

2014

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2014



About our cover...

Since its opening in 1923, the historic Avalon Theatre has been the cornerstone of downtown Grand Junction at 7th and Main Street for the past 92 years. The recently completed \$9.65 million renovation ensures its position as one of the premier performing arts venues in Western Colorado for years to come.

Highlights of the renovation include:

- New and expanded seating: from 900 to a capacity of 1090 seats.
- Stage and stage house expansion: the stage will nearly double in size, accommodating much larger performances that command higher ticket price and back stage will improve the venue's ability to draw more prestigious acts and host more complex performances
- Acoustic and digital audio/visual improvements: these improvements will not only allow the space to host larger acts, but will also make the Avalon a state of the art performance venue.
- Addition of a multi-purpose room: the Encore Hall will offer a smaller space for meetings and presentations without tying up the large performance area. The hall will accommodate the showing of smaller films and also provide excellent space for local groups to use.
- ADA compliance updates: a patron elevator and hearing loop will provide improvements to every guest's experience at the Avalon.
- New rooftop terrace: the rooftop will be able to host a variety of events such as receptions and weddings; catering services will make this a desirable space for both local and regional events and occasions.

Blending the historic Avalon Theatre with a modern addition creates a wonderful mix of warmth and sophistication that honors our historic roots while stating our aspirations for the future.

Photos are courtesy of the Grand Junction Visitor and Convention Bureau and Cat Mayer Studio.



Comprehensive Annual Financial Report

For Fiscal Year Ended December 31, 2014

Prepared by:

Financial Operations Department

Jodi Romero, Financial Operations Director

Grand Junction



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SINGLE AUDIT

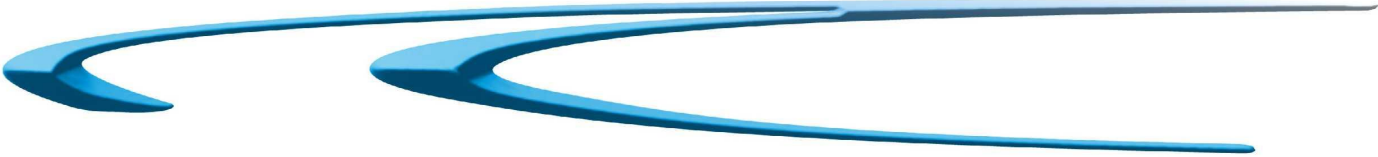
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INTRODUCTORY SECTION



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Financial Operations Department

250 North 5th Street ♦ Grand Junction, Colorado 81501-2668 ♦ (970) 244-1515 ♦ fax (970) 256-4078

June 24, 2015

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 the Comprehensive Annual Financial Report (CAFR) for the City of Grand Junction for the year ended December 31, 2014, is presented. 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. This Comprehensive Annual Financial Report is hereby issued and submitted to you for the fiscal year ended December 31, 2014, in accordance with these requirements.

This report consists of management's representations concerning the finances of the City of Grand Junction. Consequently, management assumes full responsibility for the completeness and reliability of all of the 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 their 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 of Grand Junction's financial statements have been audited by Chadwick, Steinkirchner, Davis & Co., P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Grand Junction for the fiscal year ended December 31, 2014, are free of material misstatement. The independent audit involved 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 concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Grand Junction's financial statements for the fiscal year ended December 31, 2014, 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.

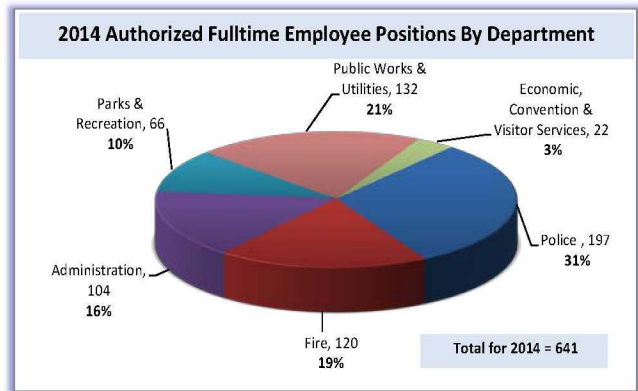
The independent audit of the financial statements of the City of Grand Junction was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements involving the administration of federal awards.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Grand Junction's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City was first settled in 1881 and was 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, visitor and convention, and general administrative services. The relative department sizes are depicted in the chart in terms of personnel.



Blended component units, although legally separate entities, are in substance part of the primary government's operations 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. 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 of Grand Junction currently occupies a land area of 39.4 square miles and serves an estimated population of 61,000. The City of Grand Junction 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 and use tax. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

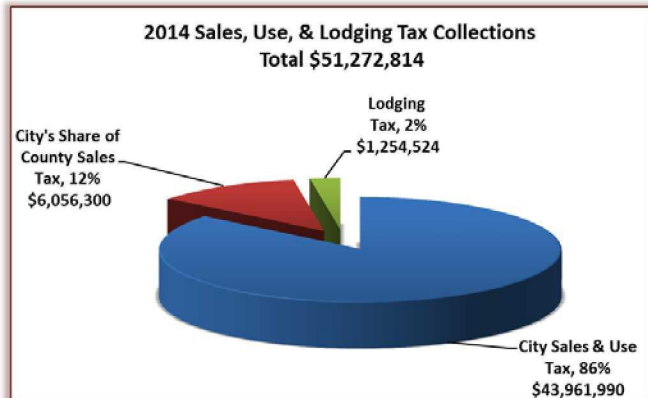
Policy-making and legislative authority are vested in a City Council consisting of seven members, one of which is elected mayor each year. The council is responsible, among other things, for passing ordinances, adopting the budget, appointing boards and commissions, and hiring the City Manager, City Attorney, and Municipal Court Judge. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The 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 the 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. Even though the budget enacted by the 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 (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. Department heads 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 38 as part of the basic financial statements for the governmental funds. For other major governmental funds (and non-major) this comparison is presented in the governmental fund subsection of this report, which starts on page 79.

FACTORS AFFECTING FINANCIAL CONDITION

The City of Grand Junction 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 formed at the junction of the Gunnison and Colorado Rivers, surrounded by majestic mesas. 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, health care, 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, agricultural, recreational, and service and energy exploration industries which provide for a diverse economic base.



The mild climate and close 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.

As in the past, city management and leadership continue to finance current 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. The sales and use tax revenues allocated to the General Fund account for 58% of its revenues and

fund general government operations such as police, fire, streets, and parks, as well as economic development and community partnerships. The Sales, Use, & Lodging Tax Collections graph shows the elements of sales, use, and lodging taxes and their proportionate size while the Historical Sales, Use, & Lodging Tax graph below shows the historical collections and growth since 2005. These tax revenues showed some growth from 2013 to 2014 continuing to reflect a slow recovery of the local economy from the recession. After falling significantly in 2009, tax revenues continue to stay between 2006 and 2007 levels as they have for the last few years.

The Grand Junction Metropolitan Statistical Area (MSA), which is 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, but the average annual unemployment rate has continued to decline and is currently at 6%.



As demonstrated in the 10yr historical collections graph above, the recessionary job loss restricted consumer spending resulting in significant declines in retail activity and sales tax revenues. Since the low in 2009 revenues have recovered slowly settling to the current revenue base which is not anticipated to fluctuate significantly unless there is a resurgence in oil and gas exploration in the area.

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, low crime rates, 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:

- Together with the Downtown Development Authority and the Avalon Theatre Foundation, the City completed a \$9.65 million major renovation of and addition to the historic Avalon Theatre in downtown Grand Junction.

- In partnership with the Horizon Drive Business Improvement District the City began a major reconstruction of the I-70 interchange at Horizon Drive in 2014. This \$4.6 million project will be funded in large part with a State of Colorado Responsible Acceleration of Maintenance and Partnership (RAMP) grant and is expected to be completed in 2016.
- The City began the relocation of Fire Station #4 in order to improve overall coverage and meet response time goals. The project began in 2014 with site selection and design with construction of the station expected to be completed in 2015.
- A \$1.3 million beautification project to one of the oldest east west thoroughfares in the City began in 2014. The North Avenue Streetscape is expected to be completed in 2016.
- Continuing to innovate in the use of natural gas for fleet, the City broke ground in late 2014 on a \$2.8 million biogas conditioning system and pipeline that will produce fuel from the wastewater treatment plant's digester gas. The project will be completed in 2015.
- By leveraging conservation trust funds, the City continues to invest in improvements to parks, playground systems, and pools. The City also continued the planning and development of Las Colonias Park along the south downtown riverfront. This investment includes the design of an amphitheater and breaking ground on the first phase of the long-term park improvement plan.
- Water and sewer enterprises invested \$4.3 million in replacements of pipelines and improvements to the water and sewer plants.

FUTURE OUTLOOK

The City 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. 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.

The Economic Development Plan which was adopted in 2014 serves as a decision making guide for City Council and firmly establishes the Council's commitment to taking a lead role in promoting and funding economic development in the area. The 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 put in motion several action steps including a branding and marketing analysis, exploration of foreign trade opportunities, and the launch of a new economic development website. The City works closely with the community partners in economic development including the Grand Junction Area Chamber of Commerce, Grand Junction Economic Partnership, Business Incubator, and Colorado Mesa University. The City has a department dedicated to convention and visitor services, and a 3% lodging tax is utilized for advertising the community, promoting tourism, and attracting conferences and conventions.

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 dollar campus expansion and renovation project. The City of Grand Junction has supported this project through economic development contributions of \$5.5 million through 2014 which includes a new academic classroom built in 2013. As funds are available and appropriated the City has committed to ongoing support of CMU through 2027.

As indicated by surveys and through dialogue with the Grand Junction community, public safety is recognized as one of the key foundations to a livable community and one of the primary responsibilities of local government. Public Safety facility needs have been addressed through the recent construction of the Public Safety Complex with a new state-of-the-art E911 Regional Communication Center, Fire Station #1, Fire Administration building, and the remodel of Fire Station #2. The City Council remains committed towards addressing future public safety needs and in particular improvements in fire and emergency medical services (ems) coverage including the move of Fire Station #4 to better serve the southeast area of the community.

One of the City's ongoing and major priorities is the preservation and improvement of the transportation infrastructure. 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.

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 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. 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. In addition to this major transportation loop, the City has over 1,100 lane miles to maintain in streets infrastructure. The City has a sophisticated pavement management program that evaluates the condition of the roadways and designs an overlay schedule accordingly.

The City continues the commitment to parks development. A riverfront park area and trail system along the Colorado River is backed by the City through resources of personnel time, direct funding and facilitating grants from federal, state and private sources. The City has purchased land for park area and the riverfront trail system. Much of this property was the site of wrecking yards, which have now been removed. The park objectives are to provide additional recreational facilities, beautify the entrance to the City and improve flood control for the area. Several trails have been completed and are open to the public. In addition, the City Council has committed funding for major maintenance and improvement projects for the City's existing 30 developed parks. The City has also partnered with Mesa Land Trust in the acquisition of land to facilitate the development of a walking and bike trails along Monument Road.

The purchase and development of the 103-acre regional Canyon View Park began in 1996 with major softball and soccer facilities. Development continued with the construction of a baseball field in 1998, new tennis courts in 2008 and new restroom facilities in 2009. This park serves as the main venue for team sporting events for school and community leagues of all ages; with over 320 days of use a year and an average of 10 events per day. With nearly 1 million visits to the park facility each year, it is clearly a significant asset to the regional community and the City's park system. In 2014 the City began phase I of the development of a second regional park at the 101-acre Las Colonias Park in south downtown along the Colorado River. An amphitheater is currently being designed and is planned for future construction. 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.

The City of Grand Junction 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, construction of a CNG fueling station, and the Persigo Wastewater Treatment Plant component which began in 2006 and is the concept of converting methane into CNG. As a byproduct of treating the wastewater, excess digester gas (methane) is generated daily and currently being flared into the atmosphere. After conducting extensive studies, it has been determined that this excess gas can be captured and converted into compressed natural gas (CNG) that can be used as a vehicle fuel (biogas). The program is well underway with the continued purchase of City CNG vehicles, the completion of the fueling station, and the partnership with Grand Valley Transit to maintain and repair their new CNG public transportation buses. The Persigo Biogas project received authorization by City Council and the County Commissioners to proceed in 2014 with the construction of the infrastructure to convert the methane to compressed natural gas and the pipeline to transport it to the City's fleet operations and will be operational in 2015.

The Comprehensive Plan was formally adopted in 2010 after a three-year staff and community effort. This plan plays a critical role in guiding the future growth and development of the City of Grand Junction and the larger Mesa County area. In addition, the Comprehensive Plan serves as a compass for City Council in decision making and policy planning. As a regional plan, the Comprehensive Plan is intended to guide growth while retain the unique qualities of the area. A review and update of the Comprehensive plan is scheduled to begin in 2015. One of the goals of the Comprehensive Plan is to support the continued development of the downtown area of the City center. The City clearly demonstrates that support through the maintenance of the downtown shopping park, the commitment of tax increment funds to the Downtown Development Authority, and most recently in partnership with the Downtown Development Authority and the Avalon Theatre Foundation Board by the investment in the revitalization of the 90 year old historic Avalon Theatre. The theatre is owned and operated by the City and is one of the "book ends" of Main Street in the heart of downtown Grand Junction.

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 more than twenty-two 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. Public Parks: the City, Mesa County, School District #51, and Colorado Mesa University make use of and contribute towards 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 valley and the outlying municipalities in 2000; currently this transit system has over 1 million passenger trips per year. Recently the City has contracted to provide maintenance and repair services for the CNG transit busses. Animal Control. Building Services: Mesa County is contracted by the City to provide professional services in animal control services as well as contractor licensing, building permitting and inspection services. Procurement: The City contracts with Mesa County to provide professional procurement services.

Each year the City Council commits over \$2 million per year for community partnerships, sponsorships, and memberships to organizations such as Kids Voting, Club 20, Riverfront Commission, Western Slope Center for Children, and Young Entrepreneurs Academy.

FINANCIAL POLICIES

The 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 the community partners; invest in public infrastructure; continue to provide the essential services of public safety; operate within existing revenues; and preserve at least \$18.5 million in General Fund reserves. 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 TABOR – Taxpayer Bill of Rights amendment), restricts growth in governmental revenues and property tax revenues to amounts adjusted for inflation and a local growth factor. In 2013, the City did not exceed the overall revenue limitation, but did exceed the property tax revenue limitation. However, in April 2007, City of 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 will be transferred to a debt service fund designated for payment of the Riverside Parkway bonds. The City also is 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 have 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 for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the thirtieth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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

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 Financial Operations Department. I would like to express my appreciation of all members of the 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 for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

The City's external auditors, Chadwick, Steinkirchner, Davis & Co., 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, 2014.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jodi Romero". The signature is fluid and cursive, with the first name "Jodi" and last name "Romero" clearly distinguishable.

Jodi Romero
Financial Operations Director

Grand Junction





Government Finance Officers Association

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

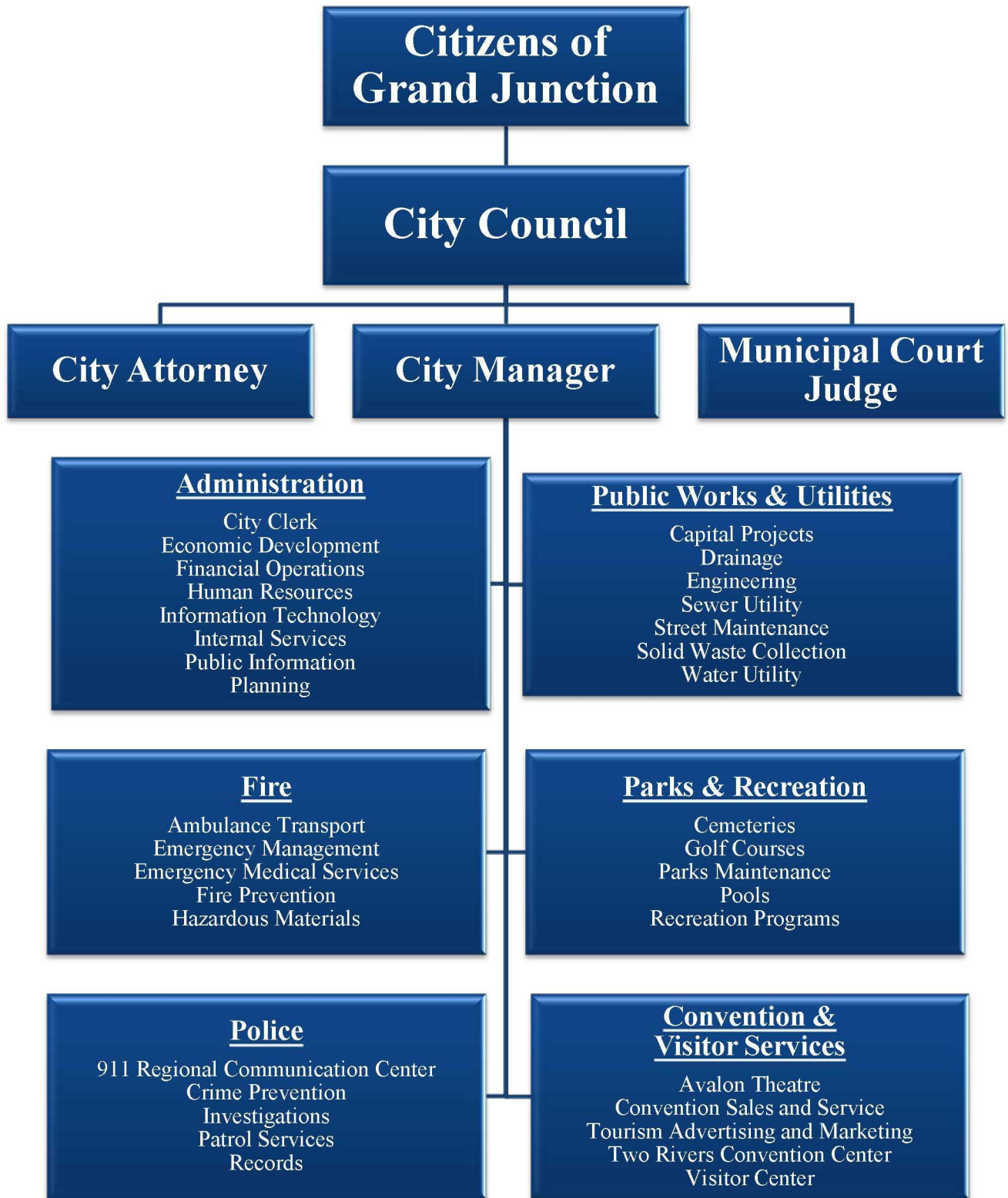
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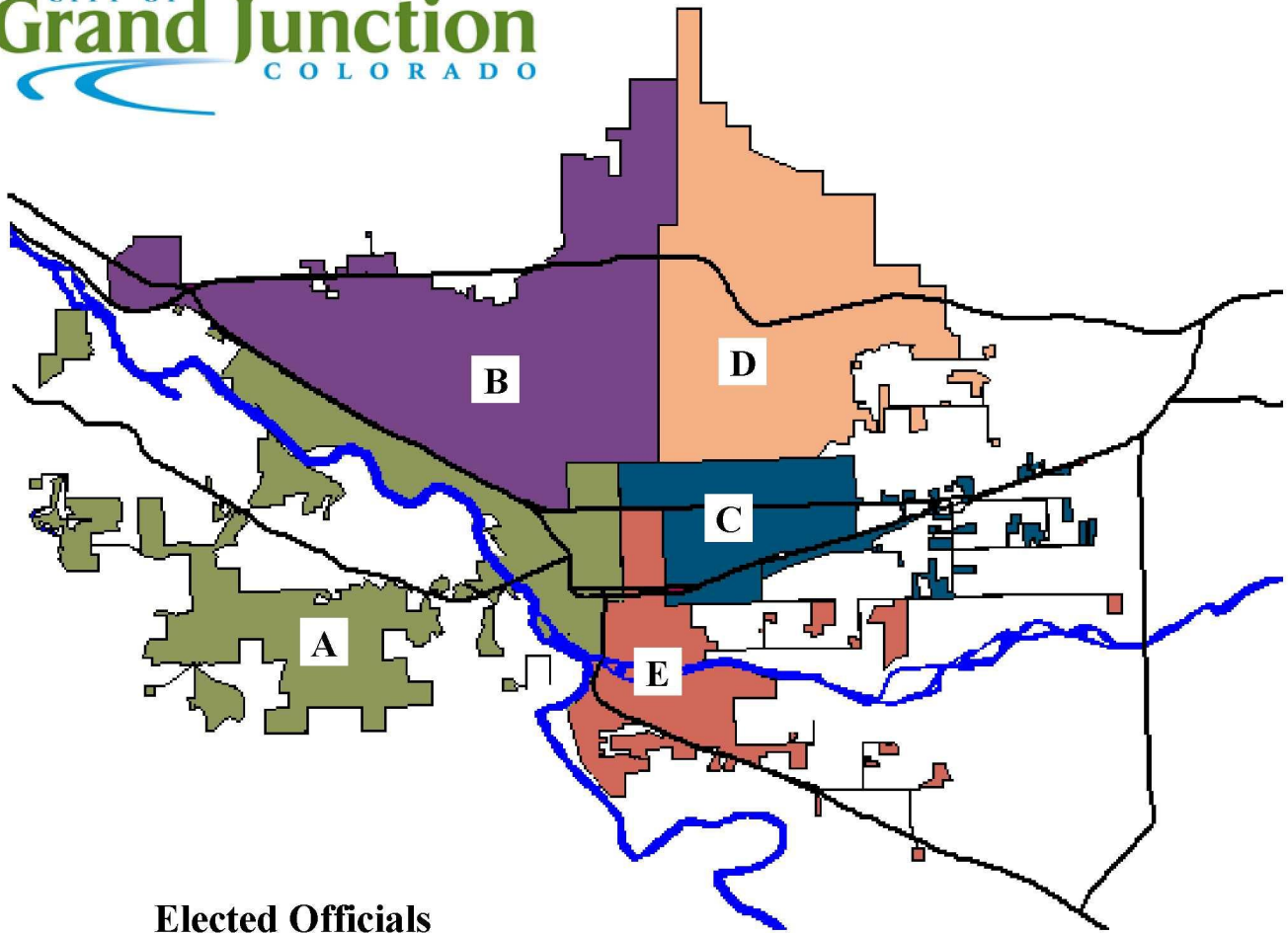
**City of Grand Junction
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO





Elected Officials

City Council	Expires
Phyllis Norris, Mayor – District A	May 2017
Marty Chazen, Mayor Pro Tem – District D.....	May 2017
Barbara Traylor Smith – District B	May 2019
Bennett Boeschstein – District C.....	May 2019
Duncan McArthur – District E.....	May 2017
Chris Kennedy – District at Large	May 2019
Rick Taggart – District at Large.....	May 2017

Election District Boundaries

Appointed Officials

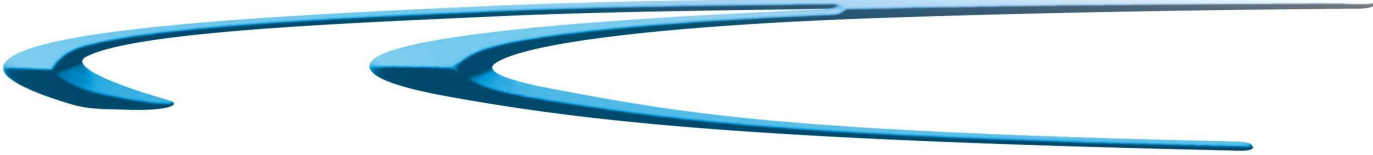
Rich Englehart	City Manager
John P. Shaver	City Attorney
Caré McInnis	Municipal Judge

Department Directors

Tim Moore, Deputy City Manager – Administration
 Jodi Romero – Financial Operations
 Claudia Hazelhurst – Human Resources
 Debbie Kovalik – Convention & Visitor Services
 Ken Watkins – Fire Chief
 Rob Schoeber – Parks & Recreation
 John Camper – Police Chief
 Greg Lanning – Public Works & Utilities



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FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

June 23, 2015

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, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. 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, 2014, 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 analysis and schedule of funding progress 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.

To the City Council
June 23, 2015

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 of Grand Junction, Colorado'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 combining and individual nonmajor fund financial statements and schedules, fiduciary funds combining statements, and component unit financial statements and schedules 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 schedules, fiduciary funds combining statements, and component unit financial statements and schedules 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 June 23, 2015 on our consideration of the City'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 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 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 the City's internal control over financial reporting and compliance.

Chadwick Stirkich, Davis & Co., P.C.

MANAGEMENT'S DISCUSSION & ANALYSIS

Our discussion and analysis of the City of Grand Junction's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2014. Please read it in conjunction with the transmittal letter on page 3 and the City's financial statements, which begin on page 31.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Grand Junction exceeded its liabilities and deferred inflows of resources at the close of 2014 by \$701 million (net position) primarily due to annexations. Of this amount, \$15 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City of Grand Junction General Fund revenues, on a budgetary basis, increased by 1.2% in 2014 after increases in some revenues (sales and use taxes, franchise taxes, severance taxes, intergovernmental revenues, and contributions) and decreases in others (property taxes, charges for service, fines and forfeitures, and investment income). In total, General Fund revenues were \$64.5 million, still significantly below 2008 but showing recovery since 2009.
- At the end of 2014, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the General Fund was \$11.5 million, or 18.0% of the total General Fund expenditures. This is down \$1.0 million from 2013 which was 19.5% of General Fund expenditures. The overall General Fund balance decreased due to a planned spending of the fund balance for capital improvements.
- The City invested over \$15.4 million in capital projects in 2014. These projects included street construction, machinery, buildings, parks development, and technology and communications systems.
- At the close of 2014, the City had \$8.6 million accumulated for the early retirement of the Riverside Parkway Revenue Bonds. In 2012, \$19 million from the fund together with proceeds from the 2012 Revenue Refunding Bonds issuance were used to advance refund \$43.9 million of the 2004 Riverside Parkway Revenue Bonds.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Grand Junction's basic financial statements. The City of Grand Junction's basic financial statements comprise 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 themselves.

Government-Wide Financial Statements

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

The statement of net position presents information on all of the City of Grand Junction'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 of Grand Junction is improving or deteriorating.

The statement of activities presents information showing how the City of Grand Junction'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, revenues and expenses reported in this statement for some items 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 of Grand Junction 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 of Grand Junction 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 of Grand Junction include Water, Convention Center, Solid Waste, Golf Courses, Parking, and Irrigation.

The government-wide financial statements include not only the City of Grand Junction but also a legally separate Grand Junction Downtown Development Authority, for which the City is financially accountable. 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 31 through 33 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 of Grand Junction 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 into 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 there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or 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 of Grand Junction maintains 15 governmental funds, of which (as determined by generally accepted accounting principles) the only major funds are the General Fund, Sales Tax Capital Improvement Fund, Major Capital Improvements Fund, General Debt Service Fund, and Parkway Debt Retirement Fund. The balances of the other 10 governmental funds are determined to be non-major and are included in the combining statements within this report.

The City of Grand Junction 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 34 through 38 of this report. All other required budgetary comparisons, including the Sales Tax Capital Improvement Fund, Major Capital Improvements Fund, General Debt Service Fund, and Parkway Debt Retirement Fund, can be found on pages 86 through 99 of this report.

2. **Proprietary Funds** – The City of Grand Junction 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 of Grand Junction uses enterprise funds to account for its Water Utility, Convention Center, Solid Waste, Golf Courses, Parking, and Irrigation.

As determined by generally accepted accounting principles, the Water, Two Rivers Convention Center, Golf Courses and Parking enterprise funds meet the criteria of major fund classification. All other funds are classified as non-major and are included in the combining statements within this report.

The second type is internal service funds which are an accounting device used to accumulate and allocate costs internally among the City of Grand Junction's various functions. The City uses internal service funds for data processing, equipment maintenance, self insurance and the communication center operations. 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 39 through 41.

3. **Fiduciary Funds** – These funds are used to account for resources held for the benefit of parties outside 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 42 through 43.

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 45 through 74 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 of Grand Junction's Police Old Hire Pension Plan, Fire Old Hire Pension Plan, and Other Post Employment Healthcare Plan found on page 77 of this report. It also presents other supplemental information concerning the City's Local Highway Finance Report. This supplemental information can be found on pages 159-160 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 notes to financial statements. Combining and individual fund statements and schedules can be found beginning on page 82 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the City of Grand Junction, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$701 million at the close of fiscal year 2014.

