



Federal Awards Reports In Accordance with the
Single Audit Act and OMB Circular A-133
December 31, 2014

City of Commerce City, Colorado

	<u>PAGE(S)</u>
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 <i>Government Auditing Standards</i>	1 – 2
Independent Auditor's Report on Compliance for the Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133	3 – 5
Schedule of Expenditures of Federal Awards	6
Notes to the Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8 – 15
Summary of Prior Year Findings	16



**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Honorable Mayor and City Council
City of Commerce City, Colorado

We have audited, 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, 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 Commerce City, 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 Commerce City, Colorado's basic financial statements, and have issued our report thereon dated June 22, 2015.

Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2014-A and 2014-B to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2014-C to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Commerce City, Colorado'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*.

City of Commerce City, Colorado's Responses to Findings

The City of Commerce City, Colorado's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City of Commerce City, Colorado's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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



Greenwood Village, Colorado
June 22, 2015



**Independent Auditor's Report on Compliance for the Major Federal Program;
Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures
of Federal Awards Required by OMB Circular A-133**

To the Honorable Mayor and City Council
City of Commerce City, Colorado

Report on Compliance for The Major Federal Program

We have audited the City of Commerce City, 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 the City of Commerce City, Colorado's major federal program for the year ended December 31, 2014. The City of Commerce City, Colorado's major federal program is 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 the compliance for the City of Commerce City, Colorado's major federal program 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 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 of Commerce City, Colorado'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 the major federal program. However, our audit does not provide a legal determination of the City of Commerce City, Colorado's compliance.

Opinion on the Major Federal Program

In our opinion, the City of Commerce City, Colorado complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major Federal program for the year ended December 31, 2014.

Report on Internal Control over Compliance

Management of the City of Commerce City, Colorado is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Commerce City, Colorado's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its 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 of Commerce City, Colorado's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement 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 that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2014-001 that we consider to be a significant deficiency.

The City of Commerce City, Colorado's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned. The City of Commerce City, Colorado's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Commerce City, 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 Commerce City, Colorado's basic financial statements. We issued our report thereon dated June 22, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was

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

Eide Bailly LLP

Greenwood Village, Colorado
June 22, 2015

City of Commerce City, Colorado
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant/Contract Number/Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF JUSTICE			
Direct Program			
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738	2013-DJ-BX-0790	6,188
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738	2014-DJ-BX-0964	16,919
COMMUNITY ORIENTED POLICING SERVICES (COPS) GRANT	16.710	2013UMWX0056	17,726
Pass-Through Colorado Department of Public Safety			
EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	16.738	2012-DJ-12-000050-03-3	17,959
Total U.S. Department of Justice			<u>58,792</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Pass-Through Colorado Department of Transportation			
STATE AND COMMUNITY HIGHWAY SAFETY	20.600	*	6,215
Total U.S. Department of Transportation			<u>6,215</u>
U.S. DEPARTMENT OF HOUSING URBAN DEVELOPMENT			
Direct - HUD Office of Community Planning and Development			
Boys and Girls Club Const/Renovation	24.135	B-08-SP-CO-0091	166,000
Total U.S. Department of Housing Urban Development			<u>166,000</u>
U.S. DEPARTMENT OF PUBLIC SAFETY DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT			
Pass-Through Colorado Department of Public Safety			
Disaster Grant-Public Assistance Presidentially Declared Disaster	97.036	FEMA DR-4145-CO	651,407
Total U.S. Department of Public Safety Division of HSEM			<u>651,407</u>
Total Expenditures of Federal Awards			<u>\$ 882,414</u>

* Pass-through Entity Identifying Number not readily available
The accompanying notes are an integral part of this schedule.

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Commerce City, Colorado and is presented on the modified accrual basis of accounting. The information in the accompanying schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in the schedule may differ from the amounts presented in, or used in, the preparation of the basic financial statements. The schedule of expenditures of federal awards includes federally funded projects received directly from federal agencies, and the federal amount of pass-through awards received from the State of Colorado or other non-federal entities. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

Note 2: Summary of Significant Accounting Policies

Governmental fund types account for the City's federal grant activity. Therefore expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis when they become a demand on current available financial resources. The City's summary of significant accounting policies is presented in Note 1 in the City's basic financial statements.

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	Yes
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133	Yes

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Disaster Grant-Public Assistance Presidentially Declared Disaster (FEMA)	97.036
Dollar threshold used to distinguish between type A and type B programs	\$300,000
Auditee qualified as low-risk auditee	No

Section II – Financial Statement Findings

**2014-A Financial Statement Preparation and Review and Material Audit Adjustments
Material Weakness**

Criteria – The City is required to provide accurate GAAP basis financial data for preparation of the annual CAFR. Additionally, a good system of internal accounting control contemplates an adequate system for recording and processing entries material to the financial statements.

Condition – Based on audit procedures performed as of December 31, 2014, we identified the following material adjustments that were recorded in order to fairly present the financial statements in accordance with GAAP:

- During the current year, the City began planning several capital projects. As part of project planning, the City assigned water rights previously classified as assets held for sale to these projects. During the audit process these transactions were reviewed and the determination was made that these assets were no longer held for sale and they should not be capitalized at the fund level. An audit adjustment was posted to remove the value of water rights assigned to future capital projects from the assets recorded in NIGID and Water Rights Acquisition funds in the amount of approximately \$750,500 and \$141,300, respectively. These assets are now capitalized on the governmental activities statement of net position.
- In 2014, the City executed an interfund loan agreement between the Capital Expenditures Fund and the ECAGID Fund. Initially this was treated as a loan receivable and a loan payable by each fund, respectively. It was determined that this was not a short-term receivable, and repayment was not expected within a reasonable amount of time. Therefore, the amount should not have been recognized as an asset and a liability at the fund level. A correcting entry in the amount of \$1,240,000 was made to remove the asset and liability at the fund level and record the amount as an interfund transfer.
- For the year ended December 31, 2014, the City did not record an accrued liability for the December 15, 2014 through December 28, 2014 pay period, which was paid, and initially expensed, in January 2015. A correcting entry was made to record the additional accrual in the amount of approximately \$574,000, \$8,800, \$35,900, and \$9,300, in the General, Fleet, IT and Facilities funds, respectively.

Cause – The City has control activities that include the use of a year-end checklist to ensure that steps required to complete the year-end close process are performed completely and accurately, as well as a management review of the financial statements. The year-end checklist is not inclusive of all financial transactions stated above, which accounted for and contributed to improper financial statement presentation. Due to staff turnover, management was involved in the preparation of the current year financial statements and was unable to perform a detailed review prior to the audit.

Section II – Financial Statement Findings (continued)

Effect – Management has posted the correcting journal entries for each of the items noted above and updated the financial statements for presentation-related items. However, failure to review future financial statements to ensure that significant transactions have been properly accounted for and presented in the financial statements may result in material misstatement to the City’s financial statements.

Recommendation – We recommend the City establish procedures to identify significant accounting transactions that have taken place during the fiscal year and review the accounting treatment prior to preparation of the financial statements. Additionally, management should perform a detailed review of all financial statements and fund trial balances throughout the year to ensure that all significant transactions have been appropriately reported in both the financial statements and trial balances.

Management Response – We will continue to review and update the year-end checklist and make modifications to account for new or unique financial transactions. We are actively recruiting to fill all vacant positions which will allow the management staff to review the financial statements prior to the audit. In addition, the management staff is currently reviewing policy/procedure and is incorporating new requirements to identify some of these key areas.

- Payroll reports to compare payroll activity to the general ledger
- Journal entry process to easily identify reclassifications or corrections
- Government reporting module in our financial software system is being tested to assist with the preparation of the financial statements

Armando Guardiola, Controller, is responsible for overseeing this corrective action plan.

Section II – Financial Statement Findings (continued)

**2014-B Restatement of Previously Issued Financial Statements
Material Weakness**

Criteria – The City is required to provide accurate GAAP basis financial data for preparation of the annual CAFR.

Condition – Based on audit procedures performed as of December 31, 2014, we identified the following, which required a restatement of prior year financial statements:

- In the prior year, the City recorded contributions made to the Police Pension Plan as plan expenses, with a corresponding increase to investment earnings. The net impact to fund balance as a result of this was zero; however, the entry resulted in an overstatement of plan revenue and expenses. An adjustment was posted to correct this error in the prior period financial statements by approximately \$1,413,000. Additionally, a similar correction in the amount of \$1,305,000 was posted in the current year financial statements.
- The Police Pension Plan had loans outstanding to participants. Rather than recognizing a separate loan receivable asset on the Plan's balance sheet, the value of loans outstanding was reported as part of the value of Plan investments. This error occurred in both the 2013 and 2014 financial statements. As a result, the statement of fiduciary net position was restated by approximately \$491,700 and \$779,000 to reclassify the value of the loans receivable from the value of the Plan investments as of December 31, 2014 and 2013, respectively.
- In 2011, the City executed an interfund loan agreement between the General Fund and the Urban Renewal Authority. As a result of changes in the development of the property, which was funded by this loan agreement, it was determined that the loan was no longer a short-term receivable, and repayment was not expected within a reasonable amount of time. Therefore, the amount should not have been recognized as an asset and a liability at the fund level. A correcting entry was made to remove the asset and liability at the fund level and record the transactions as interfund transfers. The result of this correction was a restatement to beginning net position in the amount of \$6,500,000. Additionally, the current year loan of \$250,000 was reclassified as a transfer.

Cause – The City did not perform an in-depth reconciliation between the Pension Plan custodian statement and the general ledger during the year-end close process. The City also did not identify the proper accounting treatment once it was determined that the land funded by the interfund loan would not be sold within the timeframe estimated when the loan agreement was executed.

Effect – Management has posted correcting journal entries to properly account for Plan investment earnings and Plan expenses, Plan loans, and interfund balances. However, failure to properly follow guidance issued by GASB may result in material misstatement to the City's financial statements in the future.

Section II – Financial Statement Findings (continued)

Recommendation – We recommend the City follow its established procedures to review financial statement information on a regular basis and incorporate and identify significant accounting transactions and review the accounting treatment prior to preparation of the financial statements, in the future.

Management Response – We will continue to review and update the year-end checklist and make modifications to account for new or unique financial transactions. We are actively recruiting to fill all vacant positions which will allow the management staff to review the financial statements prior to the audit. In addition, the management staff is currently reviewing policy/procedure and is incorporating new requirements to identify some of these key areas.

- Payroll reports to compare payroll activity to the general ledger
- Journal entry process to easily identify reclassifications or corrections
- Government reporting module in our financial software system is being tested to assist with the preparation of the financial statements

Armando Guardiola, Controller, is responsible for overseeing this corrective action plan.

Section II – Financial Statement Findings (continued)

**2014-C Review of Account Reconciliations and Journal Entries
Significant Deficiency**

Criteria – The City is required to provide accurate GAAP basis financial data for preparation of the annual CAFR. Additionally, a good system of internal accounting control contemplates an adequate system for recording, processing and reconciling account balances to the financial statements.

Condition – Based on audit procedures performed as of December 31, 2014, we noted correcting journal entries that were recorded to correct previously recorded entries that were posted incorrectly. The consistent recording of such correcting entries is indicative that the review of the initial journal entries is not thorough enough to correct errors prior to being initially posted to the general ledger. Additionally, we noted the following account balances did not properly reconcile to sub ledger detail or supporting documentation based on inquiries and other audit procedures:

- **Interfund activity:** Activity between the General Fund and ICMA retirement plan was posted in error twice, resulting in overstated General Fund cash and revenue in 2014.
- **Property tax receivable:** During our testing of the December 31, 2014 property tax receivables balances, it was identified that the Urban Renewal Authority Fund property tax receivable balance was understated due to an increase in mill levies that were not accounted for when the property tax receivable balance was calculated.
- **Accounts receivable:** The City recognized revenue in the NIGID fund which did not meet the period of availability requirements and therefore should have been treated as a deferred inflow of resources.
- **The City has two notes receivables due from third parties.** The note agreements state that each note is to accrue interest. The City has not recorded interest on these notes receivable nor has the City recognized a deferred inflow of resources.
- **During the current year, the City identified expenditures in construction-in-progress which should have been expensed in the prior year but was incorrectly capitalized in 2013.** These items were corrected in 2014, resulting in overstated capital outlay expenditures during the current year.
- **During the current year, it was determined that the City owed a reimbursement of overpayments received in the Solid Waste Fund in the past two years.** Rather than record an expense for the reimbursement of prior year overpayments, the City reduced current year revenue.

Cause – The cause of the items noted above were errors that were not detected based on a month-end or year-end reconciliation process, or were errors that occurred due to a lack of review of the accounting treatment for a particular transaction or journal entry.

Section II – Financial Statement Findings (continued)

Effect – If journal entries are not thoroughly reviewed prior to posting in the general ledger, the City must rely on account reconciliations and other mitigating controls in order to identify incorrect entries. The account reconciliation process has also been noted to have deficiencies, if the year-end reconciliations are not properly reviewed to detect errors, and specific transactions are not reviewed to evaluate the appropriateness of accounting treatment, there is the potential for a material misstatement in the financial statements.

Recommendation – The City should perform detailed reviews of journal entries prior to approving entries and posting entries to the general ledger. We also recommend the City improve controls over the reconciliation of account balances. When reviewing these reconciliations management should be alert for journal entries that record unique transactions and/or unusual activity to capital projects additions / deletions and Accounts Receivable / Deferred Inflows as these accounting areas have been consistent areas of adjustment over the past several years, including the current year.

Management Response – We are actively recruiting to fill all vacant positions which will allow the management staff to review the financial statements prior to the audit. We will be conducting additional training for staff to review and analyze the impact of the transactions mentioned above. We will continue to update/review our internal policies to include periodic reviews by the Accounting Supervisor or Controller. We will utilize the expertise our new Application Analyst brings to the team to update reports used in reconciliations which we hope will result in less error and increased efficiencies amongst staff and their job functions. Armando Guardiola, Controller, is responsible for overseeing this corrective action plan.

Section III – Federal Award Findings and Questioned Costs

**2014-001 Pass-Through the State of Colorado Department of Public Safety
Federal Emergency Management Agency (FEMA)
CDEFA #97.036**

**Allowable Costs/Cost Principles
Significant Deficiency in Internal Control over Compliance**

Criteria – The FEMA program is funded on a reimbursement basis, in which the City reports expenditures incurred on its financial reports and they then receive reimbursement for those expenditures. OMB Circular A-133 requires that grant recipients maintain internal control over federal programs that provides reasonable assurances that they are managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Condition – The City’s FEMA awards are accounted for and tracked in multiple funds. The City also has an internal spreadsheet to assist in the allocation of the grant awards and reconciliation to the general ledger. During current year testing of the FEMA grant, EB noted an instance in which a cash receipt (federal grant revenue) was posted to the incorrect fund, which resulted in federal revenues not matching the related federal expenditures. Additionally, in the grant reconciliation process the City missed accounting for one outstanding grant receivable that should have been recorded.

Questioned Costs - None

Effect – Due to ineffective internal controls, actual grant revenues and related receivable were not appropriately reflected in the general ledger by project.

Cause – The City does not have effective internal controls to appropriately review and track FEMA activity by project. There did not appear to be an independent review of the internal reconciliations to track the specific federal revenues by project, including the reconciliation of this spreadsheet to activity recorded in the general ledger.

Recommendation – The City should perform a more thorough review of the outstanding receivables for the FEMA grant and comparison of cash receipts against the outstanding receivable list to ensure proper posting of the cash receipt.

Management’s Response and Corrective Action Plan – Due to the turnover in the department and staff stepping in to assist after the FEMA project was under way in 2014 this small error happened. The Accounting Supervisor will follow the internal controls in place and have a second set of eyes review the reports before they are submitted starting immediately. Armando Guardiola, Controller, is responsible for overseeing this corrective action plan.

Section IV – Summary of Prior Year Findings

**2013-001 Pass-Through Adams County
U.S. Department of Housing Urban Development
Community Development Block Grants/Fairfax Park Project CDFA #14.218**

**Allowable Costs/Cost Principles
Significant Deficiency in Internal Control over Compliance**

Criteria – OMB Circular A-87, “Cost Principles for State and Local Governments” establishes principles and standards for determining allowable costs of federal awards. OMB Circular A-87, section (C)(1) identifies ten basic guidelines that must be followed in order for a cost to be considered allowable. One of the basic guidelines, A-87, section (C)(1)(j) requires the costs to be adequately documented. CDBG funds were expended for the renovation of a parking lot associated with a larger park renovation project executed by the City. As the parking lot renovation was a component of a larger project, the contractor did not provide separate project costs for the parking lot from the other activities associated with the park renovation. As of the date we tested the project for compliance with the federal requirement of tracking allowable costs, we identified that the allocation of costs associated with the parking lot project were not adequately documented.

Status – The prior year finding was associated with the CDBG grant. This project was completed during 2013. The City has implemented a process to conduct a grant kick-off meeting with the project manager to review all requirements of a grant contract/agreement. The project manager will discuss with the contractor/vendor the requirement to invoice the City separately for each grant project(s). The project manager will review all invoices to ensure proper expenditures are verified prior to processing payment.

Auditor Response – Finding will not be repeated.



CITY OF COMMERCE CITY, COLORADO

2014

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31

PREPARED BY
DEPARTMENT OF FINANCE
SHERYL CARSTENS
DIRECTOR OF FINANCE

Commerce City, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2014

TABLE OF CONTENTS

Introductory Section
(Unaudited)

Letter of Transmittal.....	i
GFOA Certificate of Achievement.....	v
Organizational Chart	vi
Principal Officials.....	vii

Financial Section

Independent Auditors' Report	1
---	---

Management's Discussion and Analysis (Unaudited)	4
---	---

Basic Financial Statements

Government-wide Financial Statements:

Statement of Net Position	16
Statement of Activities.....	17

Fund Financial Statements:

Governmental Funds:

Balance Sheet	18
Reconciliation of the Governmental Funds Balance Sheet to The Government-wide Statement of Net Position.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances	20
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-wide Statement of Activities	21

Proprietary Funds:

Statement of Net Position	22
Statement of Revenues, Expenses and Changes in Fund Net Position	23
Statement of Cash Flows	24-25

Fiduciary Funds:

Statement of Fiduciary Net Position.....	26
Statement of Changes in Fiduciary Net Position	27

Component Units:

Combining Statement of Net Position.....	28
Combining Statement of Activities	29

Notes to the Basic Financial Statements	30-69
--	-------

Commerce City, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2014

Required Supplementary Information

<i>General Fund</i> - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	70
<i>Urban Renewal Authority Fund</i> - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	71
Notes to the Required Supplementary Information	72

Supplemental Information:

Combining and Individual Fund Statements and Schedules:

Governmental Funds:

Nonmajor Governmental Funds:

Combining Balance Sheet – By Fund Type	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – By Fund Type.....	75

Major General Fund:

Comparative Balance Sheet	76
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	77
Schedule of Revenues – Budget and Actual.....	78
Schedule of Expenditures – Budget and Actual	79-80

Major Special Revenue Fund:

<i>Urban Renewal Authority</i> Comparative Balance Sheet	82
---	----

Nonmajor Special Revenue Funds:

Combining Balance Sheet	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	85
<i>Special Improvements Fund</i>	
Comparative Balance Sheet	86
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances.....	87
<i>Police Department Fund</i>	
Combining Balance Sheet	88
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	89
<i>Police Donation Fund</i> – Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	90

Commerce City, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2014

<i>Conservation Trust Fund</i>	
Comparative Balance Sheet	91
Schedule of Revenues and Changes in Fund	
Balances - Budget and Actual	92
<i>Chemical Roundup Fund</i>	
Comparative Balance Sheet	93
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	94
<i>CC/BSD Use Tax Fund</i>	
Comparative Balance Sheet	95
Comparative Statement of Revenues and Changes in Fund Balances	96
<i>Grants Fund</i>	
Comparative Balance Sheet	97
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	98
Nonmajor Debt Service Fund:	
Comparative Balance Sheet	100
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	101
Capital Projects Funds:	
Major Capital Projects Funds:	
<i>Capital Expenditures Fund</i>	
Comparative Balance Sheet	102
Schedule of Revenues, Expenditures and Changes in Fund	
Balances- Budget and Actual	103
<i>Northern Infrastructure GID Fund</i>	
Comparative Balance Sheet	104
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	105
<i>Impact Fees Fund</i>	
Comparative Balance Sheet	106
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	107
Nonmajor Capital Projects Funds:	
Combining Balance Sheet	108
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	109
<i>Water Rights Acquisition Fund</i>	
Comparative Balance Sheet	110
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	111

Commerce City, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2014

<i>Second Creek Drainage Basin Fund</i>	
Comparative Balance Sheet	112
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	113
<i>Third Creek Drainage Basin Fund</i>	
Comparative Balance Sheet	114
Schedule of Revenues, Expenditures and Changes in Fund	
Balances – Budget and Actual.....	115
<i>Future Growth Fund</i>	
Comparative Balance Sheet	116
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances	117
<i>Buffalo Run Tributary Drainage Basin Fund</i>	
Comparative Balance Sheet	118
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	119
<i>E-470 Commercial Area GID Fund</i>	
Comparative Balance Sheet	120
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	121
<i>E-470 Residential Area GID Fund</i>	
Comparative Balance Sheet	122
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual	123

Proprietary Funds

Enterprise Funds:

Major Enterprise Fund

Golf Course Fund

Comparative Schedule of Revenues, Expenditures and Changes in Net Position	
- Budget and Actual (Non-GAAP Budgetary Basis)	124

Finance Authority Fund

Comparative Statement of Net Position	125
Schedule of Revenues, Expenditures and Changes In Net Position	
-Budget and Actual (Non-GAAP Budgetary Basis).....	126

Nonmajor Enterprise Fund

Solid Waste Management Fund

Comparative Statement of Net Position	127
Schedule of Revenues, Expenditures and Changes in Net	
Assets - Budget and Actual (Non-GAAP Budgetary Basis)	128

Internal Service Funds:

Combining Statement of Net Position.....	130
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	131
Combining Statement of Cash Flows	132-133

Commerce City, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2014

<i>Fleet Management Fund</i>	
Comparative Statement of Net Position	134
Schedule of Revenues, Expenditures and Changes in Net Position	
- Budget and Actual (Non-GAAP Budgetary Basis).....	135
<i>Information Technology Fund</i>	
Comparative Statement of Net Position	136
Schedule of Revenues, Expenditures and Changes in Net Position	
- Budget and Actual (Non-GAAP Budgetary Basis)	137
<i>Facilities Services Fund</i>	
Comparative Statement of Net Position	138
Schedule of Revenues, Expenditures and Changes in Net Position	
- Budget and Actual (Non-GAAP Budgetary Basis)	139
Fiduciary Funds:	
Pension Trust Funds:	
Combining Statement of Fiduciary Net Position	140
Combining Statement of Changes in Fiduciary Net Position.....	141
<i>Police Pension Fund</i> – Comparative Schedule of Additions, Deductions	
and Changes in Net Position - Budget and Actual	142
<i>Elected Officials Retirement Fund</i> - Schedule of Additions, Deductions	
and Changes in Net Position - Budget and Actual	143
Agency Funds:	
<i>School Facilities Fee Fund</i>	
Statement of Changes in Fiduciary Assets and Liabilities	144

Statistical Section

Financial Trend Information

Government-wide Net Position – by Component	147
Chart-Total Government-wide Net Position	148
Changes in Net Position – Governmental Activities	149
Changes in Net Position – Governmental Activities – Percentage of Total.....	150
Changes in Net Position – Business-type Activities.....	151
Changes in Net Position – Total.....	152
Fund Balances - Governmental Funds.....	153-154
General Governmental Revenues by Source.....	155
Chart-Total General Governmental Revenues	156
Tax Revenues by Source – Governmental Funds.....	157
Chart-Tax Revenues by Source – Governmental Funds.....	158
General Governmental Expenditures by Function	159
General Governmental Current Expenditures by Function	160
Summary of Changes in Fund Balances – Governmental Funds	161

Revenue Capacity Information

Direct and Overlapping Sales and Use Tax Rates.....	162
Principal Sales and Use Tax Taxpayers	163

Commerce City, Colorado
Comprehensive Annual Financial Report
For The Year Ended December 31, 2014

Taxable Assessed Value and Estimated Actual Value of Property – By Type	164
Direct and Overlapping Property Tax Rates.....	165
Property Tax Levies and Collections	166
Principal Property Taxpayers.....	167
Debt Burden Information	
Ratios of Total Debt Outstanding - By Type.....	168
Ratios of General Obligation Bonded Debt Outstanding – By Type	169
Direct and Overlapping Governmental Activities Debt	170
Legal Debt Margin	171
Pledged Revenue Coverage.....	172
Demographic and Economic Information	
Demographic and Economic Statistics.....	173
Principal Employers	174
Building Permits Issued for New Structures	175
Operating Information	
City Employees by Function/Program	176
Operating Statistics by Function/Program.....	177
Capital Asset Statistics by Function/Program	178
Compliance Section	
Local Highway Finance Report.....	180-181



June 22, 2015

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

We are pleased to transmit the Comprehensive Annual Financial Report of the City of Commerce City for the year ended December 31, 2014. This submittal is in accordance with Colorado State Statutes and the City of Commerce City Charter provisions. This report of the financial condition of the City as of December 31, 2014, and the activity which brought about that condition meets the City Charter requirements as well as provides full financial disclosure in accordance with generally accepted accounting principles (GAAP).

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

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

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada. The City was awarded the Certificate of Achievement for Excellence in Financial Reporting for its 2013 report and this report continues the same high standards of public financial reporting.

State law requires that the financial statements of the City of Commerce City be audited by independent certified public accountants selected by the City Council. The independent auditing firm of Eide Bailly LLP, whose report is included herein, has audited the general-purpose financial statements and related notes.

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

REPORTING ENTITY DEFINITION

The financial reporting entity, the City, includes all the funds of the primary government as well as all of its component units. Additional financial information concerning the component units may be obtained through the Finance Department of the City of Commerce City, Colorado. The city reports eight component units as follows:

Blended Component Units

- Urban Renewal Authority
- Commerce City Northern Infrastructure General Improvement District
- Commerce City E-470 Commercial Area General Improvement District
- Commerce City Residential Area General Improvement District
- Commerce City Finance Authority

Discretely Presented Component Units

- Quality Community Foundation
- Commerce City Housing Authority
- Victim Services Program, Inc.

PROFILE OF THE CITY

The City of Commerce City is located on 41 square miles in Adams County immediately northeast of Denver and west of the Denver International Airport. The City is a highly industrialized municipality of 51,762 residents.

Commerce City became a Home Rule City in 1970 and is governed by a Mayor elected at-large and eight City Council members, four elected at-large and four by ward. The City Charter provides for a Council/Manager form of government.

The City is supplied with water by the South Adams County Water and Sanitation District, which also provides sanitation service to City residents. The South Adams County Fire Protection District provides fire protection. Adams County School District No. 14 provides public education to the south portion of the City, School District 27J serves the north portion of the City.

Interstate Highways 76 and 270; U.S. Highways 6, 85, and 265; State Highways 2 and 224; and the E-470 toll road serve the City. Rail transportation is furnished by all major railroads serving the Denver metropolitan area. Air service is available from the Denver International Airport, which is located adjacent to Commerce City on its east side. The Regional Transportation District provides local bus service.

ECONOMIC CONDITION AND OUTLOOK

As the national economy recovers Commerce City businesses activity has grown. Existing local business activity consists, to a large extent, of industrial enterprises, which continue to contribute substantially to the City's property tax base. Some of the major businesses located in the City include Federal Express, United Parcel Service, Suncor Energy, Xcel Energy, Qwest, Dillion Companies, Wal-Mart and Con Agra Flour Milling Co.

Maintenance and expansion of the City's general infrastructure is a major concern of the City. To address this concern the City has prepared a long-range financial plan and a five-year capital improvement program plan that provides the framework for developing and maintaining infrastructure to meet current and future needs. This plan is crucial to the long-term financial condition of the City because of the need to provide the necessary public infrastructure and services to the new growth areas while maintaining the infrastructure and services in the historical part of the City.

FINANCIAL MANAGEMENT

Internal Control Structure

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

As an enhancement to internal financial controls the Finance Department prepares and distributes to the Deputy City Managers a monthly financial status report which compares estimated revenues to actual revenues, and estimated expenditures (appropriations) to actual expenditures. This information is presented to the City Manager and City Council on a quarterly basis.

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

Financial Policies

The budget is the plan by which financial policy is made, implemented, and controlled. The City Charter, State Constitution and state laws provide the basic legal requirements and time lines for the process. Council goals, ordinances and resolutions provide additional direction that respond to the needs and desires of the community.

The City has adopted financial policies for the following topics:

- Budget
- Revenue
- Expenditure
- Reserves
- Cash management and investments
- Risk Management

These policies serve as the foundation for the cities financial operations.

Legislative Development

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

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The City adopts annual appropriated operating budget for the General Fund, certain Special Revenue Funds, the Debt Service Fund, most capital projects funds, all proprietary funds and certain pension trust funds.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

Awards and Acknowledgements

As demonstrated by the statements and schedules included in the financial and required supplemental information sections of this report, the City continues meeting its responsibility for sound financial management.

One objective measure of the quality of the City's financial management is the City's receipt of the annual GFOA Certificate of Achievement for Excellence in Financial Reporting. The 2013 Certificate is the 27th consecutive annual award received by the City. We believe that this 2014 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.

We wish to thank the City Council for providing the resources necessary to produce this Comprehensive Annual Financial Report. It takes a significant amount of staff time to prepare the financial statements and statistical information necessary for this report.

Respectfully submitted,



Brian McBroom
City Manager



Sheryl L. Carstens
Director of Finance



Government Finance Officers Association

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

Presented to

**City of Commerce City
Colorado**

**For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended**

December 31, 2013

Executive Director/CEO

Commerce City Citizens

Mayor and City Council

**Legal
Municipal Judge
Boards and Commissions**

City Manager

Deputy City Manager
External Services

Chief of Police
Public Safety

Communications
Intergovernmental Relations

Administrative Services Officer
Internal Services

iv.

- Community Development Department**
 - Administration
 - Community Planning
 - Building Safety
 - Neighborhood Services
 - Housing
- Public Works Department**
 - Administration
 - Street and Traffic Maintenance
 - Engineering
 - Refuse Collection
 - Fleet Management
 - Facility Services
- Parks and Recreation Department**
 - Administration
 - Parks Maintenance
 - Recreation Programs
 - Community Events
 - Golf Course
- Economic Development**

- Public Safety Department**
 - Administration
 - Support Operations
 - Patrol Operations
 - Community Justice
 - Special Investigation Unit
 - Emergency Management

- Finance Department**
 - Financial Planning and Budgeting
 - Financial Services
 - Tax
 - Municipal Court
 - Internal Services
 -
- Information Technology Department**
 - Administration
 - Operations
 - Geographic Information Systems
- Human Resources Department**
 - Human Resources
 - Risk Management
 - Organizational Development
- City Clerk's Office**

PRINCIPAL OFFICIALS

As of December 31, 2014

CITY OF COMMERCE CITY, COLORADO

CITY COUNCIL

Sean Ford
Mayor

James R. Benson
René Bullock, Mayor Pro-Tem
Jadie Carson
Steven J. Douglas

Crystal Elliott
Jason D. McEldowney
Andrew Amador
Ricky A. Teter

CITY MANAGER

Brian McBroom

James Hayes
Roger Tinklenberg
Sheryl Carstens
Troy Smith
Chris Cramer
Cathy Blakeman
Doug Hindman
Carolyn Keith
Maria D'Andrea
Armando Guardiola
Robert Gehler
Laura Bauer

Deputy City Manager
Administrative Services Officer
Director of Finance
Chief of Police
Director of Community Development
Director of Human Resources
Interim Director of Information Technology
Director of Parks and Recreation
Director of Public Works
Controller
City Attorney
City Clerk



Independent Auditor's Report

To the Honorable Mayor, City Council and City Manager
City of Commerce City, Colorado

Report on the Financial Statements

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 Commerce City, 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 Audit 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 Commerce City, Colorado, as of December 31, 2014, and the respective changes in financial position and, where, applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of Errors

As described in Note 4-E to the financial statements, the City recorded adjustments in the Pension Trust fund to correct certain errors in reporting investment earnings, benefit payments and the classification between plan investments and loans receivable. Additionally, the City recorded adjustments to correct an error relating to the initial accounting treatment of an interfund loan between the General Fund and URA fund. The interfund loan was not expected to be repaid within a reasonable amount of time and therefore should have been treated as a transfer. Accordingly, the 2013 financial statements were updated to correct these errors. Our opinions are not modified with respect to this matter.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedule of funding progress on pages 4 through 14 and 70 through 73 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 Commerce City's financial statements. The introductory section, combining and individual fund financial statements, Local Highway Finance Report and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, budgetary schedules and Local Highway Finance Report 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the financial statements as a whole.

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

Report on Summarized Comparative Information

We have previously audited the City's 2013 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining funding information in our report dated July 30, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2015 on our consideration of the City of Commerce City, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 of Commerce City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Greenwood Village, Colorado
June 22, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the comprehensive annual financial report for the City of Commerce City, Colorado (the City), the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the calendar year ended December 31, 2014. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

2014 FINANCIAL HIGHLIGHTS

The City's assets exceeded its liabilities by \$244,692,809 (total net position) for the calendar year reported.

- Total net position are comprised of the following:
 - (1) Net investment in capital assets, of \$156,379,924 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$25,823,135 are restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$62,405,216 represent the portion available to maintain the City's continuing obligations to citizens and creditors.
- The City's governmental funds reported total ending fund balance of \$156,594,186 this year. This compares to the prior year ending fund balance of \$81,040,600 showing an increase of \$75,553,586 during the current year. This increase relates primarily to the issuance of \$73,445,000 of general obligation debt.
- At the end of the current calendar year, the unassigned fund balance for the General Fund was \$5,689,832 or 11.3% of total General Fund expenditures.
- Overall, the City continues to maintain a strong financial position.

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid.

An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City principally supported by taxes from business-type activities intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, community development, public safety, public works, parks and recreation. Business-type activities include the solid waste management and the Commerce City Finance Authority.

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

Fund Financial Statements

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

The City has three kinds of funds:

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

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

The basic governmental fund financial statements are presented on pages 18 to 21 of this report.

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

Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City's proprietary funds are classified as enterprise funds and internal service funds. The enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. The internal service funds are reported as part of the governmental activities at the government-wide financial reporting level.

The basic proprietary fund financial statements are presented on pages 22 to 25 of this report.

The *fiduciary funds* include employee pension and retirement funds held in trust and an agency fund used to hold resources of school impact fees from developers that school districts will use. These statements are found on pages 26 & 27.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 30 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budget presentations. Budgetary comparison schedules are included as "required supplementary information" for the general fund and the major Urban Renewal Authority Fund. Budgetary comparison schedules for all other governmental funds can be found in the supplementary information section of this report. These schedules demonstrate compliance with the City's adopted and final revised budget. Finally, this section includes a schedule of funding progress for the retirement health savings plan. Required supplementary information can be found on pages 68 & 69 of this report.

Supplementary Information

As discussed, the City reports major funds in the basic financial statements. Comparative information for major funds and combining and individual statements and schedules for nonmajor funds are presented in a supplementary information section of this report beginning on page 72.

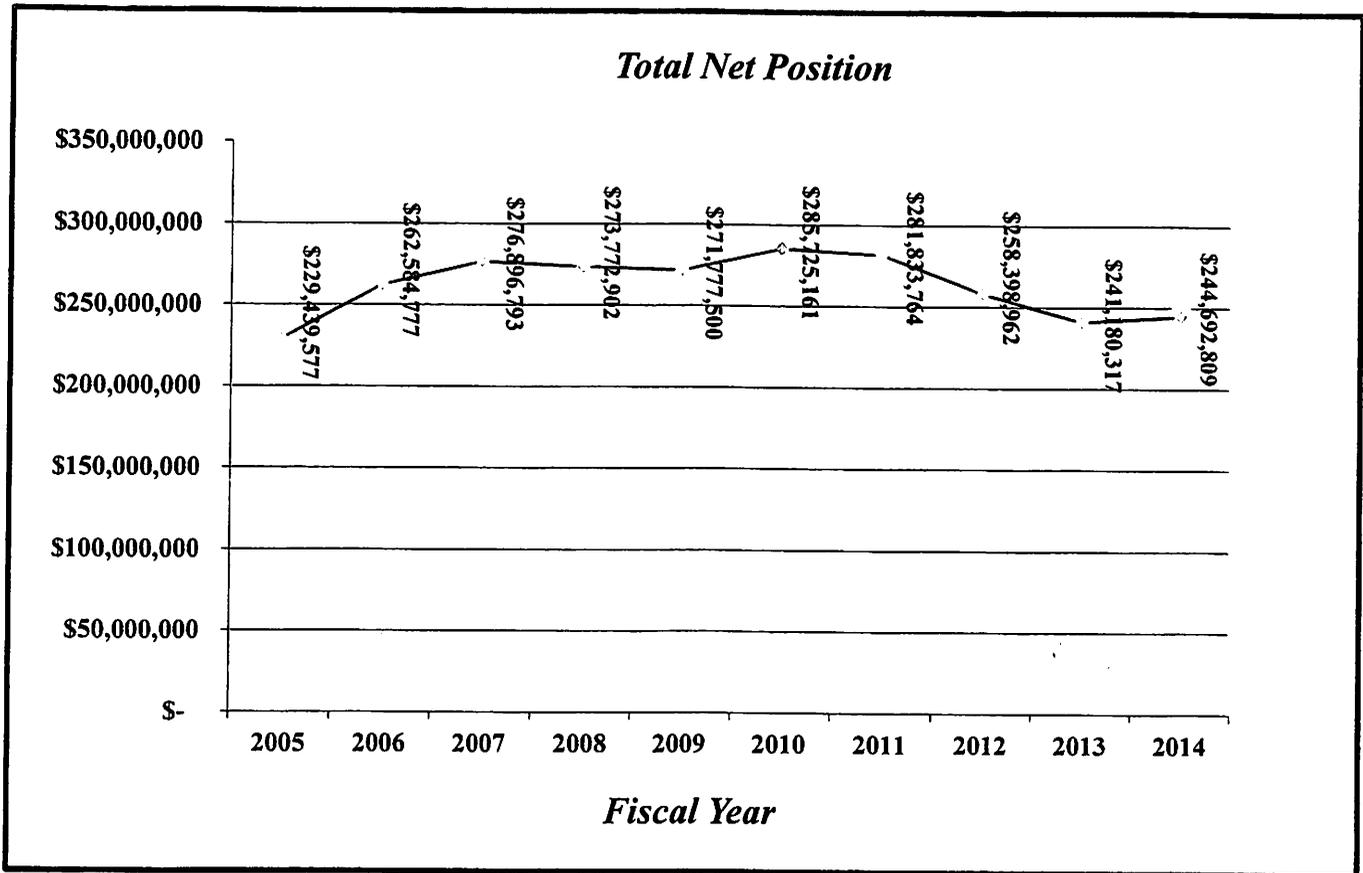
FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City's net position at calendar year-end is \$244,692,809. The following table provides a summary of the City's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets and deferred outflows:						
Current assets	\$ 184,942,705	\$ 102,206,849	\$ 145,596	\$ 858,970	\$ 185,088,301	\$ 103,065,819
Other non-current assets	1,232,652	2,870,536	266,853	278,983	1,499,505	3,149,519
Capital assets	312,636,351	307,279,921	26,144,126	27,207,470	338,780,477	334,487,391
Deferred outflows	486,102	506,472	-	-	486,102	506,472
Total assets	499,297,810	412,863,778	26,556,575	28,345,423	525,854,385	440,702,729
Liabilities:						
Current liabilities	18,527,167	11,794,511	897,914	616,158	19,425,081	12,410,669
Long-term liabilities	224,688,363	150,351,325	29,614,278	30,193,020	254,302,641	180,544,345
Deferred inflows	7,433,854	7,073,870	-	-	7,433,854	7,073,870
Total liabilities	250,649,384	169,219,706	30,512,192	30,809,178	281,161,576	200,028,884
Net position:						
Net investment in capital assets	160,420,075	157,355,252	(4,040,151)	(3,540,550)	156,379,924	153,814,702
Restricted	25,823,135	20,386,337	-	-	25,823,135	20,386,337
Unrestricted	62,405,216	65,902,483	84,534	1,076,795	62,489,750	66,979,278
Total net position	\$ 248,648,426	\$ 243,644,072	\$ (3,955,617)	\$ (2,463,755)	\$ 244,692,809	\$ 241,180,317

The following chart reports the total net position balances from fiscal year 2005 – 2014:



The City continues to maintain a high current ratio, excluding the deferred inflows and outflows of resources. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 10.0 to 1 as compared to 8.7 to 1 at December 31, 2013. For business-type activities, the current liabilities exceed current assets, as compared to 5.3 to 1 at December 31, 2013. The total current ratio was 9.5 to 1 as compared to 8.7 to 1 at December 31, 2013.

