

2019 COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2019

About our cover

Monument Road Trail

In 2019, the City added the Lunch Loop Connector Trail, aka Monument Road Trail. This 1.5-mile extension of the Riverfront Trail builds on making nature more accessible for families, kids, and people from all walks of life and connects Downtown Grand Junction to one of the most popular trailheads in Western Colorado via a low stress multi-modal facility. It allows many more people to reach Lunch Loops, experience the scenery, the bike park, the trails, and connection to each other and our outdoors all without the use of car.



Additional project pictures

River Park

Following through on a 40-year-old vision to develop amenities along the Colorado River to reclaim and activate the riverfront, the City along with many project partners have added a 1600-foot River Park. The park is within a braid of the Colorado River and adds almost 1.8 acres of open water, increases the area of aquatic habitat while enhancing recreation along the river as well as the natural aesthetics of the areas. The streambanks of the new park have been planted with native riparian vegetation, providing erosion control, a riparian buffer, and increased habitat. After just a few weeks it is already a very popular venue for "kids" of all ages.

Bike Playground

The Bike Playground is designed to be accessible to a wide variety of riders, from small children on strider bikes, to kids of all ages, to adults looking to build their skills and confidence. Four distinct lines are offered: one beginner, one beginner/intermediate, and two adjacent intermediate that involve either tabletops or jumps. The concept is to help build biking skills that people of all ages can use to further their passion for biking, be it road biking and commuting, BMX or mountain biking at the nearby Lunch Loop Trail System.



With easy access to the Colorado Riverfront Trail and at the center of the continually improving River Corridor, the City expects high utilization. The project budget is \$120,000, which was funded by a grant from the Colorado Health Foundation as a part of a broader park improvement project which included a redesign of Riverside Park. The Riverside Park redesign project was a collaborative effort brought about by input from members of the Riverside Neighborhood community.

Photos courtesy of:

Cover: Marc Mancuso

Other pages: Kevin Keane and Trent Prall



Comprehensive Annual Financial Report

For Fiscal Year Ended December 31, 2019

Prepared by:

Finance Department

Jodi Welch, Finance Director



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INTRODUCTORY SECTION

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July 24, 2020

To the Honorable Mayor, Members of the City Council,
City Manager, and Citizens of the City of Grand Junction:

It is with great pleasure that I present the Comprehensive Annual Financial Report (CAFR) for the City of Grand Junction (City), for the year ended December 31, 2019. State law requires that all local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed public accountants. However, due to the COVID-19 Pandemic, an extension was granted until September 30, 2020. This CAFR is hereby issued and submitted to you for the fiscal year ended December 31, 2019 in accordance with these requirements.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management has established an internal control framework that is designed to both protect the assets of the City from loss, theft, or misuse and to allow for the compiling of sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the City's internal control procedures have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. To the best of management's knowledge and belief, this financial report is complete and reliable in all material respects.

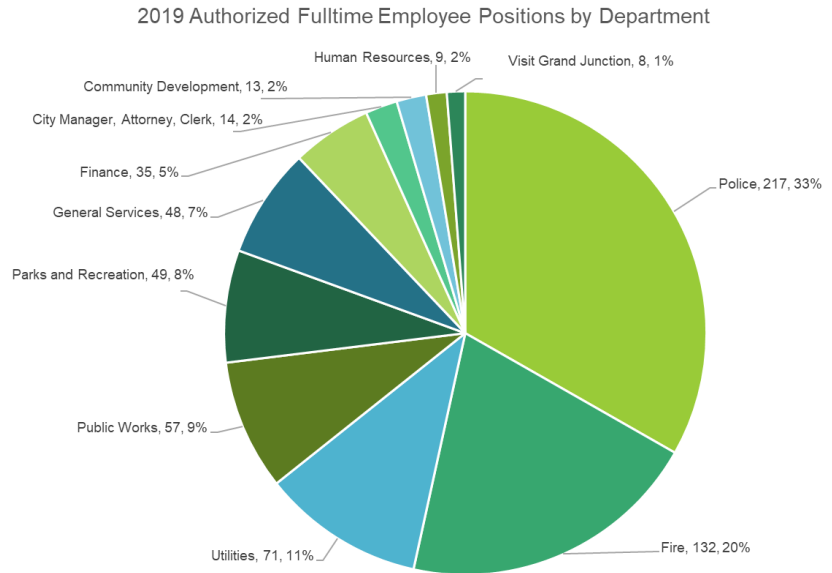
The City's financial statements have been audited by Haynie & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City, for the fiscal year ended December 31, 2019, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor has concluded, based upon the audit, that there is a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that 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) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction. The City's MD&A is found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Grand Junction was first settled in 1881 and incorporated in 1882. It became a home rule city in 1909 by adopting its own charter pursuant to Article XX of the Constitution of the State of Colorado. The City operates using the Council-Manager form of government.

The City provides a full range of services including public safety (police, fire, emergency medical services, and ambulance transport); public works (highways, streets, sanitation, and water); culture-recreation (parks, cemeteries, swimming pools, golf courses, and general recreation); planning; destination marketing; and general administrative services. The relative department sizes in terms of personnel are depicted in the 2019 Authorized Fulltime Employee Positions by Department chart.



Blended component units, although legally separate entities, are part of the primary government’s operations in substance and are included as part of the primary government. Accordingly, the Ridges Metropolitan District and Grand Junction Public Finance Corporation are reported as debt service funds of the City. In late summer of 2019, the City Council authorized the organization and establishment of the City of Grand Junction Dos Rios General Improvement District (GID) to fund the infrastructure improvements to a riverfront development. There were no financial transactions in the GID during 2019. The GID will be reported in the December 31, 2020 financial report as a blended component unit. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. The Downtown Development Authority is reported as a discretely presented component unit.

The City currently occupies a land area of 41.37 square miles and serves an estimated population of 64,191 people. The City is granted the authority to levy a property tax on both real and personal business properties located within its boundaries and to establish and collect its own sales, use, and lodging tax. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by City Council.

The City’s policy-making and legislative authority is vested in a City Council consisting of seven members, one of which is elected Mayor each year. The council is responsible, among other things, for passing ordinances, adopting the budget, appointing boards and commissions, and hiring the City Manager, City Attorney, and Municipal Court Judge. The City Manager is responsible for carrying out the policies and ordinances of City Council, for overseeing the day-to-day operations of the City, and for appointing the directors of the various departments. City Council is elected on a non-partisan basis. Council members serve four-year staggered terms with three or four council members elected every two years. Five of the council members must live in one of the five districts but are elected city-wide. The two remaining council members are elected at large.

As a supplement to internal controls, the City maintains comprehensive budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Activities of the general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, and internal service funds are included in the annual appropriated budget ordinance. Appropriations for all funds lapse at year-end. Although the budget enacted by City Council is at the

fund level, the City prepares a line item budget by department for control at the line item level. The level of budgetary control, the level at which expenditures cannot legally exceed the appropriated amount, is established at the individual fund level. Department directors have the authority to reallocate the distribution of budget amounts within the major category of operating expenditures within their department. Budget reallocations between major expenditure categories or within the major categories of personnel and capital require City Manager approval. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts are not an actual use of appropriations. Therefore, open encumbrances at year-end, for which the expenditure has not yet occurred, either become expenditures against the new year's appropriation or are canceled.

Budget to actual comparisons are provided in this report for each major individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 36 as part of the basic financial statements for the governmental funds. For other major and non-major governmental funds this comparison is presented in the other funds' statements subsection of this report, starting on page 96.

FACTORS AFFECTING FINANCIAL CONDITION

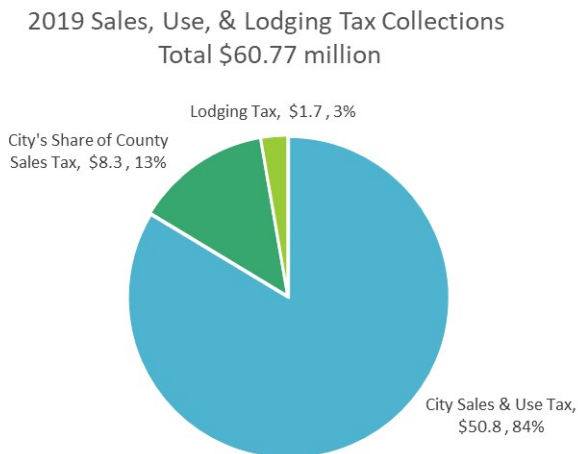
The City is located on the I-70 corridor about 250 miles west of Denver and 27 miles east of the Utah border. The City lies in a valley, known as the Grand Valley, formed at the junction of the Gunnison and Colorado Rivers surrounded by a majestic mesa, the desert mountains of the bookcliffs, and the red rocks of the Colorado National Monument. As the largest city in western Colorado, Grand Junction is the major service center for western Colorado and eastern Utah. Correspondingly, Grand Junction is the regional hub for retail, banking and financial services, healthcare, higher education, social services, and public safety for a large population. Established by years of community economic development and private enterprise marketing, the area is home to manufacturing, agriculture, outdoor recreational service, and energy exploration industries that provide for a diverse economic base.

The mild climate and proximity to a great variety of outdoor activities year-round have made Grand Junction both a vacation destination and a retirement community. A 3% lodging tax, passed by the voters and implemented in 1990, is funding promotion of the Grand Valley as a tourism destination. An additional 3% lodging tax was approved by the voters beginning in 2019. This 3% is shared between Visit Grand Junction, Grand Junction Regional Air Service Alliance, and Greater Grand Junction Sports Commission for promotion of marketing for tourism including sports related tourism as well as in support of direct air service in Grand Junction.

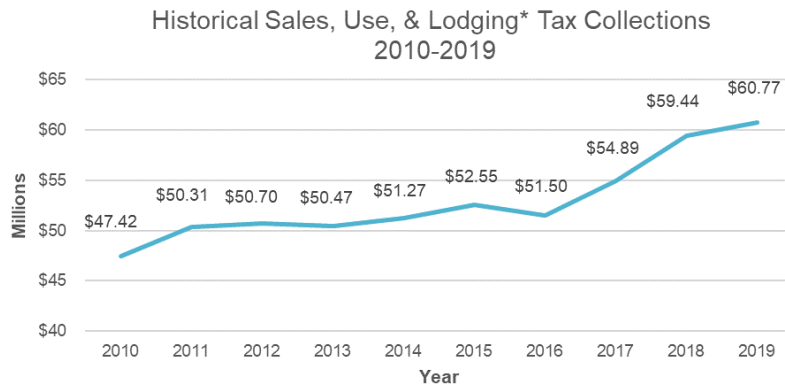
As in the past, City management and leadership continue to support operations with current operating revenues, while debt has been kept to a minimum. The three-quarter cent increase in City sales and use taxes, effective January 1, 1988, provides funds for capital investment, economic development, and important community

programs. The sales and use tax revenues allocated to the general fund account for 59% of its revenues and fund general government operations such as police, fire, streets, and parks, as well as economic development and community partnerships. In April of 2019, the voters approved an increase in the sales and use tax rate of .50% to support operations and capital investment of police, 9-1-1 dispatch, fire, and emergency medical services. The increase is effective January 1, 2020.

The 2019 Sales, Use, & Lodging Tax Collections chart shows the sales, use, and lodging taxes and their proportionate size. Included in the City's share of County sales tax is the City's share of the Mesa County Public Safety Tax. Historical Sales, Use, & Lodging Tax Collections graph shows the historical



collections and growth since 2010. As seen below, tax revenues show growth from 2013 but decrease in 2016, with growth returning in 2017 through 2019. Tax revenues are just now equal to pre-recession levels.



The Grand Junction Metropolitan Statistical Area (MSA), which includes the greater metro area inside Mesa County, has experienced population growth since its inception in 1995. However, as a result of the national recession, a significant reduction of oil and gas exploration in the area and a substantial decline in development and construction, Grand Junction experienced a 14% job loss between October 2008 and January 2010. Since

that time, job recovery has been intermittent, and the average annual unemployment rate has continued to decline to 2.4% at the beginning of 2020 prior to the economic impact from the COVID-19 Pandemic. As demonstrated in the 10 year Historical Sales, Use, & Lodging Tax Collections graph above, the recessionary job loss restricted consumer spending, resulting in significant declines in retail activity and tax revenues. Since the sales, use, and lodging tax collection low in 2009, revenues have recovered and have likely settled to a new base (pre COVID-19).(*The lodging tax is the original 3% only in order to maintain consistency with prior years).

The City has continued to work toward diversifying its economic base and business climate. The quality of life offered in Grand Junction, which is critical to the attraction, motivation and retention of skilled and talented workers, is appealing to businesses, individuals, and tourists alike. Spectacular scenery and recreational opportunities, excellent climate and air quality, higher education opportunities, and quality medical services make the Grand Junction area a good choice for relocation.

The City has historically leveraged public and private partnerships, as well as grant dollars, to make significant capital investments each year in the community:

- In 2018, the City in partnership with the Downtown Development Authority and private entities began two significant economic development projects in the downtown area. The first is the development of a Google-like business park at Las Colonias Park, as well as the completion of a recreation park at Las Colonias along the south downtown riverfront. This project will be completed in 2020 and includes a river park. The City was successful in obtaining over \$2.1 million in grants and private funding for the Las Colonias project including \$1.55 million in Energy Assistance grants from the Department of Local Affairs (DOLA). The second is the renovation and expansion of the Grand Junction Convention Center (GJCC and formerly named Two Rivers Convention Center) in connection with a future private hotel that will be attached to the convention center. The GJCC project was completed in 2019. The City was also awarded a \$1 million grant from DOLA for this project. Construction for both projects totals \$20 million of public investment expected to generate \$30 to \$40 million in private investment.
- In 2018, the City began plans for the re-development of another 60 acres of riverfront property west of the Las Colonias Park. The Riverfront at Dos Rios will be a mix of light industrial, outdoor recreation, commercial, and residential uses. Infrastructure for the project was started in 2019, total cost is estimated at \$12.5 million, and will be completed in 2020. A general improvement district was formed in order to fund the majority of the infrastructure improvements. The residential and commercial aspects of the project will be completed by private development. As part of the City’s project an existing neighborhood park and trail was renovated to tie-in with a new bicycle playground located on the Riverfront at Dos Rios property. The park project was completed in 2019 and is more than half-funded by grants. The bicycle park will be completed in 2020.

- In 2019, the City continued work on the \$2.5 million Monument Road Trail project that extends multi-modal access from the existing riverfront trail to one of the most popular off-road biking trailheads in Mesa County. This trailhead known as Lunch Loops provides access to a vast network of trails on Bureau of Land Management lands. It also connects the surrounding amenities, including downtown Grand Junction, Las Colonias Park, the Botanical Gardens, Connected Lakes, and surrounding neighborhoods. This project was 82% funded by grants, including a \$1.5 million Great Outdoors Colorado grant. The project will be completed in 2020.
- Based on 2017 voter authorization for using TABOR excess funds, an additional \$3.4 million was added to the already budgeted \$2.8 million in 2019 for street maintenance projects to improve the pavement condition of the City's critical transportation infrastructure.
- Water and sewer enterprises invested \$12.2 million in replacements of pipelines and improvements to the water and sewer plant systems.

FUTURE OUTLOOK

The City of Grand Junction remains committed to providing high quality services and investing in the future of the community. The City's goal is to serve its citizenry in the long-term while maintaining a sound financial position. As a result of strong financial leadership and management, S&P Global raised the long-term rating for the City to AA from AA- in 2020. Priorities shaping the future are economic development, public safety, investments in infrastructure, and planned growth and development. The City continues to foster strong community partnerships in the pursuit of these priorities.

In August of 2017, the City Council adopted the initial City of Grand Junction Strategic Plan (the Plan). The Plan is updated after each Council election in the spring of odd years and is used by elected officials to develop and implement high level policies and focus efforts. The purpose of the Plan is to inform and direct decision-making and budget priorities. The guiding principles of the plan are *partnerships & intergovernmental relationships, fiscal responsibility, communication & engagement, and leadership*. The cornerstones for the Plan are four strategic directives: *diversification of our economic base; planning & infrastructure; public safety; and connectedness through community building*. The City's 2020 budget was developed by allocating resources according to the Plan. Many of the aspects of the Plan have been long practiced through the extensive partnerships and investment in this community over many years as described further in the following.

The City works closely with community partners in economic development, including the Grand Junction Economic Partnership, Grand Junction Area Chamber of Commerce, Business Incubator, the Greater Grand Junction Sports Commission, Colorado Mesa University and the Grand Junction Regional Air Service Alliance. The City has a department dedicated to destination marketing, and a 3% lodging tax is utilized for marketing the community, promoting tourism and attracting conferences and conventions. An additional 3% lodging tax question went to voters in November 2018 and passed. The additional 3% was effective on January 1, 2019 and is meant to provide additional dedicated funds for promotion and marketing of tourism related activities, sports-related tourism, and direct air service in Grand Junction.

The Economic Development Plan, which was adopted in 2014, serves as a decision-making guide for City Council and firmly establishes City Council's commitment to taking a lead role in promoting and funding economic development in the area. This plan establishes a strategy for improving business conditions and attracting and retaining employers while confirming the City's standing as a viable, healthy, and safe community.

As part of the strategy, the City has put into motion several action steps, including a branding and marketing analysis and exploration of foreign trade opportunities. The City Council authorized a limit on the vendor's fee paid to businesses for the collection of city sales tax and dedicated the resulting available resources as a sustainable funding source for economic development. City Council also pledged commitment to Mesa County's Rural Jump-Start Zone by authorizing tax rebates to qualifying businesses. This was the first Jump-Start Zone in the State of Colorado and is a joint effort between the City of Grand Junction, Mesa County, and Colorado Mesa University to grow jobs in new industries. The most recent economic development opportunity involves the launch of the business park on the riverfront at Las Colonias. Also in process is the redevelopment of the

riverfront west of Las Colonias at Dos Rios with a mix of recreational, retail, and residential uses. For years, the community has called for the revitalization of the riverfront, and through the leadership of the community, City Council, staff, and partners, the City will begin to take full advantage of the many amenities of the river.

The higher educational opportunities provided by Colorado Mesa University (CMU) are pivotal to the economic diversity and quality of life enjoyed by the residents of Grand Junction and the surrounding community. Over the last decade, CMU has embarked on a multi-year, multi-million campus expansion and renovation project. The City has supported this project through economic development contributions of \$9 million through 2020, which includes participating in the financing of a new academic classroom built in 2013. As funds are available and appropriated, the City has committed to ongoing support of \$500,000 per year for the financing of the classroom building through 2027. In 2018, the City began a pilot program with CMU for a local scholarship program developed to provide the opportunity for a higher education degree for local high school graduates, and that support has continued with total contributions of \$1.2 million through 2020.

As indicated by surveys and through dialogue with the Grand Junction community, public safety is recognized as one of the foundations of a livable community, primary responsibilities of local government, and key to economic health. City Council remains committed to addressing future public safety needs and improvements in fire and emergency medical services coverage. In April 2019, the voters approved a 0.5% First Responder Tax. The tax is effective January 1, 2020 and will fund the construction, staffing, and operation of three new fire stations that have been identified as a need since 2004. It will also fund additional sworn police positions in order to increase proactive policing and reduce response times, as well as telecommunicator positions in the communication center that serves all law enforcement and fire services in Mesa County.

One of the City's ongoing and major priorities is the preservation and improvement of the transportation infrastructure. The City has over 1,100 lane miles of streets infrastructure to maintain. The City has a sophisticated pavement management program that evaluates the condition of the roadways and designs an overlay schedule accordingly. The City's continuing infrastructure improvements are funded to a great extent by the three-quarter percent increase in the sales tax rate in 1988. This dedicated revenue stream is used for long-range capital planning efforts; however, because the City is still growing and the related infrastructure is not complete, the capital needs far outweigh the capital resources. City Council has recently identified an increased investment in maintenance and reconstruction of existing street infrastructure as one of the top three capital priorities, and in April of 2017, the voters authorized the use of the Taxpayer Bill of Rights Amendment (TABOR) excess dollars to be allocated to street infrastructure improvements through 2022.

The most significant capital project in the history of the City is the Riverside Parkway. The project entailed building a loop around the City that extends from 24 Road/Redlands Parkway to the intersection of 29 Road and D Road. The lower section of the Parkway extends from 4th Avenue to the intersection of 27½ Road and D Road. The most recently completed section extends from Highway 50 on Orchard Mesa over the I-70 Business Loop with the 29 Road viaduct. The final connection will extend to a new interchange at I-70. Recently, City Council authorized a preliminary environmental study as a joint project with Mesa County for the proposed interchange at 29 Road and I-70. This loop is designed to provide interconnectivity to and around the City, as well as between different demographical areas of the valley, effectively connecting residential areas with jobs and services. Additional transportation capacity improvement projects are needed in order to ensure that citizens, businesses, and visitors can move around the community with relative ease. In April of 2019, a 0.25% sales tax increase for the capacity expansion of the transportation infrastructure was not approved by the voters. Following that, City Council and staff presented to the citizens an alternative solution that did not involve a sales tax increase. In November 2019, the voters authorized the City to issue up to \$70 million in debt to fund transportation expansion projects. In addition, the voters authorized the use of TABOR excess toward payment of that debt from 2023 through 2037. Those major expansion projects will be completed over a six-year period.

Historically, City Council has committed funding for major maintenance and improvement projects for the City's existing 30 developed parks. The purchase and development of the 114-acre regional Canyon View Park began in 1996 with major softball and soccer facilities. Improvements continued with the addition of a baseball field, tennis courts, several restroom facilities, and a complete playground renovation. This park serves as the main venue for athletic events for school and community leagues of all ages with an average of 45,000 hours reserved

annually. In addition, the park is used nearly every day of the year by community members utilizing the dog park, walking trails, basketball courts, and other non-competitive amenities. With nearly one million visits to the park facility each year, it is clearly a significant asset to the regional community and the City's park system.

After significant community involvement and dialogue, a master plan was developed and adopted by City Council for the 207-acre Matchett Park in the northeast area of the City which will represent the third regional park for the City. In addition, the City has over 20 miles of developed trails and has partnered with Mesa Land Trust in the acquisition of land to facilitate the development of walking and bike trails along Monument Road. In 2018, as part of a "grass-roots" effort, a community/recreation center feasibility study (fully funded through private donations and grant dollars) was conducted and resulted in a recommendation to City Council from a community advocacy group to place a funding question on the April 2019 ballot. This measure was not authorized by the voters. The community, City Council, and staff continue to explore options for funding a community/recreation center.

As discussed previously, the City is serving the community through the redevelopment of the riverfront along the Colorado River. Currently there are 8.5 miles of riverfront trail maintained by the City. The City has acquired land in the south downtown riverfront area that was previously the site of wrecking yards and mill tailings disposal. These areas have been cleaned up and are continuing to be improved. In 2014, the City began phase one of the development of the 150-acre Las Colonias Park, which is the second regional park in the community. The park objectives are to provide additional recreational facilities, beautify the entrance to the City, and improve flood control for the area. To date, several components of the master plan for Las Colonias have been completed, including the botanical gardens, a disc golf course, a native arboretum, and in 2017, an amphitheater and slough. The final improvements, including a dog park, festival area, and river park, will be completed with the completion of the business park in 2020.

In 2001, the City of Grand Junction completed a Parks, Recreation and Open Space Master Plan (PROS) which was updated in 2011. This plan has served the community well with many components having been completed including the amenities already discussed. Beginning in 2020, this plan will be updated to provide clear direction for services, facilities and amenities for the next 5 to 8 years. In order to ensure citizen involvement and stakeholder input, the City Council has appointed a PROS Advisory Committee.

The City is actively committed to energy efficiency and water conservation efforts and continually strives to implement strategies that preserve resources and increase efficiencies. One area of particular focus is the City's Compressed Natural Gas (CNG) Program. The City's CNG Program is threefold: transitioning the City's fleet into natural gas vehicles, expanding the City's CNG fueling station, and utilizing the Persigo Wastewater Treatment Plant component to convert excess digester gas (methane) into compressed natural gas to be used as a vehicle fuel (biogas). The system became operational in 2015 and has gained national recognition for innovation.

The system also serves the Grand Valley Transit (GVT) who recently partnered with the City in a significant expansion of fueling stations. Currently, the equivalent of 400 gallons of gasoline is produced onsite daily and has offset the same volume use of diesel fuel. This has resulted in a carbon emission reduction of approximately 3 million pounds per year. At this time, 76 CNG vehicles are realizing the cost savings and other additional benefits from using the biogas, and the City will continue to partner with GVT to enhance the investment in the CNG Program. The City is currently a subscriber to several solar gardens and has installed solar at several facilities including the Water Treatment Plant, Persigo Wastewater Treatment Plant, Grand Junction Convention Center, and the Visitor's Center. These combined efforts result in a significant reduction of energy usage and annual cost savings. Several other conservation programs have been successfully implemented including installing LED lights in facilities, traffic signals, pedestrian lights, and streetlights. Water conservation efforts in the City's parks and green spaces include transitioning many areas from turf to native landscaping.

The Comprehensive Plan was formally adopted in 2010 after a three-year staff and community effort and was reflective of the community's values and vision at that time. A complete update of this plan began in 2019 and will be completed in 2020. This plan update process has engaged the community at all levels to articulate the community's values and visions of today. The plan serves as a guiding document for the City in decision making, policy making, and capital spending priorities. The plan will also establish goals and policies that are critical in guiding land use, directing growth, and establishing a unified vision that focuses the community on how to

maintain and enhance the quality of life that all residents desire and expect. To assist in the update of the plan, the City Council appointed an Advisory Committee that will provide guidance to staff and the consultant team throughout the process which will include significant stakeholder and community involvement.

The City has a long-standing record of collaborative management and resource sharing with other agencies in the community and is committed to continuing and growing those relationships in the future. There are numerous examples of these alliances that result in added value to services as well as the highest and best use of resources. Public Safety: the City is the manager and a major partner agency in the E911 Regional Communication Center, which serves 23 law enforcement, fire, and emergency medical service responder agencies; the City of Grand Junction Police Department joins forces with the Mesa County Sheriff's Office and the Federal Drug Enforcement Agency on the Western Colorado Drug Task Force, a partnership designed to fight the battles of drugs and drug related crimes on the frontlines; the City, Mesa County, the City of Fruita, and School District #51 provide a School Resource Officer Program to the schools in the valley. Public Utility: the City and Mesa County have a jointly owned and managed sewer system that provides wastewater services to the larger urban area. The City manages the 5-2-1 Drainage Authority, which is a collaborative effort between the City, Mesa County, the City of Fruita, the Town of Palisade, and the Grand Valley Drainage District, to provide stormwater management services. Public Parks: the City of Grand Junction, Mesa County, School District #51, and Colorado Mesa University make use of and contribute to improvements of the sports complex and stadium in the heart of Grand Junction. Public Transportation: the City assists Mesa County in the support of the Grand Valley Transit system, a limited fixed route "circulator" which began servicing the core areas of the Grand Valley and outlying municipalities in 2000; currently, the transit system provides nearly 800,000 passenger trips per year. The City contracts to provide maintenance and repair services for the CNG transit buses. Animal Control and Building Services: Mesa County is contracted by the City to provide professional services in animal control, as well as contractor licensing, building permitting, and inspection services.

In 2019, City Council committed over \$5.1 million to economic development, partnerships, sponsorships, and memberships. Organizations such as Hilltop, HomewardBound, Hope West, Museum of Western Colorado, Riverfront Commission, STRIVE, The House, and Western Slope Center for Children leverage these funds to invest in services and facilities that maintain and enhance the quality of life in our community.

In addition to responding to the health emergency, the City of Grand Junction began proactively preparing for the economic impact related to the COVID-19 Pandemic in mid-March of this year. By the end of the first quarter of 2020, the City had experienced moderate growth in sales tax revenues. However, due to mandatory business closures in March, April, and into May, the City's sales tax revenues declined significantly. Expense reductions were immediately implemented in order to adjust to the loss of resources. As a result of strong leadership and sound fiscal responsibility, the City is in a good financial position and will continue to closely monitor the economic conditions as the year progresses.

FINANCIAL POLICIES

City Council provides policy direction to the City Manager, who guides the financial decisions of the organization. City Council's policy direction is to further economic development by taking a more proactive role while continuing to coordinate with all community partners, invest in public infrastructure, continue to provide the essential services of public safety, operate within existing revenues and in the General Fund, reserve at least 20% of the current year's adopted budget. City management has been successful in following City Council's policy direction through responsive, conservative, and sound financial decisions. The City has financial policies and practices that guide budget, investments, debt, revenue, purchasing, risk management, and reserves.

COMPLIANCE WITH THE TAXPAYER BILL OF RIGHTS

The Colorado Constitutional Amendment passed in November 1992, known as the Taxpayer Bill of Rights Amendment (TABOR), restricts growth in governmental revenues and property tax revenues to amounts adjusted for inflation and a local growth factor. In April 2007, Grand Junction voters approved the retention by the City of all revenues exceeding the spending limit for 2006 and subsequent years until the bonded debt for the Riverside

Parkway is paid in full. Therefore, the excess has been transferred to a debt service fund designated for payment of the Riverside Parkway bonds. In 2017, City voters authorized the use of those funds to be dedicated to street infrastructure improvements through 2022. In November 2019, the voters authorized the use of TABOR excess for the payment of debt for transportation expansion projects from 2023 through 2037. The City is also subject to other TABOR requirements. For example, TABOR requires that no real estate transfer tax or income tax be imposed and that the City reserve 3% of its spending as an emergency reserve. The City is in compliance with these provisions. Finally, TABOR requires that the City has elections if it wishes to change its tax policy or issue general government debt.

AWARDS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grand Junction for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2018. This was the 35th consecutive year that the City has received this prestigious award. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR. The City's submitted report satisfied both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year. The City believes that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and the report will be submitted to the GFOA to determine its eligibility for another certificate.

In 2019, the City was awarded the Distinguished Budget Presentation Award from the GFOA for the 2019 Budget Book. To receive this award, the City must prepare a budget book that reflects both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting. This was the first year in several that the City applied for the award. The City has again submitted the 2020 Budget Book for this award.

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation of all members of the Finance Department who assisted in and contributed to its preparation. It should be noted that staff from other departments provide great assistance in the preparation of the report, and their work is also appreciated. I thank the Mayor and City Council, as well as City Manager, Greg Caton for their direction and support of being responsible financial stewards for the citizens of Grand Junction.

The City's external auditors, Haynie & Company, P.C., are also commended for their comprehensive and efficient examination of the various funds of the City for the fiscal year ended December 31, 2019.

Respectfully submitted,



Jodi Welch
Finance Director



Government Finance Officers Association

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

Presented to

**City of Grand Junction
Colorado**

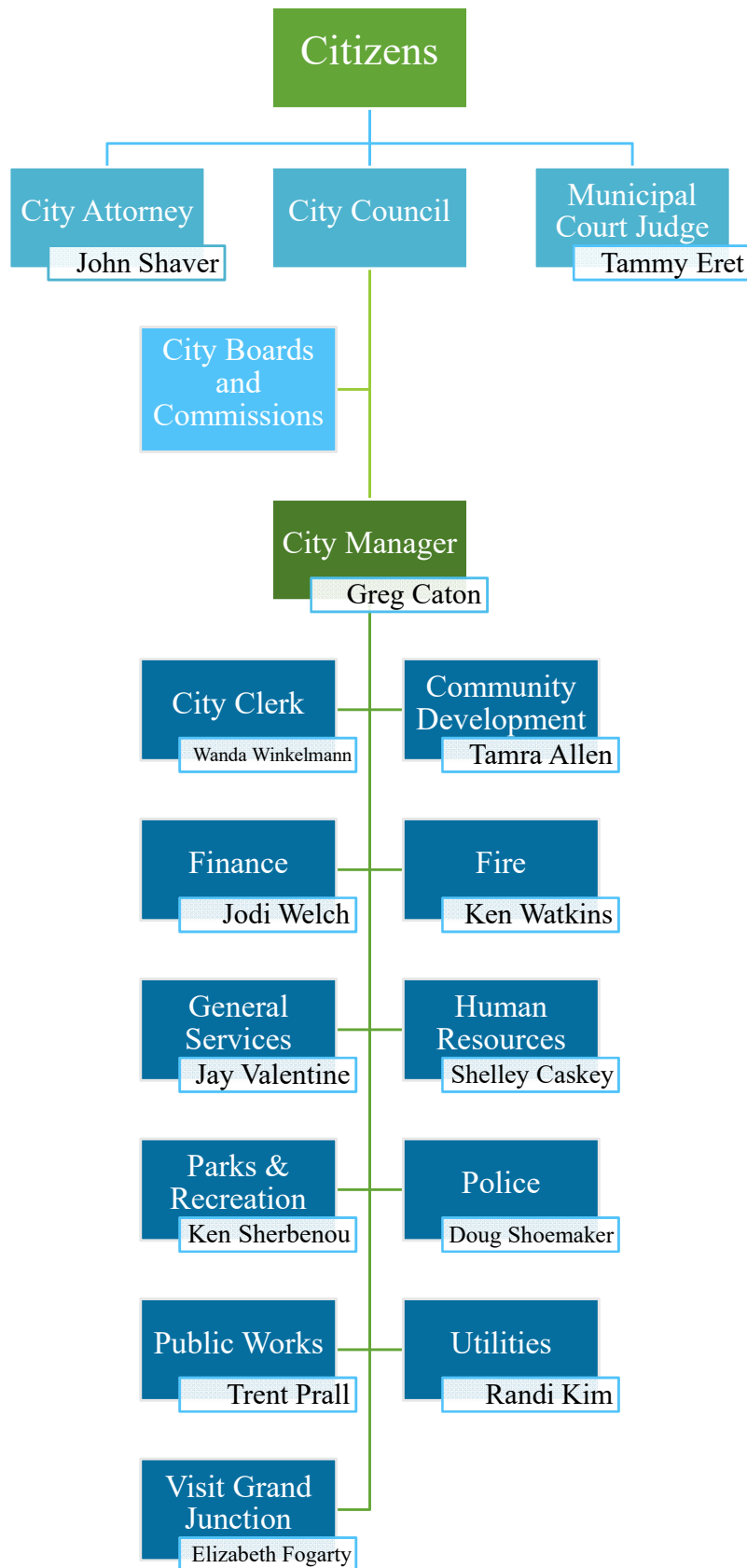
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

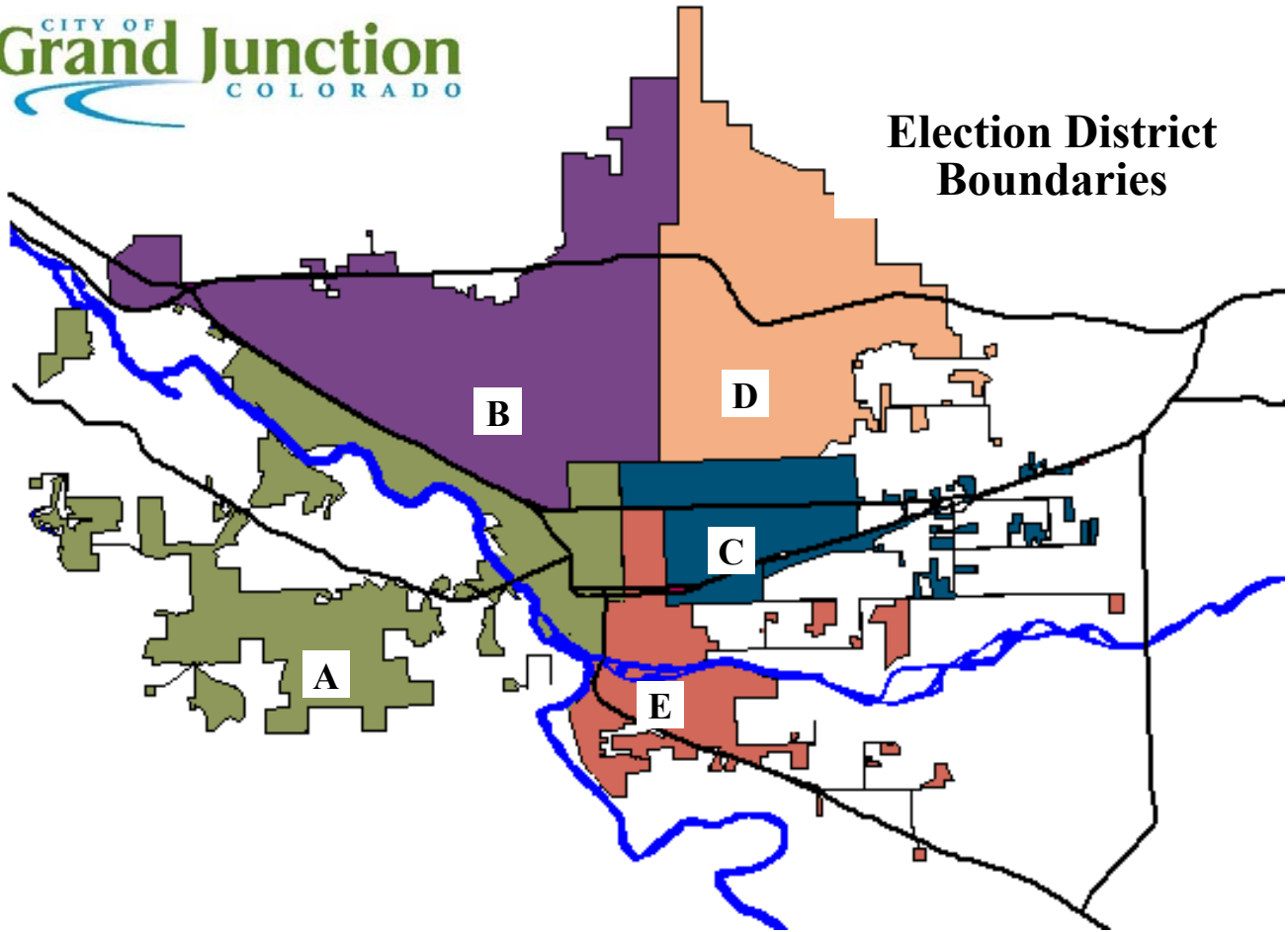
Christopher P. Morill

Executive Director/CEO

Organizational Chart



Election District Boundaries



Elected Officials

<u>City Council</u>	<u>District</u>	<u>Expires</u>
Duke Wortmann, Mayor	D	May 2021
Kraig Andrews, Mayor Pro Tem	E	May 2021
Phyllis Norris	A	May 2021
Phillip Pe'a	B	May 2023
Anna Stout	C	May 2023
Rick Taggart	At Large	May 2021
Chuck McDaniel	At Large	May 2023

Appointed Officials

Greg Caton	City Manager
John Shaver	City Attorney
Tammy Eret	Municipal Court Judge

Department Directors

Jodi Welch – Finance
 Shelley Caskey – Human Resources
 Elizabeth Fogarty – Visit Grand Junction
 Ken Watkins – Fire Chief
 Ken Sherbenou – Parks & Recreation
 Doug Shoemaker – Police Chief
 Trent Prall – Public Works
 Randi Kim – Utilities
 Tamra Allen – Community Development
 Jay Valentine – General Services
 Wanda Winkelmann – City Clerk

FINANCIAL SECTION

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To the City Council
City of Grand Junction, Colorado

We have audited the accompanying financial statements 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 Grand Junction, Colorado (the "City"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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 Grand Junction, Colorado, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and pension schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the

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

Other Information

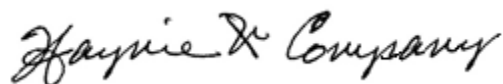
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, fiduciary funds combining statements, component unit financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2020, on our consideration of the City of Grand Junction, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Grand Junction, Colorado's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Grand Junction, Colorado's internal control over financial reporting and compliance.