By far, the largest portion (95.3%) of the City of Grand Junction's total net position reflects its investment in capital assets (e.g., land, buildings, infrastructure assets, 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	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$58,024	\$61,120	\$(2,480)	\$(3,076)	\$55,544	\$58,044
Capital assets	682,473	692,182	61,059	50,919	743,532	743,101
Total assets	<u>740,497</u>	<u>753,302</u>	<u>58,579</u>	<u>47,843</u>	<u>799,076</u>	<u>801,145</u>
Total deferred outflows of resources	<u>1,878</u>	<u>2,216</u>	<u>-</u>	<u>-</u>	<u>1,878</u>	<u>2,216</u>
Long-term debt outstanding	82,402	87,253	5,412	5,748	87,814	93,001
Other liabilities	4,326	5,335	688	523	5,014	5,858
Total liabilities	<u>86,728</u>	<u>92,588</u>	<u>6,100</u>	<u>6,271</u>	<u>92,828</u>	<u>98,859</u>
Total deferred inflows of resources	<u>7,377</u>	<u>7,669</u>	<u>-</u>	<u>-</u>	<u>7,377</u>	<u>7,669</u>
Net position:						
Net investment in capital assets	611,761	617,382	56,208	45,721	667,969	663,103
Restricted	17,330	14,512	-	-	17,330	14,512
Unrestricted	19,179	23,367	(3,729)	(4,149)	15,450	19,218
Total net position	<u>\$648,270</u>	<u>\$655,261</u>	<u>\$52,479</u>	<u>\$41,572</u>	<u>\$700,749</u>	<u>\$696,833</u>

An additional portion of the City of Grand Junction'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 \$118.8 million exceeded program expenses of \$114.9 million for an increase in net position of \$3.9 million.

CHANGES IN NET POSITION

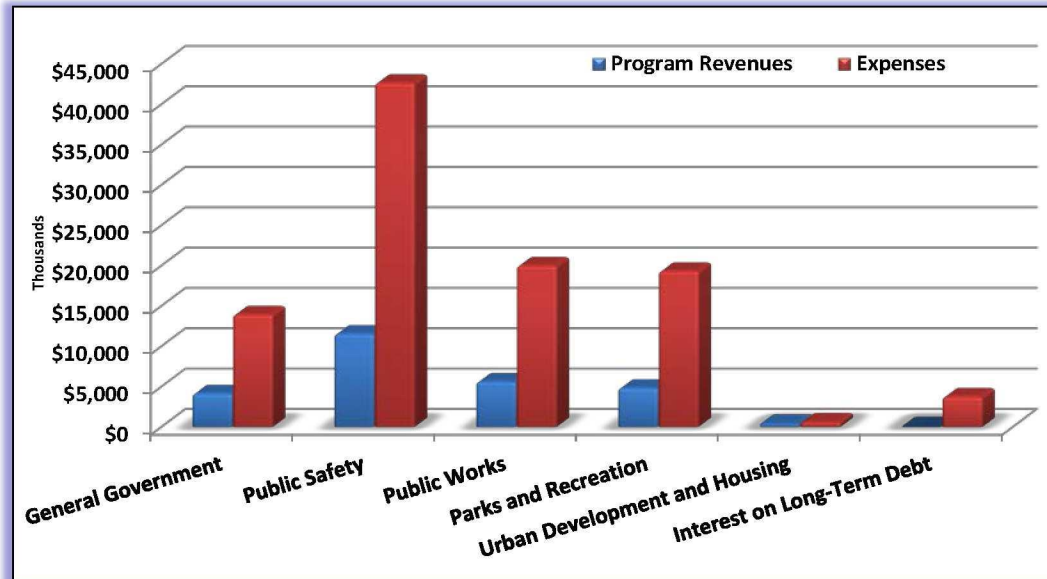
(in Thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 17,407	\$ 18,697	\$ 13,978	\$ 13,072	\$ 31,385	\$ 31,769
Operating grants	3,012	3,951	173	80	3,185	4,031
Capital grants	6,279	7,190	10,729	340	17,008	7,530
General revenues:						
Property taxes	8,089	8,838	-	-	8,089	8,838
Sales and use taxes	51,273	50,468	-	-	51,273	50,468
Other taxes	7,532	6,723	-	-	7,532	6,723
Other general revenues	321	77	19	(8)	340	69
Total revenues	93,913	95,944	24,899	13,484	118,812	109,428
Expenses:						
General government	13,966	16,206	-	-	13,966	16,206
Public safety	42,680	40,054	-	-	42,680	40,054
Public works	20,026	20,093	-	-	20,026	20,093
Parks and recreation	19,345	7,279	-	-	19,345	7,279
Urban development and housing	635	592	-	-	635	592
Interest on long-term debt	3,775	3,953	-	-	3,775	3,953
Water	-	-	5,757	5,421	5,757	5,421
Convention Center	-	-	2,805	2,591	2,805	2,591
Solid Waste Removal	-	-	3,231	3,131	3,231	3,131
Golf	-	-	1,929	2,064	1,929	2,064
Parking	-	-	422	405	422	405
Irrigation systems	-	-	325	315	325	315
Total expenses	100,427	88,177	14,469	13,927	114,896	102,104
Increase (decrease) in net position before transfers	(6,514)	7,767	10,430	(443)	3,916	7,324
Transfers	(477)	(680)	477	680	-	-
Increase (decrease) in net position	(6,991)	7,087	10,907	237	3,916	7,324
Net position 1/1/14	655,261	648,174	41,572	41,335	696,833	689,509
Net position 12/31/14	\$648,270	\$655,261	\$52,479	\$41,572	\$700,749	\$696,833

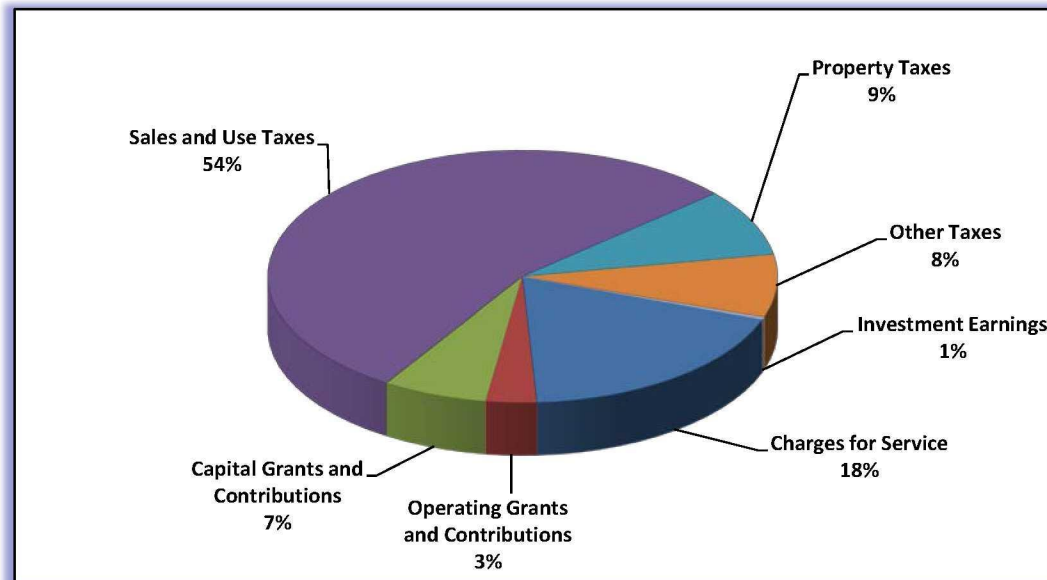
Governmental Activities

Governmental Activities decreased the City of Grand Junction's net position by \$7.0 million. Following are illustrative summaries of Governmental Activities breaking out revenues and expenses.

EXPENSE AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES



REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES



While sales tax revenue increased \$1.5 million compared to 2013, use tax revenues decreased \$726 thousand. 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 decreased by \$749 thousand, or 8.5%, during the year. This decrease was attributed to decreased valuations of existing properties and minimal new construction during the last valuation period (June 2012). The mill levy has remained constant since 1992. Other tax revenues, including severance tax and federal mineral leasing, have increased by \$809 thousand, or 12.0%, compared to 2013.

Charges for services revenue decreased by \$1.3 million compared to 2013. This decrease was a result of fees associated with several large commercial developments in 2013 that did not occur in 2014.

Capital grants and contributions decreased by \$911 thousand, or 12.7%, compared to 2013. This is a result of continued reductions in local development and infrastructure annexations.

Business-type Activities

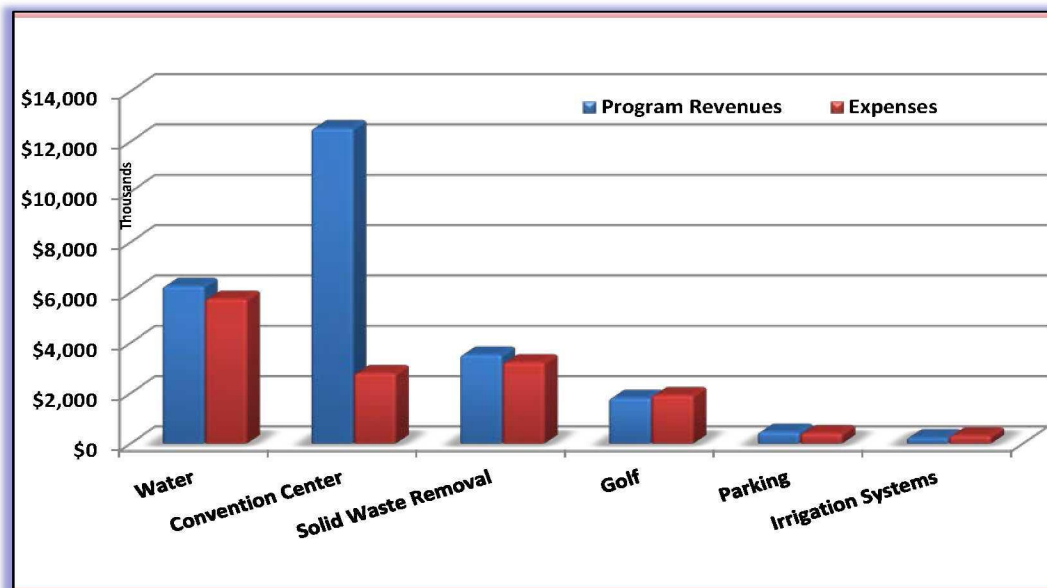
Net position in the Business-type activities increased by \$10.9 million due to significant capital contributions from Governmental activities for improvements made to the Avalon Theatre. Business-type activities include Water, Convention Center, Solid Waste, Golf Courses, Parking, and Irrigation.

The Two Rivers Convention Center and Golf Fund received transfers from the Visitors and Convention Bureau Fund, Conservation Trust Fund and General Fund to subsidize operations and fund capital improvements.

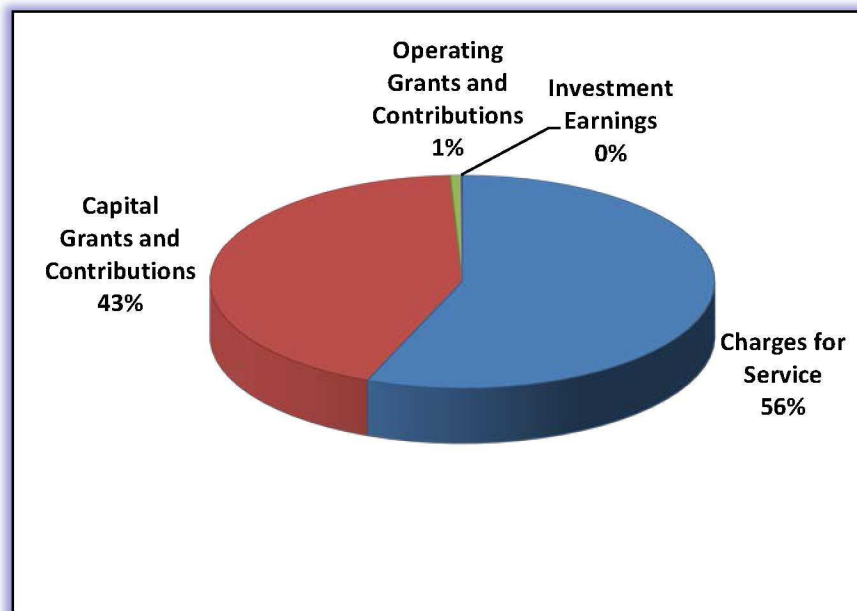
Unrestricted net position at the end of the year for business-type activities amounted to (\$3.7) million. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Grand Junction business-type activities.

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 noted earlier, the City of Grand Junction 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, 2014, the City's governmental funds (general, special revenue, debt service, capital projects and permanent) reported combined fund balances of \$37.9 million. This represents a decrease of \$617 thousand under last year's ending balances. The reasons for significant changes in fund balances are described below.

Revenues, on a budgetary basis, in the General Fund increased 1.2% over 2013 while expenditures increased 1.5%. The majority of these revenue increases were from sales and use taxes while expenditure increases were in public safety. The General Fund's total fund balance, on a budgetary basis, decreased \$2.2 million from last year. The General Fund expenditures (including transfers) of \$67.4 million were 1.03% of General Fund revenues. During 2014, the General Fund transferred \$1.3 million to fund several capital improvement projects. The City of Grand Junction has continued to manage its expenditures to operate within its current financial resources.

The fund balance in the Sales Tax Capital Improvements Fund increased by nearly \$1.0 million during the year ended December 31, 2014. This increase was a result of several capital improvement projects that were started but not completed in 2014. The completion of these projects is anticipated for 2015.

The total fund balance in the Major Capital Improvements Fund decreased \$2.2 million during the year ended December 31, 2014. All of the remaining local and Downtown Development Authority contributions as well as City sales and use tax revenues were used for the completion of improvements and expansion of the Avalon Theatre.

The fund balance in the Parkway Debt Retirement Fund increased by \$2.1 million from the General Fund transfer of TABOR revenue excess to be set aside for the payment of the outstanding Riverside Parkway bonded debt, as approved by the voters in April 2007.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the General Fund budget was amended from an original appropriation total of \$67.0 million to a final budget of \$68.0 million. All recommended revisions for budget changes came through the Financial Operations 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 38.

For the General Fund, the original budget for revenues was \$63.9 million while the final budgeted amount was \$64.3 million, reflecting an increase in the projection for tax revenues. Actual revenues, on a budgetary basis, for 2014 came in \$907 thousand higher than the final budget at \$65.2 million. This was primarily due to various tax revenues and charges for services performing better than expected, offset slightly by a decrease in intergovernmental revenues.

Actual General Fund expenditures (including transfers) totaled \$67.4 million. General Fund expenditures (including transfers) were approximately \$650 thousand, 1.0%, less than the final budget. This was due to achieving higher than expected budget savings in the department operating budgets from prudent spending and a mild winter as well as savings in transfers out for capital expenditures.

The year-end budgetary basis fund balance of \$22.2 million was nearly \$1.6 million above the final budgeted amount. This was due to higher than anticipated growth in sales and use taxes and franchise taxes as well as department operational savings.

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. Revenues exceeded expenditures in the General Fund by \$614 thousand during the year. The General Fund's total fund balance decreased \$2.2 million from last year. An analysis for this fund balance shows that it represents over 34.2% of projected revenues for the new fiscal year which ends December 31, 2015.

Taxes continue to be the largest source of revenue in the General Fund and represent 82.7% of total general fund revenues. The largest element of taxes is sales taxes, as it has been for many years. It represents 70.7% of total tax revenues and represents 58.4% of total general fund revenues.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2014, the City had invested in a broad range of capital assets, including police and fire equipment, roads, parks, water, storm drainage and other infrastructure.

The following table provides a summary of total capital assets at December 31, 2014.

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

	Governmental Activities		Business-type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$303,071	\$302,050	\$ 5,194	\$ 5,149	\$308,265	\$307,199
Buildings and systems	74,927	76,870	48,709	39,441	123,636	116,311
Improvements other than buildings	13,895	14,864	4,353	4,587	18,248	19,451
Vehicles, machinery & equipment	22,707	21,429	1,610	1,366	24,317	22,795
Infrastructure	265,158	266,285	-	-	265,158	266,285
Construction in progress	1,406	9,375	1,002	185	2,408	9,560
Intangible assets	1,309	1,309	191	191	1,500	1,500
Total	\$682,473	\$692,182	\$61,059	\$50,919	\$743,532	\$743,101

Major capital additions during 2014 include:

	<u>2014</u>
Avalon Theatre Renovation	\$5,560,251
Equipment Replacement Program	3,093,693
Street Overlay Program	817,688
Water Tank Painting	713,698
Information Technology Replacement Program	542,259
Kannah Creek Flowline Replacement	507,816
800MHz Radio Infrastructure	360,242
Information Technology Core Switch Replacements	347,058
Cardiac Monitors	341,634
Curb, Gutter & Sidewalk Program	183,215

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 57 through 59.

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 of Grand Junction 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. Standard and Poor's Rating Group gave the City the rating of AA on the revenue bond issue while the City's general obligation bond ratings and certificates of participation ratings are A+.

As of December 31, 2014, the City of Grand Junction had \$78.8 million in outstanding debt. Of this amount, \$74.0 million represents General Government debt. The largest portion, \$39.6 million, is the liability from the issuance of certificates of participation for the Stadium Improvements Project and the Public Safety Buildings Project. \$34.4 million is the liability from the Riverside Parkway Refunding revenue bonds issued in 2012. The remaining \$4.8 million of outstanding debt is bonds, notes and loans to be repaid by fee revenue and appropriated funds. Total debt service payments of approximately \$4.4 million in 2015 represents 4.3% of total budgeted operating expenditures. Additional information on the City's long-term debt can be found in Note 7 on pages 61 through 63.

The table below provides a summary of total debt at December 31, 2014.

OUTSTANDING DEBT, AT YEAR-END
(in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenue bonds and notes (backed by tax and fee revenue)	\$34,413	\$38,851	\$ -	\$ -	\$34,413	\$38,851
Certificates of participation (backed by the constructed assets)	39,557	40,426	-	-	39,557	40,426
Loans (backed by fee revenue)	-	-	4,851	5,198	4,851	5,198
Total	\$73,970	\$79,277	\$4,851	\$5,198	\$78,821	\$84,475

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The local economy continues to show signs of gradual recover since the national recession. Sales tax revenues for 2014 were budgeted at a 3% increase, and City-wide reserves are at levels currently directed by City Council. Grand Junction continues to be the educational, retail, and medical center for most of Western Colorado and Eastern Utah. Those factors, coupled with tourism, the abundance of outdoor recreational opportunities, the expansion of Colorado Mesa University, and the ability to attract new businesses and retirees, all contribute to our local economy.

General Fund balances are above amounts recommended per the City Council's budget policy direction. The City's investment in capital; transportation infrastructure, public safety, utility systems, parks, and economic development continues to be a significant portion (17%) of the budget.

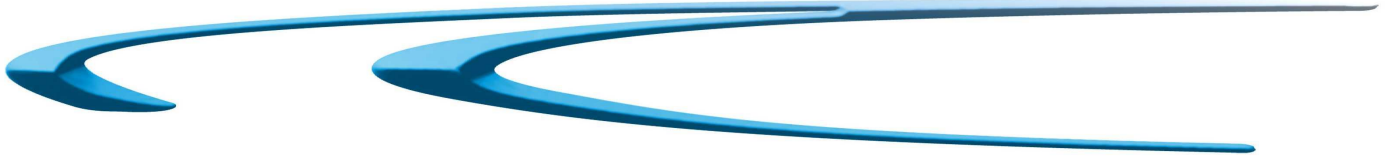
Rates in the Utility Funds will be set to cover operating and future capital investment. In 2015, utility revenues will be increased by an average of 6% in residential water fees, an average of 5% increase in commercial water fees, a .5% increase in sewer fees, and a 4% increase in solid waste rates.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and 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 Financial Operations Department at City of Grand Junction, 250 N. 5th Street, Grand Junction, CO 81501.

Grand Junction





BASIC FINANCIAL STATEMENTS



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City of Grand Junction
STATEMENT OF NET POSITION
December 31, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
ASSETS				
Cash and investments	\$ 31,914,957	\$ 3,062,645	\$ 34,977,602	\$ 2,526,146
Other receivables, net of allowance for uncollectibles	17,649,859	986,777	18,636,636	1,413,859
Internal balances	6,568,557	(6,568,557)	-	-
Prepays	103,741	1,300	105,041	-
Inventories	180,095	37,842	217,937	-
Restricted cash and investments	534,188	-	534,188	-
Net pension asset	1,073,017	-	1,073,017	-
Capital assets (net of accumulated depreciation):				
Land	303,071,068	5,193,890	308,264,958	794,691
Buildings and systems	74,927,105	48,708,629	123,635,734	1,686,060
Improvements other than buildings	13,895,372	4,353,406	18,248,778	742,621
Equipment	22,706,770	1,609,732	24,316,502	642,809
Infrastructure	265,158,274	-	265,158,274	-
Construction in progress	1,405,307	1,002,815	2,408,122	7,430
Intangible assets	1,308,632	190,464	1,499,096	-
Total assets	<u>740,496,942</u>	<u>58,578,943</u>	<u>799,075,885</u>	<u>7,813,616</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	1,878,462	-	1,878,462	-
Total deferred outflows of resources	<u>1,878,462</u>	<u>-</u>	<u>1,878,462</u>	<u>-</u>
LIABILITIES				
Accounts payable and other current liabilities	3,458,840	646,645	4,105,485	31,096
Accrued interest payable	706,294	41,240	747,534	11,451
Unearned revenue	161,592	-	161,592	-
Noncurrent liabilities:				
Due within one year	5,018,650	388,718	5,407,368	635,586
Due in more than one year	77,383,085	5,023,736	82,406,821	5,289,690
Total liabilities	<u>86,728,461</u>	<u>6,100,339</u>	<u>92,828,800</u>	<u>5,967,823</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	7,377,313	-	7,377,313	1,399,429
Total deferred inflows of resources	<u>7,377,313</u>	<u>-</u>	<u>7,377,313</u>	<u>1,399,429</u>
NET POSITION				
Net investment in capital assets	611,760,765	56,207,881	667,968,646	3,816,756
Restricted for :				
Perpetual care:				
Nonexpendable	1,352,852	-	1,352,852	-
Debt service	9,839,927	-	9,839,927	1,810,050
Emergency reserves	2,000,000	-	2,000,000	-
General capital improvements	1,040,494	-	1,040,494	-
Legends historical sculptures project	-	-	-	53,299
Museum and library	160,880	-	160,880	-
Parks and recreation	208,860	-	208,860	-
Public safety	2,727,282	-	2,727,282	-
Urban development and housing	-	-	-	645,545
Unrestricted	19,178,570	(3,729,277)	15,449,293	(5,879,286)
Total net position	<u>\$ 648,269,630</u>	<u>\$ 52,478,604</u>	<u>\$ 700,748,234</u>	<u>\$ 446,364</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, 2014

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 13,966,239	\$ 2,940,902	\$ 1,235,700	\$ -
Public safety	42,680,344	10,485,105	451,884	628,125
Public works	20,025,758	1,925,024	3,165	3,712,516
Parks and recreation	19,345,400	2,056,017	857,965	1,938,717
Urban development and housing	634,827	-	462,899	-
Interest on long-term debt	3,774,690	-	-	-
Total governmental activities	<u>100,427,258</u>	<u>17,407,048</u>	<u>3,011,613</u>	<u>6,279,358</u>
Business-type Activities:				
Water	5,757,132	5,877,233	169,465	219,802
Convention Center	2,804,818	2,026,520	3,096	10,507,815
Solid Waste Removal	3,231,386	3,538,962	-	-
Golf	1,928,826	1,818,323	-	-
Parking	421,526	475,368	-	-
Irrigation Systems	325,255	241,265	-	1,820
Total business-type activities	<u>14,468,943</u>	<u>13,977,671</u>	<u>172,561</u>	<u>10,729,437</u>
Total primary government	<u>\$ 114,896,201</u>	<u>\$ 31,384,719</u>	<u>\$ 3,184,174</u>	<u>\$ 17,008,795</u>
Component unit:				
Downtown Development Authority	<u>\$ 1,565,280</u>	<u>\$ 36,292</u>	<u>\$ -</u>	<u>\$ 515,340</u>

General revenues:
Sales & use taxes
Property taxes
Franchise taxes
Highway users tax
Other shared taxes
Investment earnings
Gain on sale of capital assets

Transfers
Total general revenues
Change in net position
Net position - beginning
Net position - ending

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

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Downtown Development Authority
\$ (9,789,637)	\$ -	\$ (9,789,637)	\$ -
(31,115,230)	-	(31,115,230)	-
(14,385,053)	-	(14,385,053)	-
(14,492,701)	-	(14,492,701)	-
(171,928)	-	(171,928)	-
<u>(3,774,690)</u>	-	<u>(3,774,690)</u>	-
<u>(73,729,239)</u>	-	<u>(73,729,239)</u>	-
-	509,368	509,368	-
-	9,732,613	9,732,613	-
-	307,576	307,576	-
-	(110,503)	(110,503)	-
-	53,842	53,842	-
-	(82,170)	(82,170)	-
-	<u>10,410,726</u>	<u>10,410,726</u>	-
\$ <u>(73,729,239)</u>	\$ <u>10,410,726</u>	\$ <u>(63,318,513)</u>	\$ -
-	-	-	(1,013,648)
51,272,814	-	51,272,814	-
8,089,029	-	8,089,029	1,651,056
2,977,638	-	2,977,638	-
2,240,348	-	2,240,348	-
2,313,571	-	2,313,571	-
320,989	19,127	340,116	13,324
-	-	-	-
<u>(477,014)</u>	<u>477,014</u>	<u>-</u>	<u>-</u>
<u>66,737,375</u>	<u>496,141</u>	<u>67,233,516</u>	<u>1,664,380</u>
(6,991,864)	10,906,867	3,915,003	650,732
655,261,494	41,571,737	696,833,231	(204,368)
\$ <u>648,269,630</u>	\$ <u>52,478,604</u>	\$ <u>700,748,234</u>	\$ <u>446,364</u>

City of Grand Junction
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	General Fund	Sales Tax Capital Improvements Capital Projects Fund	Major Capital Improvements Capital Projects Fund	General Debt Service Fund	Parkway Debt Retirement Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and investments	\$ 9,268,324	\$ -	\$ -	\$ -	\$ 8,604,537	\$ 6,205,168	\$ 24,078,029
Interest receivable	57,847	-	-	-	-	-	57,847
Accounts receivable, net of allowances							
for uncollectibles	1,459,072	-	150,000	-	-	372,153	1,981,225
Taxes receivable	11,923,972	1,303,288	-	-	-	134,436	13,361,696
Special assessments receivable	-	39,567	-	-	-	-	39,567
Intergovernmental receivables	338,136	117,628	292,957	351,556	-	30,780	1,131,057
Due from other funds	1,475,373	-	-	-	-	-	1,475,373
Prepaid Items	12,811	-	-	-	-	9,120	21,931
Inventories	180,095	-	-	-	-	-	180,095
Restricted cash and investments	533,500	-	-	-	-	-	533,500
Advances to other funds	6,659,711	-	-	-	-	-	6,659,711
Total assets	<u>\$ 31,908,841</u>	<u>\$ 1,460,483</u>	<u>\$ 442,957</u>	<u>\$ 351,556</u>	<u>\$ 8,604,537</u>	<u>\$ 6,751,657</u>	<u>\$ 49,520,031</u>
LIABILITIES							
Accounts payable	902,082	135,428	12,186	2,516	-	639,272	1,691,484
Accrued liabilities	1,270,723	-	-	-	-	25,026	1,295,749
Due to other funds	-	218,017	430,771	348,965	-	10,289	1,008,042
Unearned revenue	103,802	26,977	-	-	-	30,813	161,592
Total liabilities	<u>2,276,607</u>	<u>380,422</u>	<u>442,957</u>	<u>351,481</u>	<u>-</u>	<u>705,400</u>	<u>4,156,867</u>
DEFERRED INFLOWS OF RESOURCES							
Property taxes	7,377,313	-	-	-	-	-	7,377,313
Unavailable revenue-special assessments	-	39,567	-	-	-	-	39,567
Total deferred inflows of resources	<u>7,377,313</u>	<u>39,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,416,880</u>
FUND BALANCES							
Nonspendable:							
Advances	\$ 6,659,711	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,659,711
Inventories and prepaids	192,906	-	-	-	-	9,120	202,026
Permanent fund principal	-	-	-	-	-	1,352,852	1,352,852
Restricted for:							
Debt service	1,751,455	-	-	75	8,604,537	17,360	10,373,427
Emergency reserves	2,000,000	-	-	-	-	-	2,000,000
General capital improvements	-	1,040,494	-	-	-	-	1,040,494
Museum and library	160,880	-	-	-	-	-	160,880
Parks and recreation	25,000	-	-	-	-	183,860	208,860
Public safety	-	-	-	-	-	2,563,041	2,563,041
Committed to:							
Open space	-	-	-	-	-	988,197	988,197
Street capacity expansion	-	-	-	-	-	645,455	645,455
Tourism and convention	-	-	-	-	-	286,372	286,372
Assigned to:							
Avalon Theatre building improvements	-	-	-	-	-	-	-
Cultural arts	13,856	-	-	-	-	-	13,856
Public safety building improvements	-	-	-	-	-	-	-
Retiree health benefits	1,089,170	-	-	-	-	-	1,089,170
Subsequent year's expenditures	1,245,409	-	-	-	-	-	1,245,409
Unassigned:	9,116,534	-	-	-	-	-	9,116,534
Total fund balances	<u>22,254,921</u>	<u>1,040,494</u>	<u>-</u>	<u>75</u>	<u>8,604,537</u>	<u>6,046,257</u>	<u>37,946,284</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 31,908,841</u>	<u>\$ 1,460,483</u>	<u>\$ 442,957</u>	<u>\$ 351,556</u>	<u>\$ 8,604,537</u>	<u>\$ 6,751,657</u>	<u>\$ 49,520,031</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, 2014