The City reported positive balances in net position for governmental activities and deficit net position for business-type activities. During fiscal year 2014, net position increased \$5,004,354 for governmental activities. For business-type activities, net position decreased \$1,491,862. The City's overall financial position increased during calendar year 2014 by \$3,512,492.

Note that approximately 62.6% of the governmental activities' total assets are tied up in capital assets (with 75.6% of the capital asset cost being depreciable). The City uses these capital assets to provide services to its citizens. Nearly 100% of the business-type activities assets are tied up in capital assets. Combining governmental activities with business type activities, the City has invested 63.9% of its total assets in capital assets, as presented in the Statement of Net Position. Capital assets used in the business-type activities generate revenues for the solid waste program. The capital assets in the Finance Authority result from the construction of an administration building that is being leased to the City.

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

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program:						
Charges for services	\$ 9,019,934	\$ 5,889,591	\$ 2,367,795	\$ 4,783,907	\$ 11,387,729	\$ 10,673,498
Operating grants	378,293	341,810	-	-	378,293	341,810
Capital grants and contributions	4,732,804	6,414,329	-	72,692	4,732,804	6,487,021
General:						
Taxes	62,037,116	47,146,585	-	-	62,037,116	47,146,585
Other	8,657,754	2,050,891	3,833	5,834	8,661,587	2,056,725
Total revenues	84,825,901	61,843,206	2,371,628	4,862,433	87,197,529	66,705,639
Program Expenses:						
General government	18,048,736	17,900,457	-	-	18,048,736	17,900,457
Human resources	950,390	740,491	-	-	950,390	740,491
Community development	3,467,187	5,457,255	-	-	3,467,187	5,457,255
Public safety	14,272,948	14,551,903	-	-	14,272,948	14,551,903
Public works	25,537,390	25,118,662	-	-	25,537,390	25,118,662
Parks and recreation	10,627,413	8,439,998	-	-	10,627,413	8,439,998
Interest	8,262,483	6,652,767	-	-	8,262,483	6,652,767
Golf course	-	-	-	2,515,214	-	2,515,214
Finance authority	-	-	2,518,490	2,536,537	2,518,490	2,536,537
Total expenses	81,166,547	78,861,533	2,518,490	5,051,751	83,685,038	83,913,284
Revenues over (under) expenses	3,659,354	(17,018,327)	(146,862)	(189,318)	3,512,491	(17,207,645)
Transfers	1,345,000	1,582,891	(1,345,000)	(1,582,891)	-	-
Change in net position	5,004,354	(15,435,436)	(1,491,862)	(1,772,209)	3,512,491	(17,207,645)
Beginning net position	243,644,072	259,079,508	(2,463,755)	(691,546)	241,180,317	258,387,962
Ending net position	\$ 248,648,426	\$ 243,644,072	\$ (3,955,617)	\$ (2,463,755)	\$ 244,692,809	\$ 241,180,317

Governmental Activity Revenues

The City is heavily reliant on sales and use taxes to support governmental operations. Sales and use taxes provided 57.7% of the City's total revenues as compared 55.9% in calendar year 2013. Note that program revenues covered 17.4% of governmental operating expenses as compared to 16% in calendar year 2013.

This means that the government's taxpayers and the City's other general revenues normally fund 82.6% of the governmental activities, primarily from sales and use taxes. As a result, the general economy and the success of local businesses have a major impact on the City's revenue streams.

Governmental Activity Expenses

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

	Governmental Activities			
	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total
General government	\$ 18,048,736	22.2%	\$ 17,212,689	25.7%
Human resources	950,390	1.2%	950,390	1.4%
Community development	3,467,187	4.3%	1,724,606	2.6%
Public safety	14,272,948	17.6%	12,387,041	18.5%
Public works	25,537,390	31.5%	19,708,498	29.4%
Parks and recreation	10,627,413	13.1%	6,789,808	10.1%
Interest	8,262,483	10.1%	8,262,483	12.3%
Total	\$ 81,166,547	100.0%	\$ 67,035,515	100.0%

The public works function is the highest cost function, primarily because of the City's growth in its infrastructure (e.g., roads and storm sewers), resulting in approximately \$25.5 million including annual depreciation expense. The City spent approximately \$14.2 million on public safety and \$18 million on general government services.

Business-Type Activities

Finance Authority Fund – In 2007, this fund issued \$30,900,000 in certificates of participation, which were used to fund the construction of an administration building, which is leased to the City, beginning in 2007. In 2014, this fund recognized \$2,006,231 in rental income and paid interest on long-term debt totaling \$1,449,559. At December 31, 2014, this fund reports a deficit of \$3,824,467, which will be eliminated with future rental revenue.

Solid Waste Management Fund - The other business-type activity is the solid waste management fund. Tipping fees charged at the BFI landfill operation provide the revenues for this fund. The City receives 5% of the total amount of fees collected or assessed and has no "out-of-pocket" costs. These revenues are to be used only for transportation improvements and maintenance on streets and bridges in the area of the landfill. The 2014 fee revenues of \$361,564 decreased from the 2013 revenues due to a refund for overpayment of prior year revenues. The revenues collected are transferred to the Capital Expenditures Fund to finance future capital improvement projects.

FUND ANALYSIS

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$156,594,186 compared to the \$81,040,600 at December 31, 2013.

Of this year-end total, \$5,634,454 is unassigned indicating the availability for continuing City service delivery requirements. However, because of the URA asset that the City has committed to improve and resell, the City expects unassigned fund balance to turn-around as soon as this asset is sold. Legally restricted fund balances are \$98,371,059

Included in this amount are \$80.9 million for capital construction, \$9.6 million for debt service and the money set aside to meet the TABOR emergency reserve requirements, or \$4.6 million.

Committed fund balance totals \$10,975,262. Included in this amount is \$330,436 for court surcharges and \$10.6 million for capital construction.

The total ending fund balances of governmental funds show an increase of \$75,553,586 or 86.3% from the prior year.

Major Governmental Funds

General Fund - The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$13,146,670 or 53.9% as compared to 30.3% decrease in calendar year 2013. The ending unassigned fund balance is considered adequate, representing the equivalent of 11.9% of annual expenditures. This compares to 3% at December 31, 2013.

Total tax revenues are above those of 2013 by \$14.7 million, most of which relates to increased sales and use taxes. \$10.3 million of this increase was due to an increase in the sales tax rate of 1% and an increase of taxes from audits.

Property taxes increased \$218,362 or 10% resulting in normal growth in the tax base, assessed value.

Plan check fees increased \$55,934 or 27.7% due to more building development in the City. Building permits were up \$266,649 or 26.6% due to a recovering economy. Court and docket fees are higher than the 2013 amount by \$51,507 or 20.9%. Fines and forfeitures through the municipal court were higher than the 2013 amount by \$111,294 or 20.6%. Revenues from photo red light enforcement were \$60,077 or 13.5% below the 2013 amount.

Recreation and golf fees increased \$2.6 million because the golf fund was closed at the end of last year and its activities were incorporated into the general fund this year.

Most other revenue streams were consistent with the prior years' revenues.

Total General Fund expenditures increased approximately \$3.5 million over the 2013 amount.

Total general government expenditures were \$331,510 or 9.2% above the 2013 amount. Within the general government function, legal fees increased \$361,318 or 48.6% because of fees paid to outside attorney's increased over the prior year. Communication expenditures increased \$214,273 or 27.4% due to a reclassification of some intergovernmental costs to this function.

Within the finance function, total expenditures increased \$1.6 million. The increases relate to:

- Finance planning costs - \$119,035 or 28.3% due to a reclassification of some intergovernmental costs.
- Financial services - \$824,997 or 83.6% due to the 2K administrative costs which are being paid from a line item in the Finance department \$14,034, the 2K program management costs are being tracked in a capital outlay account in the finance department or \$752,972, and salaries increased to account for the interim positions during the organization transition (Director, Controller, Acct Supervisor)
- Tax - \$186,865 or 20.3%

In total, public safety costs were \$63,096 below the 2013 amount. Administration costs were \$404,441 below the prior year due to Adams County Communications (Communications Center/Dispatch) expenditures, which were reclassified to the police operations division.

In the public works function, expenditures were \$499,910 or 7% higher than 2013.

A brief discussion of the other major governmental funds follows:

Capital Expenditures Fund – This fund is used to fund major City capital projects. The county open space tax and the county transportation tax, plus intergovernmental revenue provided the majority of this fund's revenue. The fund also recognized approximately \$3.0 million of transfers from other funds, including approximately \$1.3 million from the General Fund, \$477,100 from the Conservation Trust Fund, and \$1.3 million from the Solid Waste Fund.

During this year, this fund incurred \$9.3 million in capital costs including a Boys & Girls Club \$250,000, public works projects for \$3,164,987 and parks and recreation projects for \$5,766,174. In this year, the City issued general obligation bonds totaling \$73,445,000 for the 2K projects. The major projects include:

- Neighborhood Parks (3) - \$8,372,360
- Road Project (1) – \$48,833,294
- Outdoor Pool (1) – \$9,372,080
- New Recreation Center Building (1) – \$3,379,635
- New Recreation Center Infrastructure - \$3,251,787
- Existing Recreation Center Expansion - \$272,244
- MSC Renovations - \$323,000
- Program Contingency - \$4,518,100

This fund reports an ending fund balance of \$85,448,293 at December 31, 2014.

Northern Infrastructure GID Fund - This fund is used to account for the construction of infrastructure improvements within the district, including debt service on these improvements. This fund recognized over \$4.7 million in property and specific ownership taxes.

This fund continued to expend the 2008 bond proceeds on infrastructure projects, or \$15.4 million. The major project was work completed on 104th avenue. This fund also incurred interest costs on debt of approximately \$3.6 million. At December 31, 2014, the fund reports fund balance of \$11.5 million, down from the \$18.4 million at December 31, 2013.

Urban Renewal Agency Fund – Current plans are to resell the property held for resale with a cost of \$4.7 million. This fund recognized \$260,785 in property taxes as compared to \$256,789 in 2013. This fund expended \$633,634 and reports a fund balance of \$6,213,047 at December 31, 2014.

Impact Fees Fund – In fiscal year 2014, this fund recognized \$860,693 in impact fees. This compares to \$754,100 in fiscal year 2013. In fiscal year 2014, the fund only spent \$38,973. The year-end fund balance is \$5,664,288.

Proprietary Funds

Proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The business-type activities analysis above discusses the City's three enterprise funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund's revenue budget was amended during 2014 to account for the sales tax increase authorized by voters in November 2013.

Revenue from sales and use taxes were \$3,530,395 over budget as explained above. Franchise fees exceeded the budget by \$243,110. Building permit revenue exceeded the budget by \$516,718 because of conservative budgeting.

Court and docket fees revenue were \$32,745 below budget. Total fines and forfeitures were below the budget by \$385,392 primarily due to position vacancies within the police department and fewer citations issued than in past years.

Investment earnings exceeded the final budget by \$370,950, due to conservative budgeting.

In total, the City recognized 108.2% of the final revenue budget.

The General Fund's expenditure budget was amended upward \$697,710 or 1.4%.

The expenditures for the city manager and city clerk were below budget by \$14,433 and \$15,842, respectively compared to the 2013 expenditures. The public safety department was below budget by \$63,096 compared to the 2013 expenditures. This is primarily due to position vacancies within the department.

In total, the City under spent the final expenditure budget for the general fund by \$1,241,735.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2014, was \$312,636,351 and \$26,144,127 respectively. The change in this net investment was an approximate 1.7% increase for governmental activities (including the internal service funds) and a 3.9% decrease for business-type activities. See Note 3-C for additional information about changes in capital assets during the calendar year and outstanding at the end of the year.

The following table provides a summary of capital asset activity:

	Capital Assets					
	<u>Governmental Activities*</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Non-depreciable assets:						
Land	\$ 42,699,676	\$ 42,524,941	\$ -	\$ -	\$ 42,699,676	\$ 42,524,941
Golf course	4,224,818	4,224,818	-	-	4,224,818	4,224,818
Water rights	7,159,033	6,267,166	-	-	7,159,033	6,267,166
Construction in progress	22,107,710	18,084,539	-	-	22,107,710	18,084,539
Total non-depreciable	76,191,237	71,101,464	-	-	76,191,237	71,101,464
Depreciable assets:						
Buildings	22,294,233	22,818,775	33,744,248	33,744,249	56,038,481	56,563,024
Machinery, equipment furniture and intangibles	15,108,855	14,473,483	-	-	15,108,855	14,473,483
Infrastructure	438,277,582	418,862,784	-	-	438,277,582	418,862,784
Total depreciable assets	475,680,670	456,155,042	33,744,248	33,744,249	509,424,918	489,899,291
Less accumulated depreciation	239,235,556	219,976,586	7,600,122	6,536,778	246,835,678	226,513,364
Book value - depreciable assets	236,445,114	236,178,456	26,144,125	27,207,470	262,589,240	263,385,927
Percentage depreciated	50%	48%	23%	19%	48%	46%
Total book value	\$ 312,636,351	\$ 307,279,921	\$ 26,144,126	\$ 27,207,470	\$ 338,780,477	\$ 334,487,391

* The governmental activities amounts include the City's three internal service funds.

The various capitalized additions to governmental activities infrastructure capital assets of \$19.4 million include:

- Roads, pavement management and rehabilitation \$17,291,363
- Roads, pavement management and rehabilitation \$1,106,158
- Parks \$51,512
- Trails \$771,591
- Storm sewer \$80,174
- Street lights \$114,000
- Buildings (\$524,542)
- Land \$174,735
- Equipment/Intangibles \$37,837

The December 31, 2014 balances in governmental activities construction in progress relates to various road and park projects.

Long-term Debt

The City established the City of Commerce City Northern Infrastructure General Improvement District (GID) as a legally separate entity. Since the City Council serves as the Board of Directors for the GID, it is reported as a blended component unit. Therefore, the \$83,530,000 of general obligation debt of the GID is reported here as if it is the City's debt. In reality, the GID debt is not an obligation of the City and no City funds are used to retire the debt. The GID has its own property tax levy to generate the revenue necessary to retire its debt.

The following table reports debt balances at December 31, 2014 and 2013, exclusive of deferred debt related items.

	Outstanding Borrowings					
	Governmental Activities		Business-type Activities		Totals	
	2014	2013	2014	2013	2014	2013
GID general obligation bonds	\$ 83,530,000	\$ 84,735,000	\$ -	\$ -	\$ 83,530,000	\$ 84,735,000
Sales tax revenue bonds	127,970,000	56,015,000	-	-	127,970,000	56,015,000
Lease purchase agreement	1,728,771	1,862,209	-	-	1,728,771	1,862,209
Certificates of participation	-	-	29,955,000	30,510,000	29,955,000	30,510,000
Compensated absences	106,479	100,701	-	-	106,479	100,701
Total	\$ 213,335,250	\$ 142,712,910	\$ 29,955,000	\$ 30,510,000	\$ 243,290,250	\$ 173,222,910

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

ECONOMIC CONDITIONS AFFECTING THE CITY

The national economy went into a major recession starting in 2008. In 2010, the economy started growing again, but there was a small drop in business sales in Commerce City in 2011. In 2014 sales and use tax remittances from businesses increased by 41.29% compared to 2013. Sales and use tax revenues increased primarily due to the voter approved 1% tax rate increase effective January 1, 2014. In addition, audit revenue and auto use tax receipts increased as well.

The City experienced unprecedented residential growth from 1999 through 2004. The Northeast quadrant of the Denver metropolitan area contains the only remaining close in, open land available for development. This, coupled with low interest rates, resulted in residential development increasing in the City's north range area. Then in 2005 through 2009, the growth rate slowed. The total numbers of building permits were 10,285 in 2005 and declined to 1,448 in 2009. In 2014, the number of total permits was 2,444 compared to 1,934 permits in 2013. Permit valuations went through a corresponding decline from 2005 through 2009. Total permit valuations were \$129,165,777 in 2008 and dropped to \$49,900,132 in 2009. In 2014, total permit valuations were \$127,119,585 compared to \$94,990,823 in 2013.

Residential construction valuations were \$59,874,192 in 2014 compared to \$68,952,147 in 2013. There were 353 housing units permitted in 2014 compared to 384 in 2013. Management monitors sales, use tax revenues, and the construction related revenues in relation to the operating expenditures and by observing, the trends work to prevent a cash flow problem for the City and to ensure that the City does not become too reliant on construction related revenues to fund its operating budget.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

CITY OF COMMERCE CITY

THIS PAGE INTENTIONALLY LEFT BLANK

City of Commerce City, Colorado
Statement of Net Position
December 31, 2014

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
<i>Current Assets</i>				
Equity in pooled cash and investments (Note 3-A)	\$ 152,269,673	\$ -	\$ 152,269,673	\$ 889,418
Receivables				
Accounts	3,144,119	133,466	3,277,585	20,470
Property taxes (Note 3-B)	7,433,854	-	7,433,854	-
Sales and use taxes	4,063,888	-	4,063,888	-
Special assessments	35,798	-	35,798	-
Notes	7,330,242	-	7,330,242	-
Loans	-	-	-	19,460
Interest	-	-	-	27,539
Internal balances	268,428	(268,428)	-	-
Inventory (Note 1-E-4)	222,401	-	222,401	-
Prepaid items (Note 1-E-5)	225,458	12,130	237,588	1,210
Assets held for resale	9,948,844	-	9,948,844	-
Restricted assets	-	-	-	1,117,187
Total Current Assets	184,942,705	(122,832)	184,819,873	2,075,284
<i>Non-Current Assets</i>				
Notes receivables	-	-	-	2,421,221
Interest receivable	-	-	-	858,660
Prepaid items (Note 1-E-5)	1,232,652	266,853	1,499,505	-
Capital assets (Note 3-C)				
Nondepreciable	76,191,237	-	76,191,237	345,949
Depreciable, net	236,445,114	26,144,126	262,589,240	386,282
Investments in housing units	-	-	-	4,908
Total Non-Current Assets	313,869,003	26,410,979	340,279,982	4,017,020
Deferred Outflows of Resources (Note 3-D)	486,102	-	486,102	-
Total Assets and Deferred Outflows of Resources	499,297,810	26,288,147	525,585,957	6,092,304
Liabilities				
<i>Current Liabilities</i>				
Vouchers and contracts payable	6,744,127	-	6,744,127	1,083
Accrued expenses payable	1,093,138	-	1,093,138	-
Deposits payable	1,395,747	-	1,395,747	3,800
Accrued interest payable	2,693,629	59,486	2,753,115	-
Unearned revenue	2,129,457	-	2,129,457	-
Compensated absences payable (Note 3-F)	85,183	-	85,183	-
Certificates of participation payable (Note 3-F)	-	570,000	570,000	-
Lease purchase agreement payable (Note 3-F)	145,508	-	145,508	-
General obligation bonds payable (Note 3-F)	1,360,000	-	1,360,000	-
Sales and use tax revenue bonds payable (Note 3-F)	2,885,000	-	2,885,000	-
Total Current Liabilities	18,531,789	629,486	19,161,275	4,883
<i>Long-Term Liabilities: (net of current portion)</i>				
Compensated absences payable (Note 3-F)	21,296	-	21,296	-
Other postemployment benefits payable (Note 3-I)	3,758,111	-	3,758,111	-
Certificates of participation payable (Note 3-F)	-	29,614,278	29,614,278	-
Lease purchase agreement payable (Note 3-F)	1,583,263	-	1,583,263	-
General obligation bonds payable (Note 3-F)	88,277,034	-	88,277,034	-
Sales and use tax revenue bonds payable (Note 3-F)	131,044,037	-	131,044,037	-
Total Long-Term Liabilities	224,683,741	29,614,278	254,298,019	-
Deferred Inflows of Resources (Note 3-D)	7,433,854	-	7,433,854	-
Total Liabilities and Deferred Inflows of Resources	250,649,384	30,243,764	280,893,148	4,883
Net Position				
Net investment in capital assets (Note 3-J)	160,420,075	(4,040,151)	156,379,924	732,231
Restricted for				
Capital projects	75,106	-	75,106	-
Debt service	9,604,099	-	9,604,099	-
Housing purposes	-	-	-	1,117,187
Capital outlay and operations	8,310,665	-	8,310,665	44,013
Urban renewal	1,507,261	-	1,507,261	-
Emergencies (Note 2-D)	5,762,948	-	5,762,948	-
Public safety	48,685	-	48,685	-
Public works	277,760	-	277,760	-
Parks and recreation	236,611	-	236,611	-
Unrestricted	62,405,216	84,534	62,489,750	4,193,990
Total Net Position	\$ 248,648,426	\$ (3,955,617)	\$ 244,692,809	\$ 6,087,421

See accompanying notes to the basic financial statements

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

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services and Sales and Fines	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Component Units
					Governmental Activities	Business-Type Activities		
Primary Government								
General government	18,048,736	\$ 568,035	\$ 101,412	\$ 166,600	\$ (17,212,689)	\$ -	\$ (17,212,689)	\$ -
Human resources	950,390	-	-	-	(950,390)	-	(950,390)	-
Community development	3,467,187	1,742,452	129	-	(1,724,606)	-	(1,724,606)	-
Public safety	14,272,948	1,787,362	98,545	-	(12,387,041)	-	(12,387,041)	-
Public works	25,537,390	1,562,011	140,478	4,126,403	(19,708,498)	-	(19,708,498)	-
Parks and recreation	10,627,413	3,360,074	37,729	439,801	(6,789,808)	-	(6,789,808)	-
Interest	8,262,483	-	-	-	(8,262,483)	-	(8,262,483)	-
Total Governmental Activities	81,166,547	9,019,934	378,293	4,732,804	(67,035,515)	-	(67,035,515)	-
Business-Type Activities:								
Finance Authority	2,518,490	2,006,231	-	-	-	(512,259)	(512,259)	-
Solid Waste Management	-	361,564	-	-	-	361,564	361,564	-
Total Business-Type Activities	2,518,490	2,367,795	-	-	-	(150,695)	(150,695)	-
Total - Primary Government	\$ 83,685,037	\$ 11,387,729	\$ 378,293	\$ 4,732,804	(67,035,515)	(150,695)	(67,186,210)	-
Component Units								
Housing Authority	\$ 202,973	\$ 52,544	\$ 85,571	\$ -	-	-	-	(64,858)
Quality Community Foundation	130,320	-	-	-	-	-	-	(130,320)
Victims Service Program	11,858	-	-	-	-	-	-	(11,858)
Total - Component Units	\$ 345,151	\$ 52,544	\$ 85,571	\$ -	-	-	-	(207,036)
		General Revenues						
		Property taxes levied for general purposes			7,050,620	-	7,050,620	-
		Sales and use taxes			48,928,254	-	48,928,254	-
		Specific ownership taxes			548,138	-	548,138	-
		Street and bridge taxes			498,074	-	498,074	-
		Franchise taxes			2,893,110	-	2,893,110	-
		Highway user taxes			1,545,690	-	1,545,690	-
		Other taxes			573,230	-	573,230	-
		Investment earnings			2,870,410	3,833	2,874,243	224,178
		Miscellaneous			3,193,013	-	3,193,013	158,926
		Gain on disposition of capital assets			2,594,330	-	2,594,330	-
		Transfers			1,345,000	(1,345,000)	-	-
		Total General Revenues and Transfers			72,039,869	(1,341,167)	70,698,702	383,104
		Change in Net Position			5,004,354	(1,491,862)	3,512,492	176,068
		Net Position Beginning of Year			243,644,072	(2,463,755)	241,180,317	5,911,353
		Net Position End of Year			\$ 248,648,426	\$ (3,955,617)	\$ 244,692,809	\$ 6,087,421

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Balance Sheet
Governmental Funds
December 31, 2014

	General	Capital Expenditures	Northern Infrastructure GID	Urban Renewal Authority	Impact Fees	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in pooled cash and investments	\$ 29,616,243	\$ 83,646,820	\$ 11,441,149	\$ 1,680,699	\$ 5,699,718	\$ 10,738,596	\$ 142,823,225
Receivables:							
Accounts	1,811,422	923,796	103,130	84	-	235,309	3,073,741
Property taxes	2,422,984	-	4,541,829	462,234	-	6,807	7,433,854
Sales and use taxes	4,063,888	-	-	-	-	-	4,063,888
Special assessments	-	-	-	-	-	35,798	35,798
Notes	61,819	4,805,695	-	-	-	2,462,728	7,330,242
Interfund	392,997	-	-	-	-	-	392,997
Inventory	43,085	-	-	-	-	-	43,085
Prepaid items	58,964	856	-	-	-	-	59,820
Assets held for resale	-	-	1,921,825	4,682,883	-	3,344,136	9,948,844
Total Assets	\$ 38,471,402	\$ 89,377,167	\$ 18,007,933	\$ 6,825,900	\$ 5,699,718	\$ 16,823,374	\$ 175,205,494
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Vouchers and contracts payable	\$ 1,792,635	\$ 2,138,897	\$ 1,920,086	\$ 150,619	\$ 35,430	\$ 437,665	\$ 6,475,332
Accrued expenditures	1,023,211	-	-	-	-	-	1,023,211
Deposits payable	1,395,747	-	-	-	-	-	1,395,747
Interfund payable	-	-	-	-	-	124,569	124,569
Unearned revenue	339,480	1,789,977	-	-	-	-	2,129,457
Total Liabilities	4,551,073	3,928,874	1,920,086	150,619	35,430	562,234	11,148,316
Deferred Inflows of Resources	2,422,984	-	4,541,829	462,234	-	35,945	7,462,992
Total Liabilities and Deferred Inflows of Resources	6,974,057	3,928,874	6,461,915	612,853	35,430	598,179	18,611,308
Fund Balances							
Nonspendable	163,868	4,806,551	1,921,825	4,682,883	-	5,806,864	17,381,991
Restricted	10,436,052	74,994,487	9,624,193	1,530,164	38,623	1,747,540	98,371,059
Committed	330,436	-	-	-	5,625,665	5,019,161	10,975,262
Assigned	14,877,157	5,647,255	-	-	-	3,707,008	24,231,420
Unassigned	5,689,832	-	-	-	-	(55,378)	5,634,454
Total Fund Balances	31,497,345	85,448,293	11,546,018	6,213,047	5,664,288	16,225,195	156,594,186
Total Liabilities, Deferred Inflow of Resources and Fund Balances	\$ 38,471,402	\$ 89,377,167	\$ 18,007,933	\$ 6,825,900	\$ 5,699,718	\$ 16,823,374	\$ 175,205,494

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
*Reconciliation of the Governmental Funds Balance Sheet to
The Government-wide Statement of Net Position
December 31, 2014*

Total Governmental Fund Balances		\$	156,594,186
Amounts reported for governmental activities in the government-wide statement of net position are different because:			
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds (exclusive of internal service funds capital assets).			
	Cost	\$	539,916,551
	Less accumulated depreciation	<u>(231,051,535)</u>	308,865,016
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds - special assessments.			
			29,738
The internal service funds are used by management to charge the costs of the operation and maintenance of the vehicle fleet, facilities and information technology equipment to individual funds. The assets and liabilities of the internal service funds are included in governmental activities column on the government-wide statement of net position.			
			13,235,881
Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net position.			
	Interfund receivables	\$	(124,569)
	Interfund payables	<u>124,569</u>	-
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position (exclusive of internal service funds compensated absences)			
	Bonds payable and bond premiums	\$	(223,566,071)
	Lease purchase agreement payable	(1,728,771)	
	Compensated absences payable	(104,980)	
	Accrued interest payable	(2,693,629)	
	Other postemployment benefits payable	<u>(3,758,111)</u>	(231,851,562)
Bond insurance is reported as bond issuance costs at the fund level but capitalized on the government wide statement of net position.			
			1,289,065
Bond refundings are reported as other financing sources and uses in the governmental fund financial statements but refunding amounts are reported as deferred outflows of resources on the government-wide statement of net position.			
			<u>486,102</u>
Net Position of Governmental Activities		\$	<u>248,648,426</u>

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2014

	General	Capital Expenditures	Northern Infrastructure GID	Urban Renewal Authority	Impact Fees	Other Governmental Funds	Total Governmental Funds
Revenues							
Property taxes	\$ 2,408,644	\$ -	\$ 4,381,015	\$ 260,785	\$ -	\$ 176	\$ 7,050,620
Sales and use taxes	48,928,254	-	-	-	-	-	48,928,254
Specific ownership taxes	194,262	-	353,876	-	-	-	548,138
Other taxes	5,130,494	379,610	-	-	-	-	5,510,104
Licenses and permits	1,419,125	-	-	-	-	-	1,419,125
Intergovernmental	101,412	1,702,266	-	-	-	715,968	2,519,646
Charges for services	4,964,127	31,724	-	-	860,693	585,722	6,442,266
Sale of water rights	-	-	-	-	-	83,685	83,685
Fines and forfeitures	1,074,858	-	-	-	-	-	1,074,858
Special assessments	-	-	-	-	-	639	639
Contributions	-	-	-	-	-	26,836	26,836
Investment earnings	1,370,950	(162,989)	325,965	67,252	426,732	449,236	2,477,146
Interest and penalties	-	-	-	-	-	131	131
Miscellaneous	745,958	31,311	695,615	435,403	-	1,211,947	3,120,234
Total Revenues	66,338,084	1,981,922	5,756,471	763,440	1,287,425	3,074,340	79,201,682
Expenditures							
<i>Current:</i>							
General government	15,379,360	-	130,173	-	38,973	2,184,066	17,732,572
Human resources	944,112	-	-	-	-	-	944,112
Community development	2,863,395	-	-	633,634	-	129	3,497,158
Public safety	14,133,636	-	-	-	-	83,230	14,216,866
Public works	7,604,752	-	-	-	-	12,502	7,617,254
Parks and recreation	9,116,417	-	-	-	-	37,729	9,154,146
<i>Capital Outlay</i>	-	9,319,522	15,366,809	-	-	-	24,686,331
<i>Debt Service:</i>							
Principal retirement	133,438	-	1,205,000	-	-	1,490,000	2,828,438
Interest and fiscal charges	39,861	-	3,647,448	-	-	3,076,856	6,764,165
Bond issuance costs	-	592,270	-	-	-	-	592,270
Total Expenditures	50,214,971	9,911,792	20,349,430	633,634	38,973	6,884,512	88,033,312
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,123,113	(7,929,870)	(14,592,959)	129,806	1,248,452	(3,810,172)	(8,831,630)
Other Financing Sources (Uses)							
Issuance of general obligation bonds	-	73,445,000	-	-	-	-	73,445,000
Bond premiums	-	5,157,213	-	-	-	-	5,157,213
Proceeds from the sale of capital assets	4,304,656	-	-	-	-	-	4,304,656
Transfers in	200,000	3,051,100	7,685,000	583,000	-	7,087,159	18,606,259
Transfers out	(7,481,099)	(1,240,000)	-	(244,713)	(7,685,000)	(477,100)	(17,127,912)
Total Other Financing Sources (Uses)	(2,976,443)	80,413,313	7,685,000	338,287	(7,685,000)	6,610,059	84,385,216
Net Change in Fund Balances	13,146,670	72,483,443	(6,907,959)	468,093	(6,436,548)	2,799,887	75,553,586
Fund Balances Beginning of Year, restated	18,350,675	12,964,850	18,453,977	5,744,954	12,100,836	13,425,308	81,040,600
Fund Balances End of Year	\$ 31,497,345	\$ 85,448,293	\$ 11,546,018	\$ 6,213,047	\$ 5,664,288	\$ 16,225,195	\$ 156,594,186

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the Government-wide Statement of Activities
For the Year Ended December 31, 2014

Net Changes In Fund Balances - Total Governmental Funds

Amounts reported for governmental activities in the government-wide statement of activities are different because:		\$ 75,553,586
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the government-wide statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capitalized capital outlay in the current period (exclusive of internal service funds depreciation).	Depreciation expense Capital outlay	\$ (18,740,219) <u>23,524,095</u> 4,783,876
Developer contributed infrastructure and other contributions are reported as revenue on the government-wide statement of activities but not reported in the governmental funds.		2,424,137
Special assessment revenues in the government-wide statement of activities do not provide current financial resources are not reported as revenues in the governmental fund operating statement	Balance @ 12/31/13 Balance @ 12/31/14	\$ (29,777) <u>29,738</u> (39)
The book value of capital assets sold or disposed of are reported on the government-wide statement of activities but not reported in the governmental funds		(1,700,677)
The issuance of long-term debt is reported as an other financing source at the fund financial reporting level but reclassified as a liability at the government-wide financial reporting level		(73,445,000)
The premium on the issuance of long-term debt is reported as an other financing source at the fund financial reporting level but reclassified as a liability at the government-wide financial reporting level.		(5,157,213)
Prepaid insurance included in bond issuance costs is reported an expenditure in the governmental funds but capitalized at the government-wide financial reporting level		91,493
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		2,828,438
The internal service funds used by management to charge the costs of the operation and maintenance of the vehicle fleet, the buildings and the computer equipment to individual funds are not reported in the government-wide statement of activities on the government-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated		1,151,558
Other postemployment expenses are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds		(523,157)
Accrued interest is reported in the government-wide statement of activities, but does not require the use of financial resources and therefore are not reported as reported as expenditures in governmental funds	Balance @ 12/31/13 Balance @ 12/31/14	\$ 1,368,005 <u>(2,693,629)</u> (1,325,624)
Compensated absences are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	Balance @ 12/31/13 Balance @ 12/31/14	\$ 99,873 <u>(104,980)</u> (5,107)
Amortization of bond premium and refunding fees are reported in the governmental fund's operating statement because these transactions require the use of current financial resources but are reported on the government-wide statement of net position		383,232
Amortizations of bond insurance premium costs are reported in the governmental fund's operating statement because these transactions require the use of current financial resources but are reported on the government-wide statement of net position. The 12/31/14 balance does not include the \$91,493 addition referenced above.	Balance @ 12/31/13 Balance @ 12/31/14	\$ 1,252,721 <u>(1,307,870)</u> (55,149)
Elimination of transfers between governmental funds	Transfers in Transfers out	\$ (17,127,912) <u>17,127,912</u> -
Transfers between governmental funds to fiduciary funds are classified as expenditures	Expenditures Transfers out	\$ 39,360 <u>(39,360)</u> -
Change In Net Position of Governmental Activities		<u>\$ 5,004,354</u>

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2014

	Business-type Activities Enterprise Funds			Governmental Activities
	Finance Authority	Nonmajor Solid Waste Management	Total	Internal Service Funds
Assets				
<i>Current Assets:</i>				
Cash and cash equivalents (Note 3-A)	\$ -	\$ -	\$ -	\$ 9,446,448
Accounts receivable	-	133,466	133,466	70,378
Inventory (Note 1-E-4)	-	-	-	179,316
Prepaid items (Note 1-E-5)	12,130	-	12,130	109,225
Total Current Assets	12,130	133,466	145,596	9,805,367
<i>Noncurrent Assets:</i>				
Prepaid items (Note 1-E-5)	266,853	-	266,853	-
Capital assets: (Note 3-C)				
Depreciable capital assets, net	26,144,126	-	26,144,126	3,771,336
Total Noncurrent Assets	26,410,979	-	26,410,979	3,771,336
Total Assets	26,423,109	133,466	26,556,575	13,576,703
Liabilities				
<i>Current Liabilities:</i>				
Vouchers and contracts payable	-	-	-	269,396
Accrued expenses payable	-	-	-	69,927
Compensated absences payable	-	-	-	1,499
Accrued interest payable	59,486	-	59,486	-
Interfund payable	3,812	264,616	268,428	-
Certificates of participation payable (Note 3-E)	570,000	-	570,000	-
Total Current Liabilities	633,298	264,616	897,914	340,822
<i>Long-Term Liabilities:</i>				
Certificates of participation payable (Note 3-E)	29,614,278	-	29,614,278	-
Total Liabilities	30,247,576	264,616	30,512,192	340,822
Net Position				
Net investment in capital assets (Note 3-J)	(4,040,151)	-	(4,040,151)	3,771,336
Restricted for emergencies	-	-	-	14,802
Unrestricted	215,684	(131,150)	84,534	9,449,743
Total Net Position	\$ (3,824,467)	\$ (131,150)	\$ (3,955,617)	\$ 13,235,881

See accompanying notes to the basic financial statements

City of Commerce City, 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			Governmental Activities
	Finance Authority	Nonmajor Solid Waste Management	Total	Internal Service Funds
Operating Revenues				
Charges for services	\$ 2,006,231	\$ 361,564	\$ 2,367,795	\$ 6,888,531
Miscellaneous	-	-	-	72,781
Total Operating Revenues	<u>2,006,231</u>	<u>361,564</u>	<u>2,367,795</u>	<u>6,961,312</u>
Operating Expenses				
Salaries	-	-	-	1,680,755
Purchased services and charges	2,200	-	2,200	2,474,316
Materials and supplies	-	-	-	1,059,418
Amortization	3,387	-	3,387	-
Depreciation	1,063,344	-	1,063,344	945,920
Total Operating Expenses	<u>1,068,931</u>	<u>-</u>	<u>1,068,931</u>	<u>6,160,409</u>
Operating Income	<u>937,300</u>	<u>361,564</u>	<u>1,298,864</u>	<u>800,903</u>
Non-Operating Revenues (Expenses)				
Interest expense	(1,449,559)	-	(1,449,559)	-
Investment earnings	-	3,833	3,833	393,133
Loss on the disposition of capital assets	-	-	-	(9,649)
Total Non-Operating Revenues (Expenses)	<u>(1,449,559)</u>	<u>3,833</u>	<u>(1,445,726)</u>	<u>383,484</u>
Income (Loss) Before Contributions and Transfers	<u>(512,259)</u>	<u>365,397</u>	<u>(146,862)</u>	<u>1,184,387</u>
Contributions	-	-	-	139,878
Transfers in	-	-	-	27,293
Transfers out	-	(1,345,000)	(1,345,000)	(200,000)
Change in Net Position	<u>(512,259)</u>	<u>(979,603)</u>	<u>(1,491,862)</u>	<u>1,151,558</u>
Net Position Beginning of Year	<u>(3,312,208)</u>	<u>848,453</u>	<u>(2,463,755)</u>	<u>12,084,323</u>
Net Position End of Year	<u>\$ (3,824,467)</u>	<u>\$ (131,150)</u>	<u>\$ (3,955,617)</u>	<u>\$ 13,235,881</u>

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

	Business-type Activities Enterprise Funds			Governmental Activities
	Finance Authority	Nonmajor Solid Waste Management	Total	Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash received from customers	\$ 2,006,231	\$ 437,999	\$ 2,444,230	\$ -
Cash received from interfund services provided	-	-	-	7,021,351
Cash payments to employees for services	-	-	-	(1,680,084)
Cash payments for goods and services	(2,200)	-	(2,200)	(3,452,658)
Net Cash Provided by (Used In) Operating Activities	<u>2,004,031</u>	<u>437,999</u>	<u>2,442,030</u>	<u>1,888,609</u>
Cash Flows from Noncapital Financing Activities				
Interfund loan	2,199	264,616	266,815	-
Transfers in	-	-	-	27,293
Transfers out	-	(1,345,000)	(1,345,000)	(200,000)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>2,199</u>	<u>(1,080,384)</u>	<u>(1,078,185)</u>	<u>(172,707)</u>
Cash Flows from Capital and Related Financing Activities				
Proceeds from sale of capital assets	-	-	-	47,645
Principal paid on certificates of participation	(555,000)	-	(555,000)	-
Interest paid on notes and certificates of participation	(1,451,230)	-	(1,451,230)	-
Payments for capital acquisitions	-	-	-	(712,430)
Net Cash (Used in) Capital and Related Financing Activities	<u>(2,006,230)</u>	<u>-</u>	<u>(2,006,230)</u>	<u>(664,785)</u>
Cash Flows from Investing Activities				
Investment earnings	-	3,833	3,833	393,133
Net Increase (Decrease) in Cash and Cash Equivalents	<u>-</u>	<u>(638,552)</u>	<u>(638,552)</u>	<u>1,444,250</u>
Cash and Cash Equivalents - Beginning of Year	<u>-</u>	<u>638,552</u>	<u>638,552</u>	<u>8,002,198</u>
Cash and Cash Equivalents - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,446,448</u>

(continued)

City of Commerce City, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

(continued)

	Business-type Activities Enterprise Funds			Governmental Activities
	Finance Authority	Nonmajor Solid Waste Management	Total	Internal Service Funds
Reconciliation of Operating Income to Net Cash Provided by (Used In) Operating Activities				
Operating Income	\$ 937,300	\$ 361,564	\$ 1,298,864	\$ 800,903
Adjustments:				
Depreciation	1,063,344	-	1,063,344	945,920
Amortization	3,387	-	3,387	-
(Increase) Decrease in Assets:				
Accounts receivable	-	76,435	76,435	60,040
Inventory	-	-	-	(29,314)
Prepaid items	-	-	-	(7,544)
Increase (Decrease) in Liabilities:				
Vouchers and contracts payable	-	-	-	113,975
Accrued expenses	-	-	-	3,958
Compensated absences	-	-	-	671
Net Cash Provided by (Used In) Operating Activities	<u>\$ 2,004,031</u>	<u>\$ 437,999</u>	<u>\$ 2,442,030</u>	<u>\$ 1,888,609</u>
Noncash Capital Activities:				
Contributions of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,001</u>

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2014

	Pension Trust	Agency
Assets		
Equity in pooled cash and investments	\$ 623,511	\$ 1,802,648
Loans receivable	491,709	-
Mutual money market funds, at fair value	19,579,951	-
Total Assets	20,695,171	\$ 1,802,648
Liabilities		
Accounts payable	-	\$ 1,802,648
Net Position		
Held in trust for pension benefits	\$ 20,695,171	

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended December 31, 2014

Additions	
Contributions:	
City	\$ 652,548
Employee	652,848
Investment earnings	1,044,427
Transfers in	<u>39,360</u>
Total Additions	<u>2,389,183</u>
Deductions	
Administration	78,379
Benefits	39,360
Withdrawals	<u>1,750,319</u>
Total Deductions	<u>1,868,058</u>
Change in Net Position	521,125
Net Position Beginning of Year	<u>20,174,045</u>
Net Position End of Year	<u>\$ 20,695,171</u>

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Combining Statement of Net Position
Component Units
December 31, 2014

	Housing Authority	Quality Community Foundation	Total
Assets			
Current Assets:			
Cash and cash equivalents	\$ 845,405	\$ 44,013	\$ 889,418
Receivables:			
Accounts	20,470	-	20,470
Loans	19,460	-	19,460
Interest	27,539	-	27,539
Prepaid items	1,210	-	1,210
Restricted cash	1,117,187	-	1,117,187
Total Current Assets	2,031,271	44,013	2,075,284
Noncurrent Assets:			
Investments in housing units	4,908	-	4,908
Receivables:			
Notes, net of \$152,537 allowance	2,421,221	-	2,421,221
Interest	858,660	-	858,660
Capital assets:			
Land	345,949	-	345,949
Depreciable, net	386,282	-	386,282
Total Noncurrent Assets	4,017,020	-	4,017,020
Total Assets	6,048,291	44,013	6,092,304
Liabilities			
Current Liabilities:			
Vouchers and contracts payable	1,083	-	1,083
Security deposits payable	3,800	-	3,800
Total Current Liabilities:	4,883	-	4,883
Net Position			
Net investment in capital assets	732,231	-	732,231
Restricted for housing purposes	1,117,187	-	1,117,187
Restricted for community charitable purposes	-	44,013	44,013
Unrestricted	4,193,990	-	4,193,990
Total Net Position	\$ 6,043,408	\$ 44,013	\$ 6,087,421

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2014

	Housing Authority	Victim Services Program	Quality Community Foundation	Total
Expenses:				
General government	\$ 202,973	\$ 11,858	\$ 130,320	\$ 345,151
Revenues:				
Program:				
Charges for services	52,544	-	-	52,544
Operating grants and contributions	85,571	-	-	85,571
Total Program Revenues	138,115	-	-	138,115
Net Program (Expense)	(64,858)	(11,858)	(130,320)	(207,036)
General Revenues:				
Miscellaneous	32,527	-	126,399	158,926
Investment earnings	224,168	-	10	224,178
Total General Revenues:	256,695	-	126,409	383,104
Change in Net Position	191,837	(11,858)	(3,911)	176,068
Net Position Beginning of Year	5,851,571	11,858	47,924	5,911,353
Net Position End of Year	\$ 6,043,408	\$ -	\$ 44,013	\$ 6,087,421

See accompanying notes to the basic financial statements

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

Index

Summary of Significant Accounting Policies	1
Reporting Entity	1-A
Basis of Presentation	1-B
Measurement Focus	1-C
Basis of Accounting	1-D
Assets, Liabilities and Fund Equity.....	1-E
Cash, Cash Equivalents and Investments	1-E-1
Receivables	1-E-2
Interfund/Internal Balances.....	1-E-3
Consumable Inventories.....	1-E-4
Prepaid Items	1-E-5
Capital Assets	1-E-6
Compensated Absences	1-E-7
Accrued Liabilities and Long-term Obligations	1-E-8
Debt Premiums, Discounts, Issuance Costs and Debt Refunding Gains and Losses	1-E-9
Fund Equity	1-E-10
Operating Revenues and Expenses	1-E-11
Contributions of Capital.....	1-E-12
Interfund Activity	1-E-13
Estimates.....	1-E-14
Comparative Data/Reclassifications	1-E-15
 Stewardship, Compliance and Accountability.....	 2
Budgetary Information.....	2-A
Excess of Expenditures and Other Financing Uses over Appropriations.....	2-B
Fund Deficits	2-C
Emergency Reserves.....	2-D
 Detailed Notes on All Funds	 3
Deposits and Investments	3-A
Receivables	3-B
Capital Assets	3-C
Deferred Outflows/Inflows of Resources	3-D
Interfund Balances and Transfers	3-E
Long-Term Debt	3-F
Operating Leases	3-G
Pensions	3-H
Other Post-Employment Benefits (OPEB).....	3-I
Fund Equity	3-J
 Other Notes.....	 4
Risk Management.....	4-A
Commitments.....	4-B
Contingent Liabilities	4-C
Subsequent Event.....	4-D
Restatments.....	4-E

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

The City of Commerce City, Colorado, (the City) was incorporated in 1960 and operates under a Council/Manager form of government. The City provides the following services as authorized by its charter: public safety (police), highways and streets, parks and recreation, public improvements, planning and zoning, and general administrative services.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

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

1-A. Reporting Entity

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

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

The City's component units are presented either as "blended" or "discretely presented." If blended, it is reported as if it were a fund of the City throughout the year. It is included at both the government-wide and fund financial reporting levels.

Discretely presented component units are reported only at the government-wide financial reporting level. The component unit columns included on the government-wide financial statements identify the financial data of the City's discretely presented component units. They are reported separately to emphasize that they are legally separate from the City.

A brief description of the blended component units follows:

Commerce City Northern Infrastructure General Improvement District (NIGID) - Members of the City Council serve as the Board of Directors of the NIGID. The objective of the NIGID is the development of roadway, water and wastewater improvements in the District that will promote the health, prosperity, security, and general welfare of the citizens of the City and the District. Financial information can be obtained at the City's offices. The NIGID is reported as a capital projects fund. The NIGID does not issue separate financial statements.

Commerce City E-470 Commercial Area General Improvement District (ECAGID) - Was established on April 1, 2013. Members of the City Council serve as the Board of Directors of the ECAGID. The objective of the ECAGID is the development of roadway, water and wastewater improvements in the District that will promote the health, prosperity, security, and general welfare of the inhabitants of the City and the District. Financial information can be obtained at the City's offices. The ECAGID is reported as a capital projects fund. The ECAGID does not issue separate financial statements.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Commerce City E-470 Residential Area General Improvement District (ERAGID) – Was established on July 15, 2013. Members of the City Council serve as the Board of Directors of the ERAGID. The ERAGID has for its purpose the construction, installation, maintenance and operation, for the benefit of its municipal residents, of water and sewer improvements, roadway and related improvements, and recreation improvements. Financial information can be obtained at the City's offices. The ERAGID is reported as a capital projects fund. The ERAGID does not issue separate financial statements.

Urban Renewal Authority (URA) - Members of the City Council serve as the governing body of this Authority. The objective of the Authority is the acquisition, clearance, rehabilitation, conservation, development, or redevelopment of slum and blighted areas within the City. Financial information for the Authority can be obtained at the City's offices. The Authority is reported as a special revenue fund. The Authority does not issue separate financial statements.

Commerce City Finance Authority (Finance Authority) – The Finance Authority was created as a not-for-profit organization during 2006 to facilitate the construction of public improvements benefiting the City. The Finance Authority has a four-member board of directors with staggered terms. The remaining board of directors will appoint any vacancies on the board. Financial information for the Finance Authority can be obtained at the City's offices.

The Finance Authority is reported as an enterprise fund. The Finance Authority does not issue separate financial statements.

The following component units are discretely presented in the reporting entity:

Victims Services Program, Inc. – The City created a 501(c) 3 organization during 2000 by transferring monies from the already existing Police Donation Fund. The organization is a component unit because the organization is a financial burden to the City and the nature of the relationship between the City and the organization is such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The objectives of the program are to provide direct assistance to victims as determined by the City's police department. The Victims Services Program, Inc. does not issue separate annual financial statements. This component unit operates as a single fund entity. Since 2012, the 501(c)3 status was under review by the internal revenue service. In December 2014, this fund was closed and the net position was transferred to the police donations fund and they will be used to support victims of crime.

Quality Community Foundation (QCF) – The Foundation was created as a 501(c) 3 organization during 2006 to provide charitable services to the community. The Foundation has a board of directors of not less than five directors or more than eleven directors. The board of directors consists of the City's finance director and such other members appointed by the City council. There is a financial burden on the City as the City provides the majority of the Foundation's revenues. Financial information for the Foundation can be obtained at the City's offices. The Foundation does not issue separate financial statements.

Commerce City Housing Authority - The City Council appoints a voting majority of the Board of Directors of the Commerce City Housing Authority. However, a voting majority of City Council members do not serve on the Authority's Board. The City Council can impose its will on the Authority. The services provided by the Authority exclusively benefit the City's citizens. Financial information for the Authority can be obtained at the City's offices. The Commerce City Housing Authority issues separate annual financial statements.

1-B. Basis of Presentation

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and the discretely presented component units are presented separately within these financial statements with the focus on the primary government. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The operating activity of the internal service funds is eliminated to avoid duplicating revenues and expenses.

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

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

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

For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted*.

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

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

Major individual governmental and enterprise funds are reported in separate columns with composite columns for nonmajor funds. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Capital Expenditures Fund - This fund is used to account for the design, construction and resurfacing of various individual construction projects of the City.

Northern Infrastructure GID Fund - This fund is used to account for the construction of infrastructure improvements within the district.

Urban Renewal Authority Fund - This fund is used to account for the expenditures related to acquisition, clearance, rehabilitation, conservation, development, redevelopment in the interest of public health, safety, morals or welfare for residents of the City.

Impact Fees Fund - This fund is used to account for impact fees collected from the transportation impact fee used for improvements to major arterial roadways, drainage impact fees from the various drainage basins used for storm drainage improvements within the drainage basin where the fees were collected, parks impact fee used for parks, trails and open space improvements and voluntary landscape impact fee used for future landscape installation along arterial roadways.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The following is the City's major proprietary fund.

Finance Authority Fund - This major fund is used to account for the proceeds from the 2006 issued certificates of participation, which were used primarily to construct a new civic center and related facilities.

Internal Service Funds - These internal service funds account for the operation and administration activity of the fleet management, information technology and facilities services programs of the City.

Fiduciary Funds - Fiduciary fund reporting focuses on net position. The City's fiduciary funds are three pension trust funds and an agency fund. The pension trust funds provide pensions to City police employees, a closed plan for certain general employees and City elected officials. The agency fund collects school facility fees for two school districts and forwards these fees to the school districts. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

1-C. Measurement Focus

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

1-D. Basis of Accounting

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

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

Revenues - Non-exchange Transactions - Non-exchange transactions in which the City receives value without directly giving equal value in return, include sales tax, property taxes, grants, and donations. On an accrual basis, revenue from sales tax is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the calendar year for which the taxes are levied, (Note 3-B). Revenue from grants and donations is recognized in the calendar year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected by December 31, 2014 for property taxes and within 60 days for other non-exchange transactions) before it can be recognized.

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

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

On both the government-fund financial statements and the government-wide financial statements, revenues are considered unearned for:

- Grants and entitlements received before the eligibility requirements are met (e.g., cash advances)
- Sales taxes have been received from disputed sales tax assessments
- Noise abatement cash advance from the Denver International Airport

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity

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

Cash and Cash Equivalents - Cash and cash equivalents include amounts in demand and time deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. Cash and cash equivalents are reported on balance sheets, statements of net position and in cash flow statements.

Cash balances of most City funds are pooled and invested. Interest earned from investments purchased with pooled cash is allocated to each fund based on the fund's average equity balance in the pooled fund, except interest earned on Capital Project Funds financed by transfers, which is credited to the General Fund.

Investments - The City is authorized by the City charter and Colorado statutes to invest in:

- Bonds and other interest-bearing obligations of the United States government;
- Bonds and other interest-bearing obligations which are guaranteed by the United States government;
- Bonds which are a direct obligation of the State of Colorado, or of any city, county, or school district therein;
- Demand accounts, interest bearing savings accounts or certificates of deposit in eligible public depositories;
- Investment instruments defined in Colorado law as eligible for the investment of police and pension funds;
- Notes or bonds issued pursuant to the "National Housing Act";
- Repurchase agreements;
- And local government investment pools.

The City charter also authorizes the City to invest in real estate for the purpose of enhancing development of the City in accordance with the City's Master Plan.

The Urban Renewal Authority, the Commerce City Northern Infrastructure General Improvement District, and the Commerce City Housing Authority are authorized by their respective governing Boards to invest in obligations as prescribed by Colorado statutes and their respective bylaws. The Victims Services Program, Inc.'s cash is invested at the discretion of the Program's Board.

Assets of the City's pension plans are invested in accordance with Colorado statutes. These statutes authorize the City to invest these assets in:

- Bonds and other interest-bearing obligations of the United States government;
- Bonds, and other interest-bearing obligations which are guaranteed by the United States government;
- State and municipal bonds;
- Corporate notes, bonds, or debentures (convertible or otherwise);
- Railroad equipment trust certificates;
- Real property;
- Loans secured by first mortgages or deeds of trust on real property;
- Guarantee agreements with life insurance companies;
- Real estate limited partnerships;
- And common or preferred corporate stocks.

Investments of the City are stated at fair value based upon quoted market prices. The value of investments held in external investment pools is the same as the value of pool shares. These investment pools are created by State Statute and operate similarly to a money market fund and each share is equal in value to \$1. The designated custodial bank provides safekeeping and depository services to these investment pools in connection with the direct investment and withdrawal functions of these investment pools. All securities owned by these investment pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by these investment pools. Investments of these investment pools consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Government Securities.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-2. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3. Interfund Balances

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

1-E-4. Consumable Inventories

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

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

1-E-5. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved, as this amount is not available for general appropriation. Prepaid insurance relating to bond issuance costs are described in Note 1-E-9.

1-E-6. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of roads, bridges, storm sewers, traffic islands, street lights, traffic signals and street signs. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized, less the amount of interest earned during the same qualifying period.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	30 - 35 years	20 - 30 years
Vehicles and equipment	5 years	2- 10 years
Intangibles	10 years	---
Infrastructure	3 - 25 years	---

1-E-7. Compensated Absences

After six months of employment, employees earn general leave benefits based upon time employed. General leave benefits accrue as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer would compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits do not vest. Certain employees working over 40 hours per week accrue compensatory time at the rate of 1 1/2 times hours. Compensatory time may be used throughout the year or paid at a scheduled time during the year.

All compensated absence liabilities (compensatory time) include salary related payments, where applicable. At the end of the year, all compensatory time not taken is recorded as a liability at the current salary rates and applicable social security and Medicare costs.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated absences liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

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

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

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

1-E-9. Debt Premiums, Discounts, Issuance Costs and Debt Refunding Gains and Losses

On the government-wide statement of net position and the proprietary fund type statement of net position, debt premiums and discounts are netted against the debt payable for reporting purposes. On the government-wide and proprietary fund type statement of activities, debt premiums and discounts, are deferred and amortized over the life of the debt using the effective interest method.

Debt refunding gains and losses are reported as deferred inflows or outflows of resources on the statements of net position. These gains and losses are deferred and amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (the old debt).

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred with the exception of prepaid bond insurance costs which are deferred and amortized over the life of the debt as amortization expense.

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

1-E-10. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.” (Note 3-J)

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

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the approval of an ordinance. Only, the City Council also may modify or rescind the commitment.
- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City finance director or designee to assign fund balances.
- ***Unassigned*** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Net Position Flow Assumptions – In order to report net position as a restricted – net position and an unrestricted – net position in the government-wide and proprietary fund financial statements, the City has established a flow assumption policy. It is the City’s policy to use restricted – net position first before using unrestricted – net position.

Fund Balance Flow Assumptions – It is the City’s policy to consider restricted fund balance to have been used before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, it is the City’s policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Position – The net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. The net position component, “net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has not spent) for the acquisition, construction or improvement of those assets. The net position is reported as

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

Note 1 - Summary of Significant Accounting Policies (Continued)

restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The balance of the net position is reported as unrestricted.

1-E-11. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for the use of the golf course and solid waste program, and the internal use of vehicles, computers and facilities. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. All other revenues and expenses are classified as non-operating including investment earnings, interest expense and the gain or loss on the disposition of capital assets.

1-E-12. Contributions of Capital

Contributions of capital reported in proprietary fund financial statements and the government-wide financial statements arise from outside contributions of capital assets (e.g. developers), and grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-13. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. On the government-wide statement of activities, the exchange transactions between the internal service funds and the user funds are eliminated. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

1-E-14. Estimates

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

1-E-15. Comparative Data/Reclassifications

Comparative data for the prior year have been presented throughout the financial statements in order to provide an understanding of the changes in the financial position and results of operations. 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

2-A. Budgetary Information

The City adopts annual appropriated operating budget for the General Fund, certain Special Revenue Funds (all special revenue funds except Police Forfeiture Fund - State, Police Forfeiture Fund - Federal, Special Improvements Fund and CCBSD Use Tax Fund), the Debt Service Fund, all capital projects funds except the Future Growth Fund, and all proprietary funds and certain pension trust funds.

The budgets are adopted on a basis consistent with GAAP for all governmental fund types and fiduciary fund types. Proprietary fund type budgets are adopted on the modified accrual basis of accounting (i.e., a non-GAAP budgetary basis).

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

Note 2 – Stewardship, Compliance and Accountability (Continued)

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the individual fund level. Budgetary control is exercised at the department level.

The City Manager is authorized to transfer budgeted amounts between departments within the same fund. Any revisions, which alter total expenditures of any fund, must be approved by the City Council. During the year, the City Council approved supplemental appropriations. All annual appropriations lapse at calendar year end.

The Commerce City Northern Infrastructure General Improvement budget is prepared by the District's Board. Budgetary matters with respect to the basis of accounting, legal level of budgetary control, and lapsing of appropriations are the same for the fund types of the District as similar fund types for the City. The Housing Authority is not legally required to adopt an annual budget.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General and Special Revenue Funds. Encumbered appropriations at year-end lapse and generally are re-appropriated in the following year.

2-B. Excess of Expenditures and Other Financing Uses over Appropriations

General Fund – transfers out	\$2,638,985
Debt Service Fund	503,669
Northern Infrastructure GID Fund	15,370,882
E-470 Commercial Area GID Fund	1,188,663
Information Technical Fund	928,468

2-C Fund Deficits

The Finance Authority Fund reported a net position deficit of \$3,284,467. As the certificates of participation are retired, this deficit will be eliminated. The E-470 Residential GID Fund reported a deficit fund balance of \$52,308. Subsequent years property taxes will eliminate this deficit. The Solid Waste Management Fund reported a deficit of net position of \$131,150. This deficit will be eliminated from 2015 operating revenues.

2-D. Emergency Reserves

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

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

Article X, Section 20 of the Colorado Constitution requires a reserve of 3% of its fiscal spending for emergencies. The use of this reserve is restricted to the purpose for which it was established and can be used solely for declared emergencies. In accordance with Article X, Section 20 of the Colorado Constitution, the City has reserved 3% of total revenues and transfers in less a variety of exemptions including most transfers in, as an emergency reserve in the general fund, northern infrastructure GID fund, capital expenditures fund, impact fees fund, future growth fund, water rights fund, special improvements fund, certain police department funds, chemical roundup fund, CC/BSD use tax fund, the drainage-district funds, impact fees fund and certain internal service funds.

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

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits - Colorado State statutes govern the City's deposit of cash. The Public Deposit Protection Act for banks and savings and loans requires the state regulators to certify eligible depositories for public deposits. The Act requires eligible depositories with public deposits in excess of the federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the state of Colorado or local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the assets in the pool must be at least equal to 102% of the uninsured deposits.

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

At December 31, 2014, the carrying amount of the City's deposits (including its component units) was \$1,115,569 and the bank balance was \$1,746,958. The bank balance was covered by federal depository insurance (\$329,412) and PDPA (\$1,417,546).

Investments

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City's investment policy limits maturities to ten years or less, with the average maturity of the cash and investment portfolio to not exceed five years.

At December 31, 2014, the City had the following investments and maturities:

Investment Type	Maturity Period				
	Fair Value	Three Months or Less	4 - 12 Months	1 - 5 Years	6 - 10 Years
Farm Credit Notes	\$ 8,933,648	\$ -	\$ -	\$ 7,937,560	\$ 996,088
Freddie Mac Notes	15,440,122	-	-	12,809,987	2,630,135
Fannie Mae Notes	18,751,231	-	-	18,751,231	-
Federal Home Loan Banks BND	27,451,493	-	-	11,832,727	15,618,766
U.S.. Treasury Bonds	60,500,023	7,406,504	47,082,631	6,010,888	-
Total	131,076,517	\$ 7,406,504	\$ 47,082,631	\$ 57,342,393	\$ 19,244,989
Annuity	36,378				
Colo Trust-Money Market	2,547,307				
Colo Trust-GID 104th Ave - 2008	3,228,591				
Wells-Money Market Funds	18,694,175				
Total	\$ 155,582,968				

Credit Quality Risk – Credit quality risk is that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy addresses credit quality risk and authorizes the City to invest as follows:

- Commercial Paper that, at the time of purchase, is rated in its highest rating category by one or more nationally recognized organizations which regularly rate such obligations.
- Any interest in any local government investment pool organized pursuant to part 7 of article 75 of title 24, Colorado Revised Statutes, as amended.

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

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2014, Colotrust, a local government investment pool that the City invests in, was rated AAAM by Standard & Poor's. The various federal investments are rated Aaa/AAA and Aaa/AA. The corporate bonds are rated AAA, A+ and AA- by Standard & Poor's and rated Aa1, Aa2 and Aa3 by Moody's.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the City's investments may not be recovered. The City's investment policy addresses custodial credit risk as follows:

- Any security issued by, guaranteed by, or for which the credit of any of the following is pledged for payment: The United States, a Federal Farm Credit bank, the Federal Land Bank, a Federal Home Loan bank, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Export-Import Bank, or the Government National Mortgage Association;
- Any security issued by, guaranteed by, or for which the credit of the following is pledged for payment: An entity or organization which is not listed in paragraph (1) above, but which is created by, or the creation of which is authorized by, legislation enacted by the United States Congress and which is subject to control by the federal government which is at least as extensive as that which governs an entity or organization listed in paragraph (1) above. No security may be purchased pursuant to this paragraph (2) unless, at the time of purchase, the security is rated in its highest rating category by one or more nationally recognized organizations, which regularly rate such obligations.
- Any Banker's Acceptance that is issued by a state or national bank which has a combined capital and surplus of at least two hundred fifty million dollars. No security may be purchased pursuant to this paragraph (3) unless (a) the deposits of such bank are insured by the federal deposit insurance corporation, and (b) at the time of purchase, the long-term debt of such bank or the holding company of such bank is rated in one of its three highest rating categories by one or more nationally recognized organizations which regularly rate such obligations.
- Repurchase Agreements fully collateralized by obligations referred to in paragraphs (1) or (2) above if all of the following are met: a) the securities subject to the repurchase agreement must be marketable; b) the title to or a perfected security interest in such securities, along with any necessary transfer documents, must be transferred to the City or to a custodian acting on behalf of the City; c) such securities must actually be delivered to a third-party custodian or trustee for safekeeping on behalf of the City; and d) the collateral securities of the repurchase agreement must be collateralized at no less than one hundred two percent (102%) and marked to market no less frequently than weekly.

All of the City's investments either are insured or registered or for which the securities are held by the City or its agent in the City's name or uninsured and unregistered investments for which the securities are held by the counter party's trust department or agent in the City's name.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City does not have a formally adopted investment policy for managing concentration of credit risk. The only investments in excess of 5% of the City's investment portfolio are federal securities and money market funds.

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

Note 3 - Detailed Notes on All Funds (Continued)

Cash and investment reconciliation:

Fund Reporting Level:	Pooled Cash and Investments	Investments	Total
Governmental Fund Type - Balance Sheet	\$ 142,823,225	\$ -	\$ 142,823,225
Proprietary Fund Type Statement of Net Position:			
Internal Service Funds	9,446,448	-	9,446,448
Statement of Fiduciary Net Position	2,426,159	19,579,951	22,006,110
Component Units	889,418	-	889,418
Component Units - Restricted Cash	1,117,187	-	1,117,187
Total	\$ 156,702,437	\$ 19,579,951	\$ 176,282,388
Cash	\$ 1,115,569	\$ -	\$ 1,115,569
Petty cash	3,900	-	3,900
Investments	-	175,162,919	175,162,919
Total	\$ 1,119,469	\$ 175,162,919	\$ 176,282,388

3-B. Receivables

Property Taxes - The following is the City's property tax calendar for 2013 property taxes received in 2014:

Levy date	December 16, 2013
Due dates	February 28, 2014 June 17, 2014
Collection dates	February 2014 June 2014
Lien date	August 1, 2014

Long-term Receivables - In April 2013, the City Council approved a loan to the Buffalo Highlands Metro District for construction of 96th Avenue and the 96th Avenue bridge. The construction will be completed in accordance with our engineering construction standards and specifications. The City shall loan to the District an amount currently estimated at \$6,180,000. At December 31, 2014 the amount loaned to the District is \$4,805,695. Annual principal payments are due December 1st (Starting in 2015) maturing June 1st, 2038 and semi-annual payments for interest are due on June 1st and December 1st. The annual interest rate is 6% and the actual loan will vary depending upon the cost of project design work and construction bids.

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

Note 3 - Detailed Notes on All Funds (Continued)

DIATC

In April 2013, the ECAGID board approved a loan to the DIATC for project costs properly attributable to the public improvements for DIA Tech Center Filing No. 1 and 2. The improvements consist of street improvements and water and sewer improvements. The street improvements generally consist of safety improvements for Tower Road including but not limited to acceleration and deceleration lanes on Tower Road; and various public street improvements internal to the property, including, but not limited to, street, curb, gutter, sidewalk, storm sewer system, and street lighting. The water and sewer improvements consist of water and sewer mains necessary for the development of the property. The district shall loan an amount not to exceed \$2,500,000. Payments are due June 1 and December 1 of each year commencing December 2014, maturing on April 2, 2038. The annual interest rate is 6%.

(This page continued on the subsequent page)

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

Note 3 - Detailed Notes on All Funds (Continued)

3-C. Capital Assets - Capital asset activity for the year ended December 31, 2014 for governmental activities including the internal service funds) was as follows:

Asset Class	Balance 1/1/2014	2014 Additions	2014 Deletions	Balance 12/31/2014
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 42,524,941	\$ 1,563,140	\$ 1,388,403	\$ 42,699,678
Golf course	4,224,818	-	-	4,224,818
Water rights	6,267,166	1,489,275	-	7,756,441
Construction in progress	793,176	5,859,768	509,453	6,143,491
Construction in progress-GID	17,291,363	15,366,809	17,291,363	15,366,809
Total capital assets not being depreciated	71,101,464	24,278,992	19,189,219	76,191,237
Other capital assets:				
Storm sewers	40,061,481	80,174	-	40,141,655
Bridges	12,413,405	-	-	12,413,405
Parks (excluding land)	23,025,706	51,512	-	23,077,218
Roads	240,482,751	1,106,158	-	241,588,909
Trails	8,210,033	771,591	-	8,981,624
Islands	149,500	-	-	149,500
Street lights	12,334,368	114,000	-	12,448,368
Traffic signals	2,927,684	-	-	2,927,684
Signage	2,194,085	-	-	2,194,085
GID - Water and Sewer Mains	9,148,117	-	-	9,148,117
GID - Buildings	1,862,965	-	-	1,862,965
GID - Roads	67,915,654	17,291,363	-	85,207,017
Buildings	20,955,810	-	524,542	20,431,268
Machinery & equipment	13,120,468	862,286	254,774	13,727,980
Intangibles	1,353,015	45,275	17,415	1,380,875
Total depreciable capital assets	456,155,042	20,322,359	796,731	475,680,670
Total capital assets	527,256,506	44,601,351	19,985,950	551,871,907
Accumulated depreciation:				
Storm sewers	22,476,962	1,687,619	-	24,164,581
Bridges	6,893,146	446,108	-	7,339,254
Parks (excluding land)	8,835,002	1,070,510	-	9,905,512
Roads	128,545,858	9,612,940	-	138,158,798
Trails	3,890,360	514,994	-	4,405,354
Islands	147,882	-	-	147,882
Street lights	9,156,356	418,356	-	9,574,712
Traffic signals	2,620,140	92,070	-	2,712,210
Signage	1,680,904	58,968	-	1,739,872
GID - Storm Sewers	2,510,243	179,303	-	2,689,546
GID - Buildings	1,840,190	-	-	1,840,190
GID - Roads	11,765,956	3,586,846	-	15,352,802
Buildings	10,160,981	895,920	218,783	10,838,118
Machinery & equipment	8,736,899	984,196	197,480	9,523,615
Intangible	715,707	138,305	10,902	843,110
Total accumulated depreciation	219,976,586	19,686,135	427,165	239,235,556
Governmental activities capital assets, net	\$ 307,279,920	\$ 24,915,216	\$ 19,558,785	\$ 312,636,351

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

Note 3 - Detailed Notes on All Funds (Continued)

Governmental activities depreciation expense

General government	\$ 2,018,421
Public works	16,082,210
Parks and recreation	<u>1,585,504</u>
Total governmental activities depreciation expense	<u>\$ 19,686,135</u>

The following are the changes in the capital assets for the Finance Authority Enterprise Fund:

	Balance 1/1/2014	Additions	Deductions	Balance 12/31/2014
Depreciable capital assets:				
Buildings	\$ 33,744,248	\$ -	\$ -	\$ 33,744,248
Accumulated depreciation				
Buildings	6,536,778	1,063,344	-	7,600,122
Net	<u>\$ 27,207,470</u>	<u>\$ (1,063,344)</u>	<u>\$ -</u>	<u>\$ 26,144,126</u>

The following are the changes in the capital assets for the City's Housing Authority, a component unit:

	Balance 1/1/2014	Additions	Deductions	Balance 12/31/2014
Capital assets:				
Nondepreciable - land	\$ 345,949	\$ -	\$ -	\$ 345,949
Depreciable - buildings	416,204	-	-	416,204
Total capital assets	762,153	-	-	762,153
Less accumulated depreciation-buildings	19,250	10,672	-	29,922
Net	<u>\$ 742,903</u>	<u>\$ (10,672)</u>	<u>\$ -</u>	<u>\$ 732,231</u>

3-D. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports 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 reports the deferred charge (\$486,102) on refunding reported in the government-wide statement of net position. The deferred charge on refunding resulted 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 financial position reports 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 a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City reports two of these items. One item, *deferred inflow(s)*, is reported only in the governmental funds balance sheet. The governmental funds report deferred inflow(s) from special assessments (\$29,138). These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The second item, property taxes, are reported as deferred inflows of resources since they are recognized as receivables before the period for which the taxes are levied. These amounts also are reported on the government-wide statement of net position.

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

Note 3 - Detailed Notes on All Funds (Continued)

These amounts are reported as follows:

<u>Governmental Fund Balance Sheet</u>		<u>G-W Statment of Position</u>	
<u>Fund</u>	<u>Amount</u>	<u>Fund</u>	<u>Amount</u>
General	\$ 2,422,984	General	\$ 2,422,984
Northern Infrastructure GID	4,541,829	Northern Infrastructure GID	4,541,829
E-470 Commercial GID	6,807	E-470 Commercial GID	6,807
Urban Renewal	462,234	Urban Renewal	462,234
Special Improvements	<u>29,138</u>		
Total	<u>\$ 7,462,992</u>	Total	<u>\$ 7,433,854</u>

3-E. Interfund Balances and Transfers

Interfund balances at December 31, 2014 of \$392,997 relates to the reclassification of a cash overdraft in the City's cash and investment pool.

<u>Payable to:</u>	<u>Payable from:</u>			<u>Total</u>
	<u>Nonmajor Governmental Funds</u>	<u>Finance Authority Fund</u>	<u>Non-major Solid Waste Management Fund</u>	
General Fund	<u>\$ 124,569</u>	<u>\$ 3,812</u>	<u>\$ 264,616</u>	<u>\$ 392,997</u>

(This page continued on the subsequent page)

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

Note 3 - Detailed Notes on All Funds (Continued)

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

Transfers to:	Transfers from:							Total
	General Fund	Urban Renewal Authority	Capital Expend.	Impact Fees Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Fund	Internal Service Funds	
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Capital Expenditures Fund	1,229,000	-	-	-	477,100	1,345,000	-	3,051,100
Urban Renewal Fund	583,000	-	-	-	-	-	-	583,000
Nonmajor Governmental Funds	5,602,446	244,713	1,240,000	-	-	-	-	7,087,159
GID Fund	-	-	-	7,685,000	-	-	-	7,685,000
Internal Service Funds	27,293	-	-	-	-	-	-	27,293
Fiduciary Funds	39,360	-	-	-	-	-	-	39,360
Total	\$ 7,481,099	\$ 244,713	\$ 1,240,000	\$ 7,685,000	\$ 477,100	\$ 1,345,000	\$ 200,000	\$ 18,672,912

(This page continued on the subsequent page)

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

Note 3 - Detailed Notes on All Funds (Continued)

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

All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer. The transfers between the general fund and the fiduciary funds are both reclassified as expenses on the government-wide statement of activities.

The \$1,240,000 transfer from the capital expenditure fund to the E-470 commercial area GID fund relates to a contribution for a permanent water connection. The transfer from the general fund to the elected officials' retirement fund (\$36,960) is reclassified as a third party transaction on the government-wide statement of activities.

Urban Renewal Authority Obligation/Transfer – On August 1, 2011, the General Fund loaned the Urban Renewal Authority Fund \$4,000,000 to purchase and close a dog track to eliminate blight and provide for the redevelopment of the property. Then on July 2, 2012, the General Fund loaned the Urban Renewal Fund an additional \$2,500,000 to enable the Authority to effect environmental abatement and demolition of structures.

On March 3, 2014, the General Fund agreed to increase the amount of the demolition loan by \$250,000 to cover the costs of remediation and to provide the Urban Renewal Authority a small amount for operating funds. In 2014, management has determined that the interfund loan between the General Fund and the Urban Renewal Authority Fund should have been reported as an interfund transfer during 2012 when it was determined that the interfund loans would not be repaid in a reasonable amount of time. See note 4-E for details.

3-F. Long-Term Debt

Primary Government Bonds - The following is a summary of the outstanding long-term bond issues at December 31, 2014:

2005 Sales and Use Tax Revenue Bonds - On February 20, 2005, the City issued serial revenue bonds in the amount of \$17,500,000 for the design, early construction and right-of-way acquisition for the Prairie Gateway project. The interest rate ranges are 4% – 5%. Annual principal payments are due August 1, maturing August 1, 2034 and semi-annual payments for interest are due on February 1 and August 1.

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

Year	2005 Sales Tax Revenue Bonds		
	Principal	Interest	Total
2015	\$ 460,000	\$ 661,493	\$ 1,121,493
2016	485,000	640,793	1,125,793
2017	505,000	616,543	1,121,543
2018	530,000	591,293	1,121,293
2019	550,000	564,793	1,114,793
2020-2024	3,155,000	2,404,333	5,559,333
2025-2029	3,955,000	1,669,275	5,624,275
2030-2034	4,890,000	721,200	5,611,200
Total	\$ 14,530,000	\$ 7,869,720	\$ 22,399,720

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

Note 3 - Detailed Notes on All Funds (Continued)

2006 Sales and Use Tax Revenue Bonds - On March 28, 2006, the City issued serial revenue bonds in the amount of \$46,500,000 to finance certain public infrastructure improvements related to the Prairie Gateway project. The interest rate ranges are 4% – 5%. Annual principal and interest payments are due August 1, with the principal maturing August 1, 2036.

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

Year	2006 Sales Tax Revenue Bonds		
	Principal	Interest	Total
2015	\$ 1,100,000	\$ 1,856,419	\$ 2,956,419
2016	1,145,000	1,801,419	2,946,419
2017	1,200,000	1,744,169	2,944,169
2018	1,255,000	1,696,169	2,951,169
2019	1,310,000	1,645,969	2,955,969
2020-2024	7,485,000	7,251,844	14,736,844
2025-2029	9,340,000	5,271,031	14,611,031
2030-2034	11,695,000	2,914,100	14,609,100
2035-2036	5,465,000	371,700	5,836,700
	<u>\$ 39,995,000</u>	<u>\$ 24,552,819</u>	<u>\$ 64,547,819</u>

2002 City of Commerce City Northern Infrastructure General Improvement District General Obligation Refunding Bonds – On February 1, 2013, the City of Commerce City Northern Infrastructure General Improvement District issued general obligation refunding bonds, Series 2002, in the amount of \$10,120,000 to advance refund \$10,190,000 of outstanding 2002 Series bonds. The interest rate ranges are 1.75% – 5%. Annual principal and interest payments are due August 1, with the principal maturing August 1, 2031.

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

Year	2002 General Obligation Refunding Bonds		
	Principal	Interest	Total
2015	\$ 395,000	\$ 335,556	\$ 730,556
2016	415,000	319,756	734,756
2017	435,000	303,156	738,156
2018	455,000	285,756	740,756
2019	475,000	267,556	742,556
2020-2024	2,670,000	1,031,881	3,701,881
2025-2029	3,165,000	539,406	3,704,406
2030-2031	1,410,000	69,063	1,479,063
	<u>\$ 9,420,000</u>	<u>\$ 3,152,131</u>	<u>\$ 12,572,131</u>

2013 City of Commerce City Northern Infrastructure General Improvement District General Obligation Remarketed Bonds – On February 1, 2013, the City of Commerce City Northern Infrastructure General Improvement District issued general obligation remarketed bonds, Series 2013, in the amount of \$76,280,000 to advance refund \$79,800,000 of outstanding 2006 and 2008 Series bonds. Also included in the proceeds was new debt of \$1,018,445 for capital outlay purposes. The interest rate ranges are 1.75% – 5%. Annual principal and interest payments are due August 1, with the principal maturing August 1, 2038.

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

Note 3 - Detailed Notes on All Funds (Continued)

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

Year	2013 General Obligation Remarketed Bonds		
	Principal	Interest	Total
2015	\$ 965,000	\$ 3,271,991	\$ 4,236,991
2016	1,100,000	3,245,041	4,345,041
2017	1,255,000	3,201,041	4,456,041
2018	1,435,000	3,138,291	4,573,291
2018	1,620,000	3,072,416	4,692,416
2020-2024	11,070,000	13,936,331	25,006,331
2025-2029	14,595,000	10,801,581	25,396,581
2030-2034	20,890,000	6,728,806	27,618,806
2035-2038	21,180,000	2,097,798	23,277,798
	\$ 74,110,000	\$ 49,493,298	\$ 123,603,298

2014 Sales and Use Tax Revenue Bonds - On June 5, 2014 the City issued serial revenue bonds in the amount of \$73,445,000 to finance construction, installation, operation and maintenance of parks, recreation and roadway improvements. The interest rate ranges are 1.75% – 5%. Annual principal and interest payments are due August 1, with the principal maturing August 1, 2044.

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

Year	2014 Sales and Use Tax Revenue Bonds		
	Principal	Interest	Total
2015	\$ 1,325,000	\$ 3,210,075	\$ 4,535,075
2016	1,350,000	3,183,575	4,533,575
2017	1,405,000	3,129,575	4,534,575
2018	1,430,000	3,104,988	4,534,988
2019	1,460,000	3,076,388	4,536,388
2020-2024	8,150,000	14,521,588	22,671,588
2025-2029	10,100,000	12,577,438	22,677,438
2030-2034	12,740,000	9,938,038	22,678,038
2035-2039	15,825,000	6,854,750	22,679,750
2040-2044	19,660,000	3,015,400	22,675,400
	\$ 73,445,000	\$ 62,611,813	\$ 136,056,813

2013 Lease Purchase Agreement – On April 26, 2013 the City entered into a lease purchase agreement with All American Investment Group in the amount of \$1,929,648 to finance the installation of solar photovoltaic and energy conservation equipment on various City buildings. The interest rate is 2.2%. Quarterly principal and interest payments are paid, with the principal maturing January 28, 2023.

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

Note 3 - Detailed Notes on All Funds (Continued)

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

Year	2010 Lease Purchase Agreement		
	Principal	Interest	Total
2015	\$ 145,508	\$ 36,867	\$ 182,375
2016	163,636	33,519	197,155
2017	183,361	29,760	213,121
2018	204,815	25,552	230,367
2019	228,141	20,857	248,999
2020-2023	803,310	31,294	834,604
	<u>\$ 1,728,771</u>	<u>\$ 177,850</u>	<u>\$ 1,906,621</u>

Business-type Activity Debt – The City reports one debt issuance for business-type activities:

2006 Certificates of Participation - On May 23, 2006, the City issued certificates of participation in the amount of \$30,900,000 to finance a new civic center and related facilities. The interest rate ranges are 4.25% – 4.625%. Annual principal (starting in 2013) and interest payments are due December 15, with the principal maturing December 15, 2037.

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

Year	2006 Certificates of Participation		
	Principal	Interest	Total
2015	\$ 570,000	\$ 1,427,644	\$ 1,997,644
2016	600,000	1,403,419	2,003,419
2017	635,000	1,377,919	2,012,919
2018	655,000	1,350,931	2,005,931
2019	685,000	1,322,275	2,007,275
2020-2024	4,010,000	6,120,206	10,130,206
2025-2029	5,120,000	5,112,844	10,232,844
2030-2034	6,500,000	3,783,650	10,283,650
2035-2037	11,180,000	1,277,000	12,457,000
	<u>\$ 29,955,000</u>	<u>\$ 23,175,888</u>	<u>\$ 53,130,888</u>

(This page continued on the subsequent page)

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

Note 3 - Detailed Notes on All Funds (Continued)

Changes in Long-term Debt - Changes in the City's long-term obligations consisted of the following for the year ended December 31, 2014 (includes internal service funds):

Governmental Activities	Outstanding 1/1/2014	Additions	Reductions	Outstanding 12/31/2014	Amounts Due in One Year
2002 GID general obligation fixed refunding bonds	\$ 9,795,000	\$ -	\$ 375,000	\$ 9,420,000	\$ 395,000
2005 sales and use tax revenue bonds	14,970,000	-	440,000	14,530,000	460,000
2006 sales and use tax revenue bonds	41,045,000	-	1,050,000	39,995,000	1,100,000
2013 GID general obligation refunding bonds	74,940,000	-	830,000	74,110,000	965,000
2014 sales and use tax revenue bonds	-	73,445,000	-	73,445,000	1,325,000
2013 lease purchase agreement	1,862,209	-	133,438	1,728,771	145,508
Net deferred premiums	7,312,460	5,157,213	403,602	12,066,071	-
Total bonded debt	149,924,669	78,602,213	3,232,040	225,294,842	4,390,508
Compensated absences	100,701	86,339	80,561	106,479	85,183
	<u>\$ 150,025,370</u>	<u>\$ 78,688,552</u>	<u>\$ 3,312,601</u>	<u>\$ 225,401,321</u>	<u>\$ 4,475,691</u>
Business-type Activities					
2006 certificates of participation	\$ 30,510,000	\$ -	\$ 555,000	\$ 29,955,000	\$ 570,000
Deferred premiums	238,020	-	8,743	229,277	-
Total Business-type Activities	<u>\$ 30,748,020</u>	<u>\$ -</u>	<u>\$ 563,743</u>	<u>\$ 30,184,277</u>	<u>\$ 570,000</u>

The debt service fund services the sales and use tax refunding bonds and revenue bonds, the Northern Infrastructure GID fund services the GID general obligation refunding bonds and the 2006 GID general obligation bonds. The general fund services the outstanding certificates of participation. The 2010 lease purchase agreement will be repaid from the general fund. Compensated absences are paid from the fund in which the employee works, primarily the general fund.

Pledged Revenues – The City has pledged future sales and use tax receipts (pledged revenues) to repay the original amount of sales and use tax revenue bonds totaling \$64,000,000 issued in 2005 and 2006. The proceeds from the 2005 and 2006 series were used to construct infrastructure. The bonds are payable solely from the pledged sales and uses taxes and are payable through 2036.

In November 2013, City voters approved a 1% increase in the City's sales tax rate, which will be used to repay the 2014 bond issue of \$73,445,000, through 2044. Collection of this tax began January 1, 2014.

Annual principal and interest payments on the bonds referenced above are expected to require approximately 17.6 percent of pledged revenues. The total principal and interest remaining to be paid on the total bonds is approximately \$223 million.

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

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Operating Leases

The City has entered to various operating lease agreements financing corporations, primarily for copiers. The following payments are due to the various lessors on an annual basis for the term of the lease as follows:

Year	Annual Payment
2015	\$ 52,365
2016	49,674
2017	16,388
2018	9,871
Total	\$ 128,298

The 2014 rental payments totaled \$53,172.

Operating Lease – Buffalo Run Golf Course – In 2010, the City entered into an operating lease with E-Z Go through California First National Bank for the use of golf carts. This lease was classified as an operating lease since the City had no plans to purchase these golf carts at the end of the lease term. However, in January 2014, the City purchased these golf carts at a cost of \$1.

3-H. Pensions

The City sponsors four defined contribution retirement plans. The first three plans listed below are reported as pension trust funds of the City. A separately issued audited financial report is not available for these plans. The financial statements for these pension plans are presented at the end of this note.

Police Pension Plan - The City sponsors a defined contribution (money purchase) pension plan, known as the City of Commerce City Police Pension Plan (the Plan) that covers all commissioned officers of the police department. The authority for establishing and amending benefits and contribution rates rests with the City Council. The Plan is accounted for as a pension trust fund.

Additionally, officers are provided with death and disability coverage by a statewide plan administered by the State of Colorado Fire and Police Pension Association.

The principal provisions of the Plan are as follows:

All commissioned officers of the police department who work 32 hours or more per week enter the Plan on the date on which the individual commences employment. The Plan is funded by both employer and employee contributions. The City and the participant each contribute an amount equal to 10 percent of the participant's compensation. In addition to the mandatory 10 percent participant contribution, participants also may make voluntary contributions to the Plan. Participant contributions are fully vested upon payment, while City contributions are subject to a 5-year graded vesting schedule.

Effective January 1, 1991, the Plan was modified such that the mandatory employee contributions are no longer subject to federal income tax at the time of contribution pursuant to Section 414 (h) (2) of the Internal Revenue Code. In addition to the retirement benefits funded under the Plan, certain benefit payments also are made under the Plan to individuals who were beneficiaries under the City of Commerce City Police City of Commerce City, Colorado Pension Plan (a defined benefit plan) prior to the Plan's amendment on December 1, 1982, to the present money purchase pension plan. Funding for these additional benefits is paid for solely by the City according to the following formula. The City contributes an amount annually to provide benefits to beneficiaries of the Plan in an amount equal to either:

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

Note 3 - Detailed Notes on All Funds (Continued)

- From the effective date of the Plan until the plan year in which the balance in the Plan account is equal to or greater than the present value of expected future payments for all remaining Plan beneficiaries, an amount which will be sufficient to fund the eligible plan participants;
- From the plan year at the beginning of which the balance in the Plan account is equal to or greater than the present value of expected future payments for all remaining Plan beneficiaries until the plan year in which the last surviving Plan beneficiary dies or otherwise becomes ineligible for further benefit payments, an amount which will be sufficient to credit the Plan account with the excess, if any, of such present value over the balance in the Plan account as of the beginning of the plan year. If, for any given plan year in which this paragraph applies, the balance in the Plan account equals or exceeds the present value of expected future payments, the City will not make a contribution pursuant to this paragraph.

For the year ended December 31, 2014, the City's total Police Department payroll was \$8,764,083 and the total payroll covered by the Plan was \$6,245,352.

Contributions to the Plan for the year ended December 31, 2014, and the Plan participant composition at December 31, 2014, are summarized below:

Contributions	Employee	Employer
10% required contribution	\$ 652,548	\$ 652,548
Voluntary employee contributions	300	-
Total	\$ 652,848	\$ 652,548

Plan Participants

Fully vested employees	74
Partially vested employees	27
Total plan participants	101

The Plan had net position available for benefits of \$20,695,171 at December 31, 2014. \$19,579,951 of these assets are maintained by an independent investment management company and represents investments in mutual funds. \$372,819 is held in pooled cash and investments at the end of the year. The plan has outstanding loans totaling \$491,709.

Elected Officials Retirement Plan - As approved by the City Council through Ordinance 764 dated April 14, 1986, the City is to provide a monthly cash benefit of twenty dollars per month for each year of service for Council members who have served more than five years and have attained their sixtieth birth date. As of year-end, there were fifteen Council members who have qualified for this benefit. The City finances the plan on a pay-as-you-go basis. This plan is a single employer plan. For the year ended December 31, 2014, the City recognized as incurred \$39,360 expenditures. This trust fund is named Elected Officials Retirement Fund. The fair value of total pooled cash and investment assets held by this plan at December 31, 2014 was \$250,692.

401(a) Employee Retirement Plans - The City has four defined contribution (money purchase) pension plans for full-time employees. Activity for the Plans is aggregated within the City's 401(a) Employee Retirement Plans Fund. A separately issued audited financial report for the total ICMA plan is available from the ICMA.

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

Note 3 - Detailed Notes on All Funds (Continued)

The Plans are:

- General Employees
- City Manager
- Executive Team
- Police Executive Team

In accordance with Internal Revenue Service Code Section 401(a), these funds are considered qualified trusts and remain tax-exempt. A separately audited pension plan report is not available for these plans.

The assets of all four plans are invested with International City Manager's Association (ICMA). The City Council has the authority for establishing and amending contribution requirements. The City's fiduciary responsibility is limited to acting as an agent for the transfer of assets to ICMA; therefore, a trust fund is not reported for these plans. ICMA is responsible for the investment of the funds as directed by the Plan participants. The fair value of the total assets maintained with ICMA for all four Plans at December 31, 2014, was \$21,615,495.

General Employees - Participation in the General Employee defined contribution plan is mandatory for all general employees with each employee required to contribute 6% of compensation, and the City contributes an amount equal to 6% of the employees' compensation. An employee is fully vested in his/her own contributions upon payment and vests in the City contributions based on years of continuous service. An employee is vested 20% after one year of continuous service and vests an additional 20% per year until fully vested. The funds are not available to the employee until separation from service or retirement, and only for amounts vested. Loans are available with restrictions.

Total employee and employer contributions to the plan for 2014 were 581,925 and \$581,925, respectively. For the year ended December 31, 2014, the City's total payroll was \$22,917,533 while the total payroll covered by the Plan was \$9,695,293.

City Manager - The City Manager's defined contribution plan is mandatory for the City Manager. The City Manager is required to contribute 8% of compensation and the City contributes an amount equal to 8% of the Manager's compensation. The City Manager is fully vested in all contributions to the plan. Loans are available with restrictions.

The total employee and employer contributions to the Plan for 2014 were \$12,696 and \$12,696, respectively. For the year ended December 31, 2014, the payroll covered by the plan was \$158,697.

Executive Team - Effective July 1, 1997, the City developed an Executive Team defined contribution plan for all general management team employees. Participation in the Executive Team defined contribution plan is mandatory for general management team members, with each employee required to contribute 6% of compensation with the City matching an amount equal to 6% of the employees' compensation. For the City's Deputy City Managers, the contribution rate is 8% rather than 6%. An employee is fully vested in his/her own contributions at all times and vests in the City contributions based on years of continuous service. An employee is vested 33% after one year of service, 66% after two years of service, and is fully vested after three years of service. Loans are available with restrictions.

Total employee and employer contributions to the Plan for 2014 were \$172,975 and \$172,975, respectively. For the year ended December 31, 2014, the payroll covered by the Plan was \$2,795,858.

Police Executive Team - Effective July 1, 1997, the City developed a Police Executive Team defined contribution plan for all police management team employees. Participation in the Police Executive Team defined contribution plan is mandatory for all police management team members with each employee required to contribute 3% of compensation and the City contributes an amount equal to 3% of the employee's compensation. An employee is fully vested in his/her own contributions at all times and vests in the City contributions based on years of continuous service. An employee is vested 33% after one year of service, 66% after two years of service, and is fully vested after three years of service. Loans are available with restrictions.

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

Note 3 - Detailed Notes on All Funds (Continued)

Total employee and employer contributions to the Plan for 2014 were \$11,644 and \$11,644, respectively. For the year ended December 31, 2014, the payroll covered by the Plan was \$388,122.

Pension Plan Financial Statements – The following financial information for each of the two pension trust funds are presented below:

City of Commerce City, Colorado
Combining Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2014

	Police Pension	Elected Official Retirement	Total
Assets			
Equity in pooled cash and investments	\$ 372,819	\$ 250,692	\$ 623,511
Loans receivable	491,709	-	491,709
Mutual money market funds, at fair value	19,579,951	-	19,579,951
Total Assets	20,444,479	250,692	20,695,171
Net Position			
Held in trust for pension benefits	\$ 20,444,479	\$ 250,692	\$ 20,695,171

City of Commerce City, Colorado
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended December 31, 2014

	Police Pension	Elected Official Retirement	Total
Additions			
Contributions:			
City	\$ 652,548	\$ -	\$ 652,548
Employee	652,848	-	652,848
Investment earnings	1,033,817	10,610	1,044,427
Transfers in - General Fund	-	39,360	39,360
Total Additions	2,339,213	49,970	2,389,183
Deductions			
Administration	78,379	-	78,379
Benefits	-	39,360	39,360
Withdrawals	1,750,319	-	1,750,319
Total Deductions	1,828,698	39,360	1,868,058
Change in Net Position	510,515	10,610	521,125
Net Position Beginning of Year	19,933,964	240,082	20,174,045
Net Position End of Year	\$ 20,444,479	\$ 250,692	\$ 20,695,171

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

Note 3 - Detailed Notes on All Funds (Continued)

3-1. Other Postemployment Benefits (OPEB)

The City administers a single-employer health care plan, the “*Retirement Health Savings Plan*”. The plan is a defined contribution medical expense plan for general employees and is a retiree medical benefit plan for the

Fraternal Order of Police (FOP). The City Council has the authority for establishing and amending the contributions to the plan.

Plan Description - The Plan includes two employee groups, the general employees and the Fraternal Order of Police (FOP) employees. The City Council established and may amend the plan’s provisions. Any general employee employed by the City on a permanent, full-time basis, who was hired prior to July 1, 2006, is eligible under the Vantagecare Retirement Savings Plan. The FOP Retiree Health Insurance Plan covers retired FOP personnel who retire with twenty or more years of service as per their FOP contract.

General Employees – Upon retirement or total and permanent disability (as defined by the Social Security Administration), general employees are eligible to receive a fixed monthly benefit, to be applied towards medical expenses, including premiums. The general employees are eligible for OPEB when reaching age 59 ½ and ten years of service or with 80 points. Credited service is the continuous permanent full-time service period from the date of eligible employment with the City to the date of termination of such employment. Upon the death of the retiree, any remaining account balance will be transferred to a surviving spouse, if applicable, or forfeited to the City if no spouse is present.

FOP Employees – Upon retirement FOP retirees are eligible for subsidized medical coverage. The FOP employees are eligible for OPEB upon 20 years of service. Credited service is the continuous permanent full-time service period from the date of eligible employment with the City to the date of termination of such employment. The coverage can continue until age 65, at which time the benefit becomes a flat fee per month, paid towards the Medigap coverage.

Funding Policy – The City has established a funding methodology for the annual OPEB costs to retire the net OPEB obligation for general employees. Based upon an actuarial analysis the City is advance funding this obligation over a 15-year period. The City Council set the original contribution rates for the general employee group and the FOP contract requires the City to pay the cost of the required health insurance benefit. The City Council may amend the contribution requirements for the general employee group.

General Employees – Upon retirement, general employees are eligible to receive a fixed monthly benefit of \$358 per month, to be applied towards medical expenses, including premiums. This amount may be increased each year, based on Denver-Boulder CPI-U. Due to the uncertain nature of when a benefit increase would be implemented, only one future year had an increased applied.

FOP Employees – The City will pay an amount equal to the lowest single premium for single retirees and half of the lowest employee plus dependent premium for retirees who wish to cover a spouse. The retiree is responsible for the balance of premium, if any. At age 65, the benefit becomes a flat \$75 per month towards Medigap coverage. Based on the assumed partial distribution at retirement, and current premiums, the average contribution from the City for the pre-age 65 coverage, is \$381 per retiree only or \$552 if the retiree selects the family option. This amount is assumed to increase annually according to the “Health Care Cost Trend Rate” table. The \$75 for Medigap coverage is not assumed to increase at any point in the near future.

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

Note 3 - Detailed Notes on All Funds (Continued)

Annual OPEB Cost – The City’s annual OPEB cost for the last three years are as follows:

Year Beginning January 1,	Annual OPEB Cost	Annual OPEB Contribution	Percentage Contributed	Net OPEB Obligation (Asset)
2012	\$ 692,640	\$ 156,491	22.6%	\$ 2,560,533
2013	844,421	170,000	20.1%	3,234,954
2014	737,493	214,336	29.1%	3,758,111

Annual OPEB Cost and Net OPEB Obligation – The following table includes the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the City’s net OPEB obligation:

	December 31, 2014	December 31, 2013
Normal cost	\$ 313,230	\$ 300,000
Interest on normal costs	10,963	12,000
Amortization of unfunded actuarial accrued liability (UAAL)	470,018	430,000
Annual required contribution (ARC)	794,211	742,000
Interest on Net OPEB obligation	113,223	102,421
ARC adjustment	(169,941)	-
Annual OPEB cost	737,493	844,421
Expected employer benefit payments	214,336	170,000
Increase in net OPEB obligation	523,157	674,421
Net OPEB obligation, beginning of year	3,234,954	2,560,533
Net OPEB obligation, end of year	\$ 3,758,111	\$ 3,234,954

Funded Status and Funding Progress – The City’s funding status based upon the most recent actuarial valuation follows:

Schedule of Funding Progress						
Measurement Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
1/1/2014	\$ -	\$ 8,947,137	0.0%	\$ 8,947,137	\$ 10,687,947	83.71%

The schedule of funding progress for OPEB included in the required supplementary information presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

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

Note 3 - Detailed Notes on All Funds (Continued)

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 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 short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. More specifically, the actuarial valuation includes estimates of the value of reported amounts and assumptions about the probability of events far into the future.

The City’s actuarial valuation information is as follows:

Current Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age
Amortization Method	Level Dollar Amount, Open
Amortization Period	30 years
Asset Valuation Method	Fair Value of assets
Actuarial Assumptions:	
Investment rate of return	4%, includes 2.5% inflation assumption
Discount rate	3.50%
Healthcare Cost Trend Rate	10% for the first year; decreasing each year until 4.5% in year 2024 and after
Assumed rates of increase applied to retiree premiums	10% for the first year; decreasing each year until 4.5% in year 2024 and after

The total City contributions in 2012 were \$355,934, in 2013 were \$404,155 and in 2014 were \$404,155, all deposited into the Ventagecare Retirement Savings Plan for the general employees while the FOP Retiree Health Insurance Plan is which funded on a pay-as-you-go basis.

(this page continued on the subsequent page)

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

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Fund Equity

Fund Balances – Fund balances are classified as follows:

Nonspendable – The following fund balances are nonspendable because they are not in spendable form:

General Fund:

Prepaid items	\$ 58,964
Inventories	43,085
Long-term receivables	<u>61,819</u>
Total	<u>\$ 163,868</u>

Major Capital Projects Fund:

Prepaid items	\$ 856
Long-term interfund receivable	<u>4,805,695</u>
Total	<u>\$ 4,806,551</u>

Major Northern Infrastructure GID Fund:

Assets held for resale	<u>\$ 1,921,825</u>
------------------------	---------------------

Major Urban Renewal District Fund:

Assets held for resale	<u>\$ 4,682,883</u>
------------------------	---------------------

Nonmajor Governmental Fund:

Assets held for resale	\$ 3,344,136
Long-term interfund receivable	<u>2,462,728</u>
Total	<u>\$ 5,806,864</u>

Restricted – The following fund balances are legally restricted to specified purposes:

General Fund:

Emergencies	\$ 2,125,387
Capital outlay and operations	<u>8,310,665</u>
Total	<u>\$ 10,436,052</u>

Major Capital Projects Fund:

Emergencies	\$ 2,402,023
Capital projects	<u>72,592,464</u>
Total	<u>\$ 74,994,487</u>

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

Note 3 - Detailed Notes on All Funds (Continued)

Major Northern Infrastructure GID Fund:

Emergencies	\$ 20,094
Debt Service	<u>9,604,099</u>
 Total	 <u>\$ 9,624,193</u>

Major Impact Fee:

Emergencies	<u>\$ 38,623</u>
-------------	------------------

Major Urban Renewal District Fund:

Emergencies	\$ 22,903
Urban renewal	<u>1,507,261</u>
 Total	 <u>\$ 1,530,164</u>

Nonmajor Governmental Funds	<u>\$ 1,747,540</u>
------------------------------------	---------------------

Committed – The following fund balance is committed to the following purpose:

General Fund:

Court surcharge	<u>\$ 330,436</u>
-----------------	-------------------

Impact Fee:

Capital Outlay	<u>\$ 5,625,665</u>
----------------	---------------------

Nonmajor Governmental Funds:	<u>\$ 5,019,161</u>
-------------------------------------	---------------------

Assigned – The following fund balances are assigned to the following purposes:

General Fund:

Operating reserves	\$ 5,285,332
Safeguards	<u>9,591,825</u>
 Total	 <u>\$ 14,877,157</u>

Capital Expenditures Fund:

Capital projects	<u>\$ 5,647,255</u>
------------------	---------------------

Nonmajor Governmental Funds	<u>\$ 3,707,008</u>
------------------------------------	---------------------

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

Note 3 - Detailed Notes on All Funds (Continued)

Net Investment in Capital Assets - The “net investment in capital assets” amount as reported on the government-wide statement of net position as of December 31, 2014 is as follows:

	Governmental Activities	Business Type Activities	Component Unit
Net invested in capital assets:			
Cost of capital assets	\$ 551,871,907	\$ 33,744,248	\$ 762,153
Less accumulated depreciation	239,235,556	7,600,122	29,922
Book value	312,636,351	26,144,126	732,231
Less capital related debt	213,228,771	29,955,000	-
Add unspent bond proceeds	72,592,464	-	-
Add refunding loss	486,102	-	-
Less deferred bond premiums	12,066,071	229,277	-
Net investment in capital assets:	<u>\$ 160,420,075</u>	<u>\$ (4,040,151)</u>	<u>\$ 732,231</u>

Note 4 - Other Notes

4-A. Risk Management

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

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

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the by-laws, any member of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage's at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The by-laws shall constitute the substance of the intergovernmental contract among the members. The amount of settlements has not exceeded insurance coverage for any of the three previous years.

The City obtains worker's compensation insurance coverage from Pinnacol Assurance.

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

Note 4 - Other Notes (Continued)

4-B. Commitments

Commitments - As of December 31, 2014, the City has made the following commitments:

Contractor	Total Contract	Project To-date Expenditures	Remaining Commitments
Huitt-Zollars	\$ 1,464,002	\$ 603,743	\$ 860,259
Golden Triangle, Inc.- Fronterra	2,381,823	185,622	2,196,201
Golden Triangle, Inc.- Outdoor Pool	7,216,848	1,866,010	5,350,838
Webmer	862,911	75,805	787,106
Ohlson Lavoie Collaborative	525,000	374,649	150,351
JR Engineering	16,817,764	15,388,635	1,429,129
Zak Dirt	20,495,187	11,749,387	8,745,800
Union Pacific Railroad	3,917,699	3,411,781	505,918
Bowman Vision Land	1,109,539	444,430	665,109
Total	\$ 54,790,773	\$ 34,100,062	\$ 20,690,711

Prairie Gateway/Victory Crossing – In 2005 and 2006, the City issued sales and use tax bonds totaling \$64 million to finance public improvements known as “Prairie Gateway.” Kroenke Soccer Stadium, LLC (KSS) arranged for construction financing for all the work not funded by the City’s \$64 million sales and use tax bonds and \$10 million in CIPP funds. The KSS investment was approximately \$102 million for the remainder of the public improvements on the Prairie Gateway and the Colorado Rapids Soccer Stadium. Later, when commercial/retail development occurs, the Urban Renewal Authority will issue tax increment bonds to reimburse KSS investment. KSS will have to guarantee repayment of the Urban Renewal Authority bonds. The Prairie Gateway has now been renamed “Victory Crossing.”

4-C. Contingent Liabilities

Various claims and lawsuits are pending against the City. After consideration of applicable insurance policy coverage, and the relative merits of each claim or lawsuit, it is the opinion of the City Attorney and City Management that the potential ultimate liability resulting from these actions, if any, will not have a material adverse financial effect on the City.

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

4-D. Subsequent Event

Refunding Debt - On April 2, 2015 the City refunded the Series 2005 and 2006 Sales and Use Tax Bonds. The new Series 2015 annual bond payments are consistent with the previous bond payments and the maturity schedule remains the same as the retired Series 2005 and 2006 bonds, with the final bonds maturing in 2036. The aggregate principal amount of the 2015 bonds shall be \$52,645,000 and the maximum interest rate is 5%.

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

Note 4 - Other Notes (Continued)

4-E. Restatements

Reclassifications of Interfund Receivables/Payables as Interfund Transfers

Management has determined that the interfund loan between the General Fund and the Urban Renewal Authority Fund should have been reported as an interfund transfer during 2012 when it was determined that the interfund loans would not be repaid in a reasonable amount of time, as follows:

<u>December 31, 2013</u>	<u>General Fund</u>	<u>Urban Renewal Authority</u>
Fund balance as previously reported	\$ 24,850,675	\$ (755,046)
Less amount reclassified as an interfund transfer	<u>(6,500,000)</u>	<u>6,500,000</u>
Fund balance, as restated	<u>\$ 18,350,675</u>	<u>\$ 5,744,954</u>
<u>December 31, 2012</u>	<u>General Fund</u>	<u>Urban Renewal Authority</u>
Fund balance as previously reported	\$ 35,647,539	\$ (149,875)
Less amount reclassified as an interfund transfer	<u>(6,500,000)</u>	<u>6,500,000</u>
Fund balance, as restated	<u>\$ 29,147,539</u>	<u>\$ 6,350,125</u>

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

Note 4 - Other Notes (Continued)

Pension Trust Fund

Management has determined that within the police pension trust fund, the amounts for investment earnings and benefits were both overstated on the “*schedule of additions, deductions and changes in net position*”, and a reclassification from cash to a loan receivable on the “*statement of fiduciary net position*” should have been reported at December 31, 2013 as follows:

The restatement of Fiduciary Net Position follows:

	2013				
	As Previously Reported Police Pension	Restate- ment	Restated Police Pension	Elected Official Retirement	Restated Total
Assets					
Equity in pooled cash and investments	\$ 373,024	\$ -	\$ 373,024	\$ 240,082	\$ 613,106
Loans receivable	-	779,038	779,038	-	779,038
Mutual money market funds	19,560,940	(779,038)	18,781,901	-	18,781,901
Total Assets	19,933,964	-	19,933,964	240,082	20,174,045
Net Position					
Held in trust for pension benefits	<u>\$ 19,933,964</u>	<u>\$ -</u>	<u>\$ 19,933,964</u>	<u>\$ 240,082</u>	<u>\$ 20,174,045</u>

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

Note 4 - Other Notes(Continued)

The restatement of the Combining Statement of Changes in Fiduciary Net Position follows:

	2013				
	As Previously Reported Police Pension	Restate- ment	Restated Restated Police Pension	Elected Officials Retirement	Restated Total
Additions					
Contributions:					
City	\$ 704,393	\$ -	\$ 704,393	\$ -	\$ 704,393
Employee	704,913	-	704,913	-	704,913
Investment earnings	4,993,246	(1,413,015)	3,580,231	(9,368)	3,570,863
Transfer in	-	-	-	36,960	36,960
Total Additions	6,402,552	(1,413,015)	4,989,537	27,592	5,017,129
Deductions					
Administration	62,111	-	62,111	-	62,111
Benefits	1,413,015	(1,413,015)	-	38,880	38,880
Withdrawals	3,567,767	-	3,567,767	-	3,567,767
Total Deductions	5,042,893	(1,413,015)	3,629,878	38,880	3,668,758
Change in Net Position	\$ 1,359,659	\$ -	\$ 1,359,659	\$ (11,288)	\$ 1,348,371

The above restatements have no effect on net position.

CITY OF COMMERCE CITY

THIS PAGE INTENTIONALLY LEFT BLANK

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

	2014			Restated 2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Taxes	\$ 43,823,572	\$ 52,823,572	\$ 56,661,654	\$ 3,838,082	\$ 41,917,203
Licenses and permits	902,250	902,250	1,419,125	516,875	1,142,045
Intergovernmental	95,000	95,000	101,412	6,412	100,656
Charges for services	4,812,656	4,812,656	4,964,127	151,471	2,345,821
Fines and forfeits	1,460,250	1,460,250	1,074,858	(385,392)	1,024,683
Investments earnings	1,000,000	1,000,000	1,370,950	370,950	(811,032)
Miscellaneous	214,300	214,300	745,958	531,658	435,977
Total Revenues	52,308,028	61,308,028	66,338,084	5,030,056	46,155,353
Other Financing Sources:					
Lease purchase agreement	-	-	-	-	1,929,648
Proceeds from the sale of capital assets	-	-	4,304,656	4,304,656	-
Transfers in	200,000	200,000	200,000	-	589,663
Total Revenues and Other Financing Sources	52,508,028	61,508,028	70,842,740	9,334,712	48,674,664
Expenditures:					
<i>Current:</i>					
Administration	3,780,194	3,788,474	3,944,150	(155,676)	3,612,640
Human resources	910,599	917,121	944,112	(26,991)	732,398
Finance	11,585,032	12,011,170	11,435,210	575,960	9,834,952
Community planning/development	2,926,104	2,949,858	2,863,395	86,463	2,824,124
Public safety	14,783,634	14,920,169	14,133,636	786,533	14,196,732
Public works	7,499,584	7,540,324	7,604,752	(64,428)	7,104,842
Parks and recreation	9,100,550	9,156,291	9,116,417	39,874	6,331,567
<i>Debt Service:</i>					
Principal retirement	133,438	133,438	133,438	-	1,991,142
Interest and fiscal charges	39,861	39,861	39,861	-	112,866
Total Expenditures	50,758,996	51,456,706	50,214,971	1,241,735	46,741,263
Other Financing Uses:					
Transfers out	4,241,848	4,842,141	7,481,099	(2,638,958)	12,730,265
Total Expenditures and Other Financing Uses	55,000,844	56,298,847	57,696,070	(1,397,223)	59,471,528
Net Change in Fund Balances	\$ (2,492,816)	\$ 5,209,181	13,146,670	\$ 7,937,489	(10,796,864)
Fund Balances Beginning of Year, as restated			18,350,675		29,147,539
Fund Balances End of Year			\$ 31,497,345		\$ 18,350,675

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Urban Renewal Authority Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			Variance With Final Budget	Restated 2013
	Original Budget	Final Budget	Actual		Actual
Revenues					
Property taxes	\$ 244,713	\$ 244,713	\$ 260,785	\$ 16,072	\$ 256,789
Investment earnings	20,000	20,000	67,252	47,252	(67,933)
Miscellaneous	-	-	435,403	435,403	2,033,250
Total Revenues	<u>264,713</u>	<u>264,713</u>	<u>763,440</u>	<u>498,727</u>	<u>2,222,106</u>
Other Financing Sources					
Transfers in					
General Fund	83,000	333,000	583,000	-	-
Total Revenues and Other Financing Sources	<u>347,713</u>	<u>597,713</u>	<u>1,346,440</u>	<u>498,727</u>	<u>2,222,106</u>
Expenditures					
Current:					
Community development	103,000	418,175	633,634	(215,459)	2,570,488
Other Financing Uses:					
Transfers out:					
Debt Service Fund	244,713	244,713	244,713	-	256,789
Total Expenditures and Other Financing Uses	<u>347,713</u>	<u>662,888</u>	<u>878,347</u>	<u>(215,459)</u>	<u>2,827,277</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ (65,175)</u>	468,093	<u>\$ 283,268</u>	(605,171)
Fund Balances Beginning of Year, As Restated			5,744,954		6,350,125
Fund Balances End of Year			<u>\$ 6,213,047</u>		<u>\$ 5,744,954</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Notes to the Required Supplementary Information
For the Year Ended December 31, 2014

Note 1 – Budgetary Information

The budgets for the general fund and the urban renewal authority fund are adopted on a basis that is consistent with accounting principles generally accepted in the United States as applied to governments. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the individual fund level.

The City Manager is authorized to transfer budgeted amounts between departments within the same fund. Any revisions, which alter total expenditures of any fund, must be approved by the City Council. During the year, the City Council approved supplemental appropriations. All annual appropriations lapse at calendar year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General and Urban Renewal Authority Fund. Encumbered appropriations at year-end lapse and generally are re-appropriated in the following year.

City of Commerce City, Colorado
Required Supplementary Information
Retirement Health Savings Plan
Schedule of Funding Progress
December 31, 2014

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
1/1/2010	\$ -	\$ 5,181,478	0.0%	\$ 5,181,478	\$ 13,694,153	37.8%
1/1/2012	-	7,262,639	0.0%	7,262,639	12,512,517	58.0%
1/1/2014	-	8,947,137	0.0%	8,947,137	10,687,947	83.7%

See notes to the basic financial statements for actuarial assumptions used in the above calculations.