Littleton, Colorado
July 28, 2019

MANAGEMENT'S DISCUSSION & ANALYSIS

Our discussion and analysis of the City of Grand Junction's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2019. Please read it in conjunction with the transmittal letter on page 3 and the City's financial statements, which begin on page 29.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of 2019 by \$804.0 million (*net position*) primarily due to annexations and better than expected revenues, which increased cash and investments. Of this amount, \$21.5 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's General Fund revenues, on a budgetary basis, increased by 2.8% in 2019 after increases in all revenues except fines and forfeitures. Sales, use, and lodging taxes are the single largest revenue source for the General Fund, comprising 59.1% of the \$75.7 million in total revenues.
- At the end of 2019, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the General Fund was \$24.7 million, or 32.2% of the total General Fund expenditures.
- The City invested \$35.2 million in capital projects in 2019. These projects included street construction, machinery, buildings, parks development, convention center renovations, and water line and system replacements.
- In April of 2017, the voters authorized the City to use the calculated TABOR excess previously authorized to be accumulated for the early retirement of the Riverside Parkway Revenue Bonds towards street maintenance and neighborhood pavement preservation through 2022. In November 2019, the voters further authorized the City to use TABOR excess beginning in 2023 for the purpose of paying debt issued for street capacity improvement projects. This authorization expires after 2037. At the close of 2019, the City had \$5.1 million remaining in these funds with another \$3.2 million budgeted to be used in 2020.
- In April of 2019, the voters approved a .50% sales and use tax rate increase for support of First Responder operations and capital investment including police, 9-1-1 dispatch, fire, and emergency medical services. The tax rate was effective January 1, 2020. However, the City Council authorized the use of General Fund reserves to begin spending in 2019. Actual spending in 2019 will be reimbursed to the General Fund in 2020 from the First Responder tax revenues.

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis provided here is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, some revenues and expenses reported in this statement will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused paid time off).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The *Governmental Activities* of the City include general government, public safety (police and fire), public works, parks and recreation, and urban development and housing. The *Business-type Activities* of the City include water, convention center, solid waste, golf courses, parking, and irrigation.

Additionally, the government-wide financial statements include financial information for the Grand Junction Downtown Development Authority, a legally separate entity for which the City is financially accountable. The financial information for this component is reported separately from the financial information presented for the City itself.

The government-wide financial statements can be found on pages 30 and 31 of this report.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City also uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

1. **Governmental Funds** – These funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. These fund statements focus on how money flows in and out of these funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps users determine whether the financial resources can be spent in the near future to finance the City's programs. There is a description of the relationship and differences between governmental activities, reported in the Statement of Net Position and the Statement of Activities, and governmental funds in a reconciliation included with the fund financial statements.

The City maintains 15 governmental funds. Of these funds, as determined by generally accepted accounting principles (GAAP), the only major funds are the General Fund, Sales Tax Capital Improvements Fund, Street Assessment Improvements Capital Fund, and General Debt Service Fund. The balances of the other 11 governmental funds are determined to be non-major and are included in the combining statements within this report.

The City adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for each of the funds to demonstrate compliance with this budget. The General Fund budgetary comparison is presented as part of the basic governmental fund financial statements, which can be found on pages 32 through 36 of this report. All other required budgetary comparisons, including the Sales Tax Capital Improvement Fund, Street Assessment Improvements Capital Fund, and General Debt Service Fund, can be found on pages 96 through 109 of this report.

2. **Proprietary Funds** – The City maintains two different types of proprietary funds. The first type is enterprise funds which are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water utility, convention center, solid waste, golf courses, parking, and irrigation.

As determined by GAAP, the water utility, Two Rivers Convention Center, and parking enterprise funds meet the criteria of a major fund classification. All other funds are classified as non-major and are included in the combining statements within this report.

The second type of proprietary funds is internal service funds which are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds for information technology, fleet and equipment, self-insurance, communication center operations, and facilities management. Because these services primarily benefit governmental activities, they have been included with governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 37 through 39.

3. **Fiduciary Funds** – These funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The accounting method used for these funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 40 through 41.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43 through 78 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City’s Old Hire Police Pension Plan, Old Hire Fire Pension Plan, Fire Pension Plan - Statewide Defined Benefit Plan, Fire Pension Plan - Statewide Hybrid Plan - Defined Benefit Component, and the City’s OPEB plan starting on page 79 of this report. Additionally, other supplemental information concerning the City’s Local Highway Finance Report is also presented. This supplemental information can be found on pages 165 through 170 of this report.

The combining statements, referred to earlier in connection with non-major governmental funds, non-major proprietary funds, internal service funds, and fiduciary funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found beginning on page 89 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve, over time, as a useful indicator of a government’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$804.0 million at the close of the 2019 fiscal year.

By far, the largest portion (94.8%) of the City’s total net position reflects its investment in capital assets (e.g., land, buildings, infrastructure, and machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

STATEMENT OF NET POSITION (in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 75,505	\$ 75,093	\$ 7,690	\$ 5,756	\$ 83,195	\$ 80,849
Capital assets	750,182	713,836	67,780	58,642	817,962	772,478
Total assets	825,687	788,929	75,470	64,398	901,157	853,327
Total deferred outflows of resources	8,224	2,938	-	-	8,224	2,938
Long-term debt outstanding	77,760	83,389	5,379	5,863	83,139	89,252
Other liabilities	9,630	7,672	3,224	743	12,854	8,415
Total liabilities	87,390	91,061	8,603	6,606	95,993	97,667
Total deferred inflows of resources	9,352	8,290	-	-	9,352	8,290
Net position:						
Net investment in capital assets	699,794	654,717	62,799	52,689	762,593	707,406
Restricted	19,903	21,297	-	-	19,903	21,297
Unrestricted	17,472	16,504	4,068	5,102	21,540	21,606
Total net position	\$ 737,169	\$ 692,518	\$ 66,867	\$ 57,791	\$ 804,036	\$ 750,309

An additional portion of the City's net position (2.5%) represents resources that are subject to external restrictions on how they may be used.

Changes in Net Position

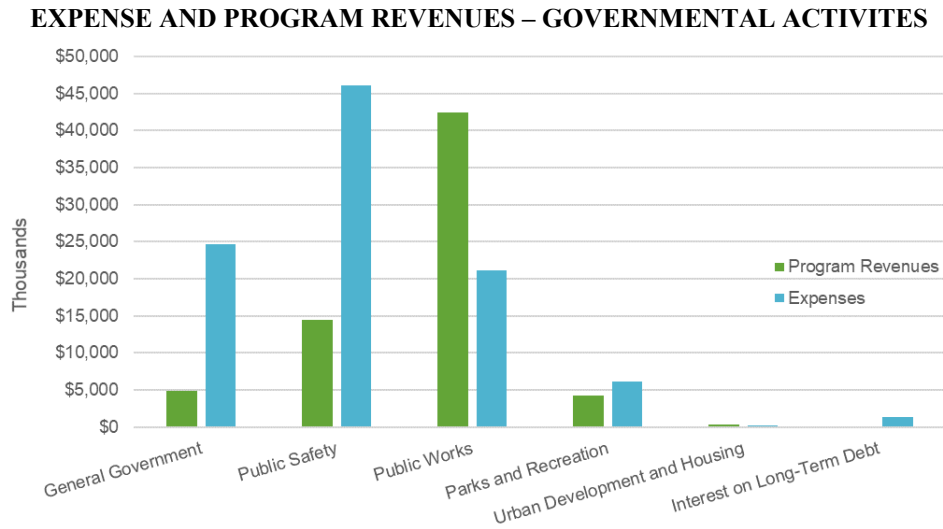
The City's total revenues of \$169.6 million exceeded program expenses of \$115.9 million for an increase in net position of \$53.7 million.

CHANGES IN NET POSITION (in Thousands)

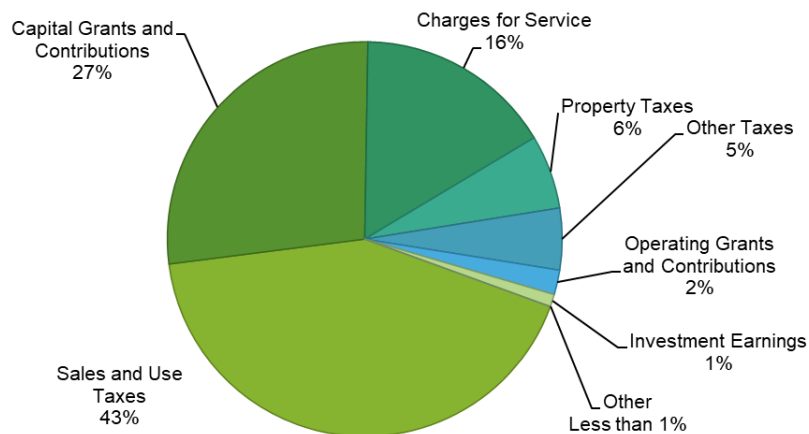
	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for services	\$ 23,099	\$ 22,553	\$ 15,861	\$ 15,025	\$ 38,960	\$ 37,578
Operating grants	3,544	3,016	282	530	3,826	3,546
Capital grants	39,986	31,785	6,567	141	46,553	31,926
General revenue:						
Property taxes	8,790	8,702	-	-	8,790	8,702
Sales, use, and lodging taxes	62,478	59,441	-	-	62,478	59,441
Other taxes	7,359	7,012	-	-	7,359	7,012
Other general revenues	1,426	903	244	210	1,670	1,113
Total revenues	146,682	133,412	22,954	15,906	169,636	149,318
Expenses						
General government	24,674	17,777	-	-	24,674	17,777
Public safety	46,115	48,374	-	-	46,115	48,374
Public works	21,136	20,299	-	-	21,136	20,299
Parks and recreation	6,151	6,637	-	-	6,151	6,637
Urban development and housing	173	153	-	-	173	153
Interest on long-term debt	1,374	3,065	-	-	1,374	3,065
Water	-	-	7,285	6,150	7,285	6,150
Convention center	-	-	1,515	1,015	1,515	1,015
Solid waste removal	-	-	4,424	4,155	4,424	4,155
Golf	-	-	2,090	1,758	2,090	1,758
Parking	-	-	541	425	541	425
Irrigation systems	-	-	431	361	431	361
Total expenses	99,623	96,305	16,286	13,864	115,909	110,169
Increase (decrease) in net position before transfers	47,059	37,107	6,668	2,042	53,727	39,149
Transfers	(2,408)	(135)	2,408	135	-	-
Increase (decrease) in net position	44,651	36,972	9,076	2,177	53,727	39,149
Net position 1/1/19	692,518	655,546	57,791	55,614	750,309	711,160
Net position 12/31/19	\$ 737,169	\$ 692,518	\$ 66,867	\$ 57,791	\$ 804,036	\$ 750,309

Governmental Activities

Governmental activities increased the City's net position by \$44.7 million. Following are illustrative charts of governmental activities summarizing expenses and program revenues (general revenues not included):



REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES



While sales and lodging tax increased \$1.4 million and \$73 thousand, respectively, use tax decreased by \$135 thousand compared to 2018. The majority of use tax revenues come from the energy, construction, and development industries which continue to experience varying levels of activity from year to year. Property tax revenue increased by \$88 thousand, or 1.0%, during the year. This increase was attributed to an increase in assessed valuation and new construction. The mill levy has remained constant since 1992. Other tax revenues, including franchise fees and highway users tax, have increased by \$347 thousand, or 4.9%, compared to 2018.

Capital grants and contributions increased by \$8.2 million, or 25.8%, compared to 2018 primarily resulting from grants and contributions towards major capital projects.

Business-type Activities

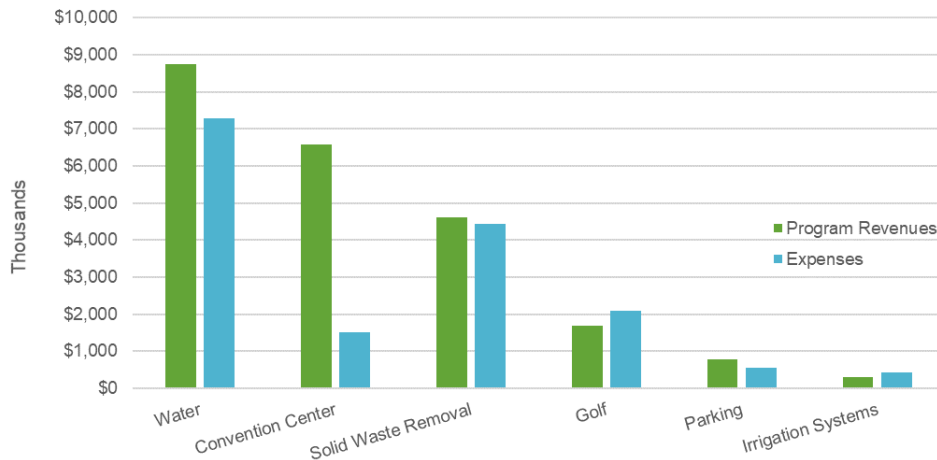
Net position of business-type activities increased by \$9.1 million. Business-type activities include water utility, convention center, solid waste, golf courses, parking, and irrigation.

The Grand Junction Convention Center and Golf Funds received transfers from the Visit Grand Junction Fund and Conservation Trust Fund to subsidize operations and help fund debt service.

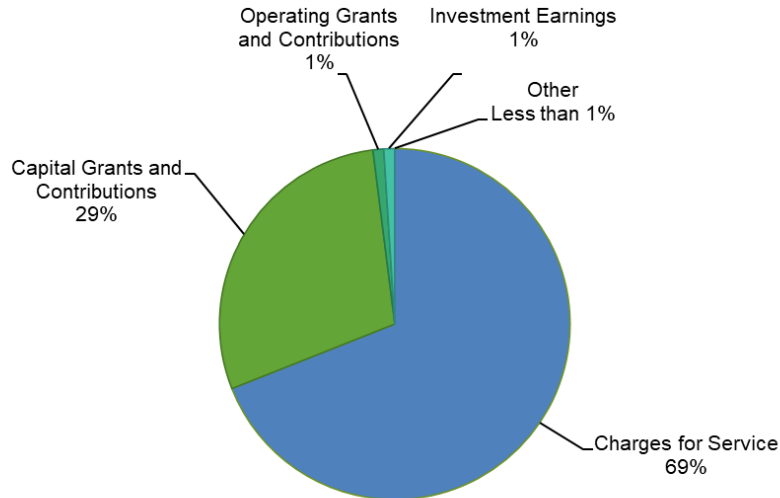
Unrestricted net position at the end of the year for business-type activities amounted to \$4.1 million. Other factors concerning the finances of these funds have already been addressed in the discussion of the City business-type activities.

The following chart demonstrates the current level of recovery for the City’s business-type activities:

EXPENSE AND PROGRAM REVENUES – BUSINESS-TYPE ACTIVITIES



REVENUES BY SOURCE – BUSINESS-TYPE ACTIVITIES



FINANCIAL ANALYSIS OF GOVERNMENT’S FUNDS

As stated earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements.

As of December 31, 2019, the City's governmental funds (general, special revenue, debt service, capital projects, and permanent) reported combined fund balances of \$49.4 million. This represents a decrease of \$(2.1) million over last year's ending balances. The reasons for significant changes in fund balances are described below:

Revenues in the General Fund increased 3.1% over 2018 while expenditures increased 10.6%. The majority of these revenue increases were from sales tax resulting from a significant increase in retail sales activity from a growing local economy and the City's share of a County public safety tax that became effective January 1, 2018. Grant revenue, interest income, and property taxes also increased. Expenditures increased due to wage increases, new positions added in public safety, increases in health insurance costs, spending of grant revenues, and the purchase of public safety specialty equipment. The General Fund's total fund balance decreased \$(1.2) million from last year. The City has continued to manage its expenditures to operate within its current financial resources.

The fund balance in the Sales Tax Capital Improvements Fund decreased by \$(0.1) million during the year ended December 31, 2019. The decrease was due to planned use of fund balance to complete capital projects.

The fund balance in the Street Assessment Improvements Capital Fund increased by \$681 thousand mainly due to an increase in development activity in 2019.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the General Fund budget was amended from an original appropriation total of \$78.4 million to a final budget of \$87.4 million. All recommended revisions for budget changes came through the Finance Department and City Manager to City Council, as required. Any budget revisions that require supplemental appropriations at the fund level are presented to City Council via ordinance and enactment requiring a public hearing and the opportunity for public discussion. The City does allow small intra-departmental budget changes that modify line items within departments within the same fund. The original and final adopted budgets for the General Fund are presented on page 36.

In the General Fund, the original budget for revenues, including transfers, was \$78.2 million, while the final budgeted amount was \$79.1 million, reflecting the increase in the projection for tax revenues. Actual revenues, on a budgetary basis, for 2019 came in \$0.1 million higher than the final budget at \$79.2 million. This was primarily charges for services revenues coming in higher than expected.

Actual General Fund expenditures, including transfers, totaled \$80.6 million. Of this budget, \$4.4 million was appropriated to be used for qualifying First Responder expenditures that would be reimbursed in 2020 from the First Responder tax that became effective January 1, 2020. General Fund expenditures, including transfers, were approximately \$6.8 million (7.8)% lower than the final budget. This was due to less than expected First Responder spending, achieving higher than expected budget savings in the department operating budgets from personnel vacancies, prudent spending, and an economic development incentive that will need to be carried forward into the 2020 budget. The year-end budgetary basis fund balance of \$30.5 million was \$6.8 million above the final budgeted amount and includes funds assigned to the Employee Retiree Health Plan.

The General Fund is the chief operating fund of the City. All activities which are not required to be accounted for in separate funds, either by state or local ordinance or by a desire to maintain a matching of revenues and expenses, are accounted for in this fund. Expenditures exceeded revenues in the General Fund by \$1.0 million during the year. The General Fund's total fund balance decreased \$(1.5) million from last year. An analysis for this fund balance shows that it represents over 42.3% of projected revenues for the new fiscal year which ends December 31, 2020.

Taxes continue to be the largest source of revenue in the General Fund and represent 80.4% of total General Fund revenues. The largest element of taxes is sales and use tax, as it has been for many years. Sales and use tax represents 73.5% of total tax revenues and 59.1% of total general fund revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2019, the City had invested in a broad range of capital assets, including police and fire equipment, roads, parks, water systems, storm drainage, and other infrastructure.

The following table provides a summary of total capital assets at December 31, 2019:

CAPITAL ASSETS AT YEAR-END
(Net of Depreciation, in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 355,098	\$ 331,783	\$ 4,933	\$ 5,141	\$ 360,031	\$ 336,924
Buildings and systems	71,888	74,279	47,463	45,076	119,351	119,355
Improvements other than buildings	10,442	11,394	4,032	4,263	14,474	15,657
Vehicles, machinery, and equipment	19,229	18,771	2,364	2,717	21,593	21,488
Infrastructure	273,994	269,259	-	-	273,994	269,259
Construction in progress	18,183	7,002	8,797	1,253	26,980	8,255
Intangible assets	1,348	1,348	191	191	1,539	1,539
Total	\$ 750,182	\$ 713,836	\$ 67,780	\$ 58,641	\$ 817,962	\$ 772,477

Major capital additions during 2019 include:

Grand Junction Convention Center Improvements	\$ 6,162,132
Las Colonias Business Park	4,977,967
Equipment replacement program	2,439,054
Biological nutrient removal effluent diffuser	2,323,482
2019 Street overlays	2,282,278
Monument Road trail	2,274,945
Raw water irrigation supply line Phase 1	1,845,376
1441 Winters Avenue	1,813,525
2019 Interceptor repair and replacement	1,707,388
Flowline/pipe replacement	1,484,674

The City remains committed to the upkeep and maintenance of the City's largest assets. More detailed information about the City's capital assets is presented in *Note 5* on pages 55 through 56.

Debt Administration

The City has traditionally adhered to a conservative debt management policy that carefully controls the amount of outstanding debt. Because of our strong capital improvement budgeting process, the City has been able to maintain and improve its infrastructure while avoiding unreasonable debt burdens. To take advantage of favorable rates, the City did issue \$30.6 million in General Fund Revenue Refunding Bonds in 2012 to advance refund part of the outstanding 2004 General Fund Revenue Bonds issued to finance the construction of the Riverside Parkway project. In the Spring of 2019, the City also advance refunded the certificates of participation for the Public Safety Building at a lower interest rate. In November 2019, the voters authorized the City to issue up to \$70 million in debt to fund the expansion of the transportation network in the City. The City's current rating from Standard and Poor's Rating Group is AA on revenue and general obligation bonds, and AA- on certificates of participation.

As of December 31, 2019, the City had \$57.4 million in outstanding debt. Of this amount, \$52.4 million represents General Government debt. The largest portion, \$33.4 million, is the liability from the issuance of certificates of participation for the Stadium Improvements Project and the Public Safety Buildings Project. In May 2019, the City advance refunded the certificates of participation for the Public Safety Buildings at a lower rate with a credit rating improvement from A+ to AA-. The liability from the Riverside Parkway Refunding revenue bonds issued in 2012 is \$18.1 million. The remaining \$5.9 million of outstanding debt consists of capital leases and loans to be repaid by fee revenue and appropriated funds. Total debt service payments of approximately \$5.6 million in 2020 represent 4.6% of total budgeted operating expenditures. Additional information on the City's long-term debt can be found in *Note 7* on pages 58 through 61.

The table below provides a summary of total debt at December 31, 2019:

OUTSTANDING DEBT, AT YEAR-END
(in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenue bonds and notes (backed by tax and fee revenue)	\$ 18,122	\$ 21,519	\$ -	\$ -	\$ 18,122	\$ 21,519
Certificates of participation (backed by the constructed assets)	33,397	35,752	-	-	33,397	35,752
Capital leases (backed by tax and fee revenue)	900	779	-	-	900	779
Loans (backed by fee revenue)	-	-	4,981	5,473	4,981	5,473
Total	\$ 52,419	\$ 58,050	\$ 4,981	\$ 5,473	\$ 57,400	\$ 63,523

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The local economy has shown varying signs of recovery from year to year since the national recession. Sales tax revenues for 2019 were budgeted at a 3% increase from projected ending 2018 sales tax revenues and came in slightly below budget. For the 2020 budget, sales tax revenues have been budgeted at a conservative 2% increase compared to 2019. As a direct result of the COVID-19 Pandemic, the City expects to amend sales tax revenues down by as much as 25% from adopted budget. Significant budget reductions have been made to prepare for the decrease in operating resources. Through strong fiscal responsibility and frugal spending since the last recession City-wide reserves are well above levels currently directed by City Council. A portion of these reserves may be used for continuity of operations in 2020. The City is preparing for the impact continuing into 2021. Much uncertainty remains at this time regarding the length and extent of a recession caused by the COVID-19 Pandemic. However, despite this unprecedented turn of events, Grand Junction continues to be the educational, retail and medical center for most of Western Colorado and Eastern Utah and as a result of significant economic development investment is continuing to grow as a business location for the outdoor recreation industry. Those factors, coupled with tourism, the abundance of outdoor recreational opportunities, the continued expansion of Colorado Mesa University and the ability to attract new businesses and retirees all contribute to the local economy.

General Fund balances are above amounts set by City Council with the General Fund Minimum Reserve Policy formally adopted in 2018. The City’s investment in capital, transportation infrastructure, public safety, utility systems, parks, and economic development continues to be a significant portion, 22%, of the budget.

Rates in the Utility Funds will be set to cover operating and future capital investment. In 2020, utility revenues will be increased by an average of 5.7% in residential and commercial water fees, a 1.0% increase in sewer fees, and an average of 3.4% increase in solid waste rates.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide the City of Grand Junction’s citizens, taxpayers, customers, investors, and creditors with a general overview of the City’s finances and to show the City’s accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact the City’s Finance Department at City of Grand Junction, 250 N. 5th Street, Grand Junction, CO 81501.



BASIC FINANCIAL STATEMENTS

City of Grand Junction
STATEMENT OF NET POSITION
December 31, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
ASSETS				
Cash and investments	\$ 50,940,560	\$ 9,203,915	\$ 60,144,475	\$ 4,648,711
Other receivables, net of allowance for uncollectibles	19,999,716	1,785,068	21,784,784	1,202,870
Internal balances	3,369,212	(3,369,212)	-	-
Prepays	45,344	4,948	50,292	-
Inventories	190,570	65,645	256,215	-
Restricted cash and investments	539,621	-	539,621	-
Net pension asset	419,556	-	419,556	-
Capital assets (net of accumulated depreciation):				
Land	355,098,316	4,933,013	360,031,329	848,871
Buildings and systems	71,887,992	47,462,629	119,350,621	2,596,449
Improvements other than buildings	10,441,669	4,032,481	14,474,150	767,798
Equipment	19,229,267	2,363,820	21,593,087	169,584
Infrastructure	273,993,964	-	273,993,964	-
Construction in progress	18,183,140	8,797,363	26,980,503	-
Intangible assets	1,348,093	190,464	1,538,557	-
Total assets	<u>825,687,020</u>	<u>75,470,134</u>	<u>901,157,154</u>	<u>10,234,283</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	522,028	-	522,028	-
Deferred outflows related to pensions	6,672,171	-	6,672,171	-
Deferred outflows related to OPEB	1,029,917	-	1,029,917	-
Total deferred outflows of resources	<u>8,224,116</u>	<u>-</u>	<u>8,224,116</u>	<u>-</u>
LIABILITIES				
Accounts payable and other current liabilities	9,013,187	3,165,657	12,178,844	75,885
Accrued interest payable	412,463	31,768	444,231	24,483
Unearned revenue	204,616	26,500	231,116	-
Noncurrent liabilities:				
Due within one year	7,204,768	539,543	7,744,311	1,076,156
Due in more than one year	70,555,318	4,839,640	75,394,958	16,141,032
Total liabilities	<u>87,390,352</u>	<u>8,603,108</u>	<u>95,993,460</u>	<u>17,317,556</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	8,567,510	-	8,567,510	1,190,018
Special assessments	404	-	404	-
Deferred inflows related to pensions	496,844	-	496,844	-
Deferred inflows related to OPEB	287,544	-	287,544	-
Total deferred inflows of resources	<u>9,352,302</u>	<u>-</u>	<u>9,352,302</u>	<u>1,190,018</u>
NET POSITION				
Net investment in capital assets	699,793,883	62,798,954	762,592,837	4,217,362
Restricted for:				
Perpetual care:				
Nonexpendable	1,483,666	-	1,483,666	-
Debt service	6,148,898	-	6,148,898	2,068,861
Emergency reserves	2,000,000	-	2,000,000	-
General capital improvements	4,355,250	-	4,355,250	-
Legends historical sculptures project	-	-	-	5,060
Parks and recreation	173,699	-	173,699	-
Public safety	2,783,438	-	2,783,438	-
Capital projects	67,395	-	67,395	-
Street improvements	2,890,219	-	2,890,219	-
Urban development and housing	-	-	-	2,510,601
Unrestricted	17,472,034	4,068,072	21,540,106	(17,075,175)
Total net position	<u>\$ 737,168,482</u>	<u>\$ 66,867,026</u>	<u>\$ 804,035,508</u>	<u>\$ (8,273,291)</u>

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

City of Grand Junction
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component unit Downtown Development Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 24,674,320	\$ 3,737,474	\$ 1,101,097	\$ 55,272	\$ (19,780,477)	\$ -	\$ (19,780,477)	\$ -
Public safety	46,115,318	13,304,062	869,834	346,164	(31,595,258)	-	(31,595,258)	-
Public works	21,135,527	3,179,013	493	39,302,855	21,346,834	-	21,346,834	-
Parks and recreation	6,151,428	2,878,775	1,160,280	282,052	(1,830,321)	-	(1,830,321)	-
Urban development and housing	173,280	-	412,286	-	239,006	-	239,006	-
Interest on long-term debt	1,373,843	-	-	-	(1,373,843)	-	(1,373,843)	-
Total Governmental Activities	<u>99,623,716</u>	<u>23,099,324</u>	<u>3,543,990</u>	<u>39,986,343</u>	<u>(32,994,059)</u>	<u>-</u>	<u>(32,994,059)</u>	<u>-</u>
Business-type Activities:								
Water	7,284,678	8,475,433	148,049	132,795	-	1,471,599	1,471,599	-
Convention center	1,515,435	15,491	134,410	6,429,612	-	5,064,078	5,064,078	-
Solid waste removal	4,424,453	4,607,077	-	-	-	182,624	182,624	-
Golf	2,089,961	1,692,549	-	-	-	(397,412)	(397,412)	-
Parking	541,486	781,154	-	-	-	239,668	239,668	-
Irrigation systems	430,609	288,805	-	4,274	-	(137,530)	(137,530)	-
Total Business-type Activities	<u>16,286,622</u>	<u>15,860,509</u>	<u>282,459</u>	<u>6,566,681</u>	<u>-</u>	<u>6,423,027</u>	<u>6,423,027</u>	<u>-</u>
Total Primary Government	<u>\$ 115,910,338</u>	<u>\$ 38,959,833</u>	<u>\$ 3,826,449</u>	<u>\$ 46,553,024</u>	<u>\$ (32,994,059)</u>	<u>\$ 6,423,027</u>	<u>\$ (26,571,032)</u>	<u>\$ -</u>
Component Units:								
Downtown Development Authority	12,173,680	256,653	383,001	954,921				(10,579,105)
Total Component Units	<u>\$ 12,173,680</u>	<u>\$ 256,653</u>	<u>\$ 383,001</u>	<u>\$ 954,921</u>				<u>(10,579,105)</u>
General revenues:								
Sales, use & lodging taxes					62,477,950	-	62,477,950	-
Property taxes					8,790,307	-	8,790,307	1,666,797
Franchise taxes					2,827,221	-	2,827,221	-
Highway users tax					2,858,385	-	2,858,385	-
Other shared taxes					1,672,907	-	1,672,907	-
Investment earnings					1,374,508	244,079	1,618,587	92,635
Gain on sale of capital assets					51,619	-	51,619	-
Transfers					(2,408,433)	2,408,433	-	-
Total general revenues and transfers					<u>77,644,464</u>	<u>2,652,512</u>	<u>80,296,976</u>	<u>1,759,432</u>
Change in net position					44,650,405	9,075,539	53,725,944	(8,819,673)
Net position - January 1					692,518,077	57,791,487	750,309,564	546,382
Net position - December 31					<u>\$ 737,168,482</u>	<u>\$ 66,867,026</u>	<u>\$ 804,035,508</u>	<u>\$ (8,273,291)</u>

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

City of Grand Junction
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019

	General Fund	Sales Tax Capital Improvements Capital Projects Fund	Street Assessment Improvements Capital Projects Fund	General Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 22,432,176	\$ 3,199,448	\$ 4,870,560	\$ 324,036	\$ 11,192,234	\$ 42,018,454
Interest receivable	362,708	-	-	-	-	362,708
Accounts receivable, net of allowances for uncollectibles	1,857,824	-	-	39,830	119	1,897,773
Taxes receivable	13,500,945	1,216,280	-	-	261,887	14,979,112
Special assessments receivable	-	404	-	-	-	404
Intergovernmental receivable	582,783	1,584,829	-	-	387,820	2,555,432
Due from other funds	538,349	-	-	-	-	538,349
Prepaid items	36,255	-	-	-	2,195	38,450
Inventories	190,570	-	-	-	-	190,570
Restricted cash and investments	533,500	-	-	544	5,577	539,621
Advances to other funds	2,854,012	-	-	-	-	2,854,012
Total assets	<u>\$ 42,889,122</u>	<u>\$ 6,000,961</u>	<u>\$ 4,870,560</u>	<u>\$ 364,410</u>	<u>\$ 11,849,832</u>	<u>\$ 65,974,885</u>
LIABILITIES						
Accounts payable	2,380,130	1,645,307	1,980,341	-	1,005,319	7,011,097
Accrued liabilities	768,446	-	-	-	22,229	790,675
Unearned revenue	204,616	-	-	-	-	204,616
Total liabilities	<u>3,353,192</u>	<u>1,645,307</u>	<u>1,980,341</u>	<u>-</u>	<u>1,027,548</u>	<u>8,006,388</u>
DEFERRED INFLOWS OF RESOURCES						
Property taxes	8,567,510	-	-	-	-	8,567,510
Unavailable revenue-special assessments	-	404	-	-	-	404
Total deferred inflows of resources	<u>8,567,510</u>	<u>404</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,567,914</u>
FUND BALANCES						
Nonspendable:						
Advances	\$ 2,854,012	\$ -	\$ -	\$ -	\$ -	\$ 2,854,012
Inventories and prepaids	226,826	-	-	-	2,195	229,021
Permanent fund principal	-	-	-	-	1,483,666	1,483,666
Restricted for:						
Debt service	1,166,422	-	-	364,410	5,151,566	6,682,398
Emergency reserves	2,000,000	-	-	-	-	2,000,000
General capital improvements	-	4,355,250	-	-	-	4,355,250
Parks and recreation	25,000	-	-	-	148,699	173,699
Public safety	-	-	-	-	2,583,021	2,583,021
Capital projects	-	-	-	-	67,395	67,395
Street improvements	-	-	2,890,219	-	-	2,890,219
Committed to:						
Open space	-	-	-	-	749,192	749,192
Tourism marketing and promotion	-	-	-	-	636,550	636,550
Assigned to:						
Cultural arts	3,856	-	-	-	-	3,856
Retiree health benefits	1,161,618	-	-	-	-	1,161,618
Subsequent years expenditures	2,252,000	-	-	-	-	2,252,000
Unassigned:	21,278,686	-	-	-	-	21,278,686
Total fund balances	<u>30,968,420</u>	<u>4,355,250</u>	<u>2,890,219</u>	<u>364,410</u>	<u>10,822,284</u>	<u>49,400,583</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 42,889,122</u>	<u>\$ 6,000,961</u>	<u>\$ 4,870,560</u>	<u>\$ 364,410</u>	<u>\$ 11,849,832</u>	<u>\$ 65,974,885</u>

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

City of Grand Junction
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**
December 31, 2019

Amounts reported for governmental activities on the statement of net position (page 30) are different because:

Total fund balance - governmental funds (page 32)	\$ 49,400,583
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	732,202,281
The net pension asset is not an available resource and therefore, is not reported in the funds.	419,556
Deferred outflows related to pension are not current assets or financial resources.	6,672,171
Deferred inflows related to pension are not current liabilities or financial uses.	(496,844)
Deferred outflows related to OPEB are not current assets or financial resources.	1,029,917
Deferred inflows related to OPEB are not current liabilities or financial uses.	(287,544)
Internal service funds are used by management to charge the costs of data processing, equipment acquisition, operation and maintenance, self-insurance activities, communication services and facilities management to individual funds. The assets \$27,113,445 and liabilities \$(5,992,850) of the internal service funds are included in governmental activities on the statement of net position.	21,120,595
Interfund for internal service fund allocated to business-type activities.	(23,148)
Long-term liabilities including bonds and notes payable, net pension liability and related deferred outflows, capital leases, compensated absences and accrued interest are not due and payable in the current period. Therefore, these items are not reported in the funds.	
Revenue bonds	\$ (17,075,000)
Bond premium (to be amortized over life of debt)	(1,047,110)
Deferred charge on refunding (to be amortized over life of debt)	522,028
Certificates of participation	(33,430,000)
Discount on certificates of participation (to be amortized over life of lease)	33,074
Capital leases	(899,950)
Net pension liability	(5,332,910)
Accrued interest payable	(412,463)
Compensated absences	(3,581,344)
Other post-employment benefit obligation	(11,645,410)
	(72,869,085)
 Total net position - governmental activities (page 30)	 \$ 737,168,482

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

City of Grand Junction
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2019

	General Fund	Sales Tax Capital Improvements Capital Projects Fund	Street Assessment Improvements Capital Projects Fund	General Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property	\$ 8,790,307	\$ -	\$ -	\$ -	\$ -	\$ 8,790,307
Sales, use and lodging	44,764,498	13,343,963	-	-	4,369,489	62,477,950
Franchise	2,827,221	-	-	-	-	2,827,221
Severance	951,047	-	-	-	-	951,047
Other	3,580,245	-	-	-	-	3,580,245
Licenses and permits	187,252	-	-	-	-	187,252
Intergovernmental	4,015,538	7,133,554	-	724,725	1,209,615	13,083,432
Charges for services	9,577,294	155,935	1,674,224	-	2,422,351	13,829,804
Fines and forfeitures	386,726	-	-	-	2,985	389,711
Special assessments	-	4,045	-	-	-	4,045
Investment earnings	807,341	449	-	2,220	405,061	1,215,071
Other income	21,243	1,243	-	39,830	41,873	104,189
Other contributions	60,639	283,887	-	-	890,621	1,235,147
Total revenues	<u>75,969,351</u>	<u>20,923,076</u>	<u>1,674,224</u>	<u>766,775</u>	<u>9,341,995</u>	<u>108,675,421</u>
EXPENDITURES						
Current:						
General government	14,322,489	-	182,962	27,500	3,850,550	18,383,501
Public safety	43,778,212	-	-	-	-	43,778,212
Public works	9,300,017	-	-	-	-	9,300,017
Parks and recreation	9,332,447	-	-	-	-	9,332,447
Urban development and housing	-	-	-	-	173,280	173,280
Debt service:						
Principal retirement	-	-	-	3,800,000	245,000	4,045,000
Interest and fiscal charges	-	-	-	2,585,088	283,675	2,868,763
Capital outlay:						
Construction	-	17,158,664	810,201	-	90,227	18,059,092
Total expenditures	<u>76,733,165</u>	<u>17,158,664</u>	<u>993,163</u>	<u>6,412,588</u>	<u>4,642,732</u>	<u>105,940,312</u>
Excess (deficiency) of revenues over (under) expenditures	(763,814)	3,764,412	681,061	(5,645,813)	4,699,263	2,735,109
OTHER FINANCING SOURCES (USES)						
Transfers in	3,441,703	7,080,266	-	6,006,304	1,994,053	18,522,326
Transfers out	(3,908,932)	(10,947,406)	-	-	(8,558,228)	(23,414,566)
Sale of capital assets	9,619	42,000	-	-	-	51,619
Total other financing sources and (uses)	<u>(457,610)</u>	<u>(3,825,140)</u>	<u>-</u>	<u>6,006,304</u>	<u>(6,564,175)</u>	<u>(4,840,621)</u>
Net change in fund balances	(1,221,424)	(60,728)	681,061	360,491	(1,864,912)	(2,105,512)
Fund balances - beginning	32,189,844	4,415,978	2,209,158	3,919	12,687,196	51,506,095
Fund balances - ending	<u>\$ 30,968,420</u>	<u>\$ 4,355,250</u>	<u>\$ 2,890,219</u>	<u>\$ 364,410</u>	<u>\$ 10,822,284</u>	<u>\$ 49,400,583</u>

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

City of Grand Junction
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
 For the Year Ended December 31, 2019

Amounts reported for governmental activities in the statement of activities (page 31) are different because:

Net change in fund balances - total governmental funds (page 34) \$ (2,105,512)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$19,587,580 exceeded depreciation (\$15,057,820), in the current period. 4,529,760

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trades and disposals) is to decrease net position. (700,602)

The net effect of the donation of capital assets is to increase net position. 32,207,976

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 3,641

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, this transaction has no effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt principal payments	\$ 5,585,000	
Bond premium (to be amortized over the life of debt)	421,504	
Certificates of participation discount (to be amortized over the life of debt)	(254,869)	
Deferred charge on refunding (to be amortized over the life of debt)	(210,137)	
Capital leases	(121,073)	
Decrease in accrued interest	119,495	
Decrease in compensated absences	<u>17,376</u>	
		5,557,296

In the statement of activities, certain expenses - other post-employment benefits and pension expense - are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used or due (essentially, the amounts actually paid). These amounts represent the net effect of other post-employment benefits and pension-related amounts on the statement of activities.