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

Total fund balance - governmental funds (page 34)		\$ 37,946,284
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		663,245,964
The net pension asset is not an available resource and, therefore, is not reported in the funds		1,073,017
Other long-term assets are not available to pay current expenditures, and therefore, are reported as unavailable revenue in the funds.		90,626
Internal service funds are used by management to charge the costs of data processing, equipment acquisition, operation & maintenance, self-insurance activities, and communication services to individual funds. The assets \$28,173,398 and liabilities (\$3,220,343) of the internal service funds are included in governmental activities in the statement of net position.		24,953,055
Interfund for internal service fund allocated to business-type activities.		(558,485)
Long-term liabilities including bonds and notes payable, capital leases, compensated absences and accrued interest are not due and payable in the current period and therefore are not reported in the funds.		
Revenue bonds	\$	(30,645,000)
Bond premium (to be amortized over life of debt)		(3,767,916)
Deferred charge on refunding (to be amortized over life of debt)		1,878,462
Certificates of participation		(39,920,000)
Discount on certificates of participation (to be amortized over life of lease)		362,673
Net pension obligation		(147,294)
Accrued interest payable		(706,294)
Compensated absences		(3,188,967)
Other Post Employment Benefit Obligation		(2,346,495)
		(78,480,831)
Total net position - governmental activities (page 31)		\$ <u>648,269,630</u>

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, 2014

	General Fund	Sales Tax Capital Improvements Capital Projects Fund	Major Capital Improvements Capital Projects Fund	General Debt Service Fund	Parkway Debt Retirement Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes:							
Property	\$ 8,087,870	\$ -	\$ -	\$ -	\$ -	\$ 1,159	\$ 8,089,029
Sales and use	37,509,096	11,846,964	-	-	-	1,916,754	51,272,814
Franchise	2,977,638	-	-	-	-	-	2,977,638
Severance	1,557,603	-	-	-	-	-	1,557,603
Other	2,996,316	-	-	-	-	-	2,996,316
Licenses and permits	118,991	-	-	-	-	-	118,991
Intergovernmental revenues	3,021,767	194,818	1,023,145	709,097	-	1,209,022	6,157,849
Charges for services	6,755,386	57,307	-	-	-	3,338,597	10,151,290
Fines and forfeitures	862,026	-	-	-	-	7,190	869,216
Special assessments	-	16,050	-	-	-	-	16,050
Investment earnings	212,066	4,503	-	153	28,768	34,672	280,162
Other income	15,953	-	-	-	-	11,607	27,560
Other contributions	204,243	246,166	741,410	-	-	461,080	1,652,899
Total revenues	<u>64,318,955</u>	<u>12,365,808</u>	<u>1,764,555</u>	<u>709,250</u>	<u>28,768</u>	<u>6,980,081</u>	<u>86,167,417</u>
EXPENDITURES							
Current:							
General government	9,980,302	-	-	3,091	-	1,889,280	11,872,673
Public safety	35,610,598	-	-	-	-	-	35,610,598
Public works	9,509,928	-	-	-	-	-	9,509,928
Parks and recreation	8,403,649	-	-	-	-	-	8,403,649
Urban development and housing	332,901	-	-	-	-	301,926	634,827
Debt service:							
Principal retirement	-	-	-	4,405,000	-	215,000	4,620,000
Interest and fiscal charges	-	-	-	3,871,147	-	318,450	4,189,597
Capital outlay:							
Construction	-	3,112,344	6,167,762	-	-	482,345	9,762,451
Total expenditures	<u>63,837,378</u>	<u>3,112,344</u>	<u>6,167,762</u>	<u>8,279,238</u>	<u>-</u>	<u>3,207,001</u>	<u>84,603,723</u>
Excess (deficiency) of revenues over (under) expenditures	481,577	9,253,464	(4,403,207)	(7,569,988)	28,768	3,773,080	1,563,694
OTHER FINANCING SOURCES (USES)							
Transfers in	698,211	306,128	2,185,765	7,569,958	2,108,328	282,313	13,150,703
Transfers out	(3,552,702)	(8,628,083)	-	-	-	(3,226,812)	(15,407,597)
Insurance recoveries	-	30,657	-	-	-	-	30,657
Sale of capital assets	44,998	-	-	-	-	-	44,998
Total other financing sources and uses	<u>(2,809,493)</u>	<u>(8,291,298)</u>	<u>2,185,765</u>	<u>7,569,958</u>	<u>2,108,328</u>	<u>(2,944,499)</u>	<u>(2,181,239)</u>
Net change in fund balances	(2,327,916)	962,166	(2,217,442)	(30)	2,137,096	828,581	(617,545)
Fund balances -- beginning	24,582,837	78,328	2,217,442	105	6,467,441	5,217,676	38,563,829
Fund balances -- ending	<u>\$ 22,254,921</u>	<u>\$ 1,040,494</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 8,604,537</u>	<u>\$ 6,046,257</u>	<u>\$ 37,946,284</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, 2014

Amounts reported for governmental activities in the statement of activities (page 33) are different because:

Net change in fund balances - total governmental funds (page 36)	\$	(617,545)
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 depreciation (\$13,882,017) exceeded capital outlays of \$9,173,150 in the current period.		(4,708,867)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trades, and disposals) is to decrease net position.		(9,962,481)
The net effect of the donation of capital assets is to increase net position.		3,632,169
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		26,766
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	\$	4,620,000
Bond premium (to be amortized over the life of debt)		703,030
Certificates of participation discount (to be amortized over the life of debt)		(15,992)
Deferred charge on refunding (to be amortized over the life of debt)		(337,420)
Decrease in accrued interest		65,289
Decrease in net pension obligation		882
Decrease in net pension asset		(158,315)
Decrease in compensated absences		107,434
Increase in other post employment benefit obligation		(677,114)
		4,307,794
Internal service funds are used by management to charge the costs of data processing, equipment acquisition, operation & maintenance, central stores and printing, self-insurance activities, and communication services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		
Revenues from external customers	\$	3,685,609
Expenses due to external customers		(4,727,465)
Grants and contributions		321,116
Gain (Loss) on disposition of property		55,178
Investment income		48,674
Operating income from operations		947,188
		330,300
Change in net position of governmental activities (page 33)	\$	(6,991,864)

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, 2014

	<u>Budgeted Amounts</u>		<u>Actual GAAP Basis Amounts</u>	<u>Adjustment to Budgetary Basis</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>				
REVENUES						
Taxes:						
Property	\$ 8,396,591	\$ 8,085,091	\$ 8,087,870	\$ -	\$ 8,087,870	\$ 2,779
Sales and use	36,395,910	37,250,652	37,509,096	151,781	37,660,877	410,225
Franchise	2,770,000	2,860,000	2,977,638	-	2,977,638	117,638
Severance	1,380,000	1,558,285	1,557,603	-	1,557,603	(682)
Other	2,923,527	2,913,527	2,996,316	11,411	3,007,727	94,200
Licenses and permits	104,350	104,350	118,991	-	118,991	14,641
Intergovernmental revenues	3,274,353	3,127,539	3,021,767	-	3,021,767	(105,772)
Charges for services	6,844,690	6,565,880	6,755,386	-	6,755,386	189,506
Fines and forfeitures	799,500	790,485	862,026	-	862,026	71,541
Investment earnings	191,544	191,544	212,066	(31,061)	181,005	(10,539)
Other income	13,700	13,700	15,953	-	15,953	2,253
Other contributions	25,700	178,079	204,243	-	204,243	26,164
Total revenues	63,119,865	63,639,132	64,318,955	132,131	64,451,086	811,954
EXPENDITURES						
Current:						
General government:						
Administration	8,904,503	8,850,628	8,258,589	-	8,258,589	592,039
Community development	1,686,828	1,729,050	1,721,713	-	1,721,713	7,337
Total general government	10,591,331	10,579,678	9,980,302	-	9,980,302	599,376
Public safety:						
Police protection	19,985,188	20,097,255	20,358,416	-	20,358,416	(261,161)
Fire protection	15,067,062	15,034,654	15,252,182	-	15,252,182	(217,528)
Total public safety	35,052,250	35,131,909	35,610,598	-	35,610,598	(478,689)
Public works	10,191,715	9,884,448	9,509,928	-	9,509,928	374,520
Parks and recreation	8,579,281	8,441,042	8,403,649	-	8,403,649	37,393
Urban development and housing	356,268	335,031	332,901	-	332,901	2,130
Total expenditures	64,770,845	64,372,108	63,837,378	-	63,837,378	534,730
Excess (deficiency) of revenues over (under) expenditures	(1,650,980)	(732,976)	481,577	132,131	613,708	1,346,684
OTHER FINANCING SOURCES (USES)						
Transfers in	794,245	604,094	698,211	-	698,211	94,117
Transfers out	(2,244,368)	(3,666,607)	(3,552,702)	-	(3,552,702)	113,905
Sale of capital assets	-	43,825	44,998	-	44,998	1,173
Total other financing sources and uses	(1,450,123)	(3,018,688)	(2,809,493)	-	(2,809,493)	209,195
Net change in fund balances	(3,101,103)	(3,751,664)	(2,327,916)	132,131	(2,195,785)	1,555,879
Fund balances -- beginning	24,440,066	24,440,066	24,582,837	(142,771)	24,440,066	-
Fund balances -- ending	\$ 21,338,963	\$ 20,688,402	\$ 22,254,921	\$ (10,640)	\$ 22,244,281	\$ 1,555,879

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

City of Grand Junction, Colorado
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

Business-Type Activities - Enterprise Funds

	Water Fund	Two Rivers Convention Center Fund	Golf Courses Fund	Parking Fund	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
ASSETS							
Current assets:							
Cash and investments	\$ 2,042,300	\$ 139,489	\$ 57,585	\$ 123,308	\$ 699,963	\$ 3,062,645	\$ 7,837,616
Accounts receivable, net of allowance	417,698	113,205	10	4,534	445,450	980,897	607,206
Intergovernmental receivable	5,880	-	-	-	-	5,880	420,202
Prepaid items	-	1,300	-	-	-	1,300	81,810
Inventory	-	-	37,842	-	-	37,842	-
Total current assets	<u>2,465,878</u>	<u>253,994</u>	<u>95,437</u>	<u>127,842</u>	<u>1,145,413</u>	<u>4,088,564</u>	<u>8,946,834</u>
Noncurrent assets:							
Capital assets:							
Land	2,506,211	197,993	891,356	1,598,330	-	5,193,890	-
Buildings, improvements, plant and system	46,916,902	20,242,204	7,346,930	5,058,459	3,685,557	83,250,052	2,753,984
Equipment	991,837	1,163,491	248,044	321,382	1,260,436	3,985,190	37,514,801
Construction in progress	1,002,815	-	-	-	-	1,002,815	843,877
Intangible assets	190,464	-	-	-	-	190,464	-
Less accumulated depreciation	<u>(18,959,535)</u>	<u>(4,889,994)</u>	<u>(3,716,270)</u>	<u>(1,231,920)</u>	<u>(3,765,756)</u>	<u>(32,563,475)</u>	<u>(21,886,098)</u>
Total capital assets (net of accumulated depreciation)	<u>32,648,694</u>	<u>16,713,694</u>	<u>4,770,060</u>	<u>5,746,251</u>	<u>1,180,237</u>	<u>61,058,936</u>	<u>19,226,564</u>
Total noncurrent assets	<u>32,648,694</u>	<u>16,713,694</u>	<u>4,770,060</u>	<u>5,746,251</u>	<u>1,180,237</u>	<u>61,058,936</u>	<u>19,226,564</u>
Total assets	<u>35,114,572</u>	<u>16,967,688</u>	<u>4,865,497</u>	<u>5,874,093</u>	<u>2,325,650</u>	<u>65,147,500</u>	<u>28,173,398</u>
LIABILITIES							
Current liabilities:							
Accounts payable	159,140	226,955	19,346	1,408	93,132	499,981	458,151
Accrued liabilities	67,498	27,040	17,313	3,864	30,949	146,664	206,466
Accrued interest payable	41,240	-	-	-	-	41,240	-
Compensated absences payable	15,068	3,639	5,130	501	7,700	32,038	27,498
Claims payable	-	-	-	-	-	-	770,998
Current portion of promissory notes payable	356,680	-	-	-	-	356,680	-
Due to other funds	-	-	184,534	197,902	84,895	467,331	-
Total current liabilities	<u>639,626</u>	<u>257,634</u>	<u>226,323</u>	<u>203,675</u>	<u>216,676</u>	<u>1,543,934</u>	<u>1,463,113</u>
Noncurrent liabilities:							
Compensated absences payable	248,961	60,113	84,777	8,279	127,231	529,361	454,349
Claims payable	-	-	-	-	-	-	1,302,881
Advances from other funds - general fund	-	-	3,124,592	2,859,763	675,356	6,659,711	-
Promissory notes payable	4,494,375	-	-	-	-	4,494,375	-
Total noncurrent liabilities	<u>4,743,336</u>	<u>60,113</u>	<u>3,209,369</u>	<u>2,868,042</u>	<u>802,587</u>	<u>11,683,447</u>	<u>1,757,230</u>
Total liabilities	<u>5,382,962</u>	<u>317,747</u>	<u>3,435,692</u>	<u>3,071,717</u>	<u>1,019,263</u>	<u>13,227,381</u>	<u>3,220,343</u>
NET POSITION							
Net investment in capital assets	27,797,639	16,713,694	4,770,060	5,746,251	1,180,237	56,207,881	19,226,564
Restricted for:							
Public safety	-	-	-	-	-	-	164,241
Unrestricted	1,933,971	(63,753)	(3,340,255)	(2,943,875)	126,150	(4,287,762)	5,562,250
Total net position	<u>\$ 29,731,610</u>	<u>\$ 16,649,941</u>	<u>\$ 1,429,805</u>	<u>\$ 2,802,376</u>	<u>\$ 1,306,387</u>	<u>51,920,119</u>	<u>\$ 24,953,055</u>

Amounts reported for business-type activities on the statement of net position (page 31) are different because:

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:

Current year:	141,817
Prior years:	416,668
Net position - business-type activities (page 31)	<u>\$ 52,478,604</u>

The notes to the financial statements 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, 2014

Business-Type Activities - Enterprise Funds

	Water Fund	Two Rivers Convention Center Fund	Golf Courses Fund	Parking Fund	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities- Internal Service Funds
Operating revenues:							
Charges for sales and services	\$ 5,877,233	\$ 2,026,520	\$ 1,818,323	\$ 475,368	\$ 3,780,227	\$ 13,977,671	\$ 16,492,387
Other income	-	-	-	-	-	-	616,585
Total operating revenues	<u>5,877,233</u>	<u>2,026,520</u>	<u>1,818,323</u>	<u>475,368</u>	<u>3,780,227</u>	<u>13,977,671</u>	<u>17,108,972</u>
Operating expenses:							
Personnel services	2,707,312	1,327,877	861,327	146,154	1,155,003	6,197,673	7,324,068
Costs of sales and services	1,758,307	1,017,482	801,276	96,470	2,305,497	5,979,032	8,261,635
Depreciation and amortization	1,065,329	449,989	233,321	132,783	155,316	2,036,738	3,259,594
Total operating expenses	<u>5,530,948</u>	<u>2,795,348</u>	<u>1,895,924</u>	<u>375,407</u>	<u>3,615,816</u>	<u>14,213,443</u>	<u>18,845,297</u>
Operating income (loss)	<u>346,285</u>	<u>(768,828)</u>	<u>(77,601)</u>	<u>99,961</u>	<u>164,411</u>	<u>(235,772)</u>	<u>(1,736,325)</u>
Nonoperating revenues (expenses):							
Intergovernmental	84,513	-	-	-	-	84,513	324,710
Miscellaneous	84,952	3,096	-	-	-	88,048	-
Investment income	14,076	-	155	996	3,900	19,127	48,674
Gain (loss) on disposition of property and equipment	(131,006)	(20,218)	500	-	-	(150,724)	55,178
Interest expense	(145,428)	-	(52,375)	(48,790)	-	(246,593)	-
Total nonoperating revenues (expenses)	<u>(92,893)</u>	<u>(17,122)</u>	<u>(51,720)</u>	<u>(47,794)</u>	<u>3,900</u>	<u>(205,629)</u>	<u>428,562</u>
Income (loss) before contributions and transfers	253,392	(785,950)	(129,321)	52,167	168,311	(441,401)	(1,307,763)
Capital contributions - tap fees	39,825	-	-	-	1,820	41,645	-
Contributed capital	179,977	10,507,815	-	-	-	10,687,792	-
Transfers in	-	416,601	160,413	-	-	577,014	1,779,880
Transfers out	-	-	-	-	(100,000)	(100,000)	-
Change in net position	473,194	10,138,466	31,092	52,167	70,131	10,765,050	472,117
Net position - beginning	29,258,416	6,511,475	1,398,713	2,750,209	1,236,256	41,155,069	24,480,938
Net position - ending	<u>\$ 29,731,610</u>	<u>\$ 16,649,941</u>	<u>\$ 1,429,805</u>	<u>\$ 2,802,376</u>	<u>\$ 1,306,387</u>	<u>\$ 51,920,119</u>	<u>\$ 24,953,055</u>

Amounts reported for business-type activities in the statement of activities (page 33) are different because:

Change in net position-enterprise funds	10,765,050
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:	141,817
Change in net position of business-type activities (page 33)	<u>\$ 10,906,867</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, 2014

Business-Type Activities - Enterprise Funds

	Water Fund	Two Rivers Convention Center Fund	Golf Courses Fund	Parking Fund	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities-Internal Service Funds
Cash flows from operating activities:							
Cash received from interfund	\$ 678,645	\$ -	\$ -	\$ -	\$ -	\$ 678,645	\$ 14,249,295
Cash received from customers and users	5,202,135	1,989,706	1,827,592	470,987	3,757,460	13,247,880	2,168,764
Cash paid to interfund	(831,979)	(177,958)	(314,134)	(44,219)	(979,729)	(2,348,019)	(1,507,367)
Cash paid to suppliers	(919,172)	(835,217)	(483,694)	(52,843)	(1,325,169)	(3,616,095)	(6,820,576)
Cash paid to employees	(2,698,540)	(1,327,814)	(865,531)	(146,853)	(1,144,481)	(6,183,219)	(7,249,492)
Miscellaneous receipts	84,952	3,096	-	-	-	88,048	1,337,876
Net cash provided (used) by operating activities	<u>1,516,041</u>	<u>(348,187)</u>	<u>164,233</u>	<u>227,072</u>	<u>308,081</u>	<u>1,867,240</u>	<u>2,178,500</u>
Cash flows from noncapital financing activities:							
Transfers from other funds	-	416,601	160,413	-	-	577,014	1,779,880
Transfers to other funds	-	-	-	-	(100,000)	(100,000)	-
Increase (decrease) in amount due other funds	-	-	91,335	2,925	2,232	96,492	-
Intergovernmental receipts	79,373	-	-	-	-	79,373	3,593
Net cash provided (used) by noncapital financing activities	<u>79,373</u>	<u>416,601</u>	<u>251,748</u>	<u>2,925</u>	<u>(97,768)</u>	<u>652,879</u>	<u>1,783,473</u>
Cash flows from capital and related financing activities:							
Tap fees	39,825	-	-	-	1,820	41,645	-
Principal payments:							
Promissory notes	(352,007)	-	-	-	-	(352,007)	-
Repayment of interfund capital loans	-	-	(273,876)	(197,902)	(84,895)	(556,673)	-
Interest paid	(144,594)	-	(52,375)	(48,790)	-	(245,759)	-
Proceeds from disposition of capital assets	-	-	500	-	-	500	86,820
Purchase of capital assets	(1,395,025)	(6,634)	(42,768)	(5,104)	(35,659)	(1,485,190)	(4,947,097)
Intergovernmental receipts	-	-	-	-	-	-	103,524
Net cash used in capital and related financing activities	<u>(1,851,801)</u>	<u>(6,634)</u>	<u>(368,519)</u>	<u>(251,796)</u>	<u>(118,734)</u>	<u>(2,597,484)</u>	<u>(4,756,753)</u>
Cash flows from investing activities:							
Investment income received	14,076	-	155	996	3,900	19,127	48,674
Net cash provided (used) by investing activities	<u>14,076</u>	<u>-</u>	<u>155</u>	<u>996</u>	<u>3,900</u>	<u>19,127</u>	<u>48,674</u>
Net increase (decrease) in cash and cash equivalents	(242,311)	61,780	47,617	(20,803)	95,479	(58,238)	(746,106)
Cash and cash equivalents, January 1	2,284,611	77,709	9,968	144,111	604,484	3,120,883	8,583,722
Cash and cash equivalents, December 31	<u>\$ 2,042,300</u>	<u>\$ 139,489</u>	<u>\$ 57,585</u>	<u>\$ 123,308</u>	<u>\$ 699,963</u>	<u>\$ 3,062,645</u>	<u>\$ 7,837,616</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Operating income (loss)	\$ 346,285	\$ (768,828)	\$ (77,601)	\$ 99,961	\$ 164,411	\$ (235,772)	\$ (1,736,325)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	1,065,329	449,989	233,321	132,783	155,316	2,036,738	3,259,594
(Increase) decrease in accounts receivable	3,547	(36,814)	9,269	(4,381)	(22,767)	(51,146)	646,963
Miscellaneous receipts	84,952	3,096	-	-	-	88,048	-
(Increase) decrease in inventory	-	-	4,834	-	-	4,834	-
(Increase) decrease in prepaid items	-	(892)	185	-	-	(707)	56,375
Increase (decrease) in accounts payable	79,830	104,215	(22,971)	(592)	599	161,081	(304,450)
Increase (decrease) in claims payable	-	-	-	-	-	-	(144,106)
Increase (decrease) in accrued liabilities and compensated absences payable	8,772	63	(4,204)	(699)	10,522	14,454	74,576
(Increase) decrease in accounts payable due to the purchase of capital assets on account	(72,674)	(99,016)	21,400	-	-	(150,290)	325,873
Total adjustments	<u>1,169,756</u>	<u>420,641</u>	<u>241,834</u>	<u>127,111</u>	<u>143,670</u>	<u>2,103,012</u>	<u>3,914,825</u>
Net cash provided (used) by operating activities	<u>\$ 1,516,041</u>	<u>\$ (348,187)</u>	<u>\$ 164,233</u>	<u>\$ 227,072</u>	<u>\$ 308,081</u>	<u>\$ 1,867,240</u>	<u>\$ 2,178,500</u>
Noncash Investing, Capital and Financing Activities							
Purchase of capital assets on account	\$ 121,465	\$ 103,444	\$ -	\$ -	\$ -	\$ 224,909	\$ 104,096
Capital contributions	179,977	10,507,815	-	-	-	10,687,792	-
Net book value of capital assets traded in on capital assets acquired	-	-	-	-	-	-	24,897
Trade in value of disposed assets	-	-	-	-	-	-	77,800
Intergovernmental receivable from capital financing activities	-	-	-	-	-	-	298,175
Intergovernmental receivable from noncapital financing activities	5,880	-	-	-	-	5,880	-

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, 2014

	Pension Trust Funds	Private Purpose Trust Funds	Joint Sewer Investment Trust Fund	Agency Funds
ASSETS				
Cash and cash equivalents	\$ 149,923	\$ 82,919	\$ 11,707,732	\$ 730,600
Investments	13,479,398	-	-	-
Accounts receivable, net of allowance	-	-	-	4,050
Total assets	<u>13,629,321</u>	<u>82,919</u>	<u>11,707,732</u>	<u>734,650</u>
LIABILITIES				
Accounts payable	-	-	-	16,685
Due to other governments	-	-	-	717,965
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 734,650</u>
NET POSITION				
Held in trust for:				
External investment pool participants	-	-	11,707,732	
Pension benefits	13,629,321	-	-	
Individuals, organizations and others	-	82,919	-	
Total net position	<u>\$ 13,629,321</u>	<u>\$ 82,919</u>	<u>\$ 11,707,732</u>	

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

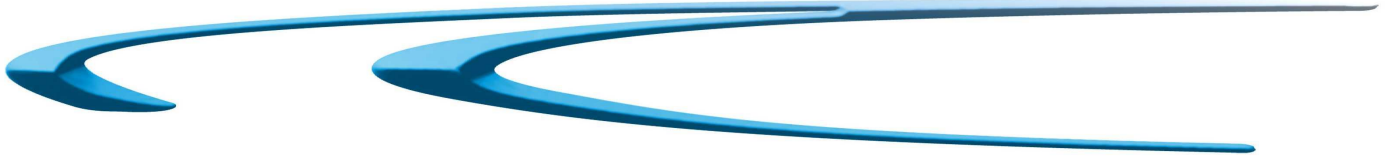
City of Grand Junction, Colorado
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended December 31, 2014

	Pension Trust Funds	Private Purpose Trust Funds	Joint Sewer Investment Trust Fund
ADDITIONS			
Additions by participants	\$ -	\$ 136,954	\$ 12,370,077
Employer contributions	276,015	-	-
Total contributions	<u>276,015</u>	<u>136,954</u>	<u>12,370,077</u>
Investment earnings:			
Interest income (loss)	279,008	377	82,986
Net increase (decrease) in fair value of investments	732,200	-	-
Net investment earnings	<u>1,011,208</u>	<u>377</u>	<u>82,986</u>
Total additions	<u>1,287,223</u>	<u>137,331</u>	<u>12,453,063</u>
DEDUCTIONS			
Distributions to participants	-	166,577	11,563,184
Benefits and refunds	1,582,982	-	-
Administrative expenses	122,986	5,152	-
Total deductions	<u>1,705,968</u>	<u>171,729</u>	<u>11,563,184</u>
Change in net position	(418,745)	(34,398)	889,879
Net position - beginning	14,048,066	117,317	10,817,853
Net position - ending	<u>\$ 13,629,321</u>	<u>\$ 82,919</u>	<u>\$ 11,707,732</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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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City of Grand Junction, Colorado was incorporated July 19, 1882, under provision 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 and operates a meeting and convention center, swimming pools, golf courses and parking facilities. The City also provides ambulance transport services for Mesa County, Colorado. The City maintains a data processing facility, a fleet facility, a central stores facility and a communications center. The communications center, fleet facility, and central stores facility provide services to other local governments in Mesa County, Colorado.

The accounting policies of the City of Grand Junction 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 generally accepted accounting principles, these financial statements present the City of Grand Junction (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 Council of the City 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 continues in existence for 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.

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 of Grand Junction. The Authority has an eleven-member board appointed by the City Council of the City of Grand Junction. The City Council also approves the Authority's budget and property tax levy and issues any debt for Authority projects. Financial statements for all funds and activities of the DDA are included in the City's Comprehensive Annual Financial Report because the Authority 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 *Downtown Development Authority*, 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 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) 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 when revenues and expenditures or expenses are 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 and use 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 soon enough to pay liabilities of the current period or are not objectively measurable, include licenses, permits, fines and forfeitures.

Expenditures generally are recorded when the liability is incurred, as 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 Fund** is a capital projects fund used to account for the financing and construction of projects financed completely or partially with the $\frac{3}{4}$ percent portion of the City's $2\frac{3}{4}$ percent sales and use tax. The $\frac{3}{4}$ percent portion is currently dedicated to general capital improvements and economic development.

The **Major Capital Improvements Fund** is a capital projects fund used to account for the financing and construction of major improvement projects. The Avalon Theatre Renovation Project is funded by City sales and use tax, Downtown Development Authority TIF revenue, as well as local contributions.

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 **Parkway Debt Retirement Fund** is 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.

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 **Two Rivers Convention Center Fund** accounts for all activities associated with the municipally owned meeting and convention center and recently renovated Avalon Theatre.

The **Golf Courses Fund** accounts for all activities associated with both municipally owned golf courses, Lincoln Park Golf Course and Tiara Rado Golf Course.

The **Parking Fund** is used to account for the revenue and expense associated with the operation of all municipally owned and leased parking facilities. Construction of a parking garage in the downtown area was completed late in 2007.

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, operation & maintenance, self-insurance activities, and communication services 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 **Pension Trust Funds** account for Police and Fire defined benefit pension plans administered by the Fire and Police Pension Association of Colorado.

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 operations. 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, personal 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 the local governments to the following types of investments, unless others are specifically identified by home rule cities, such as the City of Grand Junction:

1. *Obligations of the United States or obligations unconditionally guaranteed by the United States*
2. *Bonds of the State of Colorado and its political subdivisions*
3. *Certain obligations secured by mortgages*
4. *Bankers acceptances*
5. *Commercial paper*
6. *State investment pools*
7. *Repurchase agreements*
8. *Money market funds*
9. *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 the pension trust funds 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 2014 taxes collectible in 2015 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 \$5,000 or more and an estimated life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated fair market 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 units, 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 system	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 so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. 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.

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 so will not be recognized as an inflow of resources (revenue) until that time. The City only has one type of item that qualifies for reporting in this category. It is 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 up to from 480 to 624 hours of PTO, depending upon years of service.

The City pays a terminating employee for all accumulated PTO time up to from 80 to 152 hours, depending on years of service. 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, then 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, lastly 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 (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 their 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.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual appropriated expenditure budgets are adopted for all governmental funds on a basis consistent with generally accepted accounting principles 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 (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. Even though 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 heads 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 2014 resulted in budget amendments as follows:

Fund	Original Amount	Amended Amount
<i>Primary Government - City of Grand Junction:</i>		
<i>Governmental Activities</i>		
General Fund	\$ 67,015,213	\$ 68,038,715
Special Revenue Funds:		
Visitors and Convention Bureau	2,066,588	2,167,078
Parkland Expansion	406,717	428,001
Community Development	614,441	643,289
Capital Projects Funds:		
Sales Tax Capital	14,419,396	14,986,069
Storm Drainage Development	50,000	79,967
Major Projects Capital	3,584,770	6,175,470
Street Assessment Capital	410,000	649,967
<i>Business-Type Activities</i>		
Enterprise Funds:		
Water	6,708,933	6,943,114
Parking	478,007	498,892
Internal Service Funds:		
Equipment	5,273,996	6,534,865
Communications Center	7,647,455	8,223,372
<i>Component Unit - Downtown Development Authority:</i>		
Special Revenue Funds:		
DDA Operations	384,037	409,037

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. The City Finance Director (Treasurer) is granted authority for managing the pool by City Council. The City Treasurer reports investment activity quarterly to the Investment Advisory Committee, which is appointed by the City Manager, and reports annually to the City Council.

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 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, 2014, is as follows:

	Bank Balance	Carrying Balance
Cash on hand	\$ -	\$ 16,922
Insured deposits	250,000	250,000
Deposits collateralized in single institutional pools	3,162,270	2,758,314
	<u>\$3,412,270</u>	<u>\$3,025,236</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 the Fire and Police Pension Association of Colorado (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, 2014, the City had the following investments:

<u>Investment Type</u>	<u>S&P Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Months)</u>
Federal Agency Securities	AA+	\$ 11,911,463	33.63
Treasury Coupon Securities	AA+	10,031,991	16.04
Pass Through Securities (GNMA/CMO)	AA+	844,249	59.34
Commercial Paper	A-1+	1,995,965	5.82
State investment pools	AAAm	22,750,283	0.00
Pension trust fund	Not rated	13,629,321	0.00
Total		<u>\$61,163,272</u>	<u>13.25</u>

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 adopted by its legislative body. 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 trust funds, does not allow for investment in foreign currency.

NOTE 4. ACCOUNTS RECEIVABLE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

The allowance for uncollectible accounts receivable of the various funds of the City at December 31, 2014, is as follows:

General Fund	\$ 933,440
Enterprise Funds:	
Water	\$ 1,054
Solid Waste Removal	274
Two Rivers Convention Center	2,898
	<u>\$ 4,226</u>
Internal Service Funds:	
Communications Center	<u>\$ 817</u>

NOTE 5. CAPITAL ASSETS

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

Primary Government - City of Grand Junction:

	Beginning Balance	Increase	Decreases	Ending Balance
Governmental Activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$302,050,439	\$ 1,317,519	\$ 296,890	\$303,071,068
Construction in progress	9,374,703	800,319	8,769,715	1,405,307
Intangible assets	1,308,632	-	-	1,308,632
Total capital assets, not being depreciated	<u>312,733,774</u>	<u>2,117,838</u>	<u>9,066,605</u>	<u>305,785,007</u>
<i>Capital assets, being depreciated:</i>				
Buildings	96,193,562	10,006,023	9,306,631	96,892,954
Improvements other than buildings	31,645,337	296,339	-	31,941,676
Equipment	48,567,785	6,288,398	1,639,637	53,216,546
Infrastructure	383,205,875	7,565,460	79,024	390,692,311
Total capital assets, being depreciated	<u>559,612,559</u>	<u>24,156,220</u>	<u>11,025,292</u>	<u>572,743,487</u>
<i>Less accumulated depreciation for:</i>				
Buildings	19,323,284	2,642,565	-	21,965,849
Improvements other than buildings	16,781,408	1,264,896	-	18,046,304
Equipment	27,138,872	4,542,139	1,171,235	30,509,776
Infrastructure	116,921,050	8,692,011	79,024	125,534,037
Total accumulated depreciation	<u>180,164,614</u>	<u>17,141,611</u>	<u>1,250,259</u>	<u>196,055,966</u>
Total capital assets, being depreciated, net	<u>379,447,945</u>	<u>7,014,609</u>	<u>9,775,033</u>	<u>376,687,521</u>
Governmental activities capital assets, net	<u>\$692,181,719</u>	<u>\$9,132,447</u>	<u>\$ 18,841,638</u>	<u>\$682,472,528</u>

	Beginning Balance	Increase	Decreases	Ending Balance
Business-type Activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,148,898	\$ 44,992	\$ -	\$ 5,193,890
Construction in progress	185,285	880,093	62,563	1,002,815
Intangible assets	190,464	-	-	190,464
Total capital assets, not being depreciated	<u>5,524,647</u>	<u>925,085</u>	<u>62,563</u>	<u>6,387,169</u>
<i>Capital assets, being depreciated:</i>				
Buildings and systems	63,668,088	11,883,331	79,146	75,472,273
Improvements other than buildings	7,777,779	-	-	7,777,779
Equipment	3,505,933	578,923	99,666	3,985,190
Total capital assets, being depreciated	<u>74,951,800</u>	<u>12,462,254</u>	<u>178,812</u>	<u>87,235,242</u>
<i>Less accumulated depreciation for:</i>				
Buildings and systems	24,226,784	2,559,464	22,604	26,763,644
Improvements other than buildings	3,190,994	233,379	-	3,424,373
Equipment	2,140,004	240,438	4,984	2,375,458
Total accumulated depreciation	<u>29,557,782</u>	<u>3,033,281</u>	<u>27,588</u>	<u>32,563,475</u>
Total capital assets, being depreciated, net	<u>45,394,018</u>	<u>9,428,973</u>	<u>151,224</u>	<u>54,671,767</u>
Business-type activities capital assets, net	<u>\$ 50,918,665</u>	<u>\$10,354,058</u>	<u>\$213,787</u>	<u>\$ 61,058,936</u>

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

Governmental Activities	
General government	\$ 1,154,847
Public safety	1,875,858
Public works	9,159,661
Parks and recreation	1,691,651
Capital assets held by the government's internal service funds are charged to various functions based on their usage of assets	<u>3,259,594</u>
Total depreciation expense – governmental activities	<u>\$ 17,141,611</u>
Business-Type Activities	
Water	\$ 1,060,368
Solid waste	69,356
Meeting and convention center	1,451,493
Golf courses	233,321
Parking	132,783
Irrigation	85,960
Total depreciation expense – business-type activities	<u>\$ 3,033,281</u>

The increase in business -type activities capital assets and the decrease in the Downtown Development Authority capital assets include a transfer of assets of \$1,799,321 and accumulated depreciation of \$1,001,504 between the discretely presented component unit and the business-type activities of the primary government.

Discretely Presented Component Unit

Activity for the *Downtown Development Authority* for the year ended December 31, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<i>Capital assets, not being depreciated:</i>				
Land	\$ 794,691	\$ -	\$ -	\$ 794,691
Construction in progress	588,915	4,336	585,821	7,430
Total capital assets, not being depreciated	<u>1,383,606</u>	<u>4,336</u>	<u>585,821</u>	<u>802,121</u>
<i>Capital assets, being depreciated:</i>				
Buildings and systems	3,787,023	46,737	1,799,321	2,034,439
Improvements other than buildings	-	761,663	-	761,663
Equipment	1,429,747	73,400	-	1,503,147
Total capital assets, being depreciated	<u>5,216,770</u>	<u>881,800</u>	<u>1,799,321</u>	<u>4,299,249</u>
<i>Less accumulated depreciation for:</i>				
Buildings	1,299,475	50,408	1,001,504	348,379
Improvements other than buildings	-	19,042	-	19,042
Equipment	704,892	155,446	-	860,338
Total accumulated depreciation	<u>2,004,367</u>	<u>224,896</u>	<u>1,001,504</u>	<u>1,227,759</u>
Total capital assets, being depreciated, net	<u>3,212,403</u>	<u>656,904</u>	<u>797,817</u>	<u>3,071,490</u>
DDA capital assets, net	<u>\$ 4,596,009</u>	<u>\$ 661,240</u>	<u>\$ 1,383,638</u>	<u>\$ 3,873,611</u>

Construction Commitments

The City and its component unit have several ongoing construction projects as of December 31, 2014 composed of the following:

	Spent to <u>12/31/2014</u>	Projected cost <u>of completion</u>
Primary Government		
Street projects	\$ 125,121	\$ 2,682,335
Drainage projects	182,733	749,297
Park development	116,013	4,242,811
Facilities/equipment/other	1,984,256	5,389,705
Component Unit		
Development Projects	\$ 7,430	\$ 17,840

NOTE 6. CAPITAL LEASES

Certificates of Participation

The City entered into a ground and improvement lease with The Grand Junction Public Finance 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 certificates of participation, dated November 15, 2010 to be used to construct and install certain improvements to Suplizio Field, a baseball stadium located in the City's Lincoln Park, fund a reserve fund, and 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 as to 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. A \$533,500 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, 2014, follows:

Year ending December 31,	Schedule of Base Rents
2015	\$ 532,000
2016	530,400
2017	528,650
2018	531,175
2019	528,675
2020-2024	2,655,569
2025-2029	2,655,887
2030-2034	2,649,750
2035	530,250
Total base rentals	<u>11,142,356</u>
Less amounts representing interest	(4,187,356)
Present value of minimum lease payments	<u>\$ 6,955,000</u>

The City entered into a ground lease with Zions First National Bank. Zions First National Bank issued \$34,900,000 certificates of participation, dated December 1, 2010 to be used for the construction of a police building, including a 911 emergency dispatch center, and the remodeling of existing City facilities for use as fire stations and a fire administration building, pay capitalized interest, and 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.

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

The interest rates range from 4.23% to 7.48% payable semiannually on May 15 and November 15. A schedule, by years, of future minimum lease payments as of December 31, 2014, follows:

Year ending December 31,	Schedule of Base Rents
2015	\$ 3,027,122
2016	3,029,323
2017	3,028,510
2018	3,029,535
2019	3,028,985
2020-2024	14,848,313
2025-2029	14,241,025
2030-2034	13,416,510
2035-2039	12,337,870
2040	2,314,475
Total base rentals	<u>72,301,668</u>
Less amounts representing interest	(39,336,668)
Present value of minimum lease payments	<u>\$ 32,965,000</u>

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

NOTE 7. LONG-TERM LIABILITIES

The following is a summary of long-term liability activity of the City for the year ended December 31, 2014:

Primary Government - City of Grand Junction:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Revenue bonds:					
<i>Parkway</i>	\$ 3,735,000	\$ -	\$ 3,735,000	\$ -	\$ -
<i>Premium</i>	26,215	-	26,215	-	-
<i>Parkway Refunding</i>	30,645,000	-	-	30,645,000	2,470,000
<i>Parkway Refunding Premium</i>	4,444,731	-	676,815	3,767,916	659,141
Capital Leases:					
<i>Certificates of Participation</i>	40,805,000	-	885,000	39,920,000	915,000
<i>Discount on Certificates of Participation</i>	(378,665)	15,992	-	(362,673)	(16,997)
Net pension obligation:					
<i>Fire Defined Benefit Plan</i>	148,176	270,370	271,252	147,294	-
Claims payable	2,217,985	595,551	739,657	2,073,879	770,998
Compensated absences	3,940,098	4,631,675	4,707,949	3,863,824	220,508
Other Post Employment Benefits	1,669,381	1,231,440	554,326	2,346,495	-
Governmental activity long-term liabilities	<u>\$87,252,921</u>	<u>\$6,745,028</u>	<u>\$11,596,214</u>	<u>\$82,401,735</u>	<u>\$5,018,650</u>
Business-Type Activities					
Loans payable					
<i>Water Systems</i>	\$5,226,444	\$ -	\$352,007	\$4,874,437	\$361,506
Less deferred amounts:					
For loan discount	(28,343)	4,961	-	(23,382)	(4,826)
Compensated absences	549,501	672,966	661,068	561,399	32,038
Business-type activity long-term liabilities	<u>\$5,747,602</u>	<u>\$677,927</u>	<u>\$1,013,075</u>	<u>\$5,412,454</u>	<u>\$388,718</u>

Component Unit – Downtown Development Authority:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Tax increment bonds	\$6,530,000	\$ -	\$ 615,000	\$5,915,000	\$635,000
Pollution remediation	156,876	-	156,876	-	-
Compensated absences	6,048	15,022	10,794	10,276	586
Total	<u>\$6,692,924</u>	<u>\$ 15,022</u>	<u>\$ 782,670</u>	<u>\$5,925,276</u>	<u>\$635,586</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end \$481,847 of internal service funds compensated absences are included in the above amounts. For the governmental activities, compensated absences and net pension obligation are generally liquidated by the general fund.

Bonds, notes and loans payable as of December 31, 2014, are comprised of the following:

Primary Government – City of Grand Junction:

REVENUE BONDS:

\$80,000,000 of approved General Fund Revenue Bonds Series 2004 and 2007 bearing interest at 2% to 5% payable March 1 and September 1 annually through March 1, 2024 were issued to finance the construction of the Riverside Parkway project. The principal and interest on the bonds is payable solely from pledged sales and use tax revenues. There was no unpaid principal at December 31, 2014.

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 \$30,645,000 unpaid principal at December 31, 2014, payable over the following term:

Year	Principal	Interest	Total
2015	\$ 2,470,000	\$1,381,800	\$3,851,800
2016	2,575,000	1,280,375	3,855,375
2017	2,705,000	1,148,375	3,853,375
2018	2,845,000	1,009,625	3,854,625
2019	2,975,000	883,625	3,858,625
2020-2024	17,075,000	2,195,125	19,270,125
	<u>\$30,645,000</u>	<u>\$7,898,925</u>	<u>\$38,543,925</u>

ADVANCE REFUNDING:

Prior year defeasance of debt. In prior years, the City of Grand Junction defeased general revenue bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government’s financial statements. At December 31, 2014, no defeased bonds remained outstanding.

LOANS PAYABLE:

The City of Grand Junction 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 principal amount is \$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 loan proceeds are held by a trustee on behalf of the City with disbursements occurring upon receipt of a requisition executed by the City. The unpaid principal at December 31, 2014 was \$1,745,548 payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2015	\$193,950	\$61,586	\$255,536
2016	199,337	53,621	252,958
2017	204,725	50,131	254,856
2018	210,112	41,266	251,378
2019	215,500	33,825	249,325
2020-2022	721,924	57,921	779,845
	<u>\$1,745,548</u>	<u>\$ 298,350</u>	<u>\$2,043,898</u>

The City of Grand Junction 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 principal amount is \$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 loan proceeds are held by a trustee on behalf of the City with disbursements occurring upon receipt of a requisition executed by the City. The unpaid principal at December 31, 2014 was \$3,128,889 payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2015	\$167,556	\$77,182	\$244,738
2016	171,772	72,966	244,738
2017	176,093	68,645	244,738
2018	180,523	64,215	244,738
2019	185,064	59,674	244,738
2020-2024	997,539	226,151	1,223,690
2025-2029	1,129,484	94,206	1,223,690
2030	120,858	1,511	122,369
	<u>\$3,128,889</u>	<u>\$ 664,550</u>	<u>\$3,793,439</u>

Component Unit – Downtown Development Authority:

TAX INCREMENT BONDS:

During 2012, the Downtown Development Authority issued \$7,125,000 Tax Increment Financing Bonds. The bonds include \$4,070,000 of Tax-Exempt Increment Bonds, Series 2012A and \$3,055,000 Taxable Increment Bonds, Series 2012B. The bonds bear interest from 3.5% to 5.3% and are payable on June 15 and December 15 of each year through 2022. The unpaid principal at December 31, 2014 was \$5,915,000 payable over the following term:

Year	Principal	Interest	Total
2015	\$635,000	\$274,835	\$909,835
2016	660,000	250,070	910,070
2017	685,000	223,010	908,010
2018	715,000	193,555	908,555
2019	750,000	161,380	911,380
2020-2022	2,470,000	259,640	2,729,640
	<u>\$5,915,000</u>	<u>\$1,362,490</u>	<u>\$7,277,490</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 to, 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	\$6,708,933	\$6,943,114	\$5,676,376	\$ 748,311	\$6,424,687	\$ 518,427
Solid Waste Removal Two Rivers	3,534,058	3,534,058	3,388,868	37,673	3,426,541	107,517
Convention Center	2,670,564	2,670,564	2,795,348	(349,131)	2,446,217	224,347
Golf Courses	2,055,156	2,055,156	1,948,299	(25,709)	1,922,590	132,566
Parking Authority	478,007	498,892	424,197	68,525	492,722	6,170
Irrigation	251,226	251,226	326,948	(81,472)	245,476	5,750
Internal Service Funds:						
Data Processing	6,310,601	6,310,601	5,861,054	178,395	6,039,449	271,152
Equipment	5,273,996	6,534,865	4,424,082	1,710,664	6,134,746	400,119
Self-Insurance	2,418,788	2,418,788	1,885,085	147,601	2,032,686	386,102
Communications Center	7,647,455	8,223,372	6,675,076	(559,675)	6,115,401	2,107,971

NOTE 9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2014, is as follows:

Due to/from other funds:

	Due from Other Funds	Due to Other Funds
General Fund	\$1,475,373	\$ -
Community Development Special Revenue Fund to cover the cost of operations	-	10,289
Sales Tax Capital Projects Fund to cover the cost of capital	-	218,017
Major Capital Improvement Projects Fund to cover the cost of capital	-	430,771
General Debt Service Fund to cover the cost of debt service	-	348,965
Parking Enterprise Fund to pay current portion of advance	-	197,902
Solid Waste Removal Enterprise Fund to pay current portion of advance	-	84,895
Tiara Rado Golf Course Enterprise Fund to pay current portion of advance	-	184,534
Total	\$1,475,373	\$1,475,373

Advances to/from other funds:

	Advance to Other Funds	Advance from Other Funds
General Fund	\$6,659,711	\$ -
Solid Waste Removal Enterprise Fund to cover the cost of operations	-	675,356
Tiara Rado Golf Enterprise Fund to cover the cost of new irrigation system	-	3,124,592
Parking Enterprise Fund to cover partial cost of new parking garage	-	2,859,763
Total	\$6,659,711	\$6,659,711

Interfund Transfers:

Transfers Out:	General Fund	Sales Tax CIP Fund	Major CIP Fund	General Debt Service Fund	Parkway Debt Retirement Fund	Two Rivers Conv Center	Golf Courses Fund	Nonmajor Gov Funds	Internal Service	Total
General Fund	\$ -	\$ 1,880	\$1,292,626	\$ -	\$2,108,328	\$149,868	\$ -	\$ -	\$ -	\$3,552,702
Sales Tax CIP	500,000	-	893,139	7,069,958	-	116,864	-	48,122	-	8,628,083
Nonmajor Governmental	198,211	304,248	-	500,000	-	149,869	160,413	234,191	1,679,880	3,226,812
Nonmajor Proprietary	-	-	-	-	-	-	-	-	100,000	100,000
Total Transfers In	\$698,211	\$306,128	\$2,185,765	\$7,569,958	\$2,108,328	\$416,601	\$160,413	\$282,313	\$1,779,880	\$15,507,597

Transfers into the General Fund were to assist with cemetery operations (\$6,165); to reimburse administrative costs of the Community Development Block Grant (\$30,206); to assist with pool operations (\$11,840); and for economic development contributions (\$650,000). Transfers out of the General Fund were for cultural arts, capital construction, and to set aside dollars to repay the parkway debt.

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 (\$5,247,800) to make the lease payment on the Public Safety Certificates of Participation (\$1,822,158), and for capital and economic development purchases.

Transfers into the Major Capital Projects Fund were for Avalon Theatre improvements.

Transfers into the Two Rivers Convention Center Fund were to subsidize operations and purchase capital equipment.

Transfers into the Golf Courses Fund were to subsidize debt service and purchase capital equipment.

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 of \$1,679,880 were for equipment upgrades funded by the E-911 surcharge.

NOTE 10. RETIREMENT PLANS

A. DEFINED CONTRIBUTION 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 on the plan participant's behalf to the plan plus investment earnings.

Under City ordinances, substantially all full-time City employees, other than sworn police officers and fire fighters and elected officials, are covered by a mandatory contributory defined contribution retirement plan. The City of Grand Junction, Colorado, Employees Retirement Plan is administered by the International City Manager's Association Retirement Corporation (ICMA-RC). 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, 2014, was \$45,250,908. Covered wages and contributions in 2014 were as follows:

<u>General Employee Plan</u>	
Covered wages	\$24,502,138
City contribution	1,504,782
Employee contribution	1,504,782

Effective January 1, 1980, under state statutes, all fire fighters and police officers hired after April 8, 1978, are covered under fire and police defined contribution pension plans (new hire plans). Fire fighters 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 the International City Manager’s Association Retirement Corporation (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. Covered wages and contributions in 2014 were as follows:

<u>New Hire – Police & Fire</u>	<u>Police Officers</u>	<u>Fire Fighters</u>
Covered wages	\$7,829,528	\$7,427,423
City contribution	833,850	791,173
Employee contribution	833,850	791,173

In 1988, the City established supplemental defined contribution plans (new supplemental plans) for fire fighters and police officers hired before April 8, 1978, whom remained as 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 the International City Manager’s Association Retirement Corporation (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 2014, there were no police officers or fire fighters participating in the defined benefit plans.

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

B. DEFINED BENEFIT PLANS

Plan Description. The City, on behalf of certain full-time paid firefighters and police officers, contributes to the Fire Old Hire Pension Fund and the Police Old Hire Pension Fund, both defined benefit, single 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 annual financial report that includes the assets of the plans, note disclosures related to the plan investments and policies, and separate biennial actuarial reports for each of the plans. The reports may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado, 80111, or by calling FPPA at 1-800-770-3772.**

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 twenty years of service and age 55 or after twenty-five years of service. Firefighters’ benefits become vested after twenty 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 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.

Funding Policy and Annual Pension Cost/ Net Pension Asset. 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 2014, there were no active policemen covered by the Police Old Hire Plan and 14 retirees and beneficiaries receiving benefits. There were no active firefighters contributing to the Fire Old Hire Plan and 34 retirees and beneficiaries receiving benefits. The City and State of Colorado are required to contribute the remaining amounts necessary to fund the system. Contributions to the funds for the year ended December 31, 2014, were as follows:

	Police Old Hire Plan	Fire Old Hire Plan	Total
City contribution	\$ -	\$271,252	\$ 271,252
Total	<u>\$ -</u>	<u>\$271,252</u>	<u>\$ 271,252</u>

The financial statements of the Police Old Hire Plan and the Fire Old Hire Plan are presented as pension trust funds in the City's financial statements and are prepared using the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. 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. There are no investments in, loans to, or lease with parties related to the plans. State contributions on behalf of City employees are recognized as revenues and expenditures in the General Fund in accordance with GASB Statement 24. During 2001, the Fire Old Hire Plan was fully funded and the State of Colorado was no longer required to make contributions to the plan. In 2009, legislation was adopted to defer the State of Colorado contributions for certain affiliated local "Old Hire" plans for 2009 through 2011 and resuming in 2012 until 2015. In 2011, legislation was adopted to change the payment dates to 2012 until 2019. In 2013, the State of Colorado made its final payment to the Police Old Hire Plan and the State of Colorado is no longer required to make contributions to fund the plan.

The City's annual pension cost and net pension asset (NPA) for the current year and related information for each plan is as follows:

	Police Old Hire Plan	Fire Old Hire Plan
Annual required contribution (ARC)	\$116,037	\$276,015
Interest on net pension obligation (NPO)	(92,350)	17,327
Adjustment to ARC	<u>134,628</u>	<u>(22,972)</u>
Annual pension cost	158,315	270,370
Contributions made	-	<u>271,252</u>
Increase (Decrease) in NPO	158,315	(882)
NPO (NPA) – January 1, 2014	(1,231,332)	148,176
NPO (NPA) – December 31, 2014	<u>\$(1,073,017)</u>	<u>\$147,294</u>
Actuarial valuation date	1/1/14	1/1/14
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar, open	Level dollar, open
Remaining amortization period	13 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	4.00%	4.00%
Includes inflation at	3.00%	3.00%
Cost of living adjustment	3.00% - 3.50%	3.00% - 3.50%

Three-year trend information is as follows:

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation/ (Asset)
Police Old Hire Plan	12/31/12	\$270,344	190.27%	\$ (205,576)
	12/31/13	122,323	938.56%	(1,231,332)
	12/31/14	158,315	0.00%	(1,073,017)
Fire Old Hire Plan	12/31/12	\$240,726	102.84%	\$156,796
	12/31/13	270,764	103.18%	148,176
	12/31/14	270,370	100.33%	147,294

Funded Status and Funding Progress. Listed below is the required disclosure for the most recent actuarial valuation and the two preceding valuations:

Actuarial Valuation Date	Actuarial value of plan assets (a)	Actuarial accrued liability (b)	Unfunded actuarial liability (or funding excess) (c)	Funded ratio (a)/(b)
<i>Police Old Hire Plan</i>				
1/1/14	\$ 4,414,527	\$ 3,953,023	\$ (461,504)	112%
1/1/12	3,216,457	4,735,309	1,518,852	68%
1/1/10	3,268,151	5,992,299	2,724,148	55%
<i>Fire Old Hire Plan</i>				
1/1/14	\$9,493,841	\$12,552,106	\$ 3,058,265	76%
1/1/12	9,909,435	12,797,862	2,888,427	77%
1/1/10	10,960,275	13,431,384	2,471,109	82%

The funding policy for the plans has been prescribed by state law. Both of these old-hire plans are being phased out with no new members added since 1978. No other factors are anticipated to significantly affect the trends in amounts reported.

NOTE 11. POST EMPLOYMENT HEALTHCARE PLAN

Plan Description. The City of Grand Junction's Employee Retirement Health Benefit Plan is administered by the City of Grand Junction (the City). The Retiree Health Benefit Plan was implemented by the City in 1998, after a favorable vote by employees, to provide affordable healthcare coverage to its retirees and their dependents. The Rocky Mountain Healthcare C3 Plan (C3) offers healthcare coverage at retirement for the employee who retires at age 50-64 with 15 years of service or more. Retirees that qualify for coverage must pay 10% of current C3 rates to participate. Employee spouses and dependents that qualify for coverage must pay current C3 rates to participate. Coverage terminates for the employee and eligible dependents at age 65 when Medicare eligibility begins. Disabled employees with five years of service are also eligible to enroll in the plan.

Funding Policy. The contribution requirements of retirees and the City are established and may be amended by the City Council of the City. Retirees receiving benefits contributed \$128,676 or approximately 18.84 percent of the total premiums, through their required contribution of \$57.47 per month for single coverage, \$623.21 per month for spouse coverage and \$1,005.80 for family coverage. Only the retiree's premium is paid partially by the city. During 2014, there were 57 retirees and 13 dependents receiving benefits.

Annual OPEB Cost and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table

shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to C3:

	Retiree Healthcare Plan
Annual required contribution (ARC)	\$ 1,224,286
Interest on net OPEB obligation	66,775
Adjustment to ARC	<u>(59,621)</u>
Annual OPEB cost (expense)	1,231,440
Contributions made	<u>(554,326)</u>
Increase in net OPEB obligation	677,114
Net OPEB obligation – January 1, 2014	<u>1,669,381</u>
Net OPEB obligation – December 31, 2014	<u>\$ 2,346,495</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the two preceding years were as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	\$1,001,806	60.25%	\$1,296,398
2013	1,003,512	62.83%	1,669,381
2014	1,231,440	45.01%	2,346,495

Funded Status and Funding Progress. As of June 30, 2014, the most recent actuarial valuation date, the plan was unfunded. The unfunded actuarial accrued liability (UAAL) for benefits was \$12.39 million. The covered payroll (annual payroll of active employees covered by the plan) was \$36,628,908 and the ratio of the UAAL to the covered payroll was 33.83 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the fund status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2014 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is based on the employer's own investments and an annual healthcare cost trend rate of 7.5 percent initially, reduced by decrements to an ultimate rate of 5 percent after five years. Both rates included a 3.00 percent inflation assumption. The UAAL is being amortized on a level percent of pay, open basis. The remaining amortization period at June 30, 2014, was 30 years.

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 pre-existing 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 pre-existing 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, 2014 and for the year then ended, are as follows:

<u>Statement of Net Position</u>	
Assets:	
Current assets	\$ 12,995,111
Noncurrent assets	87,508
Net property, plant, and equipment	<u>86,861,094</u>
Total assets	<u>\$ 99,943,713</u>
Liabilities:	
Current liabilities	\$ 2,065,292
Long-term debt	<u>7,218,141</u>
Total liabilities	<u>9,283,433</u>
Net Position	
Net investment in capital assets	78,954,856
Unrestricted	<u>11,705,424</u>
Total net position	<u>\$ 90,660,280</u>

<u>Statement of Revenue and Expenses</u>	
Operating revenue	\$ 11,045,671
Operating expenses	<u>9,395,325</u>
Operating income (loss)	1,650,346
Net nonoperating revenue and expenses	(85,233)
Capital contributions	<u>1,672,539</u>
Change in net position	3,237,652
Net position - beginning	<u>87,422,628</u>
Net position - ending	<u>\$ 90,660,280</u>

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 \$11,707,732 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 \$3,190,884 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 Fifth 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 septic system elimination. The principal amount is \$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, 2014 was \$4,745,000 payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2015	\$ 395,000	\$ 202,450	\$ 597,450
2016	410,000	185,818	595,818
2017	420,000	172,380	592,380
2018	435,000	159,048	594,048
2019	450,000	145,591	595,591
2020-2024	2,635,000	337,874	2,972,874
	<u>\$4,745,000</u>	<u>\$1,203,161</u>	<u>\$5,948,161</u>

BONDS PAYABLE

The Joint Sewer System issued \$5,200,000 of approved revenue bonds (Direct Pay Build America Bonds Series 2009) bearing interest at 3.99% payable June 1 and December 1 annually through December 2019 to extend, better, otherwise improve and equip its joint wastewater system. The unpaid principal at December 31, 2014 was \$2,985,000 payable over the following term from *Business activities*:

Year	Principal	Interest	Total
2015	\$470,000	\$128,671	\$598,671
2016	480,000	112,441	592,441
2017	490,000	93,275	583,275
2018	505,000	71,750	576,750
2019	1,040,000	48,807	1,088,807
	<u>\$2,985,000</u>	<u>\$454,944</u>	<u>\$3,439,944</u>

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 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 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. Under this program, the Self-Insurance Internal Service Fund provides coverage for up to a maximum of \$500,000 per occurrence on each worker's compensation claim for police officers and firefighters and \$400,000 per occurrence on each worker's compensation claim for all other employees and up to \$150,000 for each general liability or property damage claim. The City purchases commercial insurance for claims in excess of coverage for worker's compensation and participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA) for claims in excess of coverage for general liability, crime, police professional liability, E & O and property. The city's share of surplus contributions held by CIRSA at December 31, 2014 was \$376,753. 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 \$2,073,879 in the Self-Insurance Internal Service Fund at December 31, 2014, 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 2013 and 2014 were:

	<u>January 1 Claims Payable</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>December 31 Claims Payable</u>
2013	\$2,338,877	\$ 748,657	\$(869,549)	\$2,217,985
2014	\$2,217,985	\$ 595,551	\$(739,657)	\$2,073,879

B. POLLUTION REMEDIATION

In 2012, the City purchased property located at 600 White Avenue. The existing structure on the property, a former church "White Hall", was rendered unusable by and because of a fire in November 2011. The building is old and contains asbestos materials and as a result of the fire the asbestos may now be located throughout the remains of the building. In 2013, the City completed phase one of the White Hall Asbestos Abatement and Demolition project and then traded the property to the Downtown Development Authority. The remaining pollution remediation liability, including asbestos abatement and monitoring, was completed by the Downtown Development Authority in 2014.

C. 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.

D. 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. CONDUIT DEBT OBLIGATIONS

The City has sponsored several industrial revenue and special assessment bond issues to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. These issues do not constitute debt of the City of Grand Junction and the City assumes no financial obligation for these bond issues. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Special Assessment Bonds were issued in 2003 for \$3,980,000 to fund improvements to the Rimrock Marketplace General Improvement District. The City is not liable for repayment of the debt, but the City Treasurer acts as agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings, if applicable.

Lease Revenue Bonds were issued in 2006 for \$12,565,000 to fund the construction of the CBI Laboratory Facilities Project. The City is not liable for repayment of the debt.

NOTE 15. 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 16. 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.

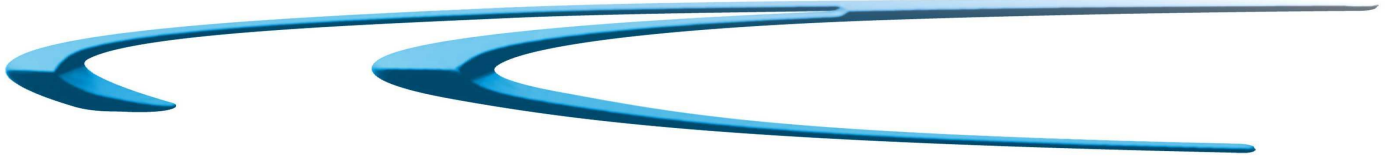
Future spending and revenue limits are determined based on the prior year's "Fiscal Year Spending" adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the 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, \$21,150,736 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.

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, 2014, 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.



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**REQUIRED
SUPPLEMENTARY INFORMATION**



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Required Supplementary Information

**City of Grand Junction, Colorado
SCHEDULE OF FUNDING PROGRESS
Police Old Hire Pension Plan**

<u>Fiscal Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (b)</u>	<u>Total Unfunded Actuarial Accrued Liability or (Excess) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a % of Covered Payroll ((b-a)/c)</u>
2010	1/1/2010	3,268,151	5,992,299	2,724,148	54.5%	N/A	N/A
2012	1/1/2012	3,216,457	4,735,309	1,518,852	67.9%	N/A	N/A
2014	1/1/2014	4,414,527	3,953,023	(461,504)	111.7%	N/A	N/A

**City of Grand Junction, Colorado
SCHEDULE OF FUNDING PROGRESS
Fire Old Hire Pension Plan**

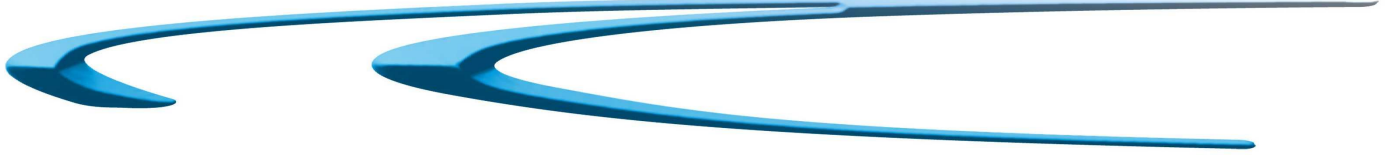
<u>Fiscal Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (b)</u>	<u>Total Unfunded Actuarial Accrued Liability (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a % of Covered Payroll ((b-a)/c)</u>
2010	1/1/2010	10,960,275	13,431,384	2,471,109	81.6%	N/A	N/A
2012	1/1/2012	9,909,435	12,797,862	2,888,427	77.4%	N/A	N/A
2014	1/1/2014	9,493,841	12,552,106	3,058,265	75.6%	N/A	N/A

**City of Grand Junction, Colorado
SCHEDULE OF FUNDING PROGRESS
Post Employment Retiree Healthcare Plan**

<u>Fiscal Year</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (b)</u>	<u>Total Unfunded Actuarial Accrued Liability (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a % of Covered Payroll ((b-a)/c)</u>
2010	6/30/2010	-	7,816,003	7,816,003	0.0%	35,958,809	21.7%
2012	6/30/2012	-	10,265,131	10,265,131	0.0%	34,112,302	30.1%
2014	6/30/2014	-	12,390,944	12,390,944	0.0%	36,628,908	33.8%



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NON-MAJOR 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.

Visitors and Convention Bureau ~ to accumulate resources from a lodging tax approved by the voters in 1994 and other taxes committed by City Council to operate a visitor and convention bureau that promotes conventions and tourism.

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

Parkland Expansion Fund ~ 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 Fund ~ to account for lottery proceeds received from the State of Colorado for the development or improvement of City parks.

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

Capital Projects Funds

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

Sales Tax Capital Improvements Fund ~ 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.

Capital Projects Funds (Continued)

Major Capital Improvements Fund ~ to account for the financing and construction of major improvement projects. The Avalon Theatre Renovation Project is funded by City sales and use tax, Downtown Development Authority TIF revenue, as well as local contributions.

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

Street Assessment Projects Fund ~ 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 for, and the payment of, general long-term debt principal, interest, and related costs.

General Debt Service Fund ~ 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 Fund is 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 Debt Service Fund ~ 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 Debt Service Fund ~ 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 Fund ~ 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, 2014

	Special Revenue					Total
	Visitors and Convention Bureau	Enhanced 911	Parkland Expansion	Conservation Trust	Community Development	
ASSETS						
Cash and investments	\$ 208,044	\$ 2,214,957	\$ 988,197	\$ 183,860	\$ -	\$ 3,595,058
Accounts receivable	270	340,256	-	-	-	340,526
Taxes receivable	134,436	-	-	-	-	134,436
Intergovernmental receivable	-	7,828	-	-	22,952	30,780
Prepays	9,120	-	-	-	-	9,120
Total assets	<u>\$ 351,870</u>	<u>\$ 2,563,041</u>	<u>\$ 988,197</u>	<u>\$ 183,860</u>	<u>\$ 22,952</u>	<u>\$ 4,109,920</u>
LIABILITIES						
Accounts payable	31,352	-	-	-	12,663	44,015
Accrued liabilities	25,026	-	-	-	-	25,026
Due to other funds	-	-	-	-	10,289	10,289
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>56,378</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,952</u>	<u>79,330</u>
FUND BALANCES						
Nonspendable:						
Inventories and prepaids	\$ 9,120	\$ -	\$ -	\$ -	\$ -	\$ 9,120
Permanent fund principal	-	-	-	-	-	-
Restricted for:						
Debt service	-	-	-	-	-	-
Parks and recreation	-	-	-	183,860	-	183,860
Public safety	-	2,563,041	-	-	-	2,563,041
Committed to:						
Open space	-	-	988,197	-	-	988,197
Street capacity expansion	-	-	-	-	-	-
Tourism and convention	286,372	-	-	-	-	286,372
Total fund balances	<u>295,492</u>	<u>2,563,041</u>	<u>988,197</u>	<u>183,860</u>	<u>-</u>	<u>4,030,590</u>
Total liabilities and fund balances	<u>\$ 351,870</u>	<u>\$ 2,563,041</u>	<u>\$ 988,197</u>	<u>\$ 183,860</u>	<u>\$ 22,952</u>	<u>\$ 4,109,920</u>

Debt Service			Capital Projects			Permanent Fund	Total Nonmajor Governmental Funds
Ridges	GJ Public Finance	Total	Storm Drainage Development	Street Assessment Capital Projects	Total	Cemetery Perpetual Care	
\$ 16,747	\$ 2,113	\$ 18,860	\$ 4,705	\$ 1,234,507	\$ 1,239,212	\$ 1,352,038	\$ 6,205,168
-	-	-	-	30,813	30,813	814	372,153
-	-	-	-	-	-	-	134,436
-	-	-	-	-	-	-	30,780
-	-	-	-	-	-	-	9,120
<u>\$ 16,747</u>	<u>\$ 2,113</u>	<u>\$ 18,860</u>	<u>\$ 4,705</u>	<u>\$ 1,265,320</u>	<u>\$ 1,270,025</u>	<u>\$ 1,352,852</u>	<u>\$ 6,751,657</u>
-	1,500	1,500	4,705	589,052	593,757	-	639,272
-	-	-	-	-	-	-	25,026
-	-	-	-	-	-	-	10,289
-	-	-	-	30,813	30,813	-	30,813
<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>4,705</u>	<u>619,865</u>	<u>624,570</u>	<u>-</u>	<u>705,400</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,120
-	-	-	-	-	-	1,352,852	1,352,852
16,747	613	17,360	-	-	-	-	17,360
-	-	-	-	-	-	-	183,860
-	-	-	-	-	-	-	2,563,041
-	-	-	-	-	-	-	988,197
-	-	-	-	645,455	645,455	-	645,455
-	-	-	-	-	-	-	286,372
<u>16,747</u>	<u>613</u>	<u>17,360</u>	<u>-</u>	<u>645,455</u>	<u>645,455</u>	<u>1,352,852</u>	<u>6,046,257</u>
<u>\$ 16,747</u>	<u>\$ 2,113</u>	<u>\$ 18,860</u>	<u>\$ 4,705</u>	<u>\$ 1,265,320</u>	<u>\$ 1,270,025</u>	<u>\$ 1,352,852</u>	<u>\$ 6,751,657</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, 2014

Special Revenue						
	Visitors and Convention Bureau	Enhanced 911	Parkland Expansion	Conservation Trust	Community Development	Total
REVENUES						
Taxes	\$ 1,916,754	\$ -	\$ -	\$ -	\$ -	\$ 1,916,754
Intergovernmental	-	-	-	746,123	462,899	1,209,022
Charges for services	8,481	2,475,893	-	-	-	2,484,374
Miscellaneous	1,051	-	168,270	-	-	169,321
Investment income	1,501	16,168	5,047	3,006	-	25,722
Total revenues	<u>1,927,787</u>	<u>2,492,061</u>	<u>173,317</u>	<u>749,129</u>	<u>462,899</u>	<u>5,805,193</u>
EXPENDITURES						
Current:						
General government	1,887,780	-	-	-	-	1,887,780
Urban development and housing	-	-	-	-	301,926	301,926
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>1,887,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>301,926</u>	<u>2,189,706</u>
Excess (deficiency) of revenues over (under) expenditures	40,007	2,492,061	173,317	749,129	160,973	3,615,487
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(149,869)	(2,179,880)	(24,523)	(705,402)	(160,973)	(3,220,647)
Total other financing sources (uses)	<u>(149,869)</u>	<u>(2,179,880)</u>	<u>(24,523)</u>	<u>(705,402)</u>	<u>(160,973)</u>	<u>(3,220,647)</u>
Net change in fund balance	(109,862)	312,181	148,794	43,727	-	394,840
Fund balances - beginning	405,354	2,250,860	839,403	140,133	-	3,635,750
Fund balances - ending	<u>\$ 295,492</u>	<u>\$ 2,563,041</u>	<u>\$ 988,197</u>	<u>\$ 183,860</u>	<u>\$ -</u>	<u>\$ 4,030,590</u>

Debt Service			Capital Projects			Permanent Fund	Total Nonmajor Governmental Funds
Ridges	GJ Public Finance	Total	Storm Drainage Development	Street Assessment Capital Projects	Total	Cemetery Perpetual Care	
\$ 1,159	\$ -	\$ 1,159	\$ -	\$ -	\$ -	\$ -	\$ 1,917,913
-	-	-	-	-	-	-	1,209,022
-	-	-	-	832,155	832,155	22,068	3,338,597
-	300,000	300,000	10,556	-	10,556	-	479,877
480	623	1,103	-	-	-	7,847	34,672
<u>1,639</u>	<u>300,623</u>	<u>302,262</u>	<u>10,556</u>	<u>832,155</u>	<u>842,711</u>	<u>29,915</u>	<u>6,980,081</u>
-	1,500	1,500	-	-	-	-	1,889,280
-	-	-	-	-	-	-	301,926
-	215,000	215,000	-	-	-	-	215,000
-	318,450	318,450	-	-	-	-	318,450
-	-	-	58,678	423,667	482,345	-	482,345
-	<u>534,950</u>	<u>534,950</u>	<u>58,678</u>	<u>423,667</u>	<u>482,345</u>	<u>-</u>	<u>3,207,001</u>
1,639	(234,327)	(232,688)	(48,122)	408,488	360,366	29,915	3,773,080
-	234,191	234,191	48,122	-	48,122	-	282,313
-	-	-	-	-	-	(6,165)	(3,226,812)
-	<u>234,191</u>	<u>234,191</u>	<u>48,122</u>	<u>-</u>	<u>48,122</u>	<u>(6,165)</u>	<u>(2,944,499)</u>
1,639	(136)	1,503	-	408,488	408,488	23,750	828,581
15,108	749	15,857	-	236,967	236,967	1,329,102	5,217,676
<u>\$ 16,747</u>	<u>\$ 613</u>	<u>\$ 17,360</u>	<u>\$ -</u>	<u>\$ 645,455</u>	<u>\$ 645,455</u>	<u>\$ 1,352,852</u>	<u>\$ 6,046,257</u>

City of Grand Junction, Colorado
VISITORS AND CONVENTION BUREAU SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,931,096	\$ 1,945,461	\$ 1,916,754	\$ (28,707)
Charges for services	8,000	8,000	8,481	481
Miscellaneous	-	-	1,051	1,051
Investment income	1,981	1,981	1,501	(480)
Total revenues	<u>1,941,077</u>	<u>1,955,442</u>	<u>1,927,787</u>	<u>(27,655)</u>
EXPENDITURES				
Current:				
General government:	<u>1,976,946</u>	<u>1,981,946</u>	<u>1,887,780</u>	<u>94,166</u>
Excess of revenues over expenditures	(35,869)	(26,504)	40,007	66,511
OTHER FINANCING USES				
Transfers out	<u>(89,642)</u>	<u>(185,132)</u>	<u>(149,869)</u>	<u>35,263</u>
Net change in fund balance	(125,511)	(211,636)	(109,862)	101,774
Fund balances - beginning	405,354	405,354	405,354	-
Fund balances - ending	<u>\$ 279,843</u>	<u>\$ 193,718</u>	<u>\$ 295,492</u>	<u>\$ 101,774</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, 2014

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget- Positive (Negative)
REVENUES			
Charges for services	\$ 2,420,600	\$ 2,475,893	\$ 55,293
Investment income	13,194	16,168	2,974
Total revenues	<u>2,433,794</u>	<u>2,492,061</u>	<u>58,267</u>
EXPENDITURES			
	-	-	-
Excess of revenues over expenditures	2,433,794	2,492,061	58,267
OTHER FINANCING USES			
Transfers out	<u>(3,865,782)</u>	<u>(2,179,880)</u>	<u>1,685,902</u>
Net change in fund balance	(1,431,988)	312,181	1,744,169
Fund balances - beginning	2,250,860	2,250,860	-
Fund balances - ending	<u>\$ 818,872</u>	<u>\$ 2,563,041</u>	<u>\$ 1,744,169</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 28,000	\$ 118,000	\$ 168,270	\$ 50,270
Investment income	3,774	3,774	5,047	1,273
Total revenues	<u>31,774</u>	<u>121,774</u>	<u>173,317</u>	<u>51,543</u>
EXPENDITURES				
	-	-	-	-
Excess of revenues over expenditures	31,774	121,774	173,317	51,543
OTHER FINANCING USES				
Transfers out	<u>(406,717)</u>	<u>(428,001)</u>	<u>(24,523)</u>	<u>403,478</u>
Net change in fund balance	(374,943)	(306,227)	148,794	455,021
Fund balances - beginning	839,403	839,403	839,403	-
Fund balances - ending	<u>\$ 464,460</u>	<u>\$ 533,176</u>	<u>\$ 988,197</u>	<u>\$ 455,021</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, 2014

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget- Positive (Negative)
REVENUES			
Intergovernmental	\$ 600,000	\$ 746,123	\$ 146,123
Investment income	1,075	3,006	1,931
Total revenues	<u>601,075</u>	<u>749,129</u>	<u>148,054</u>
EXPENDITURES			
	-	-	-
Excess of revenues over expenditures	601,075	749,129	148,054
OTHER FINANCING USES			
Transfers out	<u>(705,455)</u>	<u>(705,402)</u>	<u>53</u>
Net change in fund balance	(104,380)	43,727	148,107
Fund balances - beginning	140,133	140,133	-
Fund balances - ending	<u>\$ 35,753</u>	<u>\$ 183,860</u>	<u>\$ 148,107</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 614,441	\$ 643,289	\$ 462,899	\$ (180,390)
EXPENDITURES				
Current:				
Urban development and housing	285,734	355,000	301,926	53,074
Excess of revenues over expenditures	328,707	288,289	160,973	(127,316)
OTHER FINANCING USES				
Transfers out	(328,707)	(288,289)	(160,973)	127,316
Net change in fund balance	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
REVENUES			
Taxes	\$ -	\$ 1,159	\$ 1,159
Investment income	-	480	480
Total revenues	<u>-</u>	<u>1,639</u>	<u>1,639</u>
EXPENDITURES			
	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	1,639	1,639
Fund balances - beginning	15,108	15,108	-
Fund balances - ending	<u>\$ 15,108</u>	<u>\$ 16,747</u>	<u>\$ 1,639</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
REVENUES			
Miscellaneous	\$ 300,000	\$ 300,000	\$ -
Investment Income	-	623	623
Total revenues	<u>300,000</u>	<u>300,623</u>	<u>623</u>
EXPENDITURES			
Current:			
General government	1,505	1,500	5
Debt service:			
Principal retirement	215,000	215,000	-
Interest and fiscal charges	318,450	318,450	-
Total expenditures	<u>534,955</u>	<u>534,950</u>	<u>5</u>
Deficiency of revenues under expenditures	(234,955)	(234,327)	628
OTHER FINANCING SOURCES			
Transfers in	<u>234,955</u>	<u>234,191</u>	<u>(764)</u>
Net change in fund balance	-	(136)	(136)
Fund balances - beginning	749	749	-
Fund balances - ending	<u>\$ 749</u>	<u>\$ 613</u>	<u>\$ (136)</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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
REVENUES			
Intergovernmental	\$ 612,708	\$ 709,097	\$ 96,389
Investment Income	-	153	153
Total revenues	<u>612,708</u>	<u>709,250</u>	<u>96,542</u>
EXPENDITURES			
Current:			
General government	3,155	3,091	64
Debt service:			
Principal retirement	4,405,000	4,405,000	-
Interest and fiscal charges	3,871,148	3,871,147	1
Total expenditures	<u>8,279,303</u>	<u>8,279,238</u>	<u>65</u>
Deficiency of revenues under expenditures	(7,666,595)	(7,569,988)	96,607
OTHER FINANCING SOURCES			
Transfers in	<u>7,666,595</u>	<u>7,569,958</u>	<u>(96,637)</u>
Net change in fund balance	-	(30)	(30)
Fund balances - beginning	105	105	-
Fund balances - ending	<u>\$ 105</u>	<u>\$ 75</u>	<u>\$ (30)</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, 2014

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget- Positive (Negative)
	Original	Final				
REVENUES						
Investment income	\$ 26,390	\$ 26,390	\$ 28,768	\$ 1,262	\$ 30,030	\$ 3,640
EXPENDITURES	-	-	-	-	-	-
Excess of revenues over expenditures	26,390	26,390	28,768	1,262	30,030	3,640
OTHER FINANCING SOURCES						
Transfers in	2,159,727	2,108,328	2,108,328	-	2,108,328	-
Net change in fund balance	2,186,117	2,134,718	2,137,096	1,262	2,138,358	3,640
Fund balances - beginning	6,471,404	6,471,404	6,467,441	3,963	6,471,404	-
Fund balances - ending	\$ 8,657,521	\$ 8,606,122	\$ 8,604,537	\$ 5,225	\$ 8,609,762	\$ 3,640

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, 2014

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Taxes	\$ 11,359,472	\$ 11,702,545	\$ 11,846,964	\$ 18,409	\$ 11,865,373	\$ 162,828
Intergovernmental	2,115,000	442,656	194,818	-	194,818	(247,838)
Special assessments	14,000	14,000	16,050	-	16,050	2,050
Investment income	5,000	5,000	4,503	-	4,503	(497)
Charges for Service	30,000	49,000	57,307	-	57,307	8,307
Other contributions	35,500	297,787	246,166	-	246,166	(51,621)
Total revenues	<u>13,558,972</u>	<u>12,510,988</u>	<u>12,365,808</u>	<u>18,409</u>	<u>12,384,217</u>	<u>(126,771)</u>
EXPENDITURES						
Capital outlay:						
Construction	<u>5,614,126</u>	<u>6,345,983</u>	<u>3,112,344</u>	<u>-</u>	<u>3,112,344</u>	<u>3,233,639</u>
Excess of revenues over expenditures	7,944,846	6,165,005	9,253,464	18,409	9,271,873	3,106,868
OTHER FINANCING SOURCES (USES)						
Transfers in	860,424	559,573	306,128	-	306,128	(253,445)
Transfers out	(8,805,270)	(8,640,086)	(8,628,083)	-	(8,628,083)	12,003
Insurance recoveries	-	-	30,657	-	30,657	30,657
Total other financing sources (uses)	<u>(7,944,846)</u>	<u>(8,080,513)</u>	<u>(8,291,298)</u>	<u>-</u>	<u>(8,291,298)</u>	<u>(210,785)</u>
Net change in fund balance	-	(1,915,508)	962,166	18,409	980,575	2,896,083
Fund balances - beginning	-	-	78,328	(78,328)	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ (1,915,508)</u>	<u>\$ 1,040,494</u>	<u>\$ (59,919)</u>	<u>\$ 980,575</u>	<u>\$ 2,896,083</u>

City of Grand Junction, Colorado
MAJOR CAPITAL PROJECTS IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,000,000	\$ 1,022,000	\$ 1,023,145	\$ 1,145
Other contributions	471,531	669,741	741,410	71,669
Total revenues	<u>1,471,531</u>	<u>1,691,741</u>	<u>1,764,555</u>	<u>72,814</u>
EXPENDITURES				
Capital outlay:				
Construction	<u>3,584,770</u>	<u>6,175,470</u>	<u>6,167,762</u>	<u>7,708</u>
Deficiency of revenues under expenditures	(2,113,239)	(4,483,729)	(4,403,207)	80,522
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>893,139</u>	<u>2,266,287</u>	<u>2,185,765</u>	<u>(80,522)</u>
Net change in fund balance	(1,220,100)	(2,217,442)	(2,217,442)	-
Fund balances - beginning	2,217,442	2,217,442	2,217,442	-
Fund balances - ending	<u>\$ 997,342</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2014

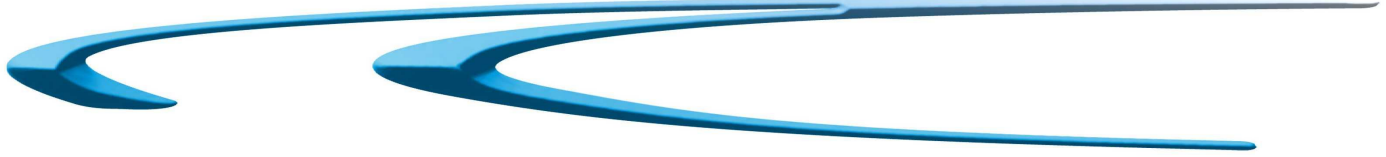
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous:				
Development fees	\$ 13,000	\$ 13,000	\$ 10,556	\$ (2,444)
EXPENDITURES				
Capital outlay:				
Construction	50,000	79,967	58,678	21,289
Deficiency of revenues under expenditures	(37,000)	(66,967)	(48,122)	18,845
OTHER FINANCING SOURCES				
Transfers in	37,000	66,967	48,122	(18,845)
Net change in fund balance	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

City of Grand Junction, Colorado
STREET ASSESSMENT PROJECTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous:				
Development fees	\$ 600,000	\$ 800,000	\$ 832,155	\$ 32,155
EXPENDITURES				
Capital outlay:				
Construction	410,000	649,967	423,667	226,300
Excess of revenues over expenditures	190,000	150,033	408,488	258,455
Fund balances - beginning	236,967	236,967	236,967	-
Fund balances - ending	\$ 426,967	\$ 387,000	\$ 645,455	\$ 258,455

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, 2014

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
REVENUES			
Perpetual care revenue	\$ 23,400	\$ 22,068	\$ (1,332)
Investment income	6,209	7,847	1,638
Total revenues	<u>29,609</u>	<u>29,915</u>	<u>306</u>
EXPENDITURES			
	-	-	-
Excess revenues over expenditures	29,609	29,915	306
OTHER FINANCING USES			
Transfers out	<u>(6,209)</u>	<u>(6,165)</u>	<u>44</u>
Net change in fund balance	23,400	23,750	350
Fund balances - beginning	1,329,102	1,329,102	-
Fund balances - ending	<u>\$ 1,352,502</u>	<u>\$ 1,352,852</u>	<u>\$ 350</u>



NON-MAJOR PROPRIETARY FUNDS

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expense, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) 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 Fund ~ to account for the revenues and expenses associated with refuse collection within the city.

Irrigation Fund ~ to account for the resources and expenses associated with the operation of City-owned and leased parking facilities, as well as the enforcement of City parking regulations.

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 to other governments, on a cost-reimbursement basis.

Data Processing Fund ~ 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 Fund ~ 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 Fund ~ to account for the expenses associated with providing workman's compensation and excess property and liability insurance coverage, and the related charges to the various department's within the City.

Communications Center Fund ~ 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.

City of Grand Junction, Colorado
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
December 31, 2014

	Business-Type Activities - Enterprise Funds		
	Solid Waste Removal	Irrigation	Total
ASSETS			
Current assets:			
Cash and investments	\$ 610,436	\$ 89,527	\$ 699,963
Accounts receivable, net of allowance	417,028	28,422	445,450
Total current assets	<u>1,027,464</u>	<u>117,949</u>	<u>1,145,413</u>
Noncurrent assets:			
Capital assets:			
Buildings, improvements, plant and system	249,750	3,435,807	3,685,557
Equipment	1,255,139	5,297	1,260,436
Less accumulated depreciation	<u>(1,062,152)</u>	<u>(2,703,604)</u>	<u>(3,765,756)</u>
Total capital assets (net of accumulated depreciation)	<u>442,737</u>	<u>737,500</u>	<u>1,180,237</u>
Total noncurrent assets	<u>442,737</u>	<u>737,500</u>	<u>1,180,237</u>
Total assets	<u>1,470,201</u>	<u>855,449</u>	<u>2,325,650</u>
LIABILITIES			
Current liabilities:			
Accounts payable	91,676	1,456	93,132
Accrued liabilities	28,685	2,264	30,949
Compensated absences payable	7,022	678	7,700
Due to other funds	<u>84,895</u>	<u>-</u>	<u>84,895</u>
Total current liabilities	<u>212,278</u>	<u>4,398</u>	<u>216,676</u>
Noncurrent liabilities:			
Compensated absences payable	116,025	11,206	127,231
Advances from other funds - general fund	<u>675,356</u>	<u>-</u>	<u>675,356</u>
Total noncurrent liabilities	<u>791,381</u>	<u>11,206</u>	<u>802,587</u>
Total liabilities	<u>1,003,659</u>	<u>15,604</u>	<u>1,019,263</u>
NET POSITION			
Net investment in capital assets	442,737	737,500	1,180,237
Unrestricted	<u>23,805</u>	<u>102,345</u>	<u>126,150</u>
Total net position	<u>\$ 466,542</u>	<u>\$ 839,845</u>	<u>\$ 1,306,387</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, 2014

	Business-Type Activities - Enterprise Funds		
	Solid Waste Removal	Irrigation	Total
Operating revenues:			
Charges for sales and services, net of allowances	\$ 3,538,962	\$ 241,265	\$ 3,780,227
Operating expenses:			
Personal services	1,062,364	92,639	1,155,003
Costs of sales and services	2,157,148	148,349	2,305,497
Depreciation and amortization	69,356	85,960	155,316
Total operating expenses	<u>3,288,868</u>	<u>326,948</u>	<u>3,615,816</u>
Operating income (loss)	<u>250,094</u>	<u>(85,683)</u>	<u>164,411</u>
Nonoperating revenues (expenses):			
Investment income	3,292	608	3,900
Total nonoperating revenues (expenses)	<u>3,292</u>	<u>608</u>	<u>3,900</u>
Income (loss) before contributions and transfers	<u>253,386</u>	<u>(85,075)</u>	<u>168,311</u>
Capital contributions - tap fees	-	1,820	1,820
Transfers out	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>
Change in net position	153,386	(83,255)	70,131
Net position - beginning	313,156	923,100	1,236,256
Net position - ending	<u>\$ 466,542</u>	<u>\$ 839,845</u>	<u>\$ 1,306,387</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the year ended December 31, 2014

	Business-Type Activities - Enterprise Funds		
	Solid Waste Removal	Irrigation	Total
Cash flows from operating activities:			
Cash received from customers and users	\$ 3,517,070	\$ 240,390	\$ 3,757,460
Cash paid to interfund	(951,709)	(28,020)	(979,729)
Cash paid to suppliers	(1,201,710)	(123,459)	(1,325,169)
Cash paid to employees	(1,053,361)	(91,120)	(1,144,481)
Net cash provided (used) by operating activities	<u>310,290</u>	<u>(2,209)</u>	<u>308,081</u>
Cash flows from noncapital financing activities:			
Transfers to other funds	(100,000)	-	(100,000)
Increase (decrease) in amount due other funds	2,232	-	2,232
Net cash provided (used) by noncapital financing activities	<u>(97,768)</u>	<u>-</u>	<u>(97,768)</u>
Cash flows from capital and related financing activities:			
Tap fees	-	1,820	1,820
Repayment of interfund capital loans	(84,895)	-	(84,895)
Purchase of capital assets	(29,976)	(5,683)	(35,659)
Net cash provided (used) in capital and related financing activities	<u>(114,871)</u>	<u>(3,863)</u>	<u>(118,734)</u>
Cash flows from investing activities:			
Investment income received	3,292	608	3,900
Net cash provided by investing activities	<u>3,292</u>	<u>608</u>	<u>3,900</u>
Net increase (decrease) in cash and cash equivalents	100,943	(5,464)	95,479
Cash and cash equivalents, January 1	509,493	94,991	604,484
Cash and cash equivalents, December 31	<u>\$ 610,436</u>	<u>\$ 89,527</u>	<u>\$ 699,963</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 250,094	\$ (85,683)	\$ 164,411
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	69,356	85,960	155,316
(Increase) decrease in accounts receivable	(21,892)	(875)	(22,767)
Increase (decrease) in accounts payable	3,729	(3,130)	599
Increase (decrease) in accrued liabilities and compensated absences payable	9,003	1,519	10,522
Total adjustments	<u>60,196</u>	<u>83,474</u>	<u>143,670</u>
Net cash provided (used) by operating activities	<u>\$ 310,290</u>	<u>\$ (2,209)</u>	<u>\$ 308,081</u>

City of Grand Junction, Colorado
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
December 31, 2014

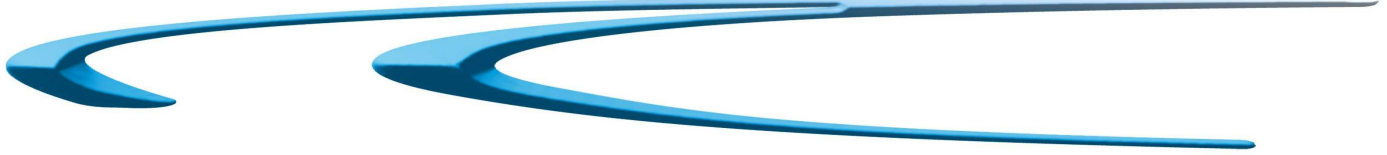
	Data Processing	Equipment	Self- Insurance	Communications Center	Total
ASSETS					
Current assets:					
Cash and investments	\$ 1,208,279	\$ 1,867,503	\$ 4,610,381	\$ 151,453	\$ 7,837,616
Accounts receivable, net of allowance	300	1,351	605,555	-	607,206
Intergovernmental receivable	25,239	110,821	-	284,142	420,202
Prepaid items	7,695	69,966	-	4,149	81,810
Total current assets	<u>1,241,513</u>	<u>2,049,641</u>	<u>5,215,936</u>	<u>439,744</u>	<u>8,946,834</u>
Noncurrent assets:					
Capital assets:					
Buildings and improvements	-	2,740,284	-	13,700	2,753,984
Equipment	5,938,477	22,540,921	-	9,035,403	37,514,801
Construction in progress	95,542	21,070	-	727,265	843,877
Less accumulated depreciation	<u>(3,084,663)</u>	<u>(14,620,567)</u>	<u>-</u>	<u>(4,180,868)</u>	<u>(21,886,098)</u>
Total capital assets (net of accumulated depreciation)	<u>2,949,356</u>	<u>10,681,708</u>	<u>-</u>	<u>5,595,500</u>	<u>19,226,564</u>
Total assets	<u>4,190,869</u>	<u>12,731,349</u>	<u>5,215,936</u>	<u>6,035,244</u>	<u>28,173,398</u>
LIABILITIES					
Current liabilities:					
Accounts payable	91,104	124,462	137,474	105,111	458,151
Accrued liabilities	59,054	25,687	6,287	115,438	206,466
Compensated absences payable	8,802	3,192	2,434	13,070	27,498
Claims payable	-	-	770,998	-	770,998
Total current liabilities	<u>158,960</u>	<u>153,341</u>	<u>917,193</u>	<u>233,619</u>	<u>1,463,113</u>
Noncurrent liabilities					
Compensated absences payable	145,430	52,733	40,231	215,955	454,349
Claims payable	-	-	1,302,881	-	1,302,881
Total noncurrent liabilities	<u>145,430</u>	<u>52,733</u>	<u>1,343,112</u>	<u>215,955</u>	<u>1,757,230</u>
Total liabilities	<u>304,390</u>	<u>206,074</u>	<u>2,260,305</u>	<u>449,574</u>	<u>3,220,343</u>
NET POSITION					
Net investment in capital assets	2,949,356	10,681,708	-	5,595,500	19,226,564
Restricted for:					
Public safety	164,241	-	-	-	164,241
Unrestricted	772,882	1,843,567	2,955,631	(9,830)	5,562,250
Total net position	<u>\$ 3,886,479</u>	<u>\$ 12,525,275</u>	<u>\$ 2,955,631</u>	<u>\$ 5,585,670</u>	<u>\$ 24,953,055</u>

City of Grand Junction, Colorado
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the year ended December 31, 2014

	<u>Data Processing</u>	<u>Equipment</u>	<u>Self- Insurance</u>	<u>Communications Center</u>	<u>Total</u>
Operating revenues:					
Charges for sales and services:	\$ 5,789,510	\$ 4,702,206	\$ 1,861,513	\$ 4,139,158	\$ 16,492,387
Miscellaneous	-	-	613,786	2,799	616,585
Total operating revenues	<u>5,789,510</u>	<u>4,702,206</u>	<u>2,475,299</u>	<u>4,141,957</u>	<u>17,108,972</u>
Operating expenses:					
Personal services	2,144,700	902,944	233,240	4,043,184	7,324,068
Costs of sales and services	2,876,822	2,182,934	1,651,845	1,550,034	8,261,635
Depreciation and amortization	839,532	1,338,204	-	1,081,858	3,259,594
Total operating expenses	<u>5,861,054</u>	<u>4,424,082</u>	<u>1,885,085</u>	<u>6,675,076</u>	<u>18,845,297</u>
Operating income (loss)	<u>(71,544)</u>	<u>278,124</u>	<u>590,214</u>	<u>(2,533,119)</u>	<u>(1,736,325)</u>
Nonoperating revenues (expenses):					
Intergovernmental	48,971	-	-	275,739	324,710
Investment income	7,701	18,196	22,777	-	48,674
Gain (loss) on disposition of property and equipment	-	55,178	-	-	55,178
Total nonoperating revenues (expenses)	<u>56,672</u>	<u>73,374</u>	<u>22,777</u>	<u>275,739</u>	<u>428,562</u>
Income (loss) before contributions and transfers					
	(14,872)	351,498	612,991	(2,257,380)	(1,307,763)
Transfers in	-	100,000	-	1,679,880	1,779,880
Change in net position	(14,872)	451,498	612,991	(577,500)	472,117
Net position - beginning	3,901,351	12,073,777	2,342,640	6,163,170	24,480,938
Net position - ending	<u>\$ 3,886,479</u>	<u>\$ 12,525,275</u>	<u>\$ 2,955,631</u>	<u>\$ 5,585,670</u>	<u>\$ 24,953,055</u>

City of Grand Junction, Colorado
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2014

	Data Processing	Equipment	Self - Insurance	Communications Center	Total
Cash flows from operating activities:					
Cash received from interfund	\$ 5,702,048	\$ 4,321,211	\$ 1,861,513	\$ 2,364,523	\$ 14,249,295
Cash received from customers and users	87,247	302,080	-	1,779,437	2,168,764
Cash paid to interfund	(174,745)	(165,815)	(15,323)	(1,151,484)	(1,507,367)
Cash paid to suppliers	(2,583,256)	(2,082,147)	(1,738,150)	(417,023)	(6,820,576)
Cash paid to employees	(2,126,673)	(894,623)	(235,944)	(3,992,252)	(7,249,492)
Miscellaneous receipts	-	-	1,335,077	2,799	1,337,876
Net cash provided (used) by operating activities	<u>904,621</u>	<u>1,480,706</u>	<u>1,207,173</u>	<u>(1,414,000)</u>	<u>2,178,500</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	-	100,000	-	1,679,880	1,779,880
Intergovernmental receipts	-	-	-	3,593	3,593
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>1,683,473</u>	<u>1,783,473</u>
Cash flows from capital and related financing activities:					
Intergovernmental receipts	23,732	-	-	79,792	103,524
Proceeds from disposition of capital assets	-	86,820	-	-	86,820
Purchase of capital assets	(1,042,244)	(3,345,479)	-	(559,374)	(4,947,097)
Net cash used in capital and related financing activities	<u>(1,018,512)</u>	<u>(3,258,659)</u>	<u>-</u>	<u>(479,582)</u>	<u>(4,756,753)</u>
Cash flows from investing activities:					
Investment income received	7,701	18,196	22,777	-	48,674
Net cash provided (used) by investing activities	<u>7,701</u>	<u>18,196</u>	<u>22,777</u>	<u>-</u>	<u>48,674</u>
Net increase in cash and cash equivalents	(106,190)	(1,659,757)	1,229,950	(210,109)	(746,106)
Cash and cash equivalents, January 1	1,314,469	3,527,260	3,380,431	361,562	8,583,722
Cash and cash equivalents, December 31	<u>\$ 1,208,279</u>	<u>\$ 1,867,503</u>	<u>\$ 4,610,381</u>	<u>\$ 151,453</u>	<u>\$ 7,837,616</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ (71,544)	\$ 278,124	\$ 590,214	\$ (2,533,119)	\$ (1,736,325)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	839,532	1,338,204	-	1,081,858	3,259,594
(Increase) decrease in accounts receivable	(215)	(78,915)	721,291	4,802	646,963
(Increase) decrease in prepaid items	125,485	(69,966)	-	856	56,375
Increase (decrease) in accounts payable	(22,334)	(289,614)	42,478	(34,980)	(304,450)
Increase (decrease) in claims payable	-	-	(144,106)	-	(144,106)
Increase (decrease) in accrued wages and compensated absences payable	18,027	8,321	(2,704)	50,932	74,576
(Increase) decrease in accounts payable due to purchase of capital assets on account	15,670	294,552	-	15,651	325,873
Total adjustments	<u>976,165</u>	<u>1,202,582</u>	<u>616,959</u>	<u>1,119,119</u>	<u>3,914,825</u>
Net cash provided (used) by operating activities	<u>\$ 904,621</u>	<u>\$ 1,480,706</u>	<u>\$ 1,207,173</u>	<u>\$ (1,414,000)</u>	<u>\$ 2,178,500</u>
Noncash Investing, Capital and Financing Activities					
Purchase of capital assets on account	\$ 24,301	\$ -	\$ -	\$ 79,795	\$ 104,096
Net book value of capital assets traded in on capital assets acquired	-	24,897	-	-	24,897
Trade in value of disposed assets	-	77,800	-	-	77,800
Intergovernmental receivable from capital financing activities	25,239	-	-	272,936	298,175



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 Pension Trust, Private-Purpose Trust, Investment Trust and Agency Funds. Since the City has only one Investment Trust Fund, it is presented in the Basic Financial section of this report.

Private Purpose Trust Funds

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

Pension Trust Funds

Police Old Hire Pension Trust Fund ~ to account for assets for the Police Old Hire Defined Benefit Pension Plan invested in and administered by the Fire and Police Pension Association of Colorado for qualified firefighter retirees.

Fire Old Hire Pension Trust Fund ~ to account for assets for the Fire Old Hire Defined Benefit Pension Plan invested in and administered by the Fire and Police Pension Association of Colorado for qualified firefighter retirees.

Agency Funds

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

Rimrock Marketplace General Improvement District Fund ~ 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 Fund ~ to provide the custodial function of accounting for operations of the Downtown Business Improvement District.

City of Grand Junction, Colorado
COMBINING STATEMENTS OF NET POSITION
PENSION TRUST FUNDS
December 31, 2014

	Police Old Hire	Fire Old Hire	Total
ASSETS			
Cash and investments	\$ 4,334,291	\$ 9,295,030	\$ 13,629,321
LIABILITIES	-	-	-
NET POSITION HELD IN TRUST FOR:			
Pension benefits	\$ 4,334,291	\$ 9,295,030	\$ 13,629,321

City of Grand Junction, Colorado
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For the year ended December 31, 2014

	Police Old Hire	Fire Old Hire	Total
ADDITIONS			
Contributions:			
City	\$ -	\$ 276,015	\$ 276,015
Investment income:			
Net appreciation (depreciation) in fair value of investments	233,487	498,713	732,200
Interest	89,062	189,946	279,008
Net investment income	<u>322,549</u>	<u>688,659</u>	<u>1,011,208</u>
Total additions	<u>322,549</u>	<u>964,674</u>	<u>1,287,223</u>
DEDUCTIONS			
Benefits	456,536	1,126,446	1,582,982
Administrative expense	40,407	82,579	122,986
Total deductions	<u>496,943</u>	<u>1,209,025</u>	<u>1,705,968</u>
Change in net position	(174,394)	(244,351)	(418,745)
Net position - beginning	4,508,685	9,539,381	14,048,066
Net position - ending	<u>\$ 4,334,291</u>	<u>\$ 9,295,030</u>	<u>\$ 13,629,321</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
December 31, 2014

	Mesa County Valley School District 51 SLD Fee	General Trust	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and investments	\$ 82,451	\$ 468	\$ 82,919
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES	-	-	-
	<u> </u>	<u> </u>	<u> </u>
NET POSITION HELD IN TRUST FOR			
Individuals, organizations and others	\$ 82,451	\$ 468	\$ 82,919
	<u> </u>	<u> </u>	<u> </u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
For the year ended December 31, 2014

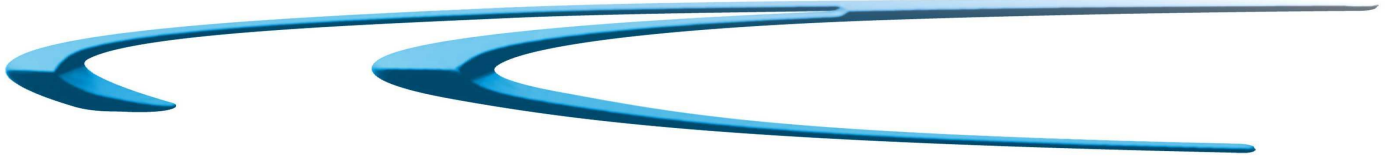
	Mesa County Valley School District 51 SLD Fee	General Trust	Total
ADDITIONS			
Additions by participants	\$ 136,954	\$ -	\$ 136,954
Investment income	377	-	377
Total additions	<u>137,331</u>	<u>-</u>	<u>137,331</u>
DEDUCTIONS			
Distributions to participants	166,577	-	166,577
Administrative expense	5,152	-	5,152
Total deductions	<u>171,729</u>	<u>-</u>	<u>171,729</u>
Change in net position	(34,398)	-	(34,398)
Net position - beginning	116,849	468	117,317
Net position - ending	<u>\$ 82,451</u>	<u>\$ 468</u>	<u>\$ 82,919</u>

City of Grand Junction, Colorado
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
For the year ended December 31, 2014

	Balance Beginning	Additions	Deletions	Balance Ending
<u>PARK IMPROVEMENT ADVISORY BOARD</u>				
ASSETS				
Cash and investments	\$ 130,394	\$ 146,051	\$ 116,330	\$ 160,115
LIABILITIES				
Accounts payable	\$ -	\$ 54,700	\$ 53,700	\$ 1,000
Due to other governments	130,394	91,351	62,630	159,115
Total liabilities	\$ 130,394	\$ 146,051	\$ 116,330	\$ 160,115
<u>RIMROCK MARKETPLACE GENERAL IMPROVEMENT DISTRICT</u>				
ASSETS				
Cash and investments	\$ 471,097	\$ 242,395	\$ 215,229	\$ 498,263
LIABILITIES				
Due to other governments	\$ 471,097	\$ 242,395	\$ 215,229	\$ 498,263
<u>DOWNTOWN BUSINESS IMPROVEMENT DISTRICT</u>				
ASSETS				
Cash and investments	\$ 142,791	\$ 395,940	\$ 466,509	\$ 72,222
Accounts receivable, net of allowance	-	4,730	680	4,050
Total assets	\$ 142,791	\$ 400,670	\$ 467,189	\$ 76,272
LIABILITIES				
Accounts payable	\$ 35,441	\$ 255,810	\$ 275,566	\$ 15,685
Due to other governments	107,350	144,860	191,623	60,587
Total liabilities	\$ 142,791	\$ 400,670	\$ 467,189	\$ 76,272
<u>TOTAL - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and investments	\$ 744,282	\$ 784,386	\$ 798,068	\$ 730,600
Accounts receivable, net of allowance	-	4,730	680	4,050
Total assets	\$ 744,282	\$ 789,116	\$ 798,748	\$ 734,650
LIABILITIES				
Accounts payable	\$ 35,441	\$ 310,510	\$ 329,266	\$ 16,685
Due to other governments	708,841	478,606	469,482	717,965
Total liabilities	\$ 744,282	\$ 789,116	\$ 798,748	\$ 734,650



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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 reported on the Government-wide Financial Statement. 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 Special Revenue Fund ~ to account for all revenues and expenditures associated with operating the Downtown Development Authority.

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 Debt Service Fund ~ to account for those resources which are being accumulated for Long-term debt, principal and interest payments on Downtown Development Authority 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 Fund ~ to account for capital improvements within the boundaries of the Downtown Development Authority (DDA).

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	DDA Operations Special Revenue Fund	DDA TIF Debt Service Fund	Capital Improvements Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and investments	\$ 574,558	\$ 1,799,487	\$ 152,101	\$ 2,526,146
Property taxes receivable	259,736	1,153,603	-	1,413,339
Accounts receivable	520	-	-	520
Total assets	<u>834,814</u>	<u>2,953,090</u>	<u>152,101</u>	<u>3,940,005</u>
LIABILITIES				
Accounts payable	5,302	500	20,544	26,346
Accrued liabilities	4,465	-	285	4,750
Compensated absences payable	556	-	30	586
Total liabilities	<u>10,323</u>	<u>500</u>	<u>20,859</u>	<u>31,682</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	256,889	1,142,540	-	1,399,429
Total deferred inflows of resources	<u>256,889</u>	<u>1,142,540</u>	<u>-</u>	<u>1,399,429</u>
FUND BALANCES				
Restricted for:				
Debt service	-	1,810,050	-	1,810,050
Legends historical sculptures project	53,299	-	-	53,299
Urban development and housing	514,303	-	131,242	645,545
Total fund balances	<u>567,602</u>	<u>1,810,050</u>	<u>131,242</u>	<u>2,508,894</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 834,814</u>	<u>\$ 2,953,090</u>	<u>\$ 152,101</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 3,873,611

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

Bonds Payable	\$ (5,915,000)	
Accrued Interest payable	(11,451)	
Compensated absences	<u>(9,690)</u>	(5,936,141)

Net position -Component Unit - Downtown Development Authority. (page 31) \$ 446,364

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, 2014

	DDA Operations Special Revenue Fund	DDA TIF Debt Service Fund	Capital Improvements Capital Project Fund	Total Governmental Funds
REVENUES				
Taxes	\$ 297,776	\$ 1,353,280	\$ -	\$ 1,651,056
Intergovernmental	-	457,739	-	457,739
Charges for services	6,350	-	-	6,350
Miscellaneous	80,393	-	7,150	87,543
Investment income	3,679	8,398	1,247	13,324
Total revenues	<u>388,198</u>	<u>1,819,417</u>	<u>8,397</u>	<u>2,216,012</u>
EXPENDITURES				
Current:				
Urban development and housing	387,188	24,388	-	411,576
Debt service:				
Principal retirement	-	615,000	-	615,000
Interest and fiscal charges	-	297,590	-	297,590
Capital outlay	-	-	287,568	287,568
Total expenditures	<u>387,188</u>	<u>936,978</u>	<u>287,568</u>	<u>1,611,734</u>
Excess (deficiency) of revenues over (under) expenditures	1,010	882,439	(279,171)	604,278
Fund balances - beginning	566,592	927,611	410,413	1,904,616
Fund balances - ending	<u>\$ 567,602</u>	<u>\$ 1,810,050</u>	<u>\$ 131,242</u>	<u>\$ 2,508,894</u>

Amounts reported for Component Unit - Downtown Development Authority in the statement of activities (page 33) are different because:

Net change in fund balances - total governmental funds (above) \$ 604,278

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 \$300,315 exceeded depreciation (\$224,896) in the current period. 75,419

The net effect of transactions involving the sale, trade, and disposal of capital assets. (797,817)

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. 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	\$	615,000	
Decrease in accrued interest		949	
Increase in pollution remediation		<u>156,876</u>	
			772,825

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. (3,973)

Change in net position of the Component Unit - Downtown Development Authority (page 33) \$ 650,732

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
DOWNTOWN DEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 287,406	\$ 287,406	\$ 297,776	\$ 10,370
Charges for services	5,000	5,000	6,350	1,350
Miscellaneous	49,300	74,300	80,393	6,093
Investment income	2,896	2,896	3,679	783
Total revenues	<u>344,602</u>	<u>369,602</u>	<u>388,198</u>	<u>18,596</u>
EXPENDITURES				
Current:				
Urban development and housing	<u>384,037</u>	<u>409,037</u>	<u>387,188</u>	<u>21,849</u>
Excess of revenues over expenditures	(39,435)	(39,435)	1,010	40,445
Fund balances - beginning	566,592	566,592	566,592	-
Fund balances - ending	<u>\$ 527,157</u>	<u>\$ 527,157</u>	<u>\$ 567,602</u>	<u>\$ 40,445</u>

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado

DDA TIF DEBT SERVICE FUND

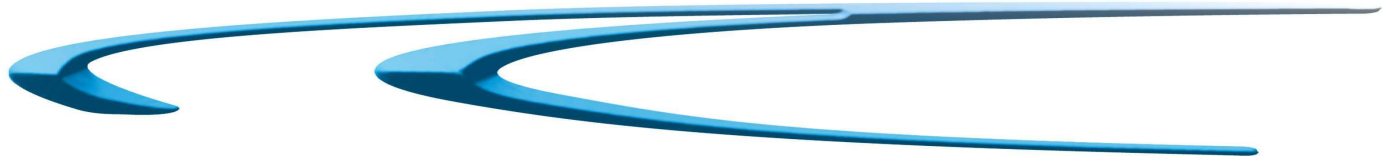
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL

For the year ended December 31, 2014

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes	\$ 1,298,605	\$ 1,353,280	\$ 54,675
Intergovernmental	489,868	457,739	(32,129)
Investment Income	3,512	8,398	4,886
Total revenues	<u>1,791,985</u>	<u>1,819,417</u>	<u>27,432</u>
EXPENDITURES			
Current:			
Urban development and housing	25,515	24,388	1,127
Debt service:			
Principal retirement	615,000	615,000	-
Interest and fiscal charges	297,590	297,590	-
Total expenditures	<u>938,105</u>	<u>936,978</u>	<u>1,127</u>
Excess of revenues			
Over expenditures	853,880	882,439	28,559
Fund balances - beginning	927,611	927,611	-
Fund balances - ending	<u>\$ 1,781,491</u>	<u>\$ 1,810,050</u>	<u>\$ 28,559</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, 2014

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Miscellaneous	\$ -	\$ 7,150	\$ 7,150
Investment income	-	1,247	1,247
Total revenues	<u>-</u>	<u>8,397</u>	<u>8,397</u>
EXPENDITURES			
Capital projects	<u>310,802</u>	<u>287,568</u>	<u>23,234</u>
Deficiency of revenues under expenditures	(310,802)	(279,171)	31,631
Fund balances - beginning	410,413	410,413	-
Fund balances - ending	<u>\$ 99,611</u>	<u>\$ 131,242</u>	<u>\$ 31,631</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.	123-127
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the City’s largest revenue source, sales tax.	128-131
<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.	132-136
<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.	137-138
<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.	139-140



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TABLE 1

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net investment in capital assets	\$ 256,934,469	\$ 326,336,540	\$ 408,037,121	\$ 498,158,781	\$ 529,106,956	\$ 555,543,770	\$ 581,854,487	\$ 607,986,872	\$ 617,381,868	\$ 611,760,765
Restricted	5,598,639	7,504,598	4,548,128	15,726,010	18,544,790	21,495,852	30,951,878	13,618,901	14,511,996	17,330,295
Unrestricted	48,107,386	59,014,985	60,693,788	40,514,664	28,682,910	28,430,021	26,937,580	26,568,548	23,367,630	19,178,570
Total governmental activities net position	\$ 310,640,494	\$ 392,856,123	\$ 473,279,037	\$ 554,399,455	\$ 576,334,656	\$ 605,469,643	\$ 639,743,945	\$ 648,174,321	\$ 655,261,494	\$ 648,269,630
Business-type Activities										
Net investment in capital assets	\$ 33,697,216	\$ 36,518,897	\$ 39,673,423	\$ 44,539,563	\$ 46,087,527	\$ 47,807,739	\$ 45,541,828	\$ 45,880,136	\$ 45,720,564	\$ 56,207,881
Restricted	-	610,844	-	-	-	-	-	-	-	-
Unrestricted	5,286,462	4,114,096	4,176,474	(271,321)	(2,881,656)	(4,987,177)	(4,277,701)	(4,545,053)	(4,148,827)	(3,729,277)
Total business-type activities net position	\$ 38,983,678	\$ 41,243,837	\$ 43,849,897	\$ 44,268,242	\$ 43,205,871	\$ 42,820,562	\$ 41,264,127	\$ 41,335,083	\$ 41,571,737	\$ 52,478,604
Primary Government										
Net investment in capital assets	\$ 290,631,685	\$ 362,855,437	\$ 447,710,544	\$ 542,698,344	\$ 575,194,483	\$ 603,351,509	\$ 627,396,315	\$ 653,867,008	\$ 663,102,432	\$ 667,968,646
Restricted	5,598,639	8,115,442	4,548,128	15,726,010	18,544,790	21,495,852	30,951,878	13,618,901	14,511,996	17,330,295
Unrestricted	53,393,848	63,129,081	64,870,262	40,243,343	25,801,254	23,442,844	22,659,879	22,023,495	19,218,803	15,449,293
Total primary governmental net position	\$ 349,624,172	\$ 434,099,960	\$ 517,128,934	\$ 598,667,697	\$ 619,540,527	\$ 648,290,205	\$ 681,008,072	\$ 689,509,404	\$ 696,833,231	\$ 700,748,234
Component Unit:										
Net investment in capital assets	\$ 2,196,484	\$ 1,873,613	\$ 1,968,943	\$ 5,999,915	\$ 6,222,119	\$ 5,697,948	\$ 4,870,916	\$ 4,295,348	\$ 4,542,743	\$ 3,816,756
Restricted	1,340,387	1,325,219	834,551	3,334,219	2,810,117	1,462,300	1,278,049	955,845	1,890,167	2,508,894
Unrestricted	1,341,467	2,213,997	34,939	(5,713,208)	(5,147,792)	(5,468,141)	(6,144,689)	(4,189,009)	(6,637,278)	(5,879,286)
Total component unit net position	\$ 4,878,338	\$ 5,412,829	\$ 2,838,433	\$ 3,620,926	\$ 3,884,444	\$ 1,692,107	\$ 4,276	\$ 1,062,184	\$ (204,368)	\$ 446,364

Source: Current and prior years' financial statements

TABLE 2

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities:										
General Government	\$ 9,596,763	\$ 8,775,975	\$ 12,412,910	\$ 16,143,424	\$ 14,022,155	\$ 11,591,395	\$ 12,583,783	\$ 12,735,595	\$ 16,206,096	\$ 13,966,239
Public Safety	22,904,850	24,638,801	28,167,497	32,088,791	32,487,535	33,423,757	33,105,266	41,301,254	40,054,201	42,680,344
Public Works	15,386,497	19,400,979	15,521,625	19,680,247	21,353,413	20,728,384	6,512,483	19,980,846	20,093,321	20,025,758
Parks and Recreation	5,175,343	4,743,303	7,419,519	7,955,933	8,924,292	8,771,342	8,425,816	10,281,037	7,279,163	19,345,400
Urban Development and Housing	415,306	110,694	565,373	545,715	572,726	561,457	645,572	477,886	591,545	634,827
Interest of Long-Term Debt	2,544,479	2,474,655	3,233,840	3,332,614	3,188,419	3,645,322	5,443,771	4,713,532	3,952,399	3,774,690
Total Governmental Activities Expense	56,023,238	60,144,407	67,320,764	79,746,724	80,548,540	78,721,657	66,716,691	89,490,150	88,176,725	100,427,258
Business-Type Activities:										
Water	4,222,594	4,349,852	4,671,765	5,067,168	5,283,655	5,419,125	4,881,038	5,405,744	5,420,503	5,757,132
Convention Center	2,641,066	2,805,768	2,968,119	3,514,396	3,396,100	2,857,866	2,600,896	2,881,584	2,591,225	2,804,818
Solid Waste Removal	2,340,292	2,632,219	2,820,253	2,907,325	4,196,468	3,462,854	3,113,744	3,179,267	3,130,852	3,231,386
Swimming Pools	919,684	1,015,665	991,685	1,014,976	1,025,401	1,038,563	983,212	-	-	-
Golf	1,898,642	1,966,353	2,123,769	2,285,777	2,472,997	2,266,394	2,181,540	2,072,890	2,064,247	1,928,826
Parking	321,282	693,381	402,916	1,829,547	531,711	480,383	415,355	405,744	405,157	421,526
Irrigation Systems	273,642	298,439	289,528	318,708	300,130	306,572	298,694	302,106	315,178	325,255
Ambulance Transport	-	865,138	2,252,275	2,350,943	2,308,421	2,173,362	1,961,509	-	-	-
Total Business-Type Activities Expense	12,617,202	14,626,815	16,520,310	19,288,840	19,514,883	18,005,119	16,435,988	14,247,335	13,927,162	14,468,943
Total Primary Government Expenses	\$ 68,640,440	\$ 74,771,222	\$ 83,841,074	\$ 99,035,564	\$ 100,063,423	\$ 96,726,776	\$ 83,152,679	\$ 103,737,485	\$ 102,103,887	\$ 114,896,201
Total Component Unit Expenses	\$ 386,262	\$ 1,378,932	\$ 4,633,804	\$ 2,117,208	\$ 2,636,069	\$ 4,826,697	\$ 4,622,211	\$ 1,511,186	\$ 3,753,663	\$ 1,565,280
Program Revenues										
Governmental Activities:										
Charge for Service:										
General Government	\$ 2,201,868	\$ 2,350,160	\$ 5,451,358	\$ 2,929,275	\$ 2,639,601	\$ 3,274,890	\$ 3,224,426	\$ 3,002,193	\$ 2,725,767	\$ 2,940,902
Public Safety	4,636,026	4,503,743	4,774,346	5,895,984	6,406,830	7,104,163	8,071,588	10,741,763	10,718,690	10,485,105
Public Works	1,100,555	2,595,528	3,325,868	5,554,332	1,884,073	2,659,523	1,895,207	1,927,747	3,200,996	1,925,024
Parks and Recreation	1,294,737	1,070,852	3,199,673	2,286,100	1,423,145	1,461,584	1,456,400	2,069,864	2,051,380	2,056,017
Operating Grants and Contributions	718,425	565,044	1,182,795	1,548,954	1,661,118	2,184,680	3,608,414	3,204,209	3,950,533	3,011,613
Capital Grants and Contributions	34,104,271	66,735,306	56,633,477	63,431,598	23,963,787	26,800,939	12,816,892	9,936,906	7,190,063	6,279,358
Total Governmental Activities Program Revenues	44,055,882	77,820,633	74,567,517	81,646,243	37,978,554	43,485,779	31,072,927	30,882,682	29,837,429	26,698,019
Business-Type Activities:										
Water	4,476,728	4,670,635	4,987,126	5,293,379	5,527,333	5,231,378	4,913,952	5,271,849	5,303,609	5,877,233
Convention Center	2,114,443	2,437,970	2,544,726	2,840,966	2,657,327	2,322,730	2,279,695	2,385,684	1,998,488	2,026,520
Solid Waste Removal	2,427,094	2,500,954	2,841,130	3,051,483	2,976,883	3,251,274	3,324,152	3,311,362	3,337,992	3,538,962
Swimming Pools	628,073	691,810	697,770	680,496	760,756	590,332	532,456	-	-	-
Golf	1,802,903	1,956,584	2,106,921	2,221,204	2,147,161	1,901,601	1,949,258	1,980,120	1,748,166	1,818,323
Parking	326,381	338,286	343,471	504,766	540,054	412,578	487,517	491,203	454,184	475,368
Irrigation Systems	178,709	179,837	191,854	204,956	212,043	219,820	219,367	216,915	229,676	241,265
Ambulance Transport	-	1,107,880	2,313,432	2,461,174	2,315,001	2,027,458	2,117,997	-	-	-
Operating Grants and Contributions	-	-	-	-	-	595,361	148,215	85,190	79,894	172,561
Capital Grants and Contributions	237,705	654,170	1,998,637	523,422	406,834	496,259	211,850	221,151	339,734	10,729,437
Total Business-Type Activities Program Revenues	12,192,036	14,538,126	18,025,067	17,781,846	17,543,392	17,048,791	16,184,459	13,963,474	13,491,743	24,879,669
Total Primary Government Program Revenues	\$ 56,247,918	\$ 92,358,759	\$ 92,592,584	\$ 99,428,089	\$ 55,521,946	\$ 60,534,570	\$ 47,257,386	\$ 44,846,156	\$ 43,329,172	\$ 51,577,688
Total Component Unit Program Revenues	\$ 247,614	\$ 315,417	\$ 411,870	\$ 712,232	\$ 601,094	\$ 439,960	\$ 752,974	\$ 563,206	\$ 742,790	\$ 551,632

TABLE 2 (Continued)

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/ Revenue										
Governmental Activities	\$ (11,967,356)	\$ 17,676,226	\$ 7,246,753	\$ 1,899,519	\$ (42,569,986)	\$ (35,235,878)	\$ (35,643,764)	\$ (58,607,468)	\$ (58,339,296)	\$ (73,729,239)
Business-Type Activities	(425,166)	(88,689)	1,504,757	(1,506,994)	(1,971,491)	(956,328)	(251,529)	(283,861)	(435,419)	10,410,726
Total Primary Government Net Expense	\$ (12,392,522)	\$ 17,587,537	\$ 8,751,510	\$ 392,525	\$ (44,541,477)	\$ (36,192,206)	\$ (35,895,293)	\$ (58,891,329)	\$ (58,774,715)	\$ (63,318,513)
Total Component Unit Net Expense	\$ (138,648)	\$ (1,063,515)	\$ (4,221,934)	\$ (1,404,976)	\$ (2,034,975)	\$ (4,386,737)	\$ (3,869,237)	\$ (947,980)	\$ (3,010,873)	\$ (1,013,648)
Governmental Activities:										
Taxes										
Sales & Use Taxes	\$ 42,825,135	\$ 50,373,971	\$ 56,583,254	\$ 59,447,697	\$ 46,856,622	\$ 47,424,012	\$ 50,312,521	\$ 50,702,973	\$ 50,468,227	\$ 51,272,814
Property Taxes	4,722,839	5,618,112	5,926,469	8,440,775	8,701,650	10,146,009	10,608,818	8,976,292	8,837,970	8,089,029
Franchise Taxes	2,008,706	2,159,287	2,147,224	2,456,659	2,432,704	2,527,530	2,572,877	2,528,419	2,743,512	2,977,638
Highway Users Tax	1,519,215	1,763,231	1,732,774	1,718,004	1,940,291	2,262,898	2,261,503	2,186,732	2,167,518	2,240,348
Other Taxes	2,525,925	3,544,629	3,388,467	5,978,962	4,024,160	1,907,422	2,403,354	2,648,647	1,811,980	2,313,571
Investment Income	1,961,415	3,093,381	4,185,692	2,789,072	1,299,123	635,807	435,929	329,469	77,084	320,989
Gain on Sale of Capital Assets	26,713	81,053	88,000	85,329	75,592	-	-	-	-	-
Transfers	(913,373)	(2,094,261)	(875,719)	(1,695,599)	(824,955)	(532,813)	1,323,064	(334,688)	(679,822)	(477,014)
Total Governmental Activities	54,676,575	64,539,403	73,176,161	79,220,899	64,505,187	64,370,865	69,918,066	67,037,844	65,426,469	66,737,375
Business-Type Activities:										
Investment Income (Loss)	167,989	254,587	225,584	229,740	84,165	38,206	18,158	20,129	(7,749)	19,127
Transfers	913,373	2,094,261	875,719	1,695,599	824,955	532,813	(1,323,064)	334,688	679,822	477,014
Total Business-Type Activities	1,081,362	2,348,848	1,101,303	1,925,339	909,120	571,019	(1,304,906)	354,817	672,073	496,141
Total Primary Government Activities	\$ 55,757,937	\$ 66,888,251	\$ 74,277,464	\$ 81,146,238	\$ 65,414,307	\$ 64,941,884	\$ 68,613,160	\$ 67,392,661	\$ 66,098,542	\$ 67,233,516
Component Unit Activities:										
Property Taxes	1,327,496	1,445,856	1,498,752	2,081,840	2,179,436	2,192,121	2,203,253	1,984,461	1,576,439	1,651,056
Investment Income (Loss)	58,474	152,150	198,530	105,629	119,057	57,279	(21,847)	21,427	(9,795)	13,324
Gain (Loss) on Sale of Capital Assets	(45,769)	-	(49,744)	-	-	-	-	-	177,677	-
Total Component Unit Activities	\$ 1,340,201	\$ 1,598,006	\$ 1,647,538	\$ 2,187,469	\$ 2,298,493	\$ 2,249,400	\$ 2,181,406	\$ 2,005,888	\$ 1,744,321	\$ 1,664,380
Change in Net Position										
Governmental Activities	\$ 42,709,219	\$ 82,215,629	\$ 80,422,914	\$ 81,120,418	\$ 21,935,201	\$ 29,134,987	\$ 34,274,302	\$ 8,430,376	\$ 7,087,173	\$ (6,991,864)
Business-Type Activities	656,196	2,260,159	2,606,060	418,345	(1,062,371)	(385,309)	(1,556,435)	70,956	236,654	10,906,867
Total Primary Government	\$ 43,365,415	\$ 84,475,788	\$ 83,028,974	\$ 81,538,763	\$ 20,872,830	\$ 28,749,678	\$ 32,717,867	\$ 8,501,332	\$ 7,323,827	\$ 3,915,003
Total Component Unit: Downtown Development Authority	\$ 1,201,553	\$ 534,491	\$ (2,574,396)	\$ 782,493	\$ 263,518	\$ (2,137,337)	\$ (1,687,831)	\$ 1,057,908	\$ (1,266,552)	\$ 650,732

Source: Current and prior year's financial statements

TABLE 3

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

	2005	2006	2007	2008	2009	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	2,105,728	6,391,927	7,958,173	9,135,472	9,589,625	11,740,961	-	-	-	-
Unreserved	17,146,236	20,157,996	26,430,185	18,320,471	9,573,798	14,916,902	-	-	-	-
Total General Fund	19,251,964	26,549,923	34,388,358	27,455,943	19,163,423	26,657,863	30,152,270	30,341,642	24,582,837	22,254,921
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	37,456,559	6,659,252	1,517,413	10,916,914	14,581,790	18,168,718	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	4,362,767	5,640,048	4,716,567	5,378,544	4,569,216	4,086,536	-	-	-	-
Debt Service Funds	-	-	150	(3,420)	-	-	-	-	-	-
Capital Projects Funds	15,981,722	19,384,444	11,513,358	2,482,529	1,532,966	41,078,067	-	-	-	-
Total All Other Governmental Funds	57,801,048	31,683,744	17,747,488	18,774,567	20,683,972	63,333,321	50,485,034	14,916,244	13,980,992	15,691,363
Total Governmental Funds	\$ 77,053,012	\$ 58,233,667	\$ 52,135,846	\$ 46,230,510	\$ 39,847,395	\$ 89,991,184	\$ 80,637,304	\$ 45,257,886	\$ 38,563,829	\$ 37,946,284

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

Source: Current and prior year's financial statements.

TABLE 4

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 53,601,820	\$ 63,459,234	\$ 69,778,188	\$ 78,042,097	\$ 63,955,427	\$ 64,267,871	\$ 68,159,073	\$ 67,043,063	\$ 66,029,207	\$ 66,893,400
Licenses, Fees, and Permits	114,921	101,165	113,224	129,993	121,783	118,128	116,930	110,618	108,206	118,991
Intergovernmental	2,002,220	3,535,141	4,260,519	12,009,672	4,955,308	4,476,793	5,131,948	5,096,820	7,541,086	6,157,849
Charges for Services	6,077,290	11,513,267	8,633,619	8,997,208	8,311,362	9,923,697	9,940,383	12,462,603	13,956,659	10,151,290
Fines and Forfeitures	546,162	1,001,569	1,152,790	1,094,388	945,666	1,234,810	1,296,959	1,533,575	896,190	869,216
Special Assessments	65,949	75,103	146,610	24,493	92,198	49,372	32,868	15,814	14,708	16,050
Investment Earnings	1,622,584	2,982,954	3,270,125	1,968,465	984,031	553,700	423,863	289,435	96,784	280,162
Other Income	2,646,942	1,185,987	902,798	283,116	136,935	130,638	47,399	45,683	50,755	27,560
Other Contributions	49,232	70,874	1,063,174	873,869	196,833	176,607	456,452	1,273,521	779,898	1,652,899
Total Revenues	<u>66,727,120</u>	<u>83,925,294</u>	<u>89,321,047</u>	<u>103,423,301</u>	<u>79,699,543</u>	<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	\$ 9,207,102	\$ 10,404,115	\$ 12,336,103	\$ 15,596,506	\$ 13,793,482	\$ 10,301,970	\$ 10,692,566	\$ 10,922,302	\$ 11,576,206	\$ 11,872,673
Public Safety	20,490,870	22,930,060	25,791,977	29,657,426	29,092,018	27,193,471	28,691,061	33,791,689	35,406,743	35,610,598
Public Works	8,185,303	8,865,640	9,562,091	10,779,300	9,954,111	9,686,215	10,035,622	9,752,185	10,014,670	9,509,928
Parks and Recreation	5,302,211	5,795,820	6,432,863	7,273,190	7,347,609	7,067,698	7,083,898	8,421,297	8,456,460	8,403,649
Urban Development and Housing	593,786	249,847	565,373	545,715	572,726	561,457	645,572	477,886	591,545	634,827
Debt Service										
Advance Refunding Escrow	-	-	-	-	-	-	-	17,812,681	-	-
Principal Retirement	1,914,672	2,216,032	2,584,661	3,907,232	3,883,479	4,073,479	4,275,000	5,130,000	5,380,000	4,620,000
Interest and Fiscal Charges	2,829,739	2,757,618	3,254,707	3,693,947	3,508,632	3,317,358	5,858,657	5,268,794	4,432,045	4,189,597
Bond Issuance Costs	-	-	163,569	-	-	364,048	-	146,923	-	-
Capital Outlay: Construction	<u>25,615,550</u>	<u>46,927,452</u>	<u>55,168,305</u>	<u>36,484,253</u>	<u>16,879,724</u>	<u>9,916,907</u>	<u>26,126,955</u>	<u>28,376,550</u>	<u>17,516,041</u>	<u>9,762,451</u>
Total Expenditures	<u>74,139,233</u>	<u>100,146,584</u>	<u>115,859,649</u>	<u>107,937,569</u>	<u>85,031,781</u>	<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	7,907,490	13,272,934	25,222,052	41,941,154	24,695,090	15,000,174	13,823,542	13,491,409	16,759,243	13,150,703
Transfers Out	(9,651,371)	(16,525,848)	(28,794,574)	(43,974,059)	(25,745,967)	(15,652,330)	(15,453,966)	(16,792,117)	(19,553,083)	(15,407,597)
Bonds Issued	-	654,860	22,925,000	-	-	-	-	30,645,000	-	-
Bond Premium	-	-	997,936	-	-	-	-	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	-	-	90,367	641,837	-	99,324	80,000	-	-	44,998
Total Other Financing Sources(Uses)	<u>(1,743,881)</u>	<u>(2,598,054)</u>	<u>20,440,781</u>	<u>(1,391,068)</u>	<u>(1,050,877)</u>	<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>\$ (9,155,994)</u>	<u>\$ (18,819,344)</u>	<u>\$ (6,097,821)</u>	<u>\$ (5,905,336)</u>	<u>\$ (6,383,115)</u>	<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	9.8%	9.3%	9.7%	10.8%	10.9%	11.9%	18.7%	11.3%	12.9%	11.7%

Source: Current and prior year's financial statements.

TABLE 5

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

Fiscal Year	Miscellaneous Retail	General Merchandise	Motor Vehicles	Construction Industry	Restaurants & Bars	Taxable Utilities	Grocery, Convenience & Drug Stores	Oil & Gas Extraction	Liquor Stores	Hotels	Other	Total Sales Tax	Total Direct Tax Rate
2005	6,462,976	6,714,419	5,044,362	6,188,082	3,693,797	1,839,543	1,121,649	546,742	631,294	937,772	1,730,173	34,910,809	2.75%
2006	7,543,081	7,547,529	6,312,831	7,547,605	4,098,032	2,125,053	1,255,194	954,200	710,919	1,104,717	1,807,939	41,007,100	2.75%
2007	8,477,530	7,960,438	7,201,947	8,165,020	4,515,221	2,288,858	1,416,413	1,301,887	806,259	1,358,948	1,996,431	45,488,952	2.75%
2008	8,364,818	7,828,007	7,396,061	8,182,627	4,844,944	2,560,660	1,508,914	1,834,548	901,415	1,519,542	2,084,745	47,026,281	2.75%
2009	7,086,333	6,973,695	5,532,003	5,460,768	4,484,915	2,361,704	1,469,116	1,129,496	920,406	1,187,725	1,626,684	38,232,845	2.75%
2010	7,542,580	6,696,440	6,052,294	5,262,981	4,482,577	2,358,091	1,503,627	1,299,543	913,171	1,169,747	1,528,720	38,809,771	2.75%
2011	8,239,971	6,996,380	5,884,540	5,409,778	4,593,741	2,310,226	1,668,861	1,407,923	931,723	1,108,903	1,338,826	39,890,872	2.75%
2012	8,605,978	6,910,212	6,146,000	5,298,252	4,812,086	2,281,527	1,748,586	1,612,912	979,827	1,150,713	755,253	40,301,346	2.75%
2013	8,369,041	6,518,572	6,208,876	5,712,485	5,044,912	2,371,461	1,752,567	1,045,718	1,018,575	1,220,306	1,466,599	40,729,112	2.75%
2014	8,225,826	6,495,169	6,758,219	5,989,543	5,319,764	2,388,032	1,765,891	1,095,263	1,047,948	1,262,280	1,703,372	42,051,307	2.75%

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

Note: Categories are restated for 2005-2013 to more accurately reflect sales tax collection by industry.

Source: City Financial Operations Department: Sales Tax Reports

2014 Sales Tax Revenue by Type of Industry

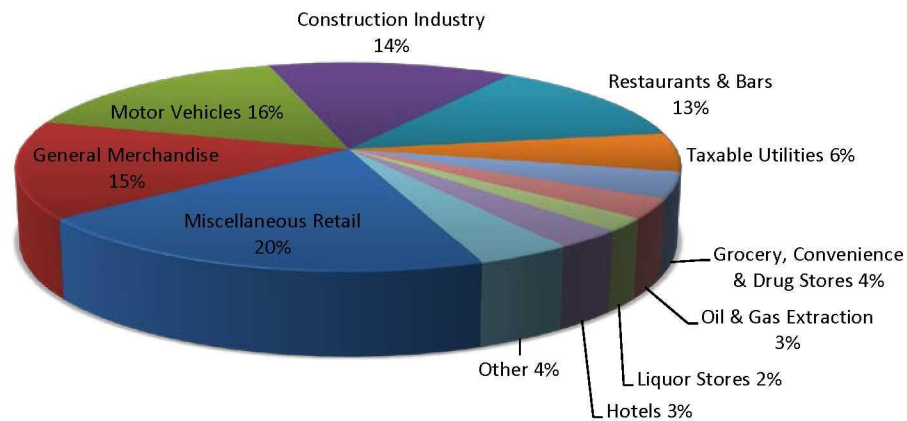


TABLE 6

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	
2005	2.75%	2.75%	2.00%	2.90%	7.65%
2006	2.75%	2.75%	2.00%	2.90%	7.65%
2007	2.75%	2.75%	2.00%	2.90%	7.65%
2008	2.75%	2.75%	2.00%	2.90%	7.65%
2009	2.75%	2.75%	2.00%	2.90%	7.65%
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%

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

Source: City Financial Operations Department: Sales Tax Reports

TABLE 7

City of Grand Junction, Colorado
PRINCIPAL SALES TAX PAYERS
 Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Aggregate Top Ten Filers ^{1,2}	\$ 9,200,730	\$ 10,330,320	\$ 10,843,864	\$ 11,216,552	\$ 9,889,256	\$ 9,964,913	\$ 9,809,972	\$ 9,742,148	\$ 9,811,983	\$ 9,881,413
Aggregate All Other Filers ²	25,710,079	30,676,780	34,645,088	35,809,729	28,343,589	28,844,858	30,080,900	30,559,198	30,917,129	32,169,894
Total Sales Tax	\$ 34,910,809	\$ 41,007,100	\$ 45,488,952	\$ 47,026,281	\$ 38,232,845	\$ 38,809,771	\$ 39,890,872	\$ 40,301,346	\$ 40,729,112	\$ 42,051,307
Top Ten Filers as a Percentage of Total Sales Tax	26.35%	25.19%	23.84%	23.85%	25.87%	25.68%	24.59%	24.17%	24.09%	23.50%

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, Cabela's, Home Depot, Lowes, Mesa County Colorado, Sams Club, Target Stores, Walmart-North Avenue, Walmart-Rimrock and Xcel Energy.

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 Financial Operations Department: Sales Tax Reports

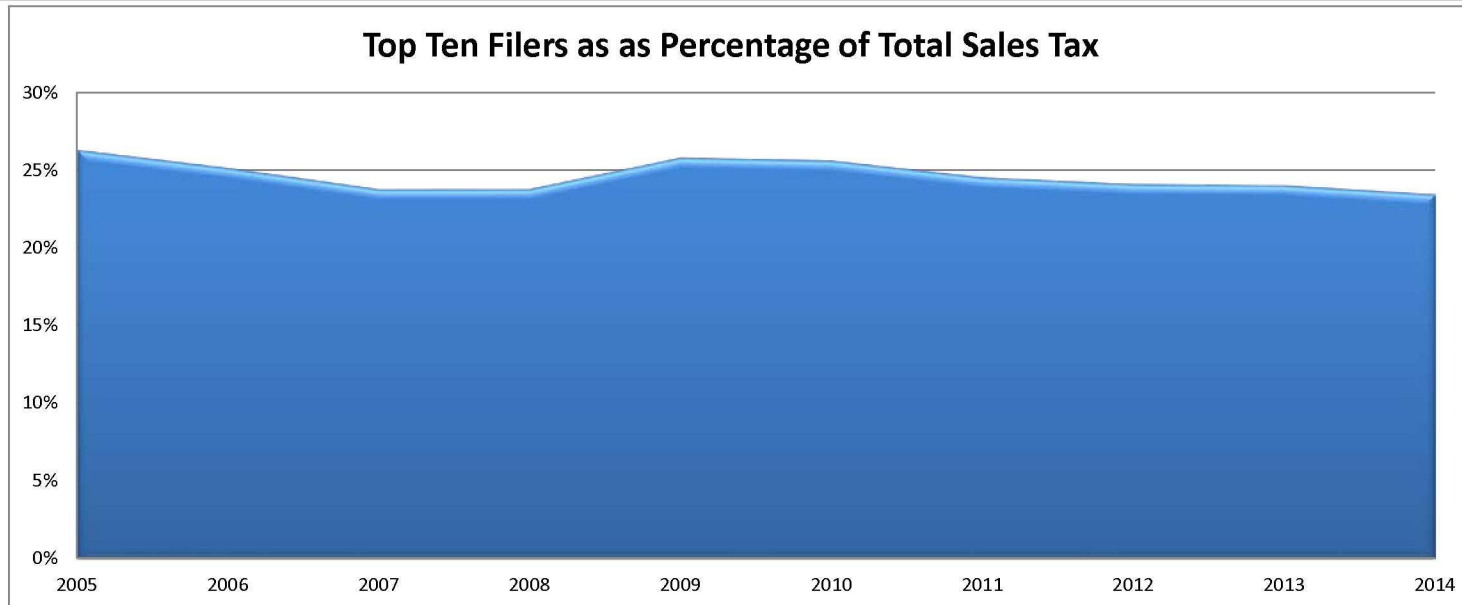


TABLE 8

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
2005	34,910,809	1,599,762	5,386,015	928,549	42,825,135
2006	41,007,100	2,165,095	6,120,684	1,081,096	50,373,975
2007	45,488,952	2,690,355	7,080,141	1,323,806	56,583,254
2008	47,026,281	3,696,770	7,216,665	1,507,981	59,447,697
2009	38,232,845	1,711,356	5,721,514	1,190,907	46,856,622
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

Source: City Financial Operations Department: Sales Tax Reports

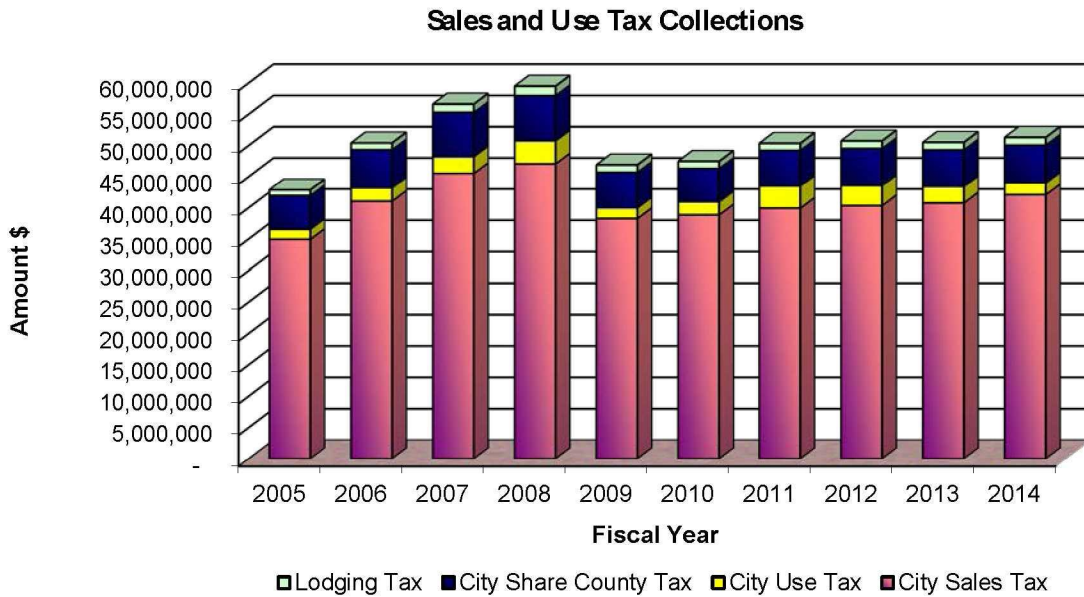


TABLE 9

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	Popu- lation ^A	Personal Income In Thousands ^C	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			
2005	49,420	1,425,965	1,668,791	59,359,891	104,448	655,636	98,812	3,200,316	65,087,894	4.45%	1,283
2006	51,569	1,656,035	1,389,950	57,867,070	72,893	-	89,850	3,052,921	62,472,684	3.69%	1,184
2007	53,662	1,874,682	1,090,000	79,664,693	38,181	-	80,441	2,900,164	83,773,479	4.41%	1,541
2008	55,189	2,060,868	935,000	75,815,801	-	-	70,561	2,747,362	79,568,724	3.82%	1,425
2009	56,446	1,963,813	770,000	71,838,039	-	-	-	2,589,193	75,197,232	3.79%	1,319
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 ^D	-	34,412,916	-	39,557,327	-	4,851,055	78,821,298	3.33%	1,288

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

Source: Current and prior year's financial statements

^A Colorado DOLA Demography Section - All other City Financial Operations Department

^B Estimate, Colorado Department of Local Affairs, State Demography Office

^C Bureau of Economic Analysis

^D 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 CAPITA¹**
 Last Ten Fiscal Years

Fiscal Year	Popu- lation ^A	Personal Income in Thousands ^C	Revenue Bonded Debt	Debt Service Monies Avail- able	Debt Payable From Enterprise Revenues	Net Bonded Debt	Ratio of Net Bonded Debt to Personal Income	Bonded Debt Per Capita
2005	49,420	1,425,965	59,359,891	36,917,477	-	22,442,414	1.57%	454
2006	51,569	1,656,035	57,867,070	6,240,215	-	51,626,855	3.12%	1,001
2007	53,662	1,874,682	79,664,693	3,568,205	-	76,096,488	4.06%	1,418
2008	55,189	2,060,868	75,815,801	9,374,254	-	66,441,547	3.22%	1,204
2009	56,446	1,963,813	71,838,039	12,186,977	-	59,651,062	3.04%	1,057
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 ^B	2,367,313 ^D	34,412,916	8,604,537	-	25,808,379	1.09%	422

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 levys on property within these Districts only.

Source:

^A Colorado DOLA Demography Section - All other City Financial Operations Department

^B Estimate, Colorado Department of Local Affairs, State Demography Office

^C Bureau of Economic Analysis

^D 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, 2014

Estimated actual value as determined by Assessor ^A	\$ <u>6,028,830,480</u>
Debt limit - 3% of actual value	\$ 180,864,914
Legal debt margin	\$ <u>180,864,914</u>

Source:

^A Mesa County Assessor

^B City Financial Operations Department

TABLE 12

City of Grand Junction, Colorado
COMPUTATION OF DIRECT AND OVERLAPPING DEBT ¹
 December 31, 2014

<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 ^A	\$ 70,565,000	100.00%	\$ 70,565,000
Overlapping:			
Mesa County Valley School District No. 51 ^B	88,200,000	51.09%	45,060,466
Mesa County ^C	16,510,000	51.09%	8,434,788
			<u>53,495,254</u>
Total			<u>\$ 124,060,254</u>

Notes:

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 or other indebtedness or multiple fiscal year financial obligations within the meaning of any constitutional or statutory debt limitation.

Source:

- ^A City Financial Operations Department
- ^B Mesa County Valley School District No. 51 Finance Department
- ^C 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			
				Principal	Interest	Total	Coverage
2005	4,616,835	3,444,021	1,172,814	-	-	-	-
2006	5,003,881	3,506,330	1,497,551	-	-	-	-
2007	5,319,132	3,794,036	1,525,096	-	-	-	-
2008	5,950,066	4,129,193	1,820,873	-	-	-	-
2009	5,977,671	4,299,638	1,678,033	-	-	-	-
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	-	-	-	-

Source: City Financial Operations Department

TABLE 14

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

Fiscal Year	City ^A Population	County ^A Population	Personal Income in Thousands ^C	Per Capita Income ^C	School ^B Enrollment	Unemployment Rate ^{D, E}	
						Grand Junction MSA	State of Colorado
2005	49,420	129,630	1,425,965	28,854	20,660	5.0%	5.1%
2006	51,569	135,468	1,656,035	32,113	20,877	4.0%	4.3%
2007	53,662	140,416	1,874,682	34,935	21,396	3.2%	3.8%
2008	55,189	144,440	2,060,868	37,342	22,272	3.9%	4.8%
2009	56,446	147,522	1,963,813	34,791	22,147	9.3%	8.1%
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 ^F	147,811 ^F	2,367,313	38,674 ^G	21,894	5.0%	4.1%

Note:

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

Source:

- ^A US Census Bureau and Colorado DOLA Demography Office
- ^B Mesa County Valley School District No. 51 - District wide enrollment
- ^C Bureau of Economic Analysis
- ^D US Department of Labor, Bureau of Labor Statistics, Non Seasonally Adjusted
- ^E 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
- ^F Colorado Department of Local Affairs, State Demography Office
- ^G Estimate, based on prior year data and Bureau of Economic Analysis

Population, Income and School Enrollment Trend

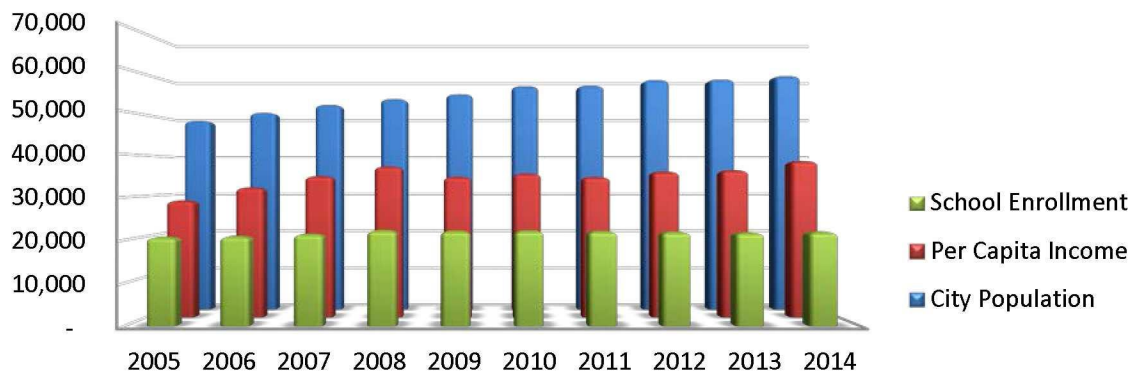


TABLE 15

City of Grand Junction, Colorado
TOP 10 PRINCIPAL EMPLOYERS
 December 31, 2014
 Last Ten Fiscal Years

Employer	Type of Business	Number of Employees 2005 ^A	Percentage of Total 2005	Number of Employees 2006 ^A	Percentage of Total 2006	Number of Employees 2007 ^A	Percentage of Total 2007	Number of Employees 2008 ^B	Percentage of Total 2008	Number of Employees 2009 ^B	Percentage of Total 2009	Number of Employees 2010 ^B	Percentage of Total 2010	Number of Employees 2011 ^B	Percentage of Total 2011	Number of Employees 2012 ^B	Percentage of Total 2012	Number of Employees 2013 ^B	Percentage of Total 2013	Number of Employees 2014 ^B	Percentage of Total 2014
School District #51	Schools	2,429	3.18%	2,600	3.30%	3,133	4.26%	3,200	4.58%	3,000	4.15%	3,000	4.05%	2,554	3.59%	2,348	3.25%	2,401	3.32%	2,675	3.70%
St. Mary's Hospital	Medical	2,014	2.64%	2,000	2.53%	2,235	3.04%	2,235	3.20%	2,191	3.03%	2,068	2.79%	1,494	2.10%	1,548	2.14%	1,500	2.07%	1,500	2.07%
State of Colorado	Government	969	1.27%	982	1.24%	982	1.34%	1,197	1.71%	1,212	1.68%	995	1.34%	973	1.37%	902	1.25%	623	0.86%	1,004	1.39%
Mesa County	Government	927	1.21%	925	1.17%	977	1.33%	982	1.40%	978	1.35%	980	1.32%	962	1.35%	987	1.36%	987	1.36%	978	1.35%
Star Tek USA	Services			600	0.78%	625	0.85%			595	0.82%	600	0.81%			860	1.19%	900	1.24%	675	0.93%
City Markets, Inc.	Retail	400	0.52%	589	0.75%	590	0.80%	650	0.93%	677	0.94%	565	0.76%	1,656	2.33%			637	0.88%	648	0.90%
City of Grand Junction	Government	900	1.18%	808	1.02%	968	1.32%	1,202	1.72%	1,219	1.69%	672	0.91%	625	0.88%	636	0.88%	642	0.89%	641	0.89%
Colorado Mesa University	Schools	1,177	1.54%	1,250	1.58%	1,440	1.96%	1,259	1.80%	718	0.99%	699	0.94%			576	0.80%	604	0.84%	622	0.86%
VA Medical Center	Medical													600	0.84%	648	0.90%	569	0.79%	583	0.82%
Community Hospital	Medical	414	0.54%					574	0.82%	588	0.81%			583	0.82%	416	0.58%			538	0.74%
Halliburton Energy	Services	415	0.54%	700	0.89%	800	1.09%	977	1.40%		0.00%	700	0.94%	855	1.20%			625	0.86%		
Hilltop Community Resources	Services															593	0.82%				
Walmart	Retail	865	1.13%	910	1.15%	865	1.18%	860	1.23%	980	1.35%	859	1.16%	775	1.09%						
Other		58,523	86.23%	60,571	85.60%	63,729	82.83%	65,767	81.21%	61,306	83.19%	58,786	84.97%	61,255	84.43%	64,572	86.85%	62,270	86.88%	62,451	86.35%
Total of All Employees ^B		67,033		71,935		76,344		78,903		73,464		69,924		72,332		74,086		71,133		72,325	

Source:

^A Grand Junction Chamber of Commerce (Includes Part-Time and Seasonal Employees)
^B Grand Junction Economic Partnership (Includes Part-Time and Seasonal Employees)

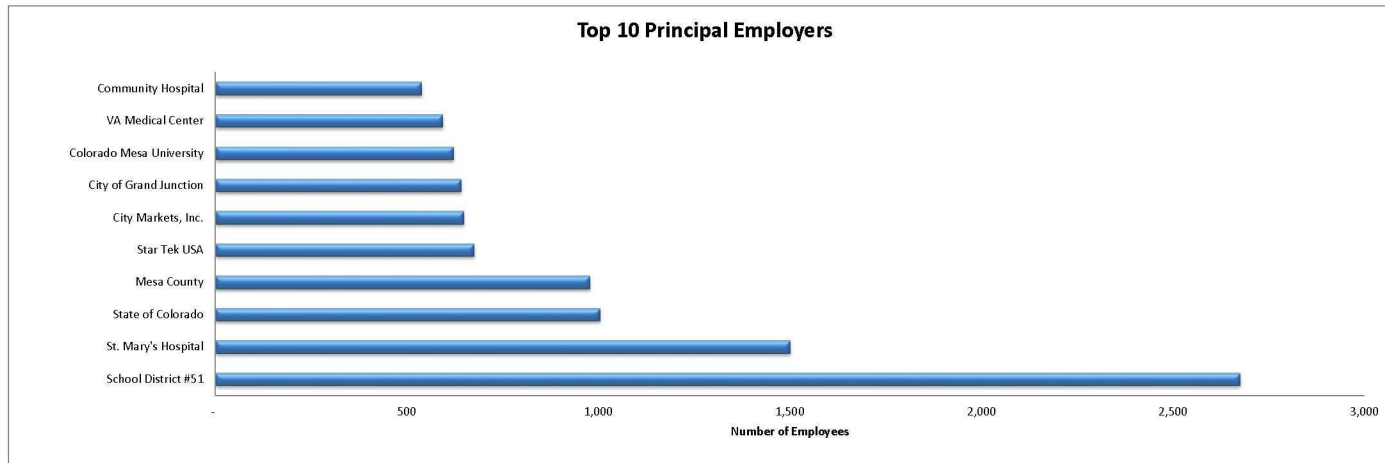


TABLE 16

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

Date of incorporation: July 19, 1882^A
 Date charter adopted: September 14, 1909^A
 Form of government: Council/Manager^A

City of Grand Junction Employees By Function (FTE's)^E

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government	102	119	113	116	122	115	114	115	131	127
Fire Protection	83	98	98	99	99	95	96	103	112	111
Parks and Recreation	70	70	74	87	73	67	68	67	67	66
Police Protection										
Sworn	83	91	100	102	107	90	102	103	105	109
Non-Sworn	60	70	65	78	80	82	72	80	86	84
Public Works	170	161	187	197	187	160	153	156	136	135
Total	568	609	637	679	668	609	605	624	637	632

Building permits:^B

Year	# Issued	Value
2005	2,250	234,133,308
2006	2,205	286,484,081
2007	2,183	323,358,687
2008	1,762	254,912,474
2009	984	89,935,667
2010	929	128,551,321
2011	881	96,498,756
2012	899	90,830,317
2013	988	124,166,999
2014	1,075	168,028,225

Elections:^A

Year	Number of Registered Voters	Number of Votes in last General Election	Percentage
2005	25,650	8,417	32.81%
2006	21,677	8,756	40.39%
2007	21,677	8,756	40.39%
2008	34,774	27,508	79.11%
2009	27,977	8,579	30.66%
2010	24,558	21,463	87.40%
2011	23,928	13,786	57.61%
2012	29,989	29,039	96.83%
2013	29,989	11,665	38.90%
2014	32,367	22,540	69.64%

Education:

Type	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Mesa County Valley School District No. 51 Enrollment: ^C										
Elementary	9,482	10,153	10,147	10,783	10,710	10,753	10,107	10,034	10,224	9,898
Middle	4,872	4,751	4,729	4,882	4,868	4,860	5,366	5,319	5,307	5,515
High	6,306	5,973	6,520	6,607	6,569	6,590	6,441	6,361	6,363	6,329
Colorado Mesa University Enrollment: ^U	6,235	5,938	6,127	6,205	6,665	7,746	8,826	9,010	9,325	8,853

Source:

- ^A City Clerk
- ^B City Planning Division/Mesa County Building Department
- ^C Mesa County Valley School District No. 51
- ^D Colorado Mesa University
- ^E City Personnel Department

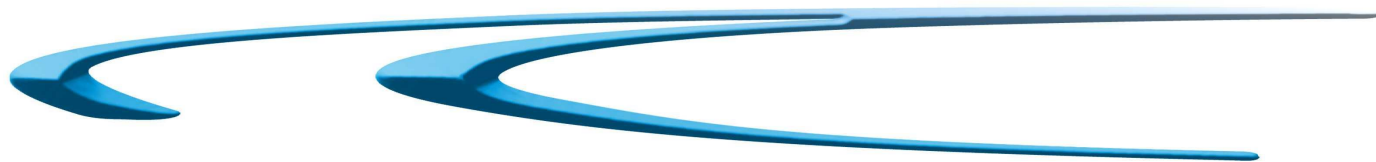
TABLE 17

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

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police ^B										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicular Patrol Units	30	31	33	35	38	39	39	40	41	40
Canine Units	3	3	3	3	3	3	3	3	2	2
Motorcycles Units	4	6	6	6	8	8	8	8	8	8
Bicycles (Attached to Patrol Units)	18	23	23	26	20	17	22	22	20	20
Fire Stations ^C	5	5	5	5	5	5	5	5	5	5
Public Works ^A										
Area (Sq Miles)	34.65	35.47	36.90	37.46	37.84	38.05	39.10	39.18	39.35	39.37
Paved Streets (Centerline Miles)	318.50	333.50	342.60	353.70	357.10	360.60	361.80	362.54	368.54	370.03
Unpaved Streets (Centerline Miles)	3.70	3.80	3.50	4.20	4.20	4.20	5.40	5.44	5.52	3.43
Total Streets (Centerline Miles)	322.20	337.30	346.10	357.90	361.30	364.80	367.20	367.98	374.06	373.46
Parks and Recreation ^D										
Developed Parks (Acres)	365.22	365.22	365.22	365.22	365.22	365.22	365.22	365.22	365.22	365.22
Undeveloped Parks (Acres)	389.00	389.00	389.00	389.00	389.00	389.00	389.00	514.11	514.90	514.90
Total Parks (Acres)	754.22	754.22	754.22	754.22	754.22	754.22	754.22	879.33	880.12	880.12
Swimming Pools	2	2	2	2	2	2	2	2	2	2
Waterslides	1	1	1	2	2	2	2	2	2	2
Pickleball Courts	-	-	-	-	-	-	-	-	-	4
Tennis Courts	16	16	16	22	22	22	22	22	24	22
Shelters	18	18	18	18	18	18	18	19	19	19
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	1	1	1	1	1	2	2
Outdoor Basketball Courts (Unlighted)	7	7	7	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
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)	14.80	14.80	14.80	18.70	18.70	19.07	19.07	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
Utilities ^E										
Storm sewers (Miles)	166.83	135.24	216.07	138.57	161.37	185.03	186.63	192.17	205.76	251.00
Sanitary sewer (Miles)	316.14	502.57	537.64	589.70	597.81	595.27	594.68	596.35	600.57	601.00

Source:

^A City Administration GIS Department^B City Police Department^C City Fire Department^D City Parks and Recreation Department^E City Public Works Department



SINGLE AUDIT



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REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133

June 23, 2015

To the City Council
City of Grand Junction, Colorado

We have audited the basic 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, as of and for the year ended December 31, 2014, and our report thereon dated June 23, 2015, which expressed unmodified opinions on those financial statements, appears on page 17. Our audit was conducted for the purpose of forming opinions on the City's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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. The 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Chadwick, Steinkirchner, Davis & Co., P.C.



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City of Grand Junction, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended December 31, 2014

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Award Amount	2014 Amount of Award Expended
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Community Development Block Grants/ Entitlement Grants	14.218	\$ 1,458,842	\$ 462,899
U.S. DEPARTMENT OF JUSTICE			
Public Safety Partnership and Community Policing Grants	16.710	998,368	307,063
Bulletproof Vest Partnership Program	16.607	16,575	16,575
Passed Through the Colorado Bureau of Investigation DNA Backlog Reduction Program	16.741	4,980	4,762
Passed Through the Colorado Division of Criminal Justice Edward Byrne Memorial Justice Assistance Grant Program	16.738	75,312	<u>74,484</u>
Total U.S. Department of Justice			402,884
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed Through the Northwest Colorado Council of Governments State Homeland Security Program (SHSP)	97.073	20,566	20,566
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Mesa County, Colorado The Drug Free Community Support Program	93.276	32,107	32,107
Total Federal Award Expenditures			<u>\$ 918,456</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, 2014

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of 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 OMB Circular A-133, 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.

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	\$ 300,688



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*

June 23, 2015

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 *Governmental 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, as of and for the year ended December 31, 2014, and the related notes to the financial statements which collectively comprise the City of Grand Junction's basic financial statements, and have issued our report thereon dated June 23, 2015.

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 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 the 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*.

To the City Council
June 23, 2015

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Chadwick, Sturcken, Davis & Co., P.C.



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

June 23, 2015

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 compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2014. The City of Grand Junction'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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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, 2014.

Report on Internal Control Over Compliance

Management of the City of Grand Junction, Colorado 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 OMB Circular A-133, 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.

To the City Council
June 23, 2015

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 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 deficiencies 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Chadwick, Stinson, Davis & Co., P. C.

City of Grand Junction, Colorado

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2014

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes ✓ no

Significant deficiency(ies) identified

not considered to be material weaknesses?

_____ yes ✓ none reported

Noncompliance material to financial statements noted?

_____ yes ✓ no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

_____ yes ✓ no

Significant deficiency(ies) identified

not considered to be material weaknesses?

_____ yes ✓ none reported

Type of auditor's report issued on compliance for major programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?

_____ yes ✓ no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

14.218

Community Development Block Grants – Entitlement Grants

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

✓ yes _____ no

City of Grand Junction, Colorado

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2014

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no financial statement findings.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are findings or no questioned costs required to be reported under OMB Circular A-133.

City of Grand Junction, Colorado

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

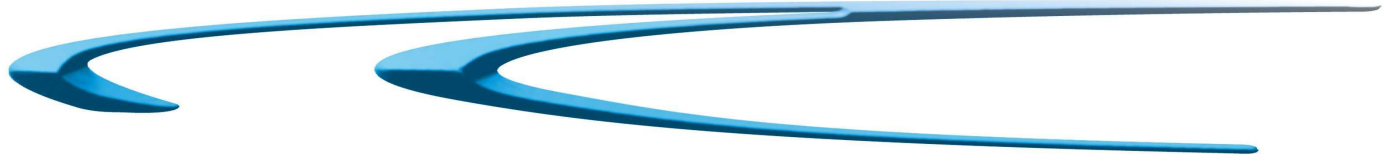
Year ended December 31, 2014

Prior year findings:

There were no prior year findings.



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OTHER SUPPLEMENTAL INFORMATION



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INDEPENDENT AUDITOR'S REPORT ON OTHER
SUPPLEMENTAL INFORMATION

June 23, 2015

To the City Council
City of Grand Junction, Colorado

We have audited the basic financial statements of the City of Grand Junction, Colorado as of and for the year ended December 31, 2014, and our report thereon dated June 23, 2015, 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 of Grand Junction, Colorado's basic financial statements as a whole. 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. The 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.

Chadwick, Steinkirchner, Davis & Co., P.C.



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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 2014

This Information From The Records Of (example - City of _ or County of _)	Prepared By: Phone:
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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)	2,078,600
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,741,919
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	855,712
2. General fund appropriations	6,143,340	b. Snow and ice removal	71,829
3. Other local imposts (from page 2)	1,412,887	c. Other	
4. Miscellaneous local receipts (from page 2)	946,076	d. Total (a. through c.)	927,541
5. Transfers from toll facilities		4. General administration & miscellaneous	3,139
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	5,751,199
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	1,512,225
7. Total (1 through 6)	8,502,303	b. Redemption	3,735,000
B. Private Contributions		c. Total (a. + b.)	5,247,225
C. Receipts from State government (from page 2)	2,496,121	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	10,998,424	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	5,247,225
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	10,998,424

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

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	34,380,000		3,735,000	30,645,000
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	10,998,424	10,998,424		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	15,634	a. Interest on investments	4,503
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	57,307
5. Specific Ownership &/or Other	1,397,253	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,397,253	h. Other	884,266
c. Total (a. + b.)	1,412,887	i. Total (a. through h.)	946,076
	(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	2,240,348	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	234,215	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)	21,558	f. Other Federal	
f. Total (a. through e.)	255,773	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	2,496,121	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		158,819	158,819
b. Engineering Costs	61,597	228,833	290,430
c. Construction:			
(1). New Facilities		221,341	221,341
(2). Capacity Improvements	157,705		157,705
(3). System Preservation		1,066,004	1,066,004
(4). System Enhancement & Operation		184,301	184,301
(5). Total Construction (1) + (2) + (3) + (4)	157,705	1,471,646	1,629,351
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	219,302	1,859,298	2,078,600
			(Carry forward to page 1)

Notes and Comments:



Grand Junction



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