City of Commerce City, Colorado
 Combining Balance Sheet
 Nonmajor Governmental Funds - By Fund Type
 December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash and investments	\$ 1,678,308	\$ 3,046,536	\$ 6,013,752	\$ 10,738,596
Receivables:				
Accounts	235,309	-	-	235,309
Property taxes	-	-	6,807	6,807
Notes receivable	-	-	2,462,728	2,462,728
Special assessments	35,798	-	-	35,798
Assets held for resale	-	-	3,344,136	3,344,136
Total Assets	\$ 1,949,415	\$ 3,046,536	\$ 11,827,423	\$ 16,823,374
Liabilities and Fund Balances				
Liabilities				
Vouchers and contracts payable	\$ 147,547	\$ -	\$ 290,118	\$ 437,665
Interfund payable	70,373	-	54,196	124,569
Total Liabilities	217,920	-	344,314	562,234
Deferred Inflows of Resources	29,138	-	6,807	35,945
Total Liabilities and Deferred Inflows of Resources	247,058	-	351,121	598,179
Fund Balances				
Nonspendable	-	-	5,806,864	5,806,864
Restricted	1,702,357	-	45,183	1,747,540
Committed	-	-	5,019,161	5,019,161
Assigned	-	3,046,536	660,472	3,707,008
Unassigned	-	-	(55,378)	(55,378)
Total Fund Balances	1,702,357	3,046,536	11,476,302	16,225,195
Total Liabilities, Deferred Inflow of Resources and Fund Balances	\$ 1,949,415	\$ 3,046,536	\$ 11,827,423	\$ 16,823,374

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property taxes	\$ -	\$ -	\$ 176	\$ 176
Special assessments	639	-	-	639
Intergovernmental	715,968	-	-	715,968
Investment earnings	81,067	102,584	265,585	449,236
Interest and penalties	131	-	-	131
Charges for services	25,000	-	560,722	585,722
Sale of water rights	-	-	83,685	83,685
Contributions	26,836	-	-	26,836
Miscellaneous	-	617,964	593,983	1,211,947
Total Revenues	849,641	720,548	1,504,151	3,074,340
Expenditures				
<i>Current:</i>				
General government	166,611	4,325	2,013,130	2,184,066
Community development	129	-	-	129
Public safety	83,230	-	-	83,230
Public works	12,502	-	-	12,502
Parks and recreation	37,729	-	-	37,729
<i>Debt Service:</i>				
Principal retirement	-	1,490,000	-	1,490,000
Interest and fiscal charges	-	3,076,856	-	3,076,856
Total Expenditures	300,201	4,571,181	2,013,130	6,884,512
Excess (Deficiency) of Revenues Over (Under) Expenditures	549,440	(3,850,633)	(508,979)	(3,810,172)
Other Financing Sources (Uses)				
Transfers in	-	5,847,159	1,240,000	7,087,159
Transfers out	(477,100)	-	-	(477,100)
Total Other Financing Sources (Uses)	(477,100)	5,847,159	1,240,000	6,610,059
Net Change in Fund Balances	72,340	1,996,526	731,021	2,799,887
Fund Balances Beginning of Year	1,630,017	1,050,010	10,745,281	13,425,308
Fund Balances End of Year	\$ 1,702,357	\$ 3,046,536	\$ 11,476,302	\$ 16,225,195

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
General Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>Restated 2013</u>
Assets		
Equity in pooled cash and investments	\$ 29,616,243	\$ 16,720,246
Receivables:		
Accounts	1,811,422	979,616
Property taxes	2,422,984	2,418,457
Sales and use taxes	4,063,888	3,959,389
Notes	61,819	66,774
Interfund	392,997	12,832
Inventory	43,085	38,011
Prepaid items	58,964	55,999
Total Assets	<u>\$ 38,471,402</u>	<u>\$ 24,251,324</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ 1,792,635	\$ 953,286
Accrued expenditures	1,023,211	866,029
Deposits payable	1,395,747	521,768
Unearned revenue	339,480	1,141,109
Total Liabilities	4,551,073	3,482,192
Deferred Inflows of Resources	<u>2,422,984</u>	<u>2,418,457</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,974,057</u>	<u>5,900,649</u>
Fund Balances		
Nonspendable:		
Inventory	43,085	38,011
Prepaid items	58,964	55,999
Long-term notes	61,819	66,774
Restricted:		
Emergencies	2,125,387	1,394,502
Capital outlay and operations	8,310,665	-
Committed - court surcharge	330,436	430,478
Assigned:		
Operating reserves	5,285,332	5,069,900
Safeguards	9,591,825	7,103,656
Subsequent years' budget	-	2,692,816
Unassigned	5,689,832	1,498,539
Total Fund Balances	<u>31,497,345</u>	<u>18,350,675</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 38,471,402</u>	<u>\$ 24,251,324</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
*Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 General Fund*
 For the Year Ended December 31, 2014
 (With Comparative Totals for the Year Ended December 31, 2013)

	2014			Variance With Final Budget	Restated 2013
	Original Budget	Final Budget	Actual		Actual
Revenues	\$ 52,308,028	\$ 61,308,028	\$ 66,338,084	\$ 5,030,056	\$ 46,155,353
Other Financing Sources:					
Lease purchase agreement	-	-	-	-	1,929,648
Proceeds from the sale of capital assets	-	-	4,304,656	4,304,656	-
Transfers in:					
Information Technology Fund	200,000	200,000	200,000	-	-
Golf Course Fund	-	-	-	-	589,663
Total Revenues and Other Financing Sources	<u>52,508,028</u>	<u>61,508,028</u>	<u>\$ 70,842,740</u>	<u>9,334,712</u>	<u>48,674,664</u>
Expenditures	<u>50,758,996</u>	<u>51,456,706</u>	<u>50,214,971</u>	<u>1,241,735</u>	<u>46,741,263</u>
Other Financing Uses:					
Transfers out:					
Capital Expenditures Fund	906,000	1,229,000	1,229,000	-	666,405
Debt Service Fund	3,213,488	3,213,488	5,602,446	(2,388,958)	3,207,967
Urban Renewal Authority	83,000	333,000	583,000	(250,000)	-
Elected Officials Retirement Fund	39,360	39,360	39,360	-	36,960
Golf Course Fund	-	-	-	-	8,550,897
Fleet Management Fund	-	6,574	6,574	-	6,246
Information Technology Fund	-	16,246	16,246	-	22,631
Facilities Management Fund	-	4,473	4,473	-	239,159
Total Other Financing Uses	<u>4,241,848</u>	<u>4,842,141</u>	<u>7,481,099</u>	<u>(2,638,958)</u>	<u>12,730,265</u>
Total Expenditures and Other Financing Uses	<u>55,000,844</u>	<u>56,298,847</u>	<u>57,696,070</u>	<u>(1,397,223)</u>	<u>59,471,528</u>
Net Change in Fund Balances	<u>\$ (2,492,816)</u>	<u>\$ 5,209,181</u>	<u>13,146,670</u>	<u>\$ 7,937,489</u>	<u>(10,796,864)</u>
Fund Balances Beginning of Year - As Restated			<u>18,350,675</u>		<u>29,147,539</u>
Fund Balances End of Year			<u>\$ 31,497,345</u>		<u>\$ 18,350,675</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues - Budget and Actual
General Fund
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes:					
General property taxes	\$ 2,415,713	\$ 2,415,713	\$ 2,408,644	\$ (7,069)	\$ 2,190,282
Specific ownership taxes	150,000	150,000	194,262	44,262	166,501
Sales and use taxes	36,397,859	45,397,859	48,928,254	3,530,395	34,630,187
Highway users tax	1,500,000	1,500,000	1,545,690	45,690	1,491,622
Road and bridge tax	465,000	465,000	498,074	33,074	446,668
Motor vehicle registration	165,000	165,000	185,035	20,035	174,170
Vehicle transfer taxes	80,000	80,000	8,585	(71,415)	9,644
Franchise fees	2,650,000	2,650,000	2,893,110	243,110	2,808,129
Total Taxes	<u>43,823,572</u>	<u>52,823,572</u>	<u>56,661,654</u>	<u>3,838,082</u>	<u>41,917,203</u>
Licenses and Permits:					
Liquor licenses	35,500	35,500	45,027	9,527	52,613
Occupation licenses	45,000	45,000	26,880	(18,120)	18,530
Contractors' licenses	70,000	70,000	79,627	9,627	70,013
Building permits	750,000	750,000	1,266,718	516,718	1,000,069
Other	1,750	1,750	873	(877)	820
Total Licenses and Permits	<u>902,250</u>	<u>902,250</u>	<u>1,419,125</u>	<u>516,875</u>	<u>1,142,045</u>
Intergovernmental:					
State shared cigarette tax	95,000	95,000	101,412	6,412	100,656
Charges for Services:					
Recreation/Golf fees	3,229,345	3,229,345	3,360,074	130,729	743,373
Plan check fees	195,000	195,000	257,853	62,853	201,919
Court and docket fees	330,000	330,000	297,255	(32,745)	245,748
Zoning	51,500	51,500	55,511	4,011	41,449
Other	1,006,811	1,006,811	993,434	(13,377)	1,113,332
Total Charges for Services	<u>4,812,656</u>	<u>4,812,656</u>	<u>4,964,127</u>	<u>151,471</u>	<u>2,345,821</u>
Fines and Forfeitures:					
Municipal court	1,001,750	1,001,750	651,139	(350,611)	539,845
Photo red light enforcement	425,000	425,000	386,309	(38,691)	446,386
D.U.I. fines	25,000	25,000	31,380	6,380	32,992
Other	8,500	8,500	6,030	(2,470)	5,460
Total Fines and Forfeits	<u>1,460,250</u>	<u>1,460,250</u>	<u>1,074,858</u>	<u>(385,392)</u>	<u>1,024,683</u>
Miscellaneous:					
Investment earnings	1,000,000	1,000,000	1,370,950	370,950	(811,032)
Miscellaneous	214,300	214,300	745,958	531,658	435,977
Total Miscellaneous	<u>1,214,300</u>	<u>1,214,300</u>	<u>2,116,908</u>	<u>902,608</u>	<u>(375,055)</u>
Total Revenues	<u>\$ 52,308,028</u>	<u>\$ 61,308,028</u>	<u>\$ 66,338,084</u>	<u>\$ 5,030,056</u>	<u>\$ 46,155,353</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Expenditures - Budget and Actual
General Fund
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Expenditures					
General Government:					
Legislative	\$ 582,633	\$ 582,633	\$ 502,611	\$ 80,022	\$ 487,125
Legal	683,081	691,237	1,104,181	(412,944)	742,863
Intergovernmental	-	-	-	-	192,956
City clerk	275,526	278,743	265,342	13,401	281,184
City manager	730,528	712,467	676,723	35,744	691,156
Economic development	519,134	521,425	398,784	122,641	435,120
Communications	989,292	1,001,969	996,509	5,460	782,236
Total General Government	3,780,194	3,788,474	3,944,150	(155,676)	3,612,640
Human Resources:					
Administration	760,132	766,452	743,658	22,794	663,601
Risk management	90,467	90,669	93,439	(2,770)	30,233
Employee assisted housing	-	-	12,407	(12,407)	17,544
Employee activity committee	17,500	17,500	17,240	260	13,076
Organizational development	42,500	42,500	77,368	(34,868)	7,944
Total Human Resources:	910,599	917,121	944,112	(26,991)	732,398
Finance:					
Financial planning and budgeting	557,348	586,579	539,903	46,676	420,868
Financial services	1,036,996	1,771,248	1,812,005	(40,757)	987,008
Tax	1,066,750	1,080,883	1,109,133	(28,250)	922,268
Judicial	608,296	610,890	588,444	22,446	572,577
Internal service	8,315,642	7,961,570	7,385,725	575,845	6,932,231
Total Finance	11,585,032	12,011,170	11,435,210	575,960	9,834,952
Community Planning/Development:					
Administration	396,659	397,426	432,573	(35,147)	436,088
Community planning	593,480	600,913	553,394	47,519	455,437
Building safety	907,239	918,191	991,313	(73,122)	855,809
Neighborhood Services	878,512	883,114	733,429	149,685	927,741
Housing	150,214	150,214	152,686	(2,472)	149,049
Total Community Planning/Development	2,926,104	2,949,858	2,863,395	86,463	2,824,124
Public Safety:					
Administration	1,027,728	1,044,572	1,032,530	12,042	1,434,971
Support operations	5,250,706	5,281,924	4,586,920	695,004	3,658,177
Patrol operations	8,039,829	8,127,963	8,083,799	44,164	8,145,717
Community justice	257,484	257,484	255,035	2,449	256,875
Special investigations unit	-	-	-	-	558,347
Emergency management	207,887	208,226	175,352	32,874	142,645
Total Public Safety	14,783,634	14,920,169	14,133,636	786,533	14,196,732
Carried Forward	33,985,563	34,586,792	33,320,503	1,266,289	31,200,846

See accompanying independent auditor's report

(continued)

City of Commerce City, Colorado
Schedule of Expenditures - Budget and Actual
General Fund
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

(Continued)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Brought Forward	\$ 33,985,563	\$ 34,586,792	\$ 33,320,503	\$ 1,266,289	\$ 31,200,846
Expenditures					
Public Works					
Administration	431,271	438,204	445,551	(7,347)	442,152
Street and traffic maintenance	2,846,916	2,876,965	2,852,450	24,515	2,800,253
Refuse collection	2,072,058	2,072,058	2,067,583	4,475	1,959,393
Engineering	2,149,339	2,153,097	2,239,168	(86,071)	1,903,044
Total Public Works	<u>7,499,584</u>	<u>7,540,324</u>	<u>7,604,752</u>	<u>(64,428)</u>	<u>7,104,842</u>
Parks and Recreation					
Administration	1,184,852	1,206,820	1,228,197	(21,377)	1,085,893
Parks maintenance	2,830,885	2,848,186	2,830,616	17,570	2,792,859
Recreation/golf programs	4,926,861	4,943,333	4,951,834	(8,501)	2,323,935
Community events	157,952	157,952	105,770	52,182	128,880
Total Parks and Recreation	<u>9,100,550</u>	<u>9,156,291</u>	<u>9,116,417</u>	<u>39,874</u>	<u>6,331,567</u>
Debt Service:					
Principal retirement	133,438	133,438	133,438	-	1,991,142
Interest and fiscal charges	39,861	39,861	39,861	-	112,866
Total Debt Service	<u>173,299</u>	<u>173,299</u>	<u>173,299</u>	<u>-</u>	<u>2,104,008</u>
Total Expenditures	<u>\$ 50,758,996</u>	<u>\$ 51,456,706</u>	<u>\$ 50,214,971</u>	<u>\$ 1,241,735</u>	<u>\$ 46,741,263</u>

See accompanying independent auditor's report

CITY OF COMMERCE CITY

THIS PAGE INTENTIONALLY LEFT BLANK

City of Commerce City, Colorado
Comparative Balance Sheet
Urban Renewal Authority Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>Restated 2013</u>
Assets		
Equity in pooled cash and investments	\$ 1,680,699	\$ 1,778,823
Receivables:		
Accounts	84	30,915
Property taxes	462,234	243,917
Assets held for resale	<u>4,682,883</u>	<u>4,798,859</u>
Total Assets	<u>\$ 6,825,900</u>	<u>\$ 6,852,514</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	<u>\$ 150,619</u>	<u>\$ 863,643</u>
Deferred Inflows of Resources	<u>462,234</u>	<u>243,917</u>
Total Liabilities and Deferred Inflows of Resources	<u>612,853</u>	<u>1,107,560</u>
Fund Balances		
Nonspendable - assets held for resale	4,682,883	4,798,859
Restricted for emergencies	22,903	-
Restricted for urban renewal	<u>1,507,261</u>	<u>946,095</u>
Total Fund Balances	<u>6,213,047</u>	<u>5,744,954</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 6,825,900</u>	<u>\$ 6,852,514</u>

See accompanying independent auditor's report

CITY OF COMMERCE CITY

THIS PAGE INTENTIONALLY LEFT BLANK

City of Commerce City, Colorado
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2014

	<u>Special Improvements</u>	<u>Police Department</u>	<u>Conservation Trust</u>	<u>Chemical Roundup</u>	<u>CC/BSD Use Tax</u>	<u>Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets							
Equity in pooled cash and investments	\$ 37,596	\$ 49,490	\$ 236,611	\$ 261,448	\$ 1,093,163	\$ -	\$ 1,678,308
Receivables:							
Accounts	-	-	-	25,000	-	210,309	235,309
Special assessments	35,798	-	-	-	-	-	35,798
Total Assets	<u>\$ 73,394</u>	<u>\$ 49,490</u>	<u>\$ 236,611</u>	<u>\$ 286,448</u>	<u>\$ 1,093,163</u>	<u>\$ 210,309</u>	<u>\$ 1,949,415</u>
Liabilities and Fund Balances							
Liabilities							
Vouchers and contracts payable	\$ -	\$ -	\$ -	\$ 7,611	\$ -	\$ 139,936	\$ 147,547
Interfund payable	-	-	-	-	-	70,373	70,373
Total Liabilities	-	-	-	7,611	-	210,309	217,920
Deferred Inflows of Resources	29,138	-	-	-	-	-	29,138
Total Liabilities and Deferred Inflows of Resources	29,138	-	-	7,611	-	210,309	247,058
Fund Balances							
Restricted	44,256	49,490	236,611	278,837	1,093,163	-	1,702,357
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 73,394</u>	<u>\$ 49,490</u>	<u>\$ 236,611</u>	<u>\$ 286,448</u>	<u>\$ 1,093,163</u>	<u>\$ 210,309</u>	<u>\$ 1,949,415</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2014

	Special Improvements	Police Department	Conservation Trust	Chemical Roundup	CC/BSD Use Tax	Grants	Total Nonmajor Special Revenue Funds
Revenues							
Special assessments	\$ 639	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 639
Intergovernmental	-	-	439,801	-	-	276,167	715,968
Investment earnings	1,559	-	22,823	10,916	45,769	-	81,067
Interest and penalties	131	-	-	-	-	-	131
Charges for services	-	-	-	25,000	-	-	25,000
Contributions	-	26,836	-	-	-	-	26,836
Total Revenues	<u>2,329</u>	<u>26,836</u>	<u>462,624</u>	<u>35,916</u>	<u>45,769</u>	<u>276,167</u>	<u>849,641</u>
Expenditures							
Current:							
General government	11	-	-	-	-	166,600	166,611
Community development	-	-	-	-	-	129	129
Public safety	-	11,521	-	-	-	71,709	83,230
Public works	-	-	-	12,502	-	-	12,502
Parks and recreation	-	-	-	-	-	37,729	37,729
Total Expenditures	<u>11</u>	<u>11,521</u>	<u>-</u>	<u>12,502</u>	<u>-</u>	<u>276,167</u>	<u>300,201</u>
Excess of Revenues Over Expenditures	2,318	15,315	462,624	23,414	45,769	-	549,440
Other Financing (Uses)							
Transfers out	-	-	(477,100)	-	-	-	(477,100)
Net Change in Fund Balances	2,318	15,315	(14,476)	23,414	45,769	-	72,340
Fund Balances Beginning of Year	41,938	34,175	251,087	255,423	1,047,394	-	1,630,017
Fund Balances End of Year	<u>\$ 44,256</u>	<u>\$ 49,490</u>	<u>\$ 236,611</u>	<u>\$ 278,837</u>	<u>\$ 1,093,163</u>	<u>\$ -</u>	<u>\$ 1,702,357</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Special Improvements Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	\$ 37,596	\$ 32,992
Special assessments receivable	<u>35,798</u>	<u>38,723</u>
Total Assets	<u>\$ 73,394</u>	<u>\$ 71,715</u>
Deferred Inflows of Resources and Fund Balances		
Deferred Inflows of Resources		
Unavailable revenue	<u>\$ 29,138</u>	<u>\$ 29,777</u>
Fund Balances		
Restricted for:		
Capital projects	44,186	41,732
Emergencies	<u>70</u>	<u>206</u>
Total Fund Balances	<u>44,256</u>	<u>41,938</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 73,394</u>	<u>\$ 71,715</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Special Improvements Fund
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenues		
Special assessments	\$ 639	\$ 6,403
Investment earnings	1,559	(1,364)
Interest and penalties	131	1,835
Total Revenues	<u>2,329</u>	<u>6,874</u>
Expenditures		
Current:		
General government	<u>11</u>	<u>2,798</u>
Excesss of Revenues Over Expenditures	2,318	4,076
Fund Balances Beginning of Year	<u>41,938</u>	<u>37,862</u>
Fund Balances End of Year	<u>\$ 44,256</u>	<u>\$ 41,938</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Balance Sheet
Police Department Fund
December 31, 2014
(With Comparative Totals at December 31, 2013)

	2014			2013	
	Police Forfeiture - State	Police Forfeiture - Federal	Police Donation	Total	Total
Assets					
Equity in pooled cash and investments	\$ 3,563	\$ 887	\$ 45,040	\$ 49,490	\$ 34,191
Liabilities and Fund Balances:					
Liabilities					
Vouchers and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ 16
Fund Balances					
Restricted for:					
Emergencies		-	805	805	440
Public safety	3,563	887	44,235	48,685	33,735
Total Fund Balances	3,563	887	45,040	49,490	34,175
Total Liabilities and Fund Balances	\$ 3,563	\$ 887	\$ 45,040	\$ 49,490	\$ 34,191

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Police Department Fund
For the Year Ended December 31, 2014
(With Comparative Totals for the Year Ended December 31, 2013)

	2014			2013	
	Police Forfeiture - State	Police Forfeiture - Federal	Police Donation	Total	Total
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 3,280
Donations	-	-	26,836	26,836	11,388
Total Revenues	-	-	26,836	26,836	14,668
Expenditures:					
Current:					
Public safety	-	-	11,521	11,521	15,352
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	15,315	15,315	(684)
Fund Balances Beginning of Year	3,563	887	29,725	34,175	34,859
Fund Balances End of Year	<u>\$ 3,563</u>	<u>\$ 887</u>	<u>\$ 45,040</u>	<u>\$ 49,490</u>	<u>\$ 34,175</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Police Donation Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Donations	\$ 8,000	\$ 8,000	\$ 26,836	\$ 18,836	\$ 11,388
Expenditures					
Current:					
Public safety	8,000	36,706	11,521	25,185	15,352
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (28,706)</u>	15,315	<u>\$ 44,021</u>	(3,964)
Fund Balances Beginning of Year			29,725		33,689
Fund Balances End of Year			<u>\$ 45,040</u>		<u>\$ 29,725</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Conservation Trust Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	<u>\$ 236,611</u>	<u>\$ 251,087</u>
Fund Balances		
Restricted for parks and recreation purposes	<u>\$ 236,611</u>	<u>\$ 251,087</u>
See accompanying independent auditor's report		

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

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Intergovernmental - lottery	\$ 380,000	\$ 380,000	\$ 439,801	\$ 59,801	\$ 496,654
Investment earnings	7,500	7,500	22,823	15,323	(9,061)
Total Revenues	387,500	387,500	462,624	75,124	487,593
Other Financing Uses:					
Transfers out:					
Capital Projects Fund	477,100	477,100	477,100	-	425,000
Net Change in Fund Balances	<u>\$ (89,600)</u>	<u>\$ (89,600)</u>	(14,476)	<u>\$ 75,124</u>	62,593
Fund Balances Beginning of Year			<u>251,087</u>		<u>188,494</u>
Fund Balances End of Year			<u>\$ 236,611</u>		<u>\$ 251,087</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Chemical Roundup Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	\$ 261,448	\$ 230,423
Accounts receivable	25,000	25,000
Total Assets	<u>\$ 286,448</u>	<u>\$ 255,423</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ 7,611	\$ -
Fund Balances		
Restricted for emergencies	1,077	476
Restricted for public works	277,760	254,947
Total Fund Balances	<u>278,837</u>	<u>255,423</u>
Total Liabilities and Fund Balances	<u>\$ 286,448</u>	<u>\$ 255,423</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Chemical Roundup Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Charges for services	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Investment earnings	-	-	10,916	10,916	(9,115)
Total Revenues	25,000	25,000	35,916	10,916	15,885
Expenditures:					
Current:					
Public works	25,000	25,000	12,502	12,498	2,973
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>-</u>	23,414	<u>\$ 23,414</u>	12,912
Fund Balances Beginning of Year			255,423		242,511
Fund Balances End of Year			<u>\$ 278,837</u>		<u>\$ 255,423</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
CC/BSD Use Tax Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	<u>\$ 1,093,163</u>	<u>\$ 1,047,394</u>
Fund Balances		
Restricted for:		
Emergencies	\$ 1,373	\$ -
Capital outlay	<u>1,091,790</u>	<u>1,047,394</u>
Total Fund Balances	<u>\$ 1,093,163</u>	<u>\$ 1,047,394</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Statement of Revenues and
Changes in Fund Balances
CC/BSD Use Tax Fund
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenues		
Investment earnings	\$ 45,769	\$ (41,467)
Fund Balances Beginning of Year	<u>1,047,394</u>	<u>1,088,861</u>
Fund Balances End of Year	<u>\$ 1,093,163</u>	<u>\$ 1,047,394</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Grants Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Accounts receivable	<u>\$ 210,309</u>	<u>\$ 24,845</u>
Liabilities		
Vouchers and contracts payable	\$ 139,936	\$ 13,875
Unearned revenue	-	129
Interfund payable	<u>70,373</u>	<u>10,841</u>
Total Liabilities	<u>\$ 210,309</u>	<u>\$ 24,845</u>

See accompanying independent auditor's report

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

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	\$ -	\$ 496,224	\$ 276,167	\$ (220,057)	\$ 153,744
Expenditures					
Current:					
General government	-	166,600	166,600	-	34,853
Public safety	-	188,260	71,709	116,551	81,971
Parks and recreation	-	141,235	37,729	103,506	31,138
Public works	-	-	-	-	1,490
Community development	-	129	129	-	4,292
Total Expenditures	-	496,224	276,167	220,057	153,744
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

See accompanying independent auditor's report

CITY OF COMMERCE CITY

THIS PAGE INTENTIONALLY LEFT BLANK

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

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	<u>\$ 3,046,536</u>	<u>\$ 1,050,010</u>
Fund Balances		
Assigned for debt service	<u>\$ 3,046,536</u>	<u>\$ 1,050,010</u>
See accompanying independent auditor's report		

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Investment earnings	\$ -	\$ -	\$ 102,584	\$ 102,584	\$ (45,927)
Miscellaneous	609,311	609,311	617,964	8,653	604,812
Total Revenues	<u>609,311</u>	<u>609,311</u>	<u>720,548</u>	<u>111,237</u>	<u>558,885</u>
Other Financing Sources:					
Transfers in:					
Urban Renewal Authority Fund	244,713	244,713	244,713	-	256,789
General Fund	3,213,488	3,213,488	5,602,446	2,388,958	3,207,967
Total Other Financing Source	<u>3,458,201</u>	<u>3,458,201</u>	<u>5,847,159</u>	<u>2,388,958</u>	<u>3,464,756</u>
Total Revenues and Other Financing Sources	<u>4,067,512</u>	<u>4,067,512</u>	<u>6,567,707</u>	<u>2,500,195</u>	<u>4,023,641</u>
Expenditures:					
<i>Current:</i>					
General government	-	-	4,325	(4,325)	1,750
<i>Debt Service:</i>					
Principal	1,490,000	1,490,000	1,490,000	-	1,425,000
Interest	2,577,512	2,577,512	3,076,856	(499,344)	2,634,511
Total Expenditures	<u>4,067,512</u>	<u>4,067,512</u>	<u>4,571,181</u>	<u>(503,669)</u>	<u>4,061,261</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>1,996,526</u>	<u>\$ 1,996,526</u>	<u>(37,620)</u>
Fund Balances Beginning of Year			1,050,010		1,087,630
Fund Balances End of Year			<u>\$ 3,046,536</u>		<u>\$ 1,050,010</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Capital Expenditures Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	\$ 83,646,820	\$ 12,580,568
Receivables		
Accounts	923,796	1,764,327
Notes	4,805,695	609,607
Escrow deposit	-	85,800
Prepaid expenses	856	-
Total Assets	<u>\$ 89,377,167</u>	<u>\$ 15,040,302</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ 2,138,897	\$ 285,475
Unearned revenue	1,789,977	1,789,977
Total Liabilities	<u>3,928,874</u>	<u>2,075,452</u>
Fund Balances		
Nonspendable	4,806,551	609,607
Restricted for:		
Emergencies	2,402,023	98,735
Capital projects	72,592,464	-
Assigned for capital projects	5,647,255	12,256,508
Total Fund Balances	<u>85,448,293</u>	<u>12,964,850</u>
Total Liabilities and Fund Balances	<u>\$ 89,377,167</u>	<u>\$ 15,040,302</u>

See accompanying independent auditor's report

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

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Other taxes	\$ 280,000	\$ 280,000	\$ 379,610	\$ 99,610	\$ 332,260
Charges for services	33,000	33,000	31,724	(1,276)	32,445
Intergovernmental	-	-	1,702,266	1,702,266	3,416,185
Miscellaneous	725,000	725,000	31,311	(693,689)	2,525
Investment earnings	-	-	(162,989)	(162,989)	-
Total Revenues	1,038,000	1,038,000	1,981,922	943,922	3,783,415
Other Financing Sources:					
Issuance of revenue bonds	-	73,445,000	73,445,000	-	-
Bond premium	-	4,555,000	5,157,213	602,213	-
Transfers in:					
General Fund	1,256,000	1,579,000	1,229,000	(350,000)	666,405
Impact Fees Fund	-	-	-	-	561,745
Information Technology Fund	-	-	-	-	159,860
Conservation Trust Fund	477,100	477,100	477,100	-	425,000
Solid Waste Management Fund	-	1,345,000	1,345,000	-	1,000,000
Total Other Financing Sources	1,733,100	81,401,100	81,653,313	252,213	2,813,010
Total Revenues and Other Financing Sources	2,771,100	82,439,100	83,635,235	1,196,135	6,596,425
Expenditures:					
<i>Capital Outlay</i>	2,836,100	94,196,993	9,319,522	84,877,471	6,711,984
<i>Debt Service:</i>					
Bond issuance costs	-	-	592,270	(592,270)	-
Total Expenditures	2,836,100	94,196,993	9,911,792	84,285,201	6,711,984
Other Financing Uses:					
Transfers out:					
E-470 Commercial Area GID Fund	-	-	1,240,000	(1,240,000)	-
Total Expenditures and Other Financing Uses	2,836,100	94,196,993	11,151,792	83,045,201	6,711,984
Net Change in Fund Balances	\$ (65,000)	\$ (11,757,893)	72,483,443	\$ 83,089,066	(115,559)
Fund Balances Beginning of Year			12,964,850		13,080,409
Fund Balances End of Year			\$ 85,448,293		\$ 12,964,850

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Northern Infrastructure GID Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	\$ 11,441,149	\$ 16,108,480
Receivables:		
Accounts	103,130	245,288
Property taxes	4,541,829	4,411,330
Assets held for resale	<u>1,921,825</u>	<u>2,757,756</u>
Total Assets	<u>\$ 18,007,933</u>	<u>\$ 23,522,854</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ 1,920,086	\$ 657,547
Deferred Inflows of Resources	<u>4,541,829</u>	<u>4,411,330</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,461,915</u>	<u>5,068,877</u>
Fund Balances		
Nonspendable - assets held for resale	1,921,825	2,757,756
Restricted for:		
Emergencies	20,094	40,924
Debt service	9,604,099	12,438,063
Capital projects	<u>-</u>	<u>3,217,234</u>
Total Fund Balances	<u>11,546,018</u>	<u>18,453,977</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 18,007,933</u>	<u>\$ 23,522,854</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Northern Infrastructure GID Fund
 For the Year Ended December 31, 2014
 (With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Property taxes	\$ 4,364,518	\$ 4,364,518	\$ 4,381,015	\$ 16,497	\$ 4,316,652
Specific ownership tax	436,451	436,451	353,876	(82,575)	323,681
Investment earnings	355,000	355,000	325,965	(29,035)	(469,260)
Miscellaneous	25,000	25,000	695,615	670,615	637,969
Total Revenues	5,180,969	5,180,969	5,756,471	575,502	4,809,042
Other Financing Sources					
Transfers in:					
Impact Fees Fund	7,685,000	7,685,000	7,685,000	-	-
Issuance of general obligation refunding bonds	-	-	-	-	86,400,000
Bond premium	-	-	-	-	6,615,706
Total Other Financing Sources	7,685,000	7,685,000	7,685,000	-	93,015,706
Total Revenues and Other Financing Sources	12,865,969	12,865,969	13,441,471	575,502	97,824,748
Expenditures:					
Current:					
General government	126,100	126,100	130,173	(4,073)	2,621,542
Cost of water rights distributed	-	-	-	-	90,518
<i>Capital Outlay</i>	-	-	15,366,809	(15,366,809)	4,230,049
<i>Debt Service:</i>					
Principal	1,205,000	1,205,000	1,205,000	-	1,665,000
Interest and fiscal charges	3,647,448	3,647,448	3,647,448	-	3,025,220
Bond issuance costs	-	-	-	-	2,071,222
Total Expenditures	4,978,548	4,978,548	20,349,430	(15,370,882)	13,703,551
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,887,421	7,887,421	(6,907,959)	(14,795,380)	84,121,197
Other Financing Uses:					
Payment to refunded bonds escrow agent	-	-	-	-	(89,998,038)
Net Change in Fund Balances	\$ 7,887,421	\$ 7,887,421	\$ (6,907,959)	\$ (14,795,380)	\$ (5,876,841)
Fund Balances Beginning of Year			18,453,977		24,330,818
Fund Balances End of Year			\$ 11,546,018		\$ 18,453,977

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Impact Fees Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	<u>\$ 5,699,718</u>	<u>\$ 12,110,284</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	<u>\$ 35,430</u>	<u>\$ 9,448</u>
Fund Balances		
Restricted for emergencies	38,623	11,795
Committed for capital outlay	<u>5,625,665</u>	<u>12,089,041</u>
Total Fund Balances	<u>5,664,288</u>	<u>12,100,836</u>
Total Liabilities and Fund Balances	<u>\$ 5,699,718</u>	<u>\$ 12,110,284</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Impact Fees Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Impact fees	\$ 828,000	\$ 828,000	\$ 860,693	\$ 32,693	\$ 754,100
Investment earnings	-	-	426,732	426,732	(360,948)
Total Revenues	<u>828,000</u>	<u>828,000</u>	<u>1,287,425</u>	<u>459,425</u>	<u>393,152</u>
Expenditures					
General government	828,000	828,000	38,973	789,027	96,061
Other Financing Uses					
Transfers out:					
Capital Projects Fund	<u>7,685,000</u>	<u>7,685,000</u>	<u>7,685,000</u>	-	<u>561,745</u>
Total Expenditures and Other Financing Uses	<u>8,513,000</u>	<u>8,513,000</u>	<u>7,723,973</u>	<u>789,027</u>	<u>657,806</u>
Net Change in Fund Balances	<u>\$ (7,685,000)</u>	<u>\$ (7,685,000)</u>	(6,436,548)	<u>\$ 1,248,452</u>	(264,654)
Fund Balances Beginning of Year			<u>12,100,836</u>		<u>12,365,490</u>
Fund Balances End of Year			<u>\$ 5,664,288</u>		<u>\$ 12,100,836</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2014

	Water Rights Acquisition	Second Creek Drainage Basin	Third Creek Drainage Basin	Future Growth	Buffalo Run Tributary Drainage District	E-470 Commercial Area GID	E-470 Residential Area GID	Total Nonmajor Capital Projects Funds
Assets								
Equity in pooled cash and investments	\$ 2,978,442	\$ 1,710,181	\$ 33,723	\$ 953,296	\$ 338,110	\$ -	\$ -	\$ 6,013,752
Receivables:								
Property taxes	-	-	-	-	-	6,807	-	6,807
Notes receivable	-	-	-	-	-	2,462,728	-	2,462,728
Assets held for resale	3,344,136	-	-	-	-	-	-	3,344,136
Total Assets	<u>\$ 6,322,578</u>	<u>\$ 1,710,181</u>	<u>\$ 33,723</u>	<u>\$ 953,296</u>	<u>\$ 338,110</u>	<u>\$ 2,469,535</u>	<u>\$ -</u>	<u>\$ 11,827,423</u>
Liabilities , Deferred Inflows of Resources and Fund Balances								
Liabilities								
Vouchers and contracts payable	\$ -	\$ -	\$ -	\$ 273,892	\$ 16,226	\$ -	\$ -	\$ 290,118
Interfund loan payable	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	1,888	52,308	54,196
Total Liabilities	-	-	-	273,892	16,226	1,888	52,308	344,314
Deferred Inflows of Resources	-	-	-	-	-	6,807	-	6,807
Total Liabilities and Deferred Inflows of Resources	-	-	-	273,892	16,226	8,695	52,308	351,121
Fund Balances								
Nonspendable	3,344,136	-	-	-	-	2,462,728	-	5,806,864
Restricted	18,705	4,263	42	18,932	2,059	1,182	-	45,183
Committed	2,959,737	1,705,918	33,681	-	319,825	-	-	5,019,161
Assigned	-	-	-	660,472	-	-	-	660,472
Unassigned	-	-	-	-	-	(3,070)	(52,308)	(55,378)
Total Fund Balances	<u>6,322,578</u>	<u>1,710,181</u>	<u>33,723</u>	<u>679,404</u>	<u>321,884</u>	<u>2,460,840</u>	<u>(52,308)</u>	<u>11,476,302</u>
Total Liabilities and Fund Balances	<u>\$ 6,322,578</u>	<u>\$ 1,710,181</u>	<u>\$ 33,723</u>	<u>\$ 953,296</u>	<u>\$ 338,110</u>	<u>\$ 2,469,535</u>	<u>\$ -</u>	<u>\$ 11,827,423</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Capital Projects Funds
 For the Year Ended December 31, 2014

	Water Rights Acquisition	Second Creek Drainage Basin	Third Creek Drainage Basin	Future Growth	Buffalo Run Tributary Drainage District	E-470 Commercial Area GID	E-470 Residential Area GID	Total Nonmajor Capital Projects Funds
Revenues								
Charges for services	\$ 435,057	\$ 70,794	\$ -	\$ -	\$ 54,871	\$ -	\$ -	\$ 560,722
Property taxes	-	-	-	-	-	176	-	176
Investment earnings	104,742	71,302	1,412	37,082	13,760	39,217	(1,930)	265,585
Sale of Water Rights	83,685	-	-	-	-	-	-	83,685
Miscellaneous	-	-	-	593,983	-	-	-	593,983
Total Revenues	623,484	142,096	1,412	631,065	68,631	39,393	(1,930)	1,504,151
Expenditures								
Current:								
General government	64,257	-	-	593,983	16,227	1,288,663	50,000	2,013,130
Excess (Deficiency) of Revenues Over (Under) Expenditures	559,227	142,096	1,412	37,082	52,404	(1,249,270)	(51,930)	(508,979)
Other Financing Sources:								
Transfers in	-	-	-	-	-	1,240,000	-	1,240,000
Net Change in Fund Balances	559,227	142,096	1,412	37,082	52,404	(9,270)	(51,930)	731,021
Fund Balances Beginning of Year	5,763,351	1,568,085	32,311	642,322	269,480	2,470,110	(378)	10,745,281
Fund Balances End of Year	\$ 6,322,578	\$ 1,710,181	\$ 33,723	\$ 679,404	\$ 321,884	\$ 2,460,840	\$ (52,308)	\$ 11,476,302

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Water Rights Acquisition Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	\$ 2,978,442	\$ 1,941,538
Assets held for resale	<u>3,344,136</u>	<u>3,821,813</u>
Total Assets	<u>\$ 6,322,578</u>	<u>\$ 5,763,351</u>
Fund Balances		
Nonspendable - assets held for resale	\$ 3,344,136	\$ 3,821,813
Restricted for emergencies	18,705	10,212
Committed for water rights	<u>2,959,737</u>	<u>1,931,326</u>
Total Fund Balances	<u>\$ 6,322,578</u>	<u>\$ 5,763,351</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Water Rights Acquisition Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Water acquisition fees	\$ 175,000	\$ 175,000	\$ 435,057	\$ 260,057	\$ 419,598
Sale of water rights	-	-	83,685	83,685	-
Investment earnings	-	-	104,742	104,742	(79,185)
Total Revenues	<u>175,000</u>	<u>175,000</u>	<u>623,484</u>	<u>448,484</u>	<u>340,413</u>
Expenditures					
Current:					
General government	175,000	175,000	-	175,000	
Cost of water rights	-	-	64,257	(64,257)	229,529
Total Expenditures	<u>175,000</u>	<u>175,000</u>	<u>64,257</u>	<u>110,743</u>	<u>229,529</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	559,227	<u>\$ 559,227</u>	110,884
Fund Balances Beginning of Year			<u>5,763,351</u>		<u>5,652,467</u>
Fund Balances End of Year			<u>\$ 6,322,578</u>		<u>\$ 5,763,351</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Second Creek Drainage Basin Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	\$ 1,710,181	\$ 1,568,085
Fund Balances		
Restricted for emergencies	\$ 4,263	\$ 844
Committed for capital outlay	1,705,918	1,567,241
Total Fund Balances	<u>\$ 1,710,181</u>	<u>\$ 1,568,085</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Second Creek Drainage Basin Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Drainage fees	\$ 75,000	\$ 75,000	\$ 70,794	\$ (4,206)	\$ 90,740
Investment earnings	-	-	71,302	71,302	(62,594)
Total Revenues	75,000	75,000	142,096	67,096	28,146
Expenditures:					
General government	75,000	75,000	-	75,000	-
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	142,096	<u>\$ 142,096</u>	28,146
Fund Balance Beginning of Year			<u>1,568,085</u>		<u>1,539,939</u>
Fund Balance End of Year			<u>\$ 1,710,181</u>		<u>\$ 1,568,085</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Third Creek Drainage Basin Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	<u>\$ 33,723</u>	<u>\$ 32,311</u>
Fund Balances		
Restricted for emergencies	\$ 42	\$ -
Committed for capital outlay	<u>33,681</u>	<u>32,311</u>
Total Fund Balances	<u>\$ 33,723</u>	<u>\$ 32,311</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Change in Fund Balances - Budget and Actual
Third Creek Drainage Basin Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Drainage fees	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)	\$ 408
Investment earnings	-	-	1,412	1,412	(1,283)
Total Revenues	1,000	1,000	1,412	412	(875)
Expenditures:					
General government	1,000	1,000	-	1,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	1,412	<u>\$ 1,412</u>	(875)
Fund Balance Beginning of Year			32,311		33,186
Fund Balance End of Year			<u>\$ 33,723</u>		<u>\$ 32,311</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Future Growth Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	<u>\$ 953,296</u>	<u>\$ 836,138</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	<u>\$ 273,892</u>	<u>\$ 193,816</u>
Fund Balances		
Restricted for emergencies	18,932	12,885
Assigned for capital outlay	<u>660,472</u>	<u>629,437</u>
Total Fund Balances	<u>679,404</u>	<u>642,322</u>
Total Liabilities and Fund Balances	<u>\$ 953,296</u>	<u>\$ 836,138</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
Future Growth Fund
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenues		
Investment earnings	\$ 37,082	\$ (35,593)
Miscellaneous	593,983	465,102
Total Revenues	<u>631,065</u>	<u>429,509</u>
Expenditures:		
General government	<u>593,983</u>	<u>466,785</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	37,082	(37,276)
Fund Balances Beginning of Year	<u>642,322</u>	<u>679,598</u>
Fund Balances End of Year	<u>\$ 679,404</u>	<u>\$ 642,322</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Buffalo Run Tributary Drainage Basin Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	<u>\$ 338,110</u>	<u>\$ 269,480</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	<u>\$ 16,226</u>	<u>\$ -</u>
Fund Balances		
Restricted for emergencies	2,059	1,314
Committed for capital outlay	<u>319,825</u>	<u>268,166</u>
Total Fund Balances	<u>321,884</u>	<u>269,480</u>
Total Liabilities and Fund Balances	<u>\$ 338,110</u>	<u>\$ 269,480</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Buffalo Run Tributary Drainage Basin Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services	\$ 20,000	\$ 20,000	\$ 54,871	\$ 34,871	\$ 54,751
Investment earnings	-	-	13,760	13,760	(10,961)
Total Revenues	20,000	20,000	68,631	48,631	43,790
Expenditures:					
General government	20,000	20,000	16,227	3,773	225
Excess of Revenues Over Exenditures	<u>\$ -</u>	<u>\$ -</u>	52,404	<u>\$ 52,404</u>	43,565
Fund Balances Beginning of Year			269,480		225,915
Fund Balances End of Year			<u>\$ 321,884</u>		<u>\$ 269,480</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
E-470 Commerical Area GID Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Equity in pooled cash and investments	\$ -	\$ 799,073
Receivables:		
Property taxes	6,807	166
Notes receivable	<u>2,462,728</u>	<u>1,671,037</u>
Total Assets	<u>\$ 2,469,535</u>	<u>\$ 2,470,276</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Interfund payable	\$ 1,888	\$ -
Deferred Inflows of Resources	<u>6,807</u>	<u>166</u>
Total Liabilities and Deferred Inflows of Resources	<u>8,695</u>	<u>166</u>
Fund Balances		
Nonspendable	2,462,728	1,671,037
Restricted for emergencies	1,182	-
Restricted for capital	-	799,073
Unassigned	<u>(3,070)</u>	<u>-</u>
Total Fund Balances	<u>2,460,840</u>	<u>2,470,110</u>
Total Liabilities and Fund Balances	<u>\$ 2,469,535</u>	<u>\$ 2,470,276</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
E-470 Commerical Area GID Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Property taxes	\$ -	\$ -	\$ 176	\$ 176	\$ -
Investment earnings	-	-	39,217	39,217	(29,978)
Contributions	-	-	-	-	2,500,000
Miscellaneous	100,000	100,000	-	(100,000)	500
Total Revenues	100,000	100,000	39,393	(60,607)	2,470,522
Other Financing Sources:					
Transfer in:					
Capital Expenditures Fund	-	-	1,240,000	1,240,000	-
Total Revenues and Other Financing Sources	100,000	100,000	1,279,393	1,179,393	2,470,522
Expenditures					
Current:					
General government	100,000	100,000	1,288,663	(1,188,663)	412
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	(9,270)	<u>\$ (9,270)</u>	2,470,110
Fund Balances Beginning of Year			2,470,110		-
Fund Balances End of Year			<u>\$ 2,460,840</u>		<u>\$ 2,470,110</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
E-470 Residential Area GID Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Liabilities		
Interfund loan payable	\$ 52,308	\$ 378
Fund Balances		
Unassigned (deficit)	<u>(52,308)</u>	<u>(378)</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
E-470 Residential Area GID Fund
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Investment earnings	\$ -	\$ -	\$ (1,930)	\$ (1,930)	\$ 18
Miscellaneous	100,000	100,000	-	(100,000)	-
Total Revenues	100,000	100,000	(1,930)	(101,930)	18
Expenditures					
<i>Current:</i>					
General government	100,000	100,000	50,000	50,000	396
(Deficiency) of Revenues (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	(51,930)	<u>\$ (51,930)</u>	(378)
Fund Balances Beginning of Year			(378)		-
Fund Balances End of Year			<u>\$ (52,308)</u>		<u>\$ (378)</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Golf Course Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Net Position - Budget and Actual (Non-GAAP Budgetary Basis)
For the Years Ended December 31, 2014 and 2013

	2014	2013
Revenues		
Charges for services:		
Green fees	\$ -	\$ 765,141
Cart rentals	-	267,936
Driving range	-	63,397
Club/pull cart rentals	-	4,278
Memberships	-	65,000
Men's Club/18	-	6,960
Pro lesson tickets	-	7,738
Gift certificates	-	(5,594)
Food and beverage	-	50,000
Bison Bar & Grill	-	857,994
Pro shop	-	160,591
Investment (loss)	-	18,233
Miscellaneous	-	7,450
Total Revenues	-	2,269,124
Other Financing Sources		
Transfers in:		
General Fund	-	8,550,897
Total Revenues and Other Financing Sources	-	10,820,021
Expenditures		
Salaries and benefits	-	1,259,148
Purchased services and charges	-	444,943
Materials and supplies	-	632,483
Total Expenditures	-	2,336,574
Other Financing Uses		
Transfers out:		
General Fund	-	589,663
Fleet Management Fund	-	174,904
Total Other Financing Uses	-	764,567
Total Expenditures and Other Financing Uses	-	3,101,141
Net Income (Loss) (Budgetary Basis)		7,718,880
Reconciliation to GAAP Basis -		
Net Income		
Add:		
Contributions	-	72,692
Deduct:		
Depreciation	-	(99,536)
Loss on disposition of capital assets	-	(8,448,325)
Net (Loss)	-	(756,289)
Net Position Beginning of Year	-	756,289
Net Position End of Year	\$ -	\$ -

See accompanying independent auditor's report

City of Commerce City, Colorado
Finance Authority Fund
Comparative Statement of Net Position
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
<i>Current Assets:</i>		
Prepaid items	\$ 12,130	\$ 12,130
<i>Noncurrent Assets:</i>		
Prepaid items	266,853	278,983
Capital assets:		
Depreciable, net	26,144,126	27,207,470
Total Noncurrent Assets	<u>26,410,979</u>	<u>27,486,453</u>
Total Assets	<u>26,423,109</u>	<u>27,498,583</u>
Liabilities		
<i>Current Liabilities:</i>		
Accrued interest payable	59,486	61,158
Interfund payable	3,812	1,613
Certificates of participation	570,000	555,000
Total Current Liabilities:	<u>633,298</u>	<u>617,771</u>
<i>Long-Term Liabilities:</i>		
Certificates of participation	29,614,278	30,193,020
Total Liabilities	<u>30,247,576</u>	<u>30,810,791</u>
Net Position		
Net investment in capital assets	(4,040,151)	(3,540,550)
Unrestricted	215,684	228,342
Total Net Position	<u>\$ (3,824,467)</u>	<u>\$ (3,312,208)</u>

See accompanying independent auditor's report

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

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services	\$ 2,009,481	\$ 2,009,481	\$ 2,006,231	\$ (3,250)	\$ 1,857,807
Expenditures					
Purchased services and charges	3,250	3,250	2,200	1,050	2,000
Principal	555,000	555,000	555,000	-	390,000
Interest	1,451,231	1,451,231	1,449,559	1,672	1,467,806
Total Expenditures	<u>2,009,481</u>	<u>2,009,481</u>	<u>2,006,759</u>	<u>2,722</u>	<u>1,859,806</u>
Net Income (Loss) (Budgetary Basis)	<u>\$ -</u>	<u>\$ -</u>	(528)	<u>\$ (5,972)</u>	(1,999)
Add:					
Principal			555,000		390,000
Deduct:					
Amortization			(3,387)		(3,387)
Depreciation			<u>(1,063,344)</u>		<u>(1,063,344)</u>
Net (Loss)			(512,259)		(678,730)
Net Position Beginning of Year			<u>(3,312,208)</u>		<u>(2,633,478)</u>
Net Position End of Year			<u>\$ (3,824,467)</u>		<u>\$ (3,312,208)</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Statement of Net Position
Solid Waste Management Fund
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
<i>Current Assets:</i>		
Equity in pooled cash and investments	\$ -	\$ 638,552
Accounts receivable	133,466	209,901
Total Current Assets	<u>133,466</u>	<u>848,453</u>
Liabilities		
<i>Current Liabilities:</i>		
Interfund payable	264,616	-
Net Position		
Unrestricted	<u>\$ (131,150)</u>	<u>\$ 848,453</u>

See accompanying independent auditor's report

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

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues					
Waste disposal fees	\$ 675,000	\$ 675,000	\$ 361,564	\$ (313,436)	\$ 682,659
Investment earnings	-	-	3,833	3,833	(19,849)
Total Revenues	675,000	675,000	365,397	(309,603)	662,810
Other Financing Uses					
Transfers out:					
Capital Expenditures Fund	-	1,345,000	1,345,000	-	1,000,000
Net Income (Loss)	<u>\$ 675,000</u>	<u>\$ (670,000)</u>	(979,603)	<u>\$ (309,603)</u>	(337,190)
Net Position Beginning of Year			848,453		1,185,643
Net Position End of Year			<u>\$ (131,150)</u>		<u>\$ 848,453</u>

See accompanying independent auditor's report

CITY OF COMMERCE CITY

THIS PAGE INTENTIONALLY LEFT BLANK

City of Commerce City, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2014
(With Comparative Totals at December 31, 2013)

	2014				2013
	Fleet Management	Information Technology	Facility Services	Total	Total
Assets					
Current Assets:					
Equity in pooled cash and investments	\$ 5,582,469	\$ 3,208,266	\$ 655,713	\$ 9,446,448	\$ 8,002,198
Accounts receivable	69,177	-	1,201	70,378	130,418
Inventory	179,316	-	-	179,316	150,002
Prepaid items	-	109,225	-	109,225	101,681
Total Current Assets	5,830,962	3,317,491	656,914	9,805,367	8,384,299
Noncurrent Assets:					
Capital assets:					
Depreciable, net	3,259,400	153,074	358,862	3,771,336	3,922,240
Total Assets	9,090,362	3,470,565	1,015,776	13,576,703	12,306,539
Liabilities					
Current Liabilities:					
Vouchers and contracts payable	162,849	15,112	91,435	269,396	155,421
Accrued expenses payable	11,421	46,417	12,089	69,927	65,968
Compensated absences payable	-	1,499	-	1,499	828
Total Current Liabilities	174,270	63,028	103,524	340,822	222,217
Net Position					
Net investment in capital assets	3,259,400	153,074	358,862	3,771,336	3,922,240
Restricted for emergencies	9,541	4,487	774	14,802	10,656
Unrestricted	5,647,151	3,249,976	552,616	9,449,743	8,151,427
Total Net Position	\$ 8,916,092	\$ 3,407,537	\$ 912,252	\$ 13,235,881	\$ 12,084,323

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2014
(With Comparative Totals For the Year Ended December 31, 2013)

	2014			2013	
	Fleet Management	Information Technology	Facility Services	Total	Total
Operating Revenues					
Charges for services	\$ 2,615,843	\$ 2,560,970	\$ 1,711,718	\$ 6,888,531	\$ 6,638,753
Miscellaneous	68,921	3,860	-	72,781	225,656
Total Operating Revenues	<u>2,684,764</u>	<u>2,564,830</u>	<u>1,711,718</u>	<u>6,961,312</u>	<u>6,864,409</u>
Operating Expenses					
Salaries and benefits	369,143	1,030,905	280,707	1,680,755	1,645,469
Purchased services and charges	226,921	1,158,195	1,089,200	2,474,316	1,989,740
Materials and supplies	872,863	68,060	118,495	1,059,418	1,100,578
Depreciation	872,117	34,323	39,480	945,920	916,958
Total Operating Expenses	<u>2,341,044</u>	<u>2,291,483</u>	<u>1,527,882</u>	<u>6,160,409</u>	<u>5,652,745</u>
Operating Income	<u>343,720</u>	<u>273,347</u>	<u>183,836</u>	<u>800,903</u>	<u>1,211,664</u>
Nonoperating Revenues					
Investment earnings (loss)	232,505	134,820	25,808	393,133	(321,053)
(Loss) on disposition on the sale of capital assets	(9,649)	-	-	(9,649)	(24,290)
Total Nonoperating Revenues	<u>222,856</u>	<u>134,820</u>	<u>25,808</u>	<u>383,484</u>	<u>(345,343)</u>
Income Before Contributions and Transfers	<u>566,576</u>	<u>408,167</u>	<u>209,644</u>	<u>1,184,387</u>	<u>866,321</u>
Contributions	115,917	23,961	-	139,878	74,232
Transfers in	6,574	16,246	4,473	27,293	442,941
Transfers out	-	(200,000)	-	(200,000)	(159,860)
Change in Net Position	<u>689,067</u>	<u>248,374</u>	<u>214,117</u>	<u>1,151,558</u>	<u>1,223,634</u>
Total Net Position Beginning of Year	<u>8,227,025</u>	<u>3,159,163</u>	<u>698,135</u>	<u>12,084,323</u>	<u>10,860,689</u>
Total Net Position End of Year	<u>\$ 8,916,092</u>	<u>\$ 3,407,537</u>	<u>\$ 912,252</u>	<u>\$ 13,235,881</u>	<u>\$ 12,084,323</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2014
(With Comparative Totals For the Year Ended December 31, 2013)

	2014			2013	
	Fleet Management	Information Technology	Facility Services	Total	Total
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash receipts from interfund services provided	\$ 2,745,507	\$ 2,564,830	\$ 1,711,014	\$ 7,021,351	\$ 6,759,502
Cash payments to employees for services	(369,143)	(1,030,234)	(280,707)	(1,680,084)	(1,645,130)
Cash payments for goods and services	(1,029,911)	(1,250,671)	(1,172,076)	(3,452,658)	(3,147,637)
Net Cash Provided by Operating Activities	<u>1,346,453</u>	<u>283,925</u>	<u>258,231</u>	<u>1,888,609</u>	<u>1,966,735</u>
Cash Flows from Noncapital Financing Activities					
Transfers in	6,574	16,246	4,473	27,293	442,941
Transfers out	-	(200,000)	-	(200,000)	(159,860)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>6,574</u>	<u>(183,754)</u>	<u>4,473</u>	<u>(172,707)</u>	<u>283,081</u>
Cash Flows from Capital and Related Financing Activities					
Proceeds from sale of capital assets	47,645	-	-	47,645	93,381
Payments for capital acquisitions	(638,929)	-	(73,501)	(712,430)	(1,685,908)
Net Cash Used in Capital and Related Financing Activities	<u>(591,284)</u>	<u>-</u>	<u>(73,501)</u>	<u>(664,785)</u>	<u>(1,592,527)</u>
Cash Flows from Investing Activities					
Investment earnings (loss)	232,505	134,820	25,808	393,133	(321,053)
Net Increase in Cash and Cash Equivalents	994,248	234,991	215,011	1,444,250	336,236
Cash and Cash Equivalents Beginning of Year	<u>4,588,221</u>	<u>2,973,275</u>	<u>440,702</u>	<u>8,002,198</u>	<u>7,665,962</u>
Cash and Cash Equivalents End of Year	<u>\$ 5,582,469</u>	<u>\$ 3,208,266</u>	<u>\$ 655,713</u>	<u>\$ 9,446,448</u>	<u>\$ 8,002,198</u>

See accompanying independent auditor's report

(continued)

City of Commerce City, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2014
(With Comparative Totals For the Year Ended December 31, 2013)

(continued)

	2014				2013
	Fleet Management	Information Technology	Facility Services	Total	Total
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating Income	\$ 343,720	\$ 273,347	\$ 183,836	\$ 800,903	\$ 1,211,664
Adjustments:					
Depreciation	872,117	34,323	39,480	945,920	916,958
(Increase) Decrease in Assets:					
Accounts receivable	60,743	-	(703)	60,040	(104,907)
Inventory	(29,314)	-	-	(29,314)	(17,375)
Prepaid items	-	(7,544)	-	(7,544)	(37,321)
Increase (Decrease) in Liabilities:					
Vouchers and contracts payable	104,182	(24,752)	34,545	113,975	(7,638)
Accrued expenses	(4,995)	7,880	1,073	3,958	5,015
Compensated absences payable	-	671	-	671	339
Net Cash Provided by Operating Activities	<u>\$ 1,346,453</u>	<u>\$ 283,925</u>	<u>\$ 258,231</u>	<u>\$ 1,888,609</u>	<u>\$ 1,966,735</u>
Noncash Capital Activities:					
Contributions of capital assets	<u>\$ 102,040</u>	<u>\$ 23,961</u>	<u>\$ -</u>	<u>\$ 126,001</u>	<u>\$ 319,197</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Fleet Management Fund
Comparative Statement of Net Position
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
<i>Current Assets:</i>		
Equity in pooled cash and investments	\$ 5,582,469	\$ 4,588,221
Accounts receivable	69,177	129,920
Inventory	<u>179,316</u>	<u>150,002</u>
<i>Total Current Assets</i>	<u>5,830,962</u>	<u>4,868,143</u>
<i>Noncurrent Assets:</i>		
Capital assets:		
Depreciable, net	<u>3,259,400</u>	<u>3,433,964</u>
Total Assets	<u>9,090,362</u>	<u>8,302,107</u>
Liabilities		
<i>Current Liabilities:</i>		
Vouchers and contracts payable	162,849	58,667
Accrued expenses payable	<u>11,421</u>	<u>16,416</u>
<i>Total Current Liabilities</i>	<u>174,270</u>	<u>75,083</u>
Net Position		
Net investment in capital assets	3,259,400	3,433,964
Restricted for emergencies	9,541	9,242
Unrestricted	<u>5,647,151</u>	<u>4,783,819</u>
Total Net Position	<u>\$ 8,916,092</u>	<u>\$ 8,227,025</u>

See accompanying independent auditor's report

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

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services:	\$ 2,615,843	\$ 2,615,843	\$ 2,615,843	\$ -	\$ 2,563,407
Investment earnings	-	-	232,505	232,505	(183,548)
Miscellaneous	-	-	68,921	68,921	223,552
Total Revenues	<u>2,615,843</u>	<u>2,615,843</u>	<u>2,917,269</u>	<u>301,426</u>	<u>2,603,411</u>
Other Financing Sources					
Gain (Loss) on sale of vehicles	-	-	(9,649)	(9,649)	(9,685)
Transfers in:					
Golf Fund	-	-	-	-	174,905
General Fund	1,174,900	1,181,474	6,574	(1,174,900)	6,246
Total Other Financing Sources	<u>1,174,900</u>	<u>1,181,474</u>	<u>(3,075)</u>	<u>(1,184,549)</u>	<u>171,466</u>
Total Revenues and Other Financing Sources	<u>3,790,743</u>	<u>3,797,317</u>	<u>2,914,194</u>	<u>(883,123)</u>	<u>2,774,877</u>
Expenditures					
Salaries and benefits	402,781	409,355	369,143	40,212	398,477
Purchased services and charges	72,010	72,010	226,921	(154,911)	200,563
Materials and supplies	1,017,860	1,017,860	872,863	144,997	899,225
Capital outlay - capitalized	1,174,900	1,174,900	652,806	522,094	1,206,593
Total Expenditures	<u>2,667,551</u>	<u>2,674,125</u>	<u>2,121,733</u>	<u>552,392</u>	<u>2,704,858</u>
Net Income (Loss) (Budgetary Basis)	<u>\$ 1,123,192</u>	<u>\$ 1,123,192</u>	792,461	<u>\$ (1,435,514)</u>	70,019
Reconciliation to GAAP Basis - Net Income					
Deduct:					
Depreciation			(872,117)		(879,099)
Add:					
Contributions			115,917		-
Capitalized capital outlay			652,806		1,206,593
Net Income			689,067		397,513
Net Position Beginning of Year			<u>8,227,025</u>		<u>7,829,512</u>
Net Position End of Year			<u>\$ 8,916,092</u>		<u>\$ 8,227,025</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Information Technology Fund
Comparative Statement of Net Position
December 31, 2014 and 2013

	2014	2013
Assets		
Current Assets:		
Equity in pooled cash and investments	\$ 3,208,266	\$ 2,973,275
Prepaid items	109,225	101,681
Total Current Assets	3,317,491	3,074,956
Noncurrent Assets:		
Capital assets:		
Depreciable, net	153,074	163,436
Total Assets	3,470,565	3,238,392
Liabilities		
Current Liabilities:		
Vouchers and contracts payable	15,112	39,864
Accrued expenses payable	46,417	38,537
Compensated absences payable	1,499	828
Total Current Liabilities	63,028	79,229
Net Position		
Net investment in capital assets	153,074	163,436
Restricted for emergencies	4,487	1,414
Unrestricted	3,249,976	2,994,313
Total Net Position	\$ 3,407,537	\$ 3,159,163

See accompanying independent auditor's report

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

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services:	\$ 2,560,970	\$ 2,560,970	\$ 2,560,970	\$ -	\$ 2,498,269
Investment earnings	-	-	134,820	134,820	(119,298)
Miscellaneous	-	-	3,860	3,860	1,905
Total Revenues	2,560,970	2,560,970	2,699,650	138,680	2,380,876
Other Financing Sources					
Transfers in:					
General Fund	204,250	16,246	16,246	-	22,631
Total Revenues and Other Financing Sources	2,765,220	2,577,216	2,715,896	138,680	2,403,507
Expenditures					
Salaries and benefits	1,117,906	1,134,152	1,030,905	103,247	974,444
Purchased services and charges	106,975	106,975	1,158,195	(1,051,220)	842,960
Materials and supplies	83,315	83,315	68,060	15,255	73,843
Capital outlay - capitalized	4,250	4,250	-	4,250	15,697
Total Expenditures	1,312,446	1,328,692	2,257,160	(928,468)	1,906,944
Other Financing Uses					
Transfers out:					
General Fund	200,000	200,000	200,000	-	159,860
Total Expenditures and Other Financing Uses	1,512,446	1,528,692	2,457,160	(928,468)	2,066,804
Net Income (Loss) (Budgetary Basis)	\$ 1,252,774	\$ 1,048,524	258,736	\$ (789,788)	336,703
Reconciliation to GAAP Basis - Net Income (Loss):					
Deduct:					
Depreciation			(34,323)		(27,297)
Add:					
Capitalized capital outlay			-		15,697
Contributions			23,961		74,232
Net Income			248,374		399,335
Net Position Beginning of Year			3,159,163		2,759,828
Net Position End of Year			\$ 3,407,537		\$ 3,159,163

See accompanying independent auditor's report

City of Commerce City, Colorado
Facilities Services Fund
Comparative Statement of Net Position
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
<i>Current Assets:</i>		
Equity in pooled cash and investments	\$ 655,713	\$ 440,702
Accounts receivable	1,201	498
<i>Current Assets:</i>	<u>656,914</u>	<u>441,200</u>
<i>Noncurrent Assets:</i>		
Capital assets:		
Depreciable, net	358,862	324,840
Total Assets	<u>1,015,776</u>	<u>766,040</u>
Liabilities		
<i>Current Liabilities:</i>		
Vouchers and contracts payable	91,435	56,890
Accrued expenses payable	12,089	11,015
<i>Total Current Liabilities</i>	<u>103,524</u>	<u>67,905</u>
Net Position		
Net investment in capital assets	358,862	324,840
Restricted for emergencies	774	-
Unrestricted	552,616	373,295
Total Net Position	<u>\$ 912,252</u>	<u>\$ 698,135</u>

See accompanying independent auditor's report

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

	2014			Variance With Final Budget	2013
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services:	\$ 1,711,718	\$ 1,711,718	\$ 1,711,718	\$ -	\$ 1,577,077
Investment earnings	-	-	25,808	25,808	(18,207)
Miscellaneous	-	-	-	-	199
Total Revenues	<u>1,711,718</u>	<u>1,711,718</u>	<u>1,737,526</u>	<u>25,808</u>	<u>1,559,069</u>
Other Financing Sources					
Transfers in:					
General Fund	-	4,473	4,473	-	239,159
Total Revenues and Other Financing Sources	<u>1,711,718</u>	<u>1,716,191</u>	<u>1,741,999</u>	<u>25,808</u>	<u>1,798,228</u>
Expenditures					
Salaries and benefits	265,239	269,712	280,707	(10,995)	272,548
Purchased services and charges	1,022,934	1,022,934	1,089,200	(66,266)	946,217
Materials and supplies	84,125	84,125	118,495	(34,370)	127,511
Capital outlay - capitalize and noncapitalized	266,203	266,203	83,479	182,724	288,715
Total Expenditures	<u>1,638,501</u>	<u>1,642,974</u>	<u>1,571,881</u>	<u>71,093</u>	<u>1,634,991</u>
Other Financing Uses					
Loss on disposition of capital assets	-	-	-	-	14,605
Total Expenditures and Other Financing Uses	<u>1,638,501</u>	<u>1,642,974</u>	<u>1,571,881</u>	<u>71,093</u>	<u>1,649,596</u>
Net Income on Budgetary Basis	<u>\$ 73,217</u>	<u>\$ 73,217</u>	170,118	<u>\$ 96,901</u>	<u>\$ 148,632</u>
Reconciliation to GAAP Basis - Net Income:					
Deduct:					
Depreciation			(39,480)		(10,562)
Add:					
Capitalized capital outlay			83,479		288,715
Net Income			214,117		426,785
Net Position Beginning of Year			698,135		271,350
Net Position End of Year			<u>\$ 912,252</u>		<u>\$ 698,135</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2014
(With Comparative Totals At December 31, 2013)

	2014			2013
	Police Pension	Elected Official Retirement	Total	Restated Total
Assets				
Equity in pooled cash and investments	\$ 372,819	\$ 250,692	\$ 623,511	\$ 613,106
Loans receivable	491,709	-	491,709	779,038
Mutual money market funds, at fair value	19,579,951	-	19,579,951	18,781,901
Total Assets	<u>20,444,479</u>	<u>250,692</u>	<u>20,695,171</u>	<u>20,174,045</u>
Net Position				
Held in trust for pension benefits	<u>\$ 20,444,479</u>	<u>\$ 250,692</u>	<u>\$ 20,695,171</u>	<u>\$ 20,174,045</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014			Restated 2013
	Police Pension	Elected Official Retirement	Total	Total
Additions				
Contributions:				
City	\$ 652,548	\$ -	\$ 652,548	\$ 704,393
Employee	652,848	-	652,848	704,913
Investment earnings	1,033,817	10,610	1,044,427	3,570,863
Transfers in - General Fund	-	39,360	39,360	36,960
Total Additions	<u>2,339,213</u>	<u>49,970</u>	<u>2,389,183</u>	<u>5,017,129</u>
Deductions				
Administration	78,379	-	78,379	62,111
Benefits	-	39,360	39,360	38,880
Withdrawals	1,750,319	-	1,750,319	3,567,767
Total Deductions	<u>1,828,698</u>	<u>39,360</u>	<u>1,868,058</u>	<u>3,668,758</u>
Change in Net Position	510,515	10,610	521,125	1,348,371
Net Position Beginning of Year	<u>19,933,964</u>	<u>240,082</u>	<u>20,174,045</u>	<u>18,825,675</u>
Net Position End of Year	<u>\$ 20,444,479</u>	<u>\$ 250,692</u>	<u>\$ 20,695,171</u>	<u>\$ 20,174,045</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Schedule of Additions, Deductions and Changes in Net Position - Budget and Actual
Police Pension Fund
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>Restated 2013</u>
Additions		
Contributions:		
City	\$ 652,548	\$ 704,393
Employee	652,848	704,913
Investment earnings	<u>1,033,817</u>	<u>3,580,231</u>
Total Additions	<u>2,339,213</u>	<u>4,989,537</u>
Deductions		
Administration	78,379	62,111
Withdrawals	<u>1,750,319</u>	<u>3,567,767</u>
Total Deductions	<u>1,828,698</u>	<u>3,629,878</u>
Change in Net Position	510,515	1,359,659
Net Position Beginning of Year	<u>19,933,964</u>	<u>18,574,305</u>
Net Position End of Year	<u>\$ 20,444,479</u>	<u>\$ 19,933,964</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Schedule of Additions, Deductions and Changes in Net Position - Budget and Actual
Elected Officials Retirement Fund
For the Year Ended December 31, 2014
With Comparative Actual Amounts for the Year Ended December 31, 2013

	2014			2013	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Additions					
Investment earnings	\$ -	\$ -	\$ 10,610	\$ 10,610	\$ (9,368)
Transfers in	39,360	39,360	39,360	-	36,960
Total Additions	39,360	39,360	49,970	10,610	27,592
Deductions					
Benefits	39,360	39,360	39,360	-	38,880
Change in Net Position	<u>\$ -</u>	<u>\$ -</u>	10,610	<u>\$ 10,610</u>	(11,288)
Net Position Beginning of Year			<u>240,082</u>		<u>251,370</u>
Net Position End of Year			<u>\$ 250,692</u>		<u>\$ 240,082</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Statement of Changes in Fiduciary Assets and Liabilities
School Facilities Fee Agency Funds
For the Fiscal Year Ended December 31, 2014

	<u>Balance</u> <u>January 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2014</u>
Assets				
Equity in pooled cash and investments	\$ 1,599,020	\$ 214,021	\$ 10,393	\$ 1,802,648
Liabilities				
Accounts payable	\$ 358,796	\$ 74,756		\$ 433,552
Accounts payable - voluntary school	-	6,060	6,060	-
Vouchers payable	-	10,393	10,393	-
Accounts payable - SD #14	154,219	12,158	325	166,052
Accounts payable - SD #27J	1,086,005	121,372	4,333	1,203,044
Total Liabilities	<u>\$ 1,599,020</u>	<u>\$ 224,739</u>	<u>\$ 21,111</u>	<u>\$ 1,802,648</u>

See accompanying independent auditor's report

CITY OF COMMERCE CITY

THIS PAGE INTENTIONALLY LEFT BLANK

City of Commerce City, Colorado
Statistical Section
(Unaudited)

This part of the City of Commerce City's Comprehensive Annual Financial Report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. The financial data for the Commerce City Northern Infrastructure General Improvement District, a blended component unit of the City, has been included in the applicable tables. This information is unaudited.

Contents	<u>Exhibit</u>
Financial Trends These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in a historical perspective.	I - XI
Revenue Capacity These tables contain information that may assist the reader in assessing the viability of the City's most significant "own-source" revenue source, sales taxes. However, we have presented some property tax information.	XII - XVII
Debt Capacity These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	XVIII - XXII
Demographic and Economic Information These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the City operates and (2) to provide information that facilitates comparisons of financial statement information over time and among cities.	XXIII - XXV
Operating Information These tables contain service and infrastructure indicators that can inform one's understanding of how the information in the City's financial statements relates to the services the City provides and the activities it performs.	XXVI - XXVIII

Data Source:

Unless otherwise noted, the information in these tables is derived from the Comprehensive Annual Financial Report for the applicable year.

City of Commerce, Colorado
 Government-wide Net Position by Component ¹ (Unaudited)
 Last Ten Calendar Years
 (accrual basis of accounting)

	December 31, 2005	December 31, 2006	December 31, 2007	December 31, 2008	December 31, 2009	December 31, 2010 ²	December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014
Amounts										
Governmental Activities										
Net Investment in Capital Assets	\$ 159,058,889	\$ 184,080,156	\$ 201,799,792	\$ 197,650,977	\$ 195,061,090	\$ 187,936,817	\$ 172,652,902	\$ 158,988,291	\$ 157,355,252	\$ 160,420,075
Restricted	17,382,432	22,334,041	24,199,979	35,216,023	36,661,942	39,843,691	29,176,277	23,606,110	20,386,337	25,823,135
Unrestricted	52,998,256	56,170,580	50,897,023	40,905,902	41,043,706	58,023,655	71,560,562	76,485,107	65,902,483	62,405,216
Total	\$ 229,439,577	\$ 262,584,777	\$ 276,896,794	\$ 273,772,902	\$ 272,766,738	\$ 285,804,163	\$ 273,389,741	\$ 259,079,508	\$ 243,644,072	\$ 248,648,426
Business-type Activities										
Net Investment in Capital Assets	\$ 8,716,832	\$ 8,668,694	\$ 6,952,882	\$ 6,323,401	\$ 5,601,616	\$ 4,906,948	\$ 5,492,158	\$ 5,695,020	\$ (3,540,550)	\$ (4,040,151)
Restricted	(5,078,885)	(5,278,779)	(5,996,178)	(6,476,749)	(6,590,854)	(6,457,619)	(6,024,619)	(6,386,566)	1,076,795	84,534
Unrestricted (deficit) ²										
Total	\$ 3,637,947	\$ 3,389,915	\$ 956,704	\$ (153,348)	\$ (989,238)	\$ (1,550,671)	\$ (532,461)	\$ (691,546)	\$ (2,463,755)	\$ (3,955,617)
Total Primary Government										
Net Investment in Capital Assets	\$ 167,775,721	\$ 192,748,850	\$ 208,752,674	\$ 203,974,378	\$ 200,662,706	\$ 192,843,765	\$ 178,145,060	\$ 164,683,311	\$ 153,814,702	\$ 156,379,924
Restricted	17,382,432	22,334,041	24,199,979	35,216,023	36,661,942	39,843,691	29,176,277	23,606,110	20,386,337	25,823,135
Unrestricted	47,919,371	50,891,801	44,900,845	34,429,153	34,452,852	51,566,036	65,535,943	70,098,341	66,979,278	62,489,750
Total	\$ 233,077,524	\$ 265,974,692	\$ 277,853,498	\$ 273,619,554	\$ 271,777,500	\$ 284,253,492	\$ 272,857,280	\$ 258,387,962	\$ 241,180,317	\$ 244,692,809
Percentages										
Governmental Activities										
Net Investment in Capital Assets	69.3%	70.1%	72.9%	72.2%	71.5%	65.8%	63.2%	61.4%	64.6%	64.5%
Restricted	7.6%	8.5%	8.7%	12.9%	13.4%	13.9%	10.7%	9.1%	8.4%	10.4%
Unrestricted	22.1%	21.4%	18.4%	14.9%	15.0%	20.3%	26.2%	29.5%	27.0%	25.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Business-type Activities										
Net Investment in Capital Assets	239.6%	255.7%	726.8%	-4123.6%	-566.3%	-316.4%	-1031.5%	-823.5%	143.7%	102.1%
Restricted	-139.6%	-153.7%	-626.8%	4223.6%	666.3%	416.4%	1131.5%	923.5%	-43.7%	-2.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Primary Government										
Net Investment in Capital Assets	72.0%	72.5%	75.1%	74.5%	73.8%	67.8%	65.3%	63.7%	63.8%	63.9%
Restricted	7.5%	8.4%	8.7%	12.9%	13.5%	14.0%	10.7%	9.1%	8.5%	10.6%
Unrestricted	20.6%	20.5%	16.2%	12.6%	12.7%	18.2%	24.0%	27.2%	27.7%	25.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

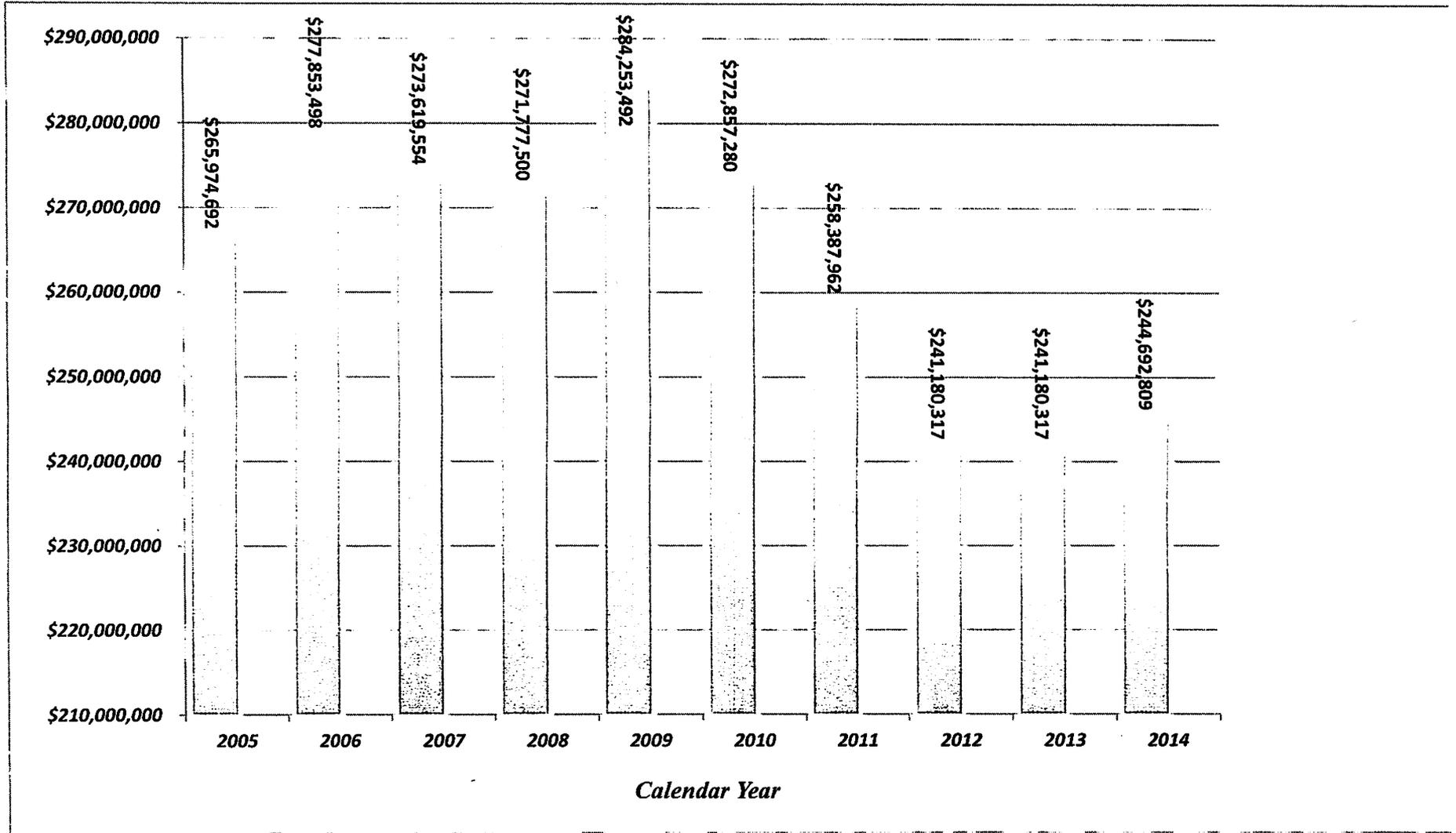
¹ Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets, restricted, and unrestricted. Net position are considered restricted only when (1) an external party, such as the State of Colorado or the federal government,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

² Calendar year 2010 not restated

Data Source:

Applicable years' comprehensive annual financial report.

City of Commerce City, Colorado
Chart-Total Government-wide Net Position
Last Ten Calendar Years
(accrual basis of accounting)



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

	For The Calendar Year Ended December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
General government ¹	\$ 9,856,935	\$ 10,770,462	\$ 14,262,649	\$ 13,595,170	\$ 13,904,175	\$ 12,738,525	\$ 16,447,412	\$ 14,459,589	\$ 17,900,457	\$ 18,048,736
Human resources ²	739,109	627,171	500,225	596,156	602,019	652,609	817,107	850,988	740,491	950,390
Community development ⁴	2,951,309	3,332,046	3,825,428	3,547,786	3,464,452	3,354,574	3,522,548	4,213,383	5,457,255	3,467,187
Public safety	10,029,001	10,648,304	11,126,156	12,253,658	12,969,236	13,691,288	14,232,093	14,827,741	14,551,903	14,272,948
Public works ²	15,596,948	17,590,231	19,983,365	21,666,641	20,561,151	21,760,107	25,406,476	26,689,669	25,118,662	25,537,390
Parks and recreation	5,707,842	5,889,668	6,029,934	6,052,183	6,366,292	6,816,406	7,569,219	8,590,968	8,439,998	10,627,413
Interest and fiscal charges	1,382,500	4,742,047	5,541,892	5,503,599	4,850,408	5,182,886	4,494,769	4,072,950	6,652,767	8,262,483
Total Expenses	46,263,644	53,599,928	61,269,649	63,215,193	62,717,733	64,196,395	72,489,624	73,705,288	78,861,531	81,166,547
Program Revenues:										
Charges for services:										
Fines	704,142	876,667	756,090	958,034	1,074,126	1,258,330	1,630,107	1,078,909	1,024,683	1,074,858
Parks and recreation	716,054	714,613	761,993	787,698	730,203	714,738	811,413	853,560	743,373	3,360,074
Impact fees	2,557,420	1,340,595	1,830,633	817,626	535,290	623,647	469,543	494,080	754,100	860,693
Water rights fees and sales	804,030	750,264	-	189,709	27,877	321,619	100,515	189,579	419,598	435,057
Building permits	3,115,104	1,844,008	971,235	817,820	461,541	792,190	866,302	841,494	1,000,069	1,266,718
Plan check fees	535,043	460,193	273,104	336,683	149,038	174,335	290,942	211,997	201,919	157,851
Other	1,410,928	674,736	1,472,583	1,379,162	1,343,023	1,671,249	1,659,508	1,556,505	1,745,850	1,764,681
Operating grants and contributions	1,071,674	2,803,999	1,992,195	1,999,486	774,525	1,122,157	937,741	788,938	341,810	378,293
Capital grants and contributions ²	11,366,421	21,440,064	14,497,538	2,267,814	10,151,868	1,564,668	2,360,758	1,935,167	6,414,329	4,732,804
Total Program Revenues	22,280,816	30,905,139	22,555,371	9,554,032	15,247,491	8,242,933	9,126,829	7,950,229	12,645,731	14,131,031
Net (Expense) Revenue	(23,982,828)	(22,694,789)	(38,714,278)	(53,661,161)	(47,470,242)	(55,953,462)	(63,362,795)	(65,755,059)	(66,215,802)	(67,035,515)
General Revenues:										
Taxes:										
Property	3,206,685	4,172,194	5,188,362	6,123,315	6,893,477	6,466,641	6,697,449	6,671,465	6,763,723	7,050,620
Sales and Use ^{4,6}	33,807,074	35,407,253	30,578,943	31,874,621	30,330,972	51,970,021	37,324,443	35,516,389	34,630,187	48,928,254
Specific ownership	323,719	412,102	478,676	510,503	502,773	427,252	415,350	442,228	490,182	548,138
Street and bridge	3,030,302	3,793,823	3,371,320	3,440,538	1,808,578	434,238	436,797	433,157	446,668	498,074
Franchise	1,750,994	2,194,355	2,120,437	2,452,393	2,382,718	2,620,463	2,619,162	2,749,246	2,808,129	2,893,110
Other	860,816	912,802	841,868	789,156	723,477	2,300,316	1,964,939	1,935,436	2,007,696	2,118,920
Gain on sale of capital assets	78,563	99,902	-	41,282	59,147	67,748	13,290	156,453	-	2,594,330
Investment earnings	1,670,091	6,085,602	5,433,333	2,782,977	1,653,193	1,211,130	2,605,099	1,032,235	(2,354,901)	2,870,410
Miscellaneous	957,025	1,896,503	2,812,655	1,724,314	1,643,299	3,044,934	2,949,926	3,588,779	4,405,791	3,193,013
Total General Revenues	45,685,269	54,974,536	50,825,594	49,739,099	45,997,634	68,542,743	55,026,455	52,525,388	49,197,475	70,694,869
Net Transfers In (Out)	1,239,137	866,153	2,200,000	798,170	466,444	448,144	87,464	490,895	1,582,891	1,345,000
Total Net Transfers and General Revenues	46,924,406	55,840,689	53,025,594	50,537,269	46,464,078	68,990,887	55,113,919	53,016,283	50,780,366	72,039,869
Change in Net Position	\$ 22,941,578	\$ 33,145,900	\$ 14,311,316	\$ (3,123,892)	\$ (1,006,164)	\$ 13,037,425	\$ (8,248,876)	\$ (12,738,776)	\$ (15,435,439)	\$ 5,004,354

Notes:

¹ This function was established in 2005.² In 2005 - 2007, the City received large dedications of infrastructure from developers and metropolitan districts³ Beginning in 2005, the local economy improved substantially, resulting in increases in sales tax revenue.⁴ In 2005, the neighborhood services function was established but in 2008, it became a component of the community development function. For consistency in reporting, the neighborhood function has been combined with the community development function for all years presented.⁵ In 2009, administrative function was combined with the general government function. For consistency in reporting, the administration function has been combined with the general government function for all years presented.⁶ In 2010, the City received a settlement in excess of \$20 million.

Data Source:

Applicable years' comprehensive annual financial report.

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

For The Calendar Year Ended December 31,										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
General government	21.3%	20.1%	23.3%	21.5%	22.2%	19.8%	22.7%	19.6%	22.7%	22.2%
Human resources ¹	1.6%	1.2%	0.8%	0.9%	1.0%	1.0%	1.1%	1.2%	0.9%	1.2%
Community development ⁴	6.4%	6.2%	6.2%	5.6%	5.5%	5.2%	4.9%	5.7%	6.9%	4.3%
Public safety	21.7%	19.9%	18.2%	19.4%	20.7%	21.3%	19.6%	20.1%	18.5%	17.6%
Public works ⁷	33.7%	32.8%	32.6%	34.3%	32.8%	33.9%	35.0%	36.2%	31.9%	31.5%
Parks and recreation	12.3%	11.0%	9.8%	9.6%	10.2%	10.6%	10.4%	11.7%	10.7%	13.1%
Interest and fiscal charges	1.1%	8.8%	9.0%	8.7%	7.7%	8.0%	8.2%	8.2%	8.4%	10.1%
Total Expenses	100.0%									
Program Revenues:										
Charges for services:										
Fines	3.2%	2.8%	3.4%	10.0%	7.0%	15.3%	17.9%	13.6%	8.1%	7.6%
Parks and recreation	3.2%	2.3%	3.4%	8.2%	4.8%	8.7%	8.9%	10.7%	5.9%	23.8%
Impact fees	11.5%	4.3%	8.1%	8.6%	3.5%	7.6%	5.1%	6.2%	6.0%	6.1%
Water rights fees	3.6%	2.4%	0.0%	2.0%	0.2%	3.9%	1.1%	2.4%	3.3%	3.1%
Building permits	14.0%	6.0%	4.3%	8.6%	3.0%	9.6%	9.5%	10.6%	7.9%	9.0%
Plan check fees	2.4%	1.5%	1.2%	3.5%	1.0%	2.1%	3.2%	2.7%	1.6%	1.8%
Other	6.3%	2.2%	6.5%	14.4%	8.8%	20.4%	18.3%	18.1%	13.8%	12.5%
Operating grants and contributions	4.8%	9.1%	8.8%	20.9%	5.1%	13.6%	10.3%	9.9%	2.7%	2.7%
Capital grants and contributions ²	73.1%	62.7%	64.3%	23.7%	66.6%	18.9%	18.8%	24.3%	50.7%	33.4%
Total Program Revenues	100.0%									
General Revenues:										
Taxes:										
Property	7.0%	7.6%	10.2%	12.3%	15.0%	9.4%	12.2%	12.7%	13.7%	10.0%
Sales ^{3,5}	74.0%	64.4%	60.2%	64.1%	65.9%	75.8%	67.8%	67.6%	70.4%	69.2%
Selective	0.7%	0.7%	0.9%	1.0%	1.1%	0.6%	0.8%	0.8%	1.0%	0.8%
Street and bridge taxes	6.6%	6.9%	6.6%	6.9%	3.9%	0.6%	0.8%	0.8%	0.9%	0.7%
Franchise taxes	3.8%	4.0%	4.2%	4.9%	5.2%	3.8%	4.8%	5.2%	5.7%	4.1%
Other	1.9%	1.7%	1.7%	1.6%	1.6%	3.4%	3.6%	3.7%	4.1%	3.0%
Gain on sale of capital assets	0.2%	0.2%	0.0%	0.1%	0.1%	0.1%	0.0%	0.3%	0.0%	3.7%
Investment earnings	3.7%	11.1%	10.7%	5.6%	3.6%	1.8%	4.7%	2.0%	-4.8%	4.1%
Miscellaneous	5.3%	3.4%	5.5%	3.5%	3.6%	4.4%	4.5%	5.3%	6.9%	5.4%
Total General Revenues	100.0%									

Notes:¹ This function was established in 2005.² In 2005 - 2007, the City received large dedications of infrastructure from developers and metropolitan districts.³ Beginning in 2005, the local economy improved substantially, resulting in increases in sales tax revenue.⁴ In 2005, the neighborhood services function was established but in 2008, it became a component of the community development function. For consistency in reporting, the neighborhood function has been combined with the community development function for all years presented.⁵ In 2010, the City received a settlement in excess of \$20 million.**Data Source:**

Applicable years' comprehensive annual financial report.

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

	For The Calendar Year Ended December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Golf course	\$ 1,881,391	\$ 1,811,186	\$ 1,840,031	\$ 1,844,817	\$ 1,749,606	\$ 2,354,627	\$ 2,444,128	\$ 2,483,443	\$ 2,515,214	\$ -
Finance Authority ¹	-	938	2,120,042	2,121,791	2,120,041	2,134,799	2,135,881	2,524,407	2,536,537	2,518,490
Total Expenses	1,881,391	1,812,124	3,960,073	3,966,608	3,869,647	4,489,426	4,580,009	5,007,850	5,051,751	2,518,490
Program Revenues:										
Charges for services:										
Golf course	1,766,041	1,705,900	1,712,882	1,556,561	1,427,578	2,102,433	2,145,066	2,286,618	2,243,441	-
Solid waste management	570,360	598,165	634,341	579,994	591,644	793,675	1,469,745	657,788	682,659	361,564
Rents	-	-	1,118,136	1,467,933	1,469,239	1,469,806	696,373	1,467,806	1,857,807	2,006,231
Capital grants and contributions	-	-	-	-	-	-	1,319,483	2,502,655	72,692	-
Total Program Revenues	2,336,401	2,304,065	3,465,359	3,604,488	3,488,461	4,365,914	5,630,667	6,914,867	4,856,599	2,367,795
Net (Expense) Revenue	455,010	491,941	(494,714)	(362,120)	(381,186)	(123,512)	1,050,658	1,907,017	(195,152)	(150,695)
General Revenues:										
Gain on the sale of capital assets	62,574	-	-	1,998	6,358	-	-	-	-	-
Investment earnings	19,944	107,531	249,532	20,137	5,382	(1,967)	14,937	11,115	(1,616)	3,833
Miscellaneous	-	18,639	11,971	28,103	-	12,190	40,079	3,004	7,450	-
Total General Revenues	82,518	126,170	261,503	50,238	11,740	10,223	55,016	14,119	5,834	3,833
Net Transfers In (Out)	(1,239,137)	(866,153)	(2,200,000)	(798,170)	(466,444)	(448,144)	(87,464)	(490,895)	(1,582,891)	(1,345,000)
Total General Revenues and Transfers	(1,156,619)	(739,983)	(1,938,497)	(747,932)	(454,704)	(437,921)	(32,448)	(476,776)	(1,577,057)	(1,341,167)
Change in Net Position	\$ (701,609)	\$ (248,042)	\$ (2,433,211)	\$ (1,110,052)	\$ (835,890)	\$ (561,433)	\$ 1,018,210	\$ 1,430,241	\$ (1,772,209)	\$ (1,491,862)

Notes:

¹ This fund established in 2006.

Data Source:

Applicable years' comprehensive annual financial report.

The golf course enterprise fund closed effective 1/1/2014, financial transactions are now part of the park and recreation department.

City of Commerce City, Colorado
 Changes in Net Position - Total (Unaudited)
 Last Ten Calendar Years ¹
 (accrual basis of accounting)

	For The Calendar Year Ended December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental activities ²	\$ 46,263,644	\$ 53,599,928	\$ 61,269,649	\$ 63,215,193	\$ 62,717,733	\$ 64,196,395	\$ 72,489,624	\$ 73,705,288	\$ 78,861,531	\$ 81,166,547
Business-type activities ³	1,881,391	1,812,124	3,960,073	3,966,608	3,869,647	4,489,426	4,580,009	5,007,850	5,051,751	2,518,490
Total Expenses	48,145,035	55,412,052	65,229,722	67,181,801	66,587,380	68,685,821	77,069,633	78,713,138	83,913,282	83,685,037
Program Revenues:										
Governmental activities ²	22,280,816	30,905,139	22,555,371	9,554,032	15,247,491	15,247,491	9,126,829	7,950,229	12,645,731	14,131,031
Business-type activities ³	2,336,401	2,304,065	3,465,359	3,604,488	3,488,461	3,488,461	5,630,667	6,914,867	4,856,599	2,367,795
Total Program Revenues	24,617,217	33,209,204	26,020,730	13,158,520	18,735,952	18,735,952	14,757,496	14,865,096	17,502,330	16,498,826
Net (Expense) Revenue	(23,527,818)	(22,202,848)	(39,208,992)	(54,023,281)	(47,851,428)	(49,949,869)	(62,312,137)	(63,848,042)	(66,410,952)	(67,186,210)
General Revenues and Transfers:										
Governmental activities ²	46,924,406	55,840,689	53,025,594	50,537,269	46,464,078	68,990,887	55,113,919	53,016,283	50,780,366	72,039,869
Business-type activities ³	(1,156,619)	(739,983)	(1,938,497)	(747,932)	(454,704)	(437,921)	(32,448)	(476,776)	(1,577,057)	(1,341,167)
Total General Revenues and Transfers	45,767,787	55,100,706	51,087,097	49,789,337	46,009,374	68,552,966	55,081,471	52,539,507	49,203,309	70,698,702
Change in Net Position	\$ 22,239,969	\$ 32,897,858	\$ 11,878,105	\$ (4,233,944)	\$ (1,842,054)	\$ 18,603,097	\$ (7,230,666)	\$ (11,308,535)	\$ (17,207,643)	\$ 3,512,492

Data Source:

² See Exhibit II

³ See Exhibit IV

City of Commerce City, Colorado
Fund Balances - Governmental Funds (Unaudited)
Fiscal Years 2005 - 2010 ¹
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010
General Fund						
Reserved	\$ 688,433	\$ 751,600	\$ 832,700	\$ 882,719	\$ 8,622,347	\$ 8,654,854
Unreserved	6,772,041	7,874,758	6,210,200	7,178,419	15,303,280	35,919,583
Subtotal General Fund	7,460,474	8,626,358	7,042,900	8,061,138	23,925,627	44,574,437
General Fund Percentage Change	9.2%	15.6%	-18.4%	14.5%	196.8%	86.3%
All Other Governmental Funds						
Reserved	9,535,294	11,140,091	38,398,143	46,342,591	38,763,033	36,589,993
Unreserved:						
Special Revenue Funds ³	20,942,973	20,814,769	13,029,449	13,074,677	2,999,564	3,085,693
Capital Projects Funds ²	36,121,514	75,304,020	29,342,699	23,112,209	24,328,314	23,385,483
Subtotal All Other Governmental Funds	66,599,781	107,258,880	80,770,291	82,529,477	66,090,911	63,061,169
All Other Governmental Funds Percentage Change	42.8%	61.0%	-24.7%	2.2%	-19.9%	-4.6%
Total Governmental Funds						
Reserved	10,223,727	11,891,691	39,230,843	47,225,310	47,385,380	45,244,847
Unreserved	63,836,528	103,993,547	48,582,348	43,365,305	42,631,158	62,390,759
Total Governmental Funds	\$ 74,060,255	\$ 115,885,238	\$ 87,813,191	\$ 90,590,615	\$ 90,016,538	\$ 107,635,606
All Governmental Funds Percentage Change	38.5%	56.5%	-24.2%	3.2%	-0.6%	19.6%

Notes:

¹ The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*, in Fiscal Year 2011 (See Exhibit VIA). The City did not restate the prior six years.

² In 2005, the City issued \$17,500,000 in debt, in 2006, the City issued \$90,900,000 and in 2008, the City issued \$35,500,000 in debt, resulting in

³ In 2009, the sales and use tax fund, the street and bridge fund and the recreation fund were merged with the general fund, resulting in an

Data Source:

Applicable years' comprehensive annual financial report.

City of Commerce City, Colorado
Fund Balances - Governmental Funds
Last Four Calendar Years
(modified accrual basis of accounting)

	2011	2012	2013	2014
General Fund				
<i>Nonspendable:</i>				
Inventory	\$ 2,770	\$ 1,895	\$ 38,011	\$ 43,085
Prepaid items	15,596	66,261	55,999	58,964
Long-term notes	11,482,660	13,961,916	6,566,774	61,819
Total nonspendable	11,501,026	14,030,072	6,660,784	163,868
<i>Restricted:</i>				
Emergencies	1,374,820	1,441,810	1,394,502	2,125,387
Capital outlay and operations	-	-	-	8,310,665
Total restricted	1,374,820	1,441,810	1,394,502	10,436,052
Committed - court surcharge	517,154	529,824	430,478	330,436
<i>Assigned:</i>				
Operating reserved	4,621,503	4,685,990	5,069,900	5,285,332
Safeguards	6,648,559	6,715,746	7,103,656	9,591,825
Subsequent years' budgets	6,661,511	2,407,275	2,692,816	-
Total assigned	17,931,573	13,809,011	14,866,372	14,877,157
Unassigned	10,354,842	5,836,822	1,498,539	5,689,832
Total General Fund	\$ 41,679,415	\$ 35,647,539	\$ 24,850,675	\$ 31,497,345
General Fund % Change				
<i>From Prior Year</i>	<u>-7.4%</u>	<u>-14.5%</u>	<u>-30.3%</u>	<u>26.7%</u>
All Other Governmental Funds				
<i>Nonspendable</i>	\$ 4,051,340	\$ 10,893,726	\$ 13,659,072	\$ 17,218,123
<i>Restricted:</i>				
Emergencies	242,270	158,097	329,241	2,530,778
Capital projects	14,522,247	14,695,675	14,524,471	73,729,813
Debt service	16,008,506	16,248,149	15,023,319	9,604,099
Urban renewal	892,822	-	-	1,507,261
Public safety	36,690	34,287	33,735	48,685
Parks and recreation	229,548	188,494	251,087	236,611
Public works	224,342	241,669	254,947	277,760
Total restricted	32,156,425	31,566,371	30,416,800	87,935,007
<i>Committed:</i>				
Capital projects	13,586,808	1,796,408	1,867,718	7,685,089
Water rights	1,312,397	1,594,878	1,931,326	2,959,737
Total committed	14,899,205	3,391,286	3,799,044	10,644,826
<i>Assigned:</i>				
Capital projects	8,781,925	13,649,026	12,256,508	6,307,727
Debt service	1,060,349	1,087,630	1,679,447	3,046,536
Total assigned	9,842,274	14,736,656	13,935,955	9,354,263
<i>Unassigned:</i>				
Deficit	\$ -	\$ (149,875)	\$ (5,620,946)	\$ (55,378)
Subtotal All Other Governmental Funds	\$ 60,949,244	\$ 60,438,164	\$ 56,189,925	\$ 125,096,841
Total Governmental Funds	\$ 102,628,659	\$ 96,085,703	\$ 81,040,600	\$ 156,594,186
All Other Governmental Funds				
Percentage Change	<u>-4.7%</u>	<u>-6.3%</u>	<u>-15.7%</u>	<u>93.2%</u>

Notes:

¹ The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*, in Fiscal Year 2011.

Data Source:

December 31, 2011 and 2012 comprehensive annual financial reports.

City of Commerce City, Colorado
 General Governmental Revenues by Source (Unaudited) ¹
 Last Ten Calendar Years
 (modified accrual basis of accounting)

Revenue Source	For the Year Ended December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	Amounts									
Taxes ²	\$42,653,905	\$46,575,027	\$42,268,892	\$44,888,577	\$42,641,995	\$64,218,931	\$49,458,140	\$47,747,921	\$47,146,585	\$62,037,116
Intergovernmental	1,060,771	2,535,496	1,969,412	2,029,825	1,981,140	2,226,237	1,005,266	2,592,159	4,170,519	2,519,646
Licenses and permits	3,465,400	2,047,227	1,416,628	1,159,365	974,838	974,838	2,678,222	973,393	1,142,045	1,419,125
Fines and forfeitures	704,142	876,667	756,090	958,034	1,258,330	1,258,330	1,630,107	1,078,909	1,024,683	1,074,858
Charges for services	5,629,716	3,737,182	3,892,920	2,892,662	3,341,377	3,341,377	3,192,957	3,173,822	3,722,863	6,525,951
Special assessments	87,331	76,577	27,775	16,763	10,393	10,393	16,153	11,338	6,403	639
Investment earnings ²	1,603,008	5,902,452	5,153,528	2,595,563	1,117,962	1,117,962	2,392,127	932,928	(2,035,683)	2,477,146
Interest and penalties ³	327,679	317,502	310,714	301,949	4,966	4,966	3,423	2,225	1,835	131
Miscellaneous	931,620	1,791,540	2,537,440	1,988,292	2,984,861	2,984,861	2,907,462	3,494,299	6,691,523	3,147,070
Total Revenues	\$56,463,572	\$63,859,670	\$58,333,399	\$56,831,030	\$54,315,862	\$76,137,895	\$63,283,857	\$60,006,994	\$61,870,773	\$79,201,682
% change from prior year	14.6%	13.1%	-8.7%	-2.6%	-8.2%	45.9%	-16.9%	-5.2%	3.1%	28.0%
	Percentage of Total									
Taxes	75.5%	72.9%	72.5%	79.0%	78.5%	84.3%	78.2%	79.6%	76.2%	78.3%
Intergovernmental	1.9%	4.0%	3.4%	3.6%	3.6%	2.9%	1.6%	4.3%	6.7%	3.2%
Licenses and permits	6.1%	3.2%	2.4%	2.0%	1.8%	1.3%	4.2%	1.6%	1.8%	1.8%
Fines and forfeitures	1.2%	1.4%	1.3%	1.7%	2.3%	1.7%	2.6%	1.8%	1.7%	1.4%
Charges for services	10.0%	5.9%	6.7%	5.1%	6.2%	4.4%	5.0%	5.3%	6.0%	8.2%
Special assessments	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment earnings	2.8%	9.2%	8.8%	4.6%	2.1%	1.5%	3.8%	1.6%	-3.3%	3.1%
Interest and penalties	0.6%	0.5%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miscellaneous	1.6%	3.8%	1.4%	1.7%	5.5%	3.9%	4.6%	5.8%	10.8%	4.0%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Includes all governmental fund types.

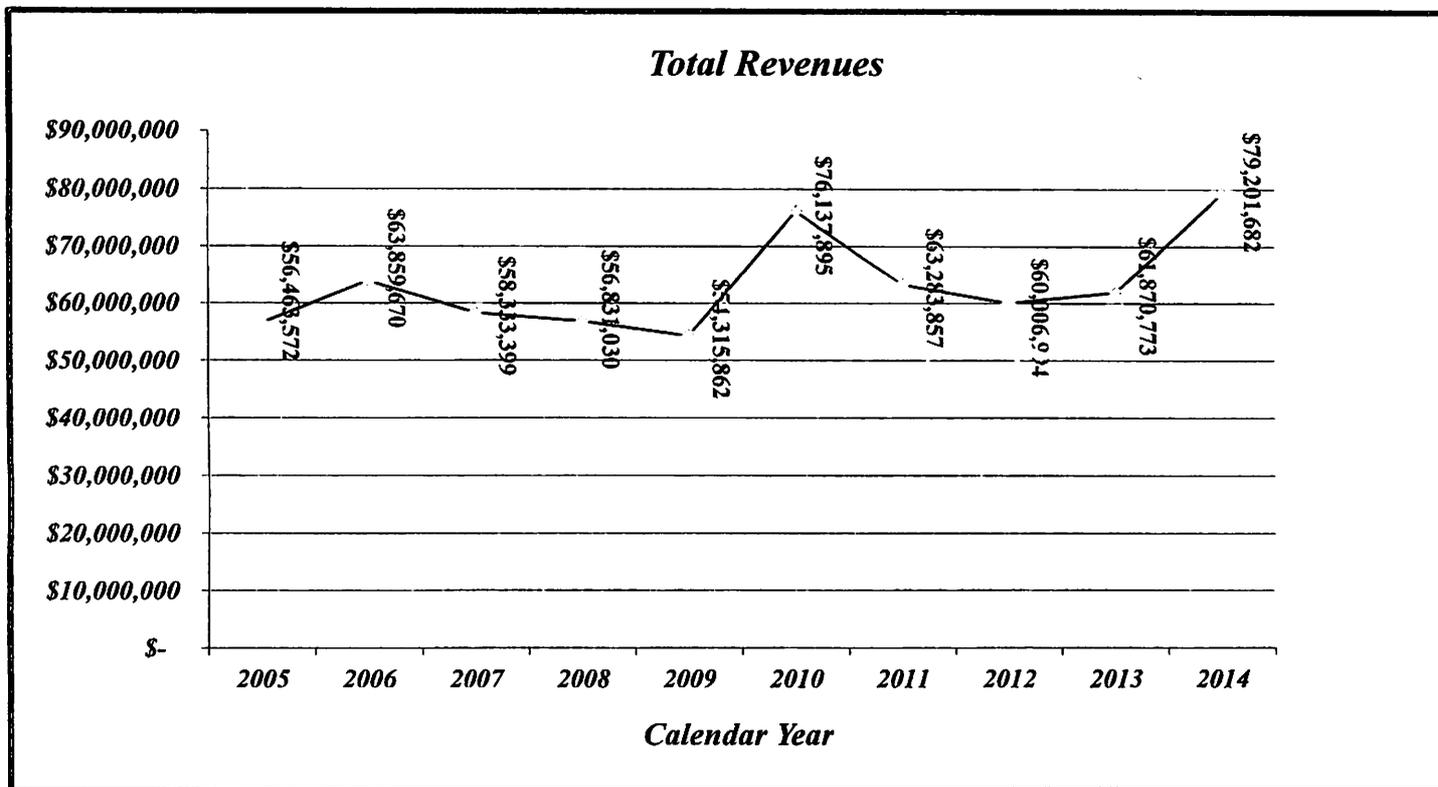
² Includes donations, insurance revenues and miscellaneous revenues.

³ Beginning in 2009, interest and penalties on sales and use taxes are reported as taxes.

Data Source:

Applicable years' comprehensive annual financial report.

City of Commerce City, Colorado
Chart-Total General Governmental Revenues
Last Ten Calendar Years
(modified accrual basis of accounting)



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

For The Calendar Year Ended December 31,	Property	Specific Ownership	Sales	Franchise	Highway Users	Transportation	Other ¹	Total
Amounts								
2005 ⁴	\$ 3,417,895	\$ 323,719	\$ 33,809,068	\$ 1,750,994	\$ 812,478	\$ 1,856,252	\$ 683,499	\$ 42,653,905
2006	4,172,194	412,102	35,407,253	2,194,355	1,113,252	2,264,968	1,010,903	46,575,027
2007 ³	5,188,362	478,676	30,578,943	2,120,437	1,088,206	1,830,034	984,234	42,268,892
2008	6,123,315	510,503	31,874,621	2,452,393	1,084,435	1,823,956	1,019,354	44,888,577
2009	6,893,477	502,773	30,330,972	2,382,718	1,210,813	-	1,321,242	42,641,995
2010 ⁴	6,466,641	427,252	51,970,021	2,620,463	1,418,342	-	1,316,212	64,218,931
2011	6,697,449	415,350	37,324,443	2,619,162	1,453,672	275,390	672,674	49,458,140
2012	6,671,465	442,228	35,516,389	2,749,246	1,468,267	290,154	610,172	47,747,921
2013	6,763,723	490,182	34,630,187	2,808,129	1,491,622	332,260	630,482	47,146,585
2014	7,050,620	548,138	48,928,254	2,893,110	1,545,690	379,610	691,694	62,037,116
% Change in Dollars								
Over 10 Years	106.3%	69.3%	44.7%	65.2%	90.2%	-79.5%	1.2%	45.4%
Percentage of Total								
2005	8.0%	0.8%	79.3%	4.1%	1.9%	4.4%	2.1%	100.0%
2006	9.0%	0.9%	76.0%	4.7%	2.4%	4.9%	2.5%	100.0%
2007	12.3%	1.1%	72.3%	5.0%	2.6%	4.3%	1.5%	100.0%
2008	13.6%	1.1%	71.0%	5.5%	2.4%	4.1%	2.1%	100.0%
2009	16.2%	1.2%	71.1%	5.6%	2.8%	0.0%	2.4%	100.0%
2010	10.1%	0.7%	80.9%	4.1%	2.2%	0.0%	2.0%	100.0%
2011	13.5%	0.8%	75.5%	5.3%	2.9%	0.6%	1.4%	100.0%
2012	14.0%	0.9%	74.4%	5.8%	3.1%	0.6%	1.3%	100.0%
2013	14.3%	1.0%	73.5%	6.0%	3.2%	0.7%	1.3%	100.0%
2014	11.4%	0.9%	78.9%	4.7%	2.5%	0.6%	1.1%	100.0%

Notes:

¹ Includes vehicle transfer taxes, pari-mutuel taxes, road and bridge taxes, motor vehicle registration and open space taxes.

² Beginning in 2005, the local economy improved substantially, resulting in increases in sales tax revenue.

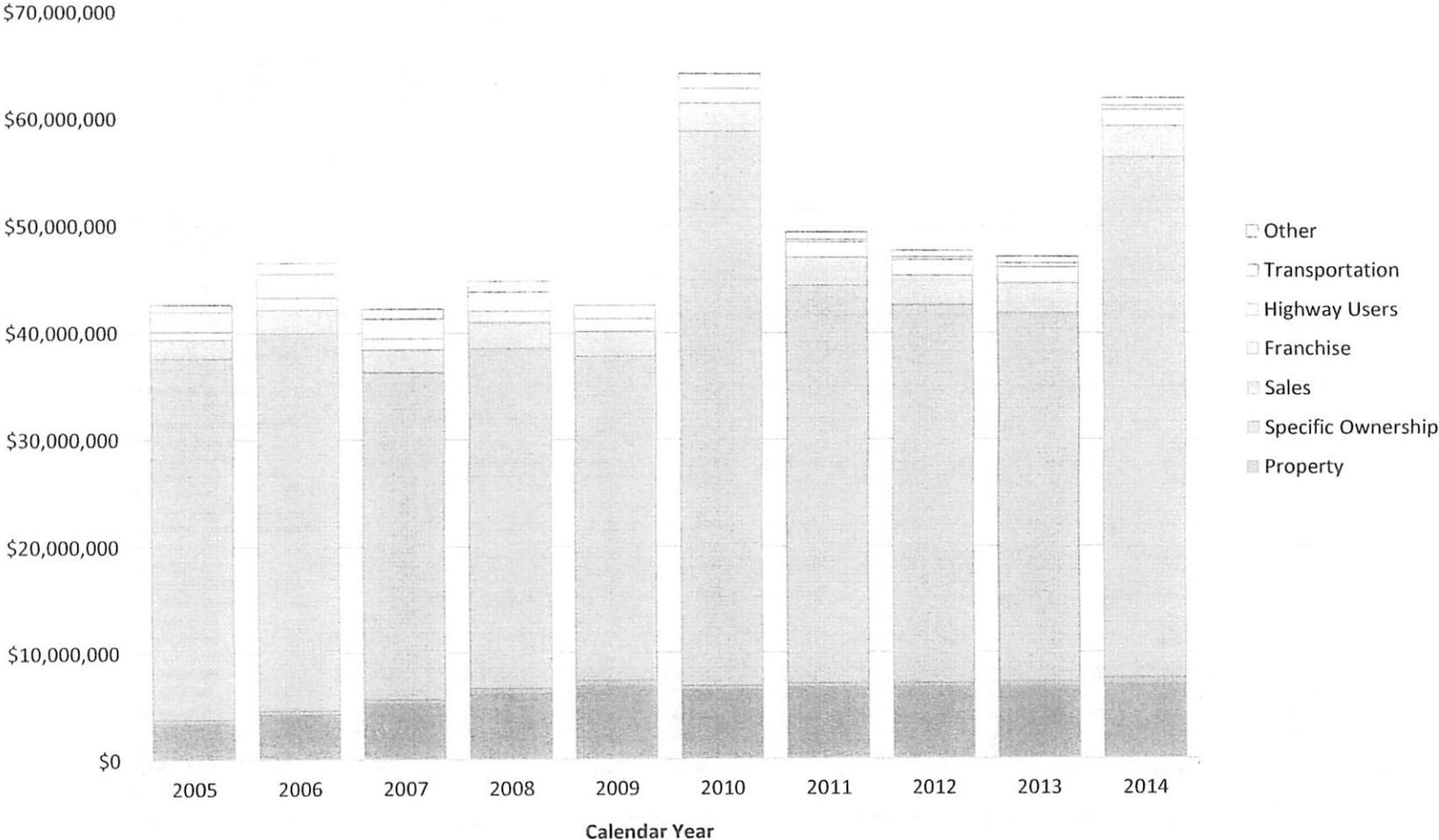
³ In 2007, the local economy deteriorated substantially, resulting in decreases in sales tax revenue.

⁴ In 2010, the City received a settlement in excess of \$20 million.

Data Source:

Applicable years' comprehensive annual financial report.

City of Commerce City, Colorado
Chart-Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)



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

For the Calendar Year Ended December 31,										
Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Current:										
General government ⁴	\$ 9,540,671	\$ 10,517,363	\$ 12,344,115	\$ 12,904,813	\$ 12,547,698	\$ 13,049,858	\$ 15,974,790	\$ 13,301,591	\$ 16,762,932	\$ 17,732,572
Human resources ²	739,109	627,171	500,225	590,350	597,790	646,519	810,819	844,554	732,398	944,112
Community development	2,904,607	3,320,548	3,736,265	3,482,500	3,260,286	3,559,877	3,549,080	4,254,719	5,398,904	3,497,158
Public safety	9,878,985	10,520,712	10,921,627	11,870,083	12,311,251	13,486,079	14,121,885	14,753,922	14,294,055	14,216,866
Public works	4,307,752	5,068,406	5,438,256	5,524,594	6,228,428	6,491,376	6,598,923	7,160,016	7,109,305	7,617,254
Parks and recreation	4,657,292	4,807,480	4,703,643	4,993,212	5,193,684	5,899,617	6,267,163	6,355,860	6,362,705	9,154,146
Total Current	32,028,416	34,861,680	37,644,131	39,365,552	40,139,137	43,133,326	47,322,660	46,670,662	50,660,299	53,162,108
% Change From Prior Year	12.0%	8.8%	8.0%	4.6%	2.0%	7.5%	9.7%	-1.4%	8.5%	4.9%
Capital Outlay ³	20,401,058	70,705,976	45,439,476	42,467,306	6,828,986	10,773,036	13,616,022	14,669,901	11,171,562	24,686,331
% Change From Prior Year	16.4%	246.6%	-35.7%	-6.5%	-83.9%	57.8%	26.4%	7.7%	-23.8%	121.0%
Debt Service										
Principal	535,000	2,650,000	875,000	1,735,000	1,800,000	1,890,000	1,357,895	1,534,165	5,081,142	2,828,438
Interest and fees	954,923	3,624,276	5,461,640	5,312,233	4,769,501	5,084,890	4,313,921	4,111,503	5,772,597	6,764,165
Bond issuance costs	327,625	1,470,884	-	305,893	-	-	-	-	2,071,222	592,270
Payment to escrow agent	-	-	-	-	-	-	1,572,248	-	-	-
Total Debt Service	1,817,548	7,745,160	6,336,640	7,353,126	6,569,501	6,974,890	7,244,064	5,645,668	12,924,961	10,184,873
% Change From Prior Year	-38.6%	326.1%	-18.2%	16.0%	-10.7%	6.2%	3.9%	-22.1%	128.9%	-21.2%
Total Expenditures	\$ 54,247,022	\$ 113,312,816	\$ 89,420,247	\$ 89,185,984	\$ 53,537,624	\$ 60,881,252	\$ 68,182,746	\$ 66,986,231	\$ 74,756,822	\$ 88,033,312
% Change From Prior Year	10.6%	108.9%	-21.1%	-0.3%	-40.0%	13.7%	12.0%	-1.8%	11.6%	17.8%
Debt Service as a % of Noncapital Expenditures	5.4%	18.2%	14.4%	15.6%	13.9%	14.0%	12.7%	10.1%	20.4%	13.3%

Notes:¹ Includes all governmental fund types.² These functions were established in 2005 and formerly included in the general government function³ Beginning in 2004 -2006, the City began an extensive infrastructure project, primarily related to the Prairie Gateway project. In 2006, began construction of a \$30 million City administrative center.⁴ In 2009, administrative function was combined with the general government function. For consistency in reporting, the administration function has been combined with the general government function for all years presented.**Data Source:**

Applicable years' comprehensive annual financial report.

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

For the Year Ended December 31,

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Amounts										
Current:										
General government	\$ 9,540,671	\$ 10,517,363	\$ 12,344,115	\$ 12,904,813	\$ 12,547,698	\$ 13,049,858	\$ 15,974,790	\$ 13,301,591	\$ 16,762,932	\$ 17,732,572
Human resources ²	739,109	627,171	500,225	590,350	597,790	646,519	810,819	844,554	732,398	944,112
Community development	2,904,607	3,320,548	3,736,265	3,482,500	3,260,286	3,559,877	3,549,080	4,254,719	5,398,904	3,497,158
Public safety	9,878,985	10,520,712	10,921,627	11,870,083	12,311,251	13,486,079	14,121,885	14,753,922	14,294,055	14,216,866
Public works	4,307,752	5,068,406	5,438,256	5,524,594	6,228,428	6,491,376	6,598,923	7,160,016	7,109,305	7,617,254
Parks and recreation	4,657,292	4,807,480	4,703,643	4,993,212	5,193,684	5,899,617	6,267,163	6,355,860	6,362,705	9,154,146
Total Current	\$ 32,028,416	\$ 34,861,680	\$ 37,644,131	\$ 39,365,552	\$ 40,139,137	\$ 43,133,326	\$ 47,322,660	\$ 46,670,662	\$ 50,660,299	\$ 53,162,108
Percentage of Total										
Current:										
General government	29.8%	30.2%	32.8%	32.8%	31.3%	30.3%	33.8%	28.5%	33.1%	33.4%
Human resources ²	2.3%	1.8%	1.3%	1.5%	1.5%	1.5%	1.7%	1.8%	1.4%	1.8%
Community development	9.1%	9.5%	9.9%	8.8%	8.1%	8.3%	7.5%	9.1%	10.7%	6.6%
Public safety	30.8%	30.2%	29.0%	30.2%	30.7%	31.3%	29.8%	31.6%	28.2%	26.7%
Public works	13.4%	14.5%	14.4%	14.0%	15.5%	15.0%	13.9%	15.3%	14.0%	14.3%
Parks and recreation	14.5%	13.8%	12.5%	12.7%	12.9%	13.7%	13.2%	13.6%	12.6%	13.7%
Total Current	100.0%									

Notes:

¹ Includes all governmental fund types.

² These functions were established in 2005 and formerly included in the general government function.

Data Source:

Applicable years' comprehensive annual financial report.

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

Source	For the Calendar Year Ended December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Revenues	\$ 56,463,572	\$ 63,859,670	\$ 58,333,399	\$ 56,831,030	\$ 54,315,862	\$ 76,137,895	\$ 63,283,857	\$ 60,006,994	\$ 61,870,773	\$ 79,201,682
Total Expenditures	54,247,022	113,312,816	89,420,247	89,185,984	53,537,624	60,881,252	68,182,746	66,986,231	74,756,822	88,033,312
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,216,550	(49,453,146)	(31,086,848)	(32,354,954)	778,238	15,256,643	(4,898,889)	(6,979,237)	(12,886,049)	(8,831,630)
Other Financing Sources										
Sale of capital assets	19,178	24,932	1,680,227	-	5,753	-	-	-	-	4,304,656
Issuance of long-term debt	17,500,000	90,900,000	-	35,500,000	-	2,045,763	-	-	86,400,000	73,445,000
Bond premium	566,767	740,127	-	-	-	-	-	-	6,615,706	5,157,213
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	(89,998,038)	-
Lease purchase agreement	-	-	-	-	-	-	-	-	1,929,648	-
Bond discount	-	-	-	(337,250)	-	-	-	-	-	-
Transfers in	34,957,565	42,651,660	46,092,880	38,305,521	32,960,247	6,648,608	9,857,192	10,589,271	6,867,429	18,606,259
Transfers out	(35,028,015)	(43,038,460)	(44,758,306)	(38,335,893)	(32,182,824)	(6,331,946)	(9,886,248)	(10,152,989)	(13,973,799)	(17,127,912)
Total Other Financing Sources	18,015,495	91,278,259	3,014,801	35,132,378	783,176	2,362,425	(29,056)	436,282	(2,159,054)	84,385,216
Net Change in Fund Balances	20,232,045	41,824,983	(28,072,047)	2,777,424	(574,077)	17,619,068	(4,927,945)	(6,542,955)	(15,045,103)	75,553,586
Fund Balances, Beginning of Year	53,455,820	73,687,865	115,885,238	87,813,191	90,590,615	90,016,538	107,556,604	102,628,659	96,085,704	81,040,600
Other Changes ¹	-	372,390	-	-	-	(79,002)	-	-	-	-
Fund Balances, End of Year	73,687,865	115,885,238	87,813,191	90,590,615	90,016,538	107,556,604	102,628,659	96,085,704	81,040,600	156,594,186

Notes:

¹ Generally includes restatements of prior year fund balances.

Data Source:

Applicable years' comprehensive annual financial report.

Commerce City, Colorado
Direct and Overlapping Sales and Use Tax Rates (Unaudited)
Last Ten Calendar Years

For The Calendar Year	Direct ²		Overlapping				Total Direct and Overlapping Rates
	City	State of Colorado	Adams County	Regional Transportation District	The Cultural And Scientific Facilities District	Metropolitan Football Stadium District ¹	
2005	3.50%	2.90%	0.75%	1.00%	0.10%	0.10%	8.35%
2006	3.50%	2.90%	0.75%	1.00%	0.10%	0.10%	8.35%
2007	3.50%	2.90%	0.75%	1.00%	0.10%	0.10%	8.35%
2008	3.50%	2.90%	0.75%	1.00%	0.10%	0.10%	8.35%
2009	3.50%	2.90%	0.75%	1.00%	0.10%	0.10%	8.35%
2010	3.50%	2.90%	0.75%	1.00%	0.10%	0.10%	8.35%
2011	3.50%	2.90%	0.75%	1.00%	0.10%	0.10%	8.35%
2012	3.50%	2.90%	0.75%	1.00%	0.10%	0.00%	8.25%
2013	4.50%	2.90%	0.75%	1.00%	0.10%	0.00%	9.25%
2014	4.50%	2.90%	0.75%	1.00%	0.10%	0.00%	9.25%

Notes:

¹ The Metropolitan Football Stadium District ended by law 12/31/2011.

² There are no components of the total direct rate.

Data Source:

Colorado Department of Revenue, "History of Local Sales and County Lodging Taxes".

Commerce City, Colorado
 Principal Sales and Use Tax Taxpayers (Unaudited) ¹
 Calendar Years 2014 and 2005

Type of Business:	2014	
	Amount	Percentage
Refinery	\$ 4,008,742	8.2%
Utility	3,853,079	7.9%
Retail	2,153,631	4.4%
Retail	1,369,405	2.8%
Retail	771,373	1.6%
Utility	739,907	1.5%
Retail	709,242	1.4%
Retail	692,916	1.4%
Construction	674,000	1.4%
Retail	469,073	1.0%
Total Principal Taxpayers	15,441,367	31.6%
All Other Taxpayers	33,486,887	68.4%
Total Taxpayers	\$ 48,928,254	100.0%
Type of Business:	2005	
	Amount	Percentage
Refinery	\$ 4,377,873	12.9%
Utility	1,499,971	4.4%
Retail	1,112,196	3.3%
Construction	683,578	2.0%
Retail	313,423	0.9%
Refinery	266,671	0.8%
Utility	214,618	0.6%
Retail	201,188	0.6%
Utility	198,733	0.6%
Retail	186,747	0.6%
Total Principal Taxpayers	9,054,997	26.8%
All Other Taxpayers ²	24,754,071	73.2%
Total Taxpayers	\$ 33,809,068	100.0%

Notes:

¹ Colorado law does not allow disclosure of individual taxpayers.

² Amount includes audit revenue

Data Source:

City sales tax collection records.

City of Commerce City, Colorado
Taxable Assessed Value and Estimated Actual Value of Property - By Type
Last Ten Calendar Years

Amounts													
Calendar Year	Residential Property	Commercial Property	Industrial Property	Vacant Land	Oil and Gas	Agricultural Property	Natural Resources	Personal Property ¹	State Assessed Utilities	Total Taxable Assessed Value	Total Direct Tax Rate ²	Estimated Actual Value ³	Annual Percentage Change
2005	\$ 156,149,970	\$ 116,200,980	\$ 16,033,050	\$ 47,227,970	\$ 799,620	\$ 232,980	\$ 1,247,940	\$ 85,928,770	\$ 767,500	\$ 424,588,780	3.280	\$ 2,885,490,648	26.0%
2006	187,572,110	119,883,170	16,035,710	46,068,150	1,110,400	217,700	178,900	91,829,660	727,540	463,623,340	3.280	3,305,772,677	14.6%
2007	202,287,210	126,991,100	16,343,230	47,535,380	940,060	175,110	462,590	177,763,960	845,160	573,343,800	3.280	3,818,634,859	15.5%
2008 ⁴	212,504,800	177,106,860	25,758,840	46,429,650	727,150	278,280	357,560	204,780,140	839,190	668,782,470	3.280	4,241,353,449	11.1%
2009	187,818,990	185,420,610	25,200,150	35,720,360	991,410	310,410	912,510	233,735,380	1,148,220	671,258,040	3.280	4,024,280,641	-5.1%
2010 ⁵	190,685,250	186,353,530	24,808,700	32,124,100	415,310	309,260	20	240,021,660	844,220	675,562,050	3.280	4,066,574,844	1.1%
2011	182,201,360	195,676,050	24,585,170	28,635,630	635,100	307,440	20	236,696,350	1,521,940	670,259,060	3.280	3,970,445,224	-2.4%
2012	185,560,160	202,701,930	24,415,280	27,178,920	633,000	315,090	20	239,845,880	3,451,720	684,102,000	3.269	4,048,808,253	2.0%
2013	185,376,770	220,081,390	26,585,620	27,565,950	523,110	339,280	20	273,023,780	3,838,450	737,334,370	3.280	4,230,949,975	4.5%
2014	191,684,050	221,044,760	26,513,220	24,528,810	469,760	336,240	20	270,393,230	3,744,510	738,714,600	3.280	4,293,320,329	1.5%
% Change From 2005 - 2014	22.8%	90.2%	65.4%	-48.1%	-41.3%	44.3%	-100.0%	214.7%	387.9%	74.0%		48.8%	
Assessment Ratio	7.96%	29.00%	29.00%	29.00%	87.50%	29.00%	29.00%	29.00%	29.00%				
Percentage of Total													
2005	36.8%	27.4%	3.8%	11.1%	0.2%	0.1%	0.3%	20.2%	0.2%	100.0%			
2006	40.5%	25.9%	3.5%	9.9%	0.2%	0.0%	0.0%	19.8%	0.3%	100.0%			
2007	35.3%	22.1%	2.9%	8.3%	0.2%	0.0%	0.1%	31.0%	0.3%	100.0%			
2008	31.8%	26.5%	3.9%	6.9%	0.1%	0.0%	0.1%	30.6%	0.1%	100.0%			
2009	28.0%	27.6%	3.8%	5.3%	0.1%	0.0%	0.1%	34.8%	0.1%	100.0%			
2010	28.2%	27.6%	3.7%	4.8%	0.1%	0.0%	0.0%	35.5%	0.1%	100.0%			
2011	27.2%	29.2%	3.7%	4.3%	0.1%	0.0%	0.0%	35.3%	0.2%	100.0%			
2012	27.1%	29.6%	3.6%	4.0%	0.1%	0.0%	0.0%	35.1%	0.5%	100.0%			
2013	25.1%	29.8%	3.6%	3.7%	0.1%	0.0%	0.0%	37.0%	0.5%	100.0%			
2014	25.9%	29.9%	3.6%	3.3%	0.1%	0.0%	0.0%	36.6%	0.5%	100.0%			

Notes:

¹ The personal property assessment increased from 2006 to 2007 as a result of Suncor Corporation making substantial improvements in personal property.

² Tax rates presented in per \$1,000 assessed value.

³ Assessed values are 7.96% of actual value for residential property, 87.5% for gas and oil and 29% for all other property classes.

⁴ In 2008, the City annexed a large industrial park known as "Northern Industrial Enclave." This annexation resulted in additional commercial, industrial and personal property.

⁵ Site had stopped production years ago; correcting values back to 2009.

Data Source:

Adams County Tax Assessor's Office.

City of Commerce, Colorado
Direct and Overlapping Property Tax Rates (Unaudited)
Last Ten Calendar Years
(rate per \$1,000 of assessed taxable value)

Calendar Year	Direct Rates		Overlapping Rates ¹			
	City	NIGID ²	School District No. 14	School District No. 27J ³	Adams County	Special Districts ⁴
2005	3.280	27.000	41.340	39.244	26.804	1,138.546
2006	3.280	27.000	47.443	45.562	26.974	1,193.191
2007	3.280	27.000	45.279	45.264	26.899	N/A
2008	3.280	27.000	44.961	45.215	26.809	N/A
2009	3.280	27.000	44.813	45.284	26.824	N/A
2010	3.280	27.000	44.908	45.703	26.883	N/A
2011	3.280	27.000	44.977	45.629	26.806	N/A
2012	3.269	27.000	44.917	45.629	26.903	N/A
2013	3.280	27.000	45.080	45.629	26.815	N/A
2014	3.280	27.000	45.080	47.628	27.042	N/A

Notes:

¹ Overlapping rates are those of governments that overlap the City's geographic boundaries.

² Northern Infrastructure General Improvement District, a blended component unit.

³ This school district was added in the North Range area in 2000.

⁴ Because of the large number of special districts, it is no longer practical to gather the tax rates for each of these special districts.

Data Source:

Adams County Tax Assessor's Office.

City of Commerce City, Colorado
Ratios of Total Debt Outstanding - By Type (Unaudited)
Last Ten Calendar Years

December 31,	Governmental Activities				Business-type Activities		Total Debt	Personal Income ⁴	Estimated Population	Total Debt Per Capita
	General Obligation Bonds	Sales Tax Revenue Bonds	Lease Purchase Agreement	Total	Certificates of Participation	Total				
2005 ¹	\$ 12,290,000	\$ 21,970,000	\$ -	\$ 34,260,000	\$ -	\$ -	\$ 34,260,000	0.3%	31,647	\$ 1,083
2006 ²	54,590,000	67,920,000	-	122,510,000	31,175,613	31,175,613	153,685,613	1.3%	35,432	3,458
2007	54,590,000	67,045,000	-	121,635,000	31,174,739	31,174,739	152,809,739	1.2%	37,874	3,212
2008 ³	90,090,000	65,310,000	-	155,400,000	31,173,865	31,173,865	186,573,865	1.3%	39,249	3,959
2009	90,090,000	63,510,000	-	153,600,000	31,172,991	31,172,991	184,772,991	1.3%	42,630	3,603
2010	90,090,000	61,620,000	2,045,763	153,755,763	31,164,248	31,164,248	184,920,011	1.3%	45,913	3,349
2011	90,090,000	58,805,000	1,992,868	150,887,868	31,155,505	31,155,505	182,043,373	1.3%	47,446	3,180
2012	89,557,154	58,429,105	1,923,703	149,909,962	31,146,763	31,146,763	181,056,725	1.3%	48,421	3,096
2013 ⁵	91,102,299	56,960,161	1,862,209	149,924,669	30,748,019	30,748,019	180,672,688	1.3%	49,799	3,011
2014	89,637,034	133,929,037	1,728,771	225,294,842	30,184,277	30,184,277	255,479,119	1.8%	49,203	4,579

Notes:

¹ In 2005, the City issued \$17,500,000 in sales and use tax revenue bonds which funded the design, early construction and right-a-way acquisition for the Prarie Gateway Project.

² In 2006, the City issued \$46,500,000 in sales and use tax revenue bonds which funded certain public infrastructure improvements related to the Prarie Gateway Project, \$44,400,000 in general improvement district general obligation variable rate bonds which funded various infrastructure projects and \$30,900,000 in certificates of participation which funded the construction of a new City administration center and other related facilities.

³ In 2008, the City issued \$35,500,000 in general obligation variable rate bonds which funded various infrastructure projects, primarily 104th street.

⁴ Exhibit XXIII - information available only for Adams County.

⁵ Netted with bond premiums and discounts as applicable beginning calendar 2013.

Data Source:

Applicable years' comprehensive annual financial report.

City of Commerce City, Colorado
Ratios of General Obligation Bonded Debt Outstanding - By Type (Unaudited)
Last Ten Calendar Years

December 31,	General Obligation Bonds	Net Position Restricted for Debt Services	Net General Obligation Bonds	Debt as a % of Estimated Actual Taxable Value of Property	Total General Bonded Debt Per Capita
2005	\$ 12,290,000	\$ 2,615,503	\$ 9,674,497	0.4%	388
2006	54,590,000	1,960,014	52,629,986	1.7%	1,541
2007	54,590,000	4,009,054	50,580,946	1.4%	1,441
2008	90,090,000	6,649,227	83,440,773	2.1%	2,295
2009	90,090,000	10,226,907	79,863,093	2.2%	2,113
2010	90,090,000	12,767,385	77,322,615	2.2%	1,962
2011	90,090,000	13,573,605	76,516,395	2.3%	1,899
2012	89,557,154	16,248,149	73,309,005	2.2%	1,850
2013	91,102,299	12,438,063	78,664,236	2.2%	1,829
2014	89,637,034	9,604,099	80,032,935	2.1%	1,822

Data Source:

Applicable years' comprehensive annual financial report.

City of Commerce City, Colorado
 Direct and Overlapping Governmental Activities Debt (Unaudited)
 December 31, 2014

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ¹</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debt ^{2,3}			
Adams County School District #14	\$ 77,355,000	97.41%	\$ 75,351,506
Brighton School District #27J	134,210,000	72.85%	97,771,985
Buffalo Ridge Metro District	18,834,487	100.00%	18,834,487
Eagle Creek Metro District	3,060,000	100.00%	3,060,000
Fronterra Village Metro Districts #1 & 2	18,980,000	100.00%	18,980,000
North Range Metro Districts #1-5	53,625,000	100.00%	53,625,000
North Range Village Metro District	7,485,000	100.00%	7,485,000
Potomac Farms Metro District	5,485,000	100.00%	5,485,000
Riverdale Dunes Metro Districts	2,465,000	100.00%	2,465,000
Total Overlapping Debt			283,057,978
City Direct Debt			225,294,842
Total Direct and Overlapping Debt			\$ 508,352,820

Notes:

¹ Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the City's geographic boundaries and dividing it by each government's total assessed valuation.

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

Data Source:

³ Individual governments.

City of Commerce City, Colorado
 Legal Debt Margin
 Last Ten Calendar Years

	December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed Value ¹	\$ 424,588,780	\$ 463,623,340	\$ 573,343,800	\$ 668,782,470	\$ 671,258,040	\$ 675,562,050	\$ 670,259,060	\$ 684,102,000	\$ 737,334,370	\$ 738,714,600
Legal Debt Margin										
Debt limit (10% of assessed value)	\$ 42,458,878	\$ 46,362,334	\$ 57,334,380	\$ 66,878,247	\$ 67,125,804	\$ 67,556,205	\$ 67,025,906	\$ 68,410,200	\$ 73,733,437	\$ 73,871,460
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 42,458,878	\$ 46,362,334	\$ 57,334,380	\$ 66,878,247	\$ 67,125,804	\$ 67,556,205	\$ 67,025,906	\$ 68,410,200	\$ 73,733,437	\$ 73,871,460
Total net debt applicable to the limit as a % of the debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:

¹ The City has no debt applicable to the legal debt margin.

Data Source:

¹ See Exhibit XIV.

City of Commerce City, Colorado
Pledged Revenue Coverage
Sales and Use Tax Revenue Bonds
Last Ten Calendar Years

Calendar Year	Sales and Use Taxes	Debt Service			Times Coverage
		Principal	Interest	Total	
2005	\$ 33,809,068	\$ 535,000	\$ 572,189	\$ 1,107,189	30.54
2006 ¹	35,407,253	550,000	1,694,616	2,244,616	15.77
2007	30,578,943	875,000	3,070,730	3,945,730	7.75
2008	31,874,621	1,735,000	3,032,682	4,767,682	6.69
2009	30,330,972	1,800,000	2,960,031	4,760,031	6.37
2010	51,970,021	1,890,000	2,883,412	4,773,412	10.89
2011	37,324,443	2,815,000	2,846,090	5,661,090	6.59
2012	35,516,389	1,365,000	2,689,112	4,054,112	8.76
2013	34,630,187	1,425,000	2,634,512	4,059,512	8.53
2014	48,928,254	1,490,000	2,577,512	4,067,512	12.03

Notes:

¹ In 2006, the City issued \$46,500,000 in sales and use tax revenue bonds and a portion of the interest was paid in 2006.

Data Sources:

Applicable years' comprehensive annual financial report.

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

Year	Population ²	(thousands of dollars) Personal Income ^{1,3}	Per Capita Personal Income ^{1,3}	Per Capita Personal Income % of U.S. ³	Median Age ⁴	Unemployment Rate		
						Adams County ⁵	State of Colorado ⁵	United States ⁶
2005	31,647	\$ 12,044,664	30,304	86%	N/A	5.8%	5.1%	4.9%
2006	35,432	12,771,890	31,187	83%	N/A	4.9%	4.4%	4.4%
2007	37,874	13,553,627	32,301	81%	N/A	4.4%	3.9%	5.0%
2008	39,249	14,031,026	32,770	81%	N/A	5.4%	4.8%	7.3%
2009	42,630	13,930,014	31,727	81%	N/A	9.4%	8.1%	9.9%
2010	45,913	14,130,401	31,849	80%	30.0	10.3%	9.0%	9.4%
2011	47,446	14,925,051	33,061	80%	30.0	10.0%	8.6%	8.2%
2012	48,421	15,945,588	34,695	81%	30.2	9.2%	7.8%	8.2%
2013	49,799	Not Available	Not Available	Not Available	30.2	7.6%	6.8%	7.4%
2014	49,203	Not Available	Not Available	Not Available	31.4	5.4%	5.0%	6.2%

Notes:

¹ Information available only for Adams County.

Data Sources:

² 2005-2010, State of Colorado, Division of Local Government, State Demography Office,
http://dola.colorado.gov/demog_webapps/population_estimate_within, 2011 - management estimate

*2014: ESRI Business Analyst (Source U.S. Census Bureau, Esri forecasts for 2014 and 2019)

³ 2005 - 2012 - U.S. Bureau of Economic Analysis - <http://www.bea.gov/regional/reis/default.cfm?selTable=CA1-3§ion=2>

⁴ U.S. Census Bureau - <http://censtats.census.gov/data/CO/1600816495.pdf>

⁵ Colorado Department of Labor and Employment, <http://lmigateway.coworkforce.com/lmigateway/gsipub/index.asp?docid=363>

⁶ United States Department of Labor, Bureau of Labor Statistics, <http://www.bls.gov/cps/cpsaat1.pdf>

City of Commerce City, Colorado
Principal Employers
For the Calendar Years Ended December 31, 2014 and 2005

Employer	Product or Service	2014 ¹		
		Number of Employees	Rank	Percentage of Major City Employers
United Parcel Service	Parcel delivery	2,543	1	8.88%
Adams County School District 14	School district	1,076	2	3.76%
United Food Service INC	Food service distribution	605	3	2.11%
FedEx Ground Package System INC	Parcel delivery	557	4	1.95%
FedEx Freight INC	Trucking	531	5	1.85%
City of Commerce City	City government	517	6	1.81%
Q3 Contracting INC	Construction contracting	516	7	1.80%
Suncor Energy USA INC	Refinery	440	8	1.54%
Safeway Services LLC	Scaffold company	329	9	1.15%
Old Dominion Freight Lines	Trucking	316	10	1.10%
Total Principal Employers' Employees		7,430		25.95%
Other Employers' Employees		21,201		74.05%
Total Employers' Employees		28,631		100.00%
Employer	Product or Service	2005		
		Number of Employees	Rank	Percentage of Major City Employers
United Parcel Service	Parcel delivery	3,056	1	14.33%
Adams County School District 14	School district	1,084	2	5.08%
United Food Service, Inc.	Food service distribution	548	3	2.57%
Navajo Express, Inc.	Trucking	541	4	2.54%
Viking Freight, Inc.	Trucking	479	5	2.25%
City of Commerce	City government	354	6	1.66%
Suncor Energy USA INC	Refinery	360	7	1.69%
Turner Industries Group LLC	Construction	357	8	1.67%
Laidlaw Transit Inc.	Transportation	343	7	1.61%
Northern Pipeline Const Co	Construction	280	10	1.31%
Total Principal Employers' Employees		7,402		34.70%
Other Employers' Employees		13,930		65.30%
Total Employers' Employees		21,332		100.00%

Notes:

¹ Information only available through the second quarter.

Data Source:

City records

City of Commerce City, Colorado
Building Permits Issued for New Structures
Last Ten Calendar Years

Year ¹	Single Family				Multi-Family				Commercial/Industrial			
	Number of Permits	% Change	Valuation	% Change	Number of Units	% Change	Valuation	% Change	Number of Permits	% Change	Valuation	% Change
2005	1389	-6%	\$ 271,146,401	-8%	219	-10%	\$ 29,725,364	-30%	19	-10%	\$ 24,218,434	11%
2006	646	-53%	109,700,095	-60%	173	-21%	17,553,906	-41%	29	53%	34,924,275	44%
2007	331	-49%	65,372,338	-40%	150	-13%	14,729,393	-16%	42	45%	27,388,287	-22%
2008	138	-58%	24,227,475	-63%	99	-34%	8,840,891	-40%	22	-48%	25,144,659	-8%
2009	122	-12%	19,121,004	-21%	8	-92%	659,219	-93%	15	-32%	16,374,200	-35%
2010	218	79%	33,769,751	77%	21	163%	2,268,559	244%	23	53%	31,863,595	95%
2011	108	-50%	16,099,757	-52%	8	-62%	905,000	-60%	17	-26%	74,394,330	133%
2012	192	78%	30,510,521	90%	0	-100%	0	-100%	13	-24%	28,064,930	-62%
2013	380	98%	68,238,427	124%	4	100%	713,720	100%	18	38%	10,570,162	-62%
2014	344	-9%	58,877,374	-14%	9	125%	996,818	40%	19	6%	21,063,783	99%

Data Source:

City economic development department.

City of Commerce City, Colorado
 City Employees by Function/Program (Unaudited) ¹
 Last Ten Calendar Years

Function/Program	Calendar Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government:										
Legislative	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Legal	1.00	2.00	2.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Resource Development (Grant Administrator)	-	-	-	-	1.00	1.00	1.00	1.00	2.00	-
City clerk	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
City manager	6.75	7.50	10.50	8.00	8.00	8.00	8.00	8.00	5.00	5.00
Economic development	2.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Marketing and public relations	3.00	3.00	4.00	6.00	5.00	5.00	5.00	6.00	6.00	7.00
Community relations	1.00	1.00	-	-	-	-	-	-	-	-
Total General Government	21.75	27.50	30.50	34.00	34.00	34.00	34.00	35.00	33.00	32.00
Human resources:										
Human resources	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Risk Manager	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00
Total Human Resources	6.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00
Finance:										
Financial planning and budgeting	1.50	1.50	1.50	3.00	3.00	4.00	4.00	4.00	4.00	5.00
Financial services	9.25	10.00	10.00	10.00	10.00	9.00	9.00	9.00	10.00	10.00
Tax	7.00	8.00	9.00	11.00	11.00	11.00	11.50	12.00	11.00	12.00
Judicial	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00
Total Finance	21.75	23.50	24.50	28.00	28.00	29.00	29.50	30.00	30.00	32.00
Community Planning/Development:										
Administration	4.00	4.00	3.00	4.50	4.50	4.50	4.50	5.00	4.00	5.00
Community planning	6.00	7.00	8.00	8.00	8.00	8.00	8.00	6.00	6.00	6.00
Building safety	15.00	16.00	17.00	14.00	14.00	12.00	11.00	11.00	10.00	10.00
Housing	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Neighborhood Services	15.00	18.00	18.00	18.00	18.00	16.00	15.00	15.00	13.00	9.00
Total Community Planning/Development	41.00	46.00	47.00	45.50	45.50	41.50	39.50	38.00	34.00	31.00
Public Safety:										
Administration	20.25	19.50	18.50	6.00	6.00	5.00	6.00	6.00	4.00	8.00
Investigation	16.00	20.00	18.00	36.50	36.50	35.50	39.00	39.00	35.00	47.00
Patrol	65.75	68.00	72.00	72.00	76.00	75.50	71.50	64.00	77.00	73.00
Code Enforcement	4.00	-	-	-	-	-	-	-	-	-
Victim Services	-	-	2.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Street Crime Program	-	-	5.00	5.00	5.00	5.00	5.00	5.00	5.00	-
Emergency Mgmt	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Public Safety	106.00	107.50	116.50	121.50	125.50	124.00	124.50	117.00	124.00	131.00
Public Works:										
Administration	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Street & Traffic Maintenance	20.25	24.50	21.00	23.00	22.00	22.00	22.00	23.00	24.00	25.00
Engineering	9.00	9.00	9.00	9.00	9.00	9.00	9.00	10.00	9.00	9.00
Total Public Works	34.25	38.50	35.00	37.00	36.00	36.00	36.00	38.00	38.00	39.00
Parks & Recreation:										
Administration	12.00	9.00	9.50	10.50	11.50	11.50	11.00	11.00	10.00	11.00
Parks Maintenance	9.50	10.00	10.00	13.00	13.00	13.00	14.00	14.00	14.00	14.00
Trails & Open Space	-	1.00	1.00	-	-	-	-	-	-	-
Recreation Programs	9.00	13.00	13.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Total Parks & Recreation	30.50	33.00	33.50	40.50	41.50	41.50	42.00	42.00	41.00	42.00
Facility Services:										
Administration	10.50	10.00	8.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Fleet Management:										
Administration	6.50	6.50	7.50	7.00	7.00	7.00	6.00	6.00	6.00	6.00
Information Technology:										
Administration	13.00	14.00	15.00	15.00	15.00	15.00	14.00	15.00	14.00	15.00
Golf:										
Maintenance	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Operations	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Restaurant	-	-	-	-	-	-	2.00	2.00	2.00	2.00
Total Golf	7.00	7.00	7.00	7.00	7.00	7.00	9.00	9.00	9.00	9.00
Total	298.25	319.50	330.50	345.50	349.50	346.00	345.50	341.00	340.00	348.00
Percentage Change From Prior Year	7.3%	7.1%	3.4%	4.5%	1.2%	-1.0%	-0.1%	-1.3%	-0.3%	2.4%

Notes:

¹ Based upon the number of authorized positions.

Data Source:

City finance department, payroll section.

City of Commerce City, Colorado
Operating Statistics by Function/Program
Calendar Years 2005 - 2014

Function/program	Calendar Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government:										
Liquor licenses processed	85	70	70	68	70	59	50	55	62	61
Written legal opinions	205	220	220	220	220	250	540	656	700	703
Ordinances and resolutions drafted	80	85	85	90	95	120	160	162	162	187
Job applications processed	3,408	3,660	2,051	3,880	3,900	2,850	4,703	3,279	3,561	4,191
Payroll checks issued	10,269	10,472	10,800	11,408	11,500	12,040	12,183	12,463	12,153	14,074
Invoices processed	12,998	14,294	14,000	13,918	16,000	15,383	14,991	14,923	13,577	15,042
Accounts payable checks issued	8,555	9,131	940	9,141	9,700	9,545	10,311	9,029	8,772	8,692
Court phone calls	13,246	13,815	15,459	13,512	14,505	15,272	15,541	10,275	9,980	10,099
Court appearances	4,277	4,368	4,245	5,175	5,508	5,512	-	-	-	-
Sales/use tax returns mailed	18,064	18,000	18,000	20,544	20,750	21,575	21,540	23,764	18,700	20,818
Audits performed	69	125	125	95	125	125	94	47	69	98
Community Planning and Development:										
Building permit applications	10,264	11,244	7,300	1,500	1,200	4,770	1,940	1,773	1,934	2,444
Inspections requested	40,514	38,000	23,000	24,000	10,500	14,356	10,695	9,637	13,614	15,408
Planning Commission applications	42	45	36	28	23	15	23	38	18	27
Police protection:										
Calls and complaints	56,317	59,133	62,061	85,479	88,039	74,246	72,689	64,045	65,204	70,479
Crime rate per 1,000 population	114	109	109	118	114	84	80	81	78	73
Physical arrests	2,693	2,834	2,121	2,739	3,012	2,872	2,928	2,814	3,199	3,303
Traffic violations filed	7,393	1,503	7,967	8,895	9,784	11,297	12,571	6,951	7,054	6,844
Parking violations	571	576	896	1,512	1,663	958	905	681	715	1,256
Vehicles towed	2,434	1,776	1,566	1,572	1,560	1,341	1,129	1,006	1,069	1,098
Public works:										
Service requests received	515	550	675	1,493	945	561	646	749	528	810
Hours spent on traffic maintenance	7,235	8,098	7,650	5,500	5,500	5,872	6,042	7,610	6,603	8,063
Hours spent on asphalt maintenance	7,173	7,300	7,900	8,500	8,500	8,195	8,089	7,917	8,705	8,830
Hours spent on weed maintenance	5,207	5,500	5,300	5,000	5,000	6,750	7,089	8,317	8,245	6,700
Concrete repairs (linear feet)	7,400	11,000	1,000	1,000	-	259	11,063	12,182	No program	No program
Parks and recreation:										
Recreation center visits	118,248	119,000	126,000	153,011	155,000	111,662	110,045	105,004	115,305	147,028
Volunteer hours	10,302	10,817	10,500	15,860	17,000	14,606	15,500	10,724	10,849	11,266
Park rentals	353	373	1,100	1,150	1,200	934	805	1,521	1,939	2,646
Daily admissions	43,685	44,000	44,200	43,987	44,000	4,191	-	-	-	-
Program Registrations	-	-	-	-	-	-	9,862	10,046	11,249	12,052

Notes:

¹ Information not presented is not available.

Data Source :

Various City departments and budgets.

City of Commerce City, Colorado
Property Tax Levies and Collections ¹ (Unaudited)
Last Ten Calendar Years

Levy Year	Collection Year	Total Tax Levy	Current Year ³ Collections	Percentage of Levy
2005	2006	\$ 1,392,651	\$ 1,391,501	99.9%
2006 ²	2007	1,520,683	1,525,437	100.3%
2007	2008	1,880,568	1,816,090	96.6%
2008	2009	2,193,607	2,190,013	99.8%
2009	2010	2,201,726	2,190,905	99.5%
2010	2011	2,165,852	2,150,984	99.3%
2011	2012	2,198,449	2,184,844	99.4%
2012	2013	2,236,329	2,190,282	97.9%
2013	2014	2,418,457	2,408,644	99.6%
2014	2015	2,422,984	-	0.0%

Notes:

¹ The amounts reported in this table exclude the GID taxes.

² The City levies taxes by December 15 for the subsequent year.

³ Although property taxes are not the City's major own-source revenue, this table is presented to provide selected data regarding property tax administration. Taxes reported in this column represent the total tax collections in the year indicated, not in the year levied as required by GASB Statement No. 44, since this information is not available and delinquent tax collections generally are insignificant.

Data Source:

Applicable years' comprehensive annual financial report.

City of Commerce City, Colorado
Principal Property Taxpayers (Unaudited)
Calendar Years Ended December 31, 2014 and 2005

2014				
Principal Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Suncor Energy	Refinery	\$ 135,434,230	1	18.33%
Rentech Energy Technology Center	Refinery	18,879,370	2	2.56%
D and M Division of STC	Transportation/Trucking	16,900,040	3	2.29%
Public Service Co of Colorado	Utility	11,404,420	4	1.54%
Qwest Corp FKA US West	Utility	7,434,700	5	1.01%
Lineage Ocsire LLC	Warehouse	7,360,640	6	
Con Agra Flour Milling	Mill	6,571,860	7	0.89%
FedEx Facility (ARC3 FECCO01 LLC)	Commercial Building	6,048,540	8	0.82%
FedEx Ground Package System	Transportation/Trucking	5,531,460	9	0.75%
Cal East Nat LLC	Distribution warehouse	4,780,820	10	0.65%
Total Principal Taxpayers		220,346,080		29.83%
All Other Taxpayers		518,368,520		70.17%
Total Taxpayers		<u>\$ 738,714,600</u>		<u>100.00%</u>
2005				
Principal Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Suncor Energy USA INC	Refinery	\$ 23,757,440	1	5.60%
Qwest Corp FKA US West	Utility	7,605,500	2	1.79%
Con Agra Flour Milling Co	Mill	5,514,080	3	1.30%
Richmond American Homes of Colorado	Builder	3,999,130	4	0.94%
UPS Facility (BT-OH LLC)	Commercial Building	3,899,390	5	0.92%
Colorado Refining Company (Ultramar Diamond)	Refinery	3,811,360	6	0.90%
Public Service Company of Colorado	Utility	3,756,270	7	0.88%
1480 Welton INC	Commercial Building	3,717,990	8	0.88%
Shamrock Foods Company	Distribution	2,656,710	9	0.63%
United Parcel Service - Rocky Mountain	Transportation/Trucking	2,707,790	10	0.64%
Total Principal Taxpayers		61,425,660		14.47%
All Other Taxpayers		363,163,120		85.53%
Total Taxpayers		<u>\$ 424,588,780</u>		<u>100.00%</u>

Data Source:

Adams County Tax Assessor's Office

City of Commerce City, Colorado
Capital Asset Statistics by Function/Program
Last Ten Calendar Years

Function/program	December 31,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Area in square miles	32.4	32.4	33.9	33.9	33.9	33.9	34.7	34.7	34.689	34.689
Miles of streets	224	242	245	238	238	238	243	244	244.12	244.12
Number of street lights:										
Excel Energy	1,922	1,654	1,678	1,875	N/A	N/A	N/A	N/A	N/A	N/A
United Power	987	1,454	1,517	1,543	N/A	N/A	N/A	N/A	N/A	N/A
Culture and recreation:										
Recreation centers	1	1	1	1	1	1	1	1	1	1
Parks	16	18	18	18	18	18	17	17	17	17
Park acreage	93.3	98	132	132	132	132	113	113.37	113.37	113.37
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	4	4	4	4	4	4	4	4	-	-
Roller hockey rink	1	1	1	1	1	1	-	-	-	-
Skateboard park	1	1	1	1	1	1	1	1	1	1
Basketball courts	3	3	3	5	5	5	5	5	5	5
Golf courses	1	1	1	1	1	1	1	1	1	1
Trails:										
On street miles	8.5	8.5	8.5	1.3	1.3	1.3	7.0	7.0	7.0	7.0
Off street miles	5.9	5.6	6.6	15.4	15.4	15.4	24.0	24.45	24.45	24.45
Futsal Court	-	-	-	-	-	-	-	-	2	2
Sprayground	-	-	-	-	-	-	-	-	1	1
Police protection:										
Number of stations	1	1	1	1	1	3	2	2	2	2
Number of patrol units	61	62	66	72	72	73	81	78	83	84

Data Source:

Various City departments.

CITY OF COMMERCE CITY

THIS PAGE INTENTIONALLY LEFT BLANK

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

LOCAL HIGHWAY FINANCE REPORT

City or County:
City
YEAR ENDING :
December 2014

This Information From The Records Of (example - City of _ or County of _)
City of Commerce City

Prepared By: Su Chung Myung
Phone: (303) 289-3727

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

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)	3,167,987
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,322,140
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	3,015,246
2. General fund appropriations	12,484,773	b. Snow and ice removal	323,012
3. Other local imposts (from page 2)	3,401,173	c. Other	
4. Miscellaneous local receipts (from page 2)	3,573,256	d. Total (a. through c.)	3,338,259
5. Transfers from toll facilities		4. General administration & miscellaneous	876,770
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	8,083,799
a. Bonds - Original Issues		6. Total (1 through 5)	16,788,954
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	2,910,974
7. Total (1 through 6)	19,459,202	b. Redemption	1,490,000
B. Private Contributions		c. Total (a. + b.)	4,400,974
C. Receipts from State government (from page 2)	1,730,725	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	21,189,927	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	4,400,974
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	21,189,927

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	56,015,000	52,085,081	1,490,000	106,610,081
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
		21,189,927	21,189,927		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		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,903,099	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	365,955
5. Specific Ownership &/or Other	498,074	g. Other Misc. Receipts	3,167,987
6. Total (1. through 5.)	3,401,173	h. Other	39,315
c. Total (a. + b.)	3,401,173	i. Total (a. through h.)	3,573,256
	(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	1,545,690	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	185,035	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	185,035	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,730,725	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	0	0	0
b. Engineering Costs	0	0	0
c. Construction:			
(1). New Facilities	0	104,932	104,932
(2). Capacity Improvements	45,995	1,268,017	1,314,012
(3). System Preservation	0	506,977	506,977
(4). System Enhancement & Operation	0	1,242,064	1,242,064
(5). Total Construction (1) + (2) + (3) + (4)	45,995	3,121,992	3,167,987
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	45,995	3,121,992	3,167,987
			(Carry forward to page 1)

Notes and Comments: