

City of Black Hawk, Colorado

*Comprehensive Annual Financial Report
For The Year
Ended December 31, 2007*

Prepared By

Finance Department

*Dana Wood, Assistant to the City
Manager For Finance*

City of Black Hawk, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2007

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Mayor

David D. Spellman

Aldermen

Linda Armbricht
Paul G. Bennett
Diane Cales
Kathleen Doles
Tom Kerr
Greg Moates

City Attorney

Corey Y. Hoffmann

City Manager

Richard F. Lessner

**Community Planning &
Development Director**

Steven C. Ferris

**Assistant to the City Manager
for Administration**

Melissa Greiner

**Assistant to the City Manager
for Finance**

Dana Wood

City Clerk

Jeanie M. Magno

Fire Chief

Robert Norris

IT Director

Jeffrey L. Young

Police Chief

Stephen N. Cole

Public Works Director

Thomas Isbester

June 6, 2008

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, 2007. 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, 2007, 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 Gordon, Hughes & Banks LLP, whose report is included herein, has audited the basic financial statements and related notes.

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

REPORTING ENTITY DEFINITION

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

PROFILE OF THE CITY

The City is a political subdivision of the State of Colorado which was incorporated on 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 city. The City charter establishes the powers of the City and describes its system of government.

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

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

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

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

LOCAL ECONOMY

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

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

Currently, the City has approximately 20 operating casinos with the largest ten accounting for 94% of device fee revenues for the City. The four largest casinos generate about 50% of device fee revenues. The casinos are continuing to expand, currently they make up over 1.5 million square feet, with the gaming area totaling about 232,000 square feet.

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

FINANCIAL MANAGEMENT

Internal Control Structure

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

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

Cash Management

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

Legislative Development

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

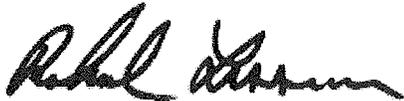
Awards and Acknowledgements

One objective measure of the quality of the City's financial management is the City's receipt of the annual GFOA Certificate of Achievement for Excellence in Financial Reporting. The 2006 Certificate is the 1st annual award received by the City. We believe that this 2007 CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this CAFR would not have been possible without the efficient and dedicated service of the Finance Department. Dana Wood, the Assistant to the City Manager for Finance and her accounting staff are to be especially thanked for preparing this report.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard Lessner". The signature is fluid and cursive, with a large initial "R" and "L".

Richard Lessner
City Manager

City of Black Hawk, Colorado

Elected Officials

(In Office as of December 31, 2007)

Mayor and Alderman

David Spellman

In office since July 2006

Current term expires April 2008

Diane Cales

In office since April 2006

Current term expires April

2010

Kathleen Doles

In office since April 1994

Current term expires April

2010

Tom Kerr

In office since April 1994

Current term expires April

2008

Richard Cottrell

In office since April 2000

Current term expires April

2008

Paul Bennett

In office since April 2004

Current term expires April

2008

Linda Armbright

In office since April 2006

Current term expires April

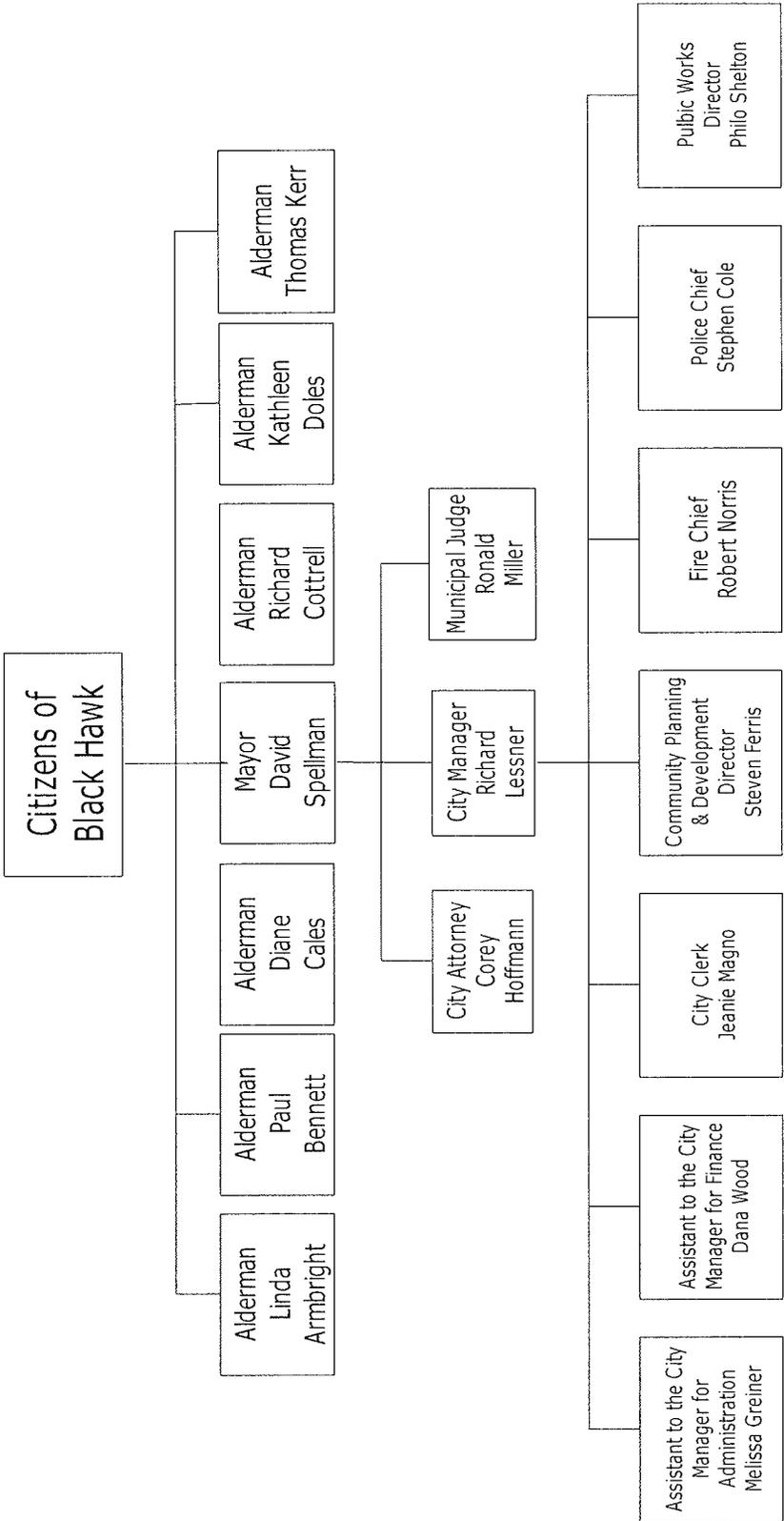
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City of Black Hawk, Colorado

Appointed Principal Officials

December 31, 2007

<u>Name</u>	<u>Position</u>
Richard F. Lessner	City Manager
Melissa Greiner	Assistant to the City Manager For Administration
Dana Wood	Assistant to the City Manager For Finance
Jeanie Magno	City Clerk
Robert Norris	Fire Chief
Stephen N. Cole	Police Chief
Steven C. Ferris	Community Planning and Development Director
Philo Shelton	Public Works Director
Ronald L. Miller	Judge, Municipal Court



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, 2006

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



Oliver S. Cox

President

Jeffrey R. Emerz

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Honorable Mayor and
Board of Aldermen and City Manager
City of Black Hawk
Black Hawk, Colorado

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Black Hawk, Colorado, as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Black Hawk, Colorado's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Black Hawk, Colorado, as of December 31, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 4D to the financial statements, certain errors were discovered during the 2007 audit that resulted in a restatement of the government wide net assets and a restatement of the governmental fund balances.

The accompanying required supplementary information such as Management's Discussion and Analysis and budgetary comparison information on pages 3 through 14 and pages 49 through 53 are not a required part of the basic financial statements, but are



Honorable Mayor and
Board of Aldermen and City Manager
City of Black Hawk
Black Hawk, Colorado

supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Gordon, Hughes & Banks, LLP
Gordon, Hughes & Banks, LLP

Golden, Colorado
April 18, 2008

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, 2007. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements, schedules and note disclosures following this section.

Note that in 2007, the City now reports both the Black Hawk Transportation Authority and the Black Hawk Business Improvement District financial data within the City's financial data. The data in this document has been restated in some instances, to reflect these entities, where practical (i.e., primarily in the tables).

Financial Highlights

- The City's assets exceeded its liabilities by \$79,447,785 (net assets) for the calendar year reported.
- Total net assets are comprised of the following:
 - (1) Capital assets, net of related debt, of \$53,110,191 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net assets of \$10,291,293 are restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net assets of \$16,046,301 represent the portion available to maintain the City's continuing obligations to citizens and creditors.
- The City's governmental funds reported total ending fund balance of \$23,004,456 this year. This compares to the prior year restated ending fund balance of \$15,573,135 showing an increase of \$7,431,321 during the current year. Unreserved fund balance of \$17,390,324 at December 31, 2007 shows a \$6,009,169 increase from the prior year.
- At the end of the current calendar year, unreserved fund balance for the General Fund was \$9,950,863, or 54.3% of total General Fund expenditures.
- The City received a dedication of a road with costs in excess of \$11.6 million.
- Overall, the City continues to maintain a strong financial position.

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

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

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

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

The government-wide financial statements are presented on pages 15 & 16 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 three 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 17 - 20 of this report.

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

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

The basic enterprise fund financial statements are presented on pages 21 - 24 of this report.

The *fiduciary fund* type is an agency fund which was used to hold monies that belong to Gilpin County. This fund was closed by the end of the year. The comparative statement of fiduciary assets and liabilities is presented on page 25.

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 26 of this report.

Required Supplementary Information

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

Supplementary Information

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

Financial Analysis of the City as a Whole

The City's net assets at calendar year-end are \$79,447,785. The following table provides a summary of the City's net assets:

Summary of Net Assets

	Governmental Activities		Business-type Activities		Total	
	2007	Restated 2006	2007	2006	2007	Restated 2006
Assets:						
Current assets	\$ 24,816,715	\$ 18,659,966	\$ 4,427,939	\$ 1,826,445	\$ 29,244,654	\$ 20,486,411
Other assets	435,392	549,071	515,796	572,955	951,188	1,122,026
Capital assets	53,551,747	42,921,746	22,790,440	21,231,806	76,342,187	64,153,552
Total assets	78,803,854	62,130,783	27,734,175	23,631,206	106,538,029	85,761,989
Liabilities:						
Current liabilities	4,027,612	5,751,698	2,468,046	938,325	6,495,658	6,690,023
Long-term liabilities	6,922,433	8,964,751	13,672,153	14,401,575	20,594,586	23,366,326
Total liabilities	10,950,045	14,716,449	16,140,199	15,339,900	27,090,244	30,056,349
Net assets:						
Invested in capital assets, net of debt	44,818,459	39,998,733	8,291,732	6,845,299	53,110,191	46,844,032
Restricted	8,973,493	6,709,556	1,317,800	1,295,851	10,291,293	8,005,407
Unrestricted	14,061,857	(743,609)	1,984,444	150,157	16,046,301	(593,452)
Total net assets	\$ 67,853,809	\$ 45,964,680	\$ 11,593,976	\$ 8,291,307	\$ 79,447,785	\$ 54,255,987

In the above table, the 2007 governmental activities include two blended component units that were not reported in the 2006 data. The City continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 6.2 to 1 as compared to a restated 3.2.1 to 1 at December 31, 2006. The current ratio for the business type activities at December 31, 2007 is 1.8 to 1. At December 31, 2006, the business type activities reported more current liabilities than current assets. For the City overall, the current ratio is 4.5 to 1 as compared to a restated 3.1 to 1 at December 31, 2006. These ratios are strong.

The City reported positive balances in net assets for both governmental and business-type activities. Net assets increased \$21,889,129 for governmental activities and increased by \$3,302,669 for business-type activities. The City's overall financial position improved during calendar year 2007.

Note that approximately 66.2% of the governmental activities' net assets are tied up in capital. This compares to 75.9% at December 31, 2006. The City uses these capital assets to provide services to its citizens. However, with business type activities, the City has spent approximately 71.5% of its net assets on capital as compared to 82.6% at December 31, 2006. Capital assets in the business-type activities also provide utility services, but they also generate revenues for this fund. 66.8% of the City's total net assets are included in capital assets as compared to 71.8% at December 31, 2006.

(This page continued on the subsequent page)

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

Summary of Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program:						
Charges for services	\$ 864,381	\$ 868,821	\$ 729,783	\$ 699,648	\$ 1,594,164	\$ 1,568,469
Operating grants	6,554,477	5,901,671	-	-	6,554,477	5,901,671
Capital grants & contributions	12,070,480	-	1,110,941	27,356	13,181,421	27,356
General:						
Taxes	11,880,819	13,506,672	-	-	11,880,819	13,506,672
Intergovernmental	7,530,055	7,110,170	-	-	7,530,055	7,110,170
Other	3,684,244	2,321,138	83,822	40,062	3,768,066	2,361,200
Total revenues	42,584,456	29,708,472	1,924,546	767,066	44,509,002	30,475,538
Program Expenses:						
General government	3,578,935	7,084,813	-	-	3,578,935	7,084,813
Planning	446,144	565,561	-	-	446,144	565,561
Public safety	6,245,176	6,319,260	-	-	6,245,176	6,319,260
Public works	5,177,834	3,991,812	-	-	5,177,834	3,991,812
Interest	618,596	606,435	-	-	618,596	606,435
Water	-	-	3,250,519	2,994,339	3,250,519	2,994,339
Total expenses	16,066,685	18,567,881	3,250,519	2,994,339	19,317,204	21,562,220
Excess (deficiency)	26,517,771	11,140,591	(1,325,973)	(2,227,273)	25,191,798	8,913,318
Transfers	(4,628,642)	(3,104,995)	4,628,642	3,104,995	-	-
Eminent domain settlement	-	(5,323,543)	-	-	-	(5,323,543)
Net changes in net assets	21,889,129	2,712,053	3,302,669	877,722	25,191,798	3,589,775
Beginning net assets	45,964,680	49,847,528	8,291,307	7,413,585	54,255,987	57,261,113
Restatement	-	(6,594,901)	-	-	-	(6,594,901)
Ending net assets	\$ 67,853,809	\$ 45,964,680	\$ 11,593,976	\$ 8,291,307	\$ 79,447,785	\$ 54,255,987

GOVERNMENTAL REVENUES

This explanation has been restated to reflect the additions of the two blended component units. Gaming revenues provide the City's largest revenue stream. In 2007, the City recognized \$8,930,631 in device taxes levied on gaming devices located within the City's casinos. This amount compares to \$8,316,153 in 2006, or an increase of 7.4%. The City also received \$7,530,055 from the State of Colorado for their share of the state gaming tax. This amount compares to \$7,110,170 in 2006. Finally, the City received \$4,216,831 from the State of Colorado for historical preservation. This amount compares to \$3,981,695 in 2006. In addition, the City relies on sales taxes to support governmental operations and capital. Sales taxes provided just 4% of the City's total governmental revenues as compared to 16.2% in 2006. This decrease relates to major casino construction in 2006 that was not duplicated in 2007. Because of the City's healthy financial position, we have been able to earn \$1,217,219 in interest earnings to support governmental activities as compared to \$1,316,836 in 2006. Also, note that program revenues in 2007 exceeded governmental operating expenses, due primarily to contributed infrastructure. In 2006, this percentage was only 26.6%. If we remove the contributed infrastructure from the calculation, program revenues cover 45% of operating costs. This means that the government's taxpayers and the City's other general governmental revenues (e.g., device taxes) fund 55% of the governmental activities as compared. 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

71% of the total costs relates to public safety and public works. Note that general government reported more program revenues in 2007 than program costs. This revenue includes both historical preservation state revenue and special assessments.

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

BUSINESS-TYPE ACTIVITIES

The City's only enterprise fund is the water fund. The City's net assets at December 31, 2007, are \$11,593,976 at December 31, 2007 are \$8,291,307 at December 31, 2006 and are \$7,413,585 at December 31, 2005.

(This page continued on the subsequent page)

The following table compares the statements of net assets for the last three years:

Summary of Net Assets

	December 31, 2007		December 31, 2006		Restated December 31, 2005	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Assets:						
Current assets	\$ 4,427,939	16%	\$ 1,826,445	7%	\$ 632,662	3%
Other noncurrent assets	515,796	2%	1,349,509	6%	393,433	2%
Capital assets	22,790,440	82%	21,231,807	87%	21,650,941	95%
Total assets	27,734,175	100%	24,407,761	101%	22,677,036	100%
Liabilities:						
Current liabilities	2,468,046	15%	938,325	6%	906,978	6%
Noncurrent liabilities	13,672,153	85%	15,178,129	94%	14,356,473	94%
Total liabilities	16,140,199	100%	16,116,454	100%	15,263,451	100%
Net assets:						
Invested in capital assets, net of debt	8,291,732	72%	6,845,299	83%	7,074,561	95%
Restricted	1,317,800	11%	1,295,851	16%	544,240	7%
Unrestricted	1,984,444	17%	150,157	2%	(205,216)	-3%
Total net assets	\$ 11,593,976	100%	\$ 8,291,307	100%	\$ 7,413,585	100%

(This page continued on the subsequent page)

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

Summary of Changes in Net Assets

	2007		2006		2005	
	Business-type Activities	Percentage of Total	Business-type Activities	Percentage of Total	Business-type Activities	Percentage of Total
Revenues:						
Charges for services:	\$ 729,783	37.9%	\$ 699,648	91.2%	\$ 536,025	79.0%
Capital contributions	1,110,941	57.7%	27,356	3.6%	118,856	17.5%
Investment earnings	83,822	4.4%	9,071	1.2%	-	0.0%
Other	-	0.0%	30,991	4.0%	23,956	3.5%
Total revenues	<u>1,924,546</u>	<u>100.0%</u>	<u>767,066</u>	<u>100.0%</u>	<u>678,837</u>	<u>100.0%</u>
Expenses:						
Personal services	828,625	25.5%	778,535	26.0%	677,236	19.3%
Professional services	253,933	7.8%	252,204	8.4%	460,229	13.1%
General services	335,336	10.3%	174,910	5.8%	193,737	5.5%
Purchased services	6,586	0.2%	12,097	0.4%	15,315	0.4%
Program services	8,906	0.3%	-	0.0%	-	0.0%
Supplies	39,810	1.2%	48,382	1.6%	50,011	1.4%
Repairs and maintenance	22,087	0.7%	124,809	4.2%	212,795	6.1%
Capital outlay - non-capitalized	27,458	0.8%	136,740	4.6%	56,620	1.6%
Depreciation	799,878	24.6%	746,585	24.9%	842,375	24.1%
Amortization	171,403	5.3%	122,879	4.1%	44,024	1.3%
Interest	756,497	23.3%	597,198	19.9%	949,402	27.1%
Total expenses	<u>3,250,519</u>	<u>100.0%</u>	<u>2,994,339</u>	<u>100.0%</u>	<u>3,501,744</u>	<u>100.0%</u>
Excess (deficiency)	(1,325,973)		(2,227,273)		(2,822,907)	
Transfers	<u>4,628,642</u>		<u>3,104,995</u>		<u>2,683,926</u>	
Net change	3,302,669		877,722		(138,981)	
Beginning net assets	<u>8,291,307</u>		<u>7,413,585</u>		<u>7,552,566</u>	
Ending net assets	<u>\$ 11,593,976</u>		<u>\$ 8,291,307</u>		<u>\$ 7,413,585</u>	

BUSINESS-TYPE ACTIVITIES

2007 Analysis – Charges for services increased approximately \$30,000 or 4.2% over 2006, relating primarily to increased usage. Total operating expenses increased approximately \$257, or 8.6% over 2006. Personal services increased approximately \$152,000 or 22%. The City had a vacant position for much of 2006, which was filled in 2007, and additional overtime wages, causing most of this increase. General services increased substantially due to additional utility costs and an increase in a variety of other expenses.

Professional services were down \$208,025 as 2005 were unusually high. In 2006, the operating loss was down 9.3% from 2005. To cover the majority of the operating and total losses, the City transferred in \$3.1 million from the general fund to the water fund

2006 Analysis - Charges for services increased \$163,623 or 30.5% over 2005. This increase relates to an update in the amount billed to be consistent with the City code, resulting in approximately \$10,000 more per month in billing. Total operating expenses decreased \$507,405 or 14.5% from 2005. Personal services increased \$101,299 or 15%. The City had a vacant position for much of 2006 resulting in an increase in overtime wages, causing part of this increase. Professional services were down \$208,025 as 2005 were unusually high. In 2006, the operating loss was down 9.3% from 2005. To cover the majority of the operating and total losses, the City transferred in \$3.1 million from the general fund to the water fund

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 \$23,004,456 as compared to the restated \$15,573,135 at December 31, 2006. The majority of this increase relates to the general fund, or \$3.5 million, again the recovery of the eminent domain settlement for \$2.2 million and to the historical preservation fund, or \$2.7 million. Less than \$1 million was expended on capital outlay in 2007 in this latter fund.

Of this year-end total, \$17,390,324 is unreserved indicating availability for continuing City service requirements. Legally restricted fund balances (i.e., the reserved fund balances) include: \$3,118,596 legally restricted to historical preservation, \$2,141,425 restricted to debt service and \$354,111 set aside for emergencies.

The total ending fund balances of governmental funds show an increase of \$7,431,321 or 47.7% from the prior year. This compares to a restated \$2,457,062 or 15.9% at December 31, 2006.

Major Governmental Funds

General Fund - The general fund is the City's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased by \$3,557,528 or 52.7%. In calendar year 2006, the fund balance decreased \$447,564. Of course, the amount of fund balance is contingent upon the amount of transfers to other funds.

Total revenues increased about \$1.4 million or just 7% in 2007 as compared to a 12.6% increase in 2006. Total taxes decreased approximately \$1.6 or 13.8%. The sales and use tax was down substantially or about \$2.8 million. However, 2006 had an extraordinary amount of sales taxes, due to significant casino construction.

Device fee revenue increased \$616,664 or 8.2%, as compared to a 6% increase in 2006. As mentioned elsewhere in this document, miscellaneous revenue includes \$2.2 million relating to the recovery of an eminent domain settlement paid in 2006.

Most other revenue streams were consistent with that of 2006.

Expenditures in total decreased \$5.7 million dollars. In 2006, the City paid \$5.3 for a settlement of eminent domain proceeding. As mentioned above, \$2.2 million was recovered this year. Excluding this payment, expenditures were approximately the same amount as those of 2006.

Expenditures in the City's manager's office decreased by about \$400,000, primarily related to reduced legal fees.

Police costs increased just approximately \$150,000 or just 4.5%. Most of the increase relates to normal salary increases. Fire costs were approximately \$120,000 less than 2006, primarily relating to personal services and less supply costs. Total public works costs increased just 1.2%.

The general fund transferred \$3,150,000 to the water fund for capital projects and \$3,244,312 to the debt service fund to retire debt.

After transfers out to other funds, the fund balance still increased \$.3.5 million over 2006. The ending unreserved fund balance is considered very adequate, representing the equivalent of 54.3% of annual expenditures.

Historical Preservation Fund – During 2007, the City awarded historical preservation grants to City property owners totaling \$438,332, as compared to \$2.1 million in 2006. The City expended approximately \$924,313 on City owned historical preservation projects as compared to \$4.24 million in 2006. The City received a historical preservation aid from the state for \$4.2 million. At December 31, 2007, the fund balance was a little over \$3.1 million.

Transportation Authority Fund – This fund received device fees of \$772,097 and charges for transportation services totaling \$491,792. This fund also received grant funds to assist with the construction of a bus barn. In 2007, the City expended over \$1 million towards the bus barn. At December 31, 2007, this fund reported a fund balance of \$165,291.

Business Improvement District Fund – This fund reported property tax revenue of approximately \$820 thousand and special assessment revenue of approximately \$1.8 million. This fund retired both their general obligation bonds and special assessment bonds totaling \$1,715,000. At December 31, 2007, this fund reported a fund balance of \$2,030,282.

Impact Fees Fund – In 2007, operations in this fund included the purchase of four vehicles and the fund reports fund balance at the end of 2006 of approximately \$3.2 million. This is consistent with the December 31, 2006 balance.

Budgetary Highlights

The General Fund – The general fund's budget was amended during 2007. 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.

The City recognized \$2,557,025 over the revenue budget, primarily relating to a recovery of an eminent domain settlement of over \$2.2 million, which was paid in 2006. The recovery of the settlement was not budgeted.

In total, the City realized 110% of the estimated revenues.

The total general government function was under spent by \$807,286. This under spending relates primarily to the discretionary fund in the mayor and council's budget. All annual salary increases are budgeted within this function. In addition, professional services costs within the City Manager's office were below budget by about \$275,000, primarily relating to legal fees.

The total planning budget was under spent by \$92,403 or 17%. This under spending relates primarily to personal services (i.e., position vacancies) and professional services.

The police department under spent their budget by approximately \$222,000, relating primarily to personal services (i.e., position vacancies). The fire department budget was under spent by about \$104,000 primarily in personal services (i.e., position vacancies). The public works budget was under spent by approximately \$666,000. Most of this overage, or \$388,000, relates to budgeted capital projects that were not undertaken. In addition, professional services were below budget by \$158,501, due to less architectural and engineering fees.

The City spent 86% of the appropriated final budget.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2007, was \$53,551,748 and \$22,790,440 respectively. The total increase in this net investment was 30% for governmental activities and just a .4% decrease for business-type activities. The overall increase was 20.2% 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	
	2007	Restated 2006	2007	Restated 2006	2007	Restated 2006
Non-depreciable assets:						
Land	\$ 12,736,164	\$ 12,485,987	\$ -	\$ -	\$ 12,736,164	\$ 12,485,987
Works of art and historical treasures	1,082,141	875,676	-	-	1,082,141	875,676
Water rights	-	-	3,392,590	1,243,180	3,392,590	1,243,180
Construction in progress	3,647,618	3,179,303	121,827	444,959	6,948,748	3,624,262
Total non-depreciable	<u>17,465,923</u>	<u>16,540,966</u>	<u>3,514,417</u>	<u>1,688,139</u>	<u>20,980,340</u>	<u>18,229,105</u>
Depreciable assets:						
Buildings and improvements	16,132,989	16,132,989	-	-	16,132,989	16,132,989
Plant and equipment	-	-	20,295,269	20,232,817	20,295,269	20,232,817
Distribution system	-	-	5,849,886	5,434,856	5,849,886	5,434,856
Vehicles and equipment	4,559,155	4,322,794	342,641	287,859	4,901,796	4,610,653
Infrastructure	28,075,731	14,959,852	-	-	28,075,731	14,959,852
Total depreciable assets	<u>48,767,875</u>	<u>35,415,635</u>	<u>26,487,796</u>	<u>25,955,532</u>	<u>75,255,671</u>	<u>61,371,167</u>
Less accumulated depreciation	<u>12,682,050</u>	<u>11,048,701</u>	<u>7,211,773</u>	<u>6,411,895</u>	<u>19,893,823</u>	<u>17,460,596</u>
Book value - depreciable assets	<u>36,085,825</u>	<u>24,366,934</u>	<u>19,276,023</u>	<u>19,543,637</u>	<u>55,361,848</u>	<u>43,910,571</u>
Percentage depreciated	<u>26%</u>	<u>31%</u>	<u>27%</u>	<u>25%</u>	<u>26%</u>	<u>28%</u>
Book value - all assets	<u>\$ 53,551,748</u>	<u>\$ 40,907,900</u>	<u>\$ 22,790,440</u>	<u>\$ 21,231,776</u>	<u>\$ 76,342,188</u>	<u>\$ 62,139,676</u>

At December 31, 2007, the depreciable capital assets for governmental activities were 26% depreciated. This compares slightly below the December 31, 2006 percentage. This comparison indicates that the City is replacing its assets at almost the same rate as they are depreciating which is a positive indicator.

With the City's business type activities, only 27% of the asset values were depreciated at December 31, 2007 compared to 25% at December 31, 2006.

The major additions to the infrastructure account related to the completion of lower main street, of which the City spent approximately \$828,000 and the Isle of Capri casino expended approximately \$11.8 million.

Long-term Debt

During the year, the City retired \$2,080,000 of governmental activities outstanding bonds and leases. The business-type activities retired \$575,000 of outstanding bonds.

The following table presents the outstanding debt at December 31, 2007 and 2006.

	Outstanding Borrowings						% Change
	Governmental Activities		Business-type Activities		Totals		
	2007	Restated 2006	2007	2006	2007	Restated 2006	
Capital leases	\$ 403,310	\$ 616,335	\$ -	\$ -	\$ 403,310	\$ 616,335	-35%
Device fee revenue bonds	2,028,250	2,118,250	14,986,750	15,561,750	17,015,000	17,680,000	-4%
General obligation bonds	1,425,000	1,625,000	2,170,000	2,540,000	3,595,000	4,165,000	-14%
Special assessment bonds	4,965,000	6,480,000	-	-	4,965,000	6,480,000	-23%
Compensated absences	373,025	314,418	-	21,390	373,025	335,808	11%
Total	<u>\$ 9,194,585</u>	<u>\$ 11,154,003</u>	<u>\$ 17,156,750</u>	<u>\$ 18,123,140</u>	<u>\$ 26,351,335</u>	<u>\$ 29,277,143</u>	-10%

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

Economic Conditions Affecting the City

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

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

- The availability of space within a constitutionally defined are 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.

Subsequent Events

In April 2008, the City issued \$2,305,000 of general obligation water refunding bonds to refund the 1997 general obligation water refunding bonds, totaling \$2,170,000.

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 City Manager at the City, Post Office 17, Black Hawk, Colorado, 80432.

City of Black Hawk, Colorado
Statement of Net Assets
December 31, 2007

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents (Note 3A)	\$ 20,639,406	\$ 3,053,829	\$ 23,693,235
Receivables:			
Accounts	389,064	56,310	445,374
Property taxes	441,762	-	441,762
Other taxes	979,429	-	979,429
Inventory	120,743	-	120,743
Restricted assets	2,246,311	1,317,800	3,564,111
Total Current Assets	24,816,715	4,427,939	29,244,654
Noncurrent Assets			
Deferred charges	435,392	515,796	951,188
Capital assets (Note 3D)			
Nondepreciable	17,465,923	3,514,417	20,980,340
Depreciable, net	36,085,824	19,276,023	55,361,847
Total Noncurrent Assets	53,987,139	23,306,236	77,293,375
Total Assets	78,803,854	27,734,175	106,538,029
Liabilities			
Current Liabilities			
Accounts payable	438,606	1,538,253	1,976,859
Accrued expenses	268,399	13,981	282,380
Retainage payable	92,355	-	92,355
Accrued interest payable	29,473	63,701	93,174
Unearned revenue	449,422	-	449,422
Deposits payable	563,477	-	563,477
Compensated absences payable	75,005	5,111	80,116
Capital leases payable	222,875	-	222,875
General obligation bonds payable	210,000	385,000	595,000
Special assessment bonds payable	1,585,000	-	1,585,000
Revenue bonds payable	93,000	462,000	555,000
Total Current Liabilities	4,027,612	2,468,046	6,495,658
Long-Term Liabilities (net of current portion): (Note 3F)			
Compensated absences payable	300,020	20,445	320,465
Capital leases payable	180,435	-	180,435
General obligation bonds payable	1,201,534	1,624,344	2,825,878
Special assessment bonds payable	3,330,800	-	3,330,800
Revenue bonds payable	1,909,644	12,027,364	13,937,008
Total Long-term Liabilities	6,922,433	13,672,153	20,594,586
Total Liabilities	10,950,045	16,140,199	27,090,244
Net Assets			
Invested in capital assets, net of related debt (Note 3I)	44,818,459	8,291,732	53,110,191
Restricted for:			
Capital projects	3,221,414	-	3,221,414
Debt service	2,141,425	1,317,800	3,459,225
Historical preservation	3,118,596	-	3,118,596
Emergencies	354,111	-	354,111
Other program purposes	137,947	-	137,947
Unrestricted	14,061,857	1,984,444	16,046,301
Total Net Assets	\$ 67,853,809	\$ 11,593,976	\$ 79,447,785

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Statement of Activities
For the Year Ended December 31, 2007

Function/Program Primary Government	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
Governmental Activities							
General government	\$ 3,578,935	\$ 615,383	\$ 6,544,578	\$ -	\$ 3,581,026	\$ -	\$ 3,581,026
Planning	446,144	179,295	-	-	(266,849)	-	(266,849)
Public safety	6,245,176	44,565	-	-	(6,200,611)	-	(6,200,611)
Public works	5,177,834	25,138	9,899	12,070,480	6,927,683	-	6,927,683
Interest	618,596	-	-	-	(618,596)	-	(618,596)
Total Governmental Activities	16,066,685	864,381	6,554,477	12,070,480	3,422,653	-	3,422,653
Business-Type Activities:							
Water	3,250,519	729,783	-	1,110,941	-	(1,409,795)	(1,409,795)
Total - Primary Government	\$ 19,317,204	\$ 1,594,164	\$ 6,554,477	\$ 13,181,421	3,422,653	(1,409,795)	2,012,858
General Revenues							
Property and specific ownership taxes					830,844	-	830,844
Sales and use taxes					1,871,058	-	1,871,058
Road and bridge taxes					84,792	-	84,792
Device fee taxes					8,930,631	-	8,930,631
Franchise taxes					145,338	-	145,338
Other taxes					18,156	-	18,156
Intergovernmental - gaming					7,530,055	-	7,530,055
Investment earnings					1,127,219	83,822	1,211,041
Miscellaneous					2,557,025	-	2,557,025
Total General Revenues					23,095,118	83,822	23,178,940
Transfers					(4,628,642)	4,628,642	-
Change in Net Assets					21,889,129	3,302,669	25,191,798
Net Assets Beginning of Year - As Restated (Note 4D)					45,964,680	8,291,307	54,255,987
Net Assets End of Year					\$ 67,853,809	\$ 11,593,976	\$ 79,447,785

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Balance Sheet
Governmental Funds
December 31, 2007

	General	Historic Preservation	Transportation Authority	Business Improvement District	Impact Fee	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 9,809,707	\$ 3,349,352	\$ 297,859	\$ -	\$ 3,221,414	\$ 3,961,074	\$ 20,639,406
Cash and cash equivalents - restricted	-	-	-	2,043,486	-	202,825	2,246,311
Receivables:							
Accounts	27,708	-	355,208	6,148	-	-	389,064
Property taxes	10,162	-	-	431,600	-	-	441,762
Other taxes	979,429	-	-	-	-	-	979,429
Interfund	318,102	-	-	-	-	-	318,102
Inventory	62,292	-	58,451	-	-	-	120,743
Total Assets	\$ 11,207,400	\$ 3,349,352	\$ 711,518	\$ 2,481,234	\$ 3,221,414	\$ 4,163,899	\$ 25,134,817
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 162,768	\$ 114,689	\$ 141,797	\$ 19,352	\$ -	\$ -	\$ 438,606
Grant tax payable	-	110,040	-	-	-	-	110,040
Retainage payable	-	6,027	86,328	-	-	-	92,355
Accrued expenditures	158,359	-	-	-	-	-	158,359
Interfund payable	-	-	318,102	-	-	-	318,102
Deposits payable	563,477	-	-	-	-	-	563,477
Deferred revenue	17,822	-	-	431,600	-	-	449,422
Total Liabilities	902,426	230,756	546,227	450,952	-	-	2,130,361
Fund Balances							
Reserved for:							
Emergencies	354,111	-	-	-	-	-	354,111
Debt service	-	-	-	-	-	2,141,425	2,141,425
Historical preservation	-	3,118,596	-	-	-	-	3,118,596
Unreserved:							
Undesignated, reported in:							
General fund	9,950,863	-	-	-	-	-	9,950,863
Special revenue funds	-	-	165,291	2,030,282	-	137,947	2,333,520
Capital projects funds	-	-	-	-	3,221,414	1,884,527	5,105,941
Total Fund Balances	10,304,974	3,118,596	165,291	2,030,282	3,221,414	4,163,899	23,004,456
Total Liabilities and Fund Balances	\$ 11,207,400	\$ 3,349,352	\$ 711,518	\$ 2,481,234	\$ 3,221,414	\$ 4,163,899	\$ 25,134,817

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
*Reconciliation of the Balance Sheet of Governmental Funds
to the Government-Wide Statement of Net Assets
December 31, 2007*

Total Governmental Fund Balances	\$	23,004,456
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**Amounts reported for governmental activities in the
statement of net assets are different because:**

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Cost of capital assets	\$	66,233,799	
Less accumulated depreciation		<u>(12,682,051)</u>	53,551,748

Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net assets.

Interfund receivables	\$	(318,102)	
Interfund payables		<u>318,102</u>	-

Bond premiums, discounts, refundings and issuance costs are reported as other financing sources and uses and expenditures in the governmental fund financial statements but capitalized on the government-wide statement of net assets.

523,663

Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net assets.

Revenue bonds	\$	(2,028,250)	
General obligation bonds		(1,425,000)	
Special assessment bonds		(4,965,000)	
Capital leases		(403,310)	
Accrued interest		(29,473)	
Compensated absences		<u>(375,025)</u>	<u>(9,226,058)</u>

Net Assets of Governmental Activities	\$	<u><u>67,853,809</u></u>
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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, 2007

	General	Historic Preservation	Transportation Authority	Business Improvement District	Impact Fee	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 10,281,177	\$ -	\$ 772,097	\$ 820,249	\$ -	\$ -	\$ 11,873,523
Special assessments	-	-	-	1,840,892	-	-	1,840,892
Intergovernmental	7,547,250	4,216,831	485,731	-	-	1,124	12,250,936
Licenses and permits	131,528	-	-	-	-	-	131,528
Charges for services	95,769	-	491,792	-	-	100,727	688,288
Impact fees	-	-	-	-	14,644	-	14,644
Fines and forfeitures	29,921	-	-	-	-	-	29,921
Sale of houses	-	-	-	-	-	-	-
Investment earnings	649,758	81,465	27,207	113,271	166,243	89,275	1,127,219
Miscellaneous	2,557,025	-	-	-	-	-	2,557,025
Total Revenues	21,292,428	4,298,296	1,776,827	2,774,412	180,887	191,126	30,513,976
Expenditures							
Current:							
General government	2,416,344	438,332	-	310,431	-	-	3,165,107
Planning	446,488	-	-	-	-	-	446,488
Public safety	6,051,813	-	-	-	-	-	6,051,813
Public works	2,650,942	-	1,177,475	-	-	-	3,828,417
Capital Outlay	-	924,313	1,060,109	-	113,738	70,860	2,169,020
Debt Service:							
Principal retirement	213,025	-	-	1,715,000	-	370,000	2,298,025
Interest and fiscal charges	25,077	-	-	362,810	-	107,256	495,143
Total Expenditures	11,803,689	1,362,645	2,237,584	2,388,241	113,738	548,116	18,454,013
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,488,739	2,935,651	(460,757)	386,171	67,149	(356,990)	12,059,963
Other Financing Sources (Uses)							
Transfers in	463,101	-	19,182	-	-	3,244,312	3,726,595
Transfers out	(6,394,312)	(225,000)	(238,101)	-	-	(1,497,824)	(8,355,237)
Total Other Financing Sources (Uses)	(5,931,211)	(225,000)	(218,919)	-	-	1,746,488	(4,628,642)
Net Change in Fund Balances	3,557,528	2,710,651	(679,676)	386,171	67,149	1,389,498	7,431,321
Fund Balances Beginning of Year - Restated	6,747,446	407,945	844,967	1,644,111	3,154,265	2,774,401	15,573,135
Fund Balances End of Year	\$ 10,304,974	\$ 3,118,596	\$ 165,291	\$ 2,030,282	\$ 3,221,414	\$ 4,163,899	\$ 23,004,456

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, 2006*

Net Changes In Fund Balances - Total Governmental Funds \$ 7,431,321

**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 depreciation exceeded capitalized capital outlay in the current period.

Depreciation expense	\$ (1,766,451)	
Capital outlay	<u>2,055,893</u>	289,442

To write off the book value of capitalized construction in progress amounts on projects discontinued in 2007. (16,075)

Casino contributed infrastructure and other contributions are reported as revenue on the government-wide statement of activities but not reported in the governmental funds. 12,070,480

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

Liability @ 12/31/07	\$ (29,473)	
Liability @ 12/31/06	<u>39,769</u>	10,296

Deferred bond issue related costs are reported in the governmental fund's operating statement because these transactions require the use of current financial resources but are not capitalized on the government-wide statement of net assets. (133,753)

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 2,298,025

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 @ 12/31/07	\$ (375,025)	
Liability @ 12/31/06	<u>314,418</u>	<u>(60,607)</u>

Change In Net Assets of Governmental Activities \$ 21,889,129

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Water Fund
 Comparative Statement of Net Assets
 December 31, 2007 and 2006

	2007	2006
Assets		
Current Assets:		
Cash and cash equivalents	\$ 3,053,829	\$ 489,127
Accounts receivable	56,310	30,210
Interfund	-	541
Prepaid items	-	10,716
Total Current Assets	<u>3,110,139</u>	<u>530,594</u>
Noncurrent Assets:		
Restricted assets:		
Cash and cash equivalents	1,317,800	1,295,851
Deferred charges	515,796	572,955
Capital assets:		
Nondepreciable	3,514,417	1,688,139
Depreciable, net	19,276,023	19,543,667
Total Noncurrent Assets	<u>24,624,036</u>	<u>23,100,612</u>
Total Assets	<u>27,734,175</u>	<u>23,631,206</u>
Liabilities		
Current Liabilities:		
Accounts payable	1,538,253	83,752
Accrued expenses	13,981	11,876
Interfund payable	-	114,274
Compensated absences payable	5,111	4,278
General obligation bonds payable	385,000	370,000
Total Current Liabilities	<u>1,942,345</u>	<u>584,180</u>
Current Liabilities Payable from Restricted Assets:		
Revenue bonds payable	462,000	205,000
Accrued interest payable	63,701	147,145
Customer deposits	-	2,000
Total Current Liabilities Payable from Restricted Assets	<u>525,701</u>	<u>354,145</u>
Long-Term Liabilities (net of current portion):		
Compensated absences payable	20,445	17,112
General obligation bonds payable	1,624,344	2,170,000
Revenue bonds payable	12,027,364	12,214,462
Total Long-Term Liabilities	<u>13,672,153</u>	<u>14,401,574</u>
Total Liabilities	<u>16,140,199</u>	<u>15,339,899</u>
Net Assets		
Invested in capital assets, net of related debt	8,291,732	6,845,299
Restricted for revenue bonds	1,317,800	1,295,851
Unrestricted	1,984,444	150,157
Total Net Assets	<u>\$ 11,593,976</u>	<u>\$ 8,291,307</u>

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Water Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Operating Revenues		
Charges for services	\$ 729,783	\$ 699,648
Miscellaneous	-	30,991
Total Operating Revenues	<u>729,783</u>	<u>730,639</u>
Operating Expenses		
Personal services	828,625	778,535
Professional services	253,933	252,204
General services	335,336	174,910
Program services	6,586	-
Purchased services	8,906	12,097
Supplies	39,810	48,382
Repairs and maintenance	22,087	124,809
Capital outlay - non-capitalized	27,458	136,740
Depreciation	799,878	746,585
Total Operating Expenses	<u>2,322,619</u>	<u>2,274,262</u>
Operating (Loss)	<u>(1,592,836)</u>	<u>(1,543,623)</u>
Non-Operating Revenues (Expenses)		
Interest and fiscal charges	(756,497)	(597,198)
Investment earnings	83,822	9,071
Amortization	(171,403)	(122,879)
Total Non-Operating Revenues (Expenses)	<u>(844,078)</u>	<u>(711,006)</u>
(Loss) Before Capital Contributions and Transfers In	<u>(2,436,914)</u>	<u>(2,254,629)</u>
Capital contributions	1,110,941	27,356
Transfers in	4,628,642	3,104,995
Change in Net Assets	<u>3,302,669</u>	<u>877,722</u>
Net Assets Beginning of Year	<u>8,291,307</u>	<u>7,413,585</u>
Net Assets End of Year	<u>\$ 11,593,976</u>	<u>\$ 8,291,307</u>

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Water Fund
Comparative Statement of Cash Flows
For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 701,683	\$ 776,033
Cash payments for personal services	(813,743)	(774,305)
Cash payments for goods and services	<u>762,490</u>	<u>(801,828)</u>
Net Cash (Used in) Operating Activities	<u>650,430</u>	<u>(800,100)</u>
Cash Flows from Noncapital Financing Activities		
Increase (decrease) in interfund loan payable	(114,274)	60,052
Decreaser in interfund receivable	541	-
Transfers in	<u>4,628,642</u>	<u>3,104,995</u>
Net Cash Provided by Noncapital Financing Activities	<u>4,514,909</u>	<u>3,165,047</u>
Cash Flows from Capital and Related Financing Activities		
Capital contributions	1,110,941	27,356
Principal paid on bonds	(575,000)	(378,750)
Interest paid on bonds	(839,941)	(454,437)
Payments for capital acquisitions	<u>(709,100)</u>	<u>(327,449)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(1,013,100)</u>	<u>(1,133,280)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>83,822</u>	<u>9,071</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,236,061	1,240,738
Cash and Cash Equivalents Beginning of Year	<u>1,784,978</u>	<u>544,240</u>
Cash and Cash Equivalents End of Year	<u>\$ 6,021,039</u>	<u>\$ 1,784,978</u>
Reconciliation to Cash and Cash Equivalents:		
Unrestricted	\$ 3,053,829	\$ 489,127
Restricted	<u>1,317,800</u>	<u>1,295,851</u>
Total Cash and Cash Equivalents	<u>\$ 4,371,629</u>	<u>\$ 1,784,978</u>

City of Black Hawk, Colorado
Water Fund
Comparative Statement of Cash Flows
For the Years Ended December 31, 2007 and 2006

(continued)

	2007	2006
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities		
Operating (Loss)	\$ (1,592,836)	\$ (1,543,623)
Adjustments:		
Depreciation	799,878	746,585
(Increase) Decrease in Assets:		
Accounts receivable	(26,100)	45,394
Prepaid items	10,716	2,102
Increase (Decrease) in Liabilities:		
Accounts payable	1,454,501	(53,884)
Accrued expenses	2,105	1,198
Customer deposits	(2,000)	-
Compensated absences payable	4,166	2,128
Net Cash (Used in) Operating Activities	\$ 650,430	\$ (800,100)
Noncash Capital Activities:		
Issuance of refunding debt including premium	\$ -	\$ 12,419,214
Repayment of refunded debt	-	11,930,000
Bond issuance costs and refunding differences	-	773,214

See accompanying notes to the basic financial statements

City of Black Hawk, Colorado
Comparative Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Assets		
Investments	\$ -	\$ 5,421,034
Liabilities		
Due to the county	<u>\$ -</u>	<u>\$ 5,421,034</u>

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, 2007

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City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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

Note 1 - Summary of Significant Accounting Policies

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

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

1-A. Reporting Entity

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

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

Brief descriptions of the blended component units follow:

Black Hawk Business Improvement District (the District) – The District was created by ordinance passed by the City's Board of Alderman on July 26, 1995. The purpose of the District is to construct public improvements for gaming and commercial interests within the City. A board of directors, appointed by the City's Board of Alderman, governs the District. The District does not issue separate financial statements.

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

Black Hawk Urban Renewal Authority (Renewal Authority) – The Renewal Authority was created by resolution passed by the City's Board of Alderman in July 2007. 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 2007, the Renewal Authority had no financial activity.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation

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

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

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

The statement of net assets presents the financial position of the governmental and business-type activities of the City and 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, proprietary and fiduciary 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 three categories of funds: governmental, proprietary and fiduciary.

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, 2007

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.

Historical Preservation Fund – This fund accounts for the various historic preservation programs of the City, which are primarily funded through gaming revenues received from the State of Colorado.

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.

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

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

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

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

Fiduciary Fund – The City's fiduciary fund is an agency fund that accounts for the temporary holding funds for Gilpin County for investment purposes. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. This fund was closed in 2007.

1-C. Measurement Focus

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

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

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

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. The proprietary fund uses the accrual basis of accounting at both reporting levels. The fiduciary fund uses the accrual basis of accounting at the fund reporting level. 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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include property taxes, specific ownership taxes, sales taxes, device fees, grants, and contributions. On an accrual basis, revenue from property taxes and specific ownership taxes is recognized in the calendar year for which the taxes are levied. (Note 3-C) Property taxes are assessed in one year for the subsequent years’ budget. Recognition for the levy made in 2007 is revenue for the 2008 budget year. Therefore, a property tax receivable and a liability of an equal amount are reported as “unearned revenue” on the government-wide statement of net assets and as deferred revenue at the fund financial reporting level. Sales taxes are recognized in the year, in which the underlying event takes place (i.e., the calendar year in which the sale takes place).

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

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

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

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

Property taxes receivable not collected within 60 days of year-end have been recorded as deferred revenue. Since property taxes are levied in December (i.e., there is a legal claim) for the next calendar year’s operations, the total levy is reported as taxes receivable and deferred revenue as December 31, 2007.

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

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

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

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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, 2007.

1-E-3 Interfund Balances

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

1-E-4 Consumable Inventory

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

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

These inventories consist primarily of fuel and public works parts.

1-E-5 Restricted Assets

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

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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 assets but does not report these assets in the City fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activities column of the government-wide statement of net assets and in the enterprise fund's statement of net assets.

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

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

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

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

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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 1 - Summary of Significant Accounting Policies (Continued)

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 and Issuance Costs

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

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

1-E-10 Fund Equity

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

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

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

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

1-E-11 Operating and Nonoperating Revenues and Expenses

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

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-12 Contributions of Capital

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

1-E-13 Device Fees Tax

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

1-E-14 Impact Fees

The City imposes two types of impact fees.

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

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

1-E-15 Interfund Activity

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

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

1-E-16 Estimates

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

1-E-17 Comparative Data

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

1-E-18 – Related Parties

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

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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.

Note 2 – Stewardship, Compliance and Accountability (Continued)

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 generally 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.

2B. Expenditures Over Appropriations

The following funds had expenditures in excess of appropriations at the fund level:

Transportation authority fund	\$425,550
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2C. Emergency Reserves

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

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

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

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

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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, 2007, the carrying amount of the City's deposits was \$1,317,073 and the bank balance was \$814,693.

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.

Investment Type	Fair Value
Certificates of deposit	\$ 1,218,201
Federal Home Loan Bank note	2,949,125
Federal National Mortgage Assn	1,004,531
American National Bank - trust account	1,513,892
Money market accounts	49,892
Colotrust state investment pool	8,979,061
C-Safe state investment pool	10,224,471
Total	<u>\$ 25,939,173</u>

Credit Quality Risk – Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Both the Colotrust and C-Safe, are local government investment pools that the City invests in, were rated AAA by Standard & Poor's. The Wells Fargo Bank sponsored money market fund was rated AAA by Standard & Poor's. The Federal Home Loan Bank notes and American National Bank trust account were rated AAA by Standard & Poor's. The maturity schedules for the above investments are less than one year.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the City's investments may not be recovered. The City's certificates of deposits are insured under FDIC up to \$100,000 per bank, the custodial credit risk for the uninsured deposits are covered under PDPA for the excess of \$918,201.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

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

Bank	Amount	%
Colorado Business Bank	\$ 532,908	44%
Washington Mutual Bank	100,056	8%
Peak National Bank	585,237	48%
Total	<u>\$ 1,218,201</u>	<u>100%</u>

Cash and Investment Reconciliation

Petty cash	\$ 1,100
Deposits	1,317,073
Investments	<u>25,939,173</u>
Total Cash and Investments	<u>\$ 27,257,346</u>

Fund Reporting Level

Governmental fund type - balance sheet	\$ 20,639,406
Governmental fund type - balance sheet - restricted	2,246,311
Proprietary fund type - statement of net assets	3,053,829
Proprietary fund type - statement of net assets - restricted	<u>1,317,800</u>
Total	<u>\$ 27,257,346</u>

3-B. Receivables

Receivables at December 31, 2007, 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, collectibility.

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, 2007

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the year ended December 31, 2007, was as follows:

	Restated Balance 1/1/2007	Additions	Deductions	Balance 12/31/2007
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 12,485,987	\$ 250,177	\$ -	\$ 12,736,164
Works of art and historical treasures	875,676	206,465	-	1,082,141
Construction in progress	3,479,303	1,294,948	1,126,633	3,647,618
	<u>16,840,966</u>	<u>1,751,590</u>	<u>1,126,633</u>	<u>17,465,923</u>
Total nondepreciable capital assets				
Depreciable capital assets:				
Buildings and improvements	16,132,989	-	-	16,132,989
Vehicles and equipment	4,322,794	269,018	32,657	4,559,155
Infrastructure	14,959,852	13,216,324	100,445	28,075,731
	<u>35,415,635</u>	<u>13,485,342</u>	<u>133,102</u>	<u>48,767,875</u>
Total depreciable capital assets				
Total capital assets	<u>52,256,601</u>	<u>15,236,932</u>	<u>1,259,735</u>	<u>66,233,798</u>
Accumulated depreciation:				
Buildings and improvements	2,655,174	538,272	-	3,193,446
Vehicles and equipment	3,026,617	309,208	32,657	3,303,168
Infrastructure	5,366,910	918,971	100,445	6,185,436
	<u>11,048,701</u>	<u>1,766,451</u>	<u>133,102</u>	<u>12,682,050</u>
Total accumulated depreciation				
Governmental activities capital assets, net	<u>\$ 41,207,900</u>	<u>\$ 13,470,481</u>	<u>\$ 1,126,633</u>	<u>\$ 53,551,748</u>

Governmental activities depreciation expense

General government	\$ 396,297
Public safety	143,578
Public works	<u>1,226,576</u>
Total governmental activities depreciation expense	<u>\$ 1,766,451</u>

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

	Balance 1/1/2007	Additions	Deductions	Balance 12/31/2007
Business-type activities:				
Nondepreciable capital assets				
Water rights	\$ 1,243,180	\$ 2,149,410	\$ -	\$ 3,392,590
Construction in progress	444,959	128,027	451,159	121,827
Total nondepreciable capital assets	<u>1,688,139</u>	<u>2,277,437</u>	<u>451,159</u>	<u>3,514,417</u>
Depreciable capital assets:				
Plant and equipment	20,232,817	62,452	-	20,295,269
Distribution system	5,434,886	415,000	-	5,849,886
Vehicles and equipment	287,859	54,782	-	342,641
Total depreciable capital assets	<u>25,955,562</u>	<u>532,234</u>	<u>-</u>	<u>26,487,796</u>
Total capital assets	<u>27,643,701</u>	<u>2,809,671</u>	<u>451,159</u>	<u>30,002,213</u>
Accumulated depreciation:				
Plant and equipment	3,799,557	529,837	-	4,329,394
Distribution system	2,431,449	233,471	-	2,664,920
Vehicles and equipment	180,889	36,570	-	217,459
Total accumulated depreciation	<u>6,411,895</u>	<u>799,878</u>	<u>-</u>	<u>7,211,773</u>
Business-type activities capital assets, net	<u>\$ 21,231,806</u>	<u>\$ 2,009,793</u>	<u>\$ 451,159</u>	<u>\$ 22,790,440</u>

3-E. Interfund Balances and Transfers

Interfund Balances - Interfund balances at December 31, 2007, consists of a receivable of \$318,102 in general fund, payable from the business transportation fund for services rendered. The City expects to repay all interfund balances within one year.

Interfund transfers for the year ended December 31, 2007, consisted of the following:

Transfer to	Transfers From:				Total
	General fund	Transportation authority fund	Historical preservation fund	Nonmajor governmental funds	
General fund	\$ -	\$ 238,101	\$ 225,000	\$ -	\$ 463,101
Transportation authority fund	-	-	-	19,182	19,182
Water fund	3,150,000	-	-	1,478,642	4,628,642
Nonmajor governmental funds	3,244,312	-	-	-	3,244,312
	<u>\$ 6,394,312</u>	<u>\$ 238,101</u>	<u>\$ 225,000</u>	<u>\$ 1,497,824</u>	<u>\$ 8,355,237</u>

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.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

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, 2007.

1996 Devise Tax Revenue Bonds - On June 15, 1996, the City issued serial revenue bonds in the amount of \$2,365,000, with interest rates ranging from 4.5% to 6.1%. The bonds were not subject to redemption prior to their stated maturities. This issue was retired during 2007.

2004 Devise Tax Revenue Refunding Bonds (75% Share) – On March 15, 2004, the City issued serial tax revenue refunding bonds, in the amount of \$1,031,250 (\$1,375,000 less water fund’s share of this debt) to advance refund \$1,031,250 (\$1,375,000 less water fund’s share of this debt) of the outstanding 1994 Series devise tax revenue bonds. The interest rates on the refunding debt are 2.15% to 4.6%.

Annual debt service requirements to amortize this debt, as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	\$ 90,000	\$ 28,249	\$ 118,249
2009	97,500	25,787	123,287
2010	97,500	21,818	119,318
2011	101,250	18,113	119,363
2012	105,000	14,012	119,012
2013-2014	210,000	14,155	224,155
Total	<u>\$ 701,250</u>	<u>\$ 122,134</u>	<u>\$ 823,384</u>

2004 General Obligation Refunding Bonds – On December 30, 2004, the Business Improvement District refunded the above general obligation bonds by issuing \$2,020,000, with interest rates ranging from 2.75% - 5.00%. The final payment is due December 1, 2013. Annual debt service requirements to amortize this debt, as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	\$ 210,000	\$ 65,750	\$ 275,750
2009	220,000	57,350	277,350
2010	230,000	48,000	278,000
2011	240,000	37,560	277,560
2012	255,000	26,250	281,250
2013	270,000	13,500	283,500
Total	<u>\$ 1,425,000</u>	<u>\$ 248,410</u>	<u>\$ 1,673,410</u>

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

The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the special assessment bonds. As a result, the special assessment bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net assets.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to amortize the special assessment refunding debt, as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	\$ 1,585,000	\$ 221,580	\$ 1,806,580
2009	1,475,000	149,250	1,624,250
2010	1,420,000	77,750	1,497,750
2011	485,000	12,125	497,125
Total	<u>\$ 4,965,000</u>	<u>\$ 460,705</u>	<u>\$ 5,425,705</u>

2004 Capital Lease - On March 15, 2004, the City entered into a capital lease for three buses. Payments are \$30,834 quarterly, which includes principal and interest. This lease meets the criteria of a capital lease since the lessor transfers benefits and risks of ownership to the lessee at the end of the lease term. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the leases is included in governmental activities general capital assets in the amount of \$224,604 (cost of \$524,075 less accumulated depreciation of \$299,471). The lease carries an interest rate of 4.25%. The outstanding balance of the corresponding liability is included in governmental activities general long-term debt.

Future minimum lease payments as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	<u>\$ 120,126</u>	<u>\$ 3,208</u>	<u>\$ 123,334</u>

2005 Capital Lease - On May 2, 2005, the City entered into a capital lease for a bus. Payments are \$13,638 quarterly, which includes principal and interest. This lease meets the criteria of a capital lease since the lessor transfers benefits and risks of ownership to the lessee at the end of the lease term. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the leases is included in governmental activities general capital assets in the amount of \$132,603 (cost of \$232,055 less accumulated depreciation of \$99,452). The lease carries an interest rate of 4.8557%. The outstanding balance of the corresponding liability is included in governmental activities general long-term debt. Future minimum lease payments as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	\$ 50,441	\$ 4,110	\$ 54,552
2009	<u>52,935</u>	<u>1,616</u>	<u>54,551</u>
Total	<u>\$ 103,376</u>	<u>\$ 5,727</u>	<u>\$ 109,103</u>

2006 Capital Leases - On March 1, 2006, the City entered into a capital lease for a bus. Payments are \$15,054 quarterly, which includes principal and interest. This lease meets the criteria of a capital lease since the lessor transfers benefits and risks of ownership to the lessee at the end of the lease term. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the leases is included in governmental activities general capital assets in the amount of \$189,571 (cost of \$265,400 less accumulated depreciation of \$75,829). The lease carries an interest rate of 4.930%. The outstanding balance of the corresponding liability is included in governmental activities general long-term debt.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

Future minimum lease payments as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	\$ 52,308	\$ 7,907	\$ 60,215
2009	54,935	5,280	60,215
2010	57,694	2,521	60,215
2011	14,870	184	15,054
Total	<u>\$ 179,807</u>	<u>\$ 15,892</u>	<u>\$ 195,699</u>

Business-type Activities Bonds - The following is a summary of the outstanding long-term bond issues related to the water fund at December 31, 2007:

1997 General Obligation Water Refunding Bonds – On October 1, 1997, the City issued serial general obligation bonds in the amount of \$3,440,000 and term bonds in the amount of \$1,785,000 due December 1, 2012, with interest rates ranging from 4% to 5.7%. The term bonds are subject to mandatory redemption. In addition, bonds maturing on or after December 1, 2007 are callable at the option of the City, on December 1, 2006, or on any date thereafter with premiums up to 1% plus accrued interest to the redemption date. Annual debt service requirements to amortize this debt, as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	\$ 385,000	\$ 121,765	\$ 506,765
2009	400,000	101,745	501,745
2010	440,000	78,945	518,945
2011	455,000	53,865	508,865
2012	490,000	27,930	517,930
Total	<u>\$ 2,170,000</u>	<u>\$ 384,250</u>	<u>\$ 2,554,250</u>

1998 Device Tax Revenue Bonds - On January 15, 1998, the City issued serial device tax revenue bonds in the amount of \$1,940,000, and term bonds in the amount of \$2,465,000 due December 1, 2012 and \$9,115,000 due December 1, 2021, with interest rates ranging from 4.25% to 5.625%. On October 26, 2006, the City refunded all callable bonds from this issue (see Series 2006A and Series 2006B above). The bonds not callable originally totaled \$515,000.

Annual debt service requirements to amortize this debt, as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	<u>\$ 340,000</u>	<u>\$ 18,700</u>	<u>\$ 358,700</u>

2004 Device Tax Revenue Refunding Bonds (25% Share)– On March 15, 2004, the City issued device tax revenue refunding bonds, in the amount of \$343,750 (\$1,375,000 less governmental activities' share of debt) to advance refund \$343,750 (\$1,375,000 less the governmental activities' share of debt) of outstanding 1994 Series device tax revenue bonds. The interest rates on the refunding debt are 2.15% to 4.6%.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to amortize this debt, as of December 31, 2007 follow:

Year	Principal	Interest	Total
2008	\$ 30,000	\$ 9,416	\$ 39,416
2009	32,500	7,918	40,418
2010	32,500	7,273	39,773
2011	33,750	6,038	39,788
2012	35,000	4,671	39,671
2013-2014	70,000	4,718	74,718
Total	<u>\$ 233,750</u>	<u>\$ 40,034</u>	<u>\$ 273,784</u>

Governmental Activities/Business Type Activities Combined Bond - The following is a summary of the outstanding long-term bond issued related to both governmental activities and the water fund.

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

Annual debt service requirements to amortize this debt, as of December 31, 2007 follow:

Year	Series A - Water Fund (90%)			Series A - Governmental Activities (10%)		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 27,000	\$ 597,150	\$ 624,150	\$ 3,000	\$ 66,350	\$ 69,350
2009	792,000	595,800	1,387,800	88,000	66,200	154,200
2010	832,500	556,200	1,388,700	92,500	61,800	154,300
2011	868,500	514,575	1,383,075	96,500	57,175	153,675
2012	1,003,500	471,150	1,474,650	111,500	52,350	163,850
2013-2017	4,212,000	1,705,050	5,917,050	468,000	189,450	657,450
2018-2021	4,207,500	538,650	4,746,150	467,500	59,850	527,350
Total	<u>\$ 11,943,000</u>	<u>\$ 4,978,575</u>	<u>\$ 16,921,575</u>	<u>\$ 1,327,000</u>	<u>\$ 553,175</u>	<u>\$ 1,880,175</u>

Year	Series A - Total			Series B		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 30,000	\$ 663,500	\$ 693,500	\$ 65,000	\$ 17,381	\$ 82,381
2009	880,000	662,000	1,542,000	70,000	13,643	83,643
2010	925,000	618,000	1,543,000	75,000	9,597	84,597
2011	965,000	571,750	1,536,750	90,000	5,247	95,247
2012	1,115,000	523,500	1,638,500	-	-	-
2013-2017	4,680,000	1,894,500	6,574,500	-	-	-
2018-2021	4,675,000	598,500	5,273,500	-	-	-
Total	<u>\$ 13,270,000</u>	<u>\$ 5,531,750</u>	<u>\$ 18,801,750</u>	<u>\$ 300,000</u>	<u>\$ 45,868</u>	<u>\$ 345,868</u>

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

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, 2007:

Governmental Activities	Outstanding 1/1/2007	Additions	Reductions	Outstanding 12/31/2007	Amounts Due in One Year
1996 Device Tax Revenue Bonds	\$ 280,000	\$ -	\$ 280,000	\$ -	\$ -
2004 Device Tax Revenue Refunding Bonds	791,250	-	90,000	701,250	90,000
2006 Device Tax Revenue Refunding Bonds - Series A	1,327,000	-	-	1,327,000	3,000
2004 General Obligation Refunding Bonds	1,625,000	-	200,000	1,425,000	210,000
2005 Special Assessment Refunding Bonds	6,480,000	-	1,515,000	4,965,000	1,585,000
2004 Capital Lease	235,280	-	115,154	120,126	120,126
2005 Capital Lease	151,441	-	48,064	103,377	50,441
2006 Capital Lease	229,614	-	49,807	179,807	52,308
Bond premiums/discounts	(46,209)	-	12,466	(33,743)	-
Bond refunding	(62,134)	-	7,605	(54,529)	-
Total Bonds and Capital Leases	11,011,242	-	2,318,096	8,733,288	2,110,875
Compensated Absences	314,418	60,607	-	375,025	75,005
Total Governmental Activities	\$ 11,325,660	\$ 60,607	\$ 2,318,096	\$ 9,108,313	\$ 2,185,880
Business-Type Activities					
1997 General Obligation Water Refunding Bonds	\$ 2,540,000	\$ -	370,000	\$ 2,170,000	\$ 385,000
1998 Device Tax Revenue Bonds	515,000	-	175,000	340,000	340,000
2004 Device Tax Revenue Refunding Bonds	263,750	-	30,000	233,750	30,000
2006 Device Tax Revenue Refunding Bonds - Series A	11,943,000	-	-	11,943,000	27,000
2006 Device Tax Revenue Refunding Bonds - Series B	300,000	-	-	300,000	65,000
Bond premiums/discounts	174,267	-	11,681	162,586	-
Bond refunding	(776,554)	-	125,926	(650,628)	-
Total Bonds	14,959,463	-	712,607	14,498,708	847,000
Compensated Absences	21,390	4,166	-	25,556	5,111
Total Business-Type Activities	\$ 14,980,853	\$ 4,166	\$ 712,607	\$ 14,524,264	\$ 852,111

*City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007*

Note 3 - Detailed Notes on All Funds (Continued)

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

Defeasance of Debt - In 2004, the City defeased certain Device Tax Revenue Bonds and General Obligation Water Bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At December 31, 2007, the amount of defeased debt outstanding on these bonds totals approximately \$3,105,000. In 2006, the City defeased certain tax revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Approximately \$11.4 million is considered defeased as of December 31, 2007. None of the defeased debt is included in the City's financial statements.

3-G. Commitments

Construction - The City has construction commitments at December 31, 2007 as follows:

Contractor	Total Contract	Project To-date Expenditures	Remaining Commitments
Buildings by Design	\$ 2,781,188	\$ 863,283	\$ 1,917,905
Structures, Inc.	<u>759,996</u>	<u>60,273</u>	<u>699,723</u>
Total	<u><u>\$ 3,541,184</u></u>	<u><u>\$ 923,556</u></u>	<u><u>\$ 2,617,628</u></u>

Marketing – The City has committed \$450,000 of the 2008 budget to assist with the funding of the Black Hawk/Central City Convention Bureau, for marketing.

3-H. 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, 2004, there were 102 plan members. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees become plan members upon the start of employment. Under this plan, 5.00% of the plan members' compensation is withheld and remitted to the Plan Administrator along with the matching payment of 10.00% from the City. The City's contributions plus earnings become fully vested after five years with partial vesting beginning after one year. City contributions for plan members who leave employment before they are fully vested are used to reduce the City's current period contribution requirement. There is no liability for benefits under the plan beyond the City's matching payments. Plan provisions and contribution requirements are established and may be amended by the City's Board of Aldermen.

Contributions actually made by plan members and the City for the years ended December 31, 2007, 2006, and 2005 were \$233,284, \$212,276 and \$202,328 and the City's contributions were \$466,583, \$424,559 and \$404,313 respectively.

*City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007*

Note 3 - Detailed Notes on All Funds (Continued)

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, 2007, 2006, and 2005 were \$117,362, \$114,339 and \$104,523, respectively, equal to the City's required contributions for each year.

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

The "invested in capital assets, net of related debt" amounts reported on the government-wide statement of net assets as of December 31, 2007 are as follows:

	<u>Governmental Activities</u>	<u>Business - Type Activities</u>
Invested in capital assets, net of related debt:		
Cost of capital assets	\$ 66,233,798	\$ 30,002,213
Less accumulated depreciation	12,682,051	7,211,773
Book value	<u>53,551,747</u>	<u>22,790,440</u>
Less capital related debt	8,821,560	14,986,750
Plus bond premiums, discounts and refunding amounts	<u>(88,272)</u>	<u>(488,042)</u>
Invested in capital assets, net of related debt	<u>\$ 44,818,459</u>	<u>\$ 8,291,732</u>

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.

*City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007*

Note 4 - Other Notes (Continued)

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the 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 coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The by-laws shall constitute the substance of the intergovernmental contract among the members. The amount of settlements has not exceeded insurance coverage for any of the three previous years.

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

4-B. Contingent Liabilities

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

The City is a defendant in various lawsuits at December 31, 2007. 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 Event

In April 2008, the City issued \$2,305,000 of general obligation water refunding bonds to refund the 1997 general obligation water refunding bonds, totaling \$2,170,000. The average interest rate was approximately 3% for the refunding bonds. This refunding resulted in an present value savings of approximately \$62,000.

4-D. Prior Period Adjustments

Capital Assets - The December 31, 2006 net asset amount reported at the government-wide financial reporting level was restated to reflect the deletion of certain land owned by the City which was sold during 2006, but not deducted from the land balance account. In addition, an inventory of the works of art was conducted and an adjustment was made to the government-wide asset class balance at December 31, 2006.

Component Units - Prior to 2007, the City has reported its two component units, the Black Hawk Transportation Authority and the Black Hawk Business Improvement District discretely. However, City management conducted an extensive review of the relationship between the two component units and the City. As a result of this review, a decision was made to report these two component units as blended special revenue funds, rather than as discretely presented. As a result, both the government-wide net assets and the general fund's fund balance are restated.

Device Fees Revenues - At December 31, 2006, the City did not accrue the December 31, 2006 transportation device fees. As a result, the Black Hawk Transportation Authority's government-wide net assets and the fund balance are restated.

Miscellaneous Revenue - At December 31, 2006, the City should have accrued miscellaneous revenue. As a result, both the government-wide net assets and the general fund's fund balance are restated.

City of Black Hawk, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2007

Note 4 - Other Notes (Continued)

The net assets were restated as follows:

	Governmental Fund <u>Fund Balances</u>	Government- Wide <u>Net Assets</u>
Equity as previously reported	\$ 12,884,856	\$ 52,559,581
Capital asset restatement	-	(1,713,846)
Component units	2,424,087	(5,145,247)
Device fee revenues - (BTA)	64,991	64,991
Miscellaneous revenues - (General fund)	199,201	199,201
	<u>15,573,135</u>	<u>45,964,680</u>
Governmental fund type fund balances, as restated	<u>\$ 15,573,135</u>	<u>\$ 45,964,680</u>

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, 2007
(With Comparative Actual Amounts for the Year Ended December 31, 2006)

	2007			Restated 2006	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes	\$ 9,646,816	\$ 10,431,620	\$ 10,281,177	\$ (150,443)	\$ 11,926,812
Intergovernmental	6,813,942	7,541,516	7,547,250	5,734	7,126,900
Licenses and permits	34,450	131,113	131,528	415	84,352
Charges for services	108,500	108,500	95,769	(12,731)	153,095
Fines and forfeitures	17,500	17,500	29,921	12,421	16,917
Investment earnings	75,000	425,087	649,758	224,671	271,563
Miscellaneous	99,800	675,132	2,557,025	1,881,893	325,200
Total Revenues	<u>16,796,008</u>	<u>19,330,468</u>	<u>21,292,428</u>	<u>1,961,960</u>	<u>19,904,839</u>
Expenditures					
Current:					
General government	3,235,122	3,235,122	2,416,344	818,778	8,068,654
Planning	538,891	538,891	446,488	92,403	566,361
Public safety	6,377,825	6,377,825	6,051,813	326,012	6,018,337
Public works	2,947,779	3,555,048	2,889,044	666,004	2,836,306
Total Expenditures	<u>13,099,617</u>	<u>13,706,886</u>	<u>11,803,689</u>	<u>1,903,197</u>	<u>17,489,658</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,696,391</u>	<u>5,623,582</u>	<u>9,488,739</u>	<u>3,865,157</u>	<u>2,415,181</u>
Other Financing Sources (Uses)					
Transfers in	225,000	225,000	463,101	238,101	200,000
Transfers out	(6,394,312)	(6,394,312)	(6,394,312)	-	(3,092,745)
Total Other Financing Sources (Uses)	<u>(6,169,312)</u>	<u>(6,169,312)</u>	<u>(5,931,211)</u>	<u>238,101</u>	<u>(2,892,745)</u>
Net Change in Fund Balances	<u>\$ (2,472,921)</u>	<u>\$ (545,730)</u>	<u>3,557,528</u>	<u>\$ 4,103,258</u>	<u>(477,564)</u>
Fund Balances Beginning of Year, Restated			<u>6,747,446</u>		<u>7,225,010</u>
Fund Balances End of Year			<u>\$ 10,304,974</u>		<u>\$ 6,747,446</u>

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
 Historical Preservation Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2007
 (With Comparative Actual Amounts for the Year Ended December 31, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	\$ 4,000,000	\$ 4,000,000	\$ 4,216,831	\$ 216,831	3,981,695
Sale of houses	-	-	-	-	189,107
Investment earnings	15,000	15,000	81,465	66,465	56,550
Miscellaneous	-	-	-	-	15,090
Total Revenues	<u>4,015,000</u>	<u>4,015,000</u>	<u>4,298,296</u>	<u>283,296</u>	<u>4,242,442</u>
Expenditures					
Current:					
Grants	1,400,000	1,400,000	438,332	961,668	2,140,619
Cost of houses sold	-	-	-	-	402,395
Capital Outlay	<u>3,250,300</u>	<u>3,250,300</u>	<u>924,313</u>	<u>2,325,987</u>	<u>4,207,115</u>
Total Expenditures	<u>4,650,300</u>	<u>4,650,300</u>	<u>1,362,645</u>	<u>3,287,655</u>	<u>6,750,129</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(635,300)	(635,300)	2,935,651	3,570,951	(2,507,687)
Other Financing Uses					
Transfers out	(235,000)	(235,000)	(225,000)	10,000	(200,000)
Net Change in Fund Balances	<u>\$ (870,300)</u>	<u>\$ (870,300)</u>	2,710,651	<u>\$ 3,580,951</u>	(2,707,687)
Fund Balances Beginning of Year			407,945		3,115,632
Fund Balances End of Year			<u>\$ 3,118,596</u>		<u>\$ 407,945</u>

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
Transportation Authority Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 754,600	\$ 754,600	\$ 772,097	\$ 17,497
Intergovernmental	463,550	463,550	485,731	22,181
Charges for services	504,300	504,300	491,792	(12,508)
Investment earnings	20,000	20,000	27,207	7,207
Total Revenues	<u>1,742,450</u>	<u>1,742,450</u>	<u>1,776,827</u>	<u>34,377</u>
Expenditures				
Current:				
Public works	1,112,034	1,112,034	1,177,475	(65,441)
Capital Outlay	<u>700,000</u>	<u>700,000</u>	<u>1,060,109</u>	<u>(360,109)</u>
Total Expenditures	<u>1,812,034</u>	<u>1,812,034</u>	<u>2,237,584</u>	<u>(425,550)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(69,584)</u>	<u>(69,584)</u>	<u>(460,757)</u>	<u>(391,173)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	19,182	19,182
Transfers out	(237,886)	(237,886)	(238,101)	(215)
Total Other Financing Sources (Uses)	<u>(237,886)</u>	<u>(237,886)</u>	<u>(218,919)</u>	<u>18,967</u>
Net Change in Fund Balances	<u>\$ (307,470)</u>	<u>\$ (307,470)</u>	<u>(679,676)</u>	<u>\$ (372,206)</u>
Fund Balances Beginning of Year, Restated			<u>844,967</u>	
Fund Balances End of Year			<u>\$ 165,291</u>	

See accompanying notes to the required supplementary information

City of Black Hawk, Colorado
 Business Improvement District Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2007

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 1,130,654	\$ 826,037	\$ 820,249	\$ (5,788)
Special assessments	1,536,275	1,840,892	1,840,892	-
Investment earnings	21,070	21,070	113,271	92,201
Total Revenues	<u>2,687,999</u>	<u>2,687,999</u>	<u>2,774,412</u>	<u>86,413</u>
Expenditures				
Current:				
General government	1,220,108	1,220,108	310,431	909,677
Debt Service:				
Principal	1,715,000	1,715,000	1,715,000	-
Interest and fiscal charges	368,150	381,690	362,810	18,880
Total Expenditures	<u>3,303,258</u>	<u>3,316,798</u>	<u>2,388,241</u>	<u>928,557</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (615,259)</u>	<u>\$ (628,799)</u>	386,171	<u>1,014,970</u>
Fund Balances Beginning of Year			<u>1,644,111</u>	
Fund Balances End of Year			<u>\$ 2,030,282</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, 2007

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 historical preservation, 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
 Combining Balance Sheet
 Nonmajor Governmental Funds - by Fund Type
 December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 137,947	\$ 1,938,600	\$ 1,884,527	\$ 3,961,074
Cash and cash equivalents - restricted	-	202,825	-	202,825
Total Assets	<u>\$ 137,947</u>	<u>\$ 2,141,425</u>	<u>\$ 1,884,527</u>	<u>\$ 4,163,899</u>
Fund Balances				
Reserved for debt service	\$ -	\$ 2,141,425	\$ -	\$ 2,141,425
Unreserved, undesignated, reported in:				
Special revenue funds	137,947	-	-	137,947
Capital project funds	-	-	1,884,527	1,884,527
Total Fund Balances	<u>\$ 137,947</u>	<u>\$ 2,141,425</u>	<u>\$ 1,884,527</u>	<u>\$ 4,163,899</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - by Fund Type
For the Year Ended December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues				
Intergovernmental	\$ 1,124	\$ -	\$ -	\$ 1,124
Charges for services	400	-	100,327	100,727
Investment earnings	7,240	82,035	-	89,275
Total Revenues	<u>8,764</u>	<u>82,035</u>	<u>100,327</u>	<u>191,126</u>
Expenditures				
Capital Outlay	-	-	70,860	70,860
Debt Service:				
Principal retirement	-	370,000	-	370,000
Interest and fiscal charges	-	107,256	-	107,256
Total Expenditures	<u>-</u>	<u>477,256</u>	<u>70,860</u>	<u>548,116</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,764</u>	<u>(395,221)</u>	<u>29,467</u>	<u>(356,990)</u>
Other Financing Sources (Uses)				
Transfers in	-	3,244,312	-	3,244,312
Transfers out	(19,182)	(1,478,642)	-	(1,497,824)
Total Other Financing Sources (Uses)	<u>(19,182)</u>	<u>1,765,670</u>	<u>-</u>	<u>1,746,488</u>
Net Change in Fund Balances	(10,418)	1,370,449	29,467	1,389,498
Fund Balances Beginning of Year	<u>148,365</u>	<u>770,976</u>	<u>1,855,060</u>	<u>2,774,401</u>
Fund Balances End of Year	<u>\$ 137,947</u>	<u>\$ 2,141,425</u>	<u>\$ 1,884,527</u>	<u>\$ 4,163,899</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
General Fund
Comparative Balance Sheet
December 31, 2007 and 2006

	<u>2007</u>	<u>Restated 2006</u>
Assets		
Cash and cash equivalents	\$ 9,809,707	\$ 5,333,677
Receivables:		
Accounts	27,708	381,544
Interest	-	49,145
Property taxes	10,162	10,000
Other taxes	979,429	851,823
Interfund	318,102	1,033,015
Inventory	62,292	57,212
Prepaid items	-	101,835
	<u> </u>	<u> </u>
Total Assets	<u>\$ 11,207,400</u>	<u>\$ 7,818,251</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 162,768	\$ 120,593
Accrued expenditures	158,359	193,273
Refundable deposits	563,477	746,939
Deferred revenue	17,822	10,000
	<u> </u>	<u> </u>
Total Liabilities	<u>902,426</u>	<u>1,070,805</u>
Fund Balances		
Reserved for:		
Emergencies	354,111	372,945
Prepaid items	-	101,835
Unreserved, undesignated	9,950,863	6,272,666
	<u> </u>	<u> </u>
Total Fund Balances, Restated	<u>10,304,974</u>	<u>6,747,446</u>
	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 11,207,400</u>	<u>\$ 7,818,251</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, 2007 and 2006

	<u>2007</u>	<u>Restated 2006</u>
Revenues		
Taxes	\$ 10,281,177	\$ 11,926,812
Intergovernmental	7,547,250	7,126,900
Licenses and permits	131,528	84,352
Charges for services	95,769	153,095
Fines and forfeitures	29,921	16,917
Investment earnings	649,758	271,563
Miscellaneous	2,557,025	325,200
Total Revenues	<u>21,292,428</u>	<u>19,904,839</u>
Expenditures		
Current:		
General government	2,416,344	8,068,654
Planning	446,488	566,361
Public safety	6,051,813	6,018,337
Public works	2,650,942	2,878,658
Debt Service:		
Principal	213,025	191,973
Interest	25,077	31,075
Total Expenditures	<u>11,803,689</u>	<u>17,755,058</u>
Excess of Revenues Over Expenditures	<u>9,488,739</u>	<u>2,149,781</u>
Other Financing Sources (Uses)		
Inception of capital lease obligation	-	265,400
Transfers in	463,101	200,000
Transfers out	(6,394,312)	(3,092,745)
Total Other Financing Sources (Uses)	<u>(5,931,211)</u>	<u>(2,627,345)</u>
Net Change in Fund Balances	3,557,528	(477,564)
Fund Balances Beginning of Year, Restated	<u>6,747,446</u>	<u>7,225,010</u>
Fund Balances End of Year	<u>\$ 10,304,974</u>	<u>\$ 6,747,446</u>

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, 2007
(With Comparative Actual Amounts for the Year Ended December 31, 2006)

	2007			Variance with Final Budget	Restated 2006
	Original Budget	Final Budget	Actual		Actual
Revenues					
Taxes					
Property	\$ 10,000	\$ 10,000	\$ 9,904	\$ (96)	\$ 9,091
Specific ownership	625	625	691	66	665
Road and bridge	75,000	75,000	84,792	9,792	80,428
Sales and use	2,025,000	2,025,000	1,871,058	(153,942)	4,155,906
Franchise	149,000	149,000	145,338	(3,662)	132,332
Device fees	7,379,191	8,163,995	8,158,534	(5,461)	7,541,870
Occupational	8,000	8,000	10,860	2,860	6,520
Total Taxes	9,646,816	10,431,620	10,281,177	(150,443)	11,926,812
Licenses and Permits					
Business licenses and permits	18,950	18,950	18,058	(892)	27,645
Building permits	12,000	108,663	108,664	1	51,312
Other	3,500	3,500	4,806	1,306	5,395
Total Licenses and Permits	34,450	131,113	131,528	415	84,352
Intergovernmental					
Gaming	6,802,481	7,530,055	7,530,055	-	7,110,170
Highway users	6,461	6,461	9,899	3,438	10,279
Cigarette taxes	5,000	5,000	7,296	2,296	6,451
Total Intergovernmental	6,813,942	7,541,516	7,547,250	5,734	7,126,900
Charges for Services					
Plan review fees	75,000	75,000	70,631	(4,369)	32,757
Services billed	3,500	3,500	-	(3,500)	-
Shop facilities	30,000	30,000	25,138	(4,862)	120,338
Total Charges for Services	108,500	108,500	95,769	(12,731)	153,095
Fines and Forfeitures					
Municipal court	12,000	12,000	14,152	2,152	11,227
County court	1,100	1,100	4,949	3,849	1,257
Parking	1,400	1,400	1,870	470	1,380
Police department services	-	-	4,194	4,194	11,599
Victim service surcharge	3,000	3,000	4,756	1,756	3,053
Total Fines and Forfeitures	17,500	17,500	29,921	12,421	28,516
Investment Earnings	75,000	425,087	649,758	224,671	271,563
Miscellaneous	99,800	675,132	2,557,025	1,881,893	313,601
Total Revenue	16,796,008	19,330,468	21,292,428	1,961,960	19,904,839

(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, 2007
 (With Comparative Actual Amounts for the Year Ended December 31, 2006)

(continued)

	2007				Restated 2006
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Expenditures					
General Government					
Mayor and Council					
Personnel services	\$ 630,583	\$ 630,583	\$ 178,650	\$ 451,933	\$ 204,236
Program services	454,000	454,000	369,360	84,640	290,319
Other	-	-	-	-	5,323,543
Total Mayor and Council	1,084,583	1,084,583	548,010	536,573	5,818,098
Municipal Court					
Personnel services	29,465	29,465	33,144	(3,679)	27,787
Professional services	7,000	7,000	8,066	(1,066)	1,154
Purchased services	170	170	383	(213)	140
Program services	2,500	2,500	2,539	(39)	2,945
Supplies	275	275	316	(41)	789
Other	-	-	-	-	30
Total Municipal Court	39,410	39,410	44,448	(5,038)	32,845
City Manager					
Personnel services	347,269	347,269	364,820	(17,551)	300,976
Professional services	635,000	635,000	360,575	274,425	767,540
General services	-	-	129	(129)	-
Purchased services	212,560	212,560	214,725	(2,165)	273,684
Program services	3,000	3,000	8,338	(5,338)	3,318
Vehicle operation and maintenance	850	850	1,482	(632)	2,087
Supplies	9,000	9,000	10,803	(1,803)	10,675
Total City Manager	1,207,679	1,207,679	960,872	246,807	1,358,280
City Clerk					
Personnel services	136,109	136,109	107,345	28,764	158,726
Professional services	2,000	2,000	-	2,000	1,414
General services	6,000	6,000	2,630	3,370	-
Purchased services	30,775	30,775	46,388	(15,613)	28,186
Program services	21,250	21,250	11,578	9,672	9,141
Other purchased services	-	-	-	-	5,241
Supplies	6,000	6,000	4,295	1,705	7,693
Total City Clerk	202,134	202,134	172,236	29,898	210,401
Total carried forward	2,533,806	2,533,806	1,725,566	808,240	7,419,624

(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, 2007
 (With Comparative Actual Amounts for the Year Ended December 31, 2006)

(continued)

	2007			Restated 2006	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Total brought forward	\$ 2,533,806	\$ 2,533,806	\$ 1,725,566	\$ 808,240	\$ 7,419,624
Expenditures					
General Government					
MIS					
Professional services	95,000	95,000	94,224	776	93,140
General services	30,000	30,000	29,357	643	121,807
Purchased services	105,000	105,000	96,970	8,030	-
Supplies	42,000	42,000	39,957	2,043	34,112
Total MIS	<u>272,000</u>	<u>272,000</u>	<u>260,508</u>	<u>11,492</u>	<u>249,059</u>
Finance					
Personnel services	224,396	224,396	224,280	116	180,747
Professional services	176,000	176,000	186,212	(10,212)	162,672
General services	1,250	1,250	-	1,250	3,592
Purchased services	770	770	2,814	(2,044)	-
Program services	15,200	15,200	1,750	13,450	-
Supplies	11,700	11,700	15,214	(3,514)	2,941
Other	-	-	-	-	26,514
Total Finance	<u>429,316</u>	<u>429,316</u>	<u>430,270</u>	<u>(954)</u>	<u>376,466</u>
Employee Services					
Professional services	-	-	-	-	18,293
Purchased services	-	-	-	-	1,364
Program services	-	-	-	-	3,343
Supplies	-	-	-	-	505
Total Employee Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,505</u>
Total General Government	<u>3,235,122</u>	<u>3,235,122</u>	<u>2,416,344</u>	<u>807,286</u>	<u>8,068,654</u>
Planning					
Personal services	387,031	387,031	352,471	34,560	504,555
Professional services	111,000	111,000	75,604	35,396	27,339
General services	1,500	1,500	-	1,500	10,452
Vehicle operation and maintenance	2,750	2,750	675	2,075	1,118
Purchased services	10,910	10,910	8,536	2,374	11,543
Program services	11,000	11,000	2,523	8,477	-
Supplies	14,700	14,700	6,679	8,021	11,354
Total Planning	<u>538,891</u>	<u>538,891</u>	<u>446,488</u>	<u>92,403</u>	<u>566,361</u>
Public Safety					
Police					
Personal services	3,400,707	3,400,707	3,248,746	151,961	3,157,534
Professional services	30,500	30,500	30,596	(96)	45,049
General services	27,000	27,000	14,889	12,111	1,036
Vehicle operation and maintenance	69,500	69,500	53,660	15,840	44,389
Purchased services	15,100	15,100	15,112	(12)	13,954
Program services	30,600	30,600	24,755	5,845	17,383
Supplies	103,300	103,300	101,352	1,948	68,106
Capital outlay	47,000	47,000	12,785	34,215	-
Total Police	<u>3,723,707</u>	<u>3,723,707</u>	<u>3,501,895</u>	<u>221,812</u>	<u>3,347,451</u>
Total carried forward	<u>7,497,720</u>	<u>7,497,720</u>	<u>6,364,727</u>	<u>1,132,993</u>	<u>11,982,466</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, 2007
 (With Comparative Actual Amounts for the Year Ended December 31, 2006)

(continued)

	2007			Variance	Restated
	Original Budget	Final Budget	Actual	With Final Budget	2006 Actual
Total brought forward	\$ 7,497,720	\$ 7,497,720	\$ 6,364,727	\$ 1,132,993	\$ 11,982,466
Expenditures					
Public Safety					
Fire					
Personal services	2,346,468	2,346,468	2,260,850	85,618	2,333,395
General services	12,000	12,000	8,925	3,075	6,501
Vehicle operation and maintenance	30,000	30,000	19,853	10,147	34,423
Purchased services	2,150	2,150	3,171	(1,021)	3,947
Program services	19,500	19,500	18,444	1,056	11,351
Supplies	59,000	59,000	53,675	5,325	96,269
Total Fire	<u>2,469,118</u>	<u>2,469,118</u>	<u>2,364,918</u>	<u>104,200</u>	<u>2,485,886</u>
Ambulance Division					
Professional services	185,000	185,000	185,000	-	185,000
Total Public Safety	<u>6,377,825</u>	<u>6,377,825</u>	<u>6,051,813</u>	<u>326,012</u>	<u>6,018,337</u>
Public Works					
Personal services	1,778,779	1,778,779	1,811,456	(32,677)	1,813,828
Professional services	195,000	195,000	36,499	158,501	64,560
General services	547,000	547,000	437,160	109,840	403,832
Vehicle operation and maintenance	118,500	118,500	134,826	(16,326)	91,144
Purchased services	12,000	12,000	11,014	986	9,957
Program services	154,000	154,000	97,785	56,215	115,337
Supplies	97,500	97,500	96,560	940	81,325
Capital outlay	45,000	652,269	263,744	388,525	256,323
Total Public Works	<u>2,947,779</u>	<u>3,555,048</u>	<u>2,889,044</u>	<u>666,004</u>	<u>2,836,306</u>
Total Expenditures	<u>13,099,617</u>	<u>13,706,886</u>	<u>11,803,689</u>	<u>1,903,197</u>	<u>17,489,658</u>
Excess of Revenues Over Expenditures	<u>3,696,391</u>	<u>5,623,582</u>	<u>9,488,739</u>	<u>58,763</u>	<u>2,415,181</u>
Other Financing Sources (Uses)					
Transfers in	225,000	225,000	463,101	238,101	200,000
Transfers out	(6,394,312)	(6,394,312)	(6,394,312)	-	(3,092,745)
Total Other Financing Sources (Uses)	<u>(6,169,312)</u>	<u>(6,169,312)</u>	<u>(5,931,211)</u>	<u>238,101</u>	<u>(2,892,745)</u>
Net Change in Fund Balances	<u>\$ (2,472,921)</u>	<u>\$ (545,730)</u>	<u>3,557,528</u>	<u>\$ 296,864</u>	<u>(477,564)</u>
Fund Balances Beginning of Year, Restated			<u>6,747,446</u>		<u>7,225,010</u>
Fund Balances End of Year - Budgetary Basis			<u>\$ 10,304,974</u>		<u>\$ 6,747,446</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
*Historical Preservation Fund
Comparative Balance Sheet
December 31, 2007 and 2006*

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	\$ 3,349,352	\$ 1,666,329
Interfund receivables	-	11,089
Total Assets	<u>\$ 3,349,352</u>	<u>\$ 1,677,418</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 114,689	\$ 291,238
Grant tax payable	110,040	586,885
Retainage payable	6,027	80,000
Interfund payable	-	311,350
Total Liabilities	230,756	1,269,473
Fund Balances		
Reserved for historical preservation	3,118,596	407,945
Total Liabilities and Fund Balances	<u>\$ 3,349,352</u>	<u>\$ 1,677,418</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007

	<u>Conservation Trust</u>	<u>Dory Hill Cemetery</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets			
Cash and cash equivalents	\$ 26,950	\$ 110,997	\$ 137,947
Fund Balances			
Unreserved, undesignated	\$ 26,950	\$ 110,997	\$ 137,947

See accompanying independent auditor's report

City of Black Hawk, Colorado
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Year Ended December 31, 2007

	<u>Conservation Trust</u>	<u>Transportation Utility</u>	<u>Dory Hill Cemetery</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues				
Intergovernmental	\$ 1,124.00	\$ -	\$ -	\$ 1,124.00
Charges for services	-	-	400	400
Investment earnings	1,635	-	5,605	7,240
Total Revenues	2,759	-	6,005	8,764
Other Financing (Uses)				
Transfers out	-	(19,182)	-	(19,182)
Net Change in Fund Balances	2,759	(19,182)	6,005	(10,418)
Fund Balances Beginning of Year	24,191	19,182	104,992	148,365
Fund Balances End of Year	<u>\$ 26,950</u>	<u>\$ -</u>	<u>\$ 110,997</u>	<u>\$ 137,947</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Conservation Fund
Comparative Balance Sheet
December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	<u>\$ 26,950</u>	<u>\$ 24,191</u>
Fund Balances		
Unreserved, undesignated	<u>\$ 26,950</u>	<u>\$ 24,191</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, 2007
(With Comparative Actual Amounts for the Year Ended December 31, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	\$ 944	\$ 944	\$ 1,124	\$ 180	\$ 1,231
Investment earnings	300	300	1,635	1,335	544
Total Revenues	1,244	1,244	2,759	1,515	1,775
Expenditures					
Current					
Culture and recreation	250	250	-	250	-
Excess of Revenues Over Expenditures	<u>\$ 994</u>	<u>\$ 994</u>	2,759	<u>\$ 1,765</u>	1,775
Fund Balances Beginning of Year			<u>24,191</u>		<u>22,416</u>
Fund Balances End of Year			<u>\$ 26,950</u>		<u>\$ 24,191</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Transportation Utility Fund
Comparative Balance Sheet
December 31, 2007 and 2006

	2007	2006
Assets		
Cash and cash equivalents	\$ -	\$ 203,189
Accounts receivable	-	-
Total Assets	\$ -	\$ 256,327
Liabilities and Fund Balances		
Liabilities		
Due to component unit	\$ -	\$ 184,007
Fund Balances		
Unreserved, undesignated	-	19,182
Total Liabilities and Fund Balances	\$ -	\$ 203,189

See accompanying independent auditor's report

City of Black Hawk, Colorado
Transportation Utility Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2007
(With Comparative Actual Amounts for the Year Ended December 31, 2006)

	<u>2007</u>	<u>2006</u>
Revenues		
Investment earnings	\$ -	\$ 6,538
Expenditures:		
Current:		
General government	-	<u>59,676</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(53,138)
Other Financing Uses		
Transfers out	<u>(19,182)</u>	<u>-</u>
Net Change in Fund Balance	(19,182)	(53,138)
Fund Balances Beginning of Year	<u>19,182</u>	<u>72,320</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ 19,182</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Dory Hill Cemetery Fund
Comparative Balance Sheet
December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	<u>\$ 110,997</u>	<u>\$ 104,992</u>
Fund Balances		
Unreserved, undesignated	<u>\$ 110,997</u>	<u>\$ 104,992</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
 Dory Hill Cemetery Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2007
 (With Comparative Actual Amounts for the Year Ended December 31, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	\$ 900	\$ 900	\$ 400	\$ (500)	\$ 900
Investment earnings	1,900	1,900	5,605	3,705	3,375
Total Revenues	2,800	2,800	6,005	3,205	4,275
Expenditures					
Current					
Public works	250	250	-	250	-
Excess of Revenues Over Expenditures	<u>\$ 2,550</u>	<u>\$ 2,550</u>	6,005	<u>\$ 3,455</u>	4,275
Fund Balances Beginning of Year			104,992		100,717
Fund Balances End of Year			<u>\$ 110,997</u>		<u>\$ 104,992</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Debt Service Fund
Comparative Balance Sheet
December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	\$ 1,938,600	\$ 653,170
Cash and cash equivalents - restricted	202,825	143,983
Interfund receivable	-	35,490
Total Assets	<u>\$ 2,141,425</u>	<u>\$ 832,643</u>
Liabilities and Fund Balances		
Liabilities		
Interfund payable	\$ -	\$ 61,667
Fund Balances		
Reserved for debt service	<u>2,141,425</u>	<u>1,274,502</u>
Total Liabilities and Fund Balances	<u>\$ 2,141,425</u>	<u>\$ 1,336,169</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, 2007
(With Comparative Actual Amounts for the Year Ended December 31, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	\$ 24,000	\$ 24,000	\$ 82,035	\$ 58,035	\$ 38,822
Expenditures					
Debt Service:					
Principal retirement	645,154	645,154	370,000	275,154	351,250
Interest and fiscal charges	127,504	127,504	107,256	20,248	134,761
Bond issuance cost	-	-	-	-	30,243
Advance refunding	-	-	-	-	41,621
Total Expenditures	<u>772,658</u>	<u>772,658</u>	<u>477,256</u>	<u>295,402</u>	<u>557,875</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(748,658)</u>	<u>(748,658)</u>	<u>(395,221)</u>	<u>(237,367)</u>	<u>(519,053)</u>
Other Financing Sources (Uses)					
Issuance of device fee					
refunding revenue bonds	-	-	-	-	1,327,000
Bond premium	-	-	-	-	31,346
Payment to refunded bond escrow agent	-	-	-	-	(1,330,000)
Transfers in	3,244,312	3,244,312	3,244,312	-	1,461,579
Transfers out	(1,478,642)	(1,478,642)	(1,478,642)	-	(1,473,829)
Total Other Financing Sources (Uses)	<u>1,765,670</u>	<u>1,765,670</u>	<u>1,765,670</u>	<u>-</u>	<u>16,096</u>
Net Change in Fund Balances	<u>\$ 1,017,012</u>	<u>\$ 1,017,012</u>	1,370,449	<u>\$ (237,367)</u>	(502,957)
Fund Balances Beginning of Year			<u>770,976</u>		<u>1,273,933</u>
Fund Balances End of Year			<u>\$ 2,141,425</u>		<u>\$ 770,976</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Impact Fee Fund
Comparative Balance Sheet
December 31, 2007 and 2006

	2007	2006
Assets		
Cash and cash equivalents	\$ 3,221,414	\$ 3,157,550
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ 3,285
Fund Balances		
Unreserved, undesignated	3,221,414	3,154,265
Total Liabilities and Fund Balances	\$ 3,221,414	\$ 3,157,550

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, 2007
(With Comparative Actual Amounts for the Year Ended December 31, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Impact fees	\$ -	\$ -	\$ 14,644	\$ 14,644	\$ 212,216
Investment earnings	56,000	56,000	166,243	110,243	97,608
Total Revenues	56,000	56,000	180,887	124,887	309,824
Expenditures					
Capital Outlay	198,000	198,000	113,738	84,262	20,485
Excess of Revenues Over Expenditures	<u>\$ (142,000)</u>	<u>\$ (142,000)</u>	67,149	<u>\$ 209,149</u>	289,339
Fund Balances Beginning of Year			<u>3,154,265</u>		<u>2,864,926</u>
Fund Balances End of Year			<u>\$ 3,221,414</u>		<u>\$ 3,154,265</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Capital Projects Fund
Comparative Balance Sheet
December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Assets		
Cash and cash equivalents	\$ 1,884,527	\$ 2,187,488
Receivables		
Accounts receivable	-	-
Interfund receivable	-	311,350
Total Assets	<u>\$ 1,884,527</u>	<u>\$ 2,498,838</u>
Liabilities and Fund Balances		
Liabilities		
Interfund payable	\$ -	\$ 643,778
Fund Balances		
Unreserved, undesignated	<u>1,884,527</u>	<u>1,855,060</u>
Total Liabilities and Fund Balances	<u>\$ 1,884,527</u>	<u>\$ 2,498,838</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, 2007
 (With Comparative Actual Amounts for the Year Ended December 31, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Investment earnings	\$ 8,000	\$ 8,000	\$ 100,327	\$ 92,327	\$ 841,836
Miscellaneous	-	-	-	-	480,174
Total Revenues	8,000	8,000	100,327	92,327	1,322,010
Expenditures					
Capital Outlay	1,491,000	1,491,000	70,860	1,420,140	133,914
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (1,483,000)</u>	<u>\$ (1,483,000)</u>	29,467	<u>\$ 1,512,467</u>	1,188,096
Fund Balances Beginning of Year, Restated			1,855,060		666,964
Fund Balances End of Year			<u>\$ 1,884,527</u>		<u>\$ 1,855,060</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Water Fund
Schedule of Revenues, Expenses and Changes
in Fund Net Assets - Budget and Actual (Non-GAAP) Budgetary Basis
For the Year Ended December 31, 2007
(With Comparative Actual Amounts For the Year Ended December 31, 2006)

	2007			2006	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Operating Revenues					
Charges for services	\$ 717,560	\$ 717,560	\$ 729,783	\$ 12,223	\$ 699,648
Miscellaneous	-	-	-	-	30,991
Total Operating Revenues	<u>717,560</u>	<u>717,560</u>	<u>729,783</u>	<u>12,223</u>	<u>730,639</u>
Operating Expenses					
Personal services	811,012	811,012	828,625	(17,613)	778,535
Professional services	430,000	691,000	458,126	232,874	252,204
General services	403,000	403,000	335,336	67,664	174,910
Program services	9,000	9,000	6,586	2,414	-
Purchased services	26,000	26,000	8,906	17,094	12,097
Supplies	50,300	50,300	39,810	10,490	48,382
Repairs and maintenance	39,500	39,500	22,087	17,413	124,809
Capital outlay	2,590,000	2,590,000	2,181,775	408,225	615,776
Debt service - principal	665,000	665,000	575,000	90,000	378,750
Total Operating Expenses	<u>5,023,812</u>	<u>5,284,812</u>	<u>4,456,251</u>	<u>828,561</u>	<u>2,385,463</u>
Operating Income (Loss)	<u>(4,306,252)</u>	<u>(4,567,252)</u>	<u>(3,726,468)</u>	<u>840,784</u>	<u>(1,654,824)</u>
Non-Operating Revenues (Expenses)					
Interest and fiscal charges	(813,642)	(813,642)	(756,497)	57,145	(597,198)
Investment earnings	3,000	3,000	83,822	80,822	9,071
Total Non-Operating Revenues (Expenses)	<u>(810,642)</u>	<u>(810,642)</u>	<u>(672,675)</u>	<u>137,967</u>	<u>(588,127)</u>
(Loss) Before Contributions and Transfers In	<u>(5,116,894)</u>	<u>(5,377,894)</u>	<u>(4,399,143)</u>	<u>978,751</u>	<u>(2,242,951)</u>
Capital contributions	65,000	424,000	1,110,941	686,941	27,356
Transfers in	4,628,642	4,628,642	4,628,642	-	3,104,995
Change in Net Assets - Budgetary Basis	<u>\$ (423,252)</u>	<u>\$ (325,252)</u>	<u>1,340,440</u>	<u>\$ 1,665,692</u>	<u>889,400</u>
Reconciliation to GAAP Basis - Change in Net Assets					
Deduct:					
Depreciation			(799,878)		(746,585)
Amortization			(171,403)		(122,879)
Add:					
Capitalized capital outlay			2,358,510		479,036
Debt principal			575,000		378,750
Change in Net Assets - GAAP Basis			<u>3,302,669</u>		<u>877,722</u>
Net Assets Beginning of Year			<u>8,291,307</u>		<u>7,413,585</u>
Net Assets End of Year			<u>\$ 11,593,976</u>		<u>\$ 8,291,307</u>

See accompanying independent auditor's report

City of Black Hawk, Colorado
Statement of Changes in Fiduciary Assets and Liabilities
Agency Fund
For the Fiscal Year Ended December 31, 2007

	<u>Balance</u> <u>January 1, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>2007</u>
Assets				
Investments	\$ 5,421,034	\$ -	\$ 5,421,034	\$ -
Liabilities	\$ 5,421,034	\$ -	\$ 5,421,034	\$ -

See accompanying independent auditor's report

City of Black Hawk, Colorado

Introduction to Statistical Section

(Unaudited)

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

Contents

Exhibit

Financial Trends

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

Notes:

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

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

	For the Calendar Year Ended December 31,				
	2003	2004	2005	2006	2007
Expenses:					
General government ²	\$ 3,860,525	\$ 7,912,296	\$ 6,178,636	\$ 11,031,421	\$ 3,578,935
Planning	1,174,887	676,589	722,507	565,561	446,144
Public safety	5,170,503	5,512,157	5,538,941	6,319,260	6,245,176
Public works	3,648,385	2,744,570	3,598,032	3,991,812	5,177,834
Interest and fiscal charges	251,960	199,579	202,633	183,006	618,596
Total Expenses	14,106,260	17,045,191	16,240,749	22,091,060	16,066,685
Program Revenues:					
Charges for services:					
Plan review fees	356,253	258,201	318,357	32,757	70,631
Building permits	54,563	212,616	169,834	51,312	108,664
Impact fees	194,184	60,746	125,086	212,216	14,644
Sales of houses - historical preservation	-	829,163	291,760	189,107	-
Other	80,617	63,803	143,695	171,195	670,442
Operating grants and contributions ³	3,705,564	3,856,784	3,703,779	3,993,205	6,554,477
Capital grants and contributions ⁴	1,109	88,791	5,858	-	12,070,480
Total Program Revenues	4,392,290	5,370,104	4,758,369	4,649,792	19,489,338
Net (Expense) Revenue	(9,713,970)	(11,675,087)	(11,482,380)	(17,441,268)	3,422,653
General Revenues:					
Taxes:					
Property and specific ownership taxes	8,336	9,979	9,466	9,756	830,844
Sales and use taxes	1,109,786	2,525,684	2,458,540	4,155,906	1,871,058
Road and bridge taxes	6,841	73,719	71,771	80,428	84,792
Device taxes	7,971,743	7,637,917	7,108,203	7,541,870	8,930,631
Franchise taxes	93,991	118,676	128,986	132,332	145,338
Other	-	17,297	13,835	12,971	18,156
Gaming	6,599,843	6,710,104	6,587,172	7,110,170	7,530,055
Investment earnings	249,841	239,637	506,585	1,316,836	1,127,219
Miscellaneous ⁵	68,464	368,622	2,053,147	621,263	2,557,025
Total General Revenues	16,108,845	17,701,635	18,937,705	20,981,532	23,095,118
Transfers	(2,494,424)	(1,480,915)	(2,683,926)	(3,104,995)	(4,628,642)
Total General Revenues and Transfers	13,614,421	16,220,720	16,253,779	17,876,537	18,466,476
Special Item ⁶	(1,614,558)	-	-	-	-
Change in Net Assets	\$ 2,285,893	\$ 4,545,633	\$ 4,771,399	\$ 435,269	\$ 21,889,129

Notes:

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

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

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

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

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

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

Data Source:

Applicable years' annual financial report.

City of Black Hawk, Colorado
Changes in Net Assets - Governmental Activities - Percentage of Total
Last Five Calendar Years¹
(accrual basis of accounting)

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

Notes:

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

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

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

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

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

Data Source:

Applicable years' annual financial report.

City of Black Hawk, Colorado
Changes in Net Assets - Business-type Activities
Last Five Calendar Years¹
(accrual basis of accounting)

	For the Calendar Year Ended December 31,				
	2003	2004	2005	2006	2007
Expenses:					
Water	\$ 3,517,404	\$ 3,390,240	\$ 3,501,744	\$ 2,994,339	\$ 3,250,519
Program Revenues:					
Charges for services - water	523,141	523,369	536,025	699,648	729,783
Operating grants and contributions	77,180	-	-	-	-
Capital grants and contributions	15,378	632,342	118,856	27,356	1,110,941
Total Program Revenues	<u>615,699</u>	<u>1,155,711</u>	<u>654,881</u>	<u>727,004</u>	<u>1,840,724</u>
Net (Expense) Revenue	<u>(2,901,705)</u>	<u>(2,234,529)</u>	<u>\$ (2,846,863)</u>	<u>\$ (2,267,335)</u>	<u>\$ (1,409,795)</u>
General Revenues:					
Investment earnings	-	15,736	-	9,071	83,822
Miscellaneous	-	60,439	23,956	30,991	-
Total General Revenues	<u>-</u>	<u>76,175</u>	<u>23,956</u>	<u>40,062</u>	<u>83,822</u>
Transfers In	<u>2,494,424</u>	<u>1,480,915</u>	<u>2,683,926</u>	<u>3,104,995</u>	<u>4,628,642</u>
Total General Revenues and Transfers	<u>2,494,424</u>	<u>1,557,090</u>	<u>2,707,882</u>	<u>3,145,057</u>	<u>4,712,464</u>
Change in Net Assets	<u>\$ (407,281)</u>	<u>\$ (677,439)</u>	<u>\$ (138,981)</u>	<u>\$ 877,722</u>	<u>\$ 3,302,669</u>

Notes:

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

Data Source:

Applicable years' annual financial report.

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

	For the Calendar Year Ended December 31,				
	2003	2004	2005	2006	2007
Expenses:					
Governmental activities ²	\$ 14,106,260	\$ 17,045,191	\$ 16,240,749	\$ 22,091,060	\$ 16,066,685
Business-type activities ³	3,517,404	3,390,240	3,501,744	2,994,339	3,250,519
Total Expenses	17,623,664	20,435,431	19,742,493	25,085,399	19,317,204
Program Revenues:					
Governmental activities ²	4,392,290	5,370,104	4,758,369	4,649,792	19,489,338
Business-type activities ³	615,699	1,155,711	654,881	727,004	1,840,724
Total Program Revenues	5,007,989	6,525,815	5,413,250	5,376,796	21,330,062
Net (Expense) Revenue	(12,615,675)	(13,909,616)	(14,329,243)	(19,708,603)	2,012,858
General Revenues and Transfers:					
Governmental activities ²	13,614,421	16,220,720	16,253,779	17,876,537	18,466,476
Business-type activities ³	2,494,424	1,557,090	2,707,882	3,145,057	4,712,464
Total General Revenues and Transfers	16,108,845	17,777,810	18,961,661	21,021,594	23,178,940
Change in Net Assets	\$ 3,493,170	\$ 3,868,194	\$ 4,632,418	\$ 1,312,991	\$ 25,191,798

Notes:

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

Data Source:

² See Exhibit I

³ See Exhibit III

City of Black Hawk, Colorado
Government-wide Net Assets by Category²
*Last Five Calendar Years*¹
(accrual basis of accounting)

	December 31, 2003	December 31, 2004	December 31, 2005	December 31, 2006	December 31, 2007
Governmental Activities				Restated ⁶	
Invested in capital assets, net of related debt ^{3,4,5}	\$ 6,731,922	\$ 13,998,360	\$ 30,536,621	\$ 39,998,733	\$ 44,818,459
Restricted	12,208,422	13,625,132	7,843,324	6,709,556	8,973,493
Unrestricted	6,396,224	5,634,242	6,740,199	706,045	14,061,857
Total Governmental Activities Net Assets	25,336,568	33,257,734	45,120,144	47,414,334	67,853,809
Business-type Activities					
Invested in capital assets, net of related debt	6,592,829	7,280,187	7,275,369	6,845,299	8,291,732
Restricted	1,321,969	711,669	544,240	1,295,851	1,317,800
Unrestricted	516,015	(238,482)	(205,216)	150,157	1,984,444
Total Business-type Activities Net Assets	8,430,813	7,753,374	7,614,393	8,291,307	11,593,976
Primary Government					
Invested in capital assets, net of related debt ³	13,324,751	21,278,547	37,811,990	46,844,032	53,110,191
Restricted	13,530,391	14,336,801	8,387,564	8,005,407	10,291,293
Unrestricted	6,912,239	5,395,760	6,534,983	856,202	16,046,301
Total Primary Government Net Assets	\$ 33,767,381	\$ 41,011,108	\$ 52,734,537	\$ 55,705,641	\$ 79,447,785

Notes:

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

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

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

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

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

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

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	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Taxes	\$ 7,667,460	\$ 7,439,071	\$ 9,701,324	\$ 9,506,679	\$ 9,508,694	\$ 9,195,399	\$ 10,376,445	\$ 9,785,011	\$ 11,926,812	\$ 11,873,523
Special assessments	-	-	-	-	-	-	-	-	-	1,840,892
Intergovernmental	5,111,712	6,792,214	7,428,515	9,221,040	10,126,569	10,320,024	10,573,715	10,296,741	11,109,826	12,250,936
Licenses and permits	242,748	104,441	201,140	47,000	59,703	80,378	238,591	197,029	84,352	131,528
Fines and forfeitures	49,537	40,982	35,138	24,230	22,274	18,377	17,000	20,135	16,917	29,921
Charges for services	245,143	112,874	161,859	67,028	131,738	390,278	279,029	414,722	153,995	688,288
Impact and development fees	899,562	362,735	1,374,259	-	90,552	194,184	60,746	125,086	401,323	14,644
Investment earnings	760,610	493,369	1,058,926	947,656	474,139	249,841	239,637	506,585	1,316,836	1,127,219
Miscellaneous ¹	497,763	691,150	73,038	32,240	25,789	52,654	1,197,785	2,323,097	621,263	2,557,025
Total revenues	\$ 15,474,535	\$ 16,036,836	\$ 20,034,199	\$ 19,845,873	\$ 20,439,458	\$ 20,501,135	\$ 22,982,948	\$ 23,668,406	\$ 25,631,324	\$ 30,513,976
% change from prior year	15.1%	3.6%	24.9%	-0.9%	3.0%	0.3%	12.1%	3.0%	8.3%	19.0%
Taxes	49.5%	46.4%	48.4%	47.9%	46.5%	44.9%	45.1%	41.3%	46.5%	38.9%
Special assessments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.0%
Intergovernmental	33.0%	42.4%	37.1%	46.5%	49.5%	50.3%	46.0%	43.5%	43.3%	40.1%
Licenses and permits	1.6%	0.7%	1.0%	0.2%	0.3%	0.4%	1.0%	0.8%	0.3%	0.4%
Fines and forfeitures	0.3%	0.3%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Charges for services	1.6%	0.7%	0.8%	0.3%	0.6%	1.9%	1.2%	1.8%	0.6%	2.3%
Impact and development fees	5.8%	2.3%	6.9%	0.0%	0.4%	0.9%	0.3%	0.5%	1.6%	0.0%
Investment earnings	4.9%	3.1%	5.3%	4.8%	2.3%	1.2%	1.0%	2.1%	5.1%	3.7%
Miscellaneous	3.2%	4.3%	0.4%	0.2%	0.1%	0.3%	5.2%	9.8%	2.4%	8.5%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

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

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

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

⁴ The 2007 amount include a \$2.2 million recovery of an eminent domain settlement paid in 2006.

Data Source:

Applicable years' annual financial report.

City of Black Hawk, Colorado
Tax Revenues by Source - Governmental Funds
Last Five Calendar Years ¹
(modified accrual basis of accounting)

Calendar Year	Amounts						Total
	Property and Ownership	Road and Bridge	Sales and Use ²	Franchise	Device	Other ³	
2003	\$ 8,336	\$ 6,841	\$ 1,109,786	\$ 93,991	\$ 7,971,743	\$ 4,702	\$ 9,195,399
2004	9,979	73,719	2,525,684	118,676	7,637,917	10,470	10,376,445
2005	9,466	71,771	2,458,540	128,986	7,108,203	8,045	9,785,011
2006	9,756	80,428	4,155,906	132,332	7,541,870	6,520	11,926,812
2007 ⁴	830,844	84,792	1,871,058	145,338	8,930,631	10,860	11,873,523
Percentage Change In Dollars Over 5 Years	9866.9%	1075.7%	274.5%	40.8%	-5.4%	38.7%	29.7%
	Percentage of Total						
2003	0.1%	0.1%	12.1%	1.0%	86.7%	0.1%	100.0%
2004	0.1%	0.7%	24.3%	1.1%	73.6%	0.1%	100.0%
2005	0.1%	0.7%	25.1%	1.3%	72.6%	0.1%	100.0%
2006	0.1%	0.7%	34.8%	1.1%	63.2%	0.1%	100.0%
2007	7.0%	0.7%	15.8%	1.2%	75.2%	0.1%	100.0%

Notes:

¹ Only five years of detailed tax data is available.

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

³ Includes occupational taxes, liquor taxes and other taxes.

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

Data Source:

Applicable years' annual financial report.

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 Historical Preservation ³	Total	Total Percentage Change
1998	\$ 3,228,488	\$ 1,806,833	\$ 5,035,321	15.76%
1999	4,308,662	2,412,851	6,721,513	33.49%
2000	4,745,777	2,646,328	7,392,105	9.98%
2001	5,871,402	3,287,985	9,159,387	23.91%
2002	6,472,838	3,624,789	10,097,627	10.24%
2003	6,599,843	3,695,913	10,295,756	1.96%
2004	6,710,174	3,757,658	10,467,832	1.67%
2005	6,587,172	3,689,180	10,276,352	-1.83%
2006	7,110,170	3,981,695	11,091,865	7.94%
2007	7,530,055	4,216,831	11,746,886	5.91%
Percentage Change in Dollars Over 10 Years	<u>133.2%</u>	<u>133.4%</u>	<u>133.3%</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 ¹
 Last Ten Calendar Years
 (modified accrual basis of accounting)

Function	For the Calendar Years Ended December 31,									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Current:										
General government ²	\$ 2,048,245	\$ 1,928,563	\$ 4,109,233	\$ 5,046,972	\$ 4,306,624	\$ 3,739,799	\$ 4,979,283	\$ 5,330,439	\$ 5,347,801	\$ 3,165,107
Planning	279,496	471,136	664,577	454,512	523,589	1,159,281	668,311	700,510	566,361	446,488
Public safety	2,679,631	2,865,453	3,285,768	4,040,078	4,703,019	5,034,439	5,256,946	5,366,116	6,018,337	6,051,813
Public works	980,899	1,422,515	1,583,518	1,547,911	2,080,349	2,306,217	3,053,618	3,631,126	2,850,987	3,828,417
Parks and recreation	22,500	-	24,564	35,221	-	-	-	-	-	-
Total Current	6,010,771	6,687,667	9,667,660	11,124,694	11,613,581	12,239,736	13,958,158	15,028,191	14,783,486	13,491,825
% Change From Prior Year	20.7%	11.3%	44.6%	15.1%	4.4%	5.4%	14.0%	7.7%	-1.6%	-8.7%
Capital Outlay³	3,097,275	3,562,438	2,597,675	3,369,370	4,210,590	3,419,925	6,579,654	10,396,919	4,389,185	2,169,020
% Change From Prior Year	-55.6%	15.0%	-27.1%	29.7%	25.0%	-18.8%	92.4%	58.0%	-57.8%	-50.6%
Debt Service	446,200	1,478,439	360,145	376,250	391,250	415,000	518,840	618,132	543,223	2,298,025
Principal	437,656	399,332	307,346	297,255	271,398	253,934	307,107	198,356	237,700	495,143
Total Debt Service	883,856	1,877,771	667,491	673,505	662,648	668,934	825,947	816,488	780,923	2,793,168
% Change From Prior Year	-7.6%	112.5%	-64.5%	0.9%	-1.6%	0.9%	23.5%	-1.1%	-4.4%	257.7%
Total Expenditures	\$ 9,991,902	\$ 12,127,876	\$ 12,932,826	\$ 15,167,569	\$ 16,486,819	\$ 16,328,595	\$ 21,363,759	\$ 26,241,598	\$ 19,953,594	\$ 18,454,013
% Change From Prior Year	-22.6%	21.4%	6.6%	17.3%	8.7%	-1.0%	30.8%	22.8%	-24.0%	-7.5%
Debt Service as a Percentage of Noncapital Expenditures	12.8%	21.9%	6.5%	5.7%	5.4%	5.2%	5.6%	5.2%	5.0%	17.2%

Notes:

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

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

Data Source:

Applicable years' annual financial report.

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

For the Calendar Years Ended December 31,

Function	Amounts									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Current:										
General government	\$ 2,048,245	\$ 1,928,563	\$ 4,109,233	\$ 5,046,972	\$ 4,306,624	\$ 3,739,799	\$ 4,979,283	\$ 5,330,439	\$ 5,347,801	\$ 3,165,107
Planning	279,496	471,136	664,577	454,512	523,589	1,159,281	668,311	700,510	566,361	446,488
Public safety	2,679,631	2,865,453	3,285,768	4,040,078	4,703,019	5,034,439	5,256,946	5,366,116	6,018,337	6,051,813
Public works	980,899	1,422,515	1,583,518	1,547,911	2,080,349	2,306,217	3,053,618	3,631,126	2,850,987	3,828,417
Parks and recreation	22,500	-	24,564	35,221	-	-	-	-	-	-
Total Current	\$ 6,010,771	\$ 6,687,667	\$ 9,667,660	\$ 11,124,694	\$ 11,613,581	\$ 12,239,736	\$ 13,958,158	\$ 15,028,191	\$ 14,783,486	\$ 13,491,825
	Percentage of Total									
Current:										
General government	34.1%	28.8%	42.5%	45.4%	37.1%	30.6%	35.7%	35.5%	36.2%	23.5%
Planning	4.6%	7.0%	6.9%	4.1%	4.5%	9.5%	4.8%	4.7%	3.8%	3.3%
Public safety	44.6%	42.8%	34.0%	36.3%	40.5%	41.1%	37.7%	35.7%	40.7%	44.9%
Public works	16.3%	21.3%	16.4%	13.9%	17.9%	18.8%	21.9%	24.2%	19.3%	28.3%
Parks and recreation	0.4%	0.0%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable years' annual financial report.

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

Source	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total Revenues	\$ 15,474,535	\$ 16,036,836	\$ 20,034,199	\$ 19,845,873	\$ 20,439,458	\$ 20,501,135	\$ 22,982,948	\$ 23,668,406	\$ 25,631,324	\$ 30,513,976
Total Expenditures	9,991,902	12,127,876	12,932,826	15,167,569	16,486,819	16,328,595	21,363,759	26,241,598	19,953,594	18,454,013
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,482,633	3,908,960	7,101,373	4,678,304	3,952,639	4,172,540	1,619,189	(2,573,192)	5,677,730	12,059,963
Other Financing Sources										
Inception of capital lease obligation	-	-	-	-	-	-	524,075	232,055	265,400	-
Issuance of bonds	-	1,035,000	-	-	-	-	1,031,250	-	1,327,000	-
Bond premium	-	-	-	-	-	-	-	-	31,346	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	(991,626)	-	(1,330,000)	-
Transfers in	4,089,419	4,273,810	2,834,000	5,023,340	4,514,625	1,793,094	3,394,872	2,383,522	1,661,579	3,726,595
Transfers out	(7,018,419)	(5,073,810)	(7,332,469)	(8,409,440)	(8,430,838)	(4,287,518)	(4,875,787)	(5,045,638)	(4,766,574)	(8,355,237)
Total Other Financing Sources	(2,929,000)	235,000	(4,498,469)	(3,386,100)	(3,916,213)	(2,494,424)	(917,216)	(2,430,061)	(2,811,249)	(4,628,642)
Net Change in Fund Balances	2,553,633	4,143,960	2,602,904	1,292,204	36,426	1,678,116	701,973	(5,003,253)	2,866,481	7,431,321
Fund Balances, Beginning of Year	9,284,347	11,837,980	15,981,940	17,465,476	18,757,680	18,794,106	18,857,664	19,559,637	14,556,384	12,884,856
Other Changes¹	-	-	(1,119,368)	-	-	(1,614,538)	-	-	(4,538,009)	2,688,279
Fund Balances, End of Year	\$ 11,837,980	\$ 15,981,940	\$ 17,465,476	\$ 18,757,680	\$ 18,794,106	\$ 18,857,664	\$ 19,559,637	\$ 14,556,384	\$ 12,884,856	\$ 23,004,456

Notes:

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

Data Source:

Applicable years' annual financial report.

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

	December 31,									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved	\$ 285,594	\$ 367,043	\$ 818,000	\$ 684,000	\$ 581,000	\$ 475,000	\$ 467,364	\$ 511,906	\$ 474,780	\$ 354,111
Unreserved	4,527,178	4,290,418	2,992,258	2,429,503	331,718	2,065,894	4,799,376	6,275,828	6,073,465	9,950,863
Subtotal General Fund	4,812,772	4,657,461	3,810,258	3,113,503	912,718	2,540,894	5,266,740	6,787,734	6,548,245	10,304,974
General Fund Percentage Change From Prior Year	33.9%	-3.2%	-18.2%	-18.3%	-70.7%	178.4%	107.3%	28.9%	-3.5%	57.4%
All Other Governmental Funds										
Reserved ¹	5,380,772	9,375,055	10,875,610	10,448,832	11,961,081	11,733,422	10,787,404	4,389,565	1,178,921	5,260,021
Unreserved	1,644,436	1,949,424	2,779,608	1,994,944	2,476,242	106,565	143,009	195,453	148,365	2,333,520
Special Revenue Funds	-	-	-	3,200,401	3,444,065	4,476,783	3,362,484	3,416,965	5,009,325	5,105,941
Capital Projects Fund	-	-	-	-	-	-	-	-	-	-
Subtotal All Other Governmental Funds	7,025,208	11,324,479	13,655,218	15,644,177	17,881,388	16,316,770	14,292,897	8,001,983	6,336,611	12,699,482
Total Governmental Funds	\$ 11,837,980	\$ 15,981,940	\$ 12,250,034	\$ 18,757,680	\$ 18,794,106	\$ 18,857,664	\$ 19,559,637	\$ 14,789,717	\$ 12,884,856	\$ 23,004,456
All Governmental Funds Percentage Change	17.2%	27.5%	-23.4%	53.1%	0.2%	0.3%	3.7%	-24.4%	-12.9%	78.5%

Notes:

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

² The 2000 - 2003 fund balance for the historical preservation fund have been reclassified from Unreserved to reserved to be consistent with the 2004 - 2006 reporting.

Data Source:

Applicable years' annual financial report.

Black Hawk, Colorado
 Number of Devices - By Casino ^{1,2}
 Last Three Calendar Years ³

Major Casino	For the Calendar Years December 31,							
	2004		2005		2006		2007	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
Isle of Capri	1,099	11.7%	1,408	14.5%	1,424	14.1%	1,403	14.2%
Ameristar (formerly Mountain High)	1,030	11.0%	902	9.3%	1,662	16.4%	1,664	16.8%
Lodge	949	10.1%	721	7.4%	943	9.3%	998	10.1%
Riviera	1,012	10.8%	960	9.9%	842	8.3%	870	8.8%
Mardi Gras	703	7.5%	721	7.4%	743	7.3%	679	6.9%
Colorado Central	662	7.1%	810	8.3%	685	6.8%	663	6.7%
Bullwhackers	688	7.3%	687	7.1%	692	6.8%	687	6.9%
Fitzgeralds	599	6.4%	605	6.2%	600	5.9%	595	6.0%
Canyon/Grand Plateau	589	6.3%	559	5.8%	433	4.3%	448	4.5%
Gilpin	448	4.8%	457	4.7%	457	4.5%	458	4.6%
Total Major Casinos ⁴	7,779	82.9%	7,830	80.7%	8,481	83.7%	8,465	85.5%
All Other Casinos	1,609	17.1%	1,872	19.3%	1,649	16.3%	1,439	14.5%
Total All Casinos ⁵	9,388	100.0%	9,702	100.0%	10,130	100.0%	9,904	100.0%

Notes:

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

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

³ Detailed data only available from

Data Source:

⁴ City Finance Department

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

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

Year	Regular ¹	Business Improvement District ²	Transportation Authority ³	Total
1998	\$ 750	\$ 89	\$ 154	\$ 154
1999	750	89	154	154
2000	750	89	77	77
2001	750	89	77	77
2002	750	89	77	77
2003	750	89	77	77
2004	750	89	77	77
2005	750	89	77	77
2006	750	89	77	77
2007	750	89	77	77

Notes:

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

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

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

Data Source :

City Finance Department

City of Black Hawk, Colorado
Principal Device Fee Payers
For the Calendar Years Ended December 31, 2007 and 2004 ¹

2007			
<u>Principal Device Fee Payers - Casino</u>	<u>Total Fees ²</u>	<u>Rank</u>	<u>Percentage of Total Fees</u>
Ameristar (formerly Mountain High)	\$ 1,480,408	1	18.14%
Isle of Capri	1,275,937	2	15.64%
Lodge	898,737	3	11.02%
Riviera	823,059	4	10.09%
Mardi Gras	638,002	5	7.82%
Colorado Central	614,682	6	7.53%
Bullwhackers	562,063	7	6.89%
Fitzgeralds	542,439	8	6.65%
Canyon/Grand Plateau	426,237	9	5.22%
Gilpin	414,696	10	5.08%
Total Principal Fee Payers	7,676,260		94.09%
All Other Fee Payers	482,574		5.91%
Total	<u>\$ 8,158,834</u>		<u>100.00%</u>

2004			
<u>Principal Device Fee Payers - Casino</u>	<u>Total Fees ^{2,3}</u>	<u>Rank</u>	<u>Percentage of Total Fees</u>
Isle of Capri	\$ 888,459	1	12.79%
Riviera	797,834	2	11.48%
Lodge	756,443	3	10.89%
Ameristar (formerly Mountain High)	737,751	4	10.62%
Mardi Gras	554,583	5	7.98%
Colorado Central	542,207	6	7.80%
Bullwhackers	473,188	7	6.81%
Fitzgeralds	467,044	8	6.72%
Canyon/Grand Plateau	460,820	9	6.63%
Gilpin	332,237	10	4.78%
Total Principal Fee Payers	6,010,566		86.52%
All Other Fee Payers	936,758		13.48%
Total	<u>\$ 6,947,324</u>		<u>100.00%</u>

Notes:

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

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

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

Data Source:

City Finance Department.

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
1998	0.00%	2.90%	2.90%
1999	0.00%	2.90%	2.90%
2000	0.00%	2.90%	2.90%
2001	0.00%	2.90%	2.90%
2002	0.00%	2.90%	2.90%
2003 ¹	4.00%	2.90%	6.90%
2004	4.00%	2.90%	6.90%
2005	4.00%	2.90%	6.90%
2006	4.00%	2.90%	6.90%
2007	4.00%	2.90%	6.90%

Notes:

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

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 Debt Per Capita ³	Total Debt Per Gaming Device ^{4,5}		
	Device Tax Revenue Bonds	General Obligation Bonds	Special Assessment Bonds	Capital Leases	Total	Revenue Bonds	Device Tax Obligation	General Bonds			Total	
1998	\$ 6,585,000.0	\$ -	\$ -	\$ 192,084.0	\$ 6,777,084.0	\$ 13,935,000.0	\$ 4,945,000	\$ 18,880,000.0	\$ 25,657,084.0	120	213,809	3,512
1999	1,258,895	-	-	84,750	1,343,645	13,766,105	4,695,000	18,461,105	19,804,750	118	167,837	2,779
2000	3,960,000	-	-	-	3,960,000	13,576,250	4,420,000	17,996,250	21,956,250	118	186,070	2,559
2001	4,482,500	-	-	-	4,482,500	13,357,500	4,150,000	17,507,500	21,990,000	118	186,356	2,091
2002	4,091,250	-	-	-	4,091,250	13,133,750	3,855,000	16,988,750	21,080,000	117	180,171	2,242
2003	3,676,250	-	-	-	3,676,250	12,913,750	3,535,000	16,448,750	20,125,000	116	173,491	2,116
2004	3,230,000	-	-	451,485	3,681,485	12,660,000	3,220,000	15,880,000	19,561,485	111	176,230	2,084
2005	2,752,500	-	-	542,908	3,295,408	12,387,500	2,890,000	15,277,500	18,572,908	111	167,323	1,914
2006	2,398,250	-	-	616,335	3,014,585	13,021,750	2,540,000	15,561,750	18,576,335	111	167,354	1,834
2007	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

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 2007 includes debt related to the Black Hawk Business Improvement District. Years prior to 2007 have not been restated.

Data Source:

¹ Applicable years' annual financial report.

² 1997 - 1999 and 2001 - 2006 are estimated counts by City management and the Colorado Department of Local Affairs, Division of Local Government. The 2000 count is based upon the United States Department of Commerce, Bureau of Census.

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

City of Black Hawk, Colorado
Ratios of General Bonded Debt Outstanding ¹
Last Ten Calendar Years

Calendar Year	General Obligation Bonds ¹	Estimated Population	Debt Per Capita	Total Debt Per Gaming Device Per Major Casino ^{2, 3}
1998	\$ 4,945,000	120	\$ 41,208	\$ 677
1999	4,695,000	118	39,788	659
2000	4,420,000	118	37,458	515
2001	4,150,000	118	35,169	395
2002	3,855,000	117	32,949	410
2003	3,535,000	116	30,474	372
2004	3,220,000	111	29,009	343
2005	2,890,000	111	26,036	298
2006	2,540,000	111	22,883	251
2007	3,595,000	111	32,387	363

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, 2007

<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	\$ 2,028,250		
Capital leases	403,310		
Black Hawk Business Improvement District: ¹			
General obligation refunding bonds	1,425,000		
Special assessment refunding bonds	<u>4,965,000</u>		
Total direct debt	<u>\$ 8,821,560</u>	100.00%	<u>\$ 8,821,560</u>
Overlapping Debt^{2, 3, 5, 6}			
<i>General Obligation Bonds:</i>			
Gilpin County RE-1 School District ⁴	12,035,000	75.38%	9,071,983
Miners Mesa Commercial Metropolitan District	6,291,000	100.00%	6,291,000
Silver Dollar Metropolitan District	24,375,000	100.00%	24,375,000
Total Overlapping Debt			<u>39,737,983</u>
Total Direct and Overlapping Debt			<u>\$ 48,559,543</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 June 30, 2006.

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

	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Assessed Value	\$ 78,489,080	\$ 104,928,390	\$ 126,342,900	\$ 150,651,240	\$ 173,497,740	\$ 176,547,400	\$ 174,912,530	\$ 190,933,200	\$ 204,515,190	\$ 216,585,941
Legal Debt Margin										
Debt limit (10% of assessed value)	\$ 7,848,908	\$ 10,492,839	\$ 12,634,290	\$ 15,065,124	\$ 17,349,774	\$ 17,654,740	\$ 17,491,253	\$ 19,093,320	\$ 20,451,519	\$ 21,658,594
Debt applicable to limit:										
General obligation bonds	1,998	1,999	2,000	2,001	2,002	2,003	2,004	2,005	2,006	-
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	1,998	1,999	2,000	2,001	2,002	2,003	2,004	2,005	2,006	-
Legal debt margin	\$ 7,846,910	\$ 10,490,840	\$ 12,632,290	\$ 15,063,123	\$ 17,347,772	\$ 17,652,737	\$ 17,489,249	\$ 19,091,315	\$ 20,449,513	\$ 21,658,594
As a percentage of debt limit	99.97%	99.98%	99.98%	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%	100.00%

Notes:

Under Colorado Statutes

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

Calendar Year	County Population ^{1,2}	County Personal Income ^{1,2}	County Per Capita Income ^{1,2}	County Personal Income % of U.S. ²	County Median Age ³	Unemployment Rate		
						Gilpin County ⁴	State of Colorado ⁴	United States ⁵
1998	4,337	\$ 131,855	\$ 31,325	113%	N/A	3.6%	3.8%	4.5%
1999	4,658	149,155	32,021	115%	N/A	2.2%	2.9%	4.2%
2000	4,816	164,233	34,222	114%	38.3	2.5%	2.7%	4.0%
2001	4,831	171,232	35,607	116%	N/A	3.5%	3.8%	4.7%
2002	4,859	174,415	35,873	116%	N/A	5.1%	5.7%	5.8%
2003	4,865	172,825	36,311	113%	N/A	5.9%	6.1%	6.0%
2004	4,859	168,901	38,259	105%	N/A	5.5%	5.6%	5.5%
2005	4,938	186,622	37,793	109%	N/A	4.9%	5.0%	5.1%
2006	5,060	200,003	39,526	108%	N/A	4.1%	4.3%	4.6%
2007	5,186	214,203	41,304	109%	N/A	3.6%	3.8%	4.6%

Notes:

¹ Information available for Gilpin County.

Data Source:

² Gilpin County - 1998 - 2006 - U.S. Bureau of Economic Analysis - <http://www.bea.gov/regiona/reis/drill.cfm>, 2007 estimated by management.

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

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

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		3,375		100.00%
2005				
Employer	Product or Service	Number of Employees	Rank	Percentage of Total
Isle of Capri	Casino/Hotel	650	1	20.24%
The Lodge	Casino/Hotel	520	2	16.19%
Rivera	Casino/Hotel	357	3	11.12%
Mardi Gras	Casino	350	4	10.90%
Fitzgerald's	Casino	319	5	9.93%
Colorado Central Station	Casino	315	6	9.81%
Bullwhackers	Casino	240	7	7.47%
The Canyon	Casino	160	8	4.98%
Gilpin County	Government	160	9	4.98%
The Gilpin	Casino	140	10	4.36%
Total Principal Employers		3,211		100.00%

Notes:

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

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

Data Source:

Individual employers

City of Black Hawk, Colorado¹
Average Number of Employees - By Industry²
Calendar Years 1998 - 2007

Industry	Calendar Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Construction	122	162	121	96	100	88	93	118	124	76
Manufacturing	19	16	16	N/A	N/A	N/A	N/A	10	11	13
Transportation, Communications and Public Utilities	9	16	35	13	16	17	-	-	-	-
Wholesale Trade	11	N/A	N/A	N/A	N/A	4	2	N/A	1	4
Retail Trade	144	122	123	27	26	27	26	21	23	17
Finance, Insurance and Real Estate	11	2	3	8	10	10	9	12	14	11
Services (includes casinos)	3,894	4,251	4,843	4,991	5,244	4,781	4,691	4,794	4,651	4,338
Government	321	340	304	324	362	374	392	417	412	406
Total	4,531	4,909	5,445	5,459	5,758	5,301	5,213	5,372	5,236	4,865

Notes:

¹ Information is only available for Gilpin County

Data Source:

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

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
1998	5,864	43.8%	4,427	33.1%	3,085	23.1%	13,376	100.0%
1999	7,127	51.0%	4,110	29.4%	2,750	19.7%	13,987	100.0%
2000	8,430	57.8%	4,195	28.8%	1,962	13.5%	14,587	100.0%
2001	8,707	59.6%	4,208	28.8%	1,683	11.5%	14,598	100.0%
2002	9,721	62.5%	4,218	27.1%	1,606	10.3%	15,545	100.0%
2003	9,602	62.1%	4,247	27.5%	1,610	10.4%	15,459	100.0%
2004	9,462	60.3%	4,654	29.7%	1,565	10.0%	15,681	100.0%
2005	9,543	58.0%	4,795	29.2%	2,105	12.8%	16,443	100.0%
2006	10,160	59.5%	4,785	28.0%	2,134	12.5%	17,079	100.0%
2007	10,036	59.6%	4,591	27.3%	2,210	13.1%	16,837	100.0%

Percentage Change
In Dollars Over
10 Years

71%	4%
-28%	26%

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
1998	18	36.7%	20	40.8%	11	22.4%	49	100.0%
1999	19	39.6%	18	37.5%	11	22.9%	48	100.0%
2000	19	41.3%	19	41.3%	8	17.4%	46	100.0%
2001	20	46.5%	18	41.9%	5	11.6%	43	100.0%
2002	20	47.6%	17	40.5%	5	11.9%	42	100.0%
2003	22	50.0%	17	38.6%	5	11.4%	44	100.0%
2004	21	46.7%	19	42.2%	5	11.1%	45	100.0%
2005	21	45.7%	19	41.3%	6	13.0%	46	100.0%
2006	19	43.2%	19	43.2%	6	13.6%	44	100.0%
2007	20	46.5%	17	39.5%	6	14.0%	43	100.0%

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 City¹
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
1997	2,691	44.7%	2,079	34.5%	1,253	20.8%	6,023	100.0%
1998	3,054	48.9%	2,153	34.5%	1,033	16.6%	6,240	100.0%
1999	3,358	51.1%	2,369	36.1%	840	12.8%	6,567	100.0%
2000	4,105	53.5%	2,766	36.1%	798	10.4%	7,669	100.0%
2001	4,259	59.7%	2,272	31.9%	601	8.4%	7,132	100.0%
2002	4,863	63.4%	2,230	29.1%	582	7.6%	7,675	100.0%
2003	4,541	61.7%	2,274	30.9%	549	7.5%	7,364	100.0%
2004	4,368	56.7%	2,812	36.5%	523	6.8%	7,703	100.0%
2005	4,449	55.4%	2,787	34.7%	793	9.9%	8,029	100.0%
2006	4,379	55.9%	2,702	34.5%	748	9.6%	7,829	100.0%
Percentage Change In Dollars Over 10 Years	63%		30%		-40%		30%	

Notes:

¹ Includes licensed and not 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	Annual AGP	Percentage of Total	Annual AGP	Percentage of Total	Annual AGP	Percentage of Total
1998	\$ 272,007,738	56.8%	\$ 113,230,208	23.6%	\$ 93,979,630	19.6%	\$ 479,217,576	100.0%
1999	354,913,835	64.4%	122,611,399	22.2%	73,793,917	13.4%	551,319,151	100.0%
2000	433,768,947	68.7%	134,630,256	21.3%	63,452,946	10.0%	631,852,149	100.0%
2001	478,326,427	70.7%	138,617,688	20.5%	59,730,077	8.8%	676,674,192	100.0%
2002	524,464,856	72.9%	142,436,212	19.8%	52,800,335	7.3%	719,701,403	100.0%
2003	505,851,055	72.4%	142,525,101	20.4%	49,908,926	7.1%	698,285,082	100.0%
2004	524,035,343	72.2%	148,689,335	20.5%	53,178,879	7.3%	725,903,557	100.0%
2005	531,878,276	70.4%	151,011,042	20.0%	72,610,402	9.6%	755,499,720	100.0%
2006	554,484,627	70.9%	153,075,257	19.6%	74,538,934	9.5%	782,098,818	100.0%
2007	581,385,160	71.2%	154,962,066	19.0%	79,782,553	9.8%	816,129,779	100.0%
Percentage Change In Dollars Over 10 Years		<u>114%</u>		<u>37%</u>		<u>-15%</u>		<u>70%</u>

Notes:

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

Data Source:

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

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

Function/program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
City Manager's Office	4	2	2	2	2	2	2	3	3	1.75
City Clerk's Office	0	2	2	2.5	2.75	3	3	2.75	1.75	3
Community Planning & Development	3.5	6	5	5	5	5	5	5	5	3
Finance	3	2.5	2.5	2.5	2.75	2.75	2.75	2.5	2	3
Human Resources	0	0	1	1	1	1	1	1.5	0	2.5
Municipal Court Fund	0.53	0.5	0.5	0.25	0.25	0.25	0.25	0.25	0.25	23
Police	33	32	32	32	38	38	38	38	38	5
Facilities Maintenance	2	2	2	2	1	3	3	3	3	0
Fire Department	14	14	17	21	24	24	24	24	24	0.25
Fleet	2	3	3.5	4	4	4	5	5	5	0
Parks	0	0	0	2	2	0	0	0	0	40
Public Works Administration	3	4.3	3	3	4	4	4	4	4	4
Streets	5	5	5	5	8	8	8	8	8	8
Water	5.7	5.7	10	10	8	9	9	9	9	9
Total	75.73	79.00	85.50	92.25	102.75	104.00	105.00	106.00	103.00	102.50

Percentage Change Over Prior Year

8.1%	4.3%	8.2%	7.9%	11.4%	1.2%	1.0%	1.0%	1.0%	-2.8%	-0.5%
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Data Source:

City Employees Services Division

City of Black Hawk, Colorado
Operating Statistics by Function/Program
 1999 - 2006

<u>Function/program</u>	For The Year Ended December 31,							
	2000	2001	2002	2003	2004	2005	2006	2007
Fire								
Inspections ²	62	49	47	31	55	45	50	50

Notes:

¹ The City has not been collecting operating statistics but will begin to expand this table in 2008.

² 2006 and 2007 are estimated amounts.

Data Source :

Fire Department

City of Black Hawk, Colorado
Capital Asset and Infrastructure Statistics by Function/Program
Last Ten Calendar Years¹

Capital Assets	December 31,									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Buildings and related structures	-	-	-	-	-	-	-	35	38	38
Number of vehicles	-	-	-	-	-	-	-	97	101	104
Works of art	-	-	-	-	-	-	-	12	12	14
Street lights	-	-	-	-	-	19	19	19	19	19
Streets:										
Asphalt	12	12	12	12	14	14	14	14	14	15
Aggregate	1	1	1	1	1	1	1	1	1	1
Concrete	3	3	3	3	3	3	3	3	3	4
Gravel	1	1	1	1	1	1	1	1	1	1
Dirt	1	1	1	1	1	1	1	1	1	1
Bridges	5	6	6	6	6	6	6	6	6	6
Traffic signals	20	23	23	23	23	23	23	23	23	23

Notes:

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

Data Source :

City capital asset records.

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Black Hawk YEAR ENDING : December 2007
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This Information From The Records Of (example - City of _ or County of) Prepared By: **Dana Wood**
 Phone: **303-582-2294**

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)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	80,000
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	392,331	b. Snow and ice removal	45,995
3. Other local imposts (from page 2)	0	c. Other	
4. Miscellaneous local receipts (from page 2)	20,971	d. Total (a. through c.)	45,995
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	297,897
a. Bonds - Original Issues		6. Total (1 through 5)	423,892
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)	413,302	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	10,590	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	423,892	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)	423,892

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

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	423,892	423,892		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2007

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		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	20,971
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		g. Other Misc. Receipts	
6. Total (1. through 5.)	0	h. Other	
c. Total (a. + b.)	0	i. Total (a. through h.)	20,971
	(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	9,899	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	691	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	691	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	10,590	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			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments: