services Director

Melissa A. Greiner

Finance Director

Lance R. Hillis

Fire Chief

Donald E. Taylor

Police Chief

Stephen N. Cole

Public Works Director

Thomas Isbester

Community Planning & Development

Administrator

Cynthia L. Linker

COLORADO'S SECOND OLDEST
MUNICIPAL CORPORATION

June 11, 2015

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, 2014. 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, 2014, 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 requires 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 March 11, 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 and guests 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 CenturyLink.

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 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 fees and capital and operation expenses.

Currently, the City has 18 operating casinos with the largest ten accounting for 84.12% of device fee revenues for the City. The five largest casinos generate about 58.71% 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.

LONG-TERM FINANCIAL PLANNING

The Board of Alderman of the City of Black Hawk have always made decisions and implemented policies that create long-term financial, economic and competitive incentives that benefit businesses within the City. These policies and incentives, many in the form of lower taxes and fees, have attracted and retained significant private investment in the Black Hawk casino market.

RELEVANT FINANCIAL POLICIES

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.

Legislative Development

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, (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.

MAJOR INITIATIVES

The City of Black Hawk has plans to make significant investments in facilities and infrastructure over the next 12-24 months. The City is currently in the design phase of the realignment of Gregory Street, including upgrades to infrastructure in preparation for new amenities.

Recently, the City has received multiple inquiries from the private sector related to the expansion of existing casino properties.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Black Hawk for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the 8th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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,



Jack D. Lewis
City Manager



Lance Hillis, CPA
Finance Director

City of Black Hawk, Colorado

Elected Officials

(In Office as of December 31, 2014)

Mayor and Alderman

David Spellman

*In office since July 2006
Current term expires April 2016*

Hal Midcap

*In office since April 2014
Current term expires April
2018*

Jim Johnson

*In office since April 2010
Current term expires April
2018*

Benito Torres

*In office since April 2012
Current term expires April
2016*

Greg Moates

*In office since April 2008
Current term expires April
2016*

Paul Bennett

*In office since April 2004
Current term expires April
2016*

Linda Armbright

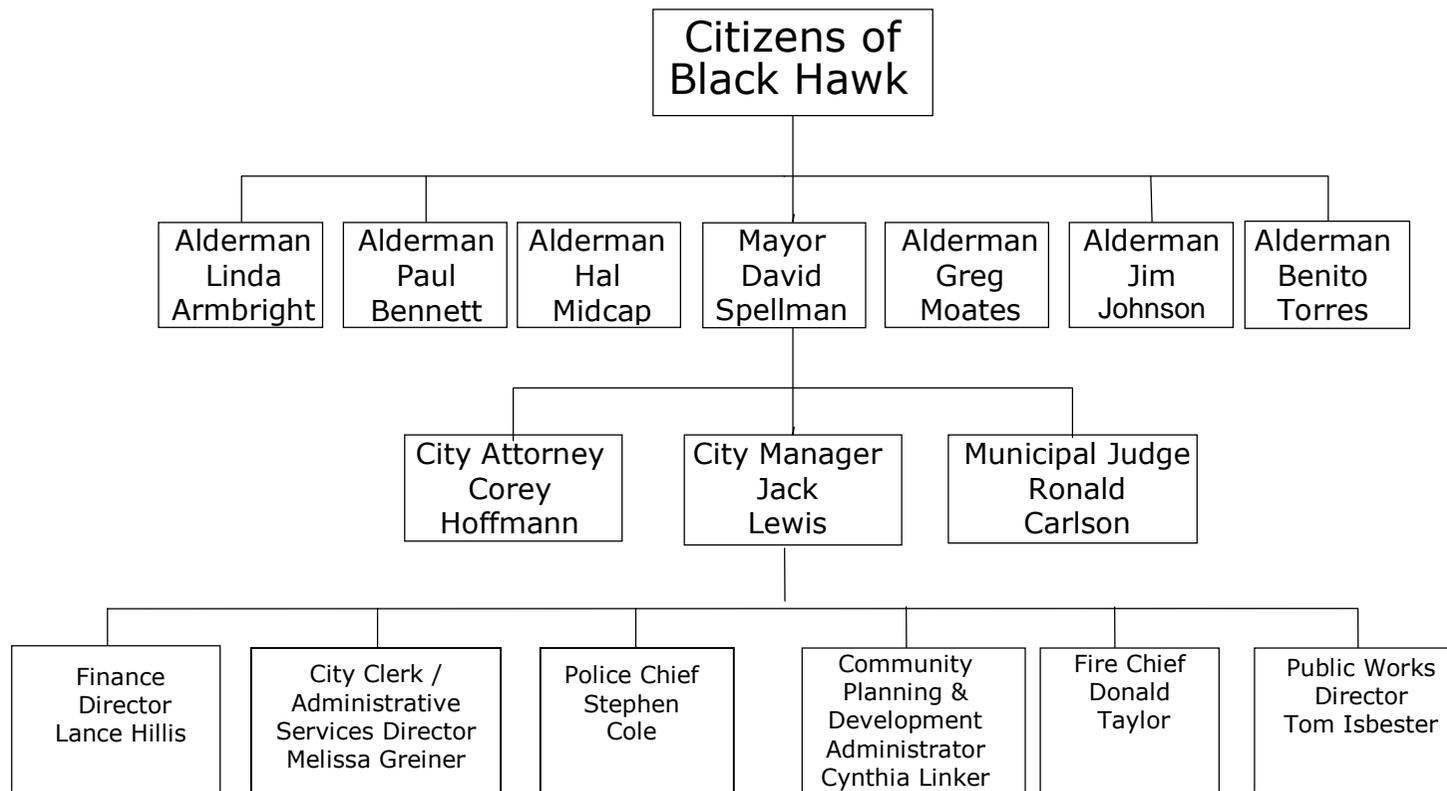
*In office since April 2006
Current term expires April
2018*

City of Black Hawk, Colorado

Appointed Principal Officials

December 31, 2014

<u>Name</u>	<u>Position</u>
Jack D. Lewis	City Manager
Melissa A. Greiner	City Clerk/Administrative Services Director
Lance R. Hillis	Finance Director
Donald E. Taylor	Fire Chief
Stephen N. Cole	Police Chief
Cynthia L. Linker	Community Planning and Development Administrator
Thomas Isbester	Public Works Director
Ronald Carlson	Judge, Municipal Court



As of December 31, 2014



Government Finance Officers Association

**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, 2013

Executive Director/CEO



City Council
City of Black Hawk
Black Hawk, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Black Hawk, Colorado, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 1.32 %, .95%, and .61%, respectively, the assets, fund balances, and revenues of the governmental funds. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Black Hawk, Colorado, is based solely 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 from material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 -16 and required supplementary information on pages 49 -52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

John Cutler & Associates, LLC

June 11, 2015

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, 2014. 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 \$123,513,010 (net position) for the calendar year reported.
- Total net position is comprised of the following:
 - (1) Capital assets, net of related debt, of \$115,603,015 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$10,276,027 are restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) There is unrestricted net position of (\$2,366,032).
- The City's governmental funds reported total ending fund balance of \$31,399,003 this year. This compares to the prior year ending fund balance of \$27,319,817 showing an increase of \$4,079,186 during the current year. Unassigned fund balance is \$10,920,414 at December 31, 2014.
- At the end of the current calendar year, unassigned fund balance for the general fund was \$10,920,414, or 73.92% of total general fund expenditures, excluding transfers.
- 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 Position*. 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 position*.

Over time, increases or decreases in net position 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 position 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 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 reports 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 position at year-end is \$123,513,010. The following table provides a summary of the City's net position:

Summary of Net Position

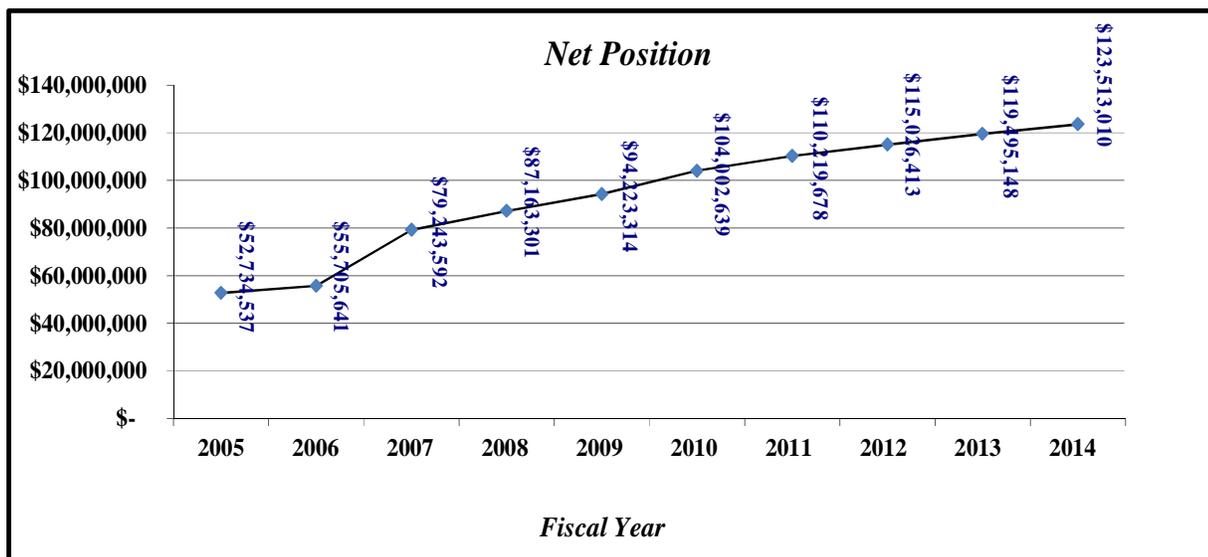
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets:						
Current assets	\$ 33,709,883	\$ 29,484,414	\$ 5,933,706	\$ 792,265	\$ 39,643,589	\$ 30,276,679
Other assets	-	-	-	-	-	-
Capital assets	79,952,858	77,312,732	36,207,873	33,438,158	116,160,731	110,750,890
Total assets	113,662,741	106,797,146	42,141,579	34,230,423	155,804,320	141,027,569
Deferred outflows	298,161	348,739	-	-	298,161	348,739
Liabilities:						
Current liabilities	4,033,601	3,069,406	623,629	360,552	4,657,230	3,429,958
Long-term liabilities	27,731,791	18,145,822	46,556	44,099	27,778,347	18,189,921
Total liabilities	31,765,392	21,215,228	670,185	404,651	32,435,577	21,619,879
Deferred inflows	153,894	261,281	-	-	153,894	261,281
Net position:						
Invested in capital assets, net of debt	79,395,142	76,600,278	36,207,873	33,438,158	115,603,015	110,038,436
Restricted	10,276,027	8,349,208	-	-	10,276,027	8,349,208
Unrestricted	(7,629,553)	719,890	5,263,521	387,614	(2,366,032)	1,107,504
Total net position	\$ 82,041,616	\$ 85,669,376	\$ 41,471,394	\$ 33,825,772	\$ 123,513,010	\$ 119,495,148

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 for 2014 is 8.4 to 1 as compared to a 9.6 to 1 at December 31, 2013. The current ratio for the business type activities at December 31, 2014 is 9.5 to 1. At December 31, 2013 the current ratio was 2.2 to 1. For the City overall, the 2014 current ratio is 8.5 to 1 as compared to 8.8 to 1 at December 31, 2013. These ratios are strong.

The City reported positive balances in net position for both governmental and business-type activities. Net position decreased by \$3,627,759 for governmental activities and increased by \$7,645,622 for business-type activities. The City's overall financial position improved during calendar year 2014.

Note that approximately 97% of the governmental activities' net position is tied up in capital. This compares to 89% at December 31, 2013. The City uses these capital assets to provide services to its citizens. However, with business type activities, the City has spent approximately 87.3% of its net position on capital as compared to 98.8% at December 31, 2013. Capital assets in the business-type activities also provide utility services, but they also generate revenues for the fund. 93.6% of the City's total net position is included in capital assets as compared to 92.1% at December 31, 2013.

The following chart reports the total net asset balances from calendar year 2005 - 2014.



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 Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program:						
Charges for services	\$ 702,888	\$ 622,803	\$ 2,792,603	\$ 2,984,365	\$ 3,495,491	\$ 3,607,168
Operating grants	3,515,797	3,471,659	-	-	3,515,797	3,471,659
Capital grants & contributions	400,431	1,525,291	-	-	400,431	1,525,291
General:						
Taxes	12,330,461	10,732,620	-	-	12,330,461	10,732,620
Intergovernmental	6,957,400	6,864,191	-	-	6,957,400	6,864,191
Other	1,098,539	1,306,333	84,750	17,067	1,183,289	1,323,400
Total revenues	25,005,516	24,522,897	2,877,353	3,001,432	27,882,869	27,524,329
Program Expenses:						
General government	6,053,960	6,163,795	-	-	6,053,960	6,163,795
Planning	640,850	603,619	-	-	640,850	603,619
Public safety	6,431,982	6,123,994	-	-	6,431,982	6,123,994
Public works	5,298,908	5,890,849	-	-	5,298,908	5,890,849
Culture and recreation	-	-	-	-	-	-
Interest	1,707,575	708,676	-	-	1,707,575	708,676
Water	-	-	3,731,731	3,564,661	3,731,731	3,564,661
Total expenses	20,133,275	19,490,933	3,731,731	3,564,661	23,865,006	23,055,594
Excess (deficiency)	4,872,241	5,031,964	(854,378)	(563,229)	4,017,863	4,468,735
Transfers	(8,500,000)	-	8,500,000	-	-	-
Changes in net position	(3,627,759)	5,031,964	7,645,622	(563,229)	4,017,863	4,468,735
Beginning net position	85,669,375	80,637,411	33,825,772	34,389,001	119,495,147	115,026,412
Ending net position	\$ 82,041,616	\$ 85,669,375	\$ 41,471,394	\$ 33,825,772	\$ 123,513,010	\$ 119,495,147

GOVERNMENTAL REVENUES

Gaming revenues provide the City's largest revenue stream. In 2014, the City recognized \$8,663,562 in device taxes levied on gaming devices located within the City's casinos compared to \$6,996,325 in 2013. This is an increase in revenue of 23.8%, however fees were increased 26.0% (\$195) from the previous year. The City also received \$6,957,400 from the State of Colorado for their share of the state gaming tax. This amount compares to \$6,864,191 in 2013. Although gaming activity in Black Hawk was lower in 2014, the 2014 amount is up 1.4% compared to 2013, due to an increase in the market share held by Black Hawk compared to the rest of the State. Finally, the City received \$3,496,881 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 \$3,457,536 in 2013 or a 1.1% increase.

In addition, the City relies on sales and use taxes to support governmental operations and capital. Sales and use taxes provided 12.9% of the City's total governmental revenues for 2014 as compared to 12.5% in 2013. The 2014 amount is \$57,327 less than the 2013 amount. Even with the City's healthy financial position improving, we have only been able to earn \$90,255 in interest earnings to support governmental activities as compared to \$39,931 in 2013. In 2014, program revenues covered just 22.9% of operating costs. This means that the government's taxpayers and the City's other general governmental revenues (e.g., device taxes) fund 77.1% 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

58.3% of the total costs relates to public safety and public works. Note that general government reported more program costs in 2014 than program revenues. 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 has been placed on the City's taxpayers by each of these functions.

Governmental Activities

	2014		2013	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 6,053,960	\$ 2,375,266	\$ 6,163,795	\$ 2,525,977
Planning	640,850	396,871	603,619	423,166
Public safety	6,431,982	6,375,271	6,123,994	6,076,471
Public works	5,298,908	4,659,176	5,890,849	4,136,890
Culture and recreation	-	-	-	-
Interest	1,707,575	1,707,575	708,676	708,676
Total	\$ 20,133,275	\$ 15,514,159	\$ 19,490,933	\$ 13,871,180

BUSINESS-TYPE ACTIVITIES

The City's only enterprise fund is the water fund. The Water Fund's net positions are \$41,471,394 at December 31, 2014 and \$33,825,772 at December 31, 2013 and were \$34,389,001 at December 31, 2012

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

Summary of Net Position

	December 31, 2014		December 31, 2013		December 31, 2012	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Assets:						
Current assets	\$ 5,933,706	14%	\$ 792,265	2%	\$ 909,967	3%
Other noncurrent assets	-	0%	-	0%	-	0%
Capital assets	36,207,873	86%	33,438,158	98%	33,735,236	97%
Total assets	42,141,579	100%	34,230,423	100%	34,645,203	100%
Liabilities:						
Current liabilities	623,629	93%	360,552	89%	197,620	77%
Noncurrent liabilities	46,556	7%	44,009	11%	58,582	23%
Total liabilities	670,185	100%	404,561	100%	256,202	100%
Net position:						
Invested in capital assets, net of debt	36,207,873	87%	33,438,158	99%	33,735,236	98%
Restricted	-	0%	-	0%	-	0%
Unrestricted	5,263,521	13%	387,614	1%	653,765	2%
Total net position	\$ 41,471,394	100%	\$ 33,825,772	100%	\$ 34,389,001	100%

(This section is continued on the subsequent page)

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

Summary of Changes in Net Position

	2014		2013		2012	
	Business-type Activities	Percentage of Total	Business-type Activities	Percentage of Total	Business-type Activities	Percentage of Total
Revenues:						
Charges for services:	\$ 2,792,603	97.1%	\$ 2,984,365	99.4%	\$ 2,982,990	99.1%
Capital contributions	-	0.0%	-	0.0%	-	0.0%
Investment earnings	9,050	0.3%	1,448	0.0%	10,658	0.4%
Other	75,700	2.6%	15,619	0.5%	17,900	0.6%
Total revenues	<u>2,877,353</u>	<u>100.0%</u>	<u>3,001,432</u>	<u>100.0%</u>	<u>3,011,548</u>	<u>100.0%</u>
Expenses:						
Personal services	811,585	21.7%	772,612	21.7%	776,187	23.1%
Professional services	1,241,455	33.3%	1,145,828	32.1%	930,719	27.7%
General services	230,503	6.2%	252,090	7.1%	248,998	7.4%
Purchased services	2,996	0.1%	17,409	0.5%	11,455	0.3%
Program services	19,408	0.5%	2,029	0.1%	4,266	0.0%
Supplies	40,058	1.1%	51,112	1.4%	43,540	1.3%
Repairs and maintenance	158,490	4.2%	286,532	8.0%	255,787	7.6%
Capital outlay - non-capitalized	222,507	6.0%	31,088	0.9%	116,436	3.5%
Depreciation	1,004,729	26.9%	1,005,961	28.2%	974,317	29.0%
Amortization	-	0.0%	-	0.0%	-	0.0%
Interest	-	0.0%	-	0.0%	-	0.0%
Total expenses	<u>3,731,731</u>	<u>100.0%</u>	<u>3,564,661</u>	<u>100.0%</u>	<u>3,361,705</u>	<u>99.9%</u>
Excess (deficiency)	(854,378)		(563,229)		(350,157)	
Transfers	<u>8,500,000</u>		<u>-</u>		<u>2,000,000</u>	
Net change	7,645,622		(563,229)		1,649,843	
Beginning net position	<u>33,825,772</u>		<u>34,389,001</u>		<u>32,739,158</u>	
Ending net position	<u>\$ 41,471,394</u>		<u>\$ 33,825,772</u>		<u>\$ 34,389,001</u>	

BUSINESS-TYPE ACTIVITIES

2014 Analysis – Base fees and tiered rates on consumption have not changed since 2009. Since 2011, Charges for services have remained flat with no new customers.

Total operating expenses increased approximately \$167,000 or 4.69% compared to 2013. Professional services continue to be high in 2014 due to the exploration of additional water supplies and storage, as well as defending the City's current water rights. Repairs and maintenance expenses experienced a decrease from the previous year due to replacement of a water treatment plant. The increase in non-capitalized capital outlay in 2014 is more due to 2013 being a low year, rather than 2014 being overly high.

With the increase in expenses in 2014, this fund reported an operating loss of \$863,428 as compared to an operating loss in 2013 of \$564,677. In total, net position decreased \$854,378 in 2014, primarily due to increased expenses and flat revenue.

2013 Analysis – Base fees and tiered rates on consumption have not changed since 2009. Since 2011, Charges for services have remained flat with no new customers.

Total operating expenses increased approximately \$202,900 or 6.04% compared to 2012. Professional services continue to be high in 2013 due to the exploration of additional water supplies and storage, as well as defending the City's current water rights. Repairs and maintenance expenses experienced an increase from the previous year due to planned and unplanned maintenance.

With the increase in expenses in 2013, this fund reported an operating loss of \$564,677 as compared to an operating loss in 2012 of \$360,815. In total, net position decreased \$563,229 in 2013, primarily due to increased expenses and flat revenue.

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 \$31,399,003 as compared to \$27,319,817 at December 31, 2013. The majority of this increase relates to:

- The general fund reported the receipt of \$12,000,000 from the issuance of Device tax revenue bonds.

Of this year-end total fund balance, \$10,276,027 is restricted (including \$5,370,486 for the preservation & restoration fund, \$2,692,875 for the debt service fund and \$1,496,458 for the impact fee fund), \$240,898 is nonspendable, \$9,961,664 is assigned (including \$9,671,041 for the capital projects fund and \$290,623 for Business Improvement District) and \$10,920,414 is unassigned.

The total ending fund balances of governmental funds show an increase of \$4,079,186 or 14.9% from the prior year. This compares to an increase of \$5,794,440 at December 31, 2013.

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 decreased by \$7,488,565 or 38.85% in 2014. In calendar year 2013, the fund balance increased \$9,926,693.

Total revenues increased by \$1,650,361 or 9.23% in 2014 as compared to an increase of \$338,989 or 1.93% in 2013. The two largest revenue categories are Taxes, which increased \$1,600,008 or 16.11% (due to an increase in fees) and Intergovernmental which increased by \$97,379 or 1.41%.

The majority of the City's revenues relate 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, even as the economy slowly improves, the gaming population continues to be a bit reserved, which converts to relatively flat activity. From 2013 to 2014, the average number of devices in the City experienced a small increase of 11 devices, going from 8,451 to 8,462. Part of this nominal increase relates to the inclusion of the games of craps and roulette, which require more space, although only charged a single fee for each table. Additionally, the amount of money wagered minus the amount paid out in prizes increased 1.36% in 2014 as compared to 2013. The 2014 amount is 3.58% below the record year set in 2007.

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 2014 was \$6,957,400 or a 1.36% increase from 2013.

Most other revenue streams were consistent with that of 2013.

Expenditures in total increased \$284,395 or 1.96%.

The Mayor and Council program services decreased due to the elimination of non-recurring capital expenditures.

City Manager expenditures for personal costs were up \$71,228 due to reorganization of the administrative services department. Professional fees increased \$91,194 due to additional legal fees and lobbying efforts.

MIS expenditures for personal services increased due to retirement of the IT Director and reorganization of the department.

Fire expenditures increased slightly due to staff pay increases resulting from market compensation comparisons.

Public Works expenditures did not change much from the previous year in total. Minor changes within certain functions is more the result of timing and one-time expenses as opposed to the addition or deletion of programs or services.

The general fund transferred \$8,500,000 to water fund for a treatment plant and water line, \$4,393,397 to the debt service fund for debt payments and \$12,000,000 to the capital projects fund for land acquisitions and the Gregory Street realignment. In 2013, the general fund transferred \$1,750,000 to the capital projects fund and \$2,354,523 to the debt service fund.

After transfers out to other funds, the fund balance decreased approximately \$7.489 million from 2013. The ending fund balance is considered adequate, representing the equivalent of 79.79% of annual expenditures, excluding transfers.

Preservation and Restoration Fund – During 2014, the City awarded preservation and restoration grants to City property owners totaling \$738,093, as compared to \$802,867 in 2013. The City expended approximately \$1.77 million on City owned preservation projects as compared to approximately \$4.87 million in 2013 due to the timing of capital projects. The City received preservation and restoration funding from the State totaling approximately \$3.50 million as compared to \$3.46 million in 2013.

Transportation Device Fee Fund – This fund received device fees of \$647,817 and transfers out of \$650,650 to the general fund.

Business Improvement District Fund – This fund reported property tax revenue of \$152,299. At December 31, 2014, this fund reported a fund balance of \$299,138 as compared to \$252,765 at December 31, 2013.

Capital Projects Fund – This fund reported intergovernmental income of \$400,431 representing Federal and State awards for transportation & communications and a transfer from the general fund of \$12,000,000. The fund spent \$3,729,603 on capital outlay, resulting in a year-end fund balance of \$9,671,041. The significant increase in fund balance will only be temporary as the City has capital projects planned that will use the majority of the existing fund balance.

Impact Fees Fund – In 2014, there were no impact fees recognized as revenue, nor any expenditures incurred.. At year-end, the December 31, 2014 fund balance was \$1,496,458.

Budgetary Highlights

The General Fund – The general fund's budget was not amended during 2014. 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 \$664,789 more than budgeted. Taxes exceeded budget by \$281,145. All other revenue categories also exceeded budget for 2014.

Total expenditures were under budget by \$580,919. The majority of the departments were under budget, with a few exceptions.

The city manager personal services line item was over budget due to a reorganization of staff.

The city clerk budget was exceeded due to additional costs related to promotional events.

The MIS budget was exceeded due to staff reorganization and the retirement of the Director.

The fire department exceeded budget due to significant overtime in personal services.

The public works department was under spent by \$595,133 due, in most part, to savings in professional services and general services..

The City spent 96.22% of the appropriated final budget, not including transfers.

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, 2014, was \$79,952,858 and \$36,207,873 respectively. The total increase in this net investment was 3.42% for governmental activities and a8.28% increase for business-type activities. The overall increase was 4.88% 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	
	2014	2013	2014	2013	2014	2013
Non-depreciable assets:						
Land	\$ 24,506,064	\$ 22,280,088	\$ 1,475,299	\$ 1,475,299	\$ 25,981,363	\$ 23,755,387
Works of art & historic treasures	1,099,310	1,099,310	-	-	1,099,310	1,099,310
Intangible assets	4,765,552	2,739,820	9,816,922	9,816,922	14,582,474	12,556,742
Construction in progress	2,511,348	3,332,744	4,525,097	750,652	7,036,445	4,083,396
Total non-depreciable	32,882,274	29,451,962	15,817,318	12,042,873	48,699,592	41,494,835
Depreciable assets:						
Buildings and improvements	30,369,757	29,038,850	-	-	30,369,757	29,038,850
Plant and equipment	-	-	27,829,431	27,829,431	27,829,431	27,829,431
Distribution system	-	-	5,849,886	5,849,886	5,849,886	5,849,886
Vehicles and equipment	7,698,808	7,146,170	446,373	446,373	8,145,181	7,592,543
Infrastructure	37,244,333	37,219,524	-	-	37,244,333	37,219,524
Total depreciable assets	75,312,898	73,404,544	34,125,690	34,125,690	109,438,588	107,530,234
Less accumulated depreciation	28,242,314	25,543,774	13,735,135	12,730,406	41,977,449	38,274,180
Book value - depreciable assets	47,070,584	47,860,770	20,390,555	21,395,284	67,461,139	69,256,054
Percentage depreciated	37%	35%	40%	37%	38%	36%
Book value - all assets	\$ 79,952,858	\$ 77,312,732	\$ 36,207,873	\$ 33,438,157	\$ 116,160,731	\$ 110,750,889

At December 31, 2014, the depreciable capital assets for governmental activities were 37% depreciated. This compares slightly up from the December 31, 2013 percentage of 35%. 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, 40% of the asset values were depreciated at December 31, 2014 compared to 37% at December 31, 2013.

In governmental activities, the intangible assets consist of preservation easements. The increase in the construction in progress relates to the following projects:

- Gregory Street Realignment - \$1,460,647

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 the following projects:

- Dory Hill Water treatment Plant - \$3,626,793

Long-term Debt

The following table presents the outstanding debt at December 31, 2014 and 2013.

	Outstanding Borrowings						% Change
	Governmental Activities		Business-type Activities		Totals		
	2014	2013	2014	2013	2014	2013	
Device fee revenue bonds	\$ 28,875,000	\$ 18,645,000	\$ -	\$ -	\$ 28,875,000	\$18,645,000	55%
Compensated absences	533,556	582,825	55,396	49,349	588,952	632,174	-7%
Total	\$ 29,408,556	\$19,227,825	\$ 55,396	\$ 49,349	\$ 29,463,952	\$19,277,174	53%

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 larger 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 disposable 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, 80422.

City of Black Hawk, Colorado
Statement of Net Position
December 31, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents (Note 3A)	\$ 29,529,086	\$ 5,670,043	\$ 35,199,129
Receivables:			
Accounts	97,277	263,663	360,940
Property taxes	153,894	-	153,894
Other taxes	1,019,302	-	1,019,302
Inventory	117,110	-	117,110
Prepaid items	124,052	-	124,052
Restricted assets	2,669,162	-	2,669,162
Total Current Assets	33,709,883	5,933,706	39,643,589
Noncurrent Assets			
Capital assets (Note 3D)			
Nondepreciable	32,882,274	15,817,318	48,699,592
Depreciable, net	47,070,584	20,390,555	67,461,139
Total Noncurrent Assets	79,952,858	36,207,873	116,160,731
Total Assets	113,662,741	42,141,579	155,804,320
Deferred Outflows of Resources			
Unamortized Debt Refunding Charges	298,161	-	298,161
Total Deferred Outflows of Resources	298,161	-	298,161
Liabilities			
Current Liabilities			
Accounts payable	609,993	577,646	1,187,639
Accrued expenses	636,333	37,143	673,476
Retainage payable	-	-	-
Accrued interest payable	106,473	-	106,473
Deposits payable	910,660	-	910,660
Compensated absences payable	85,142	8,840	93,982
Revenue bonds payable	1,685,000	-	1,685,000
Total Current Liabilities	4,033,601	623,629	4,657,230
Long-Term Liabilities (net of current portion): (Note 3F)			
Compensated absences payable	448,414	46,556	494,970
Revenue bonds payable	27,283,377	-	27,283,377
Total Long-term Liabilities	27,731,791	46,556	27,778,347
Total Liabilities	31,765,392	670,185	32,435,577
Deferred Inflows of Resources			
Property taxes	153,894	-	153,894
Total Deferred Inflows of Resources	153,894	-	153,894
Net Position			
Invested in capital assets (Note 3H)	79,395,142	36,207,873	115,603,015
Restricted for:			
Capital projects	1,496,458	-	1,496,458
Debt service	2,692,875	-	2,692,875
Preservation and restoration	5,370,486	-	5,370,486
Emergencies (Note 2D)	635,000	-	635,000
Other program purposes	81,208	-	81,208
Unrestricted	(7,629,553)	5,263,521	(2,366,032)
Total Net Position	\$ 82,041,616	\$ 41,471,394	\$ 123,513,010

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Statement of Activities
For the Year Ended December 31, 2014

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary Government							
Governmental Activities							
General government	\$ 6,053,960	\$ 180,672	\$ 3,498,022	\$ -	\$ (2,375,266)	\$ -	\$ (2,375,266)
Planning	640,850	243,979	-	-	(396,871)	-	(396,871)
Public safety	6,431,982	52,121	4,590	-	(6,375,271)	-	(6,375,271)
Public works	5,298,908	226,116	13,185	400,431	(4,659,176)	-	(4,659,176)
Interest	1,707,575	-	-	-	(1,707,575)	-	(1,707,575)
Total Governmental Activities	20,133,275	702,888	3,515,797	400,431	(15,514,159)	-	(15,514,159)
Business-Type Activities:							
Water	3,731,731	2,792,603	-	-	-	(939,128)	(939,128)
Total - Primary Government	\$ 23,865,006	\$ 3,495,491	\$ 3,515,797	\$ 400,431	(15,514,159)	(939,128)	(16,453,287)
		General Revenues					
		Property and specific ownership taxes			161,294	-	161,294
		Sales and use taxes			3,220,682	-	3,220,682
		Road and bridge taxes			90,711	-	90,711
		Device fee taxes			8,663,562	-	8,663,562
		Franchise taxes			176,667	-	176,667
		Other taxes			17,545	-	17,545
		Intergovernmental - gaming			6,957,400	-	6,957,400
		Investment earnings			90,255	9,050	99,305
		Miscellaneous			1,008,284	75,700	1,083,984
		Total General Revenues			20,386,400	84,750	20,471,150
		Transfers			(8,500,000)	8,500,000	-
		Change in Net Position			(3,627,759)	7,645,622	4,017,863
		Net Position Beginning of Year			85,669,375	33,825,772	119,495,147
		Net Position End of Year			\$ 82,041,616	\$ 41,471,394	\$ 123,513,010

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Balance Sheet
Governmental Funds
December 31, 2014

	General	Preservation & Restoration	Transportation Device Fee	Business Improvement District	Debt Service	Capital Projects	Impact Fee	Other Governmental Funds	Total Governmental Funds
Assets									
Cash and cash equivalents	\$ 12,195,575	\$ 5,678,901	\$ -	\$ 290,272	\$ 28,713	\$ 9,814,767	\$ 1,496,458	\$ 24,400	\$ 29,529,086
Cash and cash equivalents - restricted	-	-	-	5,000	2,664,162	-	-	-	2,669,162
Receivables:									
Accounts	96,315	-	-	962	-	-	-	-	97,277
Property taxes	8,499	-	-	145,395	-	-	-	-	153,894
Other taxes	962,494	-	56,808	-	-	-	-	-	1,019,302
Inventory	117,110	-	-	-	-	-	-	-	117,110
Prepaid items	120,273	264	-	3,515	-	-	-	-	124,052
Total Assets	\$ 13,500,266	\$ 5,679,165	\$ 56,808	\$ 445,144	\$ 2,692,875	\$ 9,814,767	\$ 1,496,458	\$ 24,400	\$ 33,709,883
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	\$ 374,929	\$ 90,727	\$ -	\$ 611	\$ -	\$ 143,726	\$ -	\$ -	\$ 609,993
Grant tax payable	-	217,952	-	-	-	-	-	-	217,952
Retainage payable	-	-	-	-	-	-	-	-	-
Accrued expenditures	418,381	-	-	-	-	-	-	-	418,381
Deposits payable	910,660	-	-	-	-	-	-	-	910,660
Total Liabilities	1,703,970	308,679	-	611	-	143,726	-	-	2,156,986
Deferred Inflows of Resources									
Property taxes	8,499	-	-	145,395	-	-	-	-	153,894
Notes receivable	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	8,499	-	-	145,395	-	-	-	-	153,894
Fund Balances (Deficits)									
Restricted	630,000	5,370,486	56,808	5,000	2,692,875	-	1,496,458	24,400	10,276,027
Nonspendable	237,383	-	-	3,515	-	-	-	-	240,898
Assigned	-	-	-	290,623	-	9,671,041	-	-	9,961,664
Unassigned	10,920,414	-	-	-	-	-	-	-	10,920,414
Total Fund Balances (Deficits)	11,787,797	5,370,486	56,808	299,138	2,692,875	9,671,041	1,496,458	24,400	31,399,003
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 13,500,266	\$ 5,679,165	\$ 56,808	\$ 445,144	\$ 2,692,875	\$ 9,814,767	\$ 1,496,458	\$ 24,400	\$ 33,709,883

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 Position
December 31, 2014

Total Governmental Fund Balances	\$	31,399,003
 Amounts reported for governmental activities in the statement of net position 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	\$ 108,195,174	
Less accumulated depreciation	<u>(28,242,316)</u>	79,952,858
Long-term notes receivable are not available to pay current period expenditures and therefore are deferred in the funds.		
		-
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 position.		
Premiums, discounts and refundings	<u>\$ 204,784</u>	204,784
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 position.		
Revenue bonds	\$ (28,875,000)	
Accrued interest	(106,473)	
Compensated absences	<u>(533,556)</u>	<u>(29,515,029)</u>
Net Position of Governmental Activities	\$	<u>82,041,616</u>

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, 2014

	General	Preservation & Restoration	Transportation Device Fee	Business Improvement District	Debt Service	Capital Projects	Impact Fee	Other Governmental Funds	Total Governmental Funds
Revenues									
Taxes	\$ 11,530,345	\$ -	\$ 647,817	\$ 152,299	\$ -	\$ -	\$ -	\$ -	\$ 12,330,461
Intergovernmental	6,985,350	3,496,881	-	-	-	400,431	-	1,141	10,883,803
Licenses and permits	168,458	-	-	-	-	-	-	-	168,458
Charges for services	482,309	-	-	-	-	-	-	-	482,309
Fines and forfeitures	52,121	-	-	-	-	-	-	-	52,121
Investment earnings	45,621	10,709	272	751	16,913	12,231	3,699	59	90,255
Miscellaneous	263,385	36,063	-	-	-	734,500	-	-	1,033,948
Total Revenues	19,527,589	3,543,653	648,089	153,050	16,913	1,147,162	3,699	1,200	25,041,355
Expenditures									
Current:									
General government	4,707,383	738,093	-	106,677	-	-	-	-	5,552,153
Planning	643,596	-	-	-	-	-	-	-	643,596
Public safety	6,074,576	-	-	-	-	-	-	-	6,074,576
Public works	3,347,852	-	-	-	-	-	-	-	3,347,852
Capital Outlay	-	1,767,315	-	-	-	3,729,603	-	-	5,496,918
Debt Service:									
Principal retirement	-	-	-	-	1,770,000	-	-	-	1,770,000
Interest and fiscal charges	-	-	-	-	1,577,074	-	-	-	1,577,074
Total Expenditures	14,773,407	2,505,408	-	106,677	3,347,074	3,729,603	-	-	24,462,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,754,182	1,038,245	648,089	46,373	(3,330,161)	(2,582,441)	3,699	1,200	579,186
Other Financing Sources (Uses)									
Transfers in	650,650	-	-	-	4,393,397	12,000,000	-	-	17,044,047
Transfers out	(24,893,397)	-	(650,650)	-	-	-	-	-	(25,544,047)
Device tax bonds issued	12,000,000	-	-	-	-	-	-	-	12,000,000
Total Other Financing Sources (Uses)	(12,242,747)	-	(650,650)	-	4,393,397	12,000,000	-	-	3,500,000
Net Change in Fund Balances	(7,488,565)	1,038,245	(2,561)	46,373	1,063,236	9,417,559	3,699	1,200	4,079,186
Fund Balances Beginning of Year	19,276,362	4,332,241	59,369	252,765	1,629,639	253,482	1,492,759	23,200	27,319,817
Fund Balances End of Year	\$ 11,787,797	\$ 5,370,486	\$ 56,808	\$ 299,138	\$ 2,692,875	\$ 9,671,041	\$ 1,496,458	\$ 24,400	\$ 31,399,003

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, 2014

Net Changes In Fund Balances - Total Governmental Funds \$ 4,079,186

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	\$ (2,698,540)	
Capital outlay	<u>5,338,666</u>	2,640,126

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 @ 12/31/13	(35,839)	
Deferred @ 12/31/14	<u>-</u>	(35,839)

Accrued interest is reported in the statement of activities, but does not require the use of financial resources and therefore are not reported as expenditures in governmental funds.

Liability @ 12/31/14	\$ 84,507	
Liability @ 12/31/13	<u>10,983</u>	(95,490)

Deferred losses, premiums and discounts on bond issues 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 position.

(35,011)

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

1,770,000

Issuance of long-term debt provides current financial resources to governmental funds, however issuance creates additional long-term liabilities in the statement of net position.

(12,000,000)

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 @ 12/31/14	\$ (533,556)	
Liability @ 12/31/13	<u>582,825</u>	<u>49,269</u>

Change In Net Position of Governmental Activities

\$ (3,627,759)

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Water Fund
Comparative Statement of Net Position
December 31, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Cash and cash equivalents	\$ 5,670,043	\$ 384,058
Accounts receivable	263,663	408,207
Total Current Assets	5,933,706	792,265
Noncurrent Assets:		
Capital assets:		
Nondepreciable	15,817,318	12,042,873
Depreciable, net	20,390,555	21,395,285
Total Noncurrent Assets	36,207,873	33,438,158
Total Assets	42,141,579	34,230,423
Liabilities		
Current Liabilities:		
Accounts payable	577,646	321,393
Retainage payable	-	-
Accrued expenses	37,143	33,909
Compensated absences payable	8,840	5,250
Total Current Liabilities	623,629	360,552
Long-Term Liabilities (net of current portion):		
Compensated absences payable	46,556	44,099
Total Long-Term Liabilities	46,556	44,099
Total Liabilities	670,185	404,651
Net Position		
Invested in capital assets	36,207,873	33,438,158
Unrestricted	5,263,521	387,614
Total Net Position	\$ 41,471,394	\$ 33,825,772

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Water Fund
Statement of Revenues, Expenses
and Changes in Net Position
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating Revenues		
Charges for services	\$ 2,792,603	\$ 2,984,365
Miscellaneous	75,700	15,619
Total Operating Revenues	<u>2,868,303</u>	<u>2,999,984</u>
Operating Expenses		
Personal services	811,585	772,612
Professional services	1,241,455	1,145,828
General services	230,503	252,090
Program services	2,996	2,029
Purchased services	19,408	17,409
Supplies	40,058	51,112
Repairs and maintenance	158,490	286,532
Capital outlay - non-capitalized	222,507	31,088
Depreciation	1,004,729	1,005,961
Total Operating Expenses	<u>3,731,731</u>	<u>3,564,661</u>
Operating Income (Loss)	<u>(863,428)</u>	<u>(564,677)</u>
Non-Operating Revenues (Expenses)		
Investment earnings	9,050	1,448
Total Non-Operating Revenues (Expenses)	<u>9,050</u>	<u>1,448</u>
(Loss) Before Transfers In	(854,378)	(563,229)
Transfers in	8,500,000	-
Change in Net Position	7,645,622	(563,229)
Net Position Beginning of Year	<u>33,825,772</u>	<u>34,389,001</u>
Net Position End of Year	<u>\$ 41,471,394</u>	<u>\$ 33,825,772</u>

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, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 3,012,847	\$ 2,961,415
Cash payments for personal services	(805,538)	(785,839)
Cash payments for goods and services	(1,655,930)	(1,624,412)
Net Cash (Used in) Operating Activities	<u>551,379</u>	<u>551,164</u>
Cash Flows from Noncapital Financing Activities		
Transfers in	<u>8,500,000</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities		
Payments for capital acquisitions	<u>(3,774,445)</u>	<u>(708,883)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(3,774,445)</u>	<u>(708,883)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>9,050</u>	<u>1,448</u>
Net Increase (Decrease) in Cash and Cash Equivalents	5,285,984	(156,271)
Cash and Cash Equivalents Beginning of Year	<u>384,058</u>	<u>540,329</u>
Cash and Cash Equivalents End of Year	<u>\$ 5,670,042</u>	<u>\$ 384,058</u>
Reconciliation to Cash and Cash Equivalents:		
Unrestricted	\$ 5,670,043	\$ 384,058
Restricted	<u>-</u>	<u>-</u>
Total Cash and Cash Equivalents	<u>\$ 5,670,043</u>	<u>\$ 384,058</u>

City of Black Hawk, Colorado
Water Fund
Statement of Cash Flows
For the Years Ended December 31, 2014 and 2013

(Continued)

	2014	2013
Reconciliation of Operating Income (Loss) to Net Cash (Used in) Operating Activities		
Operating Income (Loss)	\$ (863,428)	\$ (564,677)
Adjustments:		
Depreciation	1,004,729	1,005,961
(Increase) Decrease in Assets:		
Accounts receivable	144,544	(38,569)
Prepaid items	-	-
Increase (Decrease) in Liabilities:		
Accounts payable	256,253	163,212
Retainage payable	-	(4,583)
Accrued expenses	3,234	3,047
Compensated absences payable	6,047	(13,227)
Net Cash (Used in) Operating Activities	\$ 551,379	\$ 551,164

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, 2014

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City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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 principles.

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 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 2014, the Renewal Authority had no financial activity.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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 position 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 position 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 position presents the financial position of the governmental and business-type activities of the City and its 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:

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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 Device Fee Fund – This fund accounts for the collection of device fees levied on all gaming devices within the City to finance transportation services. All transportation expenditures are reported in the General fund and are funded from transfers from this fund.

Business Improvement District Fund – This fund accounts for marketing and the construction of public improvements to the commercial district and is funded by the imposition of property taxes and device fees on the casinos within its boundaries.

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 position, 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 position. 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 position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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 2013 is revenue for the 2014 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 position 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.

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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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, 2014.

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 position, 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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 1 - Summary of Significant Accounting Policies (Continued)

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 position 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 position and in the enterprise fund's statement of net position.

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.

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

Asset Class	Estimated Lives	
	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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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

On the government-wide statement of net position and the proprietary fund type statement of net position, unamortized bond premiums and discounts are netted against bonds payable. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts 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.

1-E-10 Deferred Outflows/Inflows of Resources

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

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

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-11 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 position.” In fiscal year 2011, the City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

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

- **Investment in Capital Assets** is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.
- **Restricted Net Position** are liquid assets, which have third party limitations on their use.
- **Unrestricted Net Position** represent assets that do not have any third party limitation on their use. While City management may have categorized and segmented portion for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions.

Fund Balance – Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances 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.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Aldermen through the approval of a resolution. Only, the City Aldermen also may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the City Aldermen to be used for a specific purpose.
- **Unassigned** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City’s policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-12 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-13 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).

1-E-14 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 \$945 per device for 2014. The annual transportation device tax is \$77 per device.

1-E-15 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.

1-E-16 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-17 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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-18 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-19 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. 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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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, 2014, the carrying amount of the City's deposits was \$28,808,096 and the bank balance was \$28,772,856. Of the bank balance, \$261,960 was covered by federal deposit insurance and \$28,510,896 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).

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
Money market accounts	\$ 202,407
Colotrust state investment pool	8,856,688
Total	\$ 9,059,095

The money market accounts are made up of forfeited non-vested employer 401 contributions with ICMA Retirement Corporation. These funds are available to be used towards future employer 401 contributions. As of December 31, 2014 the City 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. Colotrust, a local government investment pool that the City invests in, is rated AAAM by Standard & Poor's. This pool is rated AAA by Fitch and Moody's. The money market account is invested exclusively in Colotrust. The maturity schedules for the above investments are less than one year. The City has no policy regarding credit risk.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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.

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 has all investments in a local government investment pool, Colotrust.

Cash and Investment Reconciliation

Petty cash	\$ 1,100
Deposits	28,808,096
Investments	<u>9,059,095</u>
Total Cash and Investments	<u><u>\$ 37,868,291</u></u>
Fund Reporting Level	
Governmental fund type - balance sheet	\$ 29,529,086
Governmental fund type - balance sheet - restricted	2,669,162
Proprietary fund type - statement of net assets	<u>5,670,043</u>
Total	<u><u>\$ 37,868,291</u></u>

3-B. Receivables

Receivables at December 31, 2014, 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.

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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

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

	Balance 1/1/2014	Additions	Deductions	Balance 12/31/2014
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 22,280,088	\$ 2,225,976	\$ -	\$ 24,506,064
Works of art and historical treasures	1,099,310	-	-	1,099,310
Intangible	2,739,820	2,025,732	-	4,765,552
Construction in progress	3,332,744	2,481,596	3,302,992	2,511,348
Total nondepreciable capital assets	29,451,962	6,733,304	3,302,992	32,882,274
Depreciable capital assets:				
Buildings and improvements	29,038,850	1,330,907	-	30,369,757
Vehicles and equipment	7,146,170	552,638	-	7,698,808
Infrastructure	37,219,524	24,809	-	37,244,333
Total depreciable capital assets	73,404,544	1,908,354	-	75,312,898
Total capital assets	102,856,506	8,641,658	3,302,992	108,195,172
Accumulated depreciation:				
Buildings and improvements	7,464,166	1,044,408	-	8,508,574
Vehicles and equipment	5,441,154	510,118	-	5,951,272
Infrastructure	12,638,454	1,144,014	-	13,782,468
Total accumulated depreciation	25,543,774	2,698,540	-	28,242,314
Governmental activities capital assets, net	\$ 77,312,732	\$ 5,943,118	\$ 3,302,992	\$ 79,952,858

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Governmental activities depreciation expense

General government	\$ 538,064
Public safety	353,878
Public works	<u>1,806,598</u>
Total governmental activities depreciation expense	<u><u>\$ 2,698,540</u></u>

Capital asset activities for the water fund for the year ended December 31, 2014, was as follows:

	Balance 1/1/2014	Additions	Deductions	Balance 12/31/2014
Business-type activities:				
Nondepreciable capital assets				
Land	\$ 1,475,299		\$ -	\$ 1,475,299
Water rights	9,816,922	-	-	9,816,922
Construction in progress	750,652	3,774,445	-	<u>4,525,097</u>
Total nondepreciable capital assets	<u>12,042,873</u>	<u>3,774,445</u>	<u>-</u>	<u>15,817,318</u>
Depreciable capital assets:				
Plant and equipment	27,829,431	-	-	27,829,431
Distribution system	5,849,886	-	-	5,849,886
Vehicles and equipment	446,373	-	-	<u>446,373</u>
Total depreciable capital assets	<u>34,125,690</u>	<u>-</u>	<u>-</u>	<u>34,125,690</u>
Total capital assets	<u>46,168,563</u>	<u>3,774,445</u>	<u>-</u>	<u>49,943,008</u>
Accumulated depreciation:				
Plant and equipment	8,481,531	780,374	-	9,261,905
Distribution system	3,912,264	201,012	-	4,113,276
Vehicles and equipment	336,611	23,343	-	<u>359,954</u>
Total accumulated depreciation	<u>12,730,406</u>	<u>1,004,729</u>	<u>-</u>	<u>13,735,135</u>
Business-type activities capital assets, net	<u><u>\$ 33,438,157</u></u>	<u><u>\$ 2,769,716</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 36,207,873</u></u>

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Interfund Transfers

Interfund Transfers - Interfund transfers for the year ended December 31, 2014, consisted of the following:

Transfer to	Transfers from:		
	General fund	Transportation Device Fee fund	Total
Debt service fund	\$ 4,393,397	\$ -	\$ 4,393,397
Water fund	8,500,000	-	8,500,000
Capital Projects fund	12,000,000		12,000,000
General fund	-	650,650	650,650
Total	\$ 24,893,397	\$ 650,650	\$ 25,544,047

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, 2014.

2006 Device Tax Revenue Refunding Bonds, Series 2006A - 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 and to partially advance refund the 1998 Device Tax Revenue Bonds in the amount of \$11,580,000. The Series 2006A bonds carry a 5% interest rate with a final maturity on December 1, 2021. The Series 2006 B were retired in 2011.

Annual debt service requirements to amortize this debt, as of December 31, 2014 follow:

Year	Series A		
	Principal	Interest	Total
2015	935,000	381,250	1,316,250
2016	980,000	334,500	1,314,500
2017	1,035,000	285,500	1,320,500
2018	1,085,000	233,750	1,318,750
2019	1,140,000	179,500	1,319,500
2020-2021	2,450,000	185,250	2,635,250
Total	\$ 7,625,000	\$ 1,599,750	\$ 9,224,750

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

2013 Device Tax Revenue Bonds, Series 2013 - On December 18, 2013, the City issued device tax revenue bonds, in the amount of \$10,000,000, to acquire certain water rights and replace a water treatment plant. The Series 2013 bonds carry an interest rate of 4.17% with final maturity on December 1, 2033.

Annual debt service requirements to amortize this debt, as of December 31, 2014 follow:

Year	Series A		
	Principal	Interest	Total
2015	-	417,000	417,000
2016	135,000	417,000	552,000
2017	410,000	411,371	821,371
2018	430,000	394,273	824,273
2019	445,000	376,342	821,342
2020-2033	8,580,000	2,917,750	11,497,750
Total	<u>\$ 10,000,000</u>	<u>\$ 4,933,736</u>	<u>\$ 14,933,736</u>

2014 Device Tax Revenue Bonds, Series 2014A - On January 9, 2014, the City issued device tax revenue bonds, in the amount of \$10,000,000, to fund certain road and infrastructure improvements along Gregory Street. The Series 2014A bonds carry an interest rate of 4.23% with final maturity on December 1, 2033.

Annual debt service requirements to amortize this debt, as of December 31, 2014 follow:

Year	Series A		
	Principal	Interest	Total
2015	-	423,000	423,000
2016	150,000	423,000	573,000
2017	410,000	416,655	826,655
2018	420,000	399,312	819,312
2019	445,000	381,546	826,546
2020-2033	8,575,000	2,965,230	11,540,230
Total	<u>\$ 10,000,000</u>	<u>\$ 5,008,743</u>	<u>\$ 15,008,743</u>

2014 Device Tax Revenue Bonds, Series 2014B - On January 9, 2014, the City issued device tax revenue bonds, in the amount of \$2,000,000, to fund certain road and infrastructure improvements along Gregory Street. The Series 2014B bonds carry an interest rate of 6.65% with final maturity on December 1, 2016.

Annual debt service requirements to amortize this debt, as of December 31, 2014 follow:

Year	Series B		
	Principal	Interest	Total
2015	750,000	56,427	806,427
2016	500,000	21,600	521,600
Total	<u>\$ 1,250,000</u>	<u>\$ 78,027</u>	<u>\$ 1,328,027</u>

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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, 2014:

Governmental Activities	<u>Outstanding 1/1/2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding 12/31/2014</u>	<u>Amounts Due in One Year</u>
2004 Device Tax Revenue Refunding Bonds	\$ 135,000	\$ -	\$ 135,000	\$ -	\$ -
2006 Device Tax Revenue Refunding Bonds - Series A	8,510,000	-	885,000	7,625,000	935,000
2013 Device Tax Revenue Bonds	10,000,000	-	-	10,000,000	-
2014A Device Tax Revenue Bonds	-	10,000,000	-	10,000,000	-
2014B Device Tax Revenue Bonds	-	2,000,000	750,000	1,250,000	750,000
Bond discounts	(2,424)	-	(619)	(1,805)	-
Bond premiums	108,943	-	13,761	95,182	-
Total Bonds	18,751,519	12,000,000	1,783,142	28,968,377	1,685,000
Bond Refunding	(346,314)	-	(48,153)	(298,161)	
Compensated Absences	582,825	567,557	616,826	533,556	85,142
Total Governmental Activities	\$ 18,988,030	\$ 12,567,557	\$ 2,351,815	\$ 29,203,772	\$ 1,770,142
Business-Type Activities					
Compensated Absences	49,349	59,153	53,106	55,396	8,840
Total Business-Type Activities	\$ 49,349	\$ 59,153	\$ 53,106	\$ 55,396	\$ 8,840

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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 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.

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, 2014, 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, up to 6.00% of the plan members' compensation is withheld and remitted to the Plan Administrator along with the matching payment of 6.00% 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 for the years ended December 31, 2014, 2013, and 2012 were \$259,997, \$258,185, and \$240,479 and the City's contributions were \$296,997, \$300,738 and \$277,025 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, 2014, 2013, and 2012 were \$128,456, \$122,644, and \$128,790 respectively, equal to the City's required contributions for each year. At December 31, 2014, there were 19 plan members.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

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 position as of December 31, 2014 are as follows:

	Governmental Activities	Business - Type Activities
Invested in capital assets, net of related debt:		
Cost of capital assets	\$ 108,195,174	\$ 49,943,009
Less accumulated depreciation	28,242,316	13,735,136
Book value	79,952,858	36,207,873
Less capital related debt (net of premiums, (discounts) and (refunding amounts))	557,716	-
 Invested in capital assets, net of related debt	 \$ 79,395,142	 \$ 36,207,873

3-I. Fund Equity

Fund Balances - Fund Balance are classified as follows:

- **Nonspendable** - The following fund balances are nonspendable because they are not in a spendable form:

General Fund:

Inventory.....	<u>\$ 117,110</u>
Prepaid Items	<u>\$ 120,273</u>

Business Improvement District Fund:

Prepaid Items	<u>\$ 3,515</u>
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- **Restricted** - The following fund balances are legally restricted to specific purposes:

General Fund:

Emergency purposes.....	<u>\$ 630,000</u>
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Major Special Revenue Funds:

Preservation and Restoration Fund:

Preservation and restoration purposes	<u>\$ 5,370,486</u>
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Transportation Device Fee Trust Fund:

Transportation purposes	<u>\$ 56,808</u>
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Business Improvement District Fund:

Emergency purposes.....	<u>\$ 5,000</u>
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Nonmajor Special Revenue Funds:

Conservation Trust Fund:

Parks, recreation and open space purposes	<u>\$ 24,400</u>
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City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 3 - Detailed Notes on All Funds (Continued)

Major Debt Services Fund:

Debt Service Fund:

Repayment of debt principal and interest \$ 2,692,875

Major Capital Projects Funds:

Impact Fees Fund:

Parking, Fire and Police purposes \$ 1,496,458

- **Assigned** - The following fund balances are assigned by management for specific purposes:

Major Business Improvement District Funds:

Business Improvement Districts Fund:

District Enhancements \$ 290,623

Major Capital Projects Funds:

Capital Projects Fund:

Capital purposes \$ 9,671,041

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 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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 4 – Other Notes (Continued)

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, 2014. In the opinion of City management, the outcome of these contingencies will not have a material effect on the financial position of the City.

4-C. Subsequent Events

Significant 2014 budget authority has been appropriated for 2015 to complete capital projects initiated in 2014 for both the Capital Fund and the Preservation and Restoration Fund.

City of Black Hawk, Colorado
Required Supplementary Information
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes	\$ 11,249,200	\$ 11,249,200	\$ 11,530,345	\$ 281,145	\$ 9,930,337
Intergovernmental	6,922,500	6,922,500	6,985,350	62,850	6,887,971
Licenses and permits	57,300	57,300	168,458	111,158	118,014
Charges for services	411,500	411,500	482,309	70,809	457,016
Fines and forfeitures	52,000	52,000	52,121	121	47,523
Investment earnings	20,000	20,000	45,621	25,621	20,390
Miscellaneous	150,300	150,300	263,385	113,085	415,977
Total Revenues	18,862,800	18,862,800	19,527,589	664,789	17,877,228
Expenditures					
Current:					
General government	4,660,185	4,660,185	4,707,383	(47,198)	4,714,101
Planning	643,533	643,533	643,596	(63)	602,976
Public safety	6,107,623	6,107,623	6,074,576	33,047	5,801,721
Public works	3,942,985	3,942,985	3,347,852	595,133	3,370,214
Total Expenditures	15,354,326	15,354,326	14,773,407	580,919	14,489,012
Excess of Revenues Over Expenditures	3,508,474	3,508,474	4,754,182	1,245,708	3,388,216
Other Financing Sources (Uses)					
Transfers in	650,650	650,650	650,650	-	643,000
Transfers out	(24,641,156)	(24,641,156)	(24,893,397)	(252,241)	(4,104,523)
Device tax bonds issued	12,000,000	12,000,000	12,000,000	-	10,000,000
Total Other Financing Sources (Uses)	(11,990,506)	(11,990,506)	(12,242,747)	(252,241)	6,538,477
Net Change in Fund Balances	\$ (8,482,032)	\$ (8,482,032)	(7,488,565)	\$ 993,467	9,926,693
Fund Balances Beginning of Year			19,276,362		9,349,669
Fund Balances End of Year			\$ 11,787,797		\$ 19,276,362

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
Required Supplementary Information
Preservation & Restoration Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
 (With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	\$ 3,500,000	\$ 3,500,000	\$ 3,496,881	\$ (3,119)	\$ 3,457,536
Charges for services	100	100	-	(100)	250
Investment earnings	13,300	13,300	10,709	(2,591)	11,039
Miscellaneous	36,064	36,064	36,063	(1)	216,377
Total Revenues	3,549,464	3,549,464	3,543,653	(5,811)	3,685,202
Expenditures					
Current:					
Grants	39,150	39,150	738,093	(698,943)	802,867
Capital Outlay	2,925,740	2,925,740	1,767,315	1,158,425	4,866,395
Total Expenditures	2,964,890	2,964,890	2,505,408	459,482	5,669,262
Excess (Deficiency) of Revenues Over (Under) Expenditures	584,574	584,574	1,038,245	453,671	(1,984,060)
Other Financing Uses					
Transfers out	-	-	-	-	-
Net Change in Fund Balances	\$ 584,574	\$ 584,574	1,038,245	\$ 453,671	(1,984,060)
Fund Balances Beginning of Year			4,332,241		6,316,301
Fund Balances End of Year			\$ 5,370,486		\$ 4,332,241

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
Required Supplementary Information
Transportation Device Fee Trust Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes	\$ 650,650	\$ 650,650	\$ 647,817	\$ (2,833)	\$ 646,520
Investment earnings	450	450	272	(178)	586
Total Revenues	<u>651,100</u>	<u>651,100</u>	<u>648,089</u>	<u>(3,011)</u>	<u>647,106</u>
Expenditures					
Current:					
Public Works	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	651,100	651,100	648,089	(3,011)	647,106
Other Financing Sources (Uses)					
Transfers Out	<u>(650,650)</u>	<u>(650,650)</u>	<u>(650,650)</u>	<u>-</u>	<u>(643,000)</u>
Net Change in Fund Balances	<u>\$ 450</u>	<u>\$ 450</u>	<u>(2,561)</u>	<u>\$ (3,011)</u>	<u>4,106</u>
Fund Balances Beginning of Year			<u>59,369</u>		<u>55,263</u>
Fund Balances End of Year			<u>\$ 56,808</u>		<u>\$ 59,369</u>

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
Required Supplementary Information
Business Improvement District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes	\$ 149,730	\$ 149,730	\$ 152,299	\$ 2,569	\$ 155,763
Special assessments	-	-	-	-	-
Investment earnings	500	500	751	251	194
Miscellaneous	-	-	-	-	-
Total Revenues	150,230	150,230	153,050	2,820	155,957
Expenditures					
Current:					
General government	237,250	237,250	106,677	130,573	75,787
Debt Service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	237,250	237,250	106,677	130,573	75,787
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (87,020)</u>	<u>\$ (87,020)</u>	46,373	<u>\$ 133,393</u>	80,170
Fund Balances Beginning of Year			252,765		172,595
Fund Balances End of Year			<u>\$ 299,138</u>		<u>\$ 252,765</u>

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, 2014

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, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	\$ 12,195,575	\$ 18,883,178
Receivables:		
Accounts	96,315	80,074
Property taxes	8,499	8,600
Other taxes	962,494	824,731
Inventory	117,110	135,505
Prepaid items	120,273	248,978
Total Assets	<u>\$ 13,500,266</u>	<u>\$ 20,181,066</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	\$ 374,929	\$ 525,710
Retainage payable	-	1,650
Accrued expenditures	418,381	367,744
Refundable deposits	910,660	1,000
Total Liabilities	<u>1,703,970</u>	<u>896,104</u>
Deferred Inflows of Resources		
Property taxes	8,499	8,600
Total Deferred Inflows of Resources	<u>8,499</u>	<u>8,600</u>
Fund Balances		
Restricted	630,000	806,000
Nonspendable	237,383	384,483
Assigned	-	-
Unassigned	10,920,414	18,085,879
Total Fund Balances	<u>11,787,797</u>	<u>19,276,362</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 13,500,266</u>	<u>\$ 20,181,066</u>

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, 2014 and 2013

	2014	2013
Revenues		
Taxes	\$ 11,530,345	\$ 9,930,337
Intergovernmental	6,985,350	6,887,971
Licenses and permits	168,458	118,014
Charges for services	482,309	457,016
Fines and forfeitures	52,121	47,523
Investment earnings	45,621	20,390
Miscellaneous	263,385	415,977
Total Revenues	19,527,589	17,877,228
Expenditures		
Current:		
General government	4,707,383	4,714,101
Planning	643,596	602,976
Public safety	6,074,576	5,801,721
Public works	3,347,852	3,370,214
Total Expenditures	14,773,407	14,489,012
Excess of Revenues Over Expenditures	4,754,182	3,388,216
Other Financing Sources (Uses)		
Transfers in	650,650	643,000
Transfers out	(24,893,397)	(4,104,523)
Device tax bonds issued	12,000,000	10,000,000
Total Other Financing Sources (Uses)	(12,242,747)	6,538,477
Net Change in Fund Balances	(7,488,565)	9,926,693
Fund Balances Beginning of Year	19,276,362	9,349,669
Fund Balances End of Year	\$ 11,787,797	\$ 19,276,362

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, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes					
Property	\$ 8,600	\$ 8,600	\$ 8,487	\$ (113)	\$ 8,740
Specific ownership	400	400	508	108	273
Road and bridge	95,000	95,000	90,711	(4,289)	93,116
Sales, use and lodging	2,940,000	2,940,000	3,220,682	280,682	3,278,009
Franchise	160,000	160,000	176,667	16,667	170,728
Device fees	8,016,200	8,016,200	8,015,745	(455)	6,349,805
Occupational	29,000	29,000	17,545	(11,455)	29,666
Total Taxes	<u>11,249,200</u>	<u>11,249,200</u>	<u>11,530,345</u>	<u>281,145</u>	<u>9,930,337</u>
Licenses and Permits					
Business licenses	6,100	6,100	12,561	6,461	6,741
Building permits	50,000	50,000	153,197	103,197	109,823
Other	1,200	1,200	2,700	1,500	1,450
Total Licenses and Permits	<u>57,300</u>	<u>57,300</u>	<u>168,458</u>	<u>111,158</u>	<u>118,014</u>
Intergovernmental					
Gaming	6,900,000	6,900,000	6,957,400	57,400	6,864,191
Highway users	12,500	12,500	13,185	685	12,847
Cigarette taxes	10,000	10,000	10,175	175	10,933
Public Safety grants	-	-	4,590	4,590	-
Total Intergovernmental	<u>6,922,500</u>	<u>6,922,500</u>	<u>6,985,350</u>	<u>62,850</u>	<u>6,887,971</u>
Charges for Services					
Plan review fees	20,000	20,000	90,782	70,782	70,630
Silver Dollar Metro District	226,100	226,100	226,116	16	215,821
Black Hawk transportation	-	-	-	-	-
Gilpin Ambulance Authority	35,000	35,000	41,101	6,101	39,117
Rents	130,400	130,400	124,310	(6,090)	131,448
Total Charges for Services	<u>411,500</u>	<u>411,500</u>	<u>482,309</u>	<u>70,809</u>	<u>457,016</u>
Fines and Forfeitures					
Municipal court	30,000	30,000	27,151	(2,849)	28,106
County court	8,000	8,000	12,042	4,042	6,505
Parking	5,000	5,000	1,190	(3,810)	2,215
Police department services	1,000	1,000	2,562	1,562	2,079
Victim service surcharge	8,000	8,000	9,176	1,176	8,618
Total Fines and Forfeitures	<u>52,000</u>	<u>52,000</u>	<u>52,121</u>	<u>121</u>	<u>47,523</u>
Investment Earnings	<u>20,000</u>	<u>20,000</u>	<u>45,621</u>	<u>25,621</u>	<u>20,390</u>
Miscellaneous	<u>150,300</u>	<u>150,300</u>	<u>263,385</u>	<u>113,085</u>	<u>415,977</u>
Total Revenue	<u>18,862,800</u>	<u>18,862,800</u>	<u>19,527,589</u>	<u>664,789</u>	<u>17,877,228</u>

(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, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

(continued)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Expenditures					
General Government					
Mayor and Council					
Personal services	\$ 259,823	\$ 259,823	\$ 256,362	\$ 3,461	\$ 205,951
Program services	1,985,600	1,985,600	1,922,893	62,707	2,262,924
Total Mayor and Council	2,245,423	2,245,423	2,179,255	66,168	2,468,875
Municipal Court					
Personal services	39,013	39,013	38,783	230	37,235
Professional services	19,000	19,000	19,288	(288)	17,888
Purchased services	600	600	424	176	-
Program services	6,300	6,300	25	6,275	4,510
Supplies	-	-	-	-	-
Total Municipal Court	64,913	64,913	58,520	6,393	59,633
City Manager					
Personal services	436,902	436,902	488,362	(51,460)	417,134
Professional services	643,000	643,000	642,579	421	551,385
General services	-	-	-	-	-
Purchased services	238,000	238,000	236,817	1,183	223,225
Program services	15,000	15,000	14,319	681	20,940
Vehicle operation and maintenance	-	-	-	-	-
Supplies	5,800	5,800	5,740	60	7,907
Total City Manager	1,338,702	1,338,702	1,387,817	(49,115)	1,220,591
City Clerk					
Personal services	166,602	166,602	116,557	50,045	166,434
Professional services	2,000	2,000	2,920	(920)	2,723
General services	3,500	3,500	2,936	564	3,435
Purchased services	22,985	22,985	42,669	(19,684)	28,977
Program services	17,832	17,832	101,598	(83,766)	14,879
Supplies	9,700	9,700	6,310	3,390	7,218
Total City Clerk	222,619	222,619	272,990	(50,371)	223,666
Total carried forward	3,871,657	3,871,657	3,898,582	(26,925)	3,972,765

(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, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

(continued)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Total brought forward	\$ 3,871,657	\$ 3,871,657	\$ 3,898,582	\$ (26,925)	\$ 3,972,765
Expenditures					
General Government					
MIS					
Personal services	242,492	242,492	276,929	(34,437)	213,624
Professional services	5,000	5,000	1,112	3,888	2,652
General services	32,100	32,100	30,308	1,792	25,740
Purchased services	112,500	112,500	111,027	1,473	112,565
Program services	2,500	2,500	8,851	(6,351)	2,651
Supplies	41,600	41,600	32,151	9,449	49,003
Total MIS	436,192	436,192	460,378	(24,186)	406,235
Finance					
Personal services	279,236	279,236	267,726	11,510	274,304
Professional services	67,000	67,000	76,017	(9,017)	55,734
General services	-	-	458	(458)	62
Purchased services	2,000	2,000	909	1,091	2,197
Program services	1,000	1,000	516	484	681
Supplies	3,100	3,100	2,797	303	2,123
Total Finance	352,336	352,336	348,423	3,913	335,101
Total General Government	4,660,185	4,660,185	4,707,383	(47,198)	4,714,101
Planning					
Personal services	190,455	190,455	192,082	(1,627)	190,031
Professional services	423,500	423,500	414,501	8,999	394,833
General services	11,040	11,040	12,216	(1,176)	5,762
Vehicle operation and maintenance	1,900	1,900	461	1,439	1,807
Purchased services	1,200	1,200	11,418	(10,218)	1,544
Program services	2,238	2,238	2,420	(182)	1,285
Supplies	13,200	13,200	10,498	2,702	7,714
Total Planning	643,533	643,533	643,596	(63)	602,976
Public Safety					
Police					
Personal services	3,351,763	3,351,763	3,256,751	95,012	3,186,477
Professional services	39,980	39,980	35,880	4,100	62,196
General services	16,000	16,000	7,625	8,375	8,824
Vehicle operation and maintenance	52,000	52,000	33,866	18,134	38,767
Purchased services	30,800	30,800	31,981	(1,181)	25,956
Program services	-	-	-	-	-
Supplies	113,300	113,300	129,724	(16,424)	116,938
Capital outlay	-	-	-	-	-
Total Police	3,603,843	3,603,843	3,495,827	108,016	3,439,158
Total carried forward	8,907,561	8,907,561	8,846,806	60,755	8,756,235

(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, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

(continued)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Total brought forward	\$ 8,907,561	\$ 8,907,561	\$ 8,846,806	\$ 60,755	\$ 8,756,235
Expenditures					
Public Safety					
Fire					
Personal services	2,207,530	2,207,530	2,317,496	(109,966)	2,180,544
Professional services	7,500	7,500	10,602	(3,102)	8,139
General services	40,000	40,000	56,388	(16,388)	11,782
Vehicle operation and maintenance	30,000	30,000	34,324	(4,324)	39,992
Purchased services	51,000	51,000	43,311	7,689	48,212
Program services	3,000	3,000	1,598	1,402	1,312
Supplies	157,250	157,250	112,110	45,140	64,970
Capital outlay	7,500	7,500	2,920	4,580	7,612
Total Fire	2,503,780	2,503,780	2,578,749	(74,969)	2,362,563
Total Public Safety	6,107,623	6,107,623	6,074,576	33,047	5,801,721
Public Works					
Personal services	1,916,985	1,916,985	1,860,113	56,872	1,821,785
Professional services	195,000	195,000	64,117	130,883	59,227
General services	754,500	754,500	540,045	214,455	650,450
Vehicle operation and maintenance	214,000	214,000	168,612	45,388	166,273
Purchased services	51,500	51,500	7,785	43,715	10,342
Program services	659,000	659,000	599,086	59,914	554,852
Supplies	137,000	137,000	101,769	35,231	98,615
Capital outlay	15,000	15,000	6,325	8,675	8,670
Total Public Works	3,942,985	3,942,985	3,347,852	595,133	3,370,214
Total Expenditures	15,354,326	15,354,326	14,773,407	580,919	14,489,012
Excess of Revenues Over Expenditures	3,508,474	3,508,474	4,754,182	1,245,708	3,388,216
Other Financing Sources (Uses)					
Transfers in	650,650	650,650	650,650	-	643,000
Transfers out	(24,641,156)	(24,641,156)	(24,893,397)	(252,241)	(4,104,523)
Device tax bonds issued	12,000,000	12,000,000	12,000,000	-	10,000,000
Total Other Financing Sources (Uses)	(11,990,506)	(11,990,506)	(12,242,747)	(252,241)	6,538,477
Net Change in Fund Balances	<u>\$ (8,482,032)</u>	<u>\$ (8,482,032)</u>	(7,488,565)	<u>\$ 993,467</u>	9,926,693
Fund Balances Beginning of Year			19,276,362		9,349,669
Fund Balances End of Year			<u>\$ 11,787,797</u>		<u>\$ 19,276,362</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Preservation and Restoration Fund
Comparative Balance Sheet
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	\$ 5,678,901	\$ 5,041,893
Prepaid expenses	264	-
Receivables:		
Accounts	-	18,031
Notes	-	35,839
Total Assets	<u>\$ 5,679,165</u>	<u>\$ 5,095,763</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	\$ 90,727	\$ 251,300
Grant tax payable	217,952	280,208
Retainage payable	-	196,175
Total Liabilities	<u>308,679</u>	<u>727,683</u>
Deferred Inflows of Resources		
Notes receivable	-	35,839
Total Deferred Inflows of Resources	<u>-</u>	<u>35,839</u>
Fund Balances		
Restricted	<u>5,370,486</u>	<u>4,332,241</u>
Total Fund Balances	<u>5,370,486</u>	<u>4,332,241</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,679,165</u>	<u>\$ 5,095,763</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Transportation Device Fee Trust Fund
Comparative Balance Sheet
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	\$ -	\$ 4,857
Accounts Receivable - Other taxes	56,808	54,512
Total Assets	<u>\$ 56,808</u>	<u>\$ 59,369</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
Fund Balances		
Restricted	56,808	59,369
Total Liabilities and Fund Balances	<u>\$ 56,808</u>	<u>\$ 59,369</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Business Improvement District Fund
Comparative Balance Sheet
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	\$ 290,272	\$ 242,891
Cash and cash equivalents - restricted	5,000	6,000
Receivable - County Treasurer	962	616
Prepaid expenses	3,515	3,509
Property taxes receivables	<u>145,395</u>	<u>143,738</u>
Total Assets	<u>\$ 445,144</u>	<u>\$ 396,754</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	<u>\$ 611</u>	<u>\$ 251</u>
Total Liabilities	<u>611</u>	<u>251</u>
Deferred Inflows of Resources		
Property taxes	<u>145,395</u>	<u>143,738</u>
Total Deferred Inflows of Resources	<u>145,395</u>	<u>143,738</u>
Fund Balances		
Restricted:		
Emergencies	5,000	6,000
Nonspendable	3,515	3,509
Assigned	<u>290,623</u>	<u>243,256</u>
Total Fund Balances	<u>299,138</u>	<u>252,765</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 445,144</u>	<u>\$ 396,754</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Conservation Fund
Comparative Balance Sheet
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	<u>\$ 24,400</u>	<u>\$ 23,200</u>
Fund Balances		
Restricted	<u>\$ 24,400</u>	<u>\$ 23,200</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Conservation Fund
Schedule of Revenues and Changes in Fund Balances - Budget to Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	\$ 1,200	\$ 1,200	\$ 1,141	\$ (59)	\$ 1,276
Investment earnings	60	60	59	(1)	49
Total Revenues	1,260	1,260	1,200	(60)	1,325
Expenditures					
Current					
Culture and recreation	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,260	\$ 1,260	1,200	\$ (60)	1,325
Fund Balances Beginning of Year			23,200		21,875
Fund Balances End of Year			\$ 24,400		\$ 23,200

See accompanying independent auditor's report

City of Black Hawk, Colorado
Debt Service Fund
Comparative Balance Sheet
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	\$ 28,713	\$ 4,359
Cash and cash equivalents - restricted	<u>2,664,162</u>	<u>1,625,280</u>
Total Assets	<u>\$ 2,692,875</u>	<u>\$ 1,629,639</u>
Fund Balances		
Restricted	<u>\$ 2,692,875</u>	<u>\$ 1,629,639</u>

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, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	\$ 200	\$ 200	\$ 16,913	\$ 16,713	\$ 193
Expenditures					
Debt Service:					
Principal retirement	1,790,000	1,790,000	1,770,000	20,000	990,000
Interest and fiscal charges	1,557,533	1,557,533	1,577,074	(19,541)	698,967
Total Expenditures	3,347,533	3,347,533	3,347,074	459	1,688,967
(Deficiency of Revenues (Under) Expenditures)	(3,347,333)	(3,347,333)	(3,330,161)	17,172	(1,688,774)
Other Financing Sources (Uses)					
Transfers in	4,141,156	4,141,156	4,393,397	252,241	2,354,523
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	4,141,156	4,141,156	4,393,397	252,241	2,354,523
Net Change in Fund Balances	\$ 793,823	\$ 793,823	1,063,236	\$ 269,413	665,749
Fund Balances Beginning of Year			1,629,639		963,890
Fund Balances End of Year			\$ 2,692,875		\$ 1,629,639

See accompanying independent auditor's report

City of Black Hawk, Colorado
Impact Fee Fund
Comparative Balance Sheet
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	\$ 1,496,458	\$ 1,492,759
Liabilities		
Accounts payable	\$ -	\$ -
Retainage payable	-	-
Total Liabilities	-	-
Fund Balances		
Restricted	\$ 1,496,458	\$ 1,492,759
Total Liabilities and Fund Balances	<u>\$ 1,496,458</u>	<u>\$ 1,492,759</u>

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, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	<u>2014</u>			<u>2013</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Impact fees	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	4,000	4,000	3,699	(301)	3,552
Total Revenues	4,000	4,000	3,699	(301)	3,552
Expenditures					
Capital Outlay	-	-	-	-	250,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 4,000</u>	<u>\$ 4,000</u>	3,699	<u>\$ (301)</u>	(246,448)
Fund Balances Beginning of Year			<u>1,492,759</u>		<u>1,739,207</u>
Fund Balances End of Year			<u>\$ 1,496,458</u>		<u>\$ 1,492,759</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Capital Projects Fund
Comparative Balance Sheet
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	\$ 9,814,767	\$ 605,864
Accounts Receivable	-	-
Prepaid Expenses	-	-
Total Assets	<u>\$ 9,814,767</u>	<u>\$ 605,864</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 143,726	\$ 101,705
Retainage payable	-	250,677
Total Liabilities	143,726	352,382
Fund Balances		
Assigned	<u>9,671,041</u>	<u>253,482</u>
Total Liabilities and Fund Balances	<u>\$ 9,814,767</u>	<u>\$ 605,864</u>

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, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental	\$ 220,000	\$ 220,000	\$ 400,431	\$ 180,431	\$ 1,229,231
Investment earnings	5,000	5,000	12,231	7,231	3,928
Miscellaneous	-	-	734,500	734,500	832,000
Total Operating Revenue	225,000	225,000	1,147,162	922,162	2,065,159
Expenditures					
Capital Outlay	11,946,040	11,946,040	3,729,603	8,216,437	6,468,254
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,721,040)	(11,721,040)	(2,582,441)	9,138,599	(4,403,095)
Other Financing Sources					
Transfers in:					
General fund	12,000,000	12,000,000	12,000,000	-	1,750,000
Net Change in Fund Balances	<u>\$ 278,960</u>	<u>\$ 278,960</u>	9,417,559	<u>\$ 9,138,599</u>	(2,653,095)
Fund Balances Beginning of Year			253,482		2,906,577
Fund Balances End of Year			<u>\$ 9,671,041</u>		<u>\$ 253,482</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Water Fund
Schedule of Revenues, Expenses and Changes
in Fund Net Position - Budget and Actual (Non-GAAP) Budgetary Basis
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Operating Revenues					
Charges for services	\$ 2,900,200	\$ 2,900,200	\$ 2,792,603	\$ (107,597)	\$ 2,984,365
Miscellaneous	15,500	15,500	75,700	60,200	15,619
Total Operating Revenues	<u>2,915,700</u>	<u>2,915,700</u>	<u>2,868,303</u>	<u>(47,397)</u>	<u>2,999,984</u>
Operating Expenses					
Personal services	852,072	852,072	811,585	40,487	772,612
Professional services	1,300,000	1,300,000	1,241,455	58,545	1,145,828
General services	427,500	427,500	230,503	196,997	252,090
Program services	10,000	10,000	2,996	7,004	2,029
Purchased services	39,000	39,000	19,408	19,592	17,409
Supplies	83,700	83,700	40,058	43,642	51,112
Repairs and maintenance	525,000	525,000	158,490	366,510	286,532
Capital outlay - capitalized and noncapitalized	7,203,000	7,203,000	3,996,952	3,206,048	739,971
Total Operating Expenses	<u>10,440,272</u>	<u>10,440,272</u>	<u>6,501,447</u>	<u>3,938,825</u>	<u>3,267,583</u>
Operating Income (Loss)	<u>(7,524,572)</u>	<u>(7,524,572)</u>	<u>(3,633,144)</u>	<u>3,891,428</u>	<u>(267,599)</u>
Non-Operating Revenues (Expenses)					
Investment earnings	2,000	2,000	9,050	7,050	1,448
Total Non-Operating Revenues (Expenses)	<u>2,000</u>	<u>2,000</u>	<u>9,050</u>	<u>7,050</u>	<u>1,448</u>
(Loss) Before Transfers In	<u>(7,522,572)</u>	<u>(7,522,572)</u>	<u>(3,624,094)</u>	<u>3,898,478</u>	<u>(266,151)</u>
Transfers in	8,500,000	8,500,000	8,500,000	-	-
Change in Net Position - Budgetary Basis	<u>\$ 977,428</u>	<u>\$ 977,428</u>	<u>4,875,906</u>	<u>\$ 3,898,478</u>	<u>(266,151)</u>
Reconciliation to GAAP Basis - Change in Net Position					
Deduct:					
Depreciation			(1,004,729)		(1,005,961)
Add:					
Capitalized capital outlay			3,774,445		708,883
Change in Net Position - GAAP Basis			<u>7,645,622</u>		<u>(563,229)</u>
Net Position Beginning of Year			<u>33,825,772</u>		<u>34,389,001</u>
Net Position End of Year			<u>\$ 41,471,394</u>		<u>\$ 33,825,772</u>

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 Business Improvement District, a component unit, was 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

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.

I - XII

Revenue Capacity

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.

XIII - XVI

Debt Capacity

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.

XVII - XX

Demographic and Economic Information

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.

XXI - XXVII

Operating Information

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.

XXVIII - XXX

Data Source:

Unless otherwise noted, the information in these tables is derived from the annual financial reports for the relevant years included.

Notes:

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

City of Black Hawk, Colorado
Changes in Net Position - Governmental Activities
Last Ten Calendar Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
General government ¹	\$ 6,178,636	\$ 11,031,421	\$ 3,578,935	\$ 4,349,581	\$ 4,085,428	\$ 5,072,444	\$ 5,340,343	\$ 4,747,052	\$ 6,163,795	\$ 6,053,960
Planning	722,507	565,561	446,144	368,509	281,256	360,064	277,088	497,010	603,619	640,850
Public safety	5,538,941	6,319,260	6,245,176	6,396,298	5,255,467	5,382,877	5,728,980	5,848,069	6,123,994	6,431,982
Public works	3,598,032	3,991,812	5,177,834	7,171,578	5,709,460	5,440,673	4,859,138	4,834,937	5,890,849	5,298,908
Culture and recreation	-	-	-	10,940	-	-	-	-	-	-
Interest and fiscal charges	202,633	183,006	618,596	524,620	432,372	1,053,198	803,364	1,026,760	708,676	1,707,575
Total Expenses	16,240,749	22,091,060	16,066,685	18,821,526	15,763,983	17,309,256	17,008,913	16,953,828	19,490,933	20,133,275
Program Revenues:										
Charges for services:										
Plan review fees	318,357	32,757	70,631	11,359	14,896	56,596	10,600	30,169	70,630	70,782
Building permits	169,834	51,312	108,664	19,145	24,518	21,417	16,798	36,053	109,823	103,197
Impact fees	125,086	212,216	14,644	-	62,828	-	-	-	-	-
Sales of houses - historical preservation	291,760	189,107	-	-	-	-	-	-	-	-
Transportation fees	-	-	-	582,326	904,469	523,282	-	-	-	-
Other	143,695	171,195	670,442	78,961	212,653	706,565	505,944	465,259	442,350	528,909
Operating grants and contributions ²	3,703,779	3,993,205	6,554,477	6,230,709	5,141,584	5,377,120	3,740,755	3,496,923	3,471,659	3,515,797
Capital grants and contributions ³	5,858	-	12,070,480	50,000	-	-	-	-	1,525,291	400,431
Total Program Revenues	4,758,369	4,649,792	19,489,338	6,972,500	6,360,948	6,684,980	4,274,097	4,028,404	5,619,753	4,619,116
Net (Expense) Revenue	(11,482,380)	(17,441,268)	3,422,653	(11,849,026)	(9,403,035)	(10,624,276)	(12,734,816)	(12,925,424)	(13,871,180)	(15,514,159)
General Revenues:										
Taxes:										
Property and specific ownership taxes	9,466	9,756	830,844	467,385	445,187	453,069	457,583	447,033	164,776	161,294
Sales and use taxes	2,458,540	4,155,906	1,871,058	1,400,903	1,342,501	2,347,346	2,818,100	2,964,090	3,278,009	3,220,682
Road and bridge taxes	71,771	80,428	84,792	90,055	89,925	105,460	105,044	93,920	93,116	90,711
Device taxes	7,108,203	7,541,870	8,930,631	8,761,539	8,395,345	8,015,456	7,673,775	7,285,442	6,996,325	8,663,562
Franchise taxes	128,986	132,332	145,338	152,460	138,226	163,040	161,485	160,027	170,728	176,667
Other	13,835	12,971	18,156	15,848	6,345	26,682	50,915	35,818	29,666	17,545
Gaming	6,587,172	7,110,170	7,530,055	7,172,188	6,056,663	7,180,228	7,112,195	6,770,143	6,864,191	6,957,400
Investment earnings	506,585	1,316,836	1,127,219	522,039	119,870	104,440	71,048	73,291	39,931	90,255
Miscellaneous ⁴	2,053,147	621,263	2,557,025	1,320,408	129,041	292,173	393,945	252,552	1,266,402	1,008,284
Total General Revenues	18,937,705	20,981,532	23,095,118	19,902,825	16,723,103	18,687,894	18,844,090	18,082,316	18,903,144	20,386,400
Transfers ⁶	(2,683,926)	(3,104,995)	(4,628,642)	(3,371,609)	(15,548,440)	(500,000)	(500,000)	(2,000,000)	-	(8,500,000)
Total General Revenues and Transfers	16,253,779	17,876,537	18,466,476	16,531,216	1,174,663	18,187,894	18,344,090	16,082,316	18,903,144	11,886,400
Special Item ⁵	-	-	-	-	-	-	-	-	-	-
Change in Net Position	\$ 4,771,399	\$ 435,269	\$ 21,889,129	\$ 4,682,190	\$ (8,228,372)	\$ 7,563,618	\$ 5,609,274	\$ 3,156,892	\$ 5,031,964	\$ (3,627,759)

Notes:

¹ The 2006 amount includes a payment for land relating to an eminent domain settlement of \$5.3 million.

² The 2006 amount includes infrastructure donated by the casinos, primarily a road.

³ The majority of these revenues are the City's share of State gaming revenue set aside for historical preservation

⁴ The 2007 amount includes a recovery of \$2,221,034 relating to the eminent domain settlement.

⁵ The 2003 amount was a write-down to fair value of the cost of historical preservation houses restored by the City and

⁶ The 2009 amount includes the assumption of the business-type activities long-term debt, totaling

Data Source:

Applicable years' annual financial report.

City of Black Hawk, Colorado
Changes in Net Position - Governmental Activities - Percentage of Total
Last Ten Calendar Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
General government ¹	38.0%	49.9%	22.3%	23.1%	25.9%	29.3%	31.4%	28.0%	31.6%	30.1%
Planning	4.4%	2.6%	2.8%	2.0%	1.8%	2.1%	1.6%	2.9%	3.1%	3.2%
Public safety	34.1%	28.6%	38.9%	34.0%	33.3%	31.1%	33.7%	34.5%	31.4%	31.9%
Public works	22.2%	18.1%	32.2%	38.2%	36.2%	31.4%	28.6%	28.5%	30.2%	26.3%
Interest and fiscal charges	1.2%	0.8%	3.9%	2.8%	2.7%	6.1%	4.7%	6.1%	3.6%	8.5%
Total Expenses	100.0%									
Program Revenues:										
Charges for services:										
Plan review fees	6.7%	0.7%	0.4%	0.2%	0.2%	0.8%	0.2%	0.7%	1.3%	1.5%
Building permits	3.6%	1.1%	0.6%	0.3%	0.4%	0.3%	0.4%	0.9%	2.0%	2.2%
Impact fees	2.6%	4.6%	0.1%	0.0%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sales of houses - historical preservation	6.1%	4.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transportation fees	0.0%	0.0%	0.0%	8.4%	14.2%	7.8%	0.0%	0.0%	0.0%	0.0%
Other	3.0%	3.7%	3.4%	1.1%	3.3%	10.6%	11.8%	11.5%	7.9%	11.5%
Operating grants and contributions ²	77.8%	85.9%	33.6%	89.4%	80.8%	80.4%	87.5%	86.8%	61.8%	76.1%
Capital grants and contributions ³	0.1%	0.0%	61.9%	0.7%	0.0%	0.0%	0.0%	0.0%	27.1%	8.7%
Total Program Revenues	100.0%									
General Revenues:										
Taxes:										
Property and specific ownership taxes	0.0%	0.0%	3.6%	2.3%	2.7%	2.4%	2.4%	2.5%	0.9%	0.8%
Sales and use taxes	13.0%	19.8%	8.1%	7.0%	8.0%	12.6%	15.0%	16.4%	17.3%	15.8%
Road and bridge taxes	0.4%	0.4%	0.4%	0.5%	0.5%	0.6%	0.6%	0.5%	0.5%	0.4%
Device taxes	37.5%	35.9%	38.7%	44.0%	50.2%	42.9%	40.7%	40.3%	37.0%	42.5%
Franchise taxes	0.7%	0.6%	0.6%	0.8%	0.8%	0.9%	0.9%	0.9%	0.9%	0.9%
Other	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.3%	0.2%	0.2%	0.1%
Gaming	34.8%	33.9%	32.6%	36.0%	36.2%	38.4%	37.7%	37.4%	36.3%	34.1%
Investment earnings	2.7%	6.3%	4.9%	2.6%	0.7%	0.6%	0.4%	0.4%	0.2%	0.4%
Miscellaneous ⁴	10.8%	3.0%	11.1%	6.6%	0.8%	1.6%	2.1%	1.4%	6.7%	4.9%
Total General Revenues	100.0%									

Notes:

¹ The 2006 amount includes a payment for land relating to an eminent domain settlement of \$5.3

² The 2006 amount includes infrastructure donated by the casinos, primarily a road.

³ The majority of these revenues are the City's share of State gaming revenue set aside for

⁴ The 2007 amount includes a recovery of \$2,221,034 relating to the eminent domain

Data Source:

Applicable years' annual financial report.

City of Black Hawk, Colorado
Changes in Net Position - Business-type Activities
Last Ten Calendar Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Water	\$ 3,501,744	\$ 2,994,339	\$ 3,250,519	\$ 3,184,682	\$ 3,177,139	\$ 3,136,516	\$ 2,933,612	\$ 3,361,705	\$ 3,564,661	\$ 3,731,731
Program Revenues:										
Charges for services - water	536,025	699,648	729,783	1,427,314	2,782,031	3,047,644	2,981,338	2,982,990	2,984,365	2,792,603
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	118,856	27,356	1,110,941	1,276,201	49,019	-	-	-	-	-
Total Program Revenues	654,881	727,004	1,840,724	2,703,515	2,831,050	3,047,644	2,981,338	2,982,990	2,984,365	2,792,603
Net (Expense) Revenue	\$ (2,846,863)	\$ (2,267,335)	\$ (1,409,795)	\$ (481,167)	\$ (346,089)	\$ (88,872)	\$ 47,726	\$ (378,715)	\$ (580,296)	\$ (939,128)
General Revenues:										
Investment earnings	-	9,071	83,822	142,859	21,571	14,215	15,036	10,658	1,448	9,050
Miscellaneous ²	23,956	30,991	-	24	64,462	1,790,365	45,003	17,900	15,619	75,700
Total General Revenues	23,956	40,062	83,822	142,883	86,033	1,804,580	60,039	28,558	17,067	84,750
Transfers In ¹	2,683,926	3,104,995	4,628,642	3,371,609	15,548,440	500,000	500,000	2,000,000	-	8,500,000
Total General Revenues and Transfers	2,707,882	3,145,057	4,712,464	3,514,492	15,634,473	2,304,580	560,039	2,028,558	17,067	8,584,750
Change in Net Position	\$ (138,981)	\$ 877,722	\$ 3,302,669	\$ 3,033,325	\$ 15,288,384	\$ 2,215,708	\$ 607,765	\$ 1,649,843	\$ (563,229)	\$ 7,645,622

Notes:

¹ In 2009, the governmental-activities assumed responsibility for all business-type long-term debt.

² In 2010, the Water Fund Sold \$2,322,000 in Water Rights.

Data Source:

Applicable years' annual financial report.

City of Black Hawk, Colorado
Changes in Net Position - Total
Last Ten Calendar Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental activities ¹	\$ 16,240,749	\$ 22,091,060	\$ 16,066,685	\$ 18,821,526	\$ 15,763,983	\$ 17,309,256	\$ 17,008,913	\$ 16,953,828	\$ 19,490,933	\$ 20,133,275
Business-type activities ²	3,501,744	2,994,339	3,250,519	3,184,682	3,177,139	3,136,516	2,933,612	3,361,705	3,564,661	3,731,731
Total Expenses	19,742,493	25,085,399	19,317,204	22,006,208	18,941,122	20,445,772	19,942,525	20,315,533	23,055,594	23,865,006
Program Revenues:										
Governmental activities ¹	4,758,369	4,649,792	19,489,338	6,972,500	6,360,948	6,684,980	4,274,097	4,028,404	5,619,753	4,619,116
Business-type activities ²	654,881	727,004	1,840,724	2,703,515	2,831,050	3,047,644	2,981,338	2,982,990	2,984,365	2,792,603
Total Program Revenues	5,413,250	5,376,796	21,330,062	9,676,015	9,191,998	9,732,624	7,255,435	7,011,394	8,604,118	7,411,719
Net (Expense) Revenue	(14,329,243)	(19,708,603)	2,012,858	(12,330,193)	(9,749,124)	(10,713,148)	(12,687,090)	(13,304,139)	(14,451,476)	(16,453,287)
General Revenues and Transfers:										
Governmental activities ¹	16,253,779	17,876,537	18,466,476	16,531,216	1,174,663	18,187,894	18,344,090	16,082,316	18,903,144	11,886,400
Business-type activities ²	2,707,882	3,145,057	4,712,464	3,514,492	15,634,473	2,304,580	560,039	2,028,558	17,067	8,584,750
Total General Revenues and Transfers	18,961,661	21,021,594	23,178,940	20,045,708	16,809,136	20,492,474	18,904,129	18,110,874	18,920,211	20,471,150
Change in Net Position	\$ 4,632,418	\$ 1,312,991	\$ 25,191,798	\$ 7,715,515	\$ 7,060,012	\$ 9,779,326	\$ 6,217,039	\$ 4,806,735	\$ 4,468,735	\$ 4,017,863

Data Source:¹ See Exhibit I² See Exhibit III

City of Black Hawk, Colorado
Government-wide Net Position by Category¹
Last Ten Calendar Years
(accrual basis of accounting)

	2005	Restated ³ 2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Invested in capital assets ^{2,3,4}	\$ 30,536,621	\$ 39,998,733	\$ 44,818,459	\$ 50,752,082	\$ 55,721,389	\$ 58,845,435	\$ 60,544,095	\$ 67,923,663	\$ 76,600,278	\$ 79,395,142
Restricted	7,843,324	6,709,556	8,973,493	9,999,900	9,371,846	11,573,438	9,665,887	9,724,273	8,349,208	10,276,027
Unrestricted	6,740,199	706,045	14,061,857	11,784,018	(785,606)	1,452,374	7,270,538	2,989,476	719,890	(7,629,553)
Total Governmental Activities Net Position	45,120,144	47,414,334	67,853,809	72,536,000	64,307,629	71,871,247	77,480,520	80,637,412	85,669,376	82,041,616
Business-type Activities										
Invested in capital assets ⁶	7,275,369	6,845,299	6,642,322	11,643,353	28,891,370	27,674,445	27,399,977	33,735,236	33,438,158	36,207,873
Restricted	544,240	1,295,851	1,317,800	1,235,475	934,465	-	-	-	-	-
Unrestricted	(205,216)	150,157	3,429,661	1,748,473	89,850	4,456,948	5,339,181	653,765	387,614	5,263,521
Total Business-type Activities Net Position	7,614,393	8,291,307	11,389,783	14,627,301	29,915,685	32,131,393	32,739,158	34,389,001	33,825,772	41,471,394
Primary Government										
Invested in capital assets ²	37,811,990	46,844,032	51,460,781	62,395,435	84,612,759	86,519,880	87,944,072	101,658,899	110,038,436	115,603,015
Restricted	8,387,564	8,005,407	10,291,293	11,235,375	10,306,311	11,573,438	9,665,887	9,724,273	8,349,208	10,276,027
Unrestricted	6,534,983	856,202	17,491,518	13,532,491	(695,756)	5,909,322	12,609,719	3,643,241	1,107,504	(2,366,032)
Total Primary Government Net Position	\$ 52,734,537	\$ 55,705,641	\$ 79,243,592	\$ 87,163,301	\$ 94,223,314	\$ 104,002,640	\$ 110,219,678	\$ 115,026,413	\$ 119,495,148	\$ 123,513,010

Notes:

¹ 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

² 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,

³ 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.

⁴ Includes the Black Hawk Transportation Authority and the Black Hawk Business Improvement

⁵ 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

Data Source:

Applicable years' annual financial report.

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

Revenue Source	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Taxes	\$ 9,785,011	\$ 11,926,812	\$ 11,873,523	\$ 10,879,027	\$ 10,411,184	\$ 11,104,126	\$ 11,258,878	\$ 10,986,330	\$ 10,732,620	\$ 12,330,461
Special assessments ⁵	-	-	1,840,892	1,840,892	1,536,382	1,542,391	-	-	-	-
Intergovernmental	10,296,741	11,109,826	12,250,936	11,571,168	9,668,210	11,021,884	10,860,974	10,277,563	11,576,014	10,883,803
Licenses and permits	197,029	84,352	131,528	37,685	51,679	26,420	23,266	47,674	118,014	168,458
Fines and forfeitures	20,135	16,917	29,921	32,476	42,788	38,975	54,566	61,461	47,523	52,121
Charges for services	414,722	153,995	688,288	621,630	1,062,069	1,242,465	455,510	422,346	457,266	482,309
Impact and development fees	125,086	401,323	14,644	-	62,828	-	-	-	-	-
Investment earnings	506,585	1,316,836	1,127,219	522,039	119,870	104,440	71,048	73,291	39,931	90,255
Miscellaneous ⁴	2,323,097	621,263	2,557,025	344,296	279,077	485,756	582,991	440,773	1,464,354	1,033,948
Total revenues	\$ 23,668,406	\$ 25,631,324	\$ 30,513,976	\$ 25,849,213	\$ 23,234,087	\$ 25,566,457	\$ 23,307,233	\$ 22,309,438	\$ 24,435,722	\$ 25,041,355
% change from prior year	n/a	8.3%	19.0%	-15.3%	-10.1%	10.0%	-8.8%	-4.3%	4.8%	12.2%
Taxes	41.3%	46.5%	38.9%	42.1%	44.8%	43.4%	48.3%	49.2%	43.9%	49.2%
Special assessments	0.0%	0.0%	6.0%	7.1%	6.6%	6.0%	0.0%	0.0%	0.0%	0.0%
Intergovernmental	43.5%	43.3%	40.1%	44.8%	41.6%	43.1%	46.6%	46.1%	47.4%	43.5%
Licenses and permits	0.8%	0.3%	0.4%	0.1%	0.2%	0.1%	0.1%	0.2%	0.5%	0.7%
Fines and forfeitures	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.3%	0.2%	0.2%
Charges for services	1.8%	0.6%	2.3%	2.4%	4.6%	4.9%	2.0%	1.9%	1.9%	1.9%
Impact and development fees	0.5%	1.6%	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment earnings	2.1%	5.1%	3.7%	2.0%	0.5%	0.4%	0.3%	0.3%	0.2%	0.4%
Miscellaneous	9.8%	2.4%	8.4%	1.3%	1.2%	1.9%	2.5%	2.0%	6.0%	4.1%
Total revenues	100.0%									

Notes:

¹ The 2005 amount includes \$297,760 for the sale of City owned restored houses. a \$328,061 reimbursement for

² The 2007 amount include a \$2.2 million recovery of an emminet domain

³ In 2011, 2012, 2013 or 2014, the BID did not levy a special assessment

Data Source:

Applicable years' annual financial report.

City of Black Hawk, Colorado
Tax Revenues by Source - Governmental Funds
Last Ten Calendar Years
(modified accrual basis of accounting)

Calendar Year	Amounts							Total
	Property and Ownership	Road and Bridge	Sales and Use ¹	Franchise	Device	Other ²		
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 ³	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	
2010	453,069	105,460	2,347,346	163,040	8,015,456	19,755	11,104,126	
2011	457,583	105,044	2,818,100	161,485	7,673,775	42,891	11,258,878	
2012	446,789	93,920	2,964,090	160,027	7,285,442	35,818	10,986,086	
2013	164,776	93,116	3,278,009	170,728	6,996,325	29,666	10,732,620	
2014	161,294	90,711	3,220,682	176,667	8,663,562	17,545	12,330,461	
Percentage Change In Dollars Over 10 Years	1603.9%	26.4%	31.0%	37.0%	21.9%	118.1%	26.0%	
	Percentage of Total							
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%	
2010	4.1%	0.9%	21.1%	1.5%	72.2%	0.2%	100.0%	
2011	4.1%	0.9%	25.0%	1.4%	68.2%	0.4%	100.0%	
2012	4.1%	0.9%	27.0%	1.5%	66.3%	0.3%	100.0%	
2013	1.5%	0.9%	30.5%	1.6%	65.2%	0.3%	100.0%	
2014	1.3%	0.7%	26.1%	1.4%	70.3%	0.1%	100.0%	

Notes:

¹ The significant increase in 2006 relates to a substantial increase in casino construction.

² Includes occupational taxes, liquor taxes and other taxes.

³ Beginning in 2007, the business improvement district was included as a blended component unit, which affects the property and device tax amounts.

⁴ The significant increase in 2014 Device revenue is due to increased fees per device.

Data Source:

Applicable years' annual financial report.

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
2004	\$ 6,710,174	\$ 3,757,658	\$ 10,467,832	n/a
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%
2010	7,180,228	3,649,036	10,829,264	14.61%
2011	7,112,195	3,557,150	10,669,345	-1.48%
2012	6,770,143	3,387,232	10,157,375	-4.80%
2013	6,864,191	3,457,536	10,321,727	-3.26%
2014	6,957,400	3,496,881	10,454,281	2.92%
Percentage Change in Dollars Over 10 Years		<u>3.7%</u>	<u>-6.9%</u>	<u>-0.1%</u>

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.

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

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Current:										
General government	\$ 5,330,439	\$ 5,347,801	\$ 3,165,107	\$ 3,935,814	\$ 3,717,346	\$ 4,665,541	\$ 4,938,760	\$ 4,332,570	\$ 5,592,755	\$ 5,552,153
Planning	700,510	566,361	446,488	376,483	278,414	355,913	273,146	498,587	602,976	643,596
Public safety	5,366,116	6,018,337	6,051,813	6,199,634	5,225,582	5,114,851	5,494,572	5,558,717	5,801,721	6,074,576
Public works	3,631,126	2,850,987	3,828,417	4,007,440	3,905,364	3,970,172	3,375,410	3,281,917	3,802,617	3,347,852
Culture and recreation	-	-	-	10,940	-	-	-	-	-	-
Total Current	15,028,191	14,783,486	13,491,825	14,530,311	13,126,706	14,106,477	14,081,888	13,671,791	15,800,069	15,618,177
% Change From Prior Year	n/a	-1.6%	-8.7%	7.7%	-9.7%	7.5%	-0.2%	-2.9%	12.2%	14.2%
Capital Outlay	10,396,919	4,389,185	2,169,020	7,135,470	5,177,599	2,858,093	3,429,946	8,935,971	11,152,246	5,496,918
% Change From Prior Year	n/a	-57.8%	-50.6%	229.0%	-27.4%	-44.8%	20.0%	160.5%	225.1%	-38.5%
Debt Service										
Principal	618,132	543,223	2,298,025	2,485,876	1,993,370	3,392,694	1,904,871	2,270,000	990,000	1,770,000
Interest and fees	198,356	237,700	495,143	395,543	318,158	816,183	673,756	586,958	698,967	1,577,074
Total Debt Service	816,488	780,923	2,793,168	2,881,419	2,311,528	4,208,877	2,578,627	2,856,958	1,688,967	3,347,074
% Change From Prior Year	n/a	-4.4%	257.7%	3.2%	-19.8%	82.1%	-38.7%	10.8%	-34.5%	17.2%
Total Expenditures	\$ 26,241,598	\$ 19,953,594	\$ 18,454,013	\$ 24,547,200	\$ 20,615,833	\$ 21,173,447	\$ 20,090,461	\$ 25,464,720	\$ 28,641,282	\$ 24,462,169
% Change From Prior Year	n/a	-24.0%	-7.5%	33.0%	-16.0%	2.7%	-5.1%	26.8%	42.6%	-3.9%
Debt Service as a Percentage of Noncapital Expenditures	5.2%	5.0%	17.2%	16.5%	15.0%	23.0%	15.5%	17.3%	9.7%	17.6%

Data Source:

Applicable years' annual financial report.

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Function										
Current:										
General government	\$ 5,330,439	\$ 5,347,801	\$ 3,165,107	\$ 3,935,814	\$ 3,717,346	\$ 4,665,541	\$ 4,938,760	\$ 4,332,570	\$ 5,592,755	\$ 5,552,153
Planning	700,510	566,361	446,488	376,483	278,414	355,913	273,146	498,587	602,976	643,596
Public safety	5,366,116	6,018,337	6,051,813	6,199,634	5,225,582	5,114,851	5,494,572	5,558,717	5,801,721	6,074,576
Public works	3,631,126	2,850,987	3,828,417	4,007,440	3,905,364	3,970,172	3,375,410	3,281,917	3,802,617	3,347,852
Culture and recreation	-	-	-	10,940	-	-	-	-	-	-
Total Current	\$ 15,028,191	\$ 14,783,486	\$ 13,491,825	\$ 14,530,311	\$ 13,126,706	\$ 14,106,477	\$ 14,081,888	\$ 13,671,791	\$ 15,800,069	\$ 15,618,177
Current:										
General government	35.5%	36.2%	23.5%	27.1%	28.3%	33.1%	35.1%	31.7%	35.4%	35.5%
Planning	4.7%	3.8%	3.3%	2.6%	2.1%	2.5%	1.9%	3.6%	3.8%	4.1%
Public safety	35.7%	40.7%	44.9%	42.7%	39.8%	36.3%	39.0%	40.7%	36.7%	38.9%
Public works	24.2%	19.3%	28.4%	27.6%	29.8%	28.1%	24.0%	24.0%	24.1%	21.4%
Parks and recreation	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Current	100.0%									

Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable years' annual financial report.

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

Source	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Revenues	\$ 23,668,406	\$ 25,631,324	\$ 30,513,976	\$ 25,849,213	\$ 23,234,087	\$ 25,566,457	\$ 23,307,233	\$ 22,309,438	\$ 24,435,722	\$ 25,041,355
Total Expenditures	26,241,598	19,953,594	18,454,013	24,547,200	20,615,833	21,173,447	20,090,461	25,464,720	28,641,282	24,462,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,573,192)	5,677,730	12,059,963	1,302,013	2,618,254	4,393,010	3,216,772	(3,155,282)	(4,205,560)	579,186
Other Financing Sources										
Inception of capital lease obligation	232,055	265,400	-	-	-	-	-	-	-	-
Issuance of bonds	-	1,327,000	-	-	-	-	-	-	10,000,000	12,000,000
Bond premium	-	31,346	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	(1,330,000)	-	-	-	-	-	-	-	-
Transfers in	2,383,522	1,661,579	3,726,595	6,524,426	655,000	2,286,913	3,198,000	9,181,183	4,747,523	17,044,047
Transfers out	(5,045,638)	(4,766,574)	(8,355,237)	(9,896,035)	(4,137,237)	(2,786,913)	(3,698,000)	(11,181,183)	(4,747,523)	(25,544,047)
Total Other Financing Sources	(2,430,061)	(2,811,249)	(4,628,642)	(3,371,609)	(3,482,237)	(500,000)	(500,000)	(2,000,000)	10,000,000	3,500,000
Net Change in Fund Balances	(5,003,253)	2,866,481	7,431,321	(2,069,596)	(863,983)	3,893,010	2,716,772	(5,155,282)	5,794,440	4,079,186
Fund Balances, Beginning of Year	19,559,637	14,556,384	12,884,856	23,004,456	20,934,860	20,070,877	23,963,887	26,680,659	21,525,377	27,319,817
Other Changes¹	-	(4,538,009)	2,688,279	-	-	-	-	-	-	-
Fund Balances, End of Year	<u>\$ 14,556,384</u>	<u>\$ 12,884,856</u>	<u>\$ 23,004,456</u>	<u>\$ 20,934,860</u>	<u>\$ 20,070,877</u>	<u>\$ 23,963,887</u>	<u>\$ 26,680,659</u>	<u>\$ 21,525,377</u>	<u>\$ 27,319,817</u>	<u>\$ 31,399,003</u>

Notes:

¹ Consists primarily of restatements and special items. The 2006 special item relates to an eminent domain settlement.

Data Source:

Applicable years' annual financial report.

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

	2005	2006	2007	2008	2009	2010
General Fund						
Reserved	\$ 511,906	\$ 474,780	\$ 354,111	\$ 399,204	\$ 387,620	\$ 509,839
Unreserved	6,275,828	6,073,465	9,950,863	7,628,780	9,381,452	11,520,703
Subtotal General Fund	6,787,734	6,548,245	10,304,974	8,027,984	9,769,072	12,030,542
General Fund Percentage						
Change From Prior Year	n/a	-3.5%	57.4%	-22.1%	21.7%	23.1%
All Other Governmental Funds						
Reserved ¹	4,389,565	1,178,921	5,260,021	6,593,301	6,460,366	8,374,197
Unreserved						
Special Revenue Funds	195,453	148,365	2,333,520	(1,078,886)	(880,771)	263,356
Capital Projects Funds	3,416,965	5,009,325	5,105,941	7,392,461	4,722,210	3,295,792
Subtotal All Other						
Governmental Funds	8,001,983	6,336,611	12,699,482	12,906,876	10,301,805	11,933,345
Total Governmental Funds						
Reserved	4,901,471	1,653,701	5,614,132	6,992,505	6,847,986	8,884,036
Unreserved	9,888,246	11,231,155	17,390,324	13,942,355	13,222,891	15,079,851
Total Governmental Funds	\$ 14,789,717	\$ 12,884,856	\$ 23,004,456	\$ 20,934,860	\$ 20,070,877	\$ 23,963,887
All Governmental Funds						
Percentage Change	n/a	-12.9%	78.5%	-9.0%	-4.1%	19.4%

Notes:

¹ For consistency, the fund balance in the debt service fund was reclassified from unreserved to reserved for years 2005 - 2010

² The City implemented GASB 54 in 2011, which requires significantly different Fund Balance classifications. Please refer to the following page for current information.

Data Source:

Applicable years' annual financial report.

City of Black Hawk, Colorado
Fund Balances - Governmental Funds (Unaudited)
(modified accrual basis of accounting)

	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund:				
Assigned to:				
Emergencies	\$ 512,000	\$ 677,000	\$ 806,000	\$ 630,000
Subsequent years' expenditures	-	187,784	248,978	237,383
Unassigned	14,523,564	8,484,885	18,221,384	10,920,414
Total General Fund	<u>15,035,564</u>	<u>9,349,669</u>	<u>19,276,362</u>	<u>11,787,797</u>
All Other Governmental Funds				
Nonspendable:				
Prepaid items	7,903	3,036	3,509	3,515
Restricted for:				
Preservation and Restoration	4,966,982	6,316,301	4,332,241	5,370,486
Debt Service	1,588,738	963,890	1,629,639	2,692,875
Transportation	55,263	55,263	59,369	56,808
Parking Impact	2,274,609	1,739,207	1,492,759	1,496,458
Business Improvement District	302,940	6,000	6,000	5,000
Conservation Trust	20,618	21,875	23,200	24,400
Assigned to:				
Capital projects	2,417,632	2,906,577	253,482	9,671,041
Business Improvement District	10,410	163,559	243,256	290,623
Unassigned:				
Total All Other Governmental Funds	<u>11,645,095</u>	<u>20,219,163</u>	<u>8,043,455</u>	<u>19,611,206</u>
Total Governmental Funds	<u>\$ 26,680,659</u>	<u>\$ 29,568,832</u>	<u>\$ 27,319,817</u>	<u>\$ 31,399,003</u>

Notes:

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*, in Fiscal Year 2011. The City did not restate the prior years.

Data Source:

Applicable years' comprehensive annual financial report.

Black Hawk, Colorado
Number of Devices - By Casino^{1,2}
 Last Ten Calendar Years

Major Casino	For the Calendar Years December 31,																			
	2005		2006		2007		2008		2009		2010		2011		2012		2013		2014	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
Isle of Capri	1,408	14.5%	1,424	14.1%	1,403	14.2%	1,387	14.2%	1,327	14.3%	1,165	13.5%	1,114	13.0%	1,108	13.1%	1,113	13.0%	1,120	13.4%
Ameristar	902	9.3%	1,662	16.4%	1,664	16.8%	1,634	16.8%	1,581	17.1%	1,548	17.9%	1,519	17.7%	1,519	18.0%	1,529	17.9%	1,423	17.0%
Lodge	721	7.4%	943	9.3%	998	10.1%	976	10.0%	1,018	11.0%	1,006	11.6%	1,023	11.9%	1,017	12.0%	1,039	12.1%	1,009	12.1%
Monarch (Riviera)	960	9.9%	842	8.3%	870	8.8%	829	8.5%	767	8.3%	753	8.7%	789	9.2%	722	8.5%	698	8.2%	631	7.5%
Mardi Gras	721	7.4%	743	7.3%	679	6.9%	706	7.2%	655	7.1%	676	7.8%	677	7.9%	661	7.8%	822	9.6%	731	8.7%
Lady Luck Casino	810	8.3%	685	6.8%	663	6.7%	668	6.9%	613	6.6%	520	6.0%	537	6.2%	515	6.1%	494	5.8%	479	5.7%
Z Casino (Bullwhackers)	687	7.1%	692	6.8%	687	6.9%	664	6.8%	598	6.5%	310	3.6%	290	3.4%	282	3.3%	288	3.4%	415	5.0%
Saratoga (Fitzgeralds)	605	6.2%	600	5.9%	595	6.0%	911	9.3%	752	8.1%	734	8.5%	673	7.8%	606	7.2%	563	6.6%	544	6.5%
Canyon/Grand Plateau	559	5.8%	433	4.3%	448	4.5%	419	4.3%	419	4.5%	407	4.7%	410	4.8%	309	3.7%	301	3.5%	307	3.7%
Gilpin	457	4.7%	457	4.5%	458	4.6%	446	4.6%	416	4.5%	405	4.7%	386	4.5%	386	4.6%	383	4.5%	382	4.6%
Total Major Casinos ⁴	7,830	80.7%	8,481	83.7%	8,465	85.5%	8,640	88.6%	8,146	87.9%	7,524	87.0%	7,418	86.3%	7,125	84.3%	7,230	84.5%	7,041	84.1%
All Other Casinos	1,872	19.3%	1,649	16.3%	1,439	14.5%	1,111	11.4%	1,125	12.1%	1,120	13.0%	1,180	13.7%	1,328	15.7%	1,325	15.5%	1,329	15.9%
Total All Casinos ⁵	9,702	100.0%	10,130	100.0%	9,904	100.0%	9,751	100.0%	9,271	100.0%	8,644	100.0%	8,598	100.0%	8,453	100.0%	8,555	100.0%	8,370	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.

Data Source:

⁴ City Finance Department

⁵ Colorado Department of Revenue, Division of Gaming.

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

Year	Regular ^{1,3}	Main Street Improvements Fee ²	Transportation Fee	Total
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
2010	750	89	77	916
2011	750	89	77	916
2012	750	-	77	827
2013	750	-	77	827
2014	945	-	77	1,022

Notes:

¹ From 2005 - 2006, the City waved the regular device fee for the first 50 machines within each casino.

² On June 1, 2012, the City repealed the Main Street Improvement Fee.

³ On Nov 5, 2013, the City electors approved an increase of \$195 to offset new debt issuances.

Data Source :

City Finance Department

City of Black Hawk, Colorado
Principal General Device Fee Payers
For the Calendar Years Ended December 31, 2014 and 2005 ¹

2014			
Principal Device Fee Payers - Casinos	Total Fees ^{1,2}	Rank	Percentage of Total Fees
Ameristar	\$ 1,344,735	1	17.00%
Isle of Capri	1,058,400	2	13.38%
Lodge	953,505	3	12.05%
Mardi Gras	690,795	4	8.73%
Monarch (Riviera)	596,295	5	7.54%
Saratoga (Fitzgeralds)	514,080	6	6.50%
Lady Luck	452,655	7	5.72%
Z Casino (Bullwhackers)	392,175	8	4.96%
Gilpin	360,990	9	4.56%
Canyon	290,115	10	3.67%
Total Principal Fee Payers	6,653,745		84.12%
All Other Fee Payers	1,255,905		15.88%
Total	\$ 7,909,650		100.00%

2005			
Principal Device Fee Payers - Casinos	Total Fees ^{1,2}	Rank	Percentage of Total Fees
Isle of Capri	1,056,000	1	14.51%
Monarch (Riviera)	720,000	2	9.89%
Ameristar	\$ 676,500	3	9.30%
Lady Luck	607,500	4	8.35%
Lodge	540,750	5	7.43%
Mardi Gras	540,750	6	7.43%
Z Casino (Bullwhackers)	515,250	7	7.08%
Saratoga (Fitzgeralds)	453,750	8	6.24%
Canyon	419,250	9	5.76%
Gilpin	342,750	10	4.71%
Total Principal Fee Payers	5,872,500		80.71%
All Other Fee Payers	1,404,000		19.29%
Total	\$ 7,276,500		100.00%

Notes:

¹ Total fees based upon the amount of billings for each calendar year for regular device fees.

² The device fees do not include the Transportation Fee or the Main Street Improvement fees.

Data Source:

City Finance Department.

City of Black Hawk, Colorado
Direct and Overlapping Sales Tax Rates
Last Ten Calendar Years

Calendar Year	Direct City ¹	Overlapping State of Colorado	Total Direct and Overlapping
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 ¹	5.50%	2.90%	8.40%
2010	5.50%	2.90%	8.40%
2011	5.50%	2.90%	8.40%
2012	5.50%	2.90%	8.40%
2013	5.50%	2.90%	8.40%
2014	5.50%	2.90%	8.40%

Notes:

¹ The additional 1.5% City tax is a dedicated 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

Calendar Year	Governmental Activities					Business-type Activities			Total ¹	Estimated Population ²	Total Debt Per Capita ³	Total Debt Per Gaming Device ^{4, 5}
	Device Tax Revenue Bonds	General Obligation Bonds	Special Assessment Bonds	Capital Leases	Total	Device Tax Revenue Bonds	General Obligation Bonds	Total				
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	2,104
2009 ⁷	13,210,000	2,395,000	1,525,000	72,564	17,202,564	-	-	-	17,202,564	111	154,978	1,856
2010	12,080,000	1,715,000	-	14,870	13,809,870	-	-	-	13,809,870	111	124,413	1,598
2011	10,890,000	1,015,000	-	-	11,905,000	-	-	-	11,905,000	115	103,522	1,385
2012	9,635,000	-	-	-	9,635,000	-	-	-	9,635,000	115	83,783	1,140
2013	18,645,000	-	-	-	18,645,000	-	-	-	18,645,000	100	186,450	2,179
2014	28,875,000	-	-	-	28,875,000	-	-	-	28,875,000	100	288,750	3,450

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 Are estimated counts by City management and the Colorado Department of Local Affairs, Division of Local Government.

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

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 G.O. Debt Per Gaming Device ^{2,3}
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	312
2009	2,395,000	111	21,577	258
2010	1,715,000	111	15,450	198
2011	1,015,000	115	8,826	118
2012	-	115	-	-
2013	-	100	-	-
2014	-	100	-	-

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>

City of Black Hawk, Colorado
Direct and Overlapping Governmental Activities Debt
December 31, 2014

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable³</u>	<u>Estimated Share of Overlapping Debt</u>
City Direct Debt:			
City:			
Device tax revenue bonds	\$ 28,875,000		
General obligation refunding bonds	-		
Capital leases	-		
Black Hawk Business Improvement District: ¹			
General obligation refunding bonds	-		
Total direct debt	<u>\$ 28,875,000</u>	100.00%	<u>\$ 28,875,000</u>
Overlapping Debt^{2, 3, 5, 6}			
General Obligation Bonds:⁴			
Gilpin County RE-1 School District			
General obligation bonds	\$ -	74.65%	-
Miners Mesa Commercial Metropolitan District			
General obligation bonds	6,291,000	100.00%	6,291,000
Silver Dollar Metropolitan District			
General obligation bonds	21,475,000	100.00%	<u>21,475,000</u>
Total			<u>27,766,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 56,641,000</u></u>

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.

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

	For the Calendar Year Ended December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed Value ¹	<u>\$ 190,933,200</u>	<u>\$ 204,515,190</u>	<u>\$ 216,585,941</u>	<u>\$ 223,438,722</u>	<u>\$ 256,051,781</u>	<u>\$ 253,557,450</u>	<u>\$ 226,863,054</u>	<u>\$ 224,650,824</u>	<u>\$ 217,657,989</u>	<u>\$ 217,921,025</u>
Legal Debt Margin										
Debt limit (10% of assessed value)	<u>\$ 19,093,320</u>	<u>\$ 20,451,519</u>	<u>\$ 21,658,594</u>	<u>\$ 22,343,872</u>	<u>\$ 25,605,178</u>	<u>\$ 25,355,745</u>	<u>\$ 22,686,305</u>	<u>\$ 22,465,082</u>	<u>\$ 21,765,799</u>	<u>\$ 21,792,103</u>
Debt applicable to limit:										
General obligation bonds	2,890,000	2,540,000	3,595,000	3,040,000	2,395,000	1,715,000	1,015,000	-	-	-
Less: Amount reserved for repayment of general obligation debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debt applicable to limit	<u>2,890,000</u>	<u>2,540,000</u>	<u>3,595,000</u>	<u>3,040,000</u>	<u>2,395,000</u>	<u>1,715,000</u>	<u>1,015,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 16,203,320</u>	<u>\$ 17,911,519</u>	<u>\$ 18,063,594</u>	<u>\$ 19,303,872</u>	<u>\$ 23,210,178</u>	<u>\$ 23,640,745</u>	<u>\$ 21,671,305</u>	<u>\$ 22,465,082</u>	<u>\$ 21,765,799</u>	<u>\$ 21,792,103</u>
As a percentage of debt limit	<u>84.86%</u>	<u>87.58%</u>	<u>83.40%</u>	<u>86.39%</u>	<u>90.65%</u>	<u>93.24%</u>	<u>95.53%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Data Source:

¹ Gilpin County Assessor

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
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%
2010	5,604	228,689	40,808	103%	N/A	7.7%	8.9%	9.6%
2011	5,467	229,609	41,999	106%	N/A	6.5%	8.3%	8.9%
2012	5,441	237,511	43,652	105%	N/A	6.0%	7.5%	7.8%
2013	5,491	243,662	44,375	101%	N/A	5.9%	5.6%	6.7%
2014	5,601	249,717	44,584	97%	N/A	4.4%	4.9%	6.2%

Notes:

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

Data Source:

² Gilpin County - 2004 - 2013 - U.S. Bureau of Economic Analysis - <http://www.bea.gov/bea/regional/reis/drill.cfm>.

³ Gilpin County - U.S. Census Bureau - <http://factfinder.census.gov>

⁴ Colorado Department of Labor and Employment, <http://www.coworkforce.com/lmi/ali/lfp.asp>, December of each year.

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

City of Black Hawk, Colorado¹
Principal Employers
For the Calendar Years 2007 and 2005²

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		<u>3,375</u>		<u>100.00%</u>

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		<u>3,211</u>		<u>100.00%</u>

Notes:

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

² 2007 and 2005 is the only information available for the County.

Data Source :

Individual employers

City of Black Hawk, Colorado¹
Average Number of Employees - By Industry²
Calendar Years 2005 - 2014

Industry	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Mining & Logging	5	10	9	24	16	-	-	-	-	-
Construction	121	128	90	100	61	57	54	61	43	53
Manufacturing	10	11	13	12	8	10	-	15	16	-
Trade, Retail & Wholesale	52	43	40	45	45	24	31	31	27	40
Information Tech	11	6	8	11	7	4	3	3	-	-
Financial Activities	16	17	15	13	8	11	6	6	8	-
Professional & Business Services	71	76	59	55	88	43	51	47	47	48
Education & Health Services	123	119	122	129	140	52	63	58	57	55
Leisure & Hospitality	4,669	4,555	4,219	4,012	4,358	4,574	4,648	4,444	4,296	4,170
Other Services	32	42	36	37	37	35	20	17	177	57
Public Administration	326	322	319	321	306	296	310	305	309	310
Total	5,436	5,329	4,930	4,759	5,074	5,106	5,186	4,987	4,980	4,733

Notes:

¹ Information is only available for Gilpin County

Data Source:

² State of Colorado, Department of Labor and Employment, LMI Gateway,

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		Cripple Creek, Colorado		Central City, Colorado		Total	
	Number of Devices	Percentage of Total	Number of Devices	Percentage of Total	Number of Devices	Percentage of Total	Number of Devices	Percentage of Total
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%
2010	8,906	58.0%	4,364	28.4%	2,085	13.6%	15,355	100.0%
2011	8,570	58.3%	3,879	26.4%	2,240	15.2%	14,689	100.0%
2012	8,527	57.0%	4,089	27.3%	2,347	15.7%	14,963	100.0%
2013	8,589	58.8%	3,998	27.4%	2,008	13.8%	14,595	100.0%
2014	8,456	59.6%	3,794	26.7%	1,943	13.7%	14,193	100.0%
Percentage Change Over 10 Years	<u>-11.4%</u>		<u>-20.9%</u>		<u>-7.7%</u>		<u>-13.7%</u>	

Notes:

Data Source:

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

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
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%
2010	18	45.0%	15	37.5%	7	17.5%	40	100.0%
2011	18	45.0%	14	35.0%	8	20.0%	40	100.0%
2012	18	43.9%	15	36.6%	8	19.5%	41	100.0%
2013	18	46.2%	14	35.9%	7	17.9%	39	100.0%
2014	18	50.0%	12	33.3%	6	16.7%	36	100.0%

Data Source:

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

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		Cripple Creek, Colorado		Central City, Colorado		Total	
	Number of Employees	Percentage of Total	Number of Employees	Percentage of Total	Number of Employees	Percentage of Total	Number of Employees	Percentage of Total
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%
2010	5,080	53.0%	3,542	36.9%	967	10.1%	9,589	100.0%
2011	4,993	53.9%	3,330	35.9%	941	10.2%	9,264	100.0%
2012	5,165	54.9%	3,236	34.4%	1,001	10.6%	9,402	100.0%
2013	5,339	55.4%	3,296	34.2%	997	10.4%	9,632	100.0%
2014	6,211	60.3%	3,187	30.9%	906	8.8%	10,304	100.0%
Percentage Change In Employees Over 10 Years	<u>39.60%</u>		<u>14.35%</u>		<u>14.25%</u>		<u>28.33%</u>	

Notes:

¹ Includes licensed and non-licensed employees.

Data Source:

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

City of Black Hawk, Colorado
Comparison of Adjusted Gross Proceeds (AGP) by Gaming City ¹
Last Ten Calendar Years

Calendar Year	Black Hawk, Colorado			Cripple Creek, Colorado			Central City, Colorado			Total		
	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
2005	531,878,276	70.4%	n/a	151,011,042	20.0%	n/a	72,610,402	9.6%	n/a	755,499,720	100.0%	n/a
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%
2010	559,445,467	73.6%	5.6%	134,437,711	17.7%	-4.2%	65,727,144	8.7%	2.3%	759,610,322	100.0%	3.4%
2011	550,883,660	73.4%	-1.5%	131,405,587	17.5%	-2.3%	67,819,656	9.0%	3.2%	750,108,903	100.0%	-1.3%
2012	558,542,208	72.9%	1.4%	133,160,559	17.4%	1.3%	74,551,241	9.7%	9.9%	766,254,008	100.0%	2.2%
2013	553,082,797	73.9%	0.4%	128,032,315	17.1%	-2.6%	67,592,801	9.0%	-0.3%	748,707,913	100.0%	-0.2%
2014	560,598,893	75.1%	0.4%	123,432,964	16.5%	-7.3%	62,315,892	8.3%	-16.4%	746,347,749	100.0%	-2.6%
Percentage Change												
In Dollars Over												
10 Years												
	<u>5.4%</u>			<u>-18.3%</u>			<u>-14.2%</u>			<u>-1.2%</u>		

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.

Data Source:

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

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

Function/program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Clerk's Office	2.75	1.75	1.75	1.00	1.25	1.50	2.00	2.00	2.00	4.00
City Manager	3.00	2.75	3.00	3.00	2.75	3.00	3.00	3.00	3.00	2.00
Community Planning & Development	5.00	5.00	3.00	3.00	1.00	1.50	2.00	2.00	2.00	2.00
Facilities Maintenance	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Finance	2.50	2.00	2.50	2.50	3.00	2.50	3.00	3.00	2.00	2.00
Fire Department	24.00	24.00	23.00	23.00	18.00	18.00	19.00	19.00	19.00	19.00
Fleet	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00
Human Resources	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IT	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Municipal Court Fund	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Parks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Police	38.00	38.00	40.00	38.75	30.75	31.75	33.75	33.75	33.75	33.75
Public Works Administration	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Streets	8.00	8.00	8.00	8.00	6.00	6.00	7.00	7.00	7.00	7.00
Preservation & Restoration	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00
Water	9.00	9.00	9.00	9.00	9.00	9.00	10.00	10.00	10.00	9.00
Total	107.00	103.75	104.50	102.50	86.00	89.50	95.00	95.00	95.00	95.00
Percentage Change Over Prior Year	n/a	-3.0%	0.7%	-1.9%	-16.1%	4.1%	6.1%	0.0%	0.0%	0.0%

Data Source:

City of Black Hawk departmental records

City of Black Hawk, Colorado
Operating Statistics by Function/Program
2009-2014 ¹

<u>Function/program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fire						
Rescue & emergency medical service incidents	995	974	900	824	495	487
Fire incidents	15	5	9	14	17	7
False alarm & false call incidents	131	135	155	136	138	181
All other incidents	46	40	43	38	43	46
Police						
Number of traffic related contacts	2,583	2,243	2352	2678	1488	1150
Number of annual police reports	984	1,075	1147	1301	1166	1063
Dispatch						
Police communications	6,618	6,557	6400	6682	5447	4754
Fire communications	989	1,223	1104	1021	921	1070
EMS communications	793	968	862	841	827	934

Notes:

¹The City began to collect operating statistics in 2009.

Data Source :

Fire Department, Police Department

City of Black Hawk, Colorado
Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Calendar Years

Capital Assets	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Buildings and related structures	35	38	38	40	40	44	44	44	46	46
Number of vehicles	97	101	104	106	106	109	109	113	123	128
Works of art	12	12	14	16	16	16	17	17	17	17
Street lights	434	434	434	449	449	499	499	499	499	499
Streets:										
Asphalt	14	14	16	16	16	17	17	17	17	17
Concrete	2	2	2	2	2	2	2	2	2	2
Gravel, Dirt or Aggregate	3	3	3	3	3	2	2	2	2	2
Bridges	6	6	6	6	6	6	6	6	6	6
Traffic signals	22	22	30	30	30	30	30	30	30	30

Notes:

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 2014
This Information From The Records Of (example - City of _ or County of) City of Black Hawk	Prepared By: Phone:	Lance Hillis 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

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	18,440
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	57,418
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	683,002	b. Snow and ice removal	56,070
3. Other local imposts (from page 2)	91,219	c. Other	
4. Miscellaneous local receipts (from page 2)	40,383	d. Total (a. through c.)	56,070
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	695,861
a. Bonds - Original Issues		6. Total (1 through 5)	827,789
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	814,604	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	13,185	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	827,789	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)	827,789

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
		827,789	827,789		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE: **Colorado**
 City of **Black Hawk**
 YEAR ENDING (mm/yy):
December 2014

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	90,711	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	40,383
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	508	g. Other Misc. Receipts	
6. Total (1. through 5.)	508	h. Other	
c. Total (a. + b.)	91,219	i. Total (a. through h.)	40,383
	(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	13,185	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations		d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	0	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	13,185	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation		18,440	18,440
(5). Total Construction (1) + (2) + (3) + (4)	0	18,440	18,440
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	18,440	18,440
			(Carry forward to page 1)

Notes and Comments:

RESOLUTION 50-2015
A RESOLUTION
AWARDING THE
PROPANE SUPPLIER
SERVICES AGREEMENT
WITH POLAR GAS IN AN
AMOUNT NOT TO
EXCEED \$17,145.00

**STATE OF COLORADO
COUNTY OF GILPIN
CITY OF BLACK HAWK**

Resolution No. 50-2015

**TITLE: A RESOLUTION AWARDING THE PROPANE SUPPLIER SERVICES
 AGREEMENT WITH POLAR GAS IN AN AMOUNT NOT TO EXCEED
 \$17,145.00**

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE
CITY OF BLACK HAWK, COLORADO, THAT:

Section 1. The City Council hereby approves the Propane Supplier Services
Agreement (the “Agreement”) with Polar Gas in an amount not to exceed \$17,145.00, and
authorizes the Mayor to execute the Agreement on behalf of the City.

RESOLVED AND PASSED this 24th day of June, 2015.

David D. Spellman, Mayor

ATTEST:

Melissa A. Greiner, City Clerk



CITY OF BLACK HAWK

REQUEST FOR COUNCIL ACTION

SUBJECT: Approve Resolution 50-2015, a resolution approving the Propane Supplier Services Agreement.

RECOMMENDATION: If City Council chooses to approve Resolution 50-2015, a resolution approving the Propane Supplier Services Agreement, the recommended motion is as follows: “Approve Resolution 50-2015, a resolution approving the design contract with Polar Gas in the amount not to exceed **\$17,145.00** to provide propane for a year and two tanks for the Hidden Valley Water Treatment Plant.”

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The City is converting the mesa facilities over to natural gas. The only facility that will remain on propane is the Hidden Valley Water Treatment Plant. The City has paid between \$0.95/gal and \$1.73/gal over the last year. To lock in a maximum price, staff sent out a request for bid to supply 12500 gallons of propane (annual average for Hidden Valley) plus provide 2 1000 gallon tanks. Staff sent out requests to Five different suppliers. Four responded with completed proposals. Polar Gas bid \$1.15/gal max with actual invoiced being cost plus \$0.15/gal and \$3000.00 for the two 1000 gallon tanks.

Polar Gas has been successfully supplying propane to the City of Black Hawk for several years.

FUNDING SOURCE: 501-3150-460.41-01-Utilities/Gas & Electric

WORKSHOP DATE: 6/24/15

ORIGINATED BY: Jason Fredricks

STAFF PERSON RESPONSIBLE: Jason Fredricks

PROJECT COMPLETION DATE: estimated 12/31/15

DOCUMENTS ATTACHED: bid sheet

CITY ATTORNEY REVIEW: []Yes []No []N/A INITIALS _____

SUBMITTED BY:

Thomas Isbester, Public Works Director

REVIEWED BY:

Jack Lewis, City Manager

Request for Proposal
 City of Black Hawk Propane Supply
 6/11/15 2:00 p.m.

Supplier	Quantity	Unit Cost	Total Cost	Additional Tank	Total Bid Package	Notes
Polar Gas	12,500	1.15/Gal	\$ 14,145.00	Existing tanks: \$3000	\$ 17,145.00	\$1.15/Gal is the max price. Polar will charge their cost plus .15c
Suburban Propane	12,500	1.04/Gal	\$ 12,792.00	4606 for 2	\$ 17,398.00	Alternate: lease \$1.00/year
Hygiene Propane Services	12,500	1.13/Gal	\$ 13,899.00	\$4200 for 2	\$ 18,099.00	Alternate: .30c over cost, not to exceed \$1.23/gal
AmeriGas	12,500	1.09/Gal	\$ 13,407.00	\$5692 for 2	\$ 19,099.00	
Ferrellgas	12,500	1.59/Gal	\$ 19,875.00	Did not include		Free lease

**Local Liquor Authority
Consideration of the
Certification of a Promotional
Association and Common
Consumption Area for
Horseshoe Gilpin Inc.**

CITY OF BLACK HAWK
REQUEST FOR COUNCIL ACTION

SUBJECT: Local Liquor Authority Consideration of the Certification of a Promotional Association and Common Consumption Area for Horseshoe Gilpin Inc.

RECOMMENDATION: Staff recommends the following motion to the Mayor and Board of Aldermen:

MOTION TO APPROVE (or deny) Certification of a Promotional Association and Common Consumption Area for Horseshoe Gilpin Inc.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The first Promotional Association/Common Consumption Area Certification application was received by the Clerk's office on June 11, 2015. The application has been found complete and is included in the packet. At its May 27, 2015 meeting, Council approved changes to Article XVII of Chapter 6 regarding Entertainment Districts to allow extended hours for a Promotional Association to serve alcohol between 2:00 a.m. and 7:00 a.m., if requested through application. The Canyon Casino and Gilpin Casino have met all the requirements for a Promotional Association and are requesting extended hours. Staff has reviewed this application and Chief Cole offers the attached recommendations. As per C.R.S. § 12-47-301(11)(c) a Local Licensing Authority must properly certify a Promotional Association to operate a Common Consumption Area.

If approved, staff is required to submit DR 8482 to the State Licensing Authority within fifteen (15) days of any changes to the existing Entertainment District, including a list of the licensed premises attached to the Common Consumption Area, map of the area, and the hours of operation and consumption for the licensed premises and Common Consumption Area.

AGENDA DATE: June 24, 2015

WORKSHOP DATE: N/A

FUNDING SOURCE: N/A

DEPARTMENT DIRECTOR APPROVAL: [X]Yes []No

STAFF PERSON RESPONSIBLE: Melissa Greiner, City Clerk

DOCUMENTS ATTACHED: Application Packet and staff recommendations

RECORD: []Yes [X]No

CITY ATTORNEY REVIEW: Yes N/A

SUBMITTED BY:

Melissa C. Greiner

Melissa Greiner, City Clerk

REVIEWED BY:

Jack D. Lewis

Jack D. Lewis, City Manager





RECEIVED

JUN 11 2015

City of Black Hawk
Clerk's Office

CITY OF BLACK HAWK
Po Box 68
201 Selak Street
Black Hawk, CO 80422
(303)582-2221

Date Submitted 6-12-15

PROMOTIONAL ASSOCIATION/COMMON CONSUMPTION AREA CERTIFICATION REQUEST

Promotional Association Name (exactly as it appears on incorporation documentation): Horseshoe Gilpin Inc	
Description of Common Consumption Area Boundaries: (attach map) Attached as Exhibit A	
Mailing Address of Promotional Association: PO Box 458 Black Hawk, CO 80422	
President of the Promotional Association: Brian Cloud	
Phone Number: 303-434-4543	E-mail Address: bcloud@canyoncasino.com

The following must accompany this Promotional Association/Common Consumption Area Certification Request:

- \$100 for Initial Application Fee
- \$100 for attachment of a Licensed Premises by a Certified Promotional Association
- Exhibit B **Copy of the Articles of Incorporation and Bylaws**
- Exhibit C **List of all Directors and Officers of the Promotional Association**
- Exhibit D **Written Security Plan**
 - A security plan, including evidence of training (including, but not limited to, TIPS certification) and approval of personnel, a detailed description of security arrangements and the approximate location of security personnel within the Common Consumption Area during operating hours.
- Exhibit A **Map drawn to scale**
 - A detailed map of the proposed Common Consumption Area, including location of physical barriers, entrances and exits, location of attached licensed premises and identification of licensed premises that are adjacent but not to be attached to the Common Consumption Area.
- See Pg. 3 **List of dates and hours of operation of the Common Consumption Area**
- Exhibit E **Documentation showing possession of the Common Consumption Area by the Promotional Association**

Exhibit F

List of the attached licensees, of which there will be a minimum of two (2), and list the following information:

- **Liquor License number**
- **List of any past liquor violations**
- **Copy of any operational agreements**

Exhibit G

Insurance Certificate of General Liability and Liquor Liability naming the City as an additional insured in a minimum amount of one million dollars (\$1,000,000)

Exhibit H

Documentation of how the application addresses the reasonable requirements of the neighborhood and the desires of the adult inhabitants as evidenced by petitions, written testimony or otherwise

Promotional Association/ Common Consumption Area General Guidelines:

- The size of the Common Consumption Area shall not exceed the area approved as the Entertainment District within which the Common Consumption Area is located, but may be a smaller area within the Entertainment District at any time, provided that the new area is clearly delineated using physical barriers to close the area to motor vehicle traffic and to limit pedestrian access;
- Alcohol beverages sold or served within the Common Consumption Area shall be served in a container that is no larger than 16 ounces, is disposable and contains the name of the licensed vendor in at least 24 point font type;
- The Promotional Association or attached licensed premises shall employ only persons to serve alcohol beverages or provide security within the Common Consumption Area who have completed the server and seller training program established by the Director of the Liquor Enforcement Division of the Department of Revenue;
- Revisions and amendments to the original application for Common Consumption Area Designation shall be submitted to the City of Black Hawk Liquor Licensing Authority and approved using the same procedures under which this original request for certification was made;
- Application for attachment of a licensed establishment to an already certified Common Consumption Area shall include an authorization from the Certified Promotional Association; the name of the representative from the licensed establishment who would serve on the Board of Directors of the Promotional Association; an amended map depicting the licensed establishment being added, physical barriers, entrances, exits, currently attached licensed establishments, location of security personnel, and licensed establishments that are adjacent to but not attached to the Common Consumption Area; and an application fee;
- The City of Black Hawk Liquor Licensing Authority (the "Authority") shall consider the merits of the application for a Promotional Association or a Common Consumption Area. If approved, the terms and conditions of the approval remain in effect until the Authority approves a revised or amended application by the Promotional Association.
- The Authority may refuse to certify or may decertify a Promotional Association, if the Association: 1) Fails to submit the annual report as required by January 31st of each year; 2) Fails to establish that the licensed premises and Common Consumption Area can be operated without violating the State or Local Liquor Codes or creating a safety risk to the neighborhood; 3) Fails to have at least two licensed establishments attached to the Common Consumption Area; 4) Fails to obtain or maintain a properly endorsed general liability and liquor liability insurance policy that names the City as an additional insured; 5) Fails to demonstrate that the use is compatible with the reasonable requirements of the

neighborhood or the desires of the adult inhabitants; or 6) Is in violation of 12-47-909, Colorado Revised Statutes, as may be amended from time to time, related to Common Consumption Area operations; and

- Application for Recertification of a Promotional Association must be made by **January 31st** of each year

Please mark below which days and hours the Common Consumption Area will be open and operational:

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
January	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
February	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
March	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
April	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
May	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
June	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
July	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
August	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
September	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
October	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
November	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a
December	Closed	Closed	Closed	2a-4a	2a-7a	2a-7a	2a-4a

Any deviation from this schedule shall be reported to the City Clerk's Office at least fifteen (15) days prior to the proposed new date and time.

Certification of Applicant

I hereby certify that the information contained in this certification request and all attachments is true, correct, and complete to the best of my knowledge and that it is my responsibility and the responsibility of my agents/employees and Board of Directors to comply with all applicable Local and State laws, rules, and regulations as they relate to the serving, selling and distribution of alcohol beverages. I also declare that I have read and understand C.R.S. § 12-47-301(11) and Chapter 6, Article XVII of the Black Hawk Municipal Code pertaining to Entertainment Districts.

J. Alan Roberts

Authorized Signature

VP/Director/Secretary

Title

6-11-15

Date

Report and Approval of the Local Liquor Licensing Authority

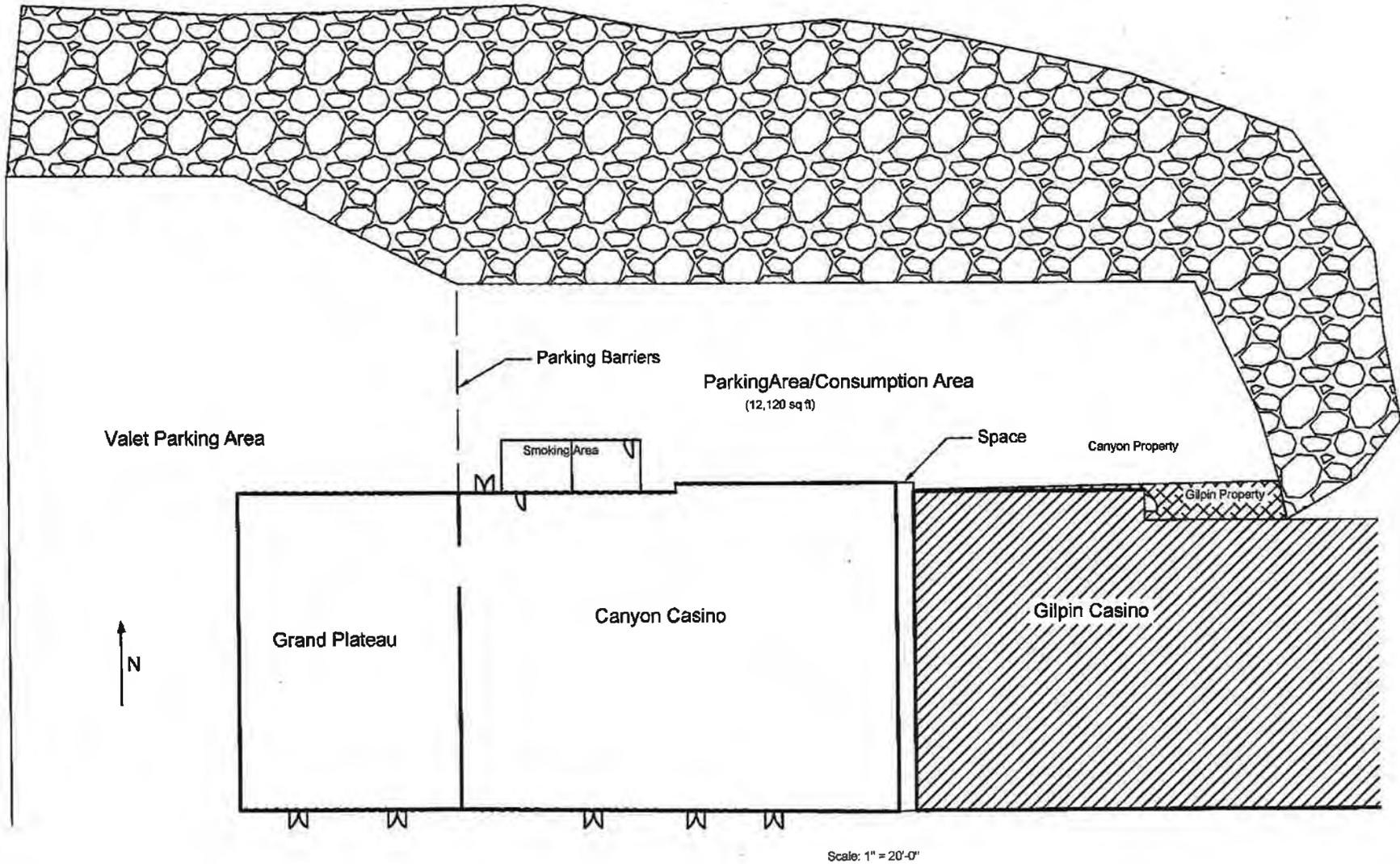
Chairman of Liquor Licensing Authority

City Clerk

Date

Date

Exhibit A



(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name
(if an individual) Cloud Brian
(Last) (First) (Middle) (Suffix)

or

(if an entity) _____
(Caution: Do not provide both an individual and an entity name.)

Mailing address 111 Main Street
(Street number and name or Post Office Box information)

Black Hawk CO 80422
(City) (State) (ZIP/Postal Code)

(Province - if applicable) (Country)
United States.

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. The classes of shares and number of shares of each class that the corporation is authorized to issue are as follows.

The corporation is authorized to issue 1,000 common shares that shall have unlimited voting rights and are entitled to receive the net assets of the corporation upon dissolution.

Information regarding shares as required by section 7-106-101, C.R.S., is included in an attachment.

6. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

7. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

8. The true name and mailing address of the individual causing the document to be delivered for filing are

Overton Michele
(Last) (First) (Middle) (Suffix)
Dill Dill Carr Stonbraker&Hutchings
(Street number and name or Post Office Box information)
455 Sherman St, Ste 300
Denver CO 80203
(City) (State) (ZIP/Postal Code)
United States
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

**BYLAWS
OF
HORSESHOE GILPIN, INC.
(A Promotional Association Formed Pursuant to 12-47-301 C.R.S. and Black Hawk
Ordinance No. §6-531 *et seq*)**

**ARTICLE I
OFFICES**

A. PRINCIPAL OFFICE. The Principal office of the Corporation in the State of Colorado shall be located in the City of Black Hawk, County of Glipin. The Corporation may have such other offices, either within or outside of the State of Colorado as the Board of Directors may designate, or as the business of the Corporation may require from time to time.

B. REGISTERED OFFICE. The Registered Office of the Corporation, required by the Colorado Business Corporation Act to be maintained in the State of Colorado, may be, but need not be, identical with the Principal Office in the State of Colorado, and the address of the Registered Office may be changed from time to time by the Board of Directors.

C. PURPOSE. The Purpose of this Promotional Association is to promote entertainment activities in a Common Consumption Area in the City of Black Hawk and within the Entertainment District as defined by the City of Black Hawk in §6-531. The Promotional Association will provide, in addition to articles of incorporation and by-laws identifying the directors and officers of the Promotional Association, the following information: a) A detailed map of the proposed Common Consumption Area including the size of the Common Consumption Area as defined by §6-535 of the Ordinances of the City of Black Hawk; b) A Security Plan identifying the location of various security personnel; c) The dates and hours of operation of the Common Consumption Area; d) Documentation showing possession of the area to be used for common consumption by the Promotional Association; e) A list of attached liquor licensees forming the Promotional Association; f) Proof of general and liquor liability insurance, naming the City of Black Hawk as an additional insured; and g) Documentation concerning the reasonable requirements of the neighborhood and desires of the inhabitants for the Promotional Association Common Consumption Area. The Promotional Association will operate the Premises known as Common Consumption Areas in conformance with Ordinance §6-538 of the Black Hawk City Code.

ARTICLE II
SHAREHOLDERS

A. ANNUAL MEETING.

1. The Annual Meeting of the Shareholders shall be held on the 1st day of July in each year, commencing with the year 2015, at the hour of 9:00 a.m., or at such other time on such other day as shall be fixed by the Board of Directors, for the of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the Annual Meeting shall be a legal holiday in the State of Colorado, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting of the Shareholders, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Shareholders as soon thereafter as may be convenient.

2. A Shareholder may apply to the district court in the county in Colorado where the Corporation's Principal Office is located or, if the Corporation has no principal office in Colorado, to the district court of the county in which the Corporation's Registered Office is located, to seek an order that a Shareholder meeting be held (i) if an annual meeting was not held within six (6) months after the close of the Corporation's most recently ended fiscal year or fifteen (15) months after its last Annual Meeting, whichever is earlier, or (ii) if the Shareholder participated in a proper call or, if proper demand for a special meeting and notice of the special meeting was not given within thirty (30) days after the date of the call, or the date the last of the demands necessary to require calling of the meeting was received by the Corporation pursuant to C.R..S, § 7-107-102(1)(b), or the special meeting was not held in accordance with the notice.

B. SPECIAL MEETINGS. Special Meetings of the Shareholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President upon the receipt of one or more written demands for a Special Meeting, stating the purpose or purposes for which it is to be held, signed and dated by the holders of shares representing at least ten percent (10%) of all the votes entitled to be cast on any issue proposed to be considered at the meeting.

C. PLACE OF MEETINGS. The Board of Directors may designate any place, either within or outside of the State of Colorado, as the place of meeting for any Annual Meeting or for any Special Meeting called by the Board of Directors. If no designation is

made, or if a Special Meeting be otherwise called, the place of meeting shall be the Principal Office of the Corporation in the State of Colorado.

D. NOTICE OF MEETINGS.

1. Written notice stating the place, day and hour of the meeting of Shareholders and, in case of a Special Meeting, the purpose or purposes for which the meeting is called, shall, unless otherwise prescribed by statute, be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the officer or other person calling the meeting, to each Shareholder of record entitled to vote at such meeting; provided, however, that if the number of authorized shares is to be increased, at least thirty (30) days' notice shall be given.

2. Notice of a Special Meeting shall include a description of the purpose or purposes of the meeting. Notice of an Annual Meeting need not include a description of the purpose or purposes of the meeting except the purpose or purposes shall be stated with respect to (i) an amendment to the Articles of Incorporation of the Corporation, (ii) a merger or share exchange in which the Corporation is a party, and, with respect to a share exchange, in which the Corporation's shares will be acquired, (iii) a sale, lease, exchange or other disposition, other than in the usual and regular course of business, of all or substantially all the property of the Corporation or of another entity which this Corporation controls, in each case with or without the goodwill, (iv) a dissolution of the Corporation, or (v) any other purpose for which a statement of purpose is required by the Colorado Business Corporation Act.

3. Notice shall be given personally or by mail, private carrier, telegraph, teletype, electronically transmitted facsimile or other form of wire or wireless communication by or at the direction of the President, the Secretary, or the officer or persons calling the meeting, to each Shareholder of record entitled to vote at such meeting. If mailed and if in a comprehensible form, such notice shall be deemed to be given and effective when deposited in the United States mail, addressed to the Shareholder at his address as it appears in the Corporation's current record of Shareholders, with postage prepaid. If notice is given other than by mail, and provided that such notice is in a comprehensible form, the notice is given and effective on the date received by the Shareholder.

4. If requested by the person or persons lawfully calling such meeting, the notice shall be given at corporate expense.

5. When a meeting is adjourned to another date, time or place, notice need not be given of the new date, time or place if the new, date, time or place of such meeting is announced before adjournment at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which may have been transacted at the original meeting. If the adjournment is for more than one hundred twenty (120) days, or if a new record date is fixed for the adjourned meeting, a new notice of the adjourned meeting shall be given to each Shareholder of record entitled to vote at the meeting as of the new record date.

6. A Shareholder may waive notice of a meeting before or after the time and date of the meeting by a writing signed by each Shareholder. Such waiver shall be delivered to the Corporation for filing with the corporate records. Further, by attending a meeting either in person or by proxy, a Shareholder waives objection to lack of notice or defective notice of the meeting unless the Shareholder objects at the beginning of the meeting to the holding of the meeting or the transaction of business at the meeting because of lack of notice or defective notice. By attending the meeting, the Shareholder also waives any objection to consideration in the meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the Shareholder objects to considering the matter when it is presented.

7. No notice need be sent to any Shareholder if three (3) successive notices mailed to the last known address of such Shareholder have been returned as undeliverable until such time as another address for such Shareholder is made known to the Corporation by such Shareholder. In order to be entitled to receive notice of any meeting, a Shareholder shall advise the Corporation in writing of any change in such Shareholder's mailing address as shown on the Corporation's books and records.

E. MEETING OF ALL SHAREHOLDERS. If all of the Shareholders shall meet at any time and place, either within or outside of the State of Colorado, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

F. CLOSING OF TRANSFER BOOKS OR FIXING OF RECORD DATE. For the purpose of determining Shareholders entitled to notice of or to vote at any meeting of Shareholders or any adjournment thereof, or Shareholders entitled to receive payment of any distribution, or in order to make a determination of Shareholders for any other purpose, the Board of Directors of the Corporation may provide that the share transfer books shall be closed for a stated period but not to exceed, in any case, seventy (70) days. If the share transfer books shall be closed for the purpose of determining Shareholders, entitled to notice of or to vote at a meeting of Shareholders, such books shall be closed for at least ten (10) days immediately preceding such meeting. In lieu of closing the share transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of Shareholders, such date in any case to be not more than seventy (70) days and, in case of a meeting of Shareholders, not less than ten (10) days prior to the date on which the particular action, requiring such determination of Shareholders, is to be taken. If the share transfer books are not closed and no record date is fixed for the determination of Shareholders entitled to notice of or to vote at a meeting of Shareholders, or Shareholders entitled to receive payment of a distribution, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such distribution is adopted, as the case may be, shall be the record date for such determination of Shareholders. When a determination of Shareholders entitled to vote at any meeting of Shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof unless the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting, in which case the Board of Directors shall make a new determination as provided in this section.

G. VOTING RECORD.

1. The officer or agent having charge of the stock transfer books for shares of the Corporation shall make, at least ten (10) days before such meeting of Shareholders, a complete record of the Shareholders entitled to vote at such meeting of Shareholders or any adjournment thereof, arranged by voting groups and within each voting group by class or series of shares, in alphabetical order within each class or series, with the address of and the number of shares held by each Shareholder in each class or series. For a period beginning the earlier of ten (10) days before the meeting for which the record was prepared or two (2) business days after notice of the meeting is given and continuing through the meeting, the record shall be kept on file at the Principal Office of the Corporation or at a place identified in the notice of the meeting in the city where the meeting will be held, whether within or

outside of the State of Colorado, and shall be subject to inspection by any Shareholder upon written demand at any time during usual business hours. Such record shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Shareholder during the whole time of the meeting for the purposes thereof.

2. The original stock transfer books shall be the prima facie evidence as to who are the Shareholders entitled to examine the record or transfer books or to vote at any meeting of Shareholders.

H. QUORUM.

I. A majority of the votes entitled to be cast on the matter by a voting group, represented in person or by proxy, constitutes a quorum of that voting group for action on that matter. If no specific voting group is designated in the Articles of Incorporation or under the Colorado Business Corporation Act for a particular matter, all outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a voting group. In the absence of a quorum at any such meeting, a majority of the shares so represented may adjourn the meeting from time to time for a period not to exceed one hundred twenty (120) days without further notice. However, if the adjournment is for more than one hundred twenty (12) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Shareholder of record entitled to vote at the meeting.

2. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Shareholders whose absence would cause there to be less than a quorum.

I. MANNER OF ACTING. If a quorum is present, an action is approved if the votes cast favoring the action exceed the votes cast within the voting group opposing the action and such action shall be the act of the Shareholders, unless the vote of a greater proportion or number or voting by groups is otherwise required by the Colorado Business Corporation Act, the Articles of Incorporation, or these Bylaws.

J. PROXIES.

1. At all meetings of Shareholders, a Shareholder may vote by proxy by signing an appointment form or similar writing, either personally or by his or her duly authorized attorney-in-fact. A Shareholder may also appoint a proxy by transmitting or authorizing the transmission of a telegram, teletype, or other electronic transmission providing a written statement of the appointment to the proxy, a proxy solicitor, proxy support service organization, or other person duly authorized by the proxy to receive appointments as agent for the proxy or to the Corporation. The transmitted appointment shall set forth or be transmitted with written evidence from which it can be determined that the Shareholder transmitted or authorized the transmission of the appointment. The proxy appointment form or similar writing shall be filed with the Secretary of the Corporation and is valid for eleven (11) months unless a different period is expressly provided in the appointment form or similar writing.

2. Any complete copy, including an electronically transmitted facsimile, of an appointment of a proxy may be substituted for or used in lieu of the original appointment for any purpose for which the original appointment could be used.

3. Revocation of a proxy does not affect the right of the Corporation to accept the proxy's authority unless (i) the Corporation had notice that the appointment was coupled with an interest and notice that such interest is extinguished is received by the Secretary or other officer or agent authorized to tabulate votes before the proxy exercises his or her authority under the appointment, or (ii) other notice of the revocation of the appointment is received by the Secretary or other officer or agent authorized to tabulate votes before the proxy exercises his or her authority under the appointment. Other notice of revocation may, in the discretion of the corporation, be deemed to include the appearance at a Shareholder's meeting of the Shareholder who granted the proxy and his or her voting in person on any matter subject to a vote at such meeting.

4. The death or incapacity of the Shareholder appointing a proxy does not affect the right of the Corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary or other officer or agent authorized to tabulate votes before the proxy exercises his or her authority under the appointment.

5. The Corporation shall not be required to recognize an appointment made irrevocable if it has received a writing revoking the appointment signed by the Shareholder (including a Shareholder who is a successor to the Shareholder who granted the proxy) either

personally or by his or her attorney-in-fact, notwithstanding that the revocation may be a breach of an obligation of the Shareholder to another person not to revoke the appointment.

K. VOTING OF SHARES. Unless otherwise provided by these Bylaws or the Articles of Incorporation, each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of Shareholders, and each fractional share shall be entitled to a corresponding fractional vote on each such matter. Only shares are entitled to vote.

L. VOTING OF SHARES BY CERTAIN SHAREHOLDERS.

1. If the name on a vote, consent, waiver, proxy appointment, or proxy appointment revocation corresponds to the name of a Shareholder, the Corporation, if acting in good faith, is entitled to accept the vote, consent, waiver, proxy appointment or proxy appointment revocation and give it effect as the act of the Shareholder.

2. If the name signed on a vote, consent, waiver, proxy appointment or proxy appointment revocation does not correspond to the name of a Shareholder, the Corporation, if acting in good faith, is nevertheless entitled to accept the vote, consent, waiver, proxy appointment or proxy appointment revocation and to give it effect as the act of the Shareholder if:

a. The Shareholder is an entity and the name signed purports to be that of an officer or agent of the entity;

b. The name signed purports to be that of an administrator, executor, guardian or conservator representing the Shareholder and, if the Corporation requests, evidence of fiduciary status acceptable to the Corporation has been presented with respect to the vote, consent, waiver, proxy appointment or proxy appointment revocation;

c. The name signed purports to be that of a receiver or trustee in bankruptcy of the Shareholder and, if the Corporation requests, evidence of this status acceptable to the Corporation has been presented with respect to the vote, consent, waiver, proxy appointment or proxy appointment revocation;

d. The name signed purports to be that of a pledgee, beneficial owner or attorney-in-fact of the Shareholder and, if the Corporation requests, evidence acceptable to the corporation of the signatory's authority to sign for the Shareholder has been presented with respect to the vote, consent, waiver, proxy appointment or proxy appointment revocation;

e. Two (2) or more persons are the Shareholder as co-tenants or fiduciaries and the name signed purports to be the name of at least one (1) of the co-tenants or fiduciaries, and the person signing appears to be acting on behalf of all the co-tenants or fiduciaries; or

f. The acceptance of the vote, consent, waiver, proxy appointment or proxy appointment revocation is otherwise proper under rules established by the Corporation that are not inconsistent with this Section 2.L.

3. The Corporation is entitled to reject a vote, consent, waiver, proxy appointment or proxy appointment revocation if the Secretary or other officer or agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the Shareholder.

4. Neither the Corporation nor any of its directors, officers, employees, or agents who accepts or rejects a vote, consent, waiver, proxy appointment or proxy appointment revocation in good faith and in accordance with the standards of this Section is liable in damages for the consequences of the acceptance or rejection.

5. Redeemable shares are not entitled to be voted after notice of redemption is mailed to the holders and a sum sufficient to redeem the shares has been deposited with a bank, trust company or other financial institution under an irrevocable obligation to pay the holders of the redemption price on surrender of the shares.

M. ACTION BY SHAREHOLDERS WITHOUT A MEETING.

1. Unless the Articles of Incorporation or these Bylaws provide otherwise, action required or permitted to be taken at a meeting of Shareholders may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Shareholder entitled to vote and delivered to the Secretary of the

Corporation for inclusion in the minutes or for filing with the corporate records. Action taken under this Section is effective when all Shareholders entitled to vote have signed the consent, unless the consent specifies a different effective date.

2. Any such writing may be received by the Corporation by electronically transmitted facsimile or other form of wire or wireless communication providing the Corporation with a complete copy thereof, including a copy of the signature thereto. The Shareholder so transmitting such a writing shall furnish an original of such writing to the Corporation for the permanent record of the Corporation, but the failure of the Corporation to receive or record such original writing shall not affect the action so taken.

3. The record date for determining Shareholders entitled to take action without a meeting shall be the date the written consent is first received by the Corporation.

N. VOTING BY BALLOT. Voting on any question or in any election may be by voice vote unless the presiding Officer shall order or any Shareholder shall demand that voting be by ballot.

O. NO CUMULATIVE VOTING. No Shareholder shall be permitted to cumulate his or her votes.

P. WAIVER OF NOTICE.

1. When any notice is required to be given to any Shareholder, a waiver thereof in writing signed by the person entitled to such notice, whether before, at or after the time stated therein, shall be equivalent to the giving of such notice.

2. The attendance of a Shareholder at any meeting shall constitute a waiver of notice, waiver of objection to defective notice of such meeting, or a waiver of objection to the consideration of a particular matter at the Shareholder meeting unless the Shareholder, at the beginning of the meeting, objects to the holding of the meeting, the transaction of business at the meeting, or the consideration of a particular matter at the time it is presented at the meeting.

Q. NO PARTICIPATION BY ELECTRONIC MEANS. Shareholders must be present in person or proxy at any Annual or Special Shareholder's meetings, and shall not be

permitted to participate in such a meeting by telephone conference or similar communications.

ARTICLE III **BOARD OF DIRECTORS**

A. GENERAL POWERS. The business and affairs of the Corporation shall be managed by its Board of Directors.

B. PERFORMANCE OF DUTIES. A Director of the Corporation shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing his duties, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in paragraphs 1., 2., and 3 of this Section 3.B.; but he or she shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A person who so performs his or her other duties shall not have any liability by reason of being or having been a Director of the Corporation. Those persons and groups on whose information, opinions, reports, and statements a Director is entitled to rely are:

1. One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;

2. Legal counsel, public accountants, or other persons as to matters which the Director reasonably believes to be within such persons' professional or expert competence; or

3. A committee of the Board upon which he or she does not serve, duly designated in accordance with the provision of the Articles of Incorporation or the Bylaws, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

C. NUMBER, TENURE AND QUALIFICATIONS.

1. The number of Directors of the Corporation shall be fixed from time to time by resolution of the Board of Directors, but in no instance shall there be less than one Director. Each Director shall hold office until the next Annual Meeting of Shareholders or until his or her successor shall have been elected and qualified. Directors need not be residents of the State of Colorado or Shareholders of the Corporation.

2. There shall be a Chairman of the Board, who has been elected from among the Directors. He or she shall preside at all meetings of the Stockholders and of the Board of Directors.

D. REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the Annual Meeting of Shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Colorado, for the holding of additional regular meetings without other notice than such resolution.

E. SPECIAL MEETINGS. Special Meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board of Directors may fix at any place, either within or without the State of Colorado, as the place for holding any Special Meeting of the Board of Directors called by them.

F. NOTICE. Written notice of any Special Meeting of Directors shall be given as follows:

1. By mail to each Director at his business address at least two (2) days prior to the meeting; or

2. By personal delivery, facsimile or telegram at least twenty-four (24) hours prior to the meeting to the business address of each Director, or in the event such notice is given on a Saturday, Sunday or holiday, to the residence address of each Director. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. If notice is given by facsimile, such notice shall be deemed to be delivered when a confirmation of the transmission of the facsimile has been received by the sender. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company.

3. Any Director may waive notice of any meeting.

4. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting , except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

5. Neither the business to be transacted at, nor the purpose of, any regular or Special Meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

6. When any notice is required to be given to a Director, a waiver thereof in writing signed by such Director, whether before, at or after the time stated therein, shall constitute the giving of such notice.

G. QUORUM. A majority of the number of Directors fixed by or pursuant to Section 3.B. of this Article III, or if no such number is fixed, a majority of the number of Directors in office immediately before the meeting begins, shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

H. MANNER OF ACTING. Except as otherwise required by law or by the Articles of Incorporation, the affirmative vote of the majority of the Director present at a meeting at which a quorum is present shall be the act of the Board of Directors.

I. INFORMAL ACTION BY DIRECTORS OR COMMITTEE MEMBERS. Unless the Articles of Incorporation or these Bylaws provide otherwise, any action required or permitted to be taken at a meeting of the Board of Directors or any committee designated by said Board may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Director or committee member, and delivered to the Secretary for inclusion in the minutes or for filing with the corporate records. Action taken under this section is effective when all Directors or committee members have signed the consent, unless the consent specifies a different effective date. Such consent has the same force and effect as an unanimous vote of the Directors or committee members and may be stated as such in any document.

J. PARTICIPATION BY ELECTRONIC MEANS. Any members of the Board of Directors or any committee designated by such Board may participate in a meeting of the Board of Directors or committee by means of telephone conference or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

K. VACANCIES.

1. Any vacancy on the Board of Directors may be filled by the affirmative vote of a majority of the Shareholders or the Board of Directors. If the Directors remaining in office constitute fewer than a quorum of the Board, the Directors may fill the vacancy by the affirmative vote of a majority of all the Directors remaining in office.

2. If elected by the Directors, the Director shall hold office until the next annual Shareholders' meeting at which Directors are elected. If elected by the Shareholders, the Director shall hold office for the unexpired term of his or her predecessor in office; except that, if the Director's predecessor was elected by the Directors to fill a vacancy, the Director elected by the Shareholders shall hold the office for the unexpired term of the last predecessor elected by the Shareholders.

3. If the vacant office was held by a Director elected by a voting group of Shareholders, only the holders of shares of that voting group are entitled to vote to fill the vacancy if it is filled by the Shareholders, and, if one or more of the remaining Directors were elected by the same voting group, only such Directors are entitled to vote to fill the vacancy if it is filled by the Directors.

L. RESIGNATION. Any Director of the Corporation may resign at any time by giving written notice to the Secretary of the Corporation. The resignation of any Director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. When one or more Directors shall resign from the Board, effective at a future date, a majority of the Directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

M. REMOVAL. Subject to any limitations contained in the Articles of Incorporation, any Director or Directors of the Corporation may be removed at any time, with or without cause, in the manner provided in the Colorado Business Corporation Act.

N. COMMITTEES. By resolution adopted by a majority of the Board of Directors, the Directors may designate two (2) or more Directors to constitute a committee, any of which shall have such authority in the management of the Corporation as the Board of Directors shall designate and as shall be prescribed by the Colorado Business Corporation Act and Article XI of these Bylaws.

O. COMPENSATION. By resolution of the Board of Directors and irrespective of any personal interest of any of the Members, or the Board of Directors, each Director may be paid his or her expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as Director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

P. PRESUMPTION OF ASSENT.

I. A Director of the Corporation who is present at a meeting of the Board of Directors or committee of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless:

a. the Director objects at the beginning of the meeting, or promptly upon his or her arrival, to the holding of the meeting or the transaction of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting;

b. the Director contemporaneously requests that his or her dissent or abstention as to any specific action taken be entered in the Minutes of the meeting; or

c. the Director causes written notice of his or her dissent or abstention as to any specific action to be received by the presiding officer of the meeting before its adjournment or by the Corporation promptly after the adjournment of the meeting. A Director may dissent to a specific action at a meeting, while assenting to others. The right to dissent to a specific action taken at a meeting of the Board of Directors or a committee of the Board shall not be available to a Director who voted in favor of such action.

ARTICLE IV
OFFICERS

A. NUMBER. The officers of the Corporation shall be a President, a Secretary, and a Treasurer, each of whom must be a natural person who is eighteen (18) years or older and shall be elected by the Board of Directors. Such other officers and assistants officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two (2) or more offices may be held by the same person.

B. ELECTION AND TERM OF OFFICE. The officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after the annual meeting of the Shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as practicable. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his or her death or until he shall resign or shall have been removed in the manner hereinafter provided.

C. REMOVAL AND RESIGNATION.

1. Any officer or agent may be removed by the Board of Directors at any time, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

2. An officer or agent may resign at any time by giving written notice of resignation to the Secretary of the Corporation. The resignation is effective when notice is received by the Corporation unless the notice specifies a later effective date.

D. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

E. PRESIDENT. The President shall be the Chief Executive Officer of the Corporation and, subject to the control of the Board of Directors, shall, in general, supervise and control all of the business and affairs of the Corporation. He or she shall, when present, and in the absence of a Chair of the Board, preside at all meetings of the Shareholders and of the Board of Directors. He or she may sign, with the Secretary or any other proper officer

of the Corporation thereunto authorized by the Board of Directors, certificates for shares of the Corporation and deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

F. VICE PRESIDENT. If elected or appointed by the Board of Directors, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) shall, in the absence of the President or in the event of his or her death, inability or refusal to act, perform all duties of the President, and when so acting, shall have all the powers of and be subject all the restrictions upon the President. Any Vice President may sign, with the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary, certificates for shares of the Corporation; and shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

G. SECRETARY. The Secretary shall:

1. Prepare and maintain as permanent records the minutes of the proceedings of the Shareholders and the Board of Directors, a record of all actions taken by the Shareholders or Board of Directors without a meeting, a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Corporation, and a record of all waivers of notice and meetings of Shareholders and of the Board of Directors or any committee thereof.

2. Ensure that all notices are duly given in accordance with the provisions of these Bylaws and as required by law.

3. Serve as custodian of the corporate records and of the seal of the Corporation and affix the seal to all documents when authorized by the Board of Directors.

4. Keep at the Corporation's registered office or principal place of business a record containing the names and addresses of all Shareholders in a form that permits

preparation of a list of Shareholders arranged by voting group and by class or series of shares within each voting group, that is alphabetical within each class or series held by, each Shareholder, unless such a record shall be kept at the office of the Corporation's transfer agent or registrar.

5. Maintain at the Corporation's principal office the originals or copies of the Corporation's Articles of Incorporation, Bylaws, Minutes of all Shareholders' meetings and records of all action taken by Shareholders without a meeting for the past three years, all written communications within the past three (3) years to Shareholders as a group or the holders of any class or series of shares as a group, a list of the names and business addresses of the current directors and officers, a copy of the Corporation's most recent corporate report filed with the Secretary of State, and financial statements showing in reasonable detail the Corporation's assets and liabilities and results of operations for the last three (3) years.

6. Have general charge of the stock transfer books of the Corporation, unless the Corporation has a transfer agent.

7. Authenticate records of the Corporation.

8. In general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of the Board of Directors. Assistant Secretaries, if any, shall have the same duties and powers, subject to supervision by the Secretary. The Directors and/or Shareholders may however respectively designate a person other than the Secretary or Assistant Secretary to keep the Minutes of their respective meetings.

9. Any books, records, or minutes of the Corporation may be in written form or in any form capable of being converted into written form within a reasonable time.

H. TREASURER. The Treasurer shall:

1. Have charge and custody of and be responsible for all funds and securities of the Corporation.

2. Receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the

Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article V. of these Bylaws.

3. In general, perform all of the duties incident to the office of the Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

I. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The Assistant Secretaries, when authorized by the Board of Directors, may sign with the Chair or Vice Chair of the Board of Directors or the President or a Vice President certificates for shares of the Corporation, the issuance of which shall have been authorized by a resolution of the Board of Directors. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

J. BONDS. If the Board of Directors, by resolution shall so require, any officer or agent of the Corporation shall give bond to the Corporation in such amount and with such surety as the Board of Directors may deem sufficient, conditioned upon the faithful performance of their respective duties and offices.

K. SALARIES. The salaries of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the Corporation.

ARTICLE V **CONTRACTS, LOANS, CHECKS AND DEPOSITS**

A. CONTRACTS. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

B. LOANS. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.

C. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

D. DEPOSITS. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE VI
SHARES, CERTIFICATES FOR SHARES AND
TRANSFER OFF SHARES

A. REGULATION. The Board of Directors may make such rules and regulations as it may deem appropriate concerning the issuance, transfer and registration of certificates for shares of the Corporation, including the appointment of transfer agents and registrars.

B. SHARES WITHOUT CERTIFICATES.

1. Unless otherwise provided by the Articles of Incorporation or these Bylaws, the Board of Directors may authorize the issuance of any of its classes or series of shares without certificates. Such authorization shall not affect shares already represented by certificates until they are surrendered to the Corporation.

2. Within a reasonable time following the issue or transfer of shares without certificates, the Corporation shall send the Shareholder a complete written statement of the information required on certificates by the Colorado Business Corporation Act.

C. CERTIFICATES FOR SHARES.

1. If shares of the Corporation are represented by certificates, the certificates shall be respectively numbered serially for each class of shares, or series thereof, as they are issued, shall be impressed with the corporate seal or a facsimile thereof, and shall be signed by the Chair or Vice Chair of the Board of Directors or by the President or a Vice President and by the Treasurer or an Assistant Treasurer or by the Secretary or an Assistant Secretary; provided that such signatures may be facsimile if the certificates countersigned by a transfer agent, or registered by a registrar other than the Corporation itself or its

employee. Each certificate shall state the name of the Corporation, the fact that the Corporation is organized or incorporated under the laws of the State of Colorado, the name of the person to whom issued, the date of issue, the class (or series of any class), and the number of shares represented thereby. A statement of the designations, preferences, qualifications, limitations, restrictions and special or relative rights of the shares of each class shall be set forth in full or summarized on the face or back of the certificates which the Corporation shall issue, or in lieu thereof, the certificate may set forth that such a statement or summary will be furnished to any Shareholder upon request without charge. Each certificate shall be otherwise in such form as may be prescribed by the Board of Directors and as shall conform to the rules of any stock exchange on which the shares may be listed.

2. The Corporation shall not issue certificates representing fractional shares and shall not be obligated to make any transfers creating a fractional interest in a share of stock. The Corporation may, but shall not be obligated to, issue scrip in lieu of any fractional shares, such scrip to have terms and conditions specified by the Board of Directors.

D. CANCELLATION OF CERTIFICATES. All certificates surrendered to the Corporation for transfer shall be canceled and no new certificates shall be issued in lieu thereof until the former certificate for a like number of shares shall have been surrendered and canceled, except as herein provided with respect to lost, stolen or destroyed certificates.

E. LOST, STOLEN OR DESTROYED CERTIFICATES. Any Shareholder claiming that his certificate for shares is lost, stolen or destroyed may make an affidavit or affirmation of that fact and lodge the same with the Secretary of the Corporation, accompanied by a signed application for a new certificate. Thereupon, and upon giving of a satisfactory bond of indemnity to the Corporation not exceeding an amount double the value of the shares as represented by such certificate (the necessity for such bond and the amount required to be determined by the President and Treasurer of the Corporation), a new certificate may be issued of the same tenor and representing the same number, class and series of shares as were represented by the certificate alleged to be lost, stolen or destroyed.

F. TRANSFER OF SHARES. Subject to the terms of any Shareholder agreement relating to the transfer of shares or other transfer restrictions contained in the Articles of Incorporation or authorized therein, shares of the Corporation shall be transferable on the books of the Corporation by the holder thereof in person or by his duly authorized attorney, upon the surrender and cancellation of a certificate or certificates for a like number of shares.

Upon presentation and surrender of a certificate for shares properly endorsed and payment of all taxes therefor, the transferee shall be entitled to a new certificate or certificates in lieu thereof. As against the Corporation, a transfer of shares can be made only on the books of the Corporation and in the manner hereinabove provided, and the Corporation shall be entitled to treat the holder of record of any share as the owner thereof and shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person, whether or not is shall have express or other notice thereof, save as expressly provided by the statutes of the State of Colorado.

ARTICLE VII **FISCAL YEAR**

The fiscal year of the Corporation shall end on the last day of December in each calendar year.

ARTICLE VIII **DISTRIBUTIONS**

The Board of Directors may from time to time declare, and the Corporation may pay, distributions on its outstanding shares in the manner and upon the terms and conditions provided by the Colorado Business Corporation Act and its Articles of Incorporation.

ARTICLE IX **CORPORATE SEAL**

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Corporation and the state of incorporation and the words "CORPORATE SEAL."

ARTICLE X **AMENDMENTS**

The Board of Directors shall have power, to the maximum extent permitted by the Colorado Business Corporation Act, to make, amend and repeal the Bylaws of the Corporation at any regular or special meeting of the Board unless the Shareholders, in making, amending, or repealing a particular Bylaw, expressly provide that the Directors may not amend or repeal such Bylaw. The Shareholders also shall have the power to make,

amend or repeal the Bylaws of the Corporation at any annual meeting or at any special meeting called for that purpose.

ARTICLE XI **EXECUTIVE COMMITTEE**

A. APPOINTMENT. The Board of Directors by resolution adopted by a majority of the full Board, may designate two (2) or more of its members to constitute an Executive Committee. The designation of such Committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

B. AUTHORITY. The Executive Committee, when the Board of Directors is not in session, shall have and may exercise all of the authority of the Board of Directors except to the extent, if any, that such authority shall be limited by the resolution appointing the Executive Committee and except also that the Executive Committee shall not have the authority of the Board of Directors in reference to authorizing distributions, filling vacancies on the Board of Directors, authorizing reacquisition of shares, authorizing and determining rights for shares, amending the Articles of Incorporation, adopting a plan of merger or consolidation, recommending to the Shareholders the sale, lease or other disposition of all or substantially all of the property and assets of the Corporation otherwise than in the usual and regular course of its business, recommending to the Shareholders a voluntary dissolution of the Corporation or a revocation thereof, or amending the Bylaws of the Corporation.

C. TENURE AND QUALIFICATIONS. Each member of the Executive Committee shall hold office until the next regular annual meeting of the Board of Directors following his or her designation and until his or her successor is designated as a member of the Executive Committee and is elected and qualified.

D. MEETINGS. Regular meetings of the Executive Committee may be held without notice at such time and places as the Executive Committee may fix from time to time by resolution. Special meetings of the Executive Committee may be called by any member thereof upon not less than one day's notice stating the place, date and hour of the meeting, which notice may be written or oral, and if mailed, shall be deemed to be delivered when deposited in the United States mail addressed to the member of the Executive Committee at his or her business address. Any member of the Executive Committee may waive notice of any meeting and no notice of any meeting need be given to any member thereof who attends

in person. The notice of a meeting of the Executive Committee need not state the business proposed to be transacted at the meeting.

E. QUORUM. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting thereof, and action of the Executive Committee must be authorized by the affirmative vote of a majority of the members present at a meeting at which a quorum is present.

F. INFORMAL ACTION BY EXECUTIVE COMMITTEE. Any action required or permitted to be taken by the Executive Committee at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members of the Executive Committee entitled to vote with respect to the subject matter thereof.

G. VACANCIES. Any vacancy in the Executive Committee may be filled by a resolution adopted by a majority of the full Board of Directors.

H. RESIGNATIONS AND REMOVAL. Any member of the Executive Committee may be removed at any time with or without cause by resolution adopted by a majority of the full Board of Directors. Any member of the Executive Committee may resign from the Executive Committee at any time by giving written notice to the President or Secretary of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

I. PROCEDURE. The Executive Committee shall elect a presiding officer from its members and may fix its own rules of procedure which shall not be inconsistent with these Bylaws. It shall keep regular minutes of its proceedings and report the same to the Board of Directors for its information at the meeting thereof held next after the proceedings shall have been taken.

ARTICLE XII EMERGENCY BYLAWS

A. The Emergency Bylaws provided in this Article XII shall be operative during any emergency in the conduct of the business of the Corporation resulting from a catastrophic event that prevents the normal functioning of the offices of the Corporation, notwithstanding any different provision in the preceding articles of the Bylaws or in the Articles of

Incorporation of the Corporation or in the Colorado Business Corporation Act. To the extent not inconsistent with the provisions of this Article, the Bylaws provided in the preceding articles shall remain in effect during such emergency and upon its termination the Emergency Bylaws shall cease to be operative.

B. During any such emergency:

1. A meeting of the Board of Directors may be called by any officer or director of the Corporation. Notice of the time and place of the meeting shall be given by the person calling the meeting to such of the Directors as it may be feasible to reach by any available means of communication. Such notice shall be given at such time in advance of the meeting as circumstances permit in the judgment of the person calling the meeting.

2. At any such meeting of the Board of Directors, a quorum shall consist of the number of Directors in attendance at such meeting.

3. The Board of Directors, either before or during any such emergency, may, effective in the emergency, change the principal office or designate several alternative principal offices, or authorize the officers to do so.

4. The Board of Directors, either before or during any such emergency, may provide, and from time to time modify, lines of succession in the event that during such an emergency any or all officers or agents of the Corporation shall for any reason be rendered incapable of discharging their duties.

5. No officer, director or employee acting in accordance with these Emergency Bylaws shall be liable except for willful misconduct.

6. These Emergency Bylaws shall be subject to repeal or change by further action of the Board of Directors or by action of the Shareholders, but no such repeal or change shall modify the provisions of the next preceding paragraph with regard to action taken prior to the time of such repeal or change. Any amendment of these Emergency Bylaws may make any further or different provision that may be practical and necessary for the circumstances of the emergency.

CERTIFICATE

I hereby certify that the foregoing Bylaws, consisting of twenty-five (25) pages, including this page, constitute the **Bylaws of Horseshoe Gilpin, Inc.**, adopted by the Board of Directors of the Corporation as of June 11, 2015.



Secretary

Exhibit C

Horseshoe Gilpin District Directors

Brian Cloud, President/Director/Treasurer of Horseshoe Gilpin Inc. Representative of Canyon Casino where he holds the position of General Manager.

T. Alan Roberts, Vice President/Director/Secretary of Horseshoe Gilpin Inc. Representative of the Gilpin Casino where he holds the position of General Manager

Exhibit D



Black Hawk's Best Bet
131 Main Street Black Hawk CO, 80422

Horseshoe/Gilpin Entertainment District

Canyon Casino / Gilpin Casino Security Plan

Beginning Friday, July 3rd and continuing every week, North Main Entertainment District will run between the hours of:

- 2:00 a.m. till 4:00 a.m. Friday mornings (excluding holidays).
- 2:00 a.m. till 7:00 a.m. Saturday mornings.
- 2:00 a.m. till 7:00 a.m. Sunday mornings.
- 2:00 a.m. till 4:00 a.m. Monday mornings (excluding holidays)..

During the operating hours of 2am-4am Friday and Monday mornings and 2 a.m.-7 a.m. Saturday and Sunday mornings the Canyon Casino / Gilpin Casino will have the following additional security procedures in-place in support of the Entertainment area.

- Beginning at 1:30 a.m. of each night of the Entertainment District operation, Canyon Casino / Gilpin Casino Security will begin to clear the lot and assemble the cones and stations to block the back lot of the Canyon Casino off from any vehicle traffic.
- Additional security will be used by both Canyon Casino and Gilpin Casino for roving patrols to monitor internal points of access to common consumption area.
- The Canyon Casino Security Guard will be additionally stationed to guard the parking lot access point of the common consumption area to ensure no unauthorized access from this point.
- Both casinos will provide one additional Security Guard to ensure no liquor exits the properties via the normal exits, which may include a sidewalk patrol along Main Street.
- Common Consumption area will constantly be monitored and observed by security and surveillance to ensure compliance with all Entertainment District rules and regulations.
- All liquor service in both casinos will be in clearly identifiable plastic cups and strictly enforced by security.
- All non-alcoholic drinks will be in a cup clearly distinguishable from the plastic cups used to serve alcohol during Entertainment District hours.
- Verification of alcohol training will be maintained by both casinos at all times and will be made available upon request.

Exhibit E
GILPIN

26.00
DF 475.00

Reception 25477 04/24/1998 03:15P 8839 P115 Gilpin Co.
1 of 5 R 26.00 D 475.00 Judith A. Bernbrock
Recorded: _____

Gilpin County
State Documentary Fee
\$ 475.00

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made this 24th day of April, 1998, between Gilpin Gold, Inc. a Colorado corporation in good standing ("Grantor"), the address of which is 32391 Horseshoe Drive, Evergreen, Colorado 80439, and Black Hawk Gaming & Development Company, Inc., a Colorado corporation in good standing ("Grantee"), the address of which is 17301 West Colfax Avenue, Suite 170, Golden, Colorado 80401:

"Real Property Transfer Declaration"
Not Received

WITNESSETH, that Grantor, for and in consideration of the sum of Four Million Seven Hundred Fifty Thousand exactly (\$4,750,000.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey, and confirm unto Grantee, its successors and assigns forever, all the real property, together with improvements, situate, lying and being in the County of Gilpin, State of Colorado, as described in Exhibit A hereto, also known by street and number as 111, 121, 131 Main Street, Black Hawk, Colorado.

TOGETHER with all and singular the tenements, hereditaments and appurtenances thereto belonging, or in any way appertaining, including without limitation fixtures, trees, plants, appurtenant easements and rights-of-way, appurtenant interests in strips of land, streets and alleys abutting or adjoining the same, water and well rights (and shares of stock evidencing the same), and mineral rights, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of Grantor, either in law or equity, of, in and to the above bargained premises, tenements, hereditaments and appurtenances;

TO HAVE AND TO HOLD the said premises above bargained and described with the tenements, hereditaments, and appurtenances unto Grantee, its successors and assigns forever. Grantor, for itself and its successors and assigns, does covenant and agree that it shall and will WARRANT AND FOREVER DEFEND the above-bargained premises in the quiet and peaceable possession of the grantee, its successors and assigns, against all and every person or persons claiming the whole or any part thereof by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has this Special Warranty Deed to be duly executed as of the day and year first above written.



L. R. [Signature]
Secretary

GILPIN GOLD, INC.

Robert W. [Signature]
President

Exhibit E

05477 04/24/1998 03:13P 8830 P118 Gilpin Co.
2 of 6 R 28.00 D 475.00 Judith R. Darnbrock

STATE OF COLORADO)
CITY & COUNTY OF DENVER) ss.

The foregoing Special Warranty Deed was acknowledged before me this 24th day of April, 1998, by Robert W. Dunlap as President and Kathy L. Dunlap as Secretary of Gilpin Gold, Inc., a Colorado corporation.

My commission expires: 10/28/99

Witness my hand and official seal.

Deanna J. Stab
Notary Public



Exhibit E

EXHIBIT A



PARCEL 1:

LOTS 2, 3, 4 AND THE WESTERLY 30 FEET OF LOT 5, BLOCK 37,
CITY OF BLACK HAWK,
TOGETHER WITH THAT PORTION OF MAIN STREET ADJOINING SAID LOTS CONVEYED TO
GILPIN GOLD, INC., A COLORADO CORPORATION AND BLACK HAWK GAMING &
DEVELOPMENT COMPANY, INC. FKA MOUNTAIN CASINO PROPERTIES BY PROPERTY LINE
AGREEMENT RECORDED FEBRUARY 26, 1996, IN BOOK 595 AT PAGE 145,
TOGETHER WITH THAT PORTION OF MAIN STREET ADJOINING SAID LOTS CONVEYED TO
BLACK HAWK GAMING & DEVELOPMENT COMPANY, INC. FKA MOUNTAIN CASINO
PROPERTIES BY PROPERTY LINE AGREEMENT RECORDED FEBRUARY 26, 1996, IN BOOK 595
AT PAGE 183,
EXCEPT ANY PORTION CONVEYED TO CITY OF BLACK HAWK IN PROPERTY LINE
AGREEMENT, RECORDED FEBRUARY 26, 1996, IN BOOK 595 AT PAGE 145,
AND EXCEPT ANY PORTION CONVEYED TO CITY OF BLACK HAWK BY QUIT CLAIM DEED
RECORDED APRIL 10, 1996, IN BOOK 597 AT PAGE 138,
COUNTY OF GILPIN, STATE OF COLORADO.

PARCEL 2:

A PARCEL OF GROUND IN THE CITY OF BLACK HAWK, DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH LIES N. 48°06' W., 10 FEET FROM THE SOUTHEAST CORNER
OF LOT 5, BLOCK 40, CITY OF BLACK HAWK; THENCE N. 43°33' E., 100.05 FEET; THENCE S.
48°06' E., 10 FEET; THENCE N. 43°33' E., 48.12 FEET; THENCE S. 51°34' E., 93.30 FEET; THENCE
S. 38°29' W., 152.36 FEET; THENCE N. 57°59' W., 10 FEET; THENCE N. 48°06' W., 106.66 FEET TO
THE PLACE OF BEGINNING, SOMETIMES DESCRIBED AS THE EAST 10 FEET OF LOT 6, BLOCK
40, PART OF MILL SITE NO. 29 AND THE WEST 10 FEET OF MILL SITE NO. 30 AND TRACT,
TOGETHER WITH THAT PORTION OF MAIN STREET ADJOINING SAID PARCEL CONVEYED
TO GILPIN GOLD, INC., A COLORADO CORPORATION AND BLACK HAWK GAMING &
DEVELOPMENT COMPANY, INC. FKA MOUNTAIN CASINO PROPERTIES BY PROPERTY LINE
AGREEMENT RECORDED FEBRUARY 26, 1996, IN BOOK 595 AT PAGE 145,
TOGETHER WITH THAT PORTION OF MAIN STREET ADJOINING SAID PARCEL CONVEYED
TO BLACK HAWK GAMING & DEVELOPMENT COMPANY, INC. FKA MOUNTAIN CASINO
PROPERTIES BY PROPERTY LINE AGREEMENT RECORDED FEBRUARY 26, 1996, IN BOOK 595
AT PAGE 183,
EXCEPTING THEREFROM THOSE PORTIONS OF MILL SITE 29 GRANTED TO THE COUNTY
OF GILPIN BY INSTRUMENTS RECORDED NOVEMBER 6, 1939, IN BOOK 214 AT PAGE 69, AND
APRIL 8, 1940, IN BOOK 214 AT PAGE 225,
AND EXCEPT ANY PORTION CONVEYED TO CITY OF BLACK HAWK IN PROPERTY LINE
AGREEMENT, RECORDED FEBRUARY 26, 1996, IN BOOK 595 AT PAGE 145,
AND EXCEPT ANY PORTION CONVEYED TO CITY OF BLACK HAWK IN PROPERTY LINE
AGREEMENT RECORDED FEBRUARY 26, 1996, IN BOOK 595 AT PAGE 183,

Exhibit E

03477 04/24/1998 03:15P 0830 P110 Gilpin Co.
4 of 5 R 26.00 D 478.08 Judith A. Dernbrook

EXHIBIT A—page 2

AND EXCEPT ANY PORTION CONVEYED TO CITY OF BLACK HAWK BY QUIT CLAIM DEED RECORDED APRIL 10, 1996, IN BOOK 597 AT PAGE 138,
AND EXCEPT ANY PORTION CONVEYED TO CITY OF BLACK HAWK BY QUIT CLAIM DEED RECORDED APRIL 10, 1996, IN BOOK 597 AT PAGE 160,
AND EXCEPT ANY PORTION CONVEYED TO BLACK HAWK/JACOBS ENTERTAINMENT, LLC BY QUIT CLAIM DEED RECORDED MARCH 24, 1997, IN BOOK 617 AT PAGE 192,
AND EXCEPT ANY PORTION CONVEYED TO THE COLORADO CENTRAL RAILROAD COMPANY BY DEED RECORDED IN BOOK 72 AT PAGE 363,
AND EXCEPT THOSE PORTIONS OF MILL SITE 29 GRANTED TO THE COUNTY OF GILPIN BY INSTRUMENTS RECORDED NOVEMBER 6, 1939, IN BOOK 214 AT PAGE 69 AND APRIL 8, 1940, IN BOOK 214 AT PAGE 225,
COUNTY OF OILPIN, STATE OF COLORADO.

PARCEL 3:

THE EAST 15 FEET OF LOT 11,
ALL OF LOT 12, BLOCK 35, AND
ALL OF LOT 1, BLOCK 37,
CITY OF BLACK HAWK,
TOGETHER WITH AND SUBJECT TO PERPETUAL EASEMENT RECORDED APRIL 15, 1997, IN BOOK 618 AT PAGE 295, AND
TOGETHER WITH AND SUBJECT TO ANY PORTION CONVEYED TO BLACK HAWK GAMING & DEVELOPMENT COMPANY, INC., A COLORADO CORPORATION AND GILPIN HOTEL VENTURE, A COLORADO JOINT VENTURE BY EASEMENT, BOUNDARY AND REAL ESTATE CONVEYANCE AGREEMENT RECORDED MARCH 8, 1994, IN BOOK 560 AT PAGE 428.
EXCEPT ANY PORTION CONTAINED IN DEED RECORDED MARCH 8, 1994, IN BOOK 560 AT PAGE 424,
AND EXCEPT ANY PORTION CONVEYED TO CITY OF BLACK HAWK IN PROPERTY LINE AGREEMENT, RECORDED FEBRUARY 26, 1996, IN BOOK 595 AT PAGE 145,
AND EXCEPT ANY PORTION CONVEYED TO 101 MAIN STREET LIMITED LIABILITY COMPANY BY AGREEMENT RECORDED MARCH 8, 1994, IN BOOK 560 AT PAGE 428,
AND EXCEPT ANY PORTION CONVEYED TO CITY OF BLACK HAWK BY QUIT CLAIM DEED RECORDED APRIL 10, 1996, IN BOOK 597 AT PAGE 138,
COUNTY OF GILPIN, STATE OF COLORADO.

Exhibit E

EXHIBIT A—page 3



PARCEL 4:

THAT PORTION OF THE NINETY NINE (99) LODE A MINING CLAIM, SAID 99 LODE AS DESCRIBED IN QUIT CLAIM DEED RECORDED DECEMBER 13, 1899, IN BOOK 150 AT PAGE 317, THAT LIES WITHIN THE BOUNDARIES OF PARCELS 1, 2, 3 AND 5, SHOWN HEREIN, CITY OF BLACK HAWK, COUNTY OF GILPIN, STATE OF COLORADO.

Pursuant to Colo. Rev. Stat. §38-35-106.5, the foregoing contains a newly created legal description of real property, prepared by Futura Engineering, Inc., 12741 East Caley Avenue, Suite 126, Englewood, Colorado 80111.

SPECIAL WARRANTY DEED GILPIN COUNTY

THIS DEED, Made this 20th day of December, 1993 between 131 MAIN STREET LIMITED LIABILITY COMPANY

556-58
This Documentary Fee
DEC 21 1993
\$ 850.00

Limited liability company
of Colorado
HORSESHOE CASINO LLC, a
Utah limited liability company
4643 South Winter, Suite 1300
Denver, Colorado 80237

DOCUMENTARY FEE
\$850.00

See Book

City and Denver
TEN DOLLARS AND
OTHER GOOD AND VALUABLE CONSIDERATION (\$10.00)
GILPIN

The Easterly 10.0 feet of lot 5
laying perpendicular to lot 6, and
all of lots 6, 7, and 8, Block 37;
and lots 7, 8, 9, 10, 11 and 12, Block 3b,
CITY OF BLACK HAWK,
County of Gilpin,
State of Colorado.

Exhibit B
THIS IS THE BEST COPY AVAILABLE

also known by street and number as 131 Main Street, Black Hawk, Colorado 80422

TO HAVE AND TO HOLD the said premises above bargained and described with the appurtenances thereto unto the grantee, his heirs, successors and assigns forever. The grantor, for itself, its successors and assigns does warrant and agree that it shall and will WARRANT AND FOREVER DEFEND the above bargained premises in the quiet and peaceable possession of the grantee, his heirs, successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under the grantor. IN WITNESS WHEREOF, the grantor has caused this deed to be signed by its duly authorized officer and executed this deed.

131 MAIN STREET LIMITED LIABILITY COMPANY,
a Colorado limited liability company
By: Spencer G. Broad, Manager
Michael O. Franke, Manager

County of Denver
The foregoing instrument was acknowledged before me by Spencer G. Broad and Michael O. Franke as Managers of 131 MAIN STREET LIMITED LIABILITY COMPANY, a Colorado limited liability company, on this 20th day of December, 1993.
Matters set forth in Exhibit A attached hereto and forming a part hereof by this reference
"If in Denver, insert 'City and'"



STATE OF COLORADO)
) ss. No. 556 : 059
COUNTY OF DENVER)

The foregoing instrument was acknowledged before this
50th day of February, 1983, by Spencer G. Brod as
Manager of 131 Main Street Limited Liability Company, a
Colorado limited liability company.

My commission expires: November 22, 1983

Witness my hand and official seal.



Wendy E. Bellier
Notary Public

THIS IS THE BEST COPY AVAILABLE

Exhibit E

IS THE BEST COPY AVAILABLE

... 556 : : 05J

EXHIBIT A

PERMITTED EXCEPTIONS

1. Taxes and special assessments for the year 1991 and subsequent years, not yet due or payable.
2. Unpatented mining claims, reservations or exceptions in patents or in Acts authorizing the issuance thereof, including, but not limited to reservations contained in the United States Patents to the City of Black Hawk, recorded May 13, 1874 in Book 56 at Page 555 and July 21, 1877 in Book 62 at Page 656, to wit: "That no title shall be hereby acquired to any mine of gold, silver, cinnabar or copper or to any valid mining claim or possession held under existing laws of Congress."
3. Any lien or right to lien by reason of inclusion within the Black Hawk-Central City Water and Sanitation District.
4. Reservations as contained in Deed from the City of Black Hawk, recorded February 11, 1922 in Book 170 at Page 492, and Correction Deed in connection with said Deed recorded May 6, 1992 in Book 525 at Page 218, providing as follows: "Streets, alleys and roads as are now used or platted within the City, and reserving a right-of-way for the use and maintenance of the existing water pipes now serving said Lots 5, 6, 7, and 8, Block 37."
5. Deed of Trust from 131 Main Street Limited Liability Company, a Colorado limited liability company, to the Public Trustee of Gilpin County for the benefit of George F. Combs and Barbara A. Combs, securing an original principal indebtedness of 5820,000.00, dated January 29, 1992, recorded January 30, 1992 in Book 520 at Page 435.
6. Boundary Agreement as contained and set forth in instrument recorded June 12, 1992 in Book 527 at Page 18.
7. Deed of Trust from 131 Main Street Limited Liability Company, a Colorado limited liability company, to the Public Trustee of Gilpin County for the benefit of Big Strike Land Limited Liability Company, a Wyoming limited liability company, securing an original principal indebtedness of \$375,000.00, dated January 28, 1992, recorded January 30, 1992 in Book 520 at Page 440.

RECORDED

A-1

Exhibit E

336-1: 061

8. Deed of Trust from 131 Main Street Limited Liability Company, a Colorado limited liability company, to the Public Trustee of Gilpin County for the benefit of Sauvage Gas Company, a Nevada corporation, securing an original principal indebtedness of \$2,350,000.00, dated July 15, 1993 and recorded July 22, 1993 in Book 547 at Page 70.
9. Financing Statement from 131 Main Street Limited Liability Company, a Colorado limited liability company, debtor, to Sauvage Gas Company, a Nevada corporation, secured party, recorded July 22, 1993 in Book 547 at Page 84.
10. Financing Statement from the Horseshoe Casino, debtor, to Kraft Food Service, Inc., secured party, recorded July 26, 1993 in Book 547 at Page 125.

THIS IS THE BEST COPY AVAILABLE

Exhibit E

Exhibit E
0014 001

A-2

Exhibit F Supplement

Copies of The Liquor Licenses for the Canyon and Gilpin Casinos follow this page.

There are no liquor violations to our knowledge

Our Bylaws of Horseshoe Gilpin Inc. act as the Operating Agreement between the Canyon and Gilpin Casinos

Exhibit F

THIS LICENSE MUST BE POSTED IN PUBLIC VIEW

DR 8402 (07/01/2012)

**STATE OF COLORADO
DEPARTMENT OF REVENUE**

**LIQUOR ENFORCEMENT DIVISION
1881 Pierce Street, Suite 108
Lakewood, Colorado 80214**

**BLACK HWK GMNGS DEVLGILPIN VENTURES INC
dba GILPIN HOTEL CASINO
111 MAIN AT
BLACK HAWK CO 80422**

ALCOHOL BEVERAGE LICENSE

Liquor License Number 12211590000	License Expires at Midnight November 21, 2015
License Type HOTEL & RESTAURANT (CITY)	
Authorized Beverages MALT, VINOUS, AND SPIRITUOUS	

This license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 12, Articles 46 or 47, CRS 1973, as amended. This license is nontransferable and shall be conspicuously posted in the place above described. This license is only valid through the expiration date shown above. Any questions concerning this license should be addressed to: Colorado Liquor Enforcement Division, 1881 Pierce Street, Suite 108, Lakewood, CO 80214.

In testimony whereof, I have hereunto set my hand. 10/6/2014

Patrick Marouf

Division Director

Barbara J. Broke

Executive Director

Exhibit F

THIS LICENSE MUST BE POSTED IN PUBLIC VIEW

DR 8402 (07/01/2012)

**STATE OF COLORADO
DEPARTMENT OF REVENUE**

LIQUOR ENFORCEMENT DIVISION
1881 Pierce Street, Suite 108
Lakewood, Colorado 80214

**HORSESHOE CASINO LLC
dba CANYON CASINO
131 MAIN ST
BLACK HAWK CO 80422**

ALCOHOL BEVERAGE LICENSE

Liquor License Number 15079180001	License Expires at Midnight December 22, 2015
License Type HOTEL & RESTAURANT (CITY)	
Authorized Beverages MALT, VINOUS, AND SPIRITUOUS	

This license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 12, Articles 46 or 47, CRS 1973, as amended. This license is nontransferable and shall be conspicuously posted in the place above described. This license is only valid through the expiration date shown above. Any questions concerning this license should be addressed to: Colorado Liquor Enforcement Division, 1881 Pierce Street, Suite 108, Lakewood, CO 80214.

In testimony whereof, I have hereunto set my hand. 11/24/2014



Division Director



Executive Director



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/9/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of each endorsement(a).

PRODUCER Co West Insurance Associates P.O. Box 101387 Denver CO 80250-1387		CONTACT NAME: CoWest Associates PHONE (A/C No. Ext): (303) 515-4699 FAX (A/C No.): (303) 515-4700 E-MAIL ADDRESS:															
INSURED Eagle Gaming L.P. DBA: Wild West Development Corp. P.O. Box 30 Black Hawk CO 80422		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Travelers Insurance Company</td> <td>25658</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Travelers Insurance Company	25658	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #																
INSURER A: Travelers Insurance Company	25658																
INSURER B:																	
INSURER C:																	
INSURER D:																	
INSURER E:																	
INSURER F:																	

COVERAGES **CERTIFICATE NUMBER:** 15-16 GL, Liquor **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS								
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X		6604026C23B	4/1/2015	4/1/2016	EACH OCCURRENCE \$ 1,000,000								
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ EXCLUDED PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000														
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$								
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAE <input type="checkbox"/> CLAIMS-MADE DED RETENTIONS						EACH OCCURRENCE \$ AGGREGATE \$								
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<table border="1"> <tr> <td>WC STATU-TORY LIMITS</td> <td>OTH-ER</td> </tr> <tr> <td>E.L. EACH ACCIDENT</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - EA EMPLOYEE</td> <td>\$</td> </tr> <tr> <td>E.L. DISEASE - POLICY LIMIT</td> <td>\$</td> </tr> </table>	WC STATU-TORY LIMITS	OTH-ER	E.L. EACH ACCIDENT	\$	E.L. DISEASE - EA EMPLOYEE	\$	E.L. DISEASE - POLICY LIMIT	\$
WC STATU-TORY LIMITS	OTH-ER														
E.L. EACH ACCIDENT	\$														
E.L. DISEASE - EA EMPLOYEE	\$														
E.L. DISEASE - POLICY LIMIT	\$														
A	Liquor Liability	X		6604026C23B	4/1/2015	4/1/2016	Aggregate \$2,000,000 Occurrence \$1,000,000								

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 City of Black Hawk is an Additional Insured for General Liability and Liquor Liability subject to all terms, conditions and exclusions of the General Liability and Liquor Liability policies.

Horseshoe Gilpin, Inc., P.O. Box 458, Black Hawk, CO is an Additional Insured for General Liability and Liquor Liability subject to all terms, conditions and exclusions of the General Liability and Liquor Liability policies.

CERTIFICATE HOLDER City of Black Hawk P.O. Box 68 Black Hawk, CO 80422	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Gerald Hayee/MAD
--	--



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/17/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Flood and Peterson PO Box 578 Greeley CO 80632	CONTACT NAME: Debra Morris PHONE (A/C, No. Ext): (970) 356-0123 E-MAIL ADDRESS: DMorris@floodpeterson.com	FAX (A/C, No.): (970) 330-1867
	INSURER(S) AFFORDING COVERAGE	
INSURED Jacobs Entertainment, Inc. 17301 West Colfax Avenue Suite 250 Golden CO 80401	INSURER A: Travelers Insurance Company	
	INSURER B: Pinnacol Assurance	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: CL156503435 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> BI/PD Ded \$5,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			P6304021R932TIA14	8/1/2014	8/1/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Liquor Liability \$ 1,000,000
	A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS			P8104021R932TIA14	8/1/2014	8/1/2015
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 0			PSMCUP4021R932TIL14	8/1/2014	8/1/2015	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	4032260 (Colorado)	8/1/2014	8/1/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A			N/A	PHUB1B73159014 (Nevada)	8/1/2014	8/1/2015	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 The City of Black Hawk is listed as an additional insured as their interests may appear (except on Workers' Compensation).

 Horseshoe Gilpin, Inc., P. O. Box 458, Black Hawk, CO is named as Additional Insured, as their interest may appear.

CERTIFICATE HOLDER City of Black Hawk P.O. Box 68 Black Hawk, CO 80422-0000	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Debra Morris/DMORRI
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Exhibit H

Horseshoe-Gilpin Promotional Association Reasonable Requirements and Needs Assessment

Individually the Gilpin and Canyon Casino properties conducted an analysis of headcounts and revenues by hour comparing times when alcohol is served to times when alcohol service ceases. In headcount terms we measured headcounts at 2a and then again at 4am to determine the decrease in player count between those two times. Both the Canyon and Gilpin Casinos saw decreases in player counts of greater than 30% between these hours. This amounts to an average of 40 players per night between the two properties that are leaving when liquor service ceases. The average value of a patron at these two properties is \$54/per trip. Our average trip length per guest is two and a half hours which means that each guest has a value of \$21.60 per hour. If, as a result of increased liquor service hours, we are able to extend the visit of these guests who are here at 2am the incremental revenue would be as much as \$864 per hour (40 guests x \$21.60/hr). Extrapolating this hourly value out over the course of a year with the hours that are proposed (2a to 4a on Friday and Monday mornings and 2a to 7a on Saturday and Sunday mornings) shows an increase in gaming revenue of \$629,000 per year. There may be breakage to this number that reduces it but on the other hand it does not account for guests visiting the market more frequently. The Horseshoe Gilpin District participants intend to market this guest benefit aggressively in the general market which should lend itself to more traffic from new and returning guests.

To support our statistical analysis the Canyon and Gilpin Casinos conducted surveys on our gaming floor in the past couple of weeks to gauge guest response to the question of whether they like the idea of extended hours of liquor service. We did not hear a single guest speak negatively of the idea or suggest that hours of liquor service should not be extended. Here are some of the comments we received:

"I think it would be a good idea for customers and for business if The Canyon Casino served alcohol beverages 24 hours"-Rita Cooper card # 272096

"I think that adding alcohol service 24 hours a day at The Canyon Casino would add an extra benefit to the services you already provide. If people do stay up here 24 hours it's for a vacation or getaway and having it available is ideal not only to us but for your business." -Craig Yardley #10019104

"Most patrons at night would like to play later after 2am and serving liquor would be a very good idea to encourage more play etc."-Patricia Martin # 257332

"I think it's a great idea to serve alcohol later. I would most likely exclusively visit Black Hawk and The Gilpin"-Brandon Sirois #332600

THIS WARNING BAR MUST HAVE A GRAY BACKGROUND WHICH FADES TEMPORARILY WHEN WARMED BY TOUCH OR FRICTION. ADDITIONAL SECURITY FEATURES ARE LISTED ON THE BACK.



THE GILPIN HOTEL CASINO
CAGE ACCOUNT
303-582-1133
111 MAIN STREET, P.O. BOX 554
BLACK HAWK, CO 80422



Wells Fargo Bank, N.A.
www.wellsfargo.com

024308

DATE 6-9-2015

11-24/1210(8)

PAY ONE Hundred & 00/100 DOLLARS \$ 100.00

TO
THE
ORDER
OF

City of Black Hawk

T. Alon

⑈024308⑈ ⑆121000248⑆4311853246⑈

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

024308

THE GILPIN HOTEL CASINO

DATE	DESCRIPTION	AMOUNT
6-9-2015	APPLICATION FEE FOR COMMON CONSUMPTION AREA	\$100.00

HORSESHOE CASINO, LLC
DBA CANYON & GRAND PLATEAU CASINOS

68877

DATE	INVOICE NO	COMMENT	AMOUNT	DISCOUNT	NET AMOUNT
06/09/2015	20150609		100.00	0.00	100.00

CHECK: 068877	06/10/2015	City of Black Hawk	CHECK TOTAL:	100.00
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HORSESHOE CASINO, LLC
DBA CANYON & GRAND PLATEAU CASINOS
 131 MAIN STREET
 PO BOX 30
 BLACK HAWK, CO 80422
 (303) 777-1111



COLORADO BUSINESS BANK
 15710 W. COLFAX AVE. 303.293.2265
 GOLDEN, COLORADO 80401

23-320/1020

NUMBER
 068877

68877

*ONE HUNDRED AND XX / 100

DATE

AMOUNT

06/10/2015

*****100.00*

PAY
 TO THE
 ORDER
 OF
 City of Black Hawk
 PO Box 68
 Black Hawk, CO 80422



Ken Moore

 AUTHORIZED SIGNATURE

TRUE WATERMARK PAPER - HOLD TO LIGHT TO VIEW

PAPER CONTAINS TONER ADHESION PROPERTIES

HEAT SENSITIVE RED IMAGE DISAPPEARS WITH HEAT

⑈068877⑈ ⑆102003206⑆ 44 10912⑈



John East
Vice President of Western Operations

17301 W. Colfax Ave., Suite 250
Golden, Colorado 80401
jeast@bhwk.com

Office: 303.582.6300
Fax: 303.215.5219
Cell: 303.918.1102

Memo

To: Jack Lewis, City Manager
From: Stephen Cole, Chief of Police
Date: June 18, 2015
Re: Promotional Association/Common Consumption Area Certification Request

The purpose of this memorandum is to provide recommendations on the Horseshoe Gilpin Inc. Promotional Association/Common Consumption Area Certification Request. As the Chief of the Black Hawk Police Department I am supportive of the application, but recommend the following:

Recommendation: Approve the hours of the Common Consumption area for 24 hours a day, seven days a week instead of the proposed hours and allow the Horseshoe Gilpin Inc. the ability to adjust hours as needed.

Reason: The change makes it easier for law enforcement personnel to regulate common consumption area hours. We anticipate other casinos will likely follow this trend and standardizing the operational hours city-wide seems to be good practice. If each casino has different hours it will be more difficult for the Police Department to enforce liquor laws related to common consumption areas.

Recommendation: Require signage identifying areas where common consumption is allowed.

Reason: There will be a need to educate guests about common consumption areas. The applicant included a reference to adding security personnel to exit doors to prevent guests from leaving with alcohol, but signage would help educate guests about “allowed” and “prohibited” conduct. We would suggest the applicant provide signage with sufficient information about common consumption areas.

Recommendation: Encourage casino staff to be vigilant in preventing the “over service” of alcohol.

Reason: Although all the casinos in Black Hawk do a good job preventing the “over service” of alcohol to guests, we would suggest they become especially vigilant in their effort as this new service becomes available.

Recommendation: Evaluate the impact of alcohol distribution after 2:00 a.m. after 90 days of operation.

Reason: We do not know how extended alcohol service will impact police services. As a result, it is our goal to collect data to fully understand the long term impact on police services.

Recommendation: Change police scheduling to provide additional police personnel until 3:30 a.m. which includes an additional 20 hours of overtime per week.

Reason: The police department is currently operating at minimum staffing levels due to vacancies. We already have additional staff scheduled between 9:00 p.m. and 2:30 a.m. due to heavier call loads during that time period. Although we don't anticipate a huge increase in calls due to extended hours of alcohol service we could see increases in alcohol related calls after 2:30 a.m. and we want to be prepared. As a result, we recommend modifying of our patrol shifts to provide additional coverage until 3:30 a.m. for the next 90 days to better evaluate the impact on service delivery. The change would add approximately 20 hours of overtime per week, which we estimate would be covered by unused salaries within our current budget. At the end of the 90 days we will evaluate the impact of the extended alcohol service on police services and determine if any changes need to occur.



PROMOTIONAL ASSOCIATION AND COMMON ALCOHOL CONSUMPTION AREA CERTIFICATION

Issued To: Horseshoe Gilpin, Inc. a Promotional
Association

Horseshoe/Gilpin Entertainment
District

Location: Parking area behind 111 Main Street
(Gilpin Hotel Casino) and 131 Main
Street (Canyon Casino), Black Hawk,
CO 80422

Fee: \$100

Date Issued:

Expiration Date:

Given under my hand and the seal of the City of Black Hawk this day of , 2015.

Melissa A. Greiner, City Clerk