Change in pension items	3,647,539	
Change in other post-employment benefit obligations	<u>3,851,351</u>	
		7,498,890

Internal service funds are used by management to charge the costs of data processing, equipment acquisition, operation and maintenance, self-insurance activities, communication services and facilities management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.

Revenues from external customers	\$ 5,485,967	
Expenses due to external customers	(6,417,113)	
Grants and contributions	56,263	
Gain/(loss) on disposition of property	(348,910)	
Investment income	201,667	
Operating (loss) from operations	<u>(1,318,918)</u>	
		(2,341,044)

Change in net position of governmental activities (page 31) \$ 44,650,405

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

City of Grand Junction
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Taxes:						
Property	\$ 8,763,330	\$ 8,892,739	\$ 8,790,307	\$ -	\$ 8,790,307	\$ (102,432)
Sales and use	44,589,810	44,625,894	44,764,498	(46,432)	44,718,066	92,172
Franchise	3,130,000	2,795,000	2,827,221	-	2,827,221	32,221
Severance	1,048,944	1,048,944	951,047	-	951,047	(97,897)
Other	3,012,202	3,517,652	3,580,245	-	3,580,245	62,593
Licenses and permits	136,562	136,562	187,252	-	187,252	50,690
Intergovernmental	4,091,026	4,240,522	4,015,538	-	4,015,538	(224,984)
Charges for services	8,863,291	9,275,517	9,577,294	-	9,577,294	301,777
Fines and forfeitures	421,050	407,517	386,726	-	386,726	(20,791)
Investment earnings	674,854	658,274	807,341	(207,732)	599,609	(58,665)
Other income	5,800	5,800	21,243	-	21,243	15,443
Other contributions	48,850	56,656	60,639	-	60,639	3,983
Total revenues	<u>74,785,719</u>	<u>75,661,077</u>	<u>75,969,351</u>	<u>(254,164)</u>	<u>75,715,187</u>	<u>54,110</u>
EXPENDITURES						
Current:						
General government:						
Administration	10,857,641	14,378,456	12,863,287	-	12,863,287	1,515,169
Community development	1,545,299	1,563,783	1,459,203	-	1,459,203	104,580
Total general government	<u>12,402,940</u>	<u>15,942,239</u>	<u>14,322,490</u>	<u>-</u>	<u>14,322,490</u>	<u>1,619,749</u>
Public safety:						
Police protection	25,669,974	25,156,910	24,146,461	-	24,146,461	1,010,449
Fire protection	19,279,417	20,149,660	19,631,751	-	19,631,751	517,909
Total public safety	<u>44,949,391</u>	<u>45,306,570</u>	<u>43,778,212</u>	<u>-</u>	<u>43,778,212</u>	<u>1,528,358</u>
Public works						
Parks and recreation	9,852,713	9,763,200	9,300,017	-	9,300,017	463,183
Total expenditures	<u>76,831,699</u>	<u>80,526,827</u>	<u>76,733,165</u>	<u>-</u>	<u>76,733,165</u>	<u>3,793,661</u>
Excess (deficiency) of revenues over (under) expenditures	(2,045,980)	(4,865,750)	(763,814)	(254,164)	(1,017,978)	3,847,772
OTHER FINANCING SOURCES (USES)						
Transfers in	3,438,926	3,438,926	3,441,703	-	3,441,703	2,777
Transfers out	(1,550,000)	(6,904,471)	(3,908,932)	-	(3,908,932)	2,995,539
Sale of capital assets	12,000	12,000	9,619	-	9,619	(2,381)
Total other financing sources and (uses)	<u>1,900,926</u>	<u>(3,453,545)</u>	<u>(457,610)</u>	<u>-</u>	<u>(457,610)</u>	<u>2,995,935</u>
Net change in fund balances	(145,054)	(8,319,295)	(1,221,424)	(254,164)	(1,475,588)	6,843,707
Fund balances - beginning	31,986,318	31,986,318	32,189,844	(203,526)	31,986,318	-
Fund balances - ending	<u>\$ 31,841,264</u>	<u>\$ 23,667,023</u>	<u>\$ 30,968,420</u>	<u>\$ (457,690)</u>	<u>\$ 30,510,730</u>	<u>\$ 6,843,707</u>

City of Grand Junction, Colorado
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2019

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water Fund	Grand Junction Convention Center Fund	Parking Fund	Other Enterprise Funds	Total Enterprise Funds	
ASSETS						
Current assets:						
Cash and investments	\$ 7,303,384	\$ -	\$ 527,853	\$ 1,372,678	\$ 9,203,915	\$ 8,922,105
Accounts receivable, net of allowance	656,210	31,874	4,385	589,092	1,281,561	6,595
Intergovernmental receivable	92,655	407,852	-	3,000	503,507	197,692
Prepaid items	2,620	-	300	2,028	4,948	6,894
Inventory	-	-	-	65,645	65,645	-
Total current assets	<u>8,054,869</u>	<u>439,726</u>	<u>532,538</u>	<u>2,032,443</u>	<u>11,059,576</u>	<u>9,133,286</u>
Noncurrent assets:						
Capital assets:						
Land	2,506,211	197,993	1,545,953	682,856	4,933,013	-
Buildings, improvements, plant and system	54,486,522	20,235,447	5,058,459	10,821,846	90,602,274	4,523,346
Equipment	2,761,116	678,855	318,779	1,560,193	5,318,943	43,081,469
Construction in progress	2,378,597	6,418,766	-	-	8,797,363	-
Intangible assets	190,464	-	-	-	190,464	-
Less accumulated depreciation	<u>(24,085,658)</u>	<u>(7,351,843)</u>	<u>(1,767,581)</u>	<u>(8,857,205)</u>	<u>(42,062,287)</u>	<u>(29,624,656)</u>
Total capital assets (net of accumulated depreciation)	<u>38,237,252</u>	<u>20,179,218</u>	<u>5,155,610</u>	<u>4,207,690</u>	<u>67,779,770</u>	<u>17,980,159</u>
Total noncurrent assets	<u>38,237,252</u>	<u>20,179,218</u>	<u>5,155,610</u>	<u>4,207,690</u>	<u>67,779,770</u>	<u>17,980,159</u>
Total assets	<u>46,292,121</u>	<u>20,618,944</u>	<u>5,688,148</u>	<u>6,240,133</u>	<u>78,839,346</u>	<u>27,113,445</u>
LIABILITIES						
Current liabilities:						
Accounts payable	2,554,660	216,846	14,627	159,546	2,945,679	746,242
Accrued liabilities	129,826	-	8,055	82,097	219,978	465,173
Accrued interest payable	31,768	-	-	-	31,768	-
Compensated absences payable	17,325	-	555	144,048	161,928	42,331
Claims payable	-	-	-	-	-	1,827,673
Current portion of promissory notes payable	510,215	-	-	-	510,215	-
Due to other funds	-	157,896	208,928	171,525	538,349	-
Unearned revenues	-	-	-	26,500	26,500	-
Total current liabilities	<u>3,243,794</u>	<u>374,742</u>	<u>232,165</u>	<u>583,716</u>	<u>4,434,417</u>	<u>3,081,419</u>
Noncurrent liabilities:						
Compensated absences payable	218,005	-	6,986	11,448	236,439	532,656
Claims payable	-	-	-	-	-	2,378,775
Advances from other funds - general fund	-	-	1,829,091	1,024,921	2,854,012	-
Promissory notes payable	4,470,601	-	-	-	4,470,601	-
Total noncurrent liabilities	<u>4,688,606</u>	<u>-</u>	<u>1,836,077</u>	<u>1,036,369</u>	<u>7,561,052</u>	<u>2,911,431</u>
Total liabilities	<u>7,932,400</u>	<u>374,742</u>	<u>2,068,242</u>	<u>1,620,085</u>	<u>11,995,469</u>	<u>5,992,850</u>
NET POSITION						
Net investment in capital assets	33,256,436	20,179,218	5,155,610	4,207,690	62,798,954	17,980,159
Restricted for:						
Public safety	-	-	-	-	-	200,417
Unrestricted	5,103,285	64,984	(1,535,704)	412,358	4,044,923	2,940,019
Total net position	<u>\$ 38,359,721</u>	<u>\$ 20,244,202</u>	<u>\$ 3,619,906</u>	<u>\$ 4,620,048</u>	<u>\$ 66,843,877</u>	<u>\$ 21,120,595</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					<u>23,149</u>	
Net position of business type activities					<u>\$ 66,867,026</u>	

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

City of Grand Junction, Colorado
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water Fund	Grand Junction Convention Center Fund	Parking Fund	Other Enterprise Funds	Total Enterprise Funds	
Operating revenues:						
Charges for sales and services	\$ 8,475,432	\$ 15,491	\$ 781,154	\$ 6,588,431	\$ 15,860,508	\$ 24,350,146
Other income	-	-	-	-	-	48,104
Total operating revenues	<u>8,475,432</u>	<u>15,491</u>	<u>781,154</u>	<u>6,588,431</u>	<u>15,860,508</u>	<u>24,398,250</u>
Operating expenses:						
Personnel services	2,939,816	587	157,102	2,118,141	5,215,646	8,618,104
Costs of sales and services	2,327,135	880,862	232,070	4,199,099	7,639,166	17,563,276
Depreciation and amortization	1,271,135	555,161	106,154	359,490	2,291,940	3,377,810
Total operating expenses	<u>6,538,086</u>	<u>1,436,610</u>	<u>495,326</u>	<u>6,676,730</u>	<u>15,146,752</u>	<u>29,559,190</u>
Operating income (loss)	<u>1,937,346</u>	<u>(1,421,119)</u>	<u>285,828</u>	<u>(88,299)</u>	<u>713,756</u>	<u>(5,160,940)</u>
Nonoperating revenues (expenses):						
Intergovernmental	126,082	6,432,611	-	-	6,558,693	63,775
Miscellaneous	49,394	131,411	-	-	180,805	-
Investment earnings	192,483	-	14,983	36,613	244,079	201,667
Gain (loss) on disposition of property and equipment	(452,413)	(57,112)	(510)	-	(510,035)	(348,910)
Interest expense	(138,244)	-	(33,721)	(38,313)	(210,278)	-
Total nonoperating revenues (expenses)	<u>(222,698)</u>	<u>6,506,910</u>	<u>(19,248)</u>	<u>(1,700)</u>	<u>6,263,264</u>	<u>(83,468)</u>
Income (loss) before contributions and transfers:	1,714,648	5,085,791	266,580	(89,999)	6,977,020	(5,244,408)
Capital contributions - tap fees	105,368	-	-	4,274	109,642	-
Transfers in	466,933	500,000	-	1,621,500	2,588,433	2,483,807
Transfers out	-	-	-	(180,000)	(180,000)	-
Change in net position	<u>2,286,949</u>	<u>5,585,791</u>	<u>266,580</u>	<u>1,355,775</u>	<u>9,495,095</u>	<u>(2,760,601)</u>
Net position - beginning	<u>36,072,772</u>	<u>14,658,411</u>	<u>3,353,326</u>	<u>3,264,273</u>	<u>57,348,782</u>	<u>23,881,196</u>
Net position - ending	<u>\$ 38,359,721</u>	<u>\$ 20,244,202</u>	<u>\$ 3,619,906</u>	<u>\$ 4,620,048</u>	<u>\$ 66,843,877</u>	<u>\$ 21,120,595</u>
Change in net position					9,495,095	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					<u>(419,556)</u>	
Change in net position of business type activities					<u>\$ 9,075,539</u>	

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

City of Grand Junction, Colorado
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water Fund	Grand Junction Convention Center Fund	Parking Fund	Other Enterprise Funds	Total Enterprise Funds	
Cash flows from operating activities:						
Cash received from interfund	\$ 861,017	\$ -	\$ -	\$ -	\$ 861,017	\$ 21,440,111
Cash received from customers and users	7,632,651	15,491	777,738	6,594,209	15,020,089	2,859,401
Cash paid to interfund	(1,460,032)	(203,304)	(111,689)	(2,153,315)	(3,928,340)	(2,607,333)
Cash paid to suppliers	(742,724)	(656,134)	(169,860)	(2,072,913)	(3,641,631)	(12,474,149)
Cash paid to employees	(2,901,103)	(587)	(153,627)	(2,117,441)	(5,172,758)	(8,534,767)
Miscellaneous receipts	49,394	131,411	-	-	180,805	525,754
Net cash provided (used) by operating activities	<u>3,439,203</u>	<u>(713,123)</u>	<u>342,562</u>	<u>250,540</u>	<u>3,319,182</u>	<u>1,209,017</u>
Cash flows from noncapital financing activities:						
Transfers from other funds	466,933	500,000	-	1,621,500	2,588,433	2,483,807
Transfers to other funds	-	-	-	(180,000)	(180,000)	-
Increase (decrease) in amount due other funds	-	6,270	(1,118)	(118,773)	(113,621)	-
Intergovernmental receipts	29,611	-	-	-	29,611	7,512
Net cash provided by noncapital financing activities	<u>496,544</u>	<u>506,270</u>	<u>(1,118)</u>	<u>1,322,727</u>	<u>2,324,423</u>	<u>2,491,319</u>
Cash flows from capital and related financing activities:						
Tap fees	105,368	-	-	4,274	109,642	-
Principal payments:						
Promissory notes	(494,978)	-	-	-	(494,978)	-
Repayment of interfund capital loans	-	-	(208,928)	(1,645,668)	(1,854,596)	-
Interest paid	(140,159)	-	(33,721)	(38,313)	(212,193)	-
Proceeds from disposition of capital assets	-	-	-	208,500	208,500	-
Purchase of capital assets	(3,733,179)	(6,070,218)	-	-	(9,803,397)	(4,319,511)
Intergovernmental receipts	-	6,277,071	-	-	6,277,071	56,263
Net cash provided (used) by capital and related financing activities	<u>(4,262,948)</u>	<u>206,853</u>	<u>(242,649)</u>	<u>(1,471,207)</u>	<u>(5,769,951)</u>	<u>(4,263,248)</u>
Cash flows from investing activities:						
Investment income received	192,483	-	14,983	36,613	244,079	201,667
Net cash provided by investing activities	<u>192,483</u>	<u>-</u>	<u>14,983</u>	<u>36,613</u>	<u>244,079</u>	<u>201,667</u>
Net increase (decrease) in cash and cash equivalents	<u>(134,718)</u>	<u>-</u>	<u>113,778</u>	<u>138,673</u>	<u>117,733</u>	<u>(361,245)</u>
Cash and cash equivalents, January 1	7,438,102	-	414,075	1,234,005	9,086,182	9,283,350
Cash and cash equivalents, December 31	<u>\$ 7,303,384</u>	<u>\$ -</u>	<u>\$ 527,853</u>	<u>\$ 1,372,678</u>	<u>\$ 9,203,915</u>	<u>\$ 8,922,105</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	\$ 1,937,346	\$ (1,421,119)	\$ 285,828	\$ (88,299)	\$ 713,756	\$ (5,160,940)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization expense	1,271,135	555,161	106,154	359,490	2,291,940	3,377,810
(Increase) decrease in accounts receivable	18,236	-	(3,415)	(20,723)	(5,902)	427,010
Miscellaneous receipts	49,394	131,411	-	-	180,805	-
(Increase) decrease in inventory	-	-	-	(6,863)	(6,863)	-
(Increase) decrease in prepaid items	(2,620)	-	(300)	(200)	(3,120)	8,075
Increase (decrease) in accounts payable	2,377,850	113,338	(49,180)	(20,066)	2,421,942	129,279
Increase (decrease) in claims payable	-	-	-	-	-	2,408,488
Increase (decrease) in accrued liabilities and compensated absences payable	38,713	-	3,475	701	42,889	(4,167)
Increase (decrease) in deferred revenues	-	-	-	26,500	26,500	-
(Increase) decrease in accounts payable due to the purchase of capital assets on account	(2,250,851)	(91,914)	-	-	(2,342,765)	23,462
Total adjustments	<u>1,501,857</u>	<u>707,996</u>	<u>56,734</u>	<u>338,839</u>	<u>2,605,426</u>	<u>6,369,957</u>
Net cash provided (used) by operating activities	<u>\$ 3,439,203</u>	<u>\$ (713,123)</u>	<u>\$ 342,562</u>	<u>\$ 250,540</u>	<u>\$ 3,319,182</u>	<u>\$ 1,209,017</u>
Noncash investing, capital and financing activities						
Purchase of capital assets on account	\$ 2,353,775	\$ 195,290	\$ -	\$ -	\$ 2,549,065	\$ 54,751
Capital contributions	28,595	-	-	-	28,595	-
Intergovernmental receipts from noncapital financing activities	49,394	-	-	-	49,394	7,512

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

City of Grand Junction, Colorado
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2019

	Private Purpose Trust Funds	Joint Sewer Investment Trust Funds	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 944,957	\$ 27,095,547	\$ 583,243
Accounts receivable, net of allowance	-	-	5,605
Prepaid expenses	-	-	5,000
Total assets	<u>944,957</u>	<u>27,095,547</u>	<u>593,848</u>
LIABILITIES			
Accounts payable	-	-	44,196
Due to other governments	-	-	549,652
Total liabilities	<u>-</u>	<u>-</u>	<u>\$ 593,848</u>
NET POSITION			
Held in trust for:			
External investment pool participants	-	27,095,547	
Individuals, organizations and others	944,957	-	
Total net position	<u>\$ 944,957</u>	<u>\$ 27,095,547</u>	

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

City of Grand Junction, Colorado
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended December 31, 2019

	Private Purpose Trust Funds	Joint Sewer Investment Trust Fund
ADDITIONS		
Additions by participants	\$ 725,320	\$ 16,575,104
Total contributions	<u>725,320</u>	<u>16,575,104</u>
Investment earnings:		
Interest income	14,770	767,398
Net investment earnings	<u>14,770</u>	<u>767,398</u>
Total additions	<u>740,090</u>	<u>17,342,502</u>
DEDUCTIONS		
Distributions to participants	-	16,270,129
Total deductions	<u>-</u>	<u>16,270,129</u>
Change in net position	740,090	1,072,373
Net position - beginning	204,867	26,023,174
Net position - ending	<u>\$ 944,957</u>	<u>\$ 27,095,547</u>

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

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NOTES TO FINANCIAL STATEMENTS

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A. Reporting Entity

The City of Grand Junction, Colorado (the City) was incorporated July 19, 1882 under the provisions of Article XX of the Constitution of the State of Colorado, as amended (Home Rule City). The City operates under a Council-Manager form of government with seven elected Council members.

The City's financial statements include the accounts and operations of all City functions including, but not limited to, public safety (police and fire protection), street construction and maintenance, water and sanitation, planning and zoning, parks and recreation, and general administration as provided by the City charter. The City owns a meeting and convention center, and it owns and operates swimming pools, golf courses, and parking facilities. The City also provides ambulance transport services for Mesa County, Colorado. The City maintains information technology, fleet services, self-insurance services, facilities management, and communication center operations. The communications center and fleet services provide services to other local governments in Mesa County, Colorado.

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

As required by GAAP, these financial statements present the City (the primary government) and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Blended Component Units. The financial data for the following entities is reported as part of the primary government because the City's Council acts as the Board of Directors for each entity.

The Ridges Metropolitan District was annexed into the City and dissolved as a separate district in 1992. The District served the sole purpose of providing for the payment of the District's outstanding debt with a special levy of property taxes collected within the District only. That debt has been fully paid and the district will be dissolved.

The financial data of the ***Grand Junction Public Finance Corporation*** (the Corporation) is reported as part of the primary government because it is fiscally dependent upon the City and provides financing solely to the City. The Corporation was incorporated as a nonprofit corporation in the State of Colorado during 1996. The purpose of the Corporation is to facilitate financing for the City (see *Note 6*). Although the Corporation is a separate legal entity, for financial reporting purposes it is considered part of the City and is reported in the Grand Junction Public Finance Debt Service Fund.

Discretely Presented Component Unit. The component unit column in the government-wide financial statements includes the financial data of the City's only discretely presented component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

The Downtown Development Authority (DDA) was formed to improve the downtown area of the City. The DDA has a nine-member board appointed by the City Council of the City. The City Council also approves the DDA's budget and property tax levy and issues any debt for DDA projects. Financial statements for all funds and activities of the DDA are included in the City's Comprehensive Annual Financial Report because the DDA does not issue separate financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements summarize information on governmental and business-type activities of the primary government and its component units. These statements do not include fiduciary activities, and for the most part, eliminations have been made to minimize the double-counting of interfund activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the DDA, the City's legally separate component unit for which the primary government is financially accountable.

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

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

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to revenues and expenditures, or expenses, being recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Government-Wide, Proprietary, and Fiduciary Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except that agency funds, as they are merely custodial funds, do not have a measurement focus. All assets, liabilities, and deferred outflows/inflows of resources, including capital assets as well as infrastructure assets and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements:

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Major revenues that are determined to be susceptible to accrual include sales, use, and lodging taxes, property taxes, utility franchise fees, grants in aid earned, interest, rentals, and charges for services. Grant revenue is considered available if it is expected to be collected within one year and all eligibility requirements are met. Only the portion of special assessments receivable due within the current fiscal year is considered susceptible to accrual as revenue of the current period. Major revenues that are determined to not be susceptible to accrual, because they are either not available to pay liabilities of the current period or are not objectively measurable, include licenses, permits, fines, and forfeitures.

Expenditures are generally recorded when the liability is incurred, as required under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are

recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The City reports the following major governmental funds:

The **General Fund** is the general operating fund of the City. It accounts for all activities of the general government except those required to be accounted for in another fund.

The **Sales Tax Capital Improvements Capital Projects Fund** is a capital projects fund used to account for the financing and construction of projects financed completely or partially with the ¾ percent portion of the City's 3¼ percent sales and use tax. The ¾ percent portion is currently dedicated to general capital improvements and economic development.

The **Street Assessment Improvements Capital Projects Fund** is a capital projects fund used to account for various street improvement projects funded partially or in whole with assessments to property owners.

The **General Debt Service Fund** is a debt service fund used to account for all resources which are being accumulated for general long-term debt principal and interest payments maturing in future years, other than long-term debt accounted for in enterprise and internal service funds, or where a separate debt service fund is legally mandated.

The City reports the following major proprietary funds:

The **Water Fund** accounts for all activities associated with providing water services to customers within the water service area.

The **Grand Junction Convention Center Fund (f.k.a. Two Rivers Convention Center Fund)** accounts for the management of the municipally owned meeting and convention center and Avalon Theater.

The **Parking Fund** is used to account for the revenue and expense associated with the operation of all municipally owned and leased parking facilities.

Additionally, the City reports the following fund types:

The **Permanent Fund** accumulates resources to provide future maintenance of municipal cemeteries.

The **Internal Service Funds** account for data processing, equipment acquisition, self-insurance activities, communication services, and facilities management provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

The **Private-Purpose Trust Funds** account for resources legally held in trust for use by the local school district to purchase land and other uses specified by parties outside the City government.

The **Investment Trust Fund** accounts for the net position held on behalf of the City of Grand Junction/Mesa County Joint Sewer System in the City's cash pool. The Joint Sewer System is not part of the City's financial reporting entity.

The **Agency Funds** account for custodial functions in operations of an advisory board and collecting and forwarding special assessment debt payments for property owners.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments to the General Fund by various enterprise funds for providing administrative and billing services for such funds and charges between the City's water and solid waste removal fund and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Interfund activity has not been eliminated in the fund financial statements.

Amounts reported as program revenues include:

1. charges to customers for goods and services

2. operating grants and contributions
3. capital grants and contributions, including special assessments

Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

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

Ambulance transports have agreements with third-party payers, Medicaid and Medicare, that provide for payments to the City at amounts different from its established rates. Net patient service revenue is reported at estimated net realizable amounts.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits with banks and other financial institutions and short-term investments with original maturities of three months or less from the date of acquisition.

Colorado State Statutes limit local governments to the following types of investments, unless others are specifically identified by home rule cities, such as the City of Grand Junction:

- a. Obligations of the United States or obligations unconditionally guaranteed by the United States*
- b. Bonds of the State of Colorado and its political subdivisions*
- c. Certain obligations secured by mortgages*
- d. Bankers acceptances*
- e. Commercial paper*
- f. State investment pools*
- g. Repurchase agreements*
- h. Money market funds*
- i. Guaranteed investment contracts*

The City Council has formally established an investment policy allowing investments to have maturities beyond five years and to include mutual funds, composed of U.S. Government obligations, and collateralized mortgage obligations. Some additional restrictions apply to the various investments.

Assets of pension plans may be invested by the Fire and Police Pension Association of Colorado (FPPA) in publicly traded common and preferred stock, convertible bonds, venture capital, and real estate. Investments are presented at fair value, except real-estate, which is recorded at estimated fair value based upon periodic appraisals and valuations; investments in limited partnerships, which are recorded at estimated fair value as derived from financial statements; and guaranteed investment contracts, which are recorded at contract value.

Investments are stated at fair value determined from quoted market prices. The state investment pools exist under the laws of the State of Colorado and are registered with the Securities Commissioner of the State of Colorado. The state investment pools and mutual funds are similar to money market funds with each share valued at \$1.

Investments in joint ventures by governmental funds are recorded as expenditures at the time the investment is made.

2. Interfund Receivables and Payables

Receivables and payables classified as “due from other funds” or “due to other funds” on the balance sheet arise from negative equity in pooled cash and investments. Current portions of long-term interfund loan receivables are classified as “interfund receivables” and “interfund payables” on the balance sheet. Non-current portions of long term interfund loan receivables are reported as “advances” and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources, and therefore are not available for appropriation. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as “internal balances.”

3. Property Taxes

Property taxes, as set by the City Council, are collected by the County Treasurer. The County Treasurer remits property taxes collected to the City by the 10th day of the month following collection. Property taxes receivable represent 2019 taxes collectible in 2020 and are also shown as unavailable revenue. Following are details of the property tax calendar:

Levy date: November 15 (prior year)
Lien date: January 1 (current year)
First 1/2 installment due: February 28
Second 1/2 installment due: June 15
If paid in full: April 30

4. Special Assessments Receivable

Special assessments receivable are recorded for the property owners' share of the cost of street or utility improvements within special improvement districts. Corresponding unavailable revenue is recorded until the assessments meet the revenue recognition availability criteria. Special assessments receivable for projects which were initially financed with existing governmental resources are recorded together with the corresponding deferred inflow of resources in the fund which provided the resources.

5. Inventories and Prepaid Items

All inventories are valued at cost using the moving average method. Inventories in governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items in governmental funds are recorded as expenditures when consumed rather than when purchased.

6. Restricted Cash and Investments

Certain proceeds of the Governmental Fund certificates of participation are classified as restricted assets on the balance sheet since their use is limited by applicable bond covenants.

7. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., streets, bridges, alleys, traffic signal systems and storm drainage), and intangible assets (e.g., water rights and permanent easements) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$25,000 or more and an estimated life in excess of three years. However, assets purchased with grant funds, regardless of the granting entity, have an initial, individual cost of \$5,000 or more and an estimated life greater than three years. All assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their acquisition value on the date donated.

Maintenance, repairs, and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included in income.

Improvements are capitalized and depreciated over the remaining useful lives of the capital asset, as applicable. Infrastructure assets are capitalized as a separate category.

Property, plant, and equipment of the primary government, as well as the component unit, are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.

Estimated useful lives for asset types are as follows:

	<u>Estimated lives</u>
Building and improvements	10 to 50 years
Utility plant and systems	50 years
Equipment	5 to 10 years
Infrastructure	20 to 40 years

8. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources for charges on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also reports deferred outflows of resources for pension and OPEB related amounts for the City's share of the difference between projected and actual earnings, for changes of assumptions or other inputs, and contributions subsequent to the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources for pension and OPEB related amount due to the City's share of the difference between expected and actual experience, and the difference between projected and actual earnings. The City also reports unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

9. Compensated Absences

During 1992, the City implemented a "Paid Time Off" (PTO) policy. This policy integrates holidays, vacation leave, and sick leave into a single leave time accrual. An employee may accrue a maximum of 248 to 898 hours of PTO, depending upon years of service and job type.

The City pays a terminating employee for all accumulated PTO up to 80 to 213 hours, depending on years of service and job type. One-half of accumulated PTO in excess of this base amount will be paid to a terminating employee. In addition, employees hired prior to 1992 may have vacation and sick leave balances. The City pays a terminating employee for all accumulated vacation time and one-third of accumulated sick leave in excess of 720 hours.

Compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example as a result of an employee's resignation or retirement.

10. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditure are recorded during the year as an extension of formal budgetary integration in order to reserve that portion of the applicable appropriation, is not included for financial reporting purposes at year-end because unused appropriations and encumbrances lapse at year-end and must be reappropriated in the following year to be expended.

11. Long Term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method, which approximates the effective-interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

12. Net Position Flow Assumption

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

13. Fund Balance Policies and Flow Assumptions

In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned, or unassigned fund balances. When funds from more than one classification are available, the order of spending of resources will be restricted, committed, assigned, and unassigned.

Fund balances are classified as nonspendable when they are nonspendable in form or legally or contractually required to be maintained intact.

Fund balances are classified as restricted when constraints placed on the use of resources are externally imposed by creditors, grantors, contributors, laws and regulations of other governments, or by law through constitutional provisions or enabling legislation.

Fund balances are classified as committed when constraints placed upon the use of resources are adopted by the City Council through ordinance prior to the end of the calendar year. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (i.e. the adoption of another ordinance) to remove or revise the limitation.

Fund balances are classified as assigned when constraints placed upon the use of resources are imposed by the City Council through the adoption of the City's annual budget. Assigned fund balances represent the City's intent for future use of financial resources that are subject to change. An intended use of any amount may also be expressed by the City Council and recorded in the minutes of a Council meeting. Assigned fund balances in special revenue funds will include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

The residual fund balance that does not meet any of the above criteria is classified as unassigned. The City will only report a positive unassigned fund balance in the General Fund.

14. Comparative Data/Reclassifications

Comparative total data for the prior year has been presented in the accompanying Management's Discussion and Analysis in order to provide an understanding of the changes in the City's financial position and operations. However, complete comparative data has not been reported since the inclusion would make the financial statements unduly complex and difficult to read. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

A. Budgetary Information

Annual appropriated expenditure budgets are adopted for all governmental funds on a basis consistent with GAAP with the exception of the General Fund, the Sales Tax Capital Improvements Fund, and the Parkway Debt Retirement Fund. The annual budget for the General Fund is prepared on the modified accrual basis of accounting, excluding certain basis differences for tax accruals and market value adjustments. The annual budget for the Sales Tax Capital Improvements Fund is prepared on the modified accrual basis of accounting, except for certain basis differences for tax accruals and market value adjustments. The annual budget for the Parkway Debt Retirement Fund is prepared on the modified accrual basis of accounting, except for certain basis differences for market value adjustments. Annual appropriation budgets are also adopted for all proprietary funds on the accrual basis of accounting modified to include capital expenditures and debt service principal payments and to exclude depreciation and amortization. The budget is prepared under the direction of the City Manager. The appropriations are adopted, and may not be exceeded, on a total fund basis.

The details of the budget calendar follow:

- December 15 Statutory deadline for certification of all mill levies to the Board of County Commissioners
- December 22 Statutory deadline for Board of County Commissioners to levy all taxes and certify the levies

On or before December 31, the City Council enacts an ordinance appropriating the budgets for the ensuing fiscal year. The City Council may amend the appropriation ordinance at any time during the year, as a result of any casualty, accident, or unforeseen contingency.

The level of budgetary control, the level at which expenditures cannot legally exceed the appropriated amount, is established at the individual fund level. Although the budget enacted by the City Council is at the fund level, the City prepares a line item budget by department and cost center for control at the line item level. Department directors have the authority to reallocate the distribution of budget amounts within the major categories of personnel expenditures, operating expenditures, and capital expenditures within their fund and department. Budget reallocation between major expenditure categories within a fund requires City Manager approval. Budget reallocation between funds requires City Council approval.

Supplemental appropriation ordinances during 2019 resulted in changes to original budget as follows:

<u>Fund</u>	<u>Original Appropriation</u>	<u>Adjusted Appropriation</u>
<i>Primary Government - City of Grand Junction:</i>		
<i>Governmental Activities</i>		
General Fund	\$ 78,381,699	\$ 87,986,761
Special Revenue Funds:		
Enhanced 911	2,874,468	3,242,764
Community Development	538,714	660,714
Conservation Trust	981,157	1,027,334
Capital Projects Fund:		
Sales Tax Capital	25,922,723	38,767,000
Storm Drainage Development	266,000	382,450
Street Assessment Improvements	1,973,000	2,352,160
<i>Business-type Activities</i>		
Enterprise Funds:		
Water	12,282,658	14,114,201
Grand Junction Convention Center	7,448,304	7,593,840
Golf	1,909,545	1,950,006

Internal Service Funds:		
Data Processing	8,870,271	9,237,521
Equipment	6,943,411	8,010,198
Communications Center	7,387,502	7,755,798

Component Unit - Downtown Development Authority:

Special Revenue Funds:		
DDA Tax Increment	998,362	1,498,362
Capital Projects Fund:		
DDA Capital Improvements	6,062,598	10,744,974
Debt Service Funds:		
DDA TIF Debt Service	2,898,876	2,967,399

B. Excess of Expenditures Over Appropriations

The City charter prohibits the expenditure of City funds for any purpose not covered in the annual appropriation ordinance based upon the annual City budget. Colorado statutes prohibit expenditures on a total fund basis in excess of amounts appropriated.

NOTE 3. DEPOSITS AND INVESTMENTS

Substantially all the City’s cash and investments are part of the City’s sponsored cash pool, which includes both internal and external participants. The pool is not registered with the Securities and Exchange Commission as an investment company. Authority to manage the investment program is granted to the General Services Director (Investment Officer). The Investment Officer shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with the City’s Investment Policy. The Investment Officer carries out his/her responsibilities through the issuance of procedures and internal controls that are established by the Finance Director. The Finance Director also authorizes and monitors all investment activity.

Cash and investments held for the City of Grand Junction/Mesa County, Colorado Joint Sewer System are included in and inseparable from the City’s pooled cash and investments. Since the Joint Sewer System is not part of the City’s reporting entity, they are considered involuntary external participants of the City’s cash pool. Under GASB Statement No. 31, the Joint Sewer System’s pool share value is reported as an Investment Trust Fund in the City’s financial statements. See *Note 12* for more information on the Joint Sewer System.

Cash Deposits

Colorado State Statutes require that all deposits be secured by federal deposit insurance or secured by collateral. Statutes require a financial institution to deposit collateral with another financial institution securing 102% of the market value of public funds held which exceed the amount insured by federal deposit insurance. All deposits of the City are insured or collateralized with government securities held by or for the entity.

The Colorado Divisions of Banking and Financial Services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The composition of all cash held by the City cash pool at December 31, 2019 was as follows:

	<u>Bank Balance</u>	<u>Carrying Balance</u>
Cash on hand	\$ -	\$ 12,686
Insured deposits	250,000	250,000
Deposits collateralized in single institutional pools	1,275,546	1,685,143
	<u>\$ 1,525,546</u>	<u>\$ 1,947,829</u>

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair value by maintaining a minimum of 30% of the portfolio in short-term securities (less than one year) and employing a buy-and-hold strategy.

The City voluntarily participates in the state investment pools. The state investment pools exist under the laws of the State of Colorado and are registered with the Securities Commissioner of the State of Colorado. The state investment pools and mutual funds are similar to money market funds with each share valued at \$1. The designated custodial banks provide safekeeping and depository services, and securities owned by the trusts are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. Investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. The investment in FPPA investment pool is set by Colorado statute for funding of police and fire defined benefit pension plans. Investments consist of publicly traded common and preferred stock, convertible bonds, venture capital, and real estate. Investments in state investment pools, mutual funds, and FPPA are not categorized by risk, as they are not evidenced by securities that exist in physical or book entry form. The fair value of the position in the state investment pools and FPPA approximate the value of the City's investment in the pools.

As of December 31, 2019, the City had the following investments:

Investment Type	S&P Rating	Fair Value	Weighted Average Maturity (Months)
Federal agency securities	AA+	\$ 26,306,963	30.72
Treasury coupon securities	AA+	15,537,109	14.12
Certificates of deposit	NR	5,379,106	21.86
Municipal securities	AA+	5,395,343	50.03
Corporate holdings	A+	2,660,141	11.68
Money market accounts	NR	2,219,616	0.00
State investment pools	AAA _m	31,700,098	0.00
Total		\$ 89,198,376	16.21

Credit risk. The City's investment practices are governed by the City of Grand Junction Charter, Article IX paragraph 72, the Colorado Revised Statutes 24-75-601 to 605, and the City's investment policy as approved by the City Manager. These controls limit investments to U.S. Government and Agency obligations, collateralized deposits, and commercial paper with the highest rating issued by one of the nationally recognized statistical rating organizations (NRSRO's).

Concentration of credit risk. The City's investment policy dictates diversification and does not allow for an investment in any one issuer that is in excess of five percent of the City's total investments.

Custodial credit risk. State law requires financial institutions to collateralize deposits of government funds. By City policy, all marketable securities shall be deposited in a safe keeping account with an independent third party state or national bank having an office in Colorado.

Foreign Currency Risk. The City's investment policy, excluding the FPPA pension plans, does not allow for investment in foreign currency.

NOTE 4. ACCOUNTS RECEIVABLE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

The allowance for uncollectible accounts receivable of the City's various funds at December 31, 2019 was as follows:

General Fund	\$ 332,092
Enterprise Funds:	
Water	\$ 41
Solid Waste Removal	2
Total Enterprise Funds	\$ 43

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

Primary Government - City of Grand Junction:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 331,782,809	\$ 23,451,880	\$ 136,373	\$ 355,098,316
Construction in progress	7,002,480	12,298,040	1,117,380	18,183,140
Intangible assets	1,348,093	-	-	1,348,093
Total capital assets, not being depreciated	340,133,382	35,749,920	1,253,753	374,629,549
<i>Capital assets, being depreciated:</i>				
Buildings	105,001,481	987,777	1,149,707	104,839,551
Improvements other than buildings	34,164,340	304,137	-	34,468,477
Equipment	58,416,609	5,298,967	5,740,714	57,974,862
Infrastructure	431,369,933	14,909,365	-	446,279,298
Total capital assets, being depreciated	628,952,363	21,500,246	6,890,421	643,562,188
<i>Less accumulated depreciation for:</i>				
Buildings	30,722,559	2,954,565	725,565	32,951,559
Improvements other than buildings	22,769,982	1,256,826	-	24,026,808
Equipment	39,645,701	4,050,309	4,950,415	38,745,595
Infrastructure	162,111,404	10,173,930	-	172,285,334
Total accumulated depreciation	255,249,646	18,435,630	5,675,980	268,009,296
Total capital assets, being depreciated, net	373,702,717	3,064,616	1,214,441	375,552,892
Governmental activities capital assets, net	\$ 713,836,099	\$ 38,814,536	\$ 2,468,194	\$ 750,182,441
Business-type Activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,141,513	\$ -	\$ 208,500	\$ 4,933,013
Construction in progress	1,253,321	8,106,677	562,635	8,797,363
Intangible assets	190,464	-	-	190,464
Total capital assets, not being depreciated	6,585,298	8,106,677	771,135	13,920,840
<i>Capital assets, being depreciated:</i>				
Buildings and systems	78,413,215	4,630,716	1,089,262	81,954,669
Improvements other than buildings	8,647,606	-	-	8,647,606
Equipment	5,786,437	-	467,494	5,318,943
Total capital assets, being depreciated	92,847,258	4,630,716	1,556,756	95,921,218
<i>Less accumulated depreciation for:</i>				
Buildings and systems	33,337,167	1,763,125	608,252	34,492,040
Improvements other than buildings	4,384,546	230,579	-	4,615,125
Equipment	3,069,409	295,585	409,871	2,955,123
Total accumulated depreciation	40,791,122	2,289,289	1,018,123	42,062,287
Total capital assets, being depreciated, net	52,056,136	2,341,427	538,633	53,858,931
Business-type activities capital assets, net	\$ 58,641,434	\$ 10,448,104	\$ 1,309,768	\$ 67,779,770

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

Governmental Activities:	
General government	\$ 1,038,761
Public safety	1,573,992
Public works	10,701,006
Parks and recreation	1,744,061
Capital assets held by the government's internal service funds are charged to various functions based on their usage of assets	3,377,810
Total depreciation expense – governmental activities	\$ 18,435,630

Business-Type Activities:

Water	\$	1,268,484
Solid waste		74,414
Grand Junction Convention Center		555,161
Golf courses		204,536
Parking		106,154
Irrigation		80,540
Total depreciation expense – business-type activities	\$	<u>2,289,289</u>

Discretely Presented Component Unit

Activity for the ***Downtown Development Authority (DDA)*** for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<i>Capital assets, not being depreciated:</i>				
Land	\$ 848,871	\$ -	\$ -	\$ 848,871
Total capital assets, not being depreciated	848,871	-	-	848,871
<i>Capital assets, being depreciated:</i>				
Buildings and systems	3,363,230	-	-	3,363,230
Improvements other than buildings	1,045,026	-	-	1,045,026
Equipment	1,552,415	-	47,720	1,504,695
Total capital assets, being depreciated	5,960,671	-	47,720	5,912,951
<i>Less accumulated depreciation for:</i>				
Buildings and systems	677,004	89,778	-	766,782
Improvements other than buildings	224,084	53,143	-	277,227
Equipment	1,290,535	89,127	44,551	1,335,111
Total accumulated depreciation	2,191,623	232,048	44,551	2,379,120
Total capital assets, being depreciated, net	3,769,048	(232,048)	3,169	3,533,831
DDA capital assets, net	\$ 4,617,919	\$ (232,048)	\$ 3,169	\$ 4,382,702

Construction Commitments

The City's governmental and business-type activities have entered into construction and professional services contracts having remaining commitments as of December 31, 2019, composed of the following:

Governmental activities:

Sales Tax Capital Improvements Capital Projects Fund	\$ 8,473,176
Street Assessment Improvements Capital Projects Fund	292,849
Total governmental activities	\$ 8,766,025

Business-type activities:

Water Fund	\$ 398,315
Total business-type activities	\$ 398,315

The commitments for these funds are not reflected in the accompanying financial statements. Only the unpaid amounts incurred to date for these contracts are included as liabilities in the financial statements.

NOTE 6. CAPITAL LEASES**Certificates of Participation**

The City entered into a ground and improvement lease with the Grand Junction Public Finance Corporation (the Corporation), which was incorporated in 1996 as a Colorado nonprofit corporation to facilitate City financing, including but not limited to the acquisition of real or personal property, the construction or installation of

improvements, and the renovation, expansion, or improvement of buildings for lease to the City. The Corporation issued \$7,770,000 in certificates of participation dated November 15, 2010 to be used to construct and install certain improvements at Suplizio Field, a baseball stadium located in the City's Lincoln Park, to fund a reserve fund, and to pay the costs of issuing the certificates. The proceeds from the issue reserved for debt service and principal and interest payments are accounted for in the General Fund.

The City has agreed to pay base rentals from annually appropriated funds. The lease agreements are in accordance with Colorado law by being subject to annual appropriation by the City. The City intends to annually appropriate for the lease payments in its Conservation Trust Fund. The primary revenues on deposit in the Conservation Trust Fund are comprised of funds received from the Colorado Lottery to be used for park and recreation purposes pursuant to State law. reserve is held by a trustee as required by the agreement.

The interest rate is 4.76% payable semiannually on May 15 and November 15. A schedule, by years, of future minimum lease payments as of December 31, 2019 follows:

Year ending December 31,	Schedule of Base Rents
2020	\$ 530,406
2021	531,163
2022	529,900
2023	533,212
2024	530,888
2025-2029	2,655,888
2030-2034	2,649,750
2035	530,250
Total base rentals	8,491,456
Less amounts representing interest	(2,696,456)
Present value of minimum lease payments	\$ 5,795,000

The City entered into a ground lease with Zions First National Bank. Zions First National Bank issued \$34,900,000 in certificates of participation dated December 1, 2010 to be used for the construction of a police building, including a 911 emergency dispatch center, the remodeling of existing City facilities for use as fire stations and a fire administration building, to pay capitalized interest, and to pay the costs of issuing the certificates. The certificates include \$4,900,000 of Tax-Exempt Certificates of Participation, Series 2010A and \$30,000,000 Taxable Certificates of Participation (Direct Pay Build America Bonds), Series 2010B.

After City Council approval on May 3, 2019, the City advance refunded (refinanced) the \$30,000,000 certificates of participation Series 2010B, callable on December 1, 2020, in order to accomplish debt service savings. The refunding (refinancing) was done at an average interest rate of 3.94%, for a total estimated savings of \$4.26 million over the next 22 years. The term of the new COPs is the same as the original which mature in 2040. In addition to the refunding savings, Fire Station #1 would be released from leased property (collateral) securing the COPs and only the Public Safety building would serve as leased property for the Series 2019 Refunding COPs.

The City has agreed to pay base rentals from annually appropriated funds. The lease agreements are in accordance with Colorado law by being subject to annual appropriation by the City.

The interest rates range from 3.94% to 6.00% payable semiannually on May 15 and November 15. A schedule, by years, of future minimum lease payments as of December 31, 2019 follows:

Year ending December 31,	Schedule of Base Rents
2020	\$ 2,025,150
2021	1,993,850
2022	1,997,600
2023	1,995,450
2024	2,022,550
2025-2029	9,982,250
2030-2034	9,983,500

2035-2039	9,984,800
2040	1,998,200
Total base rentals	41,983,350
Less amounts representing interest	(14,348,350)
Present value of minimum lease payments	\$ 27,635,000

The City's certificates of participation do not constitute a general obligation, other indebtedness, or multiple fiscal year financial obligation of the City within the meaning of any constitutional or statutory debt limitation.

Capital Leases

The City also enters into lease agreements as a lessee for financing the acquisition of various equipment for governmental activities. The capital assets acquired from the lease agreements are included with capital assets and the amortization of leased equipment is included with depreciation in the financial statements. These lease agreements qualify as capital leases for accounting purposes, and therefore, have been reflected at the present value of their future minimum lease payments as of the inception date. The City had \$899,950 of capital leases outstanding as of December 31, 2019.

	Ending Balance
Equipment	\$ 1,854,247
Accumulated depreciation	(814,559)
Net book value	\$ 1,039,688

NOTE 7. LONG-TERM LIABILITIES

The following is a summary of long term liability activity of the City for the year ended December 31, 2019:

Primary Government - City of Grand Junction:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Revenue bonds:					
<i>Parkway refunding</i>	\$ 20,050,000	\$ -	\$ 2,975,000	\$ 17,075,000	\$ 3,095,000
<i>Parkway refunding premium</i>	1,468,615	-	421,504	1,047,111	363,188
Capital leases:					
<i>Certificates of participation</i>	36,040,000	26,780,000	29,390,000	33,430,000	1,110,000
<i>Discount on certificates of participation</i>	(287,943)	254,869	-	(33,074)	(3,378)
<i>Equipment leases</i>	778,877	636,650	515,576	899,951	506,296
Net pension liability					
<i>Fire defined benefit plan</i>	3,699,189	1,753,149	1,304,775	4,147,563	-
<i>Statewide defined benefit plan</i>	-	24,874,886	23,689,539	1,185,347	-
Claims payable	1,797,959	3,794,601	1,386,113	4,206,447	1,827,673
Compensated absences	4,158,105	1,313,237	1,315,011	4,156,331	305,989
Other post-employment benefits	15,682,865	490,166	4,527,621	11,645,410	-
Governmental activity long-term liabilities	\$ 83,387,667	\$ 59,897,558	\$ 65,525,139	\$ 77,760,086	\$ 7,204,768
Business-type activities:					
Loans payable					
<i>Water systems</i>	\$ 5,480,333	\$ -	\$ 494,977	\$ 4,985,356	\$ 512,500
Less deferred amounts:					
For loan discount	(7,190)	2,651	-	(4,539)	(2,285)
Compensated absences	389,716	125,868	117,218	398,366	29,328

Business-type activity long-term liabilities	\$ 5,862,859	\$ 128,519	\$ 612,195	\$ 5,379,183	\$ 539,543
Component Unit – Downtown Development Authority:					
Tax increment bonds	\$ 18,241,000	\$ -	\$ 1,039,500	\$ 17,201,500	\$ 1,075,000
Compensated absences	14,567	8,081	6,960	15,688	1,156
Component unit long-term liabilities	\$ 18,255,567	\$ 8,081	\$ 1,046,460	\$ 17,217,188	\$ 1,076,156

Liquidation and Reporting of Governmental Activities Long-Term Liabilities

The General Fund is primarily used to liquidate the governmental activities liabilities for compensated absences, net pension liability and net post-employment health care obligation.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for internal service funds were included as part of the above totals for governmental activities. At year end, \$574,987 of internal service funds compensated absences and \$627,793 of internal service funds capital leases are included in the above amounts.

Bonds, notes, and loans payable as of December 31, 2019 are comprised of the following:

Primary Government – City of Grand Junction:

REVENUE BONDS:

The City of Grand Junction issued \$30,645,000 of General Fund Revenue Refunding Bonds Series 2012 bearing interest at 2% to 5%, payable March 1 and September 1 annually through March 1, 2024. The principal and interest on the bonds is payable solely from pledged sales and use tax revenues. There was \$17,075,000 of unpaid principal at December 31, 2019, payable over the following term:

Year	Principal	Interest	Total
2020	\$ 3,095,000	\$ 761,375	\$ 3,856,375
2021	3,240,000	613,000	3,853,000
2022	3,405,000	449,375	3,854,375
2023	3,575,000	277,375	3,852,375
2024	3,760,000	94,000	3,854,000
	\$ 17,075,000	\$ 2,195,125	\$ 19,270,125

LOANS PAYABLE:

The City entered into a loan agreement dated April 1, 2002 with the Colorado Water Resources and Power Development Authority to finance improvements on the City’s water system. The original principal amount was \$3,566,522, at a net effective interest rate of 4.02%, payable February 1 and August 1 annually through 2022. The water system net revenues are pledged as security for the loan. The unpaid principal at December 31, 2019 was \$721,925, payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2020	\$ 226,275	\$ 29,151	\$ 255,426
2021	237,050	21,845	258,895
2022	258,600	6,925	265,525
	\$ 721,925	\$ 57,921	\$ 779,846

The City entered into a loan agreement dated February 2, 2010 with the Colorado Water Resources and Power Development Authority to finance improvements on the City’s water system. The original principal amount was

\$3,800,000, at a net effective interest rate of 2.5%, payable May 1 and November 1 annually through 2030. The water system net revenues are pledged as security for the loan. The unpaid principal at December 31, 2019 was \$2,247,880, payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2020	\$ 189,719	\$ 55,019	\$ 244,738
2021	194,492	50,246	244,738
2022	199,385	45,353	244,738
2023	204,400	40,337	244,737
2024	209,542	35,196	244,738
2025-2029	1,129,484	94,206	1,223,690
2030	120,858	1,511	122,369
	\$ 2,247,880	\$ 321,868	\$ 2,569,748

The City entered into a loan agreement dated November 17, 2016 with the Colorado Water Resources and Power Development Authority (CWRPDA) to finance improvements on the City's water system. The original principal amount was \$1,615,100, at a net effective interest rate of 2.0%, payable May 1 and November 1 annually through 2036. The water system net revenues are pledged as security for the loan. The loan was amended in 2017 after the project was completed under budget to match the actual expenses incurred in the project. The unpaid principal at December 31, 2019 was \$1,310,493, payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2020	\$ 65,431	\$ 25,884	\$ 91,315
2021	66,746	24,569	91,315
2022	68,087	23,228	91,315
2023	69,456	21,859	91,315
2024	70,852	20,463	91,315
2025-2029	376,204	80,373	456,577
2030-2034	415,563	41,012	456,575
2035-2036	178,154	4,476	182,630
	\$ 1,310,493	\$ 241,864	\$ 1,552,357

The City entered into a loan agreement dated March 1, 2017 with the Colorado Water Conservation Board (CWCB) to finance improvements on the City's water system. The original principal amount was \$764,821, at a net effective interest rate of 2.65%, payable March 1 annually through 2037. The water system net revenues are pledged as security for the loan. The unpaid principal at December 31, 2019 was \$705,057, payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2020	\$ 31,075	\$ 18,684	\$ 49,759
2021	31,898	17,861	49,759
2022	32,744	17,015	49,759
2023	33,611	16,148	49,759
2024	34,502	15,257	49,759
2025-2029	186,720	62,074	248,794
2030-2034	212,806	35,988	248,794
2035-2037	141,701	7,576	149,277
	\$ 705,057	\$ 190,603	\$ 895,660

Component Unit – Downtown Development Authority:

SHORT-TERM OBLIGATION:

During 2015, a revolving line of credit was established with a bank for a 5-year period in the amount of \$1,000,000 to finance DDA projects and programs in accordance with its approved plan of development. The revolving line of credit was not being used as anticipated and was officially closed in 2019.

TAX INCREMENT BONDS:

During 2017, the DDA issued \$9,120,000 of Tax Increment Financing Bonds. The bonds bear interest at a rate of 3.36% and are payable on June 15 and December 15 of each year through 2032. The unpaid principal at December 31, 2019 was \$7,495,000, payable over the following term:

Year	Principal	Interest	Total
2020	\$ 870,000	\$ 248,599	\$ 1,118,599
2021	905,000	217,963	1,122,963
2022	956,000	186,697	1,142,697
2023	392,000	158,946	550,946
2024	412,000	145,829	557,829
2025-2029	2,340,000	501,822	2,841,822
2030-2032	1,620,000	97,478	1,717,478
	<u>\$ 7,495,000</u>	<u>\$ 1,557,334</u>	<u>\$ 9,052,334</u>

During 2018, the DDA issued \$10,000,000 of Tax Increment Financing Bonds. The bonds bear interest at a rate of 3.36% and are payable on June 15 and December 15 of each year through 2032. The unpaid principal at December 31, 2019 was \$9,706,500, payable over the following term:

Year	Principal	Interest	Total
2020	\$ 205,000	\$ 329,900	\$ 534,900
2021	206,500	322,002	528,502
2022	193,500	315,078	508,578
2023	796,000	303,345	1,099,345
2024	816,000	276,833	1,092,833
2025-2029	4,454,500	944,086	5,398,586
2030-2032	3,035,000	183,920	3,218,920
	<u>\$ 9,706,500</u>	<u>\$ 2,675,164</u>	<u>\$ 12,381,664</u>

There are certain reserve requirements, limitations, and restrictions contained in the various bond indentures. The City is in compliance with all significant requirements.

NOTE 8. BUDGET TO ACTUAL PRESENTATION – PROPRIETARY FUNDS

Modifications to budgetary basis consist of adding capital expenditures and debt service principal payments, and excluding depreciation and amortization expense, estimated claims expense, fund equity transfers, and any changes in accrued compensated absences and accrued interest expense from GAAP basis expenditures.

	Budgeted Amounts		Expenditures Reported on the Basis of GAAP	Adjustment to Budgetary Basis	Expenditures on Budgetary Basis	Variance with Final Budget – Positive (Negative)
	Original	Final				
Enterprise Funds:						
Water	\$ 12,286,258	\$ 14,117,801	\$ 6,676,330	\$ 5,193,505	\$ 11,869,835	\$ 2,247,966
Solid Waste Removal	4,652,297	4,652,297	4,438,882	22,051	4,460,933	191,364
Grand Junction						
Convention Center	7,448,304	7,593,840	1,436,610	5,606,971	7,043,581	550,259
Golf Courses	1,909,545	1,950,006	2,045,893	(197,201)	1,848,692	101,314
Parking Authority	669,511	669,511	529,047	103,441	632,488	37,023
Irrigation	378,804	378,804	410,268	(81,816)	328,452	50,352
Internal Service Funds:						
Data Processing	8,870,271	9,237,521	7,328,851	547,602	7,876,453	1,361,068
Equipment	6,943,411	8,010,198	5,955,600	541,648	6,497,248	1,512,950
Self-Insurance	7,434,530	7,434,530	6,265,603	(372,430)	5,893,173	1,541,357
Communication						
Center	7,387,502	7,755,798	7,169,006	(279,877)	6,889,129	866,669
Facilities	2,868,132	2,868,132	2,840,130	(23,990)	2,816,140	51,992

NOTE 9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2019 was as follows:

Due to/from other funds:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 538,349	\$ -
Sales Tax Capital Projects Fund to cover the cost of capital	-	-
Parking Enterprise Fund to pay current portion of advance	-	208,928
Grand Junction Convention Center Fund to cover the cost of capital	-	157,896
Solid Waste Removal Enterprise Fund to pay current portion of advance	-	96,991
Tiara Rado Golf Course Enterprise Fund to pay current portion of advance	-	74,534
Total	\$ 538,349	\$ 538,349

Advances to/from other funds:

	Advance to Other Funds	Advance from Other Funds
General Fund	\$ 2,854,012	\$ -
Solid Waste Removal Enterprise Fund to cover the cost of operations	-	215,238
Tiara Rado Golf Enterprise Fund to cover the cost of new irrigation system	-	809,683
Parking Enterprise Fund to cover partial cost of new parking garage	-	1,829,091
Total	\$ 2,854,012	\$ 2,854,012

Interfund transfers:

	General Fund	Sales Tax CIP Fund	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	Total
Transfers in:					
General Fund	\$ 19,846	\$ 3,196,793	\$ 45,064	\$ 180,000	\$ 3,441,703
Sales Tax CIP	2,427,586	-	4,652,680	-	7,080,266
General Debt Service Fund	-	5,506,304	500,000	-	6,006,304
Water Fund	-	450,000	16,933	-	466,933
Grand Junction Convention Center	-	300,000	200,000	-	500,000
Nonmajor Governmental	-	1,110,692	883,361	-	1,994,053
Nonmajor Proprietary	1,461,500	-	160,000	-	1,621,500
Internal Service	-	383,617	2,100,190	-	2,483,807
Total transfers out	\$ 3,908,932	\$ 10,947,406	\$ 8,558,228	\$ 180,000	\$ 23,594,566

Transfers into the General Fund were to assist with cemetery operations (\$23,308), to reimburse administrative costs of the Community Development Block Grant (\$21,756), for economic development contributions (\$2,061,872), and for operating capital, projects, and operations (\$1,334,767). Transfers out of the General Fund were for capital construction and for the purchase of land from the Golf fund.

Transfers into the Sales Tax CIP Fund were for various capital construction projects. Transfers out of the Sales Tax CIP Fund were to repay the parkway debt (\$4,914,877), to make the lease payment on the Public Safety Certificates of Participation (\$1,647,679), to set aside dollars for street and facilities maintenance (\$383,617), and for capital and economic development projects (\$4,001,233).

Transfers into the Water Fund were for capital projects.

Transfers into the Grand Junction Convention Center Fund were to subsidize management contract costs (\$200,000) and for capital projects (\$300,000).

Transfers into Nonmajor Governmental Funds were for capital construction and to make the lease payment on the Stadium Certificates of Participation.

Transfers into the Internal Service Fund (\$2,100,190) were for equipment and facility upgrades funded by the E-911 surcharge and sales tax.

NOTE 10. RETIREMENT PLANS

A. Defined Contributions Plans

The City maintains several defined contribution retirement plans for various classes of employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan on the participant's behalf plus investment earnings.

Under City ordinances, substantially all full time City employees, other than sworn police officers and firefighters and elected officials, are covered by a mandatory contributory defined contribution retirement plan. The plan is administered by the International City Manager's Association Retirement Corporation (ICMA-RC), with the City of Grand Junction General Employees Retirement Plan Board having the option to alter, amend or terminate the plan. The plan provides for retirement benefits based upon an employee's vested account. A participant becomes 100% vested on completion of five years of service. Amounts forfeited by employees who leave employment before becoming fully vested are used to pay for administrative expenses of the plan. The City matches employees' required contributions of 6% of base salary. An employee may make voluntary contributions of up to an additional 10%. Total payroll for all City employees for the year ended December 31, 2019 was \$47,585,797. At December 31, 2019, there were no amounts due from the City to the plan. Covered wages and contributions in 2019 were as follows:

General Employee Plan	
Covered wages	\$ 24,095,874
City contribution	1,503,112
Employee contribution	1,503,112

Effective January 1, 1980, under state statutes, all firefighters and police officers hired after April 8, 1978 are covered under fire and police defined contribution pension plans (new hire plans). Firefighters and police officers hired prior to this date had the option to remain in the defined benefit plans (old hire plans) or to transfer to the applicable new plan. The new plans are administered by independent boards. The assets of the New Hire Police Money Purchase Pension Plan and the New Hire Fire Money Purchase Pension Plan are maintained by ICMA-RC. Vesting is accomplished over a five-year period. Amounts forfeited by employees who leave employment before becoming fully vested are retained by the plan for administrative expenses of the plan. The rate of contribution under the new plan is 10.65% of regular salary for the employee and the City. At December 31, 2019, there were no amounts due from the City to the plan. Covered wages and contributions in 2019 were as follows:

	New Hire - Police & Fire	Police Officers	Firefighters
Covered wages	\$ 8,373,952	\$ 2,035,754	
City contribution	891,827	216,807	
Employee contribution	891,827	216,807	

In 1988, the City established supplemental defined contribution plans (new supplemental plans) for firefighters and police officers hired before April 8, 1978 whom remained participants in the defined benefit plans (old plans). The Old Hire Police Officers Rank Escalation Pension Plan and the Old Hire Firefighters Rank Escalation Pension Plan were established in exchange for a freeze in rank escalation benefits in the old plans at 1980 levels. The plans are administered by ICMA-RC. Under these new supplemental plans, the City contributes 6.65% of the employee's gross wages to the plan and the employee contributes .65%. Employees' balances became fully vested upon establishment of the plans.

In addition to the above retirement plans, all firefighters and police officers are covered under a statewide, state funded death and disability plan.

B. Defined Benefit Plans

Grand Junction Old Hire Fire and Police Pension Funds (FPPA Old Hire Fire and Police)

Plan Description. The City, on behalf of certain full-time paid firefighters and police officers, contributes to the FPPA Old Hire Fire and Police plans, both defined benefit, agent multiple-employer plans that are affiliated with the Fire and Police Pension Association of Colorado (FPPA). Assets of the plans are commingled for investment purposes in the Fire and Police Member's Benefit Investment Fund; a combination of agent, multiple-employer defined benefit pension plans administered by FPPA with over 200 participating employers in the State of Colorado. The plans provide retirement benefits for members and beneficiaries according to the plan provisions as enacted and governed by the Board of Directors of each plan. Title 31, Article 30 of the Colorado Revised Statutes (CRS), as amended, establishes basic benefit provisions under the plans. **FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.**

All City police officers and firefighters hired prior to April 8, 1978 participated in the plan until January 1, 1980, when they could remain in the plan or transfer and become a participant in a defined contribution plan (new hire plan). Police officers' benefits become vested after 20 years of service and age 55 or after 25 years of service. Firefighters' benefits become vested after 20 years of service and age 50. Vested employees who retire are entitled to receive an annual retirement benefit, payable monthly for life, in an amount equal to one half of one month's salary at the time of retirement, plus any vested rank escalation. Rank escalation benefits allow for increases in benefits equal to one half of any salary increases given to current City employees in the retiree's last position. Rank escalation benefits are vested at 5% for each year of service until 1980. Benefits vested after 1979 are limited to increases of 3% per year for inflation, as determined by the state. The system also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute and City ordinance.

Contributions. Plan members and the City are required to contribute at a rate set by statute. The State of Colorado also contributes to the plans in an amount set by statute. The contribution requirements of plan members and the City are established under Title 31, Article 30 of the CRS, as amended.

City employees participating in the system are required to contribute 10% of their base earnings to the system. During 2019, there were no active police officers covered by the Old Hire Police Plan and 13 retirees and beneficiaries receiving benefits. There were no active firefighters contributing to the Old Hire Fire Plan and 34 retirees and beneficiaries receiving benefits. Contributions to the funds for the year ended December 31, 2019 were as follows:

	Old Hire Police Plan	Old Hire Fire Plan	Total
City contribution	\$ -	\$ 489,197	\$ 489,197
Total	\$ -	\$ 489,197	\$ 489,197

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At December 31, 2019, the City reported a liability of \$4,147,563 for its net pension liability related to the Old Hire Fire Plan. The net pension liability was measured as of December 31, 2018, and the total liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The City's net pension liability was based on a projection of the City's long-term contributions to the pension plan, actuarially determined.

At December 31, 2019, the City reported an asset of \$290,139 for its net pension asset related to the Old Hire Police Plan. The net pension asset was measured as of December 31, 2018, and the total liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018. The City's net pension asset was based on a projection of the City's long-term contributions to the pension plan, actuarially determined.

For the year ended December 31, 2019, the City recognized pension expense of \$429,176 and \$38,566 for the Old Hire Fire plan and the Old Hire Police plan, respectively. As a result of the plans not having any active employees, there were no forfeitures as part of the pension expense for the year ended December 31, 2019. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Old Hire Police Plan		Old Hire Fire Plan		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual results	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change in assumptions	-	-	-	-	-	-
Net difference between projected and actual earnings on Plan investments	293,997	151,057	651,802	333,124	945,799	484,181
Changes in proportion and differences between City contributions and proportionate share of contributions	-	-	-	-	-	-
City contributions subsequent to the measurement date	-	-	489,197	-	489,197	-
Total	\$ 293,997	\$ 151,057	\$ 1,140,999	\$ 333,124	\$ 1,434,996	\$ 484,181

Deferred outflows of resources of \$489,197 related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending December 31,	Old Hire Police Plan Net Deferred Outflows/ (Inflows) of Resources	Old Hire Fire Plan Net Deferred Outflows/ (Inflows) of Resources
2020	\$ 66,141	\$ 144,625
2021	20,011	45,137
2022	3,219	8,938
2023	53,569	119,978
2024	-	-
Thereafter	-	-
Total	\$ 142,940	\$ 318,678

The changes in net pension asset for the Old Hire Police plan and net pension liability for the Old Hire Fire plan are presented below:

	Old Hire Police Plan			Old Hire Fire Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of January 1, 2019	\$ 3,295,619	\$ 3,820,273	\$ (524,654)	\$ 12,171,463	\$ 8,472,274	\$ 3,699,189
Changes for the year:						
Service cost	-	-	-	-	-	-
Interest	233,890	-	233,890	871,304	-	871,304
Difference between expected and actual experience	-	-	-	-	-	-
Changes of assumptions	-	-	-	-	-	-
Contributions – employer	-	-	-	-	424,262	(424,262)
Contributions – employee	-	-	-	-	-	-
Net investment income	-	5,177	(5,177)	-	9,209	(9,209)
Benefit payments	(360,688)	(360,688)	-	(1,128,556)	(1,128,556)	-
Administrative expense	-	(5,802)	5,802	-	(10,541)	10,541
Other changes	-	-	-	-	-	-
Total net changes	\$ (126,798)	\$ (361,313)	\$ 234,515	\$ (257,252)	\$ (705,626)	\$ 448,374
Balances as of December 31, 2019	\$ 3,168,821	\$ 3,458,960	\$ (419,556)	\$ 11,914,211	\$ 7,766,648	\$ 4,147,563

Actuarial Assumptions. The total pension liability/(asset) in the January 1, 2018 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

	Old Hire Police Plan	Old Hire Fire Plan
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar, Open	Level Dollar, Open
Remaining amortization period	12 years	18 years

Asset valuation method	5-Year smoothed, FMV	5-Year smoothed, FMV
Actuarial assumptions:		
Investment rate of return	7.50%	7.50%
Projected salary increases	N/A	N/A
Includes inflation at	2.50%	2.50%
Cost of living adjustment	N/A	N/A

Discount Rate. The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current beneficiaries. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity analysis. The following presents the net pension liability/(asset), calculated using the discount rate of 7.50%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate.

Old Hire Police Plan			
	1% Decrease	Current Discount Rate	1% Increase
	6.50%	7.50%	8.50%
Net Pension Liability/(Asset)	(93,410)	(290,139)	(465,780)

Old Hire Fire Plan			
	1% Decrease	Current Discount Rate	1% Increase
	6.50%	7.50%	8.50%
Net Pension Liability/(Asset)	5,119,553	4,147,563	3,301,426

Fire Pension Plan - Statewide Defined Benefit Plan (SWDB)

Plan Description. As of September 2018, the City, on behalf of certain full-time paid firefighters, contributes to the Statewide Defined Benefit Plan (SWDB). SWDB is a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). Substantially all of the City's full-time fire employees hired on or after April 8, 1978 (New Hires), participate in the plan, provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The plan became effective January 1, 1980.

The plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Separate Retirement Account assets from eligible retired members). **FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.**

Description of Benefits. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55. The annual normal retirement benefit is 2% of the average of the member's highest three years' base salary for each year of credited service up to 10 years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0% to the higher of 3% of the Consumer Price Index.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' base salary for each year of credited service up to 10 years plus 2.5% for each year of service thereafter.

Contributions. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers were contributing at a rate of 9.5% and 8%, respectively, of base salary for a total contribution rate of 17.5% in 2017. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12% of base salary. Employer contributions will remain at 8% resulting in a combined contribution rate of 20% in 2022.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group had a combined contribution rate of 21.5% of base salary in 2017. It is a local decision as to whether the member or employer pays the additional 4% contribution. Per the 2014 member election, the reentry group also had their required member contribution rate increase 0.5% annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24% in 2022.

The contribution rate for members and employers of affiliated social security employers is 4.75% and 4%, respectively, of base salary for a total contribution rate of 8.75% in 2017. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase 0.25% annually beginning in 2015 to 2022 to a total of 6% of base salary. Employer contributions will remain at 4% resulting in a combined contribution rate of 10% in 2022. Contributions to the pension plan from the City were \$1,455,772 for the year ended December 31, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At December 31, 2019, the City reported a liability of \$1,185,347 for its proportionate share of the net pension liability related to the SWDB plan. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2019, the City's proportion was 0.94%. The components of the City's proportionate share of the net pension liability related to SWDB as of December 31, 2019, are presented below:

	SWDB
Total pension liability	24,874,886
Plan fiduciary net position	23,689,539
Net pension liability/(asset)	\$ 1,185,347

For the year ended December 31, 2019, the City recognized pension expense of \$129,834. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to SWDB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual results	\$ 1,523,070	\$ 12,663
Change in assumptions	1,147,971	-
Net difference between projected and actual earnings on Plan investments	932,458	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	-
City contributions subsequent to the measurement date	1,455,772	-
Total	\$ 5,059,271	\$ 12,663

Deferred outflows of resources of \$1,455,772 related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SWDB will be recognized as pension expense as follows:

Year Ending December 31,	Net Deferred Outflows/ (Inflows) of Resources
2019	\$ 681,161
2020	486,505
2021	414,316
2022	685,495
2023	333,755
Thereafter	989,604
Total	\$ 3,590,836

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

	SWDB
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	7.00%
Projected salary increases	4.25% - 11.25%
Includes inflation at	2.50%
Cost of living adjustment	-%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentages and by adding expected inflation (assumed at 2.5%). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Private Markets	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected

rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net Pension Liability/(Asset)	4,596,634	1,185,347	(1,644,253)

Fire Pension Plan - Statewide Hybrid Plan - Defined Benefit Component (SWH)

Plan Description. As of September 2018, the City, on behalf of certain full-time paid firefighters, contributes to the Statewide Hybrid Fire Pension Plan (SWH). SWH is a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). The plan may also cover clerical staff, other fire district personnel whose services are auxiliary to fire protection, or chiefs who have opted out of the Statewide Defined Benefit Plan. The Plan is comprised of two components: Defined Benefit and Money Purchase. With the latter component, members have the option of choosing among various investment options offered by an outside investment manager. Employers may not withdraw from the Plan once affiliated. State statute assigns authority to establish and amend benefit provision to the FPPA. **FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.FPPAco.org>.**

The Plan assets associated with the Defined Benefit Component are included in the Fire & Police Members' Benefit Investment Fund and the Plan assets associated with the Money Purchase Component are included in the Fire & Police Members' Self-Directed Investment Fund.

Description of Benefits. A member is eligible for a normal retirement pension at any time after age 55 if the member has at least 25 years of service.

The annual normal pension of the Defined Benefit Component is 1.5% of the average of the member's highest three years' base salary for each year of credited service. Benefits paid to retired members of the Defined Benefit Component are evaluated and may be re-determined annually on October 1st. The amount of any increase is based on the FPPA Board's discretion and can range from 0.0% to 3.0%.

A member is eligible for an early retirement within the Defined Benefit Component after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have all contributions, along with 5% as interest, returned as a lump sum distribution from the Defined Benefit Component. Alternatively, a member with at least five years of accredited service may leave contributions with the defined benefit component of the plan and remain eligible for a retirement pension at age 55 equal to 1.5% of the average of the member's highest three years' base salary for each year of credited service.

Contributions. The City is required to contribute at a statutorily determined rate. The FPPA Board sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWH plan are set by each individual employer; however, the rate for both employer and members must be at least 8% of the member's base salary. The amount allocated to the Defined Benefit Component is set annually by the FPPA Board of Directors. Excess contributions fund the Money Purchase Component of the Plan. The Defined Benefit Component contribution rate from July 1, 2018 through June 30, 2019 was 13.4%. The Defined Benefit Component contribution rate from July 1, 2017 through June 30, 2018 was 14.8%.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20% per year after the first year of service to be 100% vested after five years of service. Employer and member contributions are invested in funds at the discretion of members.

Contributions to the pension plan from the City were \$40,390 for the year ended December 31, 2019.

Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At December 31, 2019, the City reported an asset of (\$129,417) for its proportionate share of the net pension asset related to the SWH plan. The net pension asset was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2019. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2019, the City's proportion was 1.33%. The components of the City's proportionate share of the net pension asset related to SWH as of December 31, 2019, are presented below:

	SWH
Total pension liability	551,685
Plan fiduciary net position	681,102
Net pension liability/(asset)	\$ (129,417)

For the year ended December 31, 2019, the City recognized pension expense of \$4,567. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to SWH from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual results	\$ 91,039	\$ -
Change in assumptions	18,841	-
Net difference between projected and actual earnings on Plan investments	27,634	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	-
City contributions subsequent to the measurement date	40,390	-
Total	\$ 177,904	\$ -

Deferred outflows of resources of \$40,390 related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SWH will be recognized as pension expense as follows:

Year Ending December 31,	Net Deferred Outflows/ (Inflows) of Resources
2019	\$ 31,089
2020	26,258
2021	24,438
2022	31,594
2023	18,528
Thereafter	5,607
Total	\$ 137,514

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

	SWH
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	

Investment rate of return	7.00%
Projected salary increases	4.25% - 11.25%
Includes inflation at	2.50%
Cost of living adjustment	-%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentages and by adding expected inflation (assumed at 2.5%). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Private Markets	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWH plan fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the proportionate share of the net pension asset calculated using the discount rate of 7.00%, as well as what the City's proportionate share of plan's net pension asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net Pension Liability/(Asset)	(63,458)	(129,417)	(184,712)

NOTE 11. POST EMPLOYMENT HEALTHCARE PLAN

Postretirement Benefits

Plan Description. The City of Grand Junction's Employee Retirement Health Benefit Plan is a single-employer defined benefit OPEB plan administered by the City of Grand Junction (the City). The Retiree Health Benefit Plan (RHBP)

was implemented by the City in 1998, after a favorable vote by employees, to provide affordable healthcare coverage to its retirees and their dependents. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Health care benefits. As of January 1, 2018, the RHBP pays either 100%, 90%, or 78% of the retiree-only premium (dependent on retirement year) for health care coverage under the current retiree health care plans administered by Rocky Mountain Health Plans (RMHP). For 2019, the primary retiree health plan option is the RMHP Classic 3000 Plan. Employees who have participated in the HDHP HSA plan for five or more years can make a one-time election to enroll in either the HMO HSA 3250B Retiree Plan or RMHP Classic 3000 Plan. Spouses and other dependents may remain on the Plan by paying 100% of the additional required contribution. Coverage for retirees, spouses, and dependents ends at the earlier of each individual's attainment of age 65, or eligibility for Medicare, whichever comes first.

Vision benefits. Eligible retirees may also continue to enroll in the Voluntary VSP Vision Plan. Retirees pay the same premiums plus a 2% administrative fee.

Survivorship benefits. Former employees and dependents not eligible for benefits under the terms of the Plan may be eligible for coverage under COBRA. Upon a retiree's death, the retiree's surviving spouse may retain coverage until age 65 or Medicare eligibility, whichever comes first.

Employees covered by benefit terms. At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	68
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	327
	<u><u>395</u></u>

As of November 1, 2017, RHBP was closed to new entrants.

Total OPEB Liability. The City's total OPEB liability of \$11,645,410 was measured as of December 31, 2018 and was determined by an actuarial valuation as of December 31, 2018.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Expected long-term rates of inflation	2.75%
Expected long-term real wage growth	0.50%
Expected long-term payroll growth rate	3.25%
Salary increases, including wage inflation	3.25% - 3.70%
Municipal bond index rate	
Prior measurement date	3.44%
Current measurement date	4.10%
Health care cost trend rates	
claims/member contributions	7.00% for 2019, decreasing to an ultimate rate of 4.75% by 2027

The discount rate was based on Municipal Bond Index Rate at measurement date.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2018.

Changes in the total OPEB liability

	Total OPEB liability
Balance at January 1, 2019	\$ 15,682,865
Changes for the year:	
Service cost	942,622
Interest	553,540
Changes of benefit terms	(4,270,954)
Differences between expected and actual experience	145,090
Changes in assumptions or other inputs	(330,206)
Benefit payments	(1,077,547)
Net changes	(4,037,455)
Balance at December 31, 2019	\$ 11,645,410

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.10%) or one percentage point higher (5.10%) than the current discount rate:

	Current Discount Rate (4.10%)
1% Decrease (3.10%)	1% Increase (5.10%)
12,400,554	10,943,486

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.0% decreasing to 3.75%) or one percentage point higher (8.0% decreasing to 5.75%) than the current healthcare cost trend rates:

	1% Lower Trend Rates	Current Trend Rates	1% Higher Trend Rates
Initial health care cost trend rate	6.00%	7.00%	8.00%
Ultimate health care cost trend rate	3.75%	4.75%	5.75%
Total OPEB liability	\$ 10,913,947	\$ 11,645,410	\$ 12,489,396

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended December 31, 2019, the City recognized OPEB income of \$2,973,274. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences between expected and actual experience	\$ 193,835	\$ -
Changes of assumptions or other inputs	345,916	(287,544)
Contributions subsequent to measurement date	490,166	-
Total unrecognized balance as of December 31, 2019	\$ 1,029,917	\$ (287,544)

Deferred outflows of resources of \$490,166 related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Net Deferred Outflows/(Inflows) of Resources
2020	\$ 36,700
2021	36,700
2022	36,700
2023	36,700
2024	36,700
Thereafter	68,707
Total	\$ 252,207

NOTE 12. RELATED ENTITIES

A. Joint Ventures

City of Grand Junction/Mesa County, Colorado, Joint Sewer System

The City operates and manages the City of Grand Junction/Mesa County, Colorado Joint Sewer System, a regional sewer system. The regional sewer system was organized by agreements made in 1979 and 1980 to provide sewer collection and treatment for the metropolitan area in the Grand Valley. The City contributed all assets which were included in its preexisting Sewer Fund while Mesa County contributed its name through the issuance of revenue bonds, which are payable from and secured by revenue of the sewer system. After contribution of these assets, the City's preexisting Sewer Fund was terminated. The City does not have a measurable present or future claim to the net resources of the Joint Sewer System, and therefore, does not record an equity interest in its financial statements. The agreements provide that both the City and Mesa County approve the sewer system's annual appropriation budget. The City's utility department operates and manages the sewer system. The agreements provide that upon dissolution of the joint venture, ownership of the assets of the Joint Sewer system shall be determined by mutual agreement. Condensed financial statements of the sewer system at December 31, 2019 and for the year then ended are as follows:

Statement of Net Position

Assets:	
Current assets	\$ 28,555,056
Noncurrent assets	7,723
Net property, plant and equipment	95,998,742
Total assets	\$ 124,561,521
Liabilities:	
Current liabilities	\$ 1,965,053
Long-term debt	2,430,109
Total liabilities	4,395,162
Net Position:	
Net investment in capital assets	93,307,842
Unrestricted	26,858,517
Total net position	\$ 120,166,359

Statement of Revenue and Expenses

Operating revenues	\$ 13,776,035
Operating expenses	(11,423,540)
Operating income/(loss)	2,352,495
Net nonoperating revenue/(expenses)	589,304
Capital contributions	3,423,180
Change in net position	6,364,979
Net position - beginning	113,801,380
Net position - ending	\$ 120,166,359

Since the City operates the Joint Sewer System, all cash balances are included in the City sponsored Cash Pool. The Joint Sewer System is an external participant in that pool. The Joint Sewer System’s share of the pool is \$27,095,547 reported as an Investment Trust Fund in the City’s reporting entity. See *Note 3* for disclosure of all investing policies concerning the pool.

Operating expense includes \$3,785,581 of depreciation. Separately issued financial statements for the City of Grand Junction/Mesa County, Colorado Joint Sewer System are available at the City of Grand Junction, 250 North 5th Street, Grand Junction, Colorado 81501-2668.

Long term debt of the Joint Sewer System consists of the following:

LOAN PAYABLE

The Joint Sewer System entered into a loan agreement dated April 1, 2002 with the Colorado Water Resources and Power Development Authority to finance the elimination of combined storm and sanitary sewer lines and for septic system elimination. The principal amount was \$13,490,000 at a net effective interest rate of 3.62%, payable February 1 and August 1 annually through 2024. The sewer system net revenues are pledged as security for the loan. The loan proceeds are held by a trustee on behalf of the Joint Sewer System with disbursements occurring upon receipt of a requisition executed by the City/County. The unpaid principal at December 31, 2019 was \$2,635,000, payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2020	\$ 465,000	\$ 131,884	\$ 596,884
2021	480,000	117,802	597,802
2022	520,000	82,071	602,071
2023	565,000	55,091	620,091
2024	605,000	15,104	620,104
	\$ 2,635,000	\$ 401,952	\$ 3,036,952

B. Related Organizations

The City appoints members to the boards of the following organizations. The City’s accountability for the organizations does not extend beyond making these appointments, and there is no fiscal dependency by these organizations on the City.

Grand Junction Housing Authority

The Housing Authority (the Authority) is charged with providing safe and sanitary dwelling accommodations as resources permit at rents which persons of low income can afford. The Authority is governed by a seven-member board, all appointed by the City Council.

Horizon Drive Business Improvement District

The function of the Horizon Drive Business Improvement District (the District) Board of Directors is to take such actions and perform such duties as are required of the operations of the District. The District is allowed to make and contemplate a broad range of public improvements. The District is governed by a seven-member board, all appointed by the City Council.

NOTE 13. CONTINGENCIES

A. Risk Management

The City is exposed to various risks of loss related to employee health claims; torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has established the Self-Insurance Internal Service Fund to account for and finance its uninsured risks of loss. Prior to 2018, the City was self-insured for workers' compensation with an excess policy purchased from the Colorado Intergovernmental Risk Sharing Agency (CIRSA). Effective January 1, 2018, the City became fully insured with CIRSA for workers' compensation. The Self-

Insurance Internal Service Fund provides coverage for up to a maximum of \$150,000 per occurrence on each workers' compensation, general liability or property damage claim.

For excess liability, property and workers' compensation, the City is involved with CIRSA, a separate and independent governmental and legal entity formed by an intergovernmental agreement by member municipalities pursuant to the provision of 24-10-1 15.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2). The City's share of surplus contributions held by CIRSA at December 31, 2019 was \$246,120. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

All funds of the City and the Joint Sewer System participate in the program and make payments to the Self-Insurance Internal Service Fund at amounts that approximate amounts which would have been paid to outside insurance providers. The claims liability of \$4,206,448 in the Self-Insurance Internal Service Fund at December 31, 2019 includes estimated ultimate losses for claims made and claims incurred but not reported, where information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines and damage awards. Accordingly, claims are reevaluated periodically to consider these factors. Changes in the Self-Insurance Internal Service Fund's claims liability amount in 2018 and 2019 were:

	<u>January 1, Claims Payable</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>December 31, Claims Payable</u>
2018	\$ 3,300,898	\$ (286,356)	\$ (1,216,583)	\$ 1,797,959
2019	\$ 1,797,959	\$ 3,278,305	\$ (869,816)	\$ 4,206,448

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

CIRSA is a separate legal entity and the City does not approve budgets nor does it have the ability to significantly affect the operations of the unit.

B. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

C. Litigation

The City is involved in several claims and lawsuits as the result of the normal conduct of City business. City management believes that those claims and lawsuits will not have a material effect on the financial statements of the City.

NOTE 14. SEIZED FUNDS

The City received proceeds from the seizure of contraband (seized funds) under the Colorado Contraband Forfeiture Act (C.R.S. 16 13 501 to 511). The act requires that seized funds be used for law enforcement activities. Seized funds received by the City have been included in these financial statements, and these funds have been used for purposes contemplated in the Act.

NOTE 15. TAX, SPENDING AND DEBT LIMITATIONS

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which added a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations, and certain election requirements, which apply to the State of Colorado and all local governments.

Future spending and revenue limits are determined based on the prior year's "Fiscal Year Spending" adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue. In April 2007, City of Grand Junction voters approved the retention by the City of all revenues exceeding the Fiscal Year Spending limit for 2006 and subsequent years until the Riverside Parkway bonded debt is paid in full with all amounts retained to be used exclusively for payment of the debt. To that end, \$25,946,272 has been restricted for payment of the debt. In addition to these funds, City Council assigned \$7,163,046 of general fund balance to be used for the early retirement of the Riverside Parkway Bonds. In 2012, the City used \$19,000,000 of these available resources with proceeds from the 2012 General Fund Revenue Refunding Bonds to advance refund \$49,340,000 of the outstanding Riverside Parkway Revenue 2004 Series Bonds.

In April 2017, voters approved ballot question 2B which will make it possible for the City to use the excess TABOR funds in the Riverside Parkway account to augment what is currently being invested in street maintenance projects and neighborhood pavement preservation. This approval will sunset after 5 years on December 31, 2022.

TABOR requires local governments to establish emergency reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Emergency reserves as of December 31, 2019, totaling \$2,000,000, are presented as a reservation of fund balance in the General Fund. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

TABOR is complex and subject to interpretation. The City's management believes the City is in compliance with the provisions of TABOR as it is understood from judicial interpretations, legal opinions, and commonly accepted practices.



REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information

City of Grand Junction, Colorado

SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS

Old Hire Police Pension Plan

Last 10 Fiscal Years (to be built prospectively)

	2014	2015	2016	2017	2018
Total Pension Liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on the total pension liability	279,666	267,434	251,061	237,616	233,890
Benefit changes	-	-	-	-	-
Difference between expected and actual experience	-	(346,587)	-	106,611	-
Assumption changes	-	292,298	-	-	-
Benefit payments	(456,535)	(428,478)	(434,546)	(425,944)	(360,688)
Total change in total pension liability	(176,869)	(215,333)	(183,485)	(81,717)	(126,798)
Total pension liability-beginning	3,953,023	3,776,154	3,560,821	3,377,336	3,295,619
Total pension liability-ending (a)	\$ 3,776,154	\$ 3,560,821	\$ 3,377,336	\$ 3,295,619	\$ 3,168,821
Plan Fiduciary Net Position					
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Employee contributions	-	-	-	-	-
Pension plan net investment income	292,173	78,404	198,081	515,967	5,177
Benefit payments	(456,535)	(428,478)	(434,546)	(425,944)	(360,688)
Pension plan administrative expense	(10,032)	(6,275)	(8,095)	(3,132)	(5,802)
Net change in plan fiduciary net position	(174,394)	(356,349)	(244,560)	86,891	(361,313)
Plan fiduciary net position beginning	4,508,685	4,334,291	3,977,942	3,733,382	3,820,273
Plan fiduciary net position ending (b)	\$ 4,334,291	\$ 3,977,942	\$ 3,733,382	\$ 3,820,273	\$ 3,458,960
Net pension liability/(asset) ending (a)-(b)	(558,137)	(417,121)	(356,046)	(524,654)	(290,139)
Plan fiduciary net position as a percentage of total pension liability	114.78%	111.71%	110.54%	115.92%	109.16%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

Required Supplementary Information

City of Grand Junction, Colorado

SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS

Old Hire Fire Pension Plan

Last 10 Fiscal Years (to be built prospectively)

	2014	2015	2016	2017	2018
Total Pension Liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on the total pension liability	899,930	882,137	935,176	918,633	871,304
Benefit changes	-	-	-	-	-
Difference between expected and actual experience	-	97,834	-	(409,149)	-
Assumption changes	-	880,892	-	-	-
Benefit payments	(1,126,445)	(1,148,291)	(1,159,261)	(1,152,099)	(1,128,556)
Total change in total pension liability	(226,515)	712,572	(224,085)	(642,615)	(257,252)
Total pension liability-beginning	12,552,106	12,325,591	13,038,163	12,814,078	12,171,463
Total pension liability-ending (a)	\$ 12,325,591	13,038,163	12,814,078	12,171,463	11,914,211
Plan Fiduciary Net Position					
Employer contributions	\$ 271,552	\$ 317,653	\$ 307,037	\$ 320,273	\$ 424,262
Employee contributions	-	-	-	-	-
Pension plan net investment income	623,843	167,814	432,691	1,137,348	9,209
Benefit payments	(1,126,445)	(1,148,291)	(1,159,261)	(1,152,099)	(1,128,556)
Pension plan administrative expense	(17,764)	(13,094)	(15,321)	(6,890)	(10,541)
Net change in plan fiduciary net position	(248,814)	(675,918)	(434,854)	298,632	(705,626)
Plan fiduciary net position beginning	9,533,228	9,284,414	8,608,496	8,173,642	8,472,274
Plan fiduciary net position ending (b)	\$ 9,284,414	\$ 8,608,496	\$ 8,173,642	\$ 8,472,274	\$ 7,766,648
Net pension liability/(asset) ending (a)-(b)	3,041,177	4,429,667	4,640,436	3,699,189	4,147,563
Plan fiduciary net position as a percentage of total pension liability	75.33%	66.03%	63.79%	69.61%	65.19%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

Required Supplementary Information

City of Grand Junction, Colorado
SCHEDULE OF CONTRIBUTIONS MULTIYEAR
Old Hire Police Pension Plan
 Last 10 Fiscal Years (to be built prospectively)

FY Ending December 31,	Actuarially Determined Contribution*	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
[a]	[b]	[c]	[d] = [b] - [c]	[e]	[f]
2009	\$ 715,629	\$ 443,213	\$ 272,416	N/A	N/A
2010	\$ 312,934	\$ 410,383	\$ (97,449)	N/A	N/A
2011	\$ 271,787	\$ 426,798	\$ (155,011)	N/A	N/A
2012	\$ 271,787	\$ 514,379	\$ (242,592)	N/A	N/A
2013	\$ 116,037	\$ 1,148,079	\$ (1,032,042)	N/A	N/A
2014	\$ 116,037	\$ -	\$ 116,037	N/A	N/A
2015	\$ -	\$ -	\$ -	N/A	N/A
2016	\$ -	\$ -	\$ -	N/A	N/A
2017	\$ -	\$ -	\$ -	N/A	N/A
2018	\$ -	\$ -	\$ -	N/A	N/A

*Actuarially determined contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.

Required Supplementary Information

City of Grand Junction, Colorado
SCHEDULE OF CONTRIBUTIONS MULTIYEAR
Old Hire Fire Pension Plan
 Last 10 Fiscal Years (to be built prospectively)

FY Ending December 31,	Actuarially Determined Contribution*	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
[a]	[b]	[c]	[d] = [b] - [c]	[e]	[f]
2009	\$ 192,143	\$ 205,493	\$ (13,350)	N/A	N/A
2010	\$ 192,143	\$ 184,753	\$ 7,390	N/A	N/A
2011	\$ 247,566	\$ 245,434	\$ 2,132	N/A	N/A
2012	\$ 247,566	\$ 247,566	\$ -	N/A	N/A
2013	\$ 276,015	\$ 279,384	\$ (3,369)	N/A	N/A
2014	\$ 276,015	\$ 271,552	\$ 4,463	N/A	N/A
2015	\$ 307,037	\$ 317,653	\$ (10,616)	N/A	N/A
2016	\$ 307,037	\$ 307,037	\$ -	N/A	N/A
2017	\$ 424,262	\$ 320,273	\$ 103,989	N/A	N/A
2018	\$ 424,262	\$ 424,262	\$ -	N/A	N/A

*Actuarially determined contribution is net of employee contributions. Actual contribution is from the employer only and does not include employee amounts.

Required Supplementary Information

City of Grand Junction, Colorado
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Fire Pension Plan - Statewide Defined Benefit Plan
Last 10 Fiscal Years (to be built prospectively)*

	2019
City's proportion of the net pension liability/(asset)	0.94%
City's proportionate share of the net pension liability/(asset)	\$ 1,185,347
City's covered payroll	\$ 6,552,113
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	18.09%
Plan fiduciary net position as a percentage of the total pension liability	95.2%

* The amounts presented for each fiscal year were determined as of 12/31.

Note: The City entered the plan in 2018. Therefore, there are no prior years to report.

Required Supplementary Information

City of Grand Junction, Colorado
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION ASSET
Fire Pension Plan - Statewide Hybrid Plan - Defined Benefit Component
Last 10 Fiscal Years (to be built prospectively)*

	2019
City's proportion of the net pension liability/(asset)	1.33%
City's proportionate share of the net pension liability/(asset)	\$ (129,417)
City's covered payroll	\$ 216,568
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	59.76%
Plan fiduciary net position as a percentage of the total net pension liability	123.46%

* The amounts presented for each fiscal year were determined as of 12/31.

Note: The City entered the plan in 2018. Therefore, there are no prior years to report.

Required Supplementary Information

City of Grand Junction, Colorado

SCHEDULE OF CITY CONTRIBUTIONS

Fire Pension Plan - Statewide Defined Benefit Plan

Last 10 Fiscal Years (to be built prospectively)

	<u>2019</u>
Contractually required contribution	\$ 524,169
Contributions in relation to the contractually required contribution	<u>(524,169)</u>
Contribution deficiency/(excess)	<u>\$ -</u>
City's covered payroll	\$ 6,552,113
Contributions as a percentage of covered payroll	8.0%

Note:

Changes in Assumptions. At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

Required Supplementary Information

City of Grand Junction, Colorado

SCHEDULE OF CITY CONTRIBUTIONS

Fire Pension Plan - Statewide Hybrid Plan - Defined Benefit Component

Last 10 Fiscal Years (to be built prospectively)

	2019
Contractually required contribution	\$ 17,325
Contributions in relation to the contractually required contribution	(17,325)
Contribution deficiency/(excess)	\$ -
City's covered payroll	\$ 216,568
Contributions as a percentage of covered payroll	8.00%

Note:

Changes in assumptions. At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

Required Supplementary Information

City of Grand Junction, Colorado
**SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY
 AND RELATED RATIOS**
 Post-Employment Retiree Healthcare Plan

	<u>2018</u>	<u>2019</u>
Total OPEB Liability		
Service cost	\$ 991,609	\$ 942,622
Interest	617,237	553,540
Benefit changes	(1,411,099)	(4,270,954)
Differences between expected and actual experience	87,282	145,090
Assumption changes	12,604,231	(330,206)
Benefit payments	<u>(766,763)</u>	<u>(1,077,547)</u>
Net change in total OPEB liability	12,122,497	(4,037,455)
Total OPEB liability - beginning	<u>3,560,368</u>	<u>15,682,865</u>
Total OPEB liability - ending	<u>\$ 15,682,865</u>	<u>\$ 11,645,410</u>
Covered payroll	\$ 33,175,223	\$ 23,362,377
Total OPEB liability as a percentage of covered payroll	47.27%	49.85%

Notes to Schedule

Change of benefit terms:

Amounts presented reflect a decrease of 77 active employees due to a one-time election to opt out of the Plan. Furthermore, no new entrants were allowed after November 1, 2017.

Changes of assumptions:

Changes of assumption and other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period:

2019	4.10%
2018	3.44%

Information for Fiscal Year 2010 through 2017 is not available.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted or committed to expenditures for specified purposes.

Visit Grand Junction - to accumulate resources from a lodging tax approved by the voters in 1994 and other taxes committed by City Council to proactively market the Grand Junction area and promote tourism.

Enhanced 911 - to account for the resources from municipal telephone charges, as established by section 29-11-103 of the Colorado Revised Statutes, and the expenditures for improvements to the emergency 911 communication center.

Parkland Expansion - to accumulate resources derived from fees paid by land developers within the City committed to acquire, develop and maintain parks and green space.

Conservation Trust - to account for lottery proceeds received from the State of Colorado for the development and improvement of City parks.

Community Development - to account for resources and expenditures of the community development block grant and other grants received for pass-thru to other agencies.

Lodgers Tax Increase - to accumulate resources from a lodging tax approved by the voters in 2018 to proactively market the Grand Junction area and promote tourism.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Sales Tax Capital Improvements - to account for the financing and construction of projects financed completely or partially with the 3/4 percent portion of the City's 2-3/4 percent sales and use tax. The 3/4 percent portion is currently dedicated to general capital improvements, economic development and debt service on the sales tax improvement bond issue and the public safety building certificates of participation issue.

Storm Drainage Development - to account for storm drainage development projects funded partially or in whole with assessments to property owners.

Street Assessment Improvements - to account for various street improvement projects funded partially or in whole with assessments to property owners.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources and the payment of general long-term debt principal, interest and related costs.

General - to account for all resources which are being accumulated for general long-term debt principal and interest payments maturing in future years, other than long-term debt accounted for in enterprise and internal service funds or where a separate debt service fund is legally mandated.

Parkway Debt Retirement - a debt service fund used to account for all resources which are being accumulated for the early retirement of the Parkway Project long-term debt principal and interest payments maturing in future years.

Ridges - to account for the disposition of those assets received by the City upon the dissolution of the Ridges Metropolitan District restricted to the payment of Ridges long-term debt, the collection of property taxes levied within the District for the payment of long-term debt and the payment of Ridges long-term debt.

Grand Junction Public Finance Corporation - to account for debt service payments incurred in the financing of open space land.

Permanent Funds

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

Cemetery Perpetual Care - to accumulate resources to provide for the future maintenance of municipal cemeteries.

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City of Grand Junction
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2019

	Special Revenue					
	Visit Grand Junction	Enhanced 911	Parkland Expansion	Conservation Trust	Community Development	Lodgers Tax Increase
ASSETS						
Cash and investments	\$ 1,085,183	\$ 2,210,605	\$ 749,192	\$ 148,699	\$ -	\$ 301,624
Accounts receivable	-	-	-	-	-	-
Taxes receivable	170,626	-	-	-	-	91,261
Intergovernmental receivable	-	372,416	-	-	15,404	-
Prepays	2,195	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-	-
Total assets	<u>\$ 1,258,004</u>	<u>\$ 2,583,021</u>	<u>\$ 749,192</u>	<u>\$ 148,699</u>	<u>\$ 15,404</u>	<u>\$ 392,885</u>
LIABILITIES						
Accounts payable	735,921	-	-	-	15,404	253,994
Accrued liabilities	22,229	-	-	-	-	-
Total liabilities	<u>758,150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,404</u>	<u>253,994</u>
FUND BALANCES						
Nonspendable:						
Inventories and prepaids	\$ 2,195	\$ -	\$ -	\$ -	\$ -	\$ -
Permanent fund principal	-	-	-	-	-	-
Restricted for:						
Debt service	-	-	-	-	-	-
Parks and recreation	-	-	-	148,699	-	-
Public safety	-	2,583,021	-	-	-	-
Capital projects	-	-	-	-	-	-
Committed to:						
Open space	-	-	749,192	-	-	-
Tourism marketing and promotion	497,659	-	-	-	-	138,891
Total fund balances	<u>499,854</u>	<u>2,583,021</u>	<u>749,192</u>	<u>148,699</u>	<u>-</u>	<u>138,891</u>
Total liabilities and fund balances	<u>\$ 1,258,004</u>	<u>\$ 2,583,021</u>	<u>\$ 749,192</u>	<u>\$ 148,699</u>	<u>\$ 15,404</u>	<u>\$ 392,885</u>

Debt Service			Capital Projects	Permanent Fund	Total Nonmajor Governmental Funds
Ridges	Grand Junction Public Finance Corporation	Parkway Debt Retirement	Storm Drainage Development	Cemetery Perpetual Care	
\$ 17,909	\$ 21,901	\$ 5,106,179	\$ 67,395	\$ 1,483,547	\$ 11,192,234
-	-	-	-	119	119
-	-	-	-	-	261,887
-	-	-	-	-	387,820
-	-	-	-	-	2,195
-	5,577	-	-	-	5,577
<u>\$ 17,909</u>	<u>\$ 27,478</u>	<u>\$ 5,106,179</u>	<u>\$ 67,395</u>	<u>\$ 1,483,666</u>	<u>\$ 11,849,832</u>
-	-	-	-	-	1,005,319
-	-	-	-	-	22,229
-	-	-	-	-	1,027,548
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,195
-	-	-	-	1,483,666	1,483,666
17,909	27,478	5,106,179	-	-	5,151,566
-	-	-	-	-	148,699
-	-	-	-	-	2,583,021
-	-	-	67,395	-	67,395
-	-	-	-	-	749,192
-	-	-	-	-	636,550
<u>17,909</u>	<u>27,478</u>	<u>5,106,179</u>	<u>67,395</u>	<u>1,483,666</u>	<u>10,822,284</u>
<u>\$ 17,909</u>	<u>\$ 27,478</u>	<u>\$ 5,106,179</u>	<u>\$ 67,395</u>	<u>\$ 1,483,666</u>	<u>\$ 11,849,832</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended December 31, 2019

	Special Revenue					
	Visit Grand Junction	Enhanced 911	Parkland Expansion	Conservation Trust	Community Development	Lodgers Tax Increase
REVENUES						
Lodging taxes	\$ 2,662,952	\$ -	\$ -	\$ -	\$ -	\$ 1,706,537
Intergovernmental	50,000	-	-	747,329	412,286	-
Charges for services	6,962	2,385,834	-	-	-	-
Fines and forfeitures	-	-	2,985	-	-	-
Investment earnings	26,042	102,126	30,786	14,741	-	-
Other income	2,142	-	-	-	-	-
Other contributions	-	-	590,621	-	-	-
Total revenues	<u>2,748,098</u>	<u>2,487,960</u>	<u>624,392</u>	<u>762,070</u>	<u>412,286</u>	<u>1,706,537</u>
EXPENDITURES						
Current:						
General government	2,936,090	-	-	-	-	914,460
Urban development and housing	-	-	-	-	173,280	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Capital outlay:						
Construction	-	-	-	-	-	-
Total expenditures	<u>2,936,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>173,280</u>	<u>914,460</u>
Excess (deficiency) of revenues over (under) expenditures	(187,992)	2,487,960	624,392	762,070	239,006	792,077
OTHER FINANCING SOURCES (USES)						
Transfers in	653,186	-	-	-	-	-
Transfers out	(200,000)	(2,600,190)	(730,153)	(928,768)	(239,006)	(653,186)
Total other financing sources and (uses)	<u>453,186</u>	<u>(2,600,190)</u>	<u>(730,153)</u>	<u>(928,768)</u>	<u>(239,006)</u>	<u>(653,186)</u>
Net change in fund balance	265,194	(112,230)	(105,761)	(166,698)	-	138,891
Fund balances - beginning	234,660	2,695,251	854,953	315,397	-	-
Fund balances - ending	<u>\$ 499,854</u>	<u>\$ 2,583,021</u>	<u>\$ 749,192</u>	<u>\$ 148,699</u>	<u>\$ -</u>	<u>\$ 138,891</u>

Debt Service			Capital Projects	Permanent Fund	Total Nonmajor Governmental Funds
Ridges	Grand Junction Public Finance Corporation	Parkway Debt Retirement	Storm Drainage Development	Cemetery Perpetual Care	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,369,489
-	-	-	-	-	1,209,615
-	-	-	-	29,555	2,422,351
-	-	-	-	-	2,985
512	10,805	177,819	-	42,230	405,061
-	-	-	39,731	-	41,873
-	300,000	-	-	-	890,621
512	310,805	177,819	39,731	71,785	9,341,995
-	-	-	-	-	3,850,550
-	-	-	-	-	173,280
-	245,000	-	-	-	245,000
-	283,675	-	-	-	283,675
-	-	-	90,227	-	90,227
-	528,675	-	90,227	-	4,642,732
512	(217,870)	177,819	(50,496)	71,785	4,699,263
-	230,175	1,056,252	54,440	-	1,994,053
-	-	(3,183,617)	-	(23,308)	(8,558,228)
-	230,175	(2,127,365)	54,440	(23,308)	(6,564,175)
512	12,305	(1,949,546)	3,944	48,477	(1,864,912)
17,397	15,173	7,055,725	63,451	1,435,189	12,687,196
\$ 17,909	\$ 27,478	\$ 5,106,179	\$ 67,395	\$ 1,483,666	\$ 10,822,284

Debt Service			Capital Projects	Permanent Fund	Total Nonmajor Governmental Funds
Ridges	GJ Public Finance	Parkway Debt Retirement Fund	Storm Drainage Development	Cemetery Perpetual Care	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,369,489
-	-	-	-	-	1,209,615
-	-	-	-	29,555	2,422,351
-	-	-	-	-	2,985
512	10,805	177,819	-	42,230	405,061
-	-	-	39,731	-	41,873
-	300,000	-	-	-	890,621
<u>512</u>	<u>310,805</u>	<u>177,819</u>	<u>39,731</u>	<u>71,785</u>	<u>9,341,995</u>
-	-	-	-	-	3,850,550
-	-	-	-	-	173,280
-	245,000	-	-	-	245,000
-	283,675	-	-	-	283,675
-	-	-	90,227	-	90,227
-	<u>528,675</u>	-	<u>90,227</u>	-	<u>4,642,732</u>
512	(217,870)	177,819	(50,496)	71,785	4,699,263
-	230,175	1,056,252	54,440	-	1,994,053
-	-	(3,183,617)	-	(23,308)	(8,558,228)
-	<u>230,175</u>	<u>(2,127,365)</u>	<u>54,440</u>	<u>(23,308)</u>	<u>(6,564,175)</u>
512	12,305	(1,949,546)	3,944	48,477	(1,864,912)
17,397	15,173	7,055,725	63,451	1,435,189	12,687,196
<u>\$ 17,909</u>	<u>\$ 27,478</u>	<u>\$ 5,106,179</u>	<u>\$ 67,395</u>	<u>\$ 1,483,666</u>	<u>\$ 10,822,284</u>

City of Grand Junction, Colorado
VISIT GRAND JUNCTION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amount	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final				
REVENUES						
Sales, use and lodging taxes	\$ 2,392,450	\$ 2,699,204	\$ 2,662,952	\$ (39,622)	\$ 2,623,330	\$ (75,874)
Intergovernmental	41,767	50,000	50,000	-	50,000	-
Charges for services	9,500	7,000	6,962	-	6,962	(38)
Investment earnings	7,388	273	26,042	(10,767)	15,275	15,002
Other income	-	-	2,142	-	2,142	2,142
Total revenues	<u>2,451,105</u>	<u>2,756,477</u>	<u>2,748,098</u>	<u>(50,389)</u>	<u>2,697,709</u>	<u>(58,768)</u>
EXPENDITURES						
Current:						
General government	2,992,682	2,992,682	2,936,090	-	2,936,090	56,592
Total expenditures	<u>2,992,682</u>	<u>2,992,682</u>	<u>2,936,090</u>	<u>-</u>	<u>2,936,090</u>	<u>56,592</u>
Excess (deficiency) of revenues over (under) expenditures	(541,577)	(236,205)	(187,992)	(50,389)	(238,381)	(2,176)
OTHER FINANCING SOURCES (USES)						
Transfers in	653,186	653,186	653,186	-	653,186	-
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>	<u>-</u>
Net change in fund balance	(88,391)	216,981	265,194	(50,389)	214,805	(2,176)
Fund balances - beginning	234,985	234,985	234,660	325	234,985	-
Fund balances - ending	<u>\$ 146,594</u>	<u>\$ 451,966</u>	<u>\$ 499,854</u>	<u>\$ (50,064)</u>	<u>\$ 449,790</u>	<u>\$ (2,176)</u>

City of Grand Junction, Colorado
ENHANCED 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amount	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final				
REVENUES						
Charges for services	\$ 2,393,288	\$ 2,393,288	\$ 2,385,834	\$ -	\$ 2,385,834	\$ (7,454)
Investment earnings	36,796	69,128	102,126	(24,958)	77,168	8,040
Total revenues	<u>2,430,084</u>	<u>2,462,416</u>	<u>2,487,960</u>	<u>(24,958)</u>	<u>2,463,002</u>	<u>586</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	<u>(2,874,468)</u>	<u>(3,242,764)</u>	<u>(2,600,190)</u>	<u>-</u>	<u>(2,600,190)</u>	<u>642,574</u>
Net change in fund balance	(444,384)	(780,348)	(112,230)	(24,958)	(137,188)	643,160
Fund balances - beginning	2,699,351	2,699,351	2,695,251	4,100	2,699,351	-
Fund balances - ending	<u>\$ 2,254,967</u>	<u>\$ 1,919,003</u>	<u>\$ 2,583,021</u>	<u>\$ (20,858)</u>	<u>\$ 2,562,163</u>	<u>\$ 643,160</u>

City of Grand Junction, Colorado
PARKLAND EXPANSION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amount	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final				
REVENUES						
Fines and forfeitures	\$ 8,000	\$ 2,500	\$ 2,985	\$ -	\$ 2,985	\$ 485
Investment earnings	9,974	6,212	30,786	1,026	31,812	25,600
Other contributions	350,000	350,000	590,621	-	590,621	240,621
Total revenues	<u>367,974</u>	<u>358,712</u>	<u>624,392</u>	<u>1,026</u>	<u>625,418</u>	<u>266,706</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	<u>(1,137,589)</u>	<u>(1,137,589)</u>	<u>(730,153)</u>	<u>-</u>	<u>(730,153)</u>	<u>407,436</u>
Net change in fund balance	(769,615)	(778,877)	(105,761)	1,026	(104,735)	674,142
Fund balances - beginning	855,979	855,979	854,953	1,026	855,979	-
Fund balances - ending	<u>\$ 86,364</u>	<u>\$ 77,102</u>	<u>\$ 749,192</u>	<u>\$ 2,052</u>	<u>\$ 751,244</u>	<u>\$ 674,142</u>

City of Grand Junction, Colorado
CONSERVATION TRUST SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amount	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final				
REVENUES						
Intergovernmental	\$ 722,640	\$ 777,640	\$ 747,329	\$ -	\$ 747,329	\$ (30,311)
Investment earnings	4,013	4,155	14,741	(4,307)	10,434	6,279
Total revenues	<u>726,653</u>	<u>781,795</u>	<u>762,070</u>	<u>(4,307)</u>	<u>757,763</u>	<u>(24,032)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(981,157)	(1,042,334)	(928,768)	-	(928,768)	113,566
Net change in fund balance	(254,504)	(260,539)	(166,698)	(4,307)	(171,005)	89,534
Fund balances - beginning	315,799	315,799	315,397	402	315,799	-
Fund balances - ending	<u>\$ 61,295</u>	<u>\$ 55,260</u>	<u>\$ 148,699</u>	<u>\$ (3,905)</u>	<u>\$ 144,794</u>	<u>\$ 89,534</u>

City of Grand Junction, Colorado
COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 465,028	\$ 659,086	\$ 412,286	\$ (246,800)
Investment earnings	1,628	1,628	-	(1,628)
Total revenues	<u>466,656</u>	<u>660,714</u>	<u>412,286</u>	<u>(248,428)</u>
EXPENDITURES				
Current:				
Urban development and housing	<u>261,528</u>	<u>261,528</u>	<u>173,280</u>	<u>88,248</u>
Excess (deficiency) of revenues over (under) expenditures	205,128	399,186	239,006	(160,180)
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(277,186)</u>	<u>(399,186)</u>	<u>(239,006)</u>	<u>160,180</u>
Net change in fund balance	(72,058)	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ (72,058)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Grand Junction, Colorado
LODGERS TAX INCREASE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Original and Final Budgeted Amounts	Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
REVENUES					
Sales, use and lodging taxes	\$ 1,567,646	\$ 1,706,537	\$ (91,261)	\$ 1,615,276	\$ 47,630
Total revenues	<u>1,567,646</u>	<u>1,706,537</u>	<u>(91,261)</u>	<u>1,615,276</u>	<u>47,630</u>
EXPENDITURES					
Current:					
General government	<u>914,460</u>	<u>914,460</u>	<u>-</u>	<u>914,460</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	653,186	792,077	(91,261)	700,816	47,630
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(653,186)</u>	<u>(653,186)</u>	<u>-</u>	<u>(653,186)</u>	<u>-</u>
Net change in fund balance	-	138,891	(91,261)	47,630	47,630
Fund balances - beginning	-	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ 138,891</u>	<u>\$ (91,261)</u>	<u>\$ 47,630</u>	<u>\$ 47,630</u>

City of Grand Junction, Colorado
RIDGES DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final				
REVENUES						
Investment earnings	\$ -	\$ 364	\$ 512	\$ (128)	\$ 384	\$ 20
Total revenues	<u>-</u>	<u>364</u>	<u>512</u>	<u>(128)</u>	<u>384</u>	<u>20</u>
Net change in fund balance	-	364	512	(128)	384	20
Fund balances - beginning	17,418	17,418	17,397	21	17,418	-
Fund balances - ending	<u>\$ 17,418</u>	<u>\$ 17,782</u>	<u>\$ 17,909</u>	<u>\$ (107)</u>	<u>\$ 17,802</u>	<u>\$ 20</u>

City of Grand Junction, Colorado
GRAND JUNCTION PUBLIC FINANCE CORPORATION DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Original and Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
REVENUES			
Investment earnings	\$ 248	\$ 10,805	\$ 10,557
Other contributions	300,000	300,000	-
Total revenues	<u>300,248</u>	<u>310,805</u>	<u>10,557</u>
EXPENDITURES			
Debt service:			
Principal retirement	245,000	245,000	-
Interest and fiscal charges	283,675	283,675	(0)
Total expenditures	<u>528,675</u>	<u>528,675</u>	<u>(0)</u>
Excess (deficiency) of revenues over (under) expenditures	(228,427)	(217,870)	10,557
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>230,175</u>	<u>230,175</u>	-
Net change in fund balance	1,748	12,305	10,557
Fund balances - beginning	15,173	15,173	-
Fund balances - ending	<u>\$ 16,921</u>	<u>\$ 27,478</u>	<u>\$ 10,557</u>

City of Grand Junction, Colorado
GENERAL DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL

For the year ended December 31, 2019

	<u>Budgeted Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 723,568	\$ 378,784	\$ 724,725	\$ 345,941
Investment earnings	270	270	2,220	1,950
Other income	-	-	39,830	39,830
Total revenues	<u>723,838</u>	<u>379,054</u>	<u>766,775</u>	<u>387,721</u>
EXPENDITURES				
Current:				
General government	-	27,500	27,500	-
Debt service:				
Principal retirement	3,800,000	3,800,000	3,800,000	-
Interest and fiscal charges	3,087,610	3,060,110	2,585,088	475,022
Total expenditures	<u>6,887,610</u>	<u>6,887,610</u>	<u>6,412,588</u>	<u>475,022</u>
Excess (deficiency) of revenues over (under) expenditures	(6,163,772)	(6,508,556)	(5,645,813)	862,743
OTHER FINANCING SOURCES				
Transfers in	6,185,340	6,006,804	6,006,304	(500)
Total other financing sources (uses)	<u>6,185,340</u>	<u>6,006,804</u>	<u>6,006,304</u>	<u>(500)</u>
Net change in fund balance	21,568	(501,753)	360,491	862,243
Fund balances - beginning	3,919	3,919	3,919	-
Fund balances - ending	<u>\$ 25,487</u>	<u>\$ (497,834)</u>	<u>\$ 364,410</u>	<u>\$ 862,243</u>

City of Grand Junction, Colorado
PARKWAY DEBT RETIREMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Investment earnings	\$ 156,122	\$ 195,090	\$ 177,819	\$ (40,540)	\$ 137,279	\$ (57,811)
OTHER FINANCING SOURCES (USES)						
Transfers in	2,024,608	1,056,252	1,056,252	-	1,056,252	-
Transfers out	(3,384,000)	(3,384,000)	(3,183,617)	-	(3,183,617)	200,383
Total other financing sources (uses)	(1,359,392)	(2,327,748)	(2,127,365)	-	(2,127,365)	200,383
Net change in fund balance	(1,203,270)	(2,132,658)	(1,949,546)	(40,540)	(1,990,086)	142,572
Fund balances - beginning	7,124,641	7,124,641	7,055,725	68,916	7,124,641	-
Fund balances - ending	\$ 5,921,371	\$ 4,991,983	\$ 5,106,179	\$ 28,376	\$ 5,134,555	\$ 142,572

City of Grand Junction, Colorado
SALES TAX CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Sales, use, and lodging taxes	\$ 13,753,816	\$ 13,753,816	\$ 13,343,963	\$ 288,625	\$ 13,632,588	\$ (121,228)
Intergovernmental	419,179	7,516,219	7,133,554	-	7,133,554	(382,665)
Charges for services	80,000	80,000	156,685	-	156,685	76,685
Special assessments	-	-	4,045	-	4,045	4,045
Investment earnings	-	-	449	-	449	449
Other income	-	-	493	-	493	493
Other contributions	2,759,748	942,703	283,887	-	283,887	(658,816)
Total revenues	<u>17,012,743</u>	<u>22,292,738</u>	<u>20,923,076</u>	<u>288,625</u>	<u>21,211,701</u>	<u>(1,081,037)</u>
EXPENDITURES						
Capital outlay:						
Construction	13,481,982	25,591,201	17,158,664	-	17,158,664	8,432,537
Total expenditures	<u>13,481,982</u>	<u>25,591,201</u>	<u>17,158,664</u>	<u>-</u>	<u>17,158,664</u>	<u>8,432,537</u>
Excess (deficiency) of revenues over (under) expenditures	3,530,761	(3,298,463)	3,764,412	288,625	4,053,037	7,351,500
OTHER FINANCING SOURCES (USES)						
Transfers in	6,894,757	12,432,405	7,080,266	-	7,080,266	(5,352,139)
Transfers out	(12,440,741)	(11,160,299)	(10,947,406)	-	(10,947,406)	212,893
Sales of capital assets	350,000	350,000	42,000	-	42,000	(308,000)
Total other financing sources (uses)	<u>(5,195,984)</u>	<u>1,622,106</u>	<u>(3,825,140)</u>	<u>-</u>	<u>(3,825,140)</u>	<u>(5,447,246)</u>
Net change in fund balance	(1,665,223)	(1,676,357)	(60,728)	288,625	227,897	1,904,254
Fund balances - beginning	4,329,421	4,329,421	4,415,978	(86,557)	4,329,421	-
Fund balances - ending	<u>\$ 2,664,198</u>	<u>\$ 2,653,064</u>	<u>\$ 4,355,250</u>	<u>\$ 202,068</u>	<u>\$ 4,557,318</u>	<u>\$ 1,904,254</u>

City of Grand Junction, Colorado
STORM DRAINAGE DEVELOPMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous:				
Development fees	\$ 16,000	\$ 34,000	\$ 39,731	\$ 5,731
Investment earnings	975	-	-	-
Total revenues	<u>16,975</u>	<u>34,000</u>	<u>39,731</u>	<u>5,731</u>
EXPENDITURES				
Capital outlay:				
Construction	<u>266,000</u>	<u>132,010</u>	<u>90,227</u>	<u>41,783</u>
Total expenditures	<u>266,000</u>	<u>132,010</u>	<u>90,227</u>	<u>41,783</u>
Excess (deficiency) of revenues over (under) expenditures	(249,025)	(98,010)	(50,496)	47,514
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>200,000</u>	<u>66,450</u>	<u>54,440</u>	<u>(12,010)</u>
Net change in fund balance	(49,025)	(31,560)	3,944	35,504
Fund balances - beginning	<u>63,451</u>	<u>63,451</u>	<u>63,451</u>	<u>-</u>
Fund balances - ending	<u>\$ 14,426</u>	<u>\$ 31,891</u>	<u>\$ 67,395</u>	<u>\$ 35,504</u>

City of Grand Junction, Colorado
STREET ASSESSMENT IMPROVEMENTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous:				
Development fees	\$ 1,560,600	\$ 1,560,600	\$ 1,674,224	\$ 113,624
Investment earnings	34,844	-	-	-
Total revenues	<u>1,595,444</u>	<u>1,560,600</u>	<u>1,674,224</u>	<u>113,624</u>
EXPENDITURES				
Current:				
General government	-	-	182,962	(182,962)
Capital outlay:				
Construction	1,973,000	1,870,623	810,201	1,060,422
Total expenditures	<u>1,973,000</u>	<u>1,870,623</u>	<u>993,163</u>	<u>877,460</u>
Net change in fund balance	(377,556)	(310,023)	681,061	991,084
Fund balances - beginning	2,209,158	2,209,158	2,209,158	-
Fund balances - ending	<u>\$ 1,831,602</u>	<u>\$ 1,899,135</u>	<u>\$ 2,890,219</u>	<u>\$ 991,084</u>

City of Grand Junction, Colorado
CEMETERY PERPETUAL CARE PERMANENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final				
REVENUES						
Perpetual care revenue	\$ -	\$ -	\$ 29,555	\$ -	\$ 29,555	\$ 29,555
Investment earnings	34,598	30,149	42,230	(10,570)	31,660	(2,938)
Total revenues	<u>34,598</u>	<u>30,149</u>	<u>71,785</u>	<u>(10,570)</u>	<u>61,215</u>	<u>26,617</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(37,133)	(37,133)	(23,308)	-	(23,308)	13,825
Net change in fund balance	(2,535)	(6,984)	48,477	(10,570)	37,907	40,442
Fund balances - beginning	1,436,931	1,436,931	1,435,189	1,742	1,436,931	-
Fund balances - ending	<u>\$ 1,434,396</u>	<u>\$ 1,429,947</u>	<u>\$ 1,483,666</u>	<u>\$ (8,828)</u>	<u>\$ 1,474,838</u>	<u>\$ 40,442</u>

NONMAJOR PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the expense, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Additionally, enterprise funds are used where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Solid Waste Removal - to account for the revenues and expenses associated with refuse collection within the city.

Irrigation - to account for the resources and expenses associated with the operation of the irrigation system located in the Ridges residential area.

Golf Courses - to account for all activities associated with both municipally owned golf courses, Lincoln Park Golf Course and Tiara Rado Golf Course.

Internal Service Funds

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

Data Processing - to account for expenses associated with the operations of the data processing center that provides services to City agencies and the related charges for these services.

Equipment - to account for the expenses associated with the acquisition, operation and maintenance of City-owned vehicles and equipment and the related charges for these services.

Self-Insurance - to account for the expenses associated with providing workers' compensation, property and liability, health and retiree health insurance coverage, as well as the related charges to the various departments within the City.

Communications Center - to account for the expenses associated with the operations of the Grand Valley Combined Emergency 911 Communications Center, as well as the related charges for its operation to the various local governments using its services.

Facilities Management - to account for the expenses associated with the utilities and maintenance of City-owned buildings and the related charges for these services.

City of Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
December 31, 2019

	Business-Type Activities - Enterprise Funds			
	Solid Waste Removal	Irrigation	Golf Courses	Total
ASSETS				
Current assets:				
Cash and investments	\$ 1,174,347	\$ 80,585	\$ 117,746	\$ 1,372,678
Accounts receivable, net of allowance	526,068	44,363	18,661	589,092
Intergovernmental receivable	-	-	3,000	3,000
Prepaid items	1,878	-	150	2,028
Inventory	-	-	65,645	65,645
Total current assets	<u>1,702,293</u>	<u>124,948</u>	<u>205,202</u>	<u>2,032,443</u>
Noncurrent assets:				
Capital assets:				
Land	-	-	682,856	682,856
Buildings, improvements, plant and system	249,750	3,435,806	7,136,290	10,821,846
Equipment	1,357,759	20,311	182,123	1,560,193
Less accumulated depreciation	<u>(1,170,592)</u>	<u>(3,135,243)</u>	<u>(4,551,370)</u>	<u>(8,857,205)</u>
Total capital assets (net of accumulated depreciation)	<u>436,917</u>	<u>320,874</u>	<u>3,449,899</u>	<u>4,207,690</u>
Total noncurrent assets	<u>436,917</u>	<u>320,874</u>	<u>3,449,899</u>	<u>4,207,690</u>
Total assets	<u>2,139,210</u>	<u>445,822</u>	<u>3,655,101</u>	<u>6,240,133</u>
LIABILITIES				
Current liabilities:				
Accounts payable	116,613	1,840	41,093	159,546
Accrued liabilities	48,916	5,124	28,057	82,097
Compensated absences payable	65,319	14,145	64,584	144,048
Due to other funds	96,991	-	74,534	171,525
Unearned revenues	-	-	26,500	26,500
Total current liabilities	<u>327,839</u>	<u>21,109</u>	<u>234,768</u>	<u>583,716</u>
Noncurrent liabilities:				
Compensated absences payable	5,191	1,124	5,133	11,448
Advances from other funds - general fund	215,238	-	809,683	1,024,921
Total noncurrent liabilities	<u>220,429</u>	<u>1,124</u>	<u>814,816</u>	<u>1,036,369</u>
Total liabilities	<u>548,268</u>	<u>22,233</u>	<u>1,049,584</u>	<u>1,620,085</u>
NET POSITION				
Net investment in capital assets	436,917	320,874	3,449,899	4,207,690
Unrestricted	1,154,025	102,715	(844,382)	412,358
Total net position	<u>\$ 1,590,942</u>	<u>\$ 423,589</u>	<u>\$ 2,605,517</u>	<u>\$ 4,620,048</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the year ended December 31, 2019

	Business-Type Activities - Enterprise Funds			
	Solid Waste Removal	Irrigation	Golf Courses	Total
Operating revenues:				
Charges for sales and services, net of allowances	\$ 4,607,077	\$ 288,805	\$ 1,692,549	\$ 6,588,431
Operating expenses:				
Personnel services	1,135,367	116,327	866,447	2,118,141
Costs of sales and services	3,049,101	213,401	936,597	4,199,099
Depreciation and amortization	74,414	80,540	204,536	359,490
Total operating expenses	4,258,882	410,268	2,007,580	6,676,730
Operating income (loss)	348,195	(121,463)	(315,031)	(88,299)
Nonoperating revenues:				
Investment earnings	30,146	3,517	2,950	36,613
Interest expense	-	-	(38,313)	(38,313)
Total nonoperating revenues	30,146	3,517	(35,363)	(1,700)
Income (loss) before contributions and transfers	378,341	(117,946)	(350,394)	(89,999)
Capital contributions - tap fees	-	4,274	-	4,274
Transfers in	-	-	1,621,500	1,621,500
Transfers out	(180,000)	-	-	(180,000)
Change in net position	198,341	(113,672)	1,271,106	1,355,775
Net position - beginning	1,392,601	537,261	1,334,411	3,264,273
Net position - ending	\$ 1,590,942	\$ 423,589	\$ 2,605,517	\$ 4,620,048

City of Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the year ended December 31, 2019

	Business-Type Activities - Enterprise Funds			
	Solid Waste			Total
	Removal	Irrigation	Golf Courses	
Cash flows from operating activities:				
Cash received from customers and users	\$ 4,611,526	\$ 275,122	\$ 1,707,561	\$ 6,594,209
Cash paid to interfund	(1,550,252)	(190,453)	(412,610)	(2,153,315)
Cash paid to suppliers	(1,491,323)	(27,688)	(553,902)	(2,072,913)
Cash paid to employees	(1,132,597)	(114,286)	(870,558)	(2,117,441)
Net cash provided by operating activities	<u>437,354</u>	<u>(57,305)</u>	<u>(129,509)</u>	<u>250,540</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	-	-	1,621,500	1,621,500
Transfers to other funds	(180,000)	-	-	(180,000)
Increase (decrease) in amount due other funds	2,550	-	(121,323)	(118,773)
Net cash provided by noncapital financing activities	<u>(177,450)</u>	<u>-</u>	<u>1,500,177</u>	<u>1,322,727</u>
Cash flows from capital and related financing activities:				
Tap fees	-	4,274	-	4,274
Repayment of interfund capital loans	(96,991)	-	(1,548,677)	(1,645,668)
Interest paid	-	-	(38,313)	(38,313)
Proceeds from disposition of fixed assets	-	-	208,500	208,500
Net cash (used) in capital and related financing activities	<u>(96,991)</u>	<u>4,274</u>	<u>(1,378,490)</u>	<u>(1,471,207)</u>
Cash flows from investing activities:				
Investment earnings received	30,146	3,517	2,950	36,613
Net cash provided by investing activities	<u>30,146</u>	<u>3,517</u>	<u>2,950</u>	<u>36,613</u>
Net increase (decrease) in cash and cash equivalents	193,059	(49,514)	(4,872)	138,673
Cash and cash equivalents, January 1	981,288	130,099	122,618	1,234,005
Cash and cash equivalents, December 31	<u>\$ 1,174,347</u>	<u>\$ 80,585</u>	<u>\$ 117,746</u>	<u>\$ 1,372,678</u>
Reconciliation of Operating Income (loss) to Net cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 348,195	\$ (121,463)	\$ (315,031)	\$ (88,299)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	74,414	80,540	204,536	359,490
(Increase) decrease in accounts receivable	4,448	(13,684)	(11,487)	(20,723)
(Increase) decrease in inventory	-	-	(6,863)	(6,863)
(Increase) decrease in prepaid items	(1,878)	-	1,678	(200)
Increase (decrease) in accounts payable	9,404	(4,738)	(24,732)	(20,066)
Increase (decrease) in accrued liabilities and compensated absences payable	2,771	2,040	(4,110)	701
Increase (decrease) in deferred revenues	-	-	26,500	26,500
Total adjustments	<u>89,159</u>	<u>64,158</u>	<u>185,522</u>	<u>338,839</u>
Net cash provided by operating activities	<u>\$ 437,354</u>	<u>\$ (57,305)</u>	<u>\$ (129,509)</u>	<u>\$ 250,540</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2019

	Data Processing	Equipment	Self- Insurance	Communications Center	Facilities Management	Total
ASSETS						
Current assets:						
Cash and investments	\$ 2,733,718	\$ 2,639,129	\$ 1,890,371	\$ 1,178,967	\$ 479,920	\$ 8,922,105
Accounts receivable, net of allowance	5,360	848	219	163	5	6,595
Intergovernmental receivable	-	166,350	-	31,342	-	197,692
Prepaid items	2,695	-	-	4,199	-	6,894
Total current assets	<u>2,741,773</u>	<u>2,806,327</u>	<u>1,890,590</u>	<u>1,214,671</u>	<u>479,925</u>	<u>9,133,286</u>
Noncurrent assets:						
Capital assets:						
Buildings, improvements, plant and system	321,638	3,319,363	187,214	510,922	184,209	4,523,346
Equipment	5,025,130	27,241,548	-	10,612,103	202,688	43,081,469
Less accumulated depreciation	<u>(3,482,157)</u>	<u>(17,382,951)</u>	<u>(3,226)</u>	<u>(8,663,109)</u>	<u>(93,213)</u>	<u>(29,624,656)</u>
Total capital assets (net of accumulated depreciation)	<u>1,864,611</u>	<u>13,177,960</u>	<u>183,988</u>	<u>2,459,916</u>	<u>293,684</u>	<u>17,980,159</u>
Total assets	<u>4,606,384</u>	<u>15,984,287</u>	<u>2,074,578</u>	<u>3,674,587</u>	<u>773,609</u>	<u>27,113,445</u>
LIABILITIES						
Current liabilities:						
Accounts payable	186,993	197,439	92,098	30,977	238,735	746,242
Accrued liabilities	116,862	48,716	98,254	181,388	19,953	465,173
Compensated absences payable	13,913	4,332	140	21,178	2,768	42,331
Claims payable	-	-	1,827,673	-	-	1,827,673
Total current liabilities	<u>317,768</u>	<u>250,487</u>	<u>2,018,165</u>	<u>233,543</u>	<u>261,456</u>	<u>3,081,419</u>
Noncurrent liabilities:						
Compensated absences payable	175,063	54,520	1,754	266,490	34,829	532,656
Claims payable	-	-	2,378,775	-	-	2,378,775
Total noncurrent liabilities	<u>175,063</u>	<u>54,520</u>	<u>2,380,529</u>	<u>266,490</u>	<u>34,829</u>	<u>2,911,431</u>
Total liabilities	<u>492,831</u>	<u>305,007</u>	<u>4,398,694</u>	<u>500,033</u>	<u>296,285</u>	<u>5,992,850</u>
NET POSITION						
Net investment in capital assets	1,864,611	13,177,960	183,988	2,459,916	293,684	17,980,159
Restricted for:						
Public safety	200,417	-	-	-	-	200,417
Unrestricted	2,048,525	2,501,320	(2,508,104)	714,638	183,640	2,940,019
Total net position	<u>\$ 4,113,553</u>	<u>\$ 15,679,280</u>	<u>\$ (2,324,116)</u>	<u>\$ 3,174,554</u>	<u>\$ 477,324</u>	<u>\$ 21,120,595</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the year ended December 31, 2019

	Data Processing	Equipment	Self- Insurance	Communications Center	Facilities Management	Total
Operating revenues:						
Charges for sales and services	\$ 7,323,918	\$ 6,170,873	\$ 3,470,948	\$ 4,776,827	\$ 2,607,580	\$ 24,350,146
Other income	-	6,388	10,058	4,961	26,697	48,104
Total operating revenues	<u>7,323,918</u>	<u>6,177,261</u>	<u>3,481,006</u>	<u>4,781,788</u>	<u>2,634,277</u>	<u>24,398,250</u>
Operating expenses:						
Personnel services	2,569,676	1,095,138	175,615	4,257,738	519,937	8,618,104
Costs of sales and services	4,210,778	2,753,549	6,086,762	2,217,236	2,294,951	17,563,276
Depreciation and amortization	548,397	2,106,913	3,226	694,032	25,242	3,377,810
Total operating expenses	<u>7,328,851</u>	<u>5,955,600</u>	<u>6,265,603</u>	<u>7,169,006</u>	<u>2,840,130</u>	<u>29,559,190</u>
Operating income (loss)	<u>(4,933)</u>	<u>221,661</u>	<u>(2,784,597)</u>	<u>(2,387,218)</u>	<u>(205,853)</u>	<u>(5,160,940)</u>
Nonoperating revenues (expenses):						
Intergovernmental	6,500	-	-	57,275	-	63,775
Investment earnings	74,336	80,888	46,443	-	-	201,667
Gain (loss) on disposition of property and equipment	<u>(76,762)</u>	<u>(272,148)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(348,910)</u>
Total nonoperating revenues (expenses)	<u>4,074</u>	<u>(191,260)</u>	<u>46,443</u>	<u>57,275</u>	<u>-</u>	<u>(83,468)</u>
Income (loss) before contributions and transfers	<u>(859)</u>	<u>30,401</u>	<u>(2,738,154)</u>	<u>(2,329,943)</u>	<u>(205,853)</u>	<u>(5,244,408)</u>
Transfers in	<u>-</u>	<u>183,617</u>	<u>-</u>	<u>2,100,190</u>	<u>200,000</u>	<u>2,483,807</u>
Change in net position	<u>(859)</u>	<u>214,018</u>	<u>(2,738,154)</u>	<u>(229,753)</u>	<u>(5,853)</u>	<u>(2,760,601)</u>
Net position - beginning	<u>4,114,412</u>	<u>15,465,262</u>	<u>414,038</u>	<u>3,404,307</u>	<u>483,177</u>	<u>23,881,196</u>
Net position - ending	<u>\$ 4,113,553</u>	<u>\$ 15,679,280</u>	<u>\$ (2,324,116)</u>	<u>\$ 3,174,554</u>	<u>\$ 477,324</u>	<u>\$ 21,120,595</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the year ended December 31, 2019

	Data Processing	Equipment	Self- Insurance	Communications Center	Facilities Management	Total
Cash flows from operating activities:						
Cash received from interfund	\$ 7,231,201	\$ 5,322,181	\$ 3,460,086	\$ 2,819,063	\$ 2,607,580	\$ 21,440,111
Cash received from customers and users	91,038	802,985	10,863	1,954,515	-	2,859,401
Cash paid to interfund	(308,923)	(315,104)	(20,958)	(1,777,173)	(185,175)	(2,607,333)
Cash paid to suppliers	(3,808,087)	(2,399,336)	(3,771,842)	(441,226)	(2,053,658)	(12,474,149)
Cash paid to employees	(2,575,469)	(1,094,200)	(110,345)	(4,232,020)	(522,733)	(8,534,767)
Miscellaneous receipts	-	6,388	461,388	4,961	53,017	525,754
Net cash provided (used) by operating activities	629,760	2,322,914	29,192	(1,671,880)	(100,969)	1,209,017
Cash flows from noncapital financing activities:						
Transfers from other funds	-	183,617	-	2,100,190	200,000	2,483,807
Intergovernmental receipts	6,500	-	-	1,012	-	7,512
Net cash provided by noncapital financing activities	6,500	183,617	-	2,101,202	200,000	2,491,319
Cash flows from capital and related financing activities:						
Intergovernmental receipts	-	-	-	56,263	-	56,263
Purchase of capital assets	(1,083,828)	(2,639,915)	(187,212)	(408,556)	-	(4,319,511)
Net cash used in capital and related financing activities	(1,083,828)	(2,639,915)	(187,212)	(352,293)	-	(4,263,248)
Cash flows from investing activities:						
Investment earnings received	74,336	80,888	46,443	-	-	201,667
Net cash provided by investing activities	74,336	80,888	46,443	-	-	201,667
Net increase (decrease) in cash and cash equivalents	(373,232)	(52,496)	(111,577)	77,029	99,031	(361,245)
Cash and cash equivalents, January 1	3,106,950	2,691,625	2,001,948	1,101,938	380,889	9,283,350
Cash and cash equivalents, December 31	\$ 2,733,718	\$ 2,639,129	\$ 1,890,371	\$ 1,178,967	\$ 479,920	\$ 8,922,105
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (4,933)	\$ 221,661	\$ (2,784,597)	\$ (2,387,218)	\$ (205,853)	\$ (5,160,940)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	548,397	2,106,913	3,226	694,032	25,242	3,377,810
(Increase) decrease in accounts receivable	(1,680)	(45,709)	451,329	(3,249)	26,319	427,010
(Increase) decrease in prepaid items	(2,695)	-	386	10,384	-	8,075
Increase (decrease) in accounts payable	96,463	2,339	(27,405)	1,761	56,121	129,279
Increase (decrease) in claims payable	-	-	2,408,488	-	-	2,408,488
Increase (decrease) in accrued wages and compensated absences payable	(5,792)	940	(22,235)	25,718	(2,798)	(4,167)
(Increase) decrease in accounts payable due to purchase of capital assets on account	-	36,770	-	(13,308)	-	23,462
Total adjustments	634,693	2,101,253	2,813,789	715,338	104,884	6,369,957
Net cash provided (used) by operating activities	\$ 629,760	\$ 2,322,914	\$ 29,192	\$ (1,671,880)	\$ (100,969)	\$ 1,209,017
Noncash investing, capital, and financing activities						
Purchase of capital assets on account	\$ -	\$ 41,443	\$ -	\$ 13,308	\$ -	\$ 54,751
Intergovernmental receipts from noncapital financing activities	6,500	-	-	1,012	-	7,512

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the City in a fiduciary capacity, or as an agent for individuals, private organizations, other governments, and/or other funds. These include private-purpose trust, investment trust and agency funds. Since the City has only one investment trust fund, it is presented in the Basic Financial Statements section of this report.

Private Purpose Trust Funds

Mesa County Valley School District 51 SLD Fee - to account for revenues and expenditures not included in other trust funds for which uses have been specified by parties outside the City government.

General Trust - to account for revenues and expenditures not included in other trust funds for which uses have been specified by parties outside City government.

Agency Funds

Park Improvement Advisory Board - to provide the custodial function of accounting for operations of the board.

Rimrock Marketplace General Improvement District - to act as an agent for property owners in collection assessments, forwarding the collections to bondholders and initiating foreclosure proceedings, if applicable.

Downtown Business Improvement District - to provide the custodial function of accounting for operations of the Downtown Business Improvement District.

City of Grand Junction, Colorado
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
 December 31, 2019

	Mesa County Valley School District 51 SLD Fee	General Trust	Total
ASSETS			
Cash and investments	\$ 944,489	\$ 468	\$ 944,957
NET POSITION HELD IN TRUST FOR			
Individuals, organizations and others	\$ 944,489	\$ 468	\$ 944,957

City of Grand Junction, Colorado
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
For the year ended December 31, 2019

	Mesa County Valley School District 51 SLD Fee	General Trust	Total
ADDITIONS			
Additions by participants	\$ 725,320	\$ -	\$ 725,320
Interest income	14,770	-	14,770
Total additions	<u>740,090</u>	<u>-</u>	<u>740,090</u>
Change in net position	<u>740,090</u>	<u>-</u>	<u>740,090</u>
Net position - beginning	204,399	468	204,867
Net position - ending	<u>\$ 944,489</u>	<u>\$ 468</u>	<u>\$ 944,957</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS

For the year ended December 31, 2019

	Balance Beginning	Additions	Deletions	Balance Ending
<u>PARK IMPROVEMENT ADVISORY BOARD</u>				
ASSETS				
Cash and investments	\$ 288,021	\$ 134,302	\$ 44,759	\$ 377,564
Accounts receivable, net of allowance	-	113,950	111,100	2,850
Total assets	<u>\$ 288,021</u>	<u>\$ 248,252</u>	<u>\$ 155,859</u>	<u>\$ 380,414</u>
LIABILITIES				
Accounts payable	\$ 23,250	\$ 48,360	\$ 42,760	\$ 28,850
Due to other governments	264,771	135,163	48,370	351,564
Total liabilities	<u>\$ 288,021</u>	<u>\$ 183,523</u>	<u>\$ 91,130</u>	<u>\$ 380,414</u>
<u>RIMROCK MARKETPLACE GENERAL IMPROVEMENT DISTRICT</u>				
ASSETS				
Cash and investments	\$ 111,557	\$ 7,833	\$ 4,757	\$ 114,633
LIABILITIES				
Due to other governments	\$ 111,557	\$ 7,833	\$ 4,757	\$ 114,633
<u>DOWNTOWN BUSINESS IMPROVEMENT DISTRICT</u>				
ASSETS				
Cash and investments	\$ 83,592	\$ 498,095	\$ 490,641	\$ 91,046
Accounts receivable, net of allowance	-	2,755	-	2,755
Prepaid expenses	-	5,000	-	5,000
Total assets	<u>\$ 83,592</u>	<u>\$ 505,850</u>	<u>\$ 490,641</u>	<u>\$ 98,801</u>
LIABILITIES				
Accounts payable	\$ 13,948	\$ 333,132	\$ 331,734	\$ 15,346
Due to other governments	69,644	382,231	368,420	83,455
Total liabilities	<u>\$ 83,592</u>	<u>\$ 715,363</u>	<u>\$ 700,154</u>	<u>\$ 98,801</u>
<u>TOTAL - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and investments	\$ 483,170	\$ 640,230	\$ 540,157	\$ 583,243
Accounts receivable, net of allowance	-	116,705	111,100	5,605
Prepaid expenses	-	5,000	-	5,000
Total assets	<u>\$ 483,170</u>	<u>\$ 761,935</u>	<u>\$ 651,257</u>	<u>\$ 593,848</u>
LIABILITIES				
Accounts payable	\$ 37,198	\$ 381,492	\$ 374,494	\$ 44,196
Due to other governments	445,972	525,227	421,547	549,652
Total liabilities	<u>\$ 483,170</u>	<u>\$ 906,719</u>	<u>\$ 796,041</u>	<u>\$ 593,848</u>

DOWNTOWN DEVELOPMENT AUTHORITY

A Component Unit of the City of Grand Junction, Colorado

The Downtown Development Authority (DDA) was formed to improve the downtown area of the City of Grand Junction. Since this is the only component unit of the City, it is reported on the Government-wide Financial Statements. However, since it does not issue its own financial report, the following fund information for the DDA is provided:

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted or committed to expenditures for specified purposes.

DDA Operations - to account for all revenues and expenditures associated with operating the DDA.

Debt Service Funds

Debt service funds are used to account for all resources being accumulated for general long-term debt principal and interest payments maturing in future years, other than long-term debt accounted for in enterprise and internal service funds.

DDA TIF - to account for those resources which are being accumulated for long-term debt, principal and interest payments on DDA Tax Increment Bonds maturing in future years.

Capital Project Funds

Capital projects funds are used to account for financial resources to be used for the acquisition of construction of major capital facilities, other than those financed by proprietary funds and trust funds.

DDA Capital Improvements - to account for capital improvements within the boundaries of the DDA.

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019

	DDA Operations Special Revenue Fund	DDA TIF Debt Service Fund	DDA Capital Improvements Capital Project Fund	Total Governmental Funds
ASSETS				
Cash and investments	\$ 1,550,253	\$ 2,068,861	\$ 1,029,597	\$ 4,648,711
Property taxes receivable	263,329	939,326	-	1,202,655
Accounts receivable	215	-	-	215
Total assets	<u>1,813,797</u>	<u>3,008,187</u>	<u>1,029,597</u>	<u>5,851,581</u>
LIABILITIES				
Accounts payable	67,732	-	-	67,732
Accrued liabilities	7,693	-	460	8,153
Compensated absences payable	1,120	-	36	1,156
Total liabilities	<u>76,545</u>	<u>-</u>	<u>496</u>	<u>77,041</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	250,692	939,326	-	1,190,018
Total deferred inflows of resources	<u>250,692</u>	<u>939,326</u>	<u>-</u>	<u>1,190,018</u>
FUND BALANCES				
Restricted for:				
Debt service	-	2,068,861	-	2,068,861
Legends historical sculptures project	5,060	-	-	5,060
Urban development and housing	1,481,500	-	1,029,101	2,510,601
Total fund balances	<u>1,486,560</u>	<u>2,068,861</u>	<u>1,029,101</u>	<u>4,584,522</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,813,797</u>	<u>\$ 3,008,187</u>	<u>\$ 1,029,597</u>	<u>\$ 5,851,581</u>

Amounts reported for the Component Unit - Downtown Development Authority on the statement of net position (page 30) are different because:

Total fund balances - total governmental funds (above) 4,584,522

Capital assets used in governmental activities are not financial resources; therefore, are not reported in the funds. 4,382,702

Long-term liabilities such as bonds and notes payable, compensated absences and accrued interest are not due and payable in the current period; therefore, are not reported in the funds.

Bonds payable	\$ (17,201,500)	
Accrued interest payable	(24,483)	
Compensated absences	<u>(14,532)</u>	(17,240,515)

Net position - Component Unit - Downtown Development Authority (page 30) \$ (8,273,291)

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended December 31, 2019

	DDA Operations Special Revenue Fund	DDA TIF Debt Service Fund	DDA Capital Improvements Capital Project Fund	Total Governmental Funds
REVENUES				
Taxes	\$ 268,104	\$ 1,398,693	\$ -	\$ 1,666,797
Intergovernmental	20,000	363,001	-	383,001
Charges for services	2,103	-	200,000	202,103
Miscellaneous	54,550	-	-	54,550
Investment earnings	28,325	53,439	10,871	92,635
Operating contributions	954,921	-	-	954,921
Total revenues	<u>1,328,003</u>	<u>1,815,133</u>	<u>210,871</u>	<u>3,354,007</u>
EXPENDITURES				
Current:				
Urban development and housing	1,300,215	-	10,026,050	11,326,265
Debt service:				
Principal retirement	-	1,039,500	-	1,039,500
Interest and fiscal charges	-	612,605	-	612,605
Total expenditures	<u>1,300,215</u>	<u>1,652,105</u>	<u>10,026,050</u>	<u>12,978,370</u>
Excess (deficiency) of revenues over (under) expenditures	27,788	163,028	(9,815,179)	(9,624,363)
OTHER FINANCING SOURCES				
Transfers in	60,154	-	1,255,139	1,315,293
Transfer out	-	(1,315,293)	-	(1,315,293)
Total other financing sources	<u>60,154</u>	<u>(1,315,293)</u>	<u>1,255,139</u>	<u>-</u>
Net change in fund balances	<u>87,942</u>	<u>(1,152,265)</u>	<u>(8,560,040)</u>	<u>(9,624,363)</u>
Fund balances - beginning	1,398,618	3,221,126	9,589,141	14,208,885
Fund balances - ending	<u>\$ 1,486,560</u>	<u>\$ 2,068,861</u>	<u>\$ 1,029,101</u>	<u>\$ 4,584,522</u>

Amounts reported for Component Unit - Downtown Development Authority on the statement of activities (page 31) are different because:

Net change in fund balances - total governmental funds (above) \$ (9,624,363)

Governmental funds report capital outlays as expenditures. However, on the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of (\$232,048) exceeded capital outlays of \$0 in the current period. (232,048)

The net effect of transactions involving the sale, trade, and disposal of capital assets. (3,170)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, these transactions have no effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Debt principal payments	\$	1,039,500	
Decrease in accrued interest		<u>1,338</u>	1,040,838

Expenditures for compensated absences and longevity are measured by the amount of financial resources used (essentially, the amounts actually paid to employees), whereas in the statement of activities, they are measured as the benefits are earned by employees during the year. (930)

Change in net position of the Component Unit - Downtown Development Authority (page 31) \$ (8,819,673)

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
DDA OPERATIONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Taxes	\$ 283,763	\$ 283,763	\$ 268,104	\$ -	\$ 268,104	\$ (15,659)
Intergovernmental	20,000	20,000	20,000	-	20,000	-
Charges for services	-	-	2,103	-	2,103	2,103
Miscellaneous	29,300	59,300	54,550	-	54,550	(4,750)
Investment earnings	57,458	15,519	28,325	(5,095)	23,230	7,711
Operating contributions	954,921	954,921	954,921	-	954,921	-
Total revenues	<u>1,345,442</u>	<u>1,333,503</u>	<u>1,328,003</u>	<u>(5,095)</u>	<u>1,322,908</u>	<u>(10,595)</u>
EXPENDITURES						
Current:						
Urban development and housing	998,362	1,485,529	1,300,215	-	1,300,215	185,314
Total expenditures	<u>998,362</u>	<u>1,485,529</u>	<u>1,300,215</u>	<u>-</u>	<u>1,300,215</u>	<u>185,314</u>
Excess (deficiency) of revenues over (under) expenditures	347,080	(152,026)	27,788	(5,095)	22,693	174,719
OTHER FINANCING SOURCES						
Transfers in	-	60,154	60,154	-	60,154	-
Total other financing sources	<u>-</u>	<u>60,154</u>	<u>60,154</u>	<u>-</u>	<u>60,154</u>	<u>-</u>
Net change in fund balance	347,080	(91,872)	87,942	(5,095)	82,847	174,719
Fund balances - beginning	1,399,389	1,399,389	1,398,618	771	1,399,389	-
Fund balances - ending	<u>\$ 1,746,469</u>	<u>\$ 1,307,517</u>	<u>\$ 1,486,560</u>	<u>\$ (4,324)</u>	<u>\$ 1,482,236</u>	<u>\$ 174,719</u>

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
DDA TIF DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Taxes	\$ 1,333,882	\$ 1,333,882	\$ 1,398,693	\$ -	\$ 1,398,693	\$ 64,811
Intergovernmental	440,450	346,910	363,001	-	363,001	16,091
Investment earnings	71,086	40,247	53,439	(12,083)	41,356	1,109
Total revenues	<u>1,845,418</u>	<u>1,721,039</u>	<u>1,815,133</u>	<u>(12,083)</u>	<u>1,803,050</u>	<u>82,011</u>
EXPENDITURES						
Debt service:						
Principal retirement	1,039,500	1,039,500	1,039,500	-	1,039,500	-
Interest and fiscal charges	604,237	612,606	612,605	-	612,605	1
Total expenditures	<u>1,643,737</u>	<u>1,652,106</u>	<u>1,652,105</u>	<u>-</u>	<u>1,652,105</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	201,681	68,933	163,028	(12,083)	150,945	82,012
OTHER FINANCING SOURCES						
Transfers out	(1,255,139)	(1,315,293)	(1,315,293)	-	(1,315,293)	-
Total other financing sources	<u>(1,255,139)</u>	<u>(1,315,293)</u>	<u>(1,315,293)</u>	<u>-</u>	<u>(1,315,293)</u>	<u>-</u>
Net change in fund balance	(1,053,458)	(1,246,360)	(1,152,265)	(12,083)	(1,164,348)	82,012
Fund balances - beginning	3,223,851	3,223,851	3,221,126	2,725	3,223,851	-
Fund balances - ending	<u>\$ 2,170,393</u>	<u>\$ 1,977,491</u>	<u>\$ 2,068,861</u>	<u>\$ (9,358)</u>	<u>\$ 2,059,503</u>	<u>\$ 82,012</u>

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
DDA CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Charges for service	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000	\$ 200,000
Miscellaneous	30,000	-	-	-	-	-
Investment earnings	113,561	239,340	10,871	(4,278)	6,593	(232,747)
Total revenues	<u>143,561</u>	<u>239,340</u>	<u>210,871</u>	<u>(4,278)</u>	<u>206,593</u>	<u>(32,747)</u>
EXPENDITURES						
Current:						
Capital outlay	6,062,598	10,594,974	10,026,050	-	10,026,050	568,924
Total expenditures	<u>6,062,598</u>	<u>10,594,974</u>	<u>10,026,050</u>	<u>-</u>	<u>10,026,050</u>	<u>568,924</u>
Excess (deficiency) of revenues over (under) expenditures	(5,919,037)	(10,355,634)	(9,815,179)	(4,278)	(9,819,457)	536,177
OTHER FINANCING SOURCES						
Transfer In	1,255,139	1,255,139	1,255,139	-	1,255,139	-
Total other financing sources	<u>1,255,139</u>	<u>1,255,139</u>	<u>1,255,139</u>	<u>-</u>	<u>1,255,139</u>	<u>-</u>
Net change in fund balance	(4,663,898)	(9,100,495)	(8,560,040)	(4,278)	(8,564,318)	536,177
Fund balances - beginning	9,587,813	9,587,813	9,589,141	(1,328)	9,587,813	-
Fund balances - ending	<u>\$ 4,923,915</u>	<u>\$ 487,318</u>	<u>\$ 1,029,101</u>	<u>\$ (5,606)</u>	<u>\$ 1,023,495</u>	<u>\$ 536,177</u>

STATISTICAL SECTION

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

Contents	Pages
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the City's financial condition has changed over time.	130-139
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the City's largest revenue source, sales tax.	140-144
<u>Debt Capacity</u> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	145-149
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	150-151
<u>Operating Information</u> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	152-153

TABLE 1

City of Grand Junction, Colorado
NET POSITION
 Last Ten Fiscal Years

	2010	2011	2012	2013	2014
Governmental activities:					
Net investment in capital assets	\$ 555,543,770	\$ 581,854,487	\$ 607,986,872	\$ 617,381,868	\$ 611,760,765
Restricted	21,495,852	30,951,878	13,618,901	14,511,996	17,330,295
Unrestricted	28,430,021	26,937,580	26,568,548	23,367,630	19,178,570
Total governmental activities net position	<u>\$ 605,469,643</u>	<u>\$ 639,743,945</u>	<u>\$ 648,174,321</u>	<u>\$ 655,261,494</u>	<u>\$ 648,269,630</u>
Business-type activities:					
Net investment in capital assets	\$ 47,807,739	\$ 45,541,828	\$ 45,880,136	\$ 45,720,564	\$ 56,207,881
Restricted	-	-	-	-	-
Unrestricted	(4,987,177)	(4,277,701)	(4,545,053)	(4,148,827)	(3,729,277)
Total business-type activities net position	<u>\$ 42,820,562</u>	<u>\$ 41,264,127</u>	<u>\$ 41,335,083</u>	<u>\$ 41,571,737</u>	<u>\$ 52,478,604</u>
Primary government:					
Net investment in capital assets	\$ 603,351,509	\$ 627,396,315	\$ 653,867,008	\$ 663,102,432	\$ 667,968,646
Restricted	21,495,852	30,951,878	13,618,901	14,511,996	17,330,295
Unrestricted	23,442,844	22,659,879	22,023,495	19,218,803	15,449,293
Total primary governmental net position	<u>\$ 648,290,205</u>	<u>\$ 681,008,072</u>	<u>\$ 689,509,404</u>	<u>\$ 696,833,231</u>	<u>\$ 700,748,234</u>
Component unit:					
Net investment in capital assets	\$ 5,697,948	\$ 4,870,916	\$ 4,295,348	\$ 4,542,743	\$ 3,816,756
Restricted	1,462,300	1,278,049	955,845	1,890,167	2,508,894
Unrestricted	(5,468,141)	(6,144,689)	(4,189,009)	(6,637,278)	(5,879,286)
Total component unit net position	<u>\$ 1,692,107</u>	<u>\$ 4,276</u>	<u>\$ 1,062,184</u>	<u>\$ (204,368)</u>	<u>\$ 446,364</u>

2015	2016	2017	2018	2019
\$ 613,450,583	\$ 619,706,429	\$ 633,903,756	\$ 654,717,310	\$ 699,793,883
18,491,942	20,012,395	18,334,955	21,296,877	19,902,565
17,737,303	14,489,969	15,463,887	16,503,890	17,472,034
<u>\$ 649,679,828</u>	<u>\$ 654,208,793</u>	<u>\$ 667,702,598</u>	<u>\$ 692,518,077</u>	<u>\$ 737,168,482</u>
\$ 54,680,110	\$ 53,748,958	\$ 52,901,140	\$ 52,689,295	\$ 62,798,954
-	857,852	-	-	-
(1,753,775)	(1,460,333)	2,713,093	5,102,192	4,068,072
<u>\$ 52,926,335</u>	<u>\$ 53,146,477</u>	<u>\$ 55,614,233</u>	<u>\$ 57,791,487</u>	<u>\$ 66,867,026</u>
\$ 668,130,693	\$ 673,455,387	\$ 686,804,896	\$ 707,406,605	\$ 762,592,837
18,491,942	20,870,247	18,334,955	21,296,877	19,902,565
15,983,528	13,029,636	18,176,980	21,606,082	21,540,106
<u>\$ 702,606,163</u>	<u>\$ 707,355,270</u>	<u>\$ 723,316,831</u>	<u>\$ 750,309,564</u>	<u>\$ 804,035,508</u>
\$ 5,211,363	\$ 5,026,241	\$ 4,767,167	\$ 4,530,258	\$ 4,217,362
2,801,932	2,529,816	7,676,659	14,208,885	4,584,522
(6,245,696)	(4,593,155)	(9,055,715)	(18,192,761)	(17,075,175)
<u>\$ 1,767,599</u>	<u>\$ 2,962,902</u>	<u>\$ 3,388,111</u>	<u>\$ 546,382</u>	<u>\$ (8,273,291)</u>

TABLE 2

City of Grand Junction, Colorado
CHANGES IN NET POSITION
 Last Ten Fiscal Years

	2010	2011	2012	2013	2014
Expenses					
Governmental activities:					
General government	\$ 11,591,395	\$ 12,583,783	\$ 12,735,595	\$ 16,206,096	\$ 13,966,239
Public safety	33,423,757	33,105,266	41,301,254	40,054,201	42,680,344
Public works	20,728,384	6,512,483	19,980,846	20,093,321	20,025,758
Parks and recreation	8,771,342	8,425,816	10,281,037	7,279,163	19,345,400
Urban development and housing	561,457	645,572	477,886	591,545	634,827
Interest on long-term debt	3,645,322	5,443,771	4,713,532	3,952,399	3,774,690
Total governmental activities expense	<u>78,721,657</u>	<u>66,716,691</u>	<u>89,490,150</u>	<u>88,176,725</u>	<u>100,427,258</u>
Business-type activities:					
Water	5,419,125	4,881,038	5,405,744	5,420,503	5,757,132
Convention center	2,857,866	2,600,896	2,881,584	2,591,225	2,804,818
Solid waste removal	3,462,854	3,113,744	3,179,267	3,130,852	3,231,386
Swimming pools	1,038,563	983,212	-	-	-
Golf	2,266,394	2,181,540	2,072,890	2,064,247	1,928,826
Parking	480,383	415,355	405,744	405,157	421,526
Irrigation systems	306,572	298,694	302,106	315,178	325,255
Ambulance transport	2,173,362	1,961,509	-	-	-
Total business-type activities expense	<u>18,005,119</u>	<u>16,435,988</u>	<u>14,247,335</u>	<u>13,927,162</u>	<u>14,468,943</u>
Total primary government expenses	<u>\$ 96,726,776</u>	<u>\$ 83,152,679</u>	<u>\$ 103,737,485</u>	<u>\$ 102,103,887</u>	<u>\$ 114,896,201</u>
Total component unit expenses	<u>\$ 4,826,697</u>	<u>\$ 4,622,211</u>	<u>\$ 1,511,186</u>	<u>\$ 3,753,663</u>	<u>\$ 1,565,280</u>
Program revenues					
Governmental activities:					
Charge for service:					
General government	\$ 3,274,890	\$ 3,224,426	\$ 3,002,193	\$ 2,725,767	\$ 2,940,902
Public safety	7,104,163	8,071,588	10,741,763	10,718,690	10,485,105
Public works	2,659,523	1,895,207	1,927,747	3,200,996	1,925,024
Parks and recreation	1,461,584	1,456,400	2,069,864	2,051,380	2,056,017
Operating grants and contributions	2,184,680	3,608,414	3,204,209	3,950,533	3,011,613
Capital grants and contributions	26,800,939	12,816,892	9,936,906	7,190,063	6,279,358
Total governmental activities program revenues	<u>43,485,779</u>	<u>31,072,927</u>	<u>30,882,682</u>	<u>29,837,429</u>	<u>26,698,019</u>
Business-type activities:					
Water	5,231,378	4,913,952	5,271,849	5,303,609	5,877,233
Convention center	2,322,730	2,279,695	2,385,684	1,998,488	2,026,520
Solid waste removal	3,251,274	3,324,152	3,311,362	3,337,992	3,538,962
Swimming pools	590,332	532,456	-	-	-
Golf	1,901,601	1,949,258	1,980,120	1,748,166	1,818,323
Parking	412,578	487,517	491,203	454,184	475,368
Irrigation systems	219,820	219,367	216,915	229,676	241,265
Ambulance transport	2,027,458	2,117,997	-	-	-
Operating grants and contributions	595,361	148,215	85,190	79,894	172,561
Capital grants and contributions	496,259	211,850	221,151	339,734	10,729,437
Total business-type activities program revenues	<u>17,048,791</u>	<u>16,184,459</u>	<u>13,963,474</u>	<u>13,491,743</u>	<u>24,879,669</u>
Total primary government program revenues	<u>\$ 60,534,570</u>	<u>\$ 47,257,386</u>	<u>\$ 44,846,156</u>	<u>\$ 43,329,172</u>	<u>\$ 51,577,688</u>
Total component unit program revenues	<u>\$ 439,960</u>	<u>\$ 752,974</u>	<u>\$ 563,206</u>	<u>\$ 742,790</u>	<u>\$ 551,632</u>

	2015	2016	2017	2018	2019
\$	14,618,900	\$ 14,100,775	\$ 13,491,151	\$ 17,776,852	\$ 24,674,320
	44,948,119	47,901,187	45,544,297	48,374,315	46,115,318
	19,900,575	19,564,851	20,417,563	20,299,356	21,135,527
	9,904,241	11,135,606	11,190,650	6,636,863	6,151,428
	511,257	512,150	186,241	152,817	173,280
	3,684,545	3,555,539	3,212,835	3,064,638	1,373,843
	<u>93,567,637</u>	<u>96,770,108</u>	<u>94,042,737</u>	<u>96,304,841</u>	<u>99,623,716</u>
	5,638,750	6,562,089	5,136,974	6,149,893	7,284,678
	2,933,380	3,148,969	1,087,573	1,015,423	1,515,435
	3,336,173	3,563,890	3,892,737	4,154,806	4,424,453
	-	-	-	-	-
	1,934,766	1,926,486	1,881,958	1,757,873	2,089,961
	408,248	399,909	455,275	424,703	541,486
	307,312	315,951	347,644	361,214	430,609
	-	-	-	-	-
	<u>14,558,629</u>	<u>15,917,294</u>	<u>12,802,161</u>	<u>13,863,912</u>	<u>16,286,622</u>
\$	<u>108,126,266</u>	<u>112,687,402</u>	<u>106,844,898</u>	<u>110,168,753</u>	<u>115,910,338</u>
\$	<u>1,877,644</u>	<u>1,351,091</u>	<u>11,636,264</u>	<u>6,022,456</u>	<u>12,173,680</u>
\$	3,034,609	\$ 3,121,643	\$ 3,005,786	\$ 3,611,696	\$ 3,737,474
	11,566,683	12,562,322	12,650,507	13,240,196	13,304,062
	2,436,354	2,537,724	2,699,712	2,796,490	3,179,013
	2,179,082	2,584,704	2,419,289	2,904,671	2,878,775
	3,377,677	3,140,810	2,990,722	3,016,031	3,543,990
	7,833,385	11,638,363	14,064,286	31,784,900	39,986,343
	<u>30,427,790</u>	<u>35,585,566</u>	<u>37,830,302</u>	<u>57,353,984</u>	<u>66,629,657</u>
	6,075,893	6,774,915	7,589,393	8,180,914	8,475,433
	1,942,729	2,127,845	234,209	29,547	15,491
	3,645,893	3,879,469	3,993,456	4,342,109	4,607,077
	-	-	-	-	-
	1,804,130	1,732,473	1,808,937	1,512,784	1,692,549
	499,357	469,545	565,732	689,913	781,154
	244,199	246,063	254,711	269,347	288,805
	-	-	-	-	-
	93,203	118,698	137,559	530,590	282,459
	91,175	208,975	136,727	141,373	6,566,681
	<u>14,396,579</u>	<u>15,557,983</u>	<u>14,720,724</u>	<u>15,696,577</u>	<u>22,709,649</u>
\$	<u>44,824,369</u>	<u>51,143,549</u>	<u>52,551,026</u>	<u>73,050,561</u>	<u>89,339,306</u>
\$	<u>1,591,559</u>	<u>953,503</u>	<u>10,351,432</u>	<u>1,345,263</u>	<u>1,594,575</u>

TABLE 2 (Continued)

City of Grand Junction, Colorado
CHANGES IN NET POSITION
 Last Ten Fiscal Years

	2010	2011	2012	2013	2014
Net (expense)/revenue					
Governmental activities	\$ (35,235,878)	\$ (35,643,764)	\$ (58,607,468)	\$ (58,339,296)	\$ (73,729,239)
Business-type activities	(956,328)	(251,529)	(283,861)	(435,419)	10,410,726
Total primary government net expense	<u>\$ (36,192,206)</u>	<u>\$ (35,895,293)</u>	<u>\$ (58,891,329)</u>	<u>\$ (58,774,715)</u>	<u>\$ (63,318,513)</u>
Total component unit net expense	<u>\$ (4,386,737)</u>	<u>\$ (3,869,237)</u>	<u>\$ (947,980)</u>	<u>\$ (3,010,873)</u>	<u>\$ (1,013,648)</u>
Governmental activities:					
Taxes:					
Sales, use, and lodging	\$ 47,424,012	\$ 50,312,521	\$ 50,702,973	\$ 50,468,227	\$ 51,272,814
Property	10,146,009	10,608,818	8,976,292	8,837,970	8,089,029
Franchise	2,527,530	2,572,877	2,528,419	2,743,512	2,977,638
Highway users tax	2,262,898	2,261,503	2,186,732	2,167,518	2,240,348
Other taxes	1,907,422	2,403,354	2,648,647	1,811,980	2,313,571
Investment earnings (loss)	635,807	435,929	329,469	77,084	320,989
Gain (loss) on sale of capital assets	-	-	-	-	-
Transfers	(532,813)	1,323,064	(334,688)	(679,822)	(477,014)
Total governmental activities	<u>64,370,865</u>	<u>69,918,066</u>	<u>67,037,844</u>	<u>65,426,469</u>	<u>66,737,375</u>
Business-type activities:					
Investment earnings (loss)	38,206	18,158	20,129	(7,749)	19,127
Gain (loss) on sale of capital assets	-	-	-	-	-
Transfers	532,813	(1,323,064)	334,688	679,822	477,014
Total business-type activities	<u>571,019</u>	<u>(1,304,906)</u>	<u>354,817</u>	<u>672,073</u>	<u>496,141</u>
Total primary government activities	<u>\$ 64,941,884</u>	<u>\$ 68,613,160</u>	<u>\$ 67,392,661</u>	<u>\$ 66,098,542</u>	<u>\$ 67,233,516</u>
Component unit activities:					
Property taxes	2,192,121	2,203,253	1,984,461	1,576,439	1,651,056
Investment earnings (loss)	57,279	(21,847)	21,427	(9,795)	13,324
Gain (loss) on sale of capital assets	-	-	-	177,677	-
Total component unit activities	<u>\$ 2,249,400</u>	<u>\$ 2,181,406</u>	<u>\$ 2,005,888</u>	<u>\$ 1,744,321</u>	<u>\$ 1,664,380</u>
Change in net position					
Governmental activities	\$ 29,134,987	\$ 34,274,302	\$ 8,430,376	\$ 7,087,173	\$ (6,991,864)
Business-type activities	(385,309)	(1,556,435)	70,956	236,654	10,906,867
Total primary government	<u>\$ 28,749,678</u>	<u>\$ 32,717,867</u>	<u>\$ 8,501,332</u>	<u>\$ 7,323,827</u>	<u>\$ 3,915,003</u>
Total component unit: Downtown Development Authority	<u>\$ (2,137,337)</u>	<u>\$ (1,687,831)</u>	<u>\$ 1,057,908</u>	<u>\$ (1,266,552)</u>	<u>\$ 650,732</u>

2015	2016	2017	2018	2019
\$ (63,139,847)	\$ (61,184,542)	\$ (56,212,435)	\$ (38,950,857)	\$ (32,994,059)
(162,050)	(259,311)	1,918,563	1,832,665	6,423,027
\$ (63,301,897)	\$ (61,443,853)	\$ (54,293,872)	\$ (37,118,192)	\$ (26,571,032)
\$ (286,085)	\$ (397,588)	\$ (1,284,832)	\$ (4,677,193)	\$ (10,579,105)
\$ 52,554,260	\$ 51,503,561	\$ 54,888,978	\$ 59,440,765	\$ 62,477,950
8,250,740	8,293,562	8,463,085	8,702,226	8,790,307
2,804,961	2,467,131	2,887,755	2,802,018	2,827,221
2,291,572	2,106,327	2,299,573	2,825,138	2,858,385
2,110,926	1,510,032	1,276,461	1,384,561	1,672,907
250,356	377,556	406,054	781,201	1,374,508
-	-	-	122,300	51,619
(595,383)	(544,662)	(515,666)	(135,000)	(2,408,433)
67,667,432	65,713,507	69,706,240	75,923,209	77,644,464
14,398	34,791	33,527	154,589	244,079
-	-	-	55,000	-
595,383	544,662	515,666	135,000	2,408,433
609,781	579,453	549,193	344,589	2,652,512
\$ 68,277,213	\$ 66,292,960	\$ 70,255,433	\$ 76,267,798	\$ 80,296,976
1,593,828	1,565,227	1,561,422	1,715,022	1,666,797
13,492	27,664	28,400	120,442	92,635
-	-	120,219	-	-
\$ 1,607,320	\$ 1,592,891	\$ 1,710,041	\$ 1,835,464	\$ 1,759,432
\$ 4,527,585	\$ 4,528,965	\$ 13,493,805	\$ 36,972,352	\$ 44,650,405
447,731	220,142	2,467,756	2,177,254	9,075,539
\$ 4,975,316	\$ 4,749,107	\$ 15,961,561	\$ 39,149,606	\$ 53,725,944
\$ 1,321,235	\$ 1,195,303	\$ 425,209	\$ (2,841,729)	\$ (8,819,673)

TABLE 3

City of Grand Junction, Colorado
FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

	2010	2011	2012	2013	2014
General fund					
Nonspendable	\$ -	\$ 8,329,598	\$ 7,498,417	\$ 7,474,266	\$ 6,852,617
Restricted	-	6,825,911	4,945,478	4,651,828	3,937,335
Assigned	-	1,802,875	7,362,016	2,258,043	2,348,435
Unassigned	-	13,193,886	10,535,731	10,198,700	9,116,534
Reserved	11,740,961	-	-	-	-
Unreserved	14,916,902	-	-	-	-
Total general fund	<u>26,657,863</u>	<u>30,152,270</u>	<u>30,341,642</u>	<u>24,582,837</u>	<u>22,254,921</u>
All other governmental funds					
Nonspendable, reported in:					
Special revenue funds	\$ -	\$ 13,605	\$ 9,276	\$ 9,189	\$ 9,120
Permanent funds	-	1,289,972	1,309,993	1,329,102	1,352,852
Capital projects funds	-	20,157	91,149	-	-
Restricted, reported in:					
Special revenue funds	-	4,095,089	3,192,341	2,390,993	2,746,901
Debt service funds	-	19,245,569	4,238,829	6,483,403	8,621,972
Capital projects funds	-	23,437,299	3,598,365	78,328	1,040,494
Committed, reported in:					
Special revenue funds	-	1,353,572	1,299,165	1,235,568	1,274,569
Capital projects funds	-	571,214	924,099	236,967	645,455
Assigned, reported in:					
Capital projects funds	-	458,557	253,027	2,217,442	-
Reserved	18,168,718	-	-	-	-
Unreserved, reported in:					
Special revenue funds	4,086,536	-	-	-	-
Debt service funds	-	-	-	-	-
Capital projects funds	41,078,067	-	-	-	-
Total all other governmental funds	<u>63,333,321</u>	<u>50,485,034</u>	<u>14,916,244</u>	<u>13,980,992</u>	<u>15,691,363</u>
Total governmental funds	<u>\$ 89,991,184</u>	<u>\$ 80,637,304</u>	<u>\$ 45,257,886</u>	<u>\$ 38,563,829</u>	<u>\$ 37,946,284</u>

Note: The City of Grand Junction implemented GASB 54 as of December 31, 2011.

	2015	2016	2017	2018	2019
\$	6,386,895	\$ 5,924,766	\$ 5,411,369	\$ 4,941,645	\$ 3,080,838
	3,806,415	3,648,777	3,412,553	3,412,553	3,191,422
	1,084,580	1,578,434	3,856	9,213,643	3,417,474
	10,501,371	9,206,316	14,522,107	14,622,003	21,278,686
	-	-	-	-	-
	-	-	-	-	-
	<u>21,779,261</u>	<u>20,358,293</u>	<u>23,349,885</u>	<u>32,189,844</u>	<u>30,968,420</u>
\$	13,396	\$ 13,703	\$ 18,109	\$ 5,861	\$ 2,195
	1,372,221	1,392,430	1,414,304	1,435,189	1,483,666
	-	-	-	-	-
	2,709,359	3,084,486	2,923,717	3,010,648	2,731,720
	9,878,137	11,211,151	9,197,347	7,092,214	5,515,976
	1,109,018	3,336,866	2,642,824	6,688,587	7,312,864
	793,938	757,883	447,442	1,083,752	1,385,742
	1,198,995	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>17,075,064</u>	<u>19,796,519</u>	<u>16,643,743</u>	<u>19,316,251</u>	<u>18,432,163</u>
\$	<u>38,854,325</u>	<u>40,154,812</u>	<u>39,993,628</u>	<u>51,506,095</u>	<u>49,400,583</u>

TABLE 4

City of Grand Junction, Colorado
CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

	2010	2011	2012	2013	2014
Revenues					
Taxes	\$ 64,267,871	\$ 68,159,073	\$ 67,043,063	\$ 66,029,207	\$ 66,893,400
Licenses, fees and permits	118,128	116,930	110,618	108,206	118,991
Intergovernmental	4,476,793	5,131,948	5,096,820	7,541,086	6,157,849
Charges for services	9,923,697	9,940,383	12,462,603	13,956,659	10,151,290
Fines and forfeitures	1,234,810	1,296,959	1,533,575	896,190	869,216
Special assessments	49,372	32,868	15,814	14,708	16,050
Investment earnings	553,700	423,863	289,435	96,784	280,162
Other income	130,638	47,399	45,683	50,755	27,560
Other contributions	176,607	456,452	1,273,521	779,898	1,652,899
Total revenues	<u>80,931,616</u>	<u>85,605,875</u>	<u>87,871,132</u>	<u>89,473,493</u>	<u>86,167,417</u>
Expenditures					
General government	\$ 10,301,970	\$ 10,692,566	\$ 10,922,302	\$ 11,576,206	\$ 11,872,673
Public safety	27,193,471	28,691,061	33,791,689	35,406,743	35,610,598
Public works	9,686,215	10,035,622	9,752,185	10,014,670	9,509,928
Parks and recreation	7,067,698	7,083,898	8,421,297	8,456,460	8,403,649
Urban development and housing	561,457	645,572	477,886	591,545	634,827
Debt service:					
Advance refunding escrow	-	-	17,812,681	-	-
Principal retirement	4,073,479	4,275,000	5,130,000	5,380,000	4,620,000
Interest and fiscal charges	3,317,358	5,858,657	5,268,794	4,432,045	4,189,597
Bond issuance costs	364,048	-	146,923	-	-
Capital outlay: construction	9,916,907	26,126,955	28,376,550	17,516,041	9,762,451
Total expenditures	<u>72,482,603</u>	<u>93,409,331</u>	<u>120,100,307</u>	<u>93,373,710</u>	<u>84,603,723</u>
Other financing sources (uses)					
Transfers in	15,000,174	13,823,542	13,491,409	16,759,243	13,150,703
Transfers out	(15,652,330)	(15,453,966)	(16,792,117)	(19,553,083)	(15,407,597)
Bonds issued	-	-	30,645,000	-	-
Bond premium	-	-	5,512,594	-	-
Payment to refunded bond escrow agent	-	-	(36,007,129)	-	-
Certificates of participation issued	42,670,000	-	-	-	-
Discount on certificates of participation	(422,392)	-	-	-	-
Insurance recoveries	-	-	-	-	30,657
Sale of capital assets	99,324	80,000	-	-	44,998
Total other financing sources (uses)	<u>41,694,776</u>	<u>(1,550,424)</u>	<u>(3,150,243)</u>	<u>(2,793,840)</u>	<u>(2,181,239)</u>
Net change in fund balances	<u>\$ 50,143,789</u>	<u>\$ (9,353,880)</u>	<u>\$ (35,379,418)</u>	<u>\$ (6,694,057)</u>	<u>\$ (617,545)</u>
Debt service as a percentage of noncapital expenditures	11.9%	18.7%	11.3%	12.9%	11.7%

	2015	2016	2017	2018	2019
\$	68,012,459	\$ 65,880,613	\$ 69,815,852	\$ 75,154,708	\$ 78,626,770
	116,091	160,265	142,595	159,540	187,252
	8,102,118	8,549,914	6,799,685	11,292,769	13,083,432
	9,763,812	10,834,740	10,698,753	13,321,391	13,321,391
	885,305	720,181	597,482	661,161	389,711
	13,771	9,235	8,216	4,045	4,045
	221,580	321,987	341,673	684,078	1,215,071
	1,277,516	1,419,482	2,346,323	58,495	104,189
	530,015	1,717,927	707,517	1,566,312	1,235,147
	<u>88,922,667</u>	<u>89,614,344</u>	<u>91,458,096</u>	<u>102,902,499</u>	<u>108,167,008</u>
\$	12,625,502	\$ 12,776,431	\$ 12,145,455	\$ 13,836,451	\$ 18,383,501
	37,871,800	38,285,166	37,963,223	40,445,199	43,778,212
	8,866,234	8,880,062	8,078,591	8,348,485	9,300,017
	8,663,393	8,939,889	8,462,734	8,787,839	9,332,447
	511,257	512,150	186,241	152,817	173,280
	-	-	-	-	-
	3,385,000	3,525,000	3,722,000	3,875,000	4,045,000
	4,025,922	3,890,097	3,720,535	3,540,335	2,868,763
	-	-	-	-	-
	9,894,161	9,224,171	14,105,100	11,469,185	18,059,092
	<u>85,843,269</u>	<u>86,032,966</u>	<u>88,383,879</u>	<u>90,455,311</u>	<u>105,940,312</u>
	9,387,527	9,657,508	13,354,777	15,420,839	18,522,326
	(12,152,716)	(11,956,048)	(16,599,272)	(16,416,561)	(23,414,566)
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	28,892	-	-	-	-
	564,940	17,649	9,094	61,001	51,619
	<u>(2,171,357)</u>	<u>(2,280,891)</u>	<u>(3,235,401)</u>	<u>(934,721)</u>	<u>(4,840,621)</u>
\$	<u>908,041</u>	<u>\$ 1,300,487</u>	<u>\$ (161,184)</u>	<u>\$ 11,512,467</u>	<u>\$ (2,105,512)</u>
	9.7%	9.6%	10.0%	9.4%	7.3%

TABLE 5

City of Grand Junction, Colorado
SALES TAX REVENUE BY TYPE OF INDUSTRY ¹
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Miscellaneous Retail</u>	<u>General Merchandise</u>	<u>Motor Vehicles</u>	<u>Construction Industry</u>	<u>Restaurants & Bars</u>	<u>Taxable Utilities</u>
2010	7,542,580	6,696,440	6,052,294	5,262,981	4,482,577	2,358,091
2011	8,239,971	6,996,380	5,884,540	5,409,778	4,593,741	2,310,226
2012	8,605,978	6,910,212	6,146,000	5,298,252	4,812,086	2,281,527
2013	8,369,041	6,518,572	6,208,876	5,712,485	5,044,912	2,371,461
2014	8,225,826	6,495,169	6,758,219	5,989,543	5,319,764	2,388,032
2015	8,374,648	6,444,453	6,957,027	5,678,347	5,470,778	2,565,699
2016	7,986,706	6,486,529	6,572,938	5,986,737	5,551,750	2,477,021
2017	8,011,309	6,875,701	7,291,422	6,797,090	5,841,735	2,767,594
2018	8,326,953	7,131,477	7,716,477	7,770,602	6,125,913	2,258,818
2019	8,596,998	7,144,708	8,260,166	8,054,630	6,376,277	2,079,571

¹Excludes use tax and the City's share of county sales tax. Refer to Table 8 for total sales and use tax collections.

Source: City Finance Department: Sales Tax Reports

Grocery, Convenience & Drug Stores	Oil & Gas Extraction	Liquor Stores	Hotels	Other	Total Sales Tax	Total Direct Tax Rate
1,503,627	1,299,543	913,171	1,169,747	1,528,720	38,809,771	2.75%
1,668,861	1,407,923	931,723	1,108,903	1,338,826	39,890,872	2.75%
1,748,586	1,612,912	979,827	1,150,713	755,253	40,301,346	2.75%
1,752,567	1,045,718	1,018,575	1,220,306	1,466,599	40,729,112	2.75%
1,765,891	1,095,263	1,047,948	1,262,280	1,703,372	42,051,307	2.75%
1,960,658	652,693	1,089,131	1,346,842	2,293,187	42,833,463	2.75%
2,060,505	450,873	1,147,881	1,394,716	2,127,606	42,243,262	2.75%
2,232,717	742,649	1,199,186	1,449,259	1,794,876	45,003,538	2.75%
2,343,220	873,803	1,214,084	1,561,582	3,169,286	48,492,215	2.75%
2,467,808	690,380	1,188,086	1,613,525	2,811,694	49,283,843	2.75%

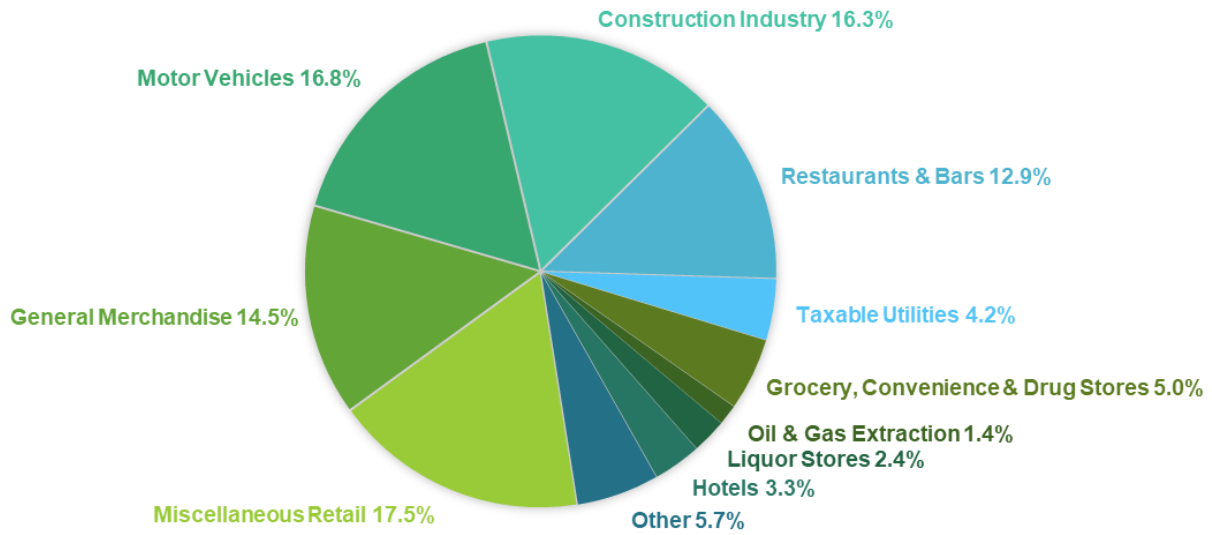


TABLE 6

**City of Grand Junction, Colorado
DIRECT AND OVERLAPPING SALES TAX RATES
Last Ten Fiscal Years**

Fiscal Year	City Direct Rate		Overlapping Rates		Total Overlapping Sales Tax Rate
	City of Grand Junction	Total Direct Sales Tax Rate	Mesa County	State of Colorado	
2010	2.75%	2.75%	2.00%	2.90%	7.65%
2011	2.75%	2.75%	2.00%	2.90%	7.65%
2012	2.75%	2.75%	2.00%	2.90%	7.65%
2013	2.75%	2.75%	2.00%	2.90%	7.65%
2014	2.75%	2.75%	2.00%	2.90%	7.65%
2015	2.75%	2.75%	2.00%	2.90%	7.65%
2016	2.75%	2.75%	2.00%	2.90%	7.65%
2017	2.75%	2.75%	2.00%	2.90%	7.65%
2018	2.75%	2.75%	2.37%	2.90%	8.02%
2019	2.75%	2.75%	2.37%	2.90%	8.02%

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

Source: City Finance Department: Sales Tax Reports

TABLE 7

City of Grand Junction, Colorado
PRINCIPAL SALES TAX PAYERS
Current Year and Nine Years Prior

	<u>2010</u>	<u>2019</u>
Aggregate top ten filers ^{1 2}	\$ 9,964,913	\$ 11,623,734
Aggregate all other filers ²	28,844,858	37,660,109
Total sales tax	<u>\$ 38,809,771</u>	<u>\$ 49,283,843</u>
Top ten filers as a percentage of total sales tax	25.68%	23.59%

¹ Colorado State Statutes and the City of Grand Junction Ordinances prohibit disclosure of individual sales tax returns. Therefore, the current year top ten filers are listed in alphabetical order as follows: Best Buy, Home Depot, Lowes, Mesa County Colorado, Public Service Company, Sam's Club, Target Stores, Verizon Wireless, Walmart-North Avenue, and Walmart-Rimrock.

² Excludes use tax and the City's share of county sales tax. Refer to Table 8 for total sales and use tax collections.

Source: City Finance Department: Sales Tax Reports

TABLE 8

City of Grand Junction, Colorado
SALES AND USE TAX COLLECTIONS
 Last Ten Fiscal Years

Fiscal Year	City Sales Tax	City Use Tax	City Share of County Sales Tax	Lodging* Tax	Total
2010	38,809,771	2,110,934	5,354,386	1,148,921	47,424,012
2011	39,890,872	3,560,160	5,727,861	1,133,628	50,312,521
2012	40,301,346	3,230,026	5,959,563	1,212,038	50,702,973
2013	40,729,112	2,636,987	5,896,129	1,205,999	50,468,227
2014	42,051,307	1,910,683	6,056,300	1,254,524	51,272,814
2015	42,833,463	2,026,919	6,325,229	1,368,649	52,554,260
2016	42,243,262	1,651,052	6,194,296	1,414,951	51,503,561
2017	45,003,538	1,820,136	6,599,984	1,465,320	54,888,978
2018	48,492,215	1,682,258	7,686,493	1,579,799	59,440,765
2019	49,283,843	1,547,376	8,287,195	3,359,536	62,477,950

Source: City Finance Department: Sales Tax Reports

*Beginning with 2019, Lodging taxes include an additional 3% Lodgers tax increase.

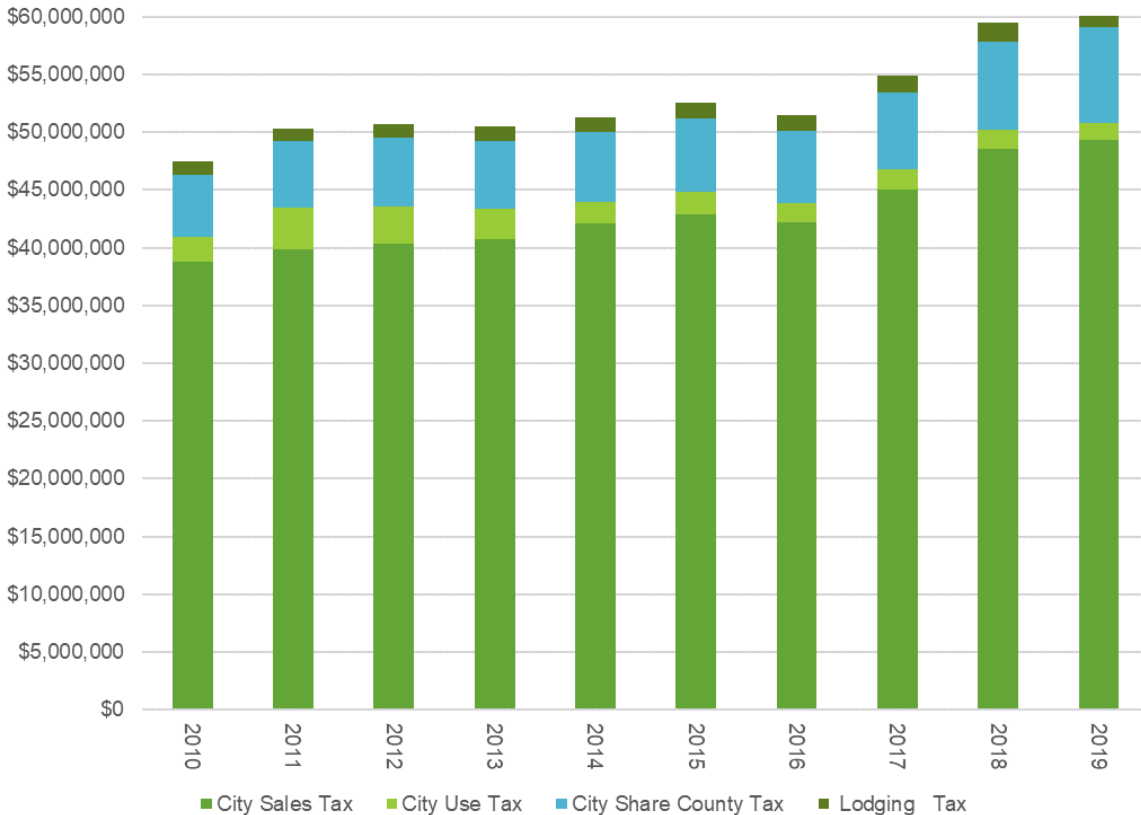


TABLE 9

City of Grand Junction, Colorado
RATIO OF OUTSTANDING DEBT BY TYPE
TO PERSONAL INCOME AND OUTSTANDING DEBT PER CAPITA¹
 Last Ten Fiscal Years

Fiscal Year	Population ²	Personal Income in Thousands ⁴	Governmental Activities			Business-Type Activities			Total Primary Government	Ratio of Outstanding Debt to Personal Income	Outstanding Debt Per Capita
			General Obligation Bonds ¹	Revenue Bonds	Promissory Notes	Capital Leases	Promissory Notes	Loan Payable			
2010	58,566	2,084,423	595,000	67,723,497	-	42,286,843	-	6,201,050	116,806,390	5.58%	1,984
2011	58,702	2,038,310	410,000	63,459,413	-	42,097,628	-	5,864,020	111,831,061	5.47%	1,898
2012	60,170	2,169,008	210,000	43,920,951	-	41,266,270	-	5,534,201	90,931,422	4.18%	1,508
2013	60,317	2,193,669	-	38,850,946	-	40,426,335	-	5,198,101	84,475,382	3.85%	1,401
2014	61,212	2,367,313	-	34,412,916	-	39,557,327	-	4,851,055	78,821,298	3.33%	1,288
2015	61,847	2,463,057	-	31,283,775	-	38,659,324	-	4,494,375	74,437,474	3.02%	1,204
2016	63,775	2,505,720	-	28,098,015	-	37,727,365	-	5,742,568	71,567,948	2.86%	1,122
2017	64,629	2,518,045	-	24,845,222	-	37,743,807	-	5,952,139	68,541,168	2.72%	1,061
2018	65,224	2,815,271	-	21,518,614	-	36,530,934	-	5,473,142	63,522,690	2.26%	974
2019	64,191 ³	3,069,026 ⁵	-	18,122,111	-	34,296,877	-	4,980,817	57,399,805	1.87%	894

Note: ¹ The general obligation bonds consist of the Ridges Metropolitan District debt and the Grand Junction West Water and Sanitation District debt which are excluded from the ratio of outstanding debt to personal income calculation and the debt per capita calculation because they are to be paid with special property tax levies on property within these Districts only.

Sources:

² Colorado DOLA Demography Section - All other City Finance Department

³ Estimate, Colorado Department of Local Affairs, State Demography Office

⁴ Bureau of Economic Analysis

⁵ Estimate, based on prior year data and Bureau of Economic Analysis

TABLE 10

City of Grand Junction, Colorado
**RATIO OF NET GENERAL BONDED DEBT
 TO PERSONAL INCOME AND NET BONDED DEBT PER CAPITA**
 Last Ten Fiscal Years

Fiscal Year	Population ¹	Personal Income in Thousands ³	Revenue Bonded Debt	Debt Service Monies Available	Debt Payable from Enterprise Revenues	Net Bonded Debt	Ratio of Net Bonded Debt to Personal Income	Net Bonded Debt Per Capita
2010	58,566	2,084,423	67,723,497	15,100,529	-	52,622,968	2.52%	899
2011	58,702	2,038,310	63,459,413	19,079,054	-	44,380,359	2.18%	756
2012	60,170	2,169,008	43,920,951	4,117,083	-	39,803,868	1.84%	662
2013	60,317	2,193,669	38,850,946	6,467,441	-	32,383,505	1.48%	537
2014	61,212	2,367,313	34,412,916	8,604,537	-	25,808,379	1.09%	422
2015	61,847	2,463,057	31,283,775	9,860,226	-	21,423,549	0.87%	346
2016	63,775	2,505,720	28,098,015	11,189,404	-	16,908,611	0.67%	265
2017	64,629	2,518,045	24,845,222	9,170,370	-	15,674,852	0.62%	243
2018	65,224	2,815,271	21,518,614	7,055,725	-	14,462,889	0.51%	222
2019	64,191 ²	3,069,026 ⁴	18,122,111	5,106,179	-	13,015,932	0.42%	203

Notes: Details regarding the City's outstanding debt can be found in Note 7 of the financial statements.

The general obligation bonds consist of Ridges Metropolitan District debt and the Grand Junction West Water and Sanitation District debt which are excluded because they are to be paid with special property tax levies on property within these Districts only.

Sources:

- ¹Colorado DOLA Demography Section - All other City Finance Department
- ² Estimate, Colorado Department of Local Affairs, State Demography Office
- ³ Bureau of Economic Analysis
- ⁴ Estimate, based on prior year data and Bureau of Economic Analysis

TABLE 11

City of Grand Junction, Colorado
COMPUTATION OF LEGAL DEBT MARGIN
December 31, 2019

Estimated actual value as determined by Assessor ¹	<u>\$ 8,292,642,430</u>
Debt limit - 3% of actual value	\$ 248,779,273
Legal debt margin	<u>\$ 248,779,273</u>

Source:

¹ Mesa County Assessor

TABLE 12

City of Grand Junction, Colorado
COMPUTATION OF DIRECT AND OVERLAPPING DEBT ¹
 December 31, 2019

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Grand Junction</u>	<u>Amount Applicable to City of Grand Junction</u>
Direct:			
City of Grand Junction ²	\$ 52,418,988	100.00%	\$ 52,418,988
Overlapping:			
Mesa County Valley School District No. 51 ³	183,235,000	50.00%	91,617,500
Mesa County ⁴	12,290,000	50.00%	6,145,000
			<u>97,762,500</u>
Total			<u>\$ 150,181,488</u>

¹ Computation of overlapping debt includes only the three major governmental units and excludes several special districts that partially overlap the City. For the purposes of GASB Statement 44, certificates of participation are included in the overlapping debt calculation. However, certificates of participation do not constitute a general obligation, other indebtedness or multiple fiscal year financial obligations within the meaning of any constitutional or statutory debt limitation.

Sources:

² City Finance Department

³ Mesa County Valley School District No. 51 Finance Department

⁴ Mesa County Financial Services Department

TABLE 13

City of Grand Junction, Colorado
REVENUE BOND COVERAGE
WATER BONDS
 Last Ten Fiscal Years

Fiscal Year	Gross Revenue	Direct Operating Expense	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2010	5,771,565	4,283,596	1,487,969	-	-	-	-
2011	5,241,766	3,860,748	1,381,018	-	-	-	-
2012	5,578,993	4,196,685	1,382,308	-	-	-	-
2013	5,452,497	4,305,490	1,147,007	-	-	-	-
2014	6,149,570	4,465,619	1,683,951	-	-	-	-
2015	6,264,306	4,515,103	1,749,203	-	-	-	-
2016	7,043,756	5,208,137	1,835,619	-	-	-	-
2017	7,879,981	3,804,410	4,075,571	-	-	-	-
2018	8,524,929	4,686,913	3,838,016	-	-	-	-
2019	8,496,346	5,266,951	3,229,395	-	-	-	-

Source: City Finance Department

TABLE 14

City of Grand Junction, Colorado
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

Fiscal Year	City Population ¹	County Population ¹	Personal Income in Thousands ³	Per Capita Income ³	School Enrollment ²	Unemployment Rate ^{4 5}	
						Grand Junction MSA	State of Colorado
2010	58,566	146,723	2,084,423	35,591	22,203	10.7%	9.0%
2011	58,702	149,556	2,038,310	34,723	22,081	9.9%	8.5%
2012	60,170	147,753	2,169,008	36,048	21,914	9.2%	7.3%
2013	60,317	148,013	2,193,669	36,369	21,714	7.4%	5.9%
2014	61,212	147,811	2,367,313	38,674	21,894	5.1%	4.2%
2015	61,847	148,348	2,463,057	39,825	21,742	5.4%	3.3%
2016	63,775	149,249	2,505,720	39,290	21,827	4.4%	2.7%
2017	64,629	150,731	2,518,045	38,962	22,105	4.1%	3.0%
2018	65,224	151,900	2,815,271	43,163	22,084	4.8%	3.8%
2019	64,191 ⁶	153,629 ⁶	3,069,026	47,811 ⁷	22,082	3.1%	2.5%

Note: School enrollment is for Mesa County Valley School District No. 51 which includes the majority of Mesa County.

Sources:

- ¹ US Census Bureau and Colorado DOLA Demography Office
- ² Mesa County Valley School District No. 51 - District wide enrollment
- ³ Bureau of Economic Analysis
- ⁴ US Department of Labor, Bureau of Labor Statistics, Non-Seasonally Adjusted
- ⁵ Prior year reports reflected unemployment rates for Mesa County; those have been replaced in the current year report with unemployment rates for the Grand Junction Metropolitan Statistical Area
- ⁶ Colorado Department of Local Affairs, State Demography Office
- ⁷ Estimate based on prior year data and Bureau of Economic Analysis

Population, Income, and School Enrollment Trends

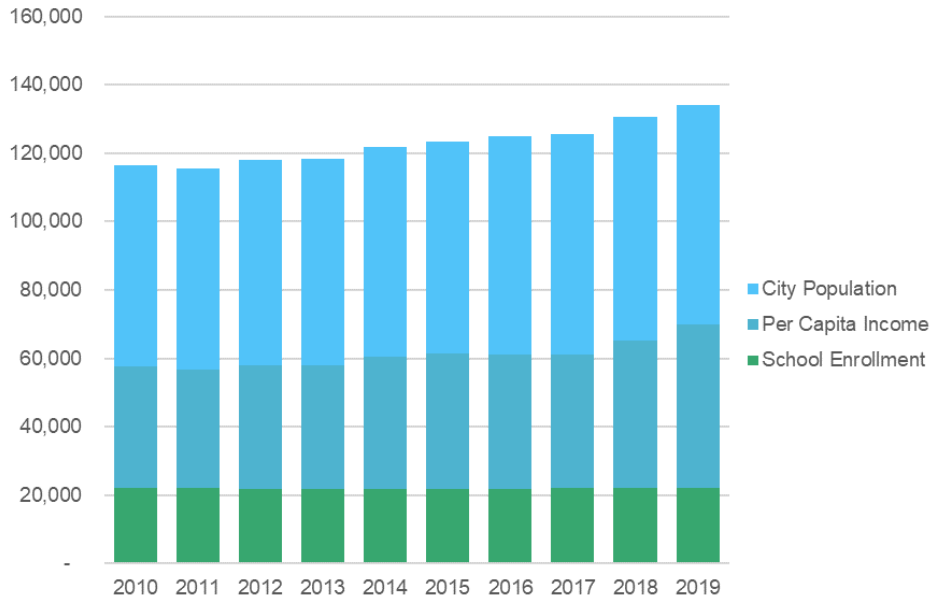


TABLE 15

City of Grand Junction, Colorado
TOP 10 PRINCIPAL EMPLOYERS
 December 31, 2019
 Current Year and Nine Years Ago

Employer	Type of Business	Number of Employees 2010 ¹	Percentage of Total 2010	Number of Employees 2019 ¹	Percentage of Total 2019
Mesa County Valley School District #51	Education	3,000	4.29%	2,851	3.72%
St. Mary's Hospital	Healthcare	2,068	2.96%	2,341	3.06%
Mesa County Community Hospital	Government	980	1.40%	1,051	1.37%
Colorado Mesa University	Healthcare			932	1.22%
City of Grand Junction	Education	699	1.00%	808	1.05%
VA Medical Center	Government	672	0.96%	754	0.98%
Family Health West	Services			750	0.98%
Hilltop Community Resources	Healthcare			591	0.77%
West Star Aviation	Healthcare			536	0.70%
State of Colorado	Aviation			488	0.64%
Walmart	Government	995	1.42%		
Halliburton Energy	Retail	859	1.23%		
Star Tek USA	Services	700	1.00%		
City Markets, Inc.	Services	600	0.86%		
	Retail	565	0.81%		
Other		58,786	84.08%	65,512	85.50%
Total of All Employees ²		69,924		76,614	

Sources:

¹ Grand Junction Economic Partnership (includes part-time and seasonal employees)

² Colorado Department of Labor and Employment (includes part-time and seasonal employees)

TABLE 16

City of Grand Junction, Colorado
MISCELLANEOUS STATISTICS
 Last Ten Fiscal Years

Date of incorporation: July 19, 1882¹
 Date charter adopted: September 14, 1909¹
 Form of government: Council-Manager¹

Function ⁵	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	115	114	115	131	127	132	117	109	104	120
Fire protection	95	96	103	112	111	108	109	112	125	125
Parks and recreation	67	68	67	67	66	63	61	59	56	48
Police protection										
Sworn	90	102	103	105	109	114	110	109	138	118
Non-sworn	82	72	80	86	84	80	83	83	54	85
Public works	160	153	156	136	135	131	127	123	55	55
Utilities									68	68
Total	609	605	624	637	632	628	607	595	600	619

Building permits: ²	Year	# Issued	Value	Elections: ¹	Year	Number of Registered Voters	Number of Votes in last General Election	Percentage
2011	881	96,498,756	2011	23,928	13,786	57.61%		
2012	899	90,830,317	2012	29,989	29,039	96.83%		
2013	988	124,166,999	2013	29,989	11,665	38.90%		
2014	1,075	168,028,225	2014	32,367	22,540	69.64%		
2015	1,024	158,448,472	2015	31,482	11,262	35.77%		
2016	1,828	161,204,970	2016	36,787	31,803	86.45%		
2017	2,016	176,475,994	2017	37,643	15,301	40.65%		
2018	2,275	153,102,208	2018	48,908	27,756	56.75%		
2019	2,269	171,479,210	2019	37,279	17,512	46.98%		

Education: Type	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Mesa County Valley School District No. 51 enrollment: ³										
Elementary	10,753	10,107	10,034	10,224	9,898	9,945	10,455	9,881	9,757	9,339
Middle	4,860	5,366	5,319	5,307	5,515	5,670	5,323	5,796	5,551	5,602
High	6,590	6,441	6,361	6,363	6,329	6,289	6,049	6,428	6,776	6,157
Colorado Mesa University enrollment: ⁴	7,746	8,826	9,010	9,325	8,853	9,065	9,223	9,591	9,492	9,373

- Sources:
- ¹ City Clerk Department
 - ² Mesa County Building Department
 - ³ Estimate, based on Mesa County Valley School District No. 51 - Enrollment Data
 - ⁴ Colorado Mesa University
 - ⁵ City Human Resources Department

TABLE 17

City of Grand Junction, Colorado
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Fiscal Years

Function	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Police:²										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicular patrol units	39	39	40	41	40	41	36	37	36	38
Canine units	3	3	3	2	2	2	2	2	2	2
Motorcycles units	8	8	8	8	8	8	8	6	6	4
Bicycles (attached to patrol units)	17	22	22	20	20	20	27	27	35	23
Fire stations³	5	5	5	5	5	5	5	5	5	5
Public works:¹										
Area (sq. miles)	38.05	39.10	39.18	39.35	39.37	39.62	39.59	39.80	39.99	41.37
Paved streets (centerline miles)	360.60	361.80	362.54	368.54	370.03	370.68	372.14	373.70	376.10	379.80
Unpaved streets (centerline miles)	4.20	5.40	5.44	5.52	3.43	3.62	3.59	3.59	3.59	3.59
Total streets (centerline miles)	364.80	367.20	367.98	374.06	373.46	374.30	375.73	377.29	379.69	383.39
Parks and recreation:⁴										
Developed parks (acres)	365.22	365.22	365.22	365.22	365.22	367.23	699.44	699.44	699.44	699.44
Undeveloped parks (acres)	389.00	389.00	396.50	396.50	396.50	394.49	397.23	397.23	397.23	397.23
Total parks (acres)	754.22	754.22	761.72	761.72	761.72	761.72	1,096.67	1,096.67	1,096.67	1,096.67
Swimming pools	2	2	2	2	2	2	2	2	2	2
Waterslides	2	2	2	2	2	2	2	2	2	2
Pickleball courts	-	-	-	-	4	4	4	4	4	4
Tennis courts	22	22	22	24	22	22	22	22	22	22
Shelters	18	18	19	19	19	21	21	21	21	21
Baseball stadiums (lighted)	1	1	1	1	1	1	1	1	1	1
Baseball stadiums (unlighted)	1	1	1	1	1	1	1	1	1	1
Football/track stadium (lighted)	1	1	1	1	1	1	1	1	1	1
Softball fields (lighted)	6	6	6	6	6	6	6	6	6	6
Softball fields (unlighted)	2	2	2	2	2	2	2	2	2	2
Golf courses	2	2	2	2	2	2	2	2	2	2
Golf courses (acres)	156	156	156	156	156	156	156	156	156	156
Outdoor basketball courts (lighted)	1	1	1	2	2	2	2	2	2	2
Outdoor basketball courts (unlighted)	10	10	10	10	10	10	10	10	10	10
Multi-purpose fields (lighted)	1	1	1	1	1	1	1	1	1	1
Multi-purpose fields (unlighted)	12	12	12	12	12	12	12	12	12	12
Amphitheater	-	-	-	-	-	-	-	1	1	1
Auditorium	1	1	1	1	1	1	1	1	1	1
Senior recreation center	1	1	1	1	1	1	1	1	1	1
Riverfront trail (miles)	19.07	19.07	21.47	21.47	21.47	21.47	21.47	21.47	21.47	21.47
Skateparks	2	2	2	2	2	2	2	2	2	2
Activity center	1	1	1	1	1	1	1	1	1	1
Utilities:¹										
Storm sewer (miles)	185.03	186.63	192.17	205.76	251.00	160.99	197.00	203.64	210.25	233.50
Sanitary sewer (miles)	595.27	594.68	596.35	600.57	601.00	538.73	558.00	561.93	522.15	527.80

Sources:

¹ City Administration GIS Department

² City Police Department

³ City Fire Department

⁴ City Parks and Recreation Department

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SINGLE AUDIT

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the City Council
City of Grand Junction, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Grand Junction, Colorado (the "City"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 28, 2020.

Internal Control over Financial Reporting

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

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

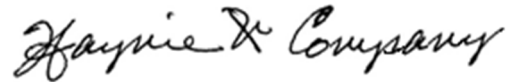
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Haynie & Company". The signature is written in a cursive, flowing style.


Littleton, Colorado

July 28, 2020



1221 W. Mineral Avenue, Suite 202
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the City Council
City of Grand Junction, Colorado

Report on Compliance for Each Major Federal Program

We have audited the City of Grand Junction, Colorado's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2019. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Grand Junction, Colorado complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

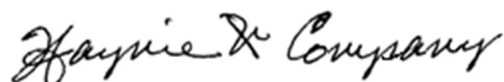
Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The image shows a handwritten signature in cursive script that reads "Haynie & Company". The signature is written in black ink and is positioned above the typed name and date.

Littleton, Colorado

July 28, 2020

City of Grand Junction, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2019

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Award Amount	2019 Amount of Award Expended
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT			
Community Development Block Grants/Entitlement Grants	14.218	\$ 1,703,678	\$ 412,286
U.S. DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION			
Water SMART Grants	15.507	200,000	83,655
U.S. DEPARTMENT OF JUSTICE			
Missing and Exploited Children (MEC) Program	16.543	8,282	8,206
Bulletproof Vest Partnership Program	16.607	35,684	24,990
Edward Byrne Memorial Justice Assistance Grant Program	16.738	102,135	37,792
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through Colorado Department of Transportation Federal Highway Administration (FHWA) Highway Planning and Construction	20.205	578,400	484,411
EXECUTIVE OFFICE OF THE PRESIDENT			
Passed Through Mesa County, Colorado High Intensity Drug Trafficking Areas Program	95.001	343,820	53,714
Total Federal Award Expenditures			\$ <u>1,105,054</u>

The accompanying notes are an integral part of this schedule.

City of Grand Junction, Colorado
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2019

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Grand Junction, Colorado and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

The City has elected to not use the 10% de minimus indirect cost rate, as allowed under Uniform Guidance.

NOTE B – SUB-RECIPIENTS

Of the federal expenditures presented in the schedule, the City of Grand Junction, Colorado provided federal awards to sub-recipients as follows:

<u>Program Title</u>	<u>CFDA #</u>	<u>Amount Provided to Sub-recipient</u>
Community Development Block Grants/ Entitlement Grants	14.218	\$ 169,655

City of Grand Junction, Colorado

Schedule of Findings and Questioned Costs for the Year Ended December 31, 2019

1. Summary of Auditor's Results

Type of report issued on the financial statements:	Unmodified
Material weaknesses in financial reporting internal control noted:	None
Significant deficiency(s) identified that are not considered to be material weaknesses in financial reporting:	None
Material noncompliance noted:	None

Federal Awards:

Material weaknesses in internal control over major programs:	None
<i>Significant deficiency(s) identified that are not considered to be material weaknesses over major programs:</i>	None
<i>Type of report issued on compliance for major programs:</i>	Unmodified
Audit findings required to be reported in accordance with the Uniform Guidance:	None

The following programs are considered to be major:

<i>CFDA Number</i>	<i>Name of Federal Program or Cluster</i>
20.205	U.S. Department of Transportation – Highway Planning and Construction
Dollar threshold used to distinguish Type A and Type B programs:	\$750,000
Qualifies as low-risk auditee:	No

2. Findings relating to the financial statements which are required to be reported in accordance with Government Auditing Standards.

None

3. Findings and questioned costs for Federal Awards

None

4. Summary Schedule of Prior Audit Findings

None


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OTHER SUPPLEMENTAL INFORMATION


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To the City Council
City of Grand Junction, Colorado

We have audited the basic financial statements of the City of Grand Junction, Colorado (the "City"), as of and for the year ended December 31, 2019, and our report thereon dated July 28, 2020, which expressed unmodified opinions on those financial statements, appears on page 17. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Local Highway Finance Report is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Haynie & Company

Littleton, Colorado
July 28, 2020

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Grand Junction
		YEAR ENDING : December 2019
This Information From The Records Of: City of Grand Junction	Prepared By: Ashley McGowen	Phone: 970-256-4012

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)	7,009,093
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,716,095
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	15,746
2. General fund appropriations	9,749,538	b. Snow and ice removal	2,893,009
3. Other local imposts (from page 2)	1,567,446	c. Other	0
4. Miscellaneous local receipts (from page 2)	1,802,293	d. Total (a. through c.)	2,908,755
5. Transfers from toll facilities	0	4. General administration & miscellaneous:	222,341
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues	0	6. Total (1 through 5)	12,856,284
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	883,625
7. Total (1 through 6)	13,119,277	b. Redemption	2,975,000
B. Private Contributions	0	c. Total (a. + b.)	3,858,625
C. Receipts from State government (from page 2)	3,111,221	2. Notes:	
D. Receipts from Federal Government (from page 2)	484,411	a. Interest	0
E. Total receipts (A.7 + B + C + D)	16,714,909	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	3,858,625
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	16,714,909

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	20,050,000	0	2,975,000	17,075,000
1. Bonds (Refunding Portion)		0	0	
B. Notes (Total)	0	0	0	0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	16,714,909	16,714,909	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE:
	Colorado
	YEAR ENDING (mm/yy): December 2019

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	3,595	a. Interest on investments	449
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	0	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	102,820
5. Specific Ownership &/or Other	1,563,851	g. Other Misc. Receipts	0
6. Total (1. through 5.)	1,563,851	h. Other	1,699,024
c. Total (a. + b.)	1,567,446	i. Total (a. through h.)	1,802,293
	(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	2,858,385	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	252,836	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant	0	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	484,411
f. Total (a. through e.)	252,836	g. Total (a. through f.)	484,411
4. Total (1. + 2. + 3.f)	3,111,221	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	52,381	52,381
b. Engineering Costs	0	427,048	427,048
c. Construction:			
(1). New Facilities	0	3,665,878	3,665,878
(2). Capacity Improvements	0	0	0
(3). System Preservation	0	2,693,987	2,693,987
(4). System Enhancement & Operation	0	169,799	169,799
(5). Total Construction (1) + (2) + (3) + (4)	0	6,529,664	6,529,664
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	7,009,093	7,009,093
			(Carry forward to page 1)

Notes and Comments: