

2016

For the year ended December 31, 2016



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Commerce City
Comprehensive Annual Financial Report

CITY OF COMMERCE CITY

2016 COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED DECEMBER 31



PREPARED BY:

SHERYL CARSTENS, DIRECTOR OF FINANCE

ARMANDO GUARDIOLA, CONTROLLER

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June 14, 2017

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, 2016. 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, 2016, 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 2015 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 seven 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 E-470 Residential Area General Improvement District
- Commerce City Finance Authority

Discretely Presented Component Units

- Quality Community Foundation
- Commerce City Housing Authority

PROFILE OF THE CITY

The City of Commerce City is located on 35.73 square miles; 61+ square miles at total build-out in Adams County immediately northeast of Denver and west of the Denver International Airport. The City is a highly industrialized municipality of 53,696 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

The Commerce City economy recorded mixed trends across many indicators through the fourth quarter of 2016. The employment situation improved, with overall employment rising 1 percent between the second quarters of 2015 and 2016, representing the addition of 288 new jobs. The unemployment rate in the third quarter of 2016 decreased to 3.6 percent, the lowest quarterly rate recorded since the data started being collected in the second quarter of 2000. The unemployment rate in the third quarter of 2016 was 0.5 percentage points below both the prior year and prior quarter rates.

Consumers' assessment of current business and employment conditions improved during the fourth quarter of 2016, which contributed to a 12.5 percent increase over-the-year in national consumer confidence in the fourth quarter of 2016. The fourth quarter 2016 level was among the highest national consumer confidence levels since 2007. The Conference Board's Mountain Region Index rose 7.9 percent over-the-quarter and increased 7 percent over-the-year. (City of Commerce City Economic Activity Report Q4 2016)

Maintenance and expansion of the City's general infrastructure is a major concern of the City. To address this concern the City is implementing 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 financial reports which compares estimated revenues to actual revenues, and estimated expenditures (appropriations) to actual expenditures. The Finance Department also reports City financials 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 2014 Certificate is the 29th 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,

Handwritten signature of Brian McBroom in black ink.

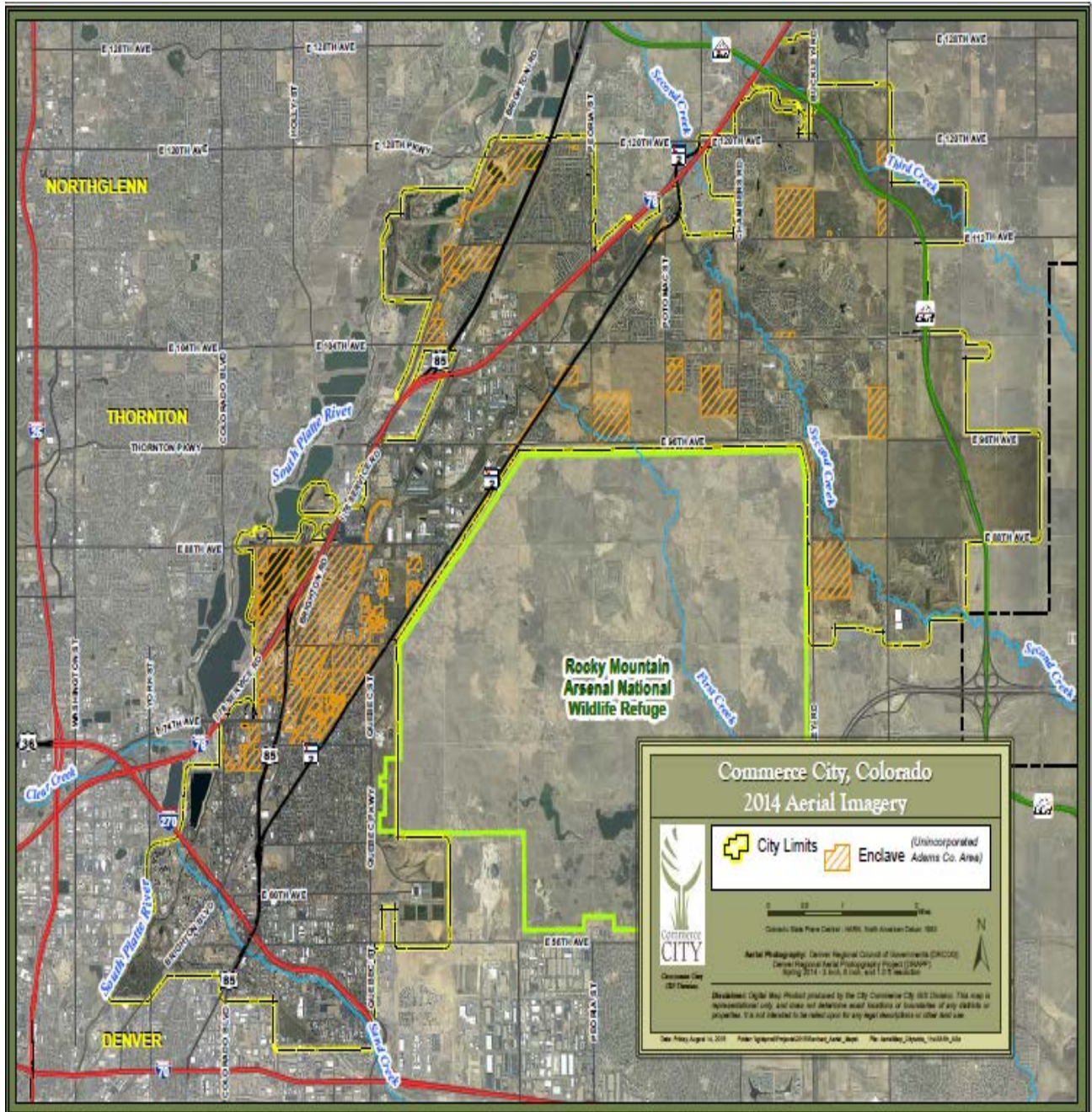
Brian McBroom
City Manager

Handwritten signature of Sheryl L. Carstens in black ink.

Sheryl L. Carstens
Director of Finance

ABOUT COMMERCE CITY

As the state’s fourth-fastest growing community, Commerce City is redefining itself for the next generation, building on historic values of community, industry, agriculture and family. Centrally located along Colorado’s bustling Front Range, Commerce City is a *Quality Community for a Lifetime*, with 25 miles of trails, a championship golf course, 840 acres of open space and parks, one of the country’s largest soccer complexes and the nation’s largest urban wildlife refuge. Learn more at c3gov.com.



FAST FACTS

Current Population: 53,696

Population at Build-Out: 180,000

Size: 35.73 square miles; 61+ sq. mi at total build-out¹

Incorporated: 1952 as Commerce Town, renamed in 1970

Demographics:

- 46 percent of population is Hispanic; half of that group is monolingual
- Young population; 78.2% of residents are families with children
- 71% homeownership rate
- Average median income rose 14% between 2010 – 2015

Business:

More than 1,300 businesses within city, covering following industry clusters:

- Advanced Manufacturing
- Energy
- Logistics & Distribution
- Business & Professional Services
- Retail, Hospitality & Leisure
- DIA Technology

13th best place to do business in state – NerdWallet, 2015



¹ Commerce City Public Works Department, Commerce City Comprehensive Plan, 2010

CITY COUNCIL OF COMMERCE CITY



Mayor Sean Ford



Mayor Pro Tem René
Bullock, At-Large



Councilman Jason
McEldowney, At-Large



Councilwoman Crystal
Elliott, At-Large



Councilman Steve
Douglas, At-Large



Councilman Andrew
Amador, Ward I



Councilman Rick Teter,
Ward II



Councilwoman Jadie
Carson, Ward III

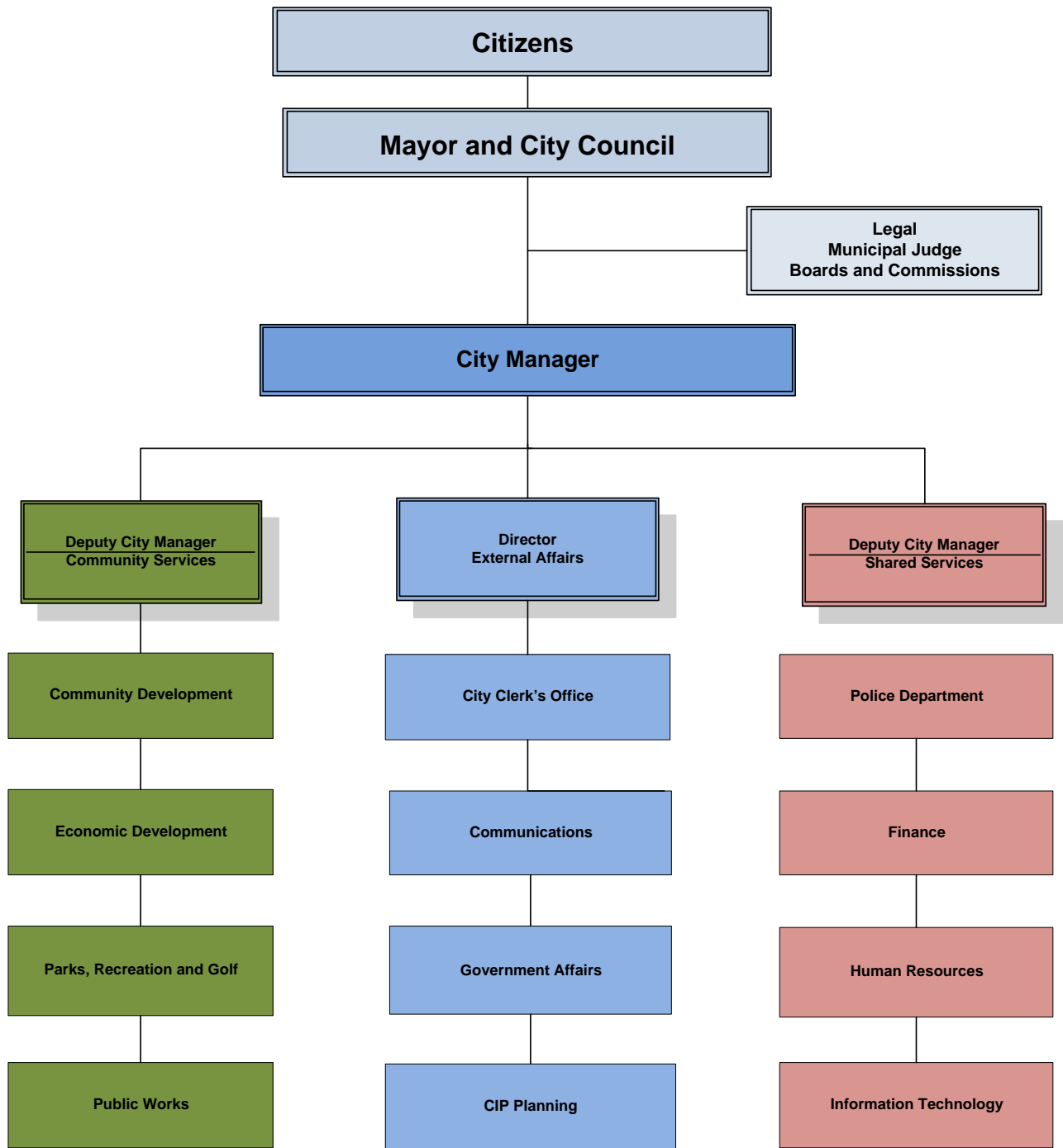


Councilman Paolo Diaz,
Ward IV

CITY MANAGER AND LEADERSHIP TEAM

Brian McBroom	City Manager
Troy Smith	Deputy City Manager
Roger Tinklenberg	Deputy City Manager
Clinton Nichols	Interim Chief Of Police
Sheryl Carstens	Director Of Finance
Chris Cramer	Director Of Community Development
Catherine Blakeman	Director Of Human Resources
Justin Bingham	Interim Director Of Information Technology
Carolyn Keith	Director Of Parks, Recreation & Golf
Maria D'andrea	Director Of Public Works
Michelle Claymore	Economic Development Director
Michelle Halstead	Director of External Affairs
Laura Bauer	City Clerk
Robert Sheesley	City Attorney







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, 2015

Executive Director/CEO



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, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Commerce City, Colorado, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17, and the budgetary comparison information and schedule of funding progress on pages 72 through 75, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Commerce City's basic financial statements. The introductory section, supplemental information as identified in the table of contents, 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 supplemental information as identified in the table of contents and the 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information as identified in the table of contents and the Local Highway Finance Report is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Report on Summarized Comparative Information

We have previously audited the City's 2015 financial statements, and we expressed unmodified 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 fund information in our report dated July 27, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Fort Collins, Colorado
June 14, 2017

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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, 2016. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

2016 FINANCIAL HIGHLIGHTS

The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$266,014,998 (total net position) for the calendar year reported.

- Total net position are comprised of the following:
 - (1) Net investment in capital assets, of \$164,945,296 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 \$27,788,777 is restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$73,280,924 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 \$201,591,213 this year. This compares to the prior year ending fund balance, as of \$142,881,460 showing an increase of \$58,709,754 during the current year.
- At the end of the current calendar year, the unassigned fund balance for the General Fund was \$10,492,854 or 19.9% 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.

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. The city has the following blended component units:

- Commerce City Northern Infrastructure General Improvement District (NIGID)
- Commerce City E-470 Commercial Area General Improvement District (ECAGID)
- Commerce City E-470 Residential Area General Improvement District (ERAGID)
- Urban Renewal Authority (URA)
- Commerce City Finance Authority (Finance Authority)

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 total assets and deferred outflows and total liabilities and deferred inflows, 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 18 & 19 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 20 to 32 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 24 to 27 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 28 & 29.

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 32 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 72 to 75 of this report.

SUPPLEMENTARY INFORMATION

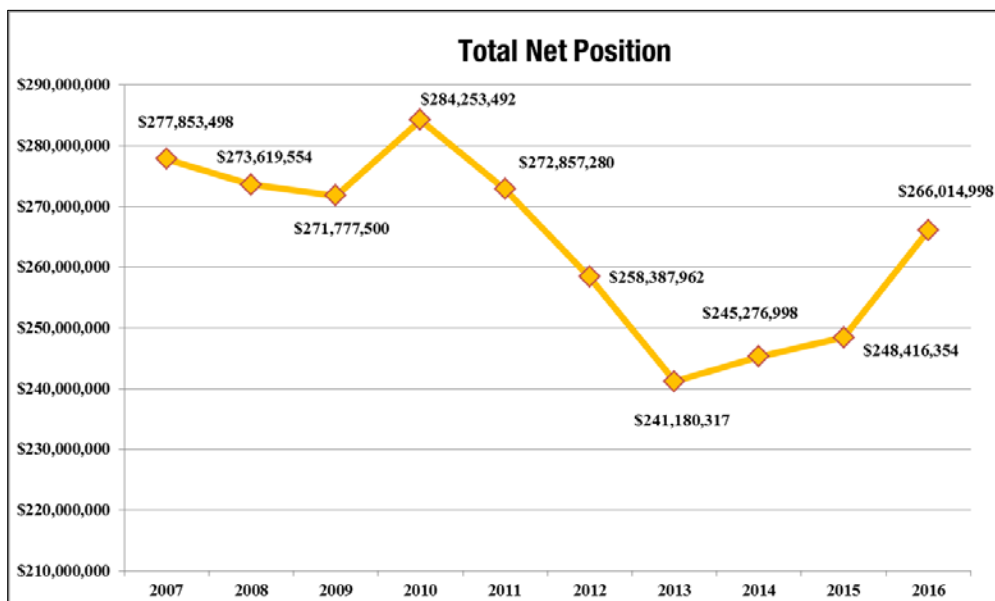
As discussed, the City reports major funds in the basic financial statements. Comparative information for major funds and combining and individual statements and schedules for nonmajor funds are presented in a supplementary information section of this report beginning on page 76.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City's net position at calendar year-end is \$266,014,998. The following table provides a summary of the City's net position:

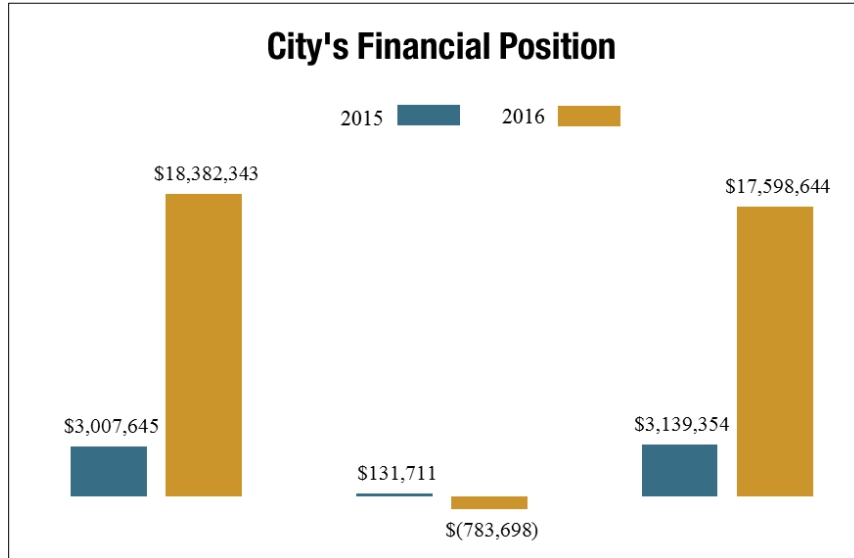
	Summary of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets						
Current assets	\$ 245,857,824	\$ 188,341,366	\$ 169,895	\$ 487,924	\$ 246,027,719	\$ 188,829,290
Other non-current assets	1,073,372	922,165	242,592	254,722	1,315,964	1,176,887
Capital assets	350,042,182	325,090,182	24,005,918	25,069,262	374,048,100	350,159,444
Total assets	596,973,378	514,353,713	24,418,405	25,811,908	621,391,783	540,165,621
Deferred Outflows of Resources	2,098,527	2,254,075	-	-	2,098,527	2,254,075
Total Assets and Deferred Outflows	599,071,905	516,607,788	24,418,405	25,811,908	623,490,310	542,419,696
Liabilities						
Current liabilities	35,917,053	33,607,367	692,414	658,477	36,609,467	34,265,844
Long-term liabilities	283,285,212	221,991,572	28,333,596	28,977,338	311,618,808	250,968,910
Total Liabilities	319,202,265	255,598,940	29,026,010	29,635,815	348,228,275	285,234,755
Deferred Inflows of Resources	8,826,330	8,768,589	-	-	8,826,330	8,768,589
Total liabilities	328,028,595	264,367,529	29,026,010	29,635,815	357,054,605	294,003,344
Net position:						
Net investment in capital assets	169,907,974	165,526,117	(4,962,678)	(4,508,076)	164,945,296	161,018,041
Restricted	27,788,777	70,578,157	-	-	27,788,777	70,578,157
Unrestricted	72,925,851	16,135,986	355,074	684,170	73,280,925	16,820,156
Total net position	\$ 270,622,602	\$ 252,240,260	\$ (4,607,604)	\$ (3,823,906)	\$ 266,014,998	\$ 248,416,354

The following graph reports the total net position balances from fiscal year 2007 – 2016:

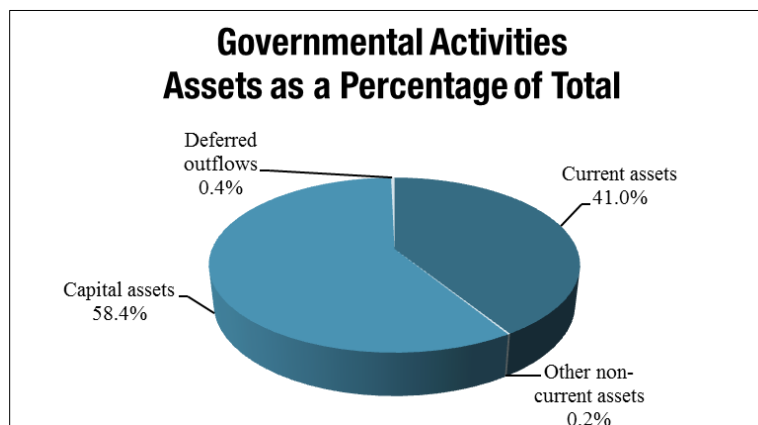


The City continues to maintain a high current ratio, excluding the deferred inflows and outflows of resources. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 6.8 to 1 as compared to 5.6 to 1 at December 31, 2015. For business-type activities, the current liabilities exceed current assets. The total current ratio was 0.2 to 1 as compared to 0.7 to 1 at December 31, 2015.

The City reported positive balances in net position for governmental activities and deficit net position for business-type activities. During fiscal year 2016, net position increased \$18,382,342 for governmental activities. For business-type activities, net position decreased \$783,698. The City's overall financial position increased during calendar year 2016 by \$17,598,644.

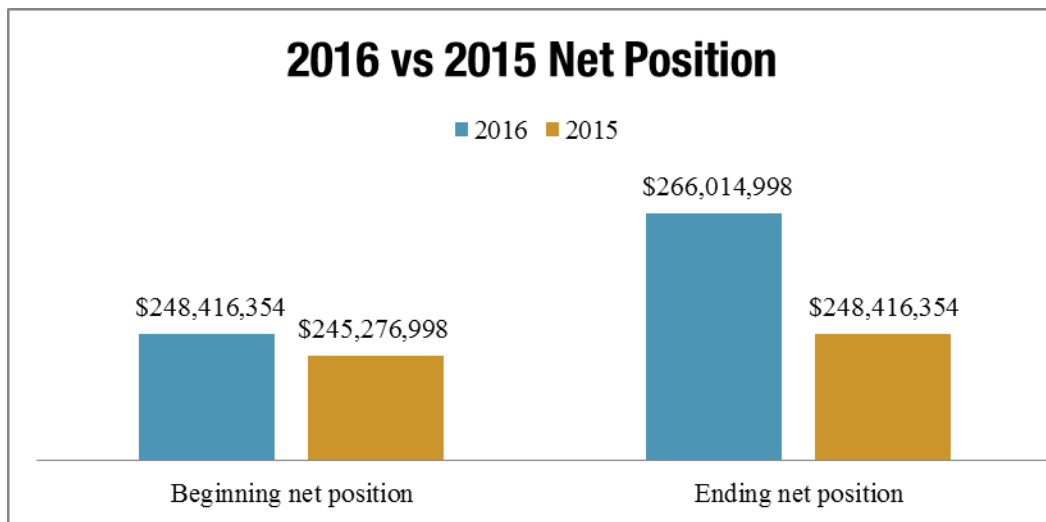


Note that approximately 58.4% of the governmental activities' total assets are tied up in capital assets (with 74.2% of the capital asset cost being depreciable). The City uses these capital assets to provide services to its citizens. Nearly 100% of the business-type activities assets are tied up in capital assets. Combining governmental activities with business type activities, the City has invested 60.0% 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:

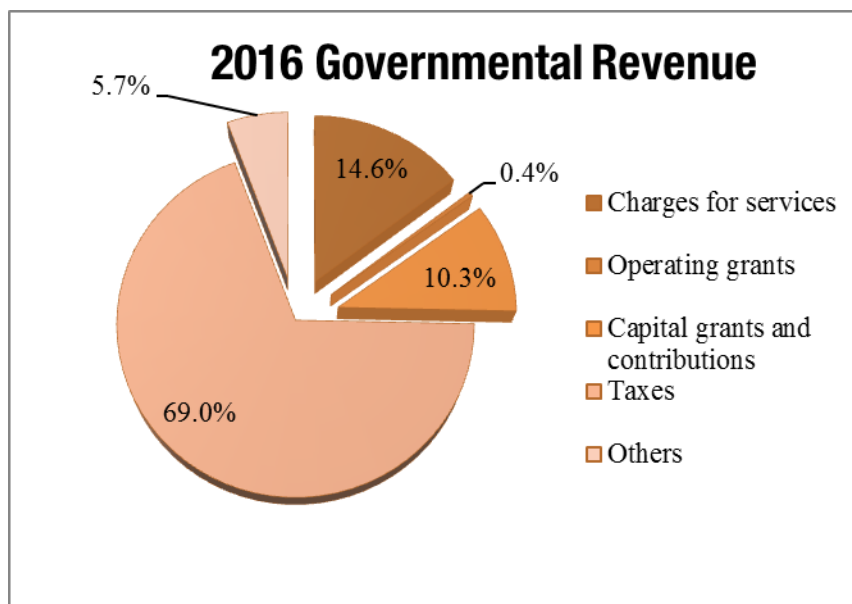
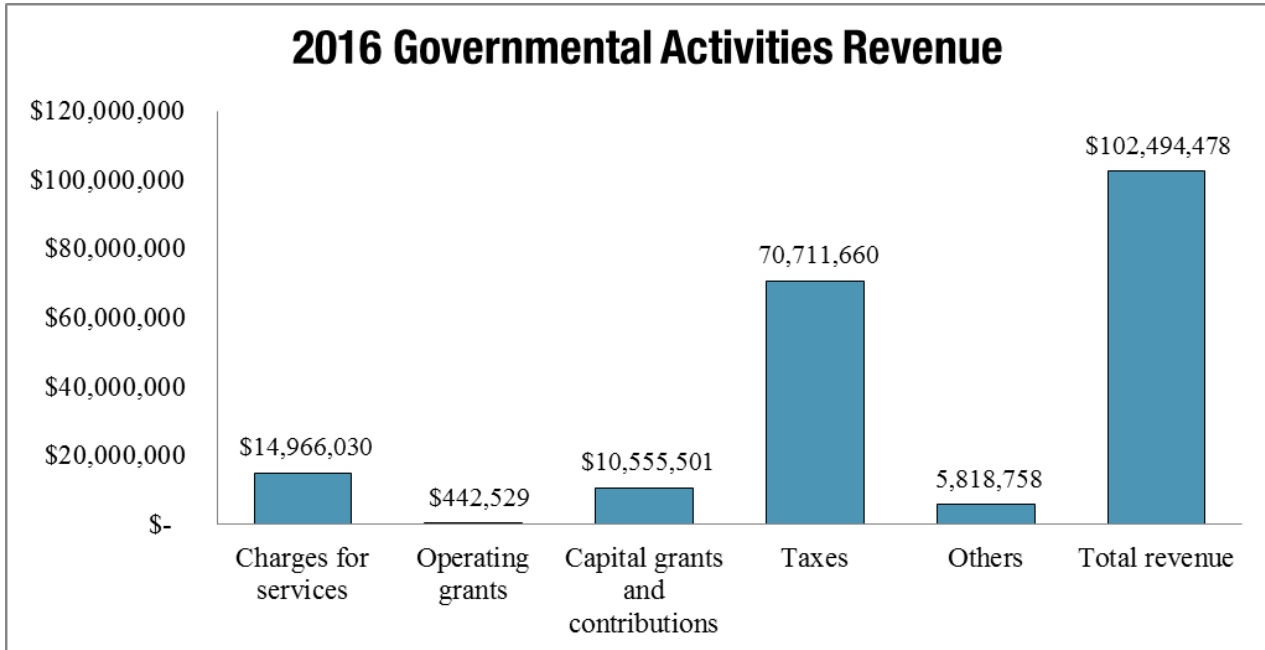
	Summary of Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program:						
Charges for services	\$ 14,966,030	\$ 10,188,749	\$ 2,756,752	\$ 2,630,604	\$ 17,722,782	\$ 12,819,353
Operating grants	442,529	528,978	-	-	442,529	528,978
Capital grants and contributions	10,555,501	5,610,936	-	-	10,555,501	5,610,936
General:						
Taxes	70,711,660	63,910,308	-	-	70,711,660	63,910,308
Others	5,818,758	4,563,750	11,631	2,858	5,830,389	4,566,608
Total revenues	102,494,478	84,802,721	2,768,383	2,633,462	105,262,861	87,436,183
Program Expenses:						
General Government	17,228,391	17,269,638	-	-	17,228,391	18,048,736
Human resources	976,141	952,096	-	-	976,141	950,390
Community development	3,929,739	3,408,731	-	-	3,929,739	3,467,187
Public safety	16,059,811	15,599,089	-	-	16,059,811	14,272,948
Public works	24,687,608	24,198,351	-	-	24,687,608	25,537,390
Parks, recreation and golf	12,913,063	11,280,173	-	-	12,913,063	10,627,413
Interest	9,396,230	9,115,482	-	-	9,396,230	8,262,483
Finance authority	-	-	2,473,235	2,473,271	2,473,235	2,518,490
Total expenses	85,190,982	81,823,558	2,473,235	2,473,271	87,664,217	83,685,038
Revenues over (under) expenses	17,303,496	2,979,164	295,148	160,191	17,598,644	3,512,491
Transfers	1,078,846	28,480	(1,078,846)	(28,480)	-	-
Change in net position	18,382,343	3,007,645	(783,698)	131,711	17,598,644	3,139,354
Beginning net position	252,240,260	249,232,615	(3,823,906)	(3,955,617)	248,416,354	245,276,998
Ending net position	\$ 270,622,602	\$ 252,240,260	\$ (4,607,604)	\$ (3,823,906)	\$ 266,014,998	\$ 248,416,354



GOVERNMENTAL ACTIVITY REVENUES

The City is heavily reliant on sales and use taxes to support governmental operations. City taxes provide 68.9% of total revenue, with sales and use taxes providing 54.0% of the City's total taxes revenues as compared 59.5% in calendar year 2015. Note that program revenues covered 25.3% of governmental operating expenses as compared to 19.3% in calendar year 2015.

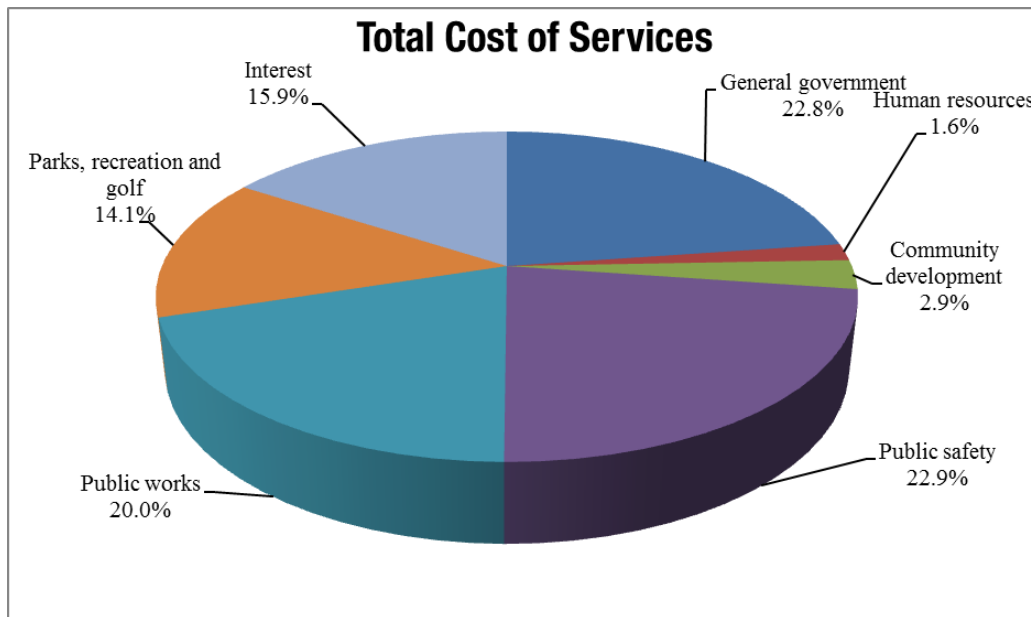
This means that the government's taxpayers and the City's other general revenues normally fund 83.1% of the governmental activities, primarily from sales and use taxes. As a result, the general economy and the success of local businesses have a major impact on the City's revenue streams.



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	\$ 17,228,391	20.2%	\$ (13,474,500)	22.8%
Human resources	976,141	1.1%	(976,141)	1.6%
Community development	3,929,739	4.6%	(1,690,241)	2.9%
Public safety	16,059,811	18.9%	(13,533,818)	22.9%
Public works	24,687,608	29.0%	(11,827,255)	20.0%
Parks, recreation and golf	12,913,063	15.2%	(8,328,736)	14.1%
Interest	9,396,230	11.0%	(9,396,230)	15.9%
	\$ 85,190,982	100.0%	\$ (59,226,921)	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 \$24.7 million including annual depreciation expense. The City spent approximately \$16.1 million on public safety and \$17.2 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 2016, this fund recognized \$2,003,419 in rental income and paid interest on long-term debt totaling \$1,403,419 in interest and \$600,000 in principal. At December 31, 2016, this fund reports a deficit of \$4,758,402, 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 2016 fee revenues of \$753,333 increased from the 2015 revenues.

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 \$201,591,213 compared to the \$142,881,460 at December 31, 2015.

Of this year-end total, \$10,330,471 is unassigned indicating the availability for continuing City service delivery requirements.

Legally restricted fund balances are \$128,596,418. Included in this amount are \$112.7 million for capital construction and outlay, and the money set aside to meet the TABOR emergency reserve requirements, or \$4.7 million.

Committed fund balance totals \$4,834,509. Included in this amount is \$4,931 for court surcharges, \$3.1 million for capital construction, \$1.7 million for water rights.

The total ending fund balances of governmental funds show an increase of \$58,709,754 or 41.1% from the prior year, due to spending down on bond proceeds for capital construction projects.

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 \$9,367,613 or 23.7% as compared to a 25.7% increase in calendar year 2015. The ending unassigned fund balance is considered adequate, representing the equivalent of 19.1% of annual expenditures. This compares to 33.2% at December 31, 2015.

Total tax revenues are above those of 2015 by \$5,308,852.

Plan check fees increased \$269,958 or 116.0%. Building permits were up \$2,258 or 0.2% due to a consistent economy. Court and docket fees are lower than the 2015 amount by \$22,255 or 9.6%. Fines and forfeitures through the municipal court were lower than the 2015 amount by \$98,236 or 12.2%. Revenues from photo red light enforcement were \$165,544 or 40.8% above the 2015 amount.

Recreation and golf fees increased \$180,360 in 2016.

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

Total General Fund expenditures increased approximately \$2.3 million over the 2015 amount.

Total general government expenditures were \$493,442 or 12.0% above the 2015 amount. Within the general government function, legal fees decreased \$278,331 or 30.6%. In 2016, the City required the assistance of outside legal counsel for fewer matters and handled additional items through in-house counsel. The city manager expenditures increased \$723,838 or 74.9% due to settlement agreement from litigation for Road construction improvement.

In total, public safety costs were \$439,559 above the 2015 amount. This was caused by an increase in salary costs to sustain the level of service.

In the public works function, expenditures decreased by \$249,761 or 3.4% from 2015.

Within the parks, recreation and golf function, expenditures increased by \$1,051,623 due to additional expense in parks maintenance with the 2K parks and the outdoor leisure pool opening in 2016.

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 \$15.2 million of transfers from other funds, including approximately \$4,810,551 from the General Fund, \$515,000 from the Conservation Trust Fund, and \$5.9 million from the Impact Fees Fund.

During this year, this fund incurred \$33.1 million in capital costs that included the following major projects:

- Neighborhood Parks (3) - \$4,138,494
- Road Project (2) – \$13,204,349
- New Recreation Center Building (1) – \$3,379,635
- New Recreation Center Infrastructure - \$4,744,689
- Existing Recreation Center Expansion - \$77,335
- Pavement Management - \$1,754,221

This fund reports an ending fund balance of \$127,585,824 at December 31, 2016.

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 \$6.1 million in property and specific ownership taxes.

This fund continued to expend the 2008 bond proceeds on infrastructure projects, or \$1.6 million. The major project was completed in 2016. This fund also incurred interest and principal costs on debt of approximately \$5.0 million. At December 31, 2016, the fund reports fund balance of \$1.8 million, down from \$2.3 million at December 31, 2015.

Urban Renewal Agency Fund – The URA's significant asset is the property held for resale, with plans to resale the property held for resale with a cost of \$4.6 million. This fund recognized \$524,701 in property taxes as compared to \$265,710 in 2015. This fund expended \$658,522 and reports a fund balance of \$6,763,150 at December 31, 2016.

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

Revenue from sales and use taxes were \$4,978,641 over budget. Highway user's tax exceeded the budget by \$101,113. Building permit revenue exceeded the budget by \$522,015 because of conservative budgeting.

Court and docket fees revenue were \$29,429 over budget. Total fines and forfeitures also exceeded the budget by \$199,144.

Property taxes were below budget by \$5,201.

Investment earnings were reported negative by \$1,115,261, Generally accepted accounting principles require us to report our securities at the market rate even though they are purchased at or close to par. The city does not sell the securities they hold.

In total, the City recognized 108.0% of the final revenue budget.

The General Fund's expenditure budget was amended upward \$566,052 or 1.0%.

The finance department was below budget by \$469,048 compared to the 2015 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 \$673,410.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2016, were \$350,338,707 and \$24,005,918 respectively. The change in this net investment was an approximate 7.8% increase for governmental activities (including the internal service funds) and a 4.2% 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					
	Governmental Activities*		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Non-depreciable assets:						
Land	\$ 47,429,384	\$ 43,975,082	\$ -	\$ -	\$ 47,429,384	\$ 43,975,082
Golf course	4,224,818	4,224,818	-	-	4,224,818	4,224,818
Water rights	9,167,803	7,340,520	-	-	9,167,803	7,340,520
Construction in progress	30,180,190	17,203,050	-	-	30,180,190	17,203,050
Total non-depreciable assets	91,002,195	72,743,470	-	-	91,002,195	72,743,470
Depreciable assets:						
Buildings	22,957,771	22,591,779	33,732,729	33,732,729	56,690,501	56,324,508
Machinery, equipment, furniture and intangibles	18,610,641	16,374,469	-	-	18,610,641	16,374,469
Infrastructure	495,860,700	471,978,363	-	-	495,860,700	471,978,363
Total depreciable assets	537,429,112	510,944,611	33,732,729	33,732,729	571,161,842	544,677,340
Less accumulated depreciation	278,092,601	258,597,899	9,726,811	8,663,466	287,819,412	267,261,365
Book value - depreciable assets	259,336,511	252,346,712	24,005,918	25,069,263	283,342,430	277,415,975
Percentage depreciated	52%	51%	29%	26%	50%	49%
Total book value	\$ 350,338,707	\$ 325,090,182	\$ 24,005,918	\$ 25,069,263	\$ 374,344,625	\$ 350,159,445

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

The various capitalized additions to governmental activities infrastructure capital assets of \$26.7 million include:

- Roads, pavement management and rehabilitation \$6,000,987
- GID - Roads, pavement management and rehabilitation \$6,104,806
- GID – Water and sewer mains \$4,596,944
- Parks \$5,046,204
- Storm sewers \$62,680
- Buildings \$365,992
- Machinery and equipment \$2,462,174
- Signage \$10,714
- Traffic signals \$178,427
- Trails \$80,212
- Bridges \$1,801,367

The December 31, 2016 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 \$80,655,000 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.

In September of 2016 the City issued \$54,460,000 as part of the second tranche of the Sales and Use Tax Revenue Bonds Series 2016 to continue construction and operations of the projects identified during the election.

The following table reports debt balances at December 31, 2016 and 2015, exclusive of deferred debt related items.

	Long-Term Debt					
	Governmental Activities*		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
GID general obligation bond	\$ 80,655,000	\$ 82,170,000	\$ -	\$ -	\$ 80,655,000	\$ 82,170,000
Sales tax revenue bonds	174,115,000	122,735,000	-	-	174,115,000	122,735,000
Lease purchase agreement	1,419,627	1,583,263	-	-	1,419,627	1,583,263
Certificates of participation	-	-	28,785,000	29,385,000	28,785,000	29,385,000
Compensated absences	180,789	137,560	-	-	180,789	137,560
Total	<u>\$256,370,416</u>	<u>\$206,625,823</u>	<u>\$28,785,000</u>	<u>\$29,385,000</u>	<u>\$285,155,416</u>	<u>\$236,010,823</u>

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

ECONOMIC CONDITIONS AFFECTING THE CITY

The Commerce City economy activity Report recorded mixed trends across many indicators through 2016. The employment situation improved, with overall employment rising 1 percent between the second quarters of 2015 and 2016, representing the addition of 288 new jobs. The unemployment rate in the third quarter of 2016 decreased to 3.6 percent, the lowest quarterly rate recorded since the data started being collected in the second quarter of 2000. The unemployment rate in the third quarter of 2016 was 0.5 percentage points below both the prior year and prior quarter rates.

Consumers' assessment of current business and employment conditions improved during the fourth quarter of 2016, which contributed to a 12.5 percent increase over-the-year in national consumer confidence in the fourth quarter of 2016. The fourth quarter 2016 level was among the highest national consumer confidence levels since 2007. The Conference Board's Mountain Region Index rose 7.9 percent over-the-quarter and increased 7 percent over-the-year.

Commerce City existing home sales decreased in both the single-family detached and the single-family attached markets between the third quarters of 2015 and 2016. Single-family detached home sales decreased 0.9 percent over-the-year and single-family attached sales fell 31.8 percent. However, the average sales price improved in both the single-family attached (+11 percent) and single-family detached markets (+9.2 percent) over-the-year. The apartment

rental market tightened during the third quarter of 2016 in Commerce City, with the vacancy rate decreasing 2.6 percentage points over-the-quarter to 4.3 percent. The average rental rate increased 1.3 percent from the previous quarter to \$1,254 per month. One of the five commercial property types tracked in this report recorded an increase in the vacancy rate (warehouse distribution), but only one property type recorded an increase in the average lease rate (all other industrial).

Commerce City Economic Headlines

- ◆ Intsel Steel began construction of a 234,000 square foot steel distribution facility on 55 acres in Commerce City and plans to install a Burlington Northern Santa Fe rail spur to support its growing global footprint. The facility is expected to employ 92 workers as the company consolidates its operations in the Denver area. Intsel sells nearly 700,000 tons of steel annually for bridges, stadiums, barges, and large buildings throughout North, South, and Central Americas.
- ◆ Construction began on a new \$60.9 million recreation center near 112th Avenue and Potomac Street in Commerce City. The project will house a full-size basketball court, spectator seating, childcare center, lounges, community rooms, and fitness areas. The recreation center is projected to be completed by the spring of 2018.
- ◆ The Milken Institute's 2016 Best-Performing Cities Index was released and the Denver-Aurora metropolitan statistical area (Denver MSA) ranked 13th, up three spots from last year. The index considered nine separate components including job growth and earnings. The Denver MSA ranked 10th for wage growth and 16th in both job growth and the number of high-tech industries.
- ◆ Denver will be the second-best city for job seekers in 2017, according to NerdWallet. Analysts examined October unemployment rates, the growth of the working-age population from 2010 to 2015, median earnings, and median 2015 monthly rent in the nation's 100 largest cities. The burgeoning technology industry, robust aerospace industry, and more affordable cost of living contributed to Denver's high rank.
- ◆ Forbes ranked the Denver MSA the best place for business and careers for the second year in a row. The company ranked the 200 largest MSAs based on 14 criteria including job growth, costs, income growth, quality of life, and education of the labor force. The company stated that the Denver region's relatively central location makes it a natural location as a distribution hub for the American West, while also supporting a number of growing industries in technology and communications. The company also stated that the region's nationally recognized museums, the second largest performing arts complex in the nation, and bustling neighborhoods are strong attributes.
- ◆ The Urban Land Institute (ULI) released their annual markets to watch for real estate trends and Denver ranked 11th. The report conducted by the ULI and PricewaterhouseCoopers surveyed more than 1,500 professionals in the industry. The report stated that Denver has seen particularly strong growth in the leisure and hospitality, construction, and professional and business services sectors, but that the city has not been completely able to escape the downturn in the energy-related business services sector.
- ◆ According to the American City Business Journals, the Denver MSA ranked ninth for expected population growth in the next 25 years. The group generated population projections for 933 metropolitan and micropolitan areas based on data from the U.S. Census Bureau and the University of Virginia's Weldon Cooper Center for Public Service. The group projects that the Denver MSA population will grow 52.4 percent between 2015 and 2040, rising from 2.8 million to 4.3 million residents.

Employment

The number of businesses throughout Commerce City rose 5.6 percent between the second quarters of 2015 and 2016, a net gain of 71 businesses. Ten of the 12 supersectors reported over-the-year increases in business counts, with the information sector recording the largest increase (+33.3 percent) during the period. The mining and logging and the financial activities supersectors also recorded significant establishment growth over-the-year, rising 20 percent and

12.9 percent, respectively. The leisure and hospitality supersector (+2.6 percent) and the manufacturing (+2 percent) sector recorded the smallest over-the-year increases in businesses. The number of businesses in the government sector was unchanged from the prior quarter, while the transportation, warehousing, and utilities sector (-3.7 percent) reported the only decline in businesses between the second quarters of 2015 and 2016, losing six establishments.

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 2015 sales and use tax remittances from businesses increased by 3.14% compared to 2014. (Commerce City Economic Activity Report October 2016)

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, Colorado
Statement of Net Position
December 31, 2016

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Current Assets:				
Equity in pooled cash and investments (Note 3-A)	\$ 208,181,180	\$ 6,968	\$ 208,188,148	\$ 1,279,018
Receivables				
Accounts	2,651,640	173,673	2,825,313	15,870
Property taxes (Note 3-B)	8,829,512	-	8,829,512	-
Sales and use taxes	5,405,375	-	5,405,375	-
Special assessments	32,468	-	32,468	-
Notes	9,838,742	-	9,838,742	-
Loans	-	-	-	26,959
Interest	-	-	-	20,829
Internal balances	22,876	(22,876)	-	-
Inventory (Note 1-E-4)	201,249	-	201,249	-
Prepaid items (Note 1-E-5)	112,937	12,130	125,067	-
Assets held for resale	10,583,422	-	10,583,422	-
Restricted assets	-	-	-	1,246,210
Total Current Assets	245,859,401	169,896	246,029,297	2,588,886
Non-Current Assets:				
Notes receivables	-	-	-	2,360,780
Interest receivable	-	-	-	729,362
Prepaid items (Note 1-E-5)	1,073,372	242,592	1,315,964	-
Capital assets (Note 3-C)	-	-	-	-
Nondepreciable	91,002,195	-	91,002,195	364,938
Depreciable, net	259,336,512	24,005,918	283,342,430	345,949
Investments in housing units	-	-	-	4,908
Total Non-Current Assets	351,412,079	24,248,510	375,660,589	3,805,937
Deferred Outflows of Resources (Note 3-D)	2,098,527	-	2,098,527	-
Total Assets and Deferred Outflows of Resources	599,370,007	24,418,406	623,788,413	6,394,823
Liabilities				
Current Liabilities:				
Vouchers and contracts payable	9,402,167	-	9,402,167	1,760
Accrued expenses payable	62,808	-	62,808	-
Deposits payable	2,906,663	-	2,906,663	4,200
Accrued interest payable	3,168,626	57,414	3,226,040	-
Unearned revenue	15,898,372	-	15,898,372	-
Compensated absences payable (Note 3-G)	154,607	-	154,607	-
Certificates of participation payable (Note 3-G)	-	635,000	635,000	-
Lease purchase agreement payable (Note 3-G)	183,361	-	183,361	-
General obligation bonds payable (Note 3-G)	1,690,000	-	1,690,000	-
Sales and use tax revenue bonds payable (Note 3-G)	3,165,000	-	3,165,000	-
Total Current Liabilities	36,631,603	692,414	37,324,018	5,960
Long-Term Liabilities: (net of current portion)				
Compensated absences payable (Note 3-G)	26,182	-	26,182	-
Other postemployment benefits payable (Note 3-J)	4,932,449	-	4,932,449	-
Certificates of participation payable (Note 3-G)	-	28,333,596	28,333,596	-
Lease purchase agreement payable (Note 3-G)	1,236,266	-	1,236,266	-
General obligation bonds payable (Note 3-G)	84,561,334	-	84,561,334	-
Sales and use tax revenue bonds payable (Note 3-G)	192,528,980	-	192,528,980	-
Total Long-Term Liabilities	283,285,212	28,333,596	311,618,807	-
Deferred Inflows of Resources (Note 3-D)	8,829,014	-	8,829,014	-
Total Liabilities and Deferred Inflows of Resources	328,745,829	29,026,010	357,771,839	5,960
Net Position				
Net investment in capital assets (Note 3-K)	169,907,974	(4,962,678)	164,945,296	710,887
Restricted for:				
Capital projects	82,510	-	82,510	-
Debt service	6,758	-	6,758	-
Housing purposes	-	-	-	1,246,210
Capital outlay and operations	18,882,326	-	18,882,326	33,777
Urban renewal	2,086,749	-	2,086,749	-
Emergencies (Note 2-D)	5,792,091	-	5,792,091	-
Public safety	50,463	-	50,463	-
Public works	303,895	-	303,895	-
Parks and recreation	215,144	-	215,144	-
Unrestricted	73,294,692	355,073	73,649,765	4,397,989
Total Net Position	\$ 270,622,602	\$ (4,607,604)	\$ 266,014,998	\$ 6,388,863

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Statement of Activities
For the Year Ended December 31, 2016

Function/Program	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services and Sales		Capital Grants and Contributions	Primary Government			
		Operating Grants and Contributions	Operating Grants and Contributions		Governmental Activities	Business-Type Activities	Total	Component Units
Primary Government								
General government	\$ 17,228,391	\$ 3,645,528	\$ 108,363	\$ -	\$ (13,474,500)	\$ -	\$ (13,474,500)	\$ -
Human resources	976,141	-	-	-	(976,141)	-	(976,141)	-
Community development	3,929,739	2,239,498	-	-	(1,690,241)	-	(1,690,241)	-
Public safety	16,059,811	2,406,193	119,799	-	(13,533,818)	-	(13,533,818)	-
Public works	24,687,608	2,770,196	73,360	10,016,796	(11,827,255)	-	(11,827,255)	-
Parks and recreation	12,913,063	3,904,615	141,006	538,705	(8,328,736)	-	(8,328,736)	-
Interest	9,396,230	-	-	-	(9,396,230)	-	(9,396,230)	-
Total Governmental Activities	85,190,982	14,966,030	442,529	10,555,501	(59,226,921)	-	(59,226,920)	-
Business-Type Activities								
Finance Authority	2,473,235	2,003,419	-	-	-	(469,816)	(469,816)	-
Solid Waste Management	-	753,333	-	-	-	753,333	753,333	-
Total Business-Type Activities	2,473,235	2,756,752	-	-	-	283,517	283,517	-
Total - Primary Government	\$ 87,664,217	\$ 17,722,782	\$ 442,529	\$ 10,555,501	(59,226,921)	283,517	(58,943,403)	-
Component Units								
Housing Authority	\$ 198,579	\$ 60,211	\$ 105,236	\$ -	-	-	-	(33,132)
Quality Community Foundation	142,701	-	-	-	-	-	-	(142,701)
Total - Component Units	\$ 341,280	\$ 60,211	\$ 105,236	\$ -	-	-	(52,240)	310,547
General Revenues								
Property taxes levied for general purposes					8,822,528	-	8,822,528	-
Sales and use taxes					55,378,333	-	55,378,333	-
Specific ownership taxes					679,629	-	679,629	-
Street and bridge taxes					509,964	-	509,964	-
Franchise taxes					2,914,395	-	2,914,395	-
Highway user taxes					1,673,837	-	1,673,837	-
Other taxes					732,975	-	732,975	-
Investment earnings					802,673	11,631	814,304	13,114
Miscellaneous					5,068,324	-	5,068,324	-
Gain on disposition of capital assets					(52,240)	-	(52,240)	-
Transfers					1,078,846	(1,078,846)	-	-
Total General Revenues and Transfers					77,609,263	(1,067,215)	76,542,048	323,661
Change in Net Position					18,382,342	(783,698)	17,598,644	147,828
Net Position Beginning of Year					252,240,260	(3,823,906)	248,416,354	6,241,035
Net Position End of Year					\$ 270,622,602	\$ (4,607,604)	\$ 266,014,997	\$ 6,388,863

See accompanying notes to the basic financial statements

*City of Commerce City, Colorado
Balance Sheet
Governmental Funds
December 31, 2016*

	General	Capital Expenditures	Northern Infrastructure GID	Urban Renewal Authority	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in pooled cash and investments	\$ 48,552,470	\$ 139,925,593	\$ -	\$ 2,371,457	\$ 10,037,092	\$ 200,886,612
Receivables:						
Accounts	854,014	1,611,953	57,500	-	103,837	2,627,304
Property taxes	2,469,619	-	5,804,141	539,382	16,370	8,829,512
Sales and use taxes	5,405,375	-	-	-	-	5,405,375
Special assessments	-	-	-	-	32,468	32,468
Notes	65,296	6,848,942	-	-	2,924,505	9,838,742
Interfund	484,689	-	-	-	-	484,689
Inventory	46,225	-	-	-	-	46,225
Prepaid items	4,452	-	-	-	-	4,452
Assets held for resale	-	-	2,318,230	4,640,400	3,624,792	10,583,422
Total Assets	\$ 57,882,139	\$ 148,386,488	\$ 8,179,870	\$ 7,551,239	\$ 16,739,064	\$ 238,738,801
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Vouchers and contracts payable	3,168,559	5,230,305	153,591	248,707	167,413	8,968,575
Accrued expenditures	60,234	-	-	-	-	60,234
Deposits payable	2,892,977	13,685	-	-	-	2,906,663
Interfund payable	-	-	375,254	-	86,559	461,813
Unearned revenue	341,699	15,556,673	-	-	-	15,898,372
Total Liabilities	6,463,469	20,800,664	528,845	248,707	253,972	28,295,657
Deferred Inflows of Resources	2,469,619	-	5,804,141	539,382	38,790	8,851,932
Total Liabilities and Deferred Inflows of Resources	8,933,088	20,800,664	6,332,986	788,089	292,761	37,147,589
Fund Balances						
Nonspendable	115,973	-	2,318,230	4,640,400	6,545,024	13,619,626
Restricted	21,178,173	102,963,293	6,758	2,122,750	1,956,604	128,227,577
Committed	4,931	6,848,942	-	-	4,829,578	11,683,450
Assigned	16,788,280	17,773,590	-	-	3,168,218	37,730,088
Unassigned	10,861,695	-	(478,103)	-	(53,121)	10,330,471
Total Fund Balances	48,949,051	127,585,824	1,846,885	6,763,150	16,446,303	201,591,212
Total Liabilities, Deferred Inflow of Resources and Fund Balances	\$ 57,882,139	\$ 148,386,488	\$ 8,179,870	\$ 7,551,239	\$ 16,739,064	\$ 238,738,801

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, 2016**

Total Governmental Fund Balances		\$ 201,591,212
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	\$ 613,240,226
	Less accumulated depreciation	<u>(267,796,395)</u>
		345,443,831
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds - special assessments.		
		22,918
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.		
		11,991,651
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	\$ (461,813)
	Interfund payables	<u>461,813</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	\$ (281,945,315)
	Lease purchase agreement payable	(1,419,627)
	Compensated absences payable	(175,936)
	Accrued interest payable	(3,168,626)
	Other postemployment benefits payable	<u>(4,932,449)</u>
		(291,641,952)
Bond insurance is reported as bond issuance costs at the fund level but capitalized on the government wide statement of net position.		
		1,116,415
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>2,098,527</u>
Net Position of Governmental Activities		<u>\$ 270,622,602</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, 2016

	General	Capital Expenditures	Northern Infrastructure GID	Urban Renewal Authority	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 2,591,268	\$ -	\$ 5,688,423	\$ 524,701	\$ 18,137	\$ 8,822,528
Sales and use taxes	55,378,333	-	-	-	-	55,378,333
Specific ownership taxes	214,994	-	464,635	-	-	679,629
Other taxes	5,403,732	427,439	-	-	-	5,831,171
Licenses and permits	2,226,495	-	-	-	-	2,226,495
Intergovernmental	108,363	3,258,170	-	-	778,578	4,145,111
Charges for services	8,732,206	35,063	-	-	2,387,382	11,154,651
Sale of water rights	-	-	125,000	-	150,411	275,411
Fines and forfeitures	1,309,473	-	-	-	-	1,309,473
Special assessments	-	-	-	-	4,452	4,452
Contributions	-	-	-	-	20,932	20,932
Investment earnings	300,930	226,467	22,343	12,414	138,278	700,432
Interest and penalties	-	-	-	-	1,704	1,704
Miscellaneous	361,713	3,451,579	125,547	662,914	398,007	4,999,761
Total Revenues	76,627,508	7,398,718	6,425,948	1,200,029	3,897,883	95,550,085
Expenditures						
<i>Current:</i>						
General government	16,253,519	-	198,967	-	681,332	17,133,818
Human resources	970,420	-	-	-	-	970,420
Community development	3,227,389	-	-	658,522	-	3,885,911
Public safety	15,574,130	-	-	-	120,860	15,694,990
Public works	7,628,745	-	-	-	21,652	7,650,397
Parks, Recreation and Golf	10,800,754	-	-	-	141,006	10,941,760
<i>Capital Outlay</i>	-	33,106,235	1,645,125	-	1,982,757	36,734,117
<i>Debt Service:</i>						
Principal retirement	163,636	-	1,515,000	-	3,080,000	4,758,636
Interest and fiscal charges	33,519	-	3,564,798	-	5,265,050	8,863,367
Bond issuance costs	-	634,430	-	-	-	634,430
Total Expenditures	54,652,112	33,740,665	6,923,890	658,522	11,292,656	107,267,845
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,975,396	(26,341,947)	(497,943)	541,508	(7,394,773)	(11,717,760)
Other Financing Sources (Uses)						
Revenue bond issued	-	54,460,000	-	-	-	54,460,000
Bond premiums	-	12,174,430	-	-	-	12,174,430
Transfers in	51,545	15,225,042	40,000	183,000	10,517,126	26,016,713
Transfers out	(12,659,330)	(2,830,000)	-	(275,000)	(6,459,300)	(22,223,630)
Total Other Financing Sources (Uses)	(12,607,785)	79,029,472	40,000	(92,000)	4,057,826	70,427,513
Net Change in Fund Balances	9,367,611	52,687,524	(457,943)	449,508	(3,336,947)	58,709,753
Fund Balances Beginning of Year	39,581,440	74,898,300	2,304,828	6,313,642	19,783,250	142,881,460
Fund Balances End of Year	\$ 48,949,051	\$ 127,585,824	\$ 1,846,885	\$ 6,763,150	\$ 16,446,303	\$ 201,591,213

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, 2016**

Net Changes In Fund Balances - Total Governmental Funds

Amounts reported for governmental activities in the government-wide statement of activities are different because:		\$	58,709,753
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 those 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	\$ (18,335,595)	
	Capital outlay	<u>35,984,222</u>	17,648,627
Miscellaneous Capital Asset adjustment			141,051
Disposition of capital assets in 2016			(52,240)
Developer contributed infrastructure and other contributions are reported as revenue on the government-wide statement of activities but not reported in the governmental funds.			6,758,626
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 @ 12/31/15	\$ (27,370)	
	Balance @ 12/31/16	<u>22,918</u>	(4,452)
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.			(54,460,000)
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.			(12,174,430)
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.			4,758,636
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.			(2,525,326)
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.			(476,791)
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 @ 12/31/15	\$ 2,496,643	
	Balance @ 12/31/16	<u>(3,168,626)</u>	(671,983)
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 @ 12/31/15	\$ 133,257	
	Balance @ 12/31/16	<u>(175,935)</u>	(42,678)
Amortization of bond premium and refunding loss 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.			622,342
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.	Balance @ 12/31/15	\$ 965,208	
	Balance @ 12/31/16	<u>1,116,415</u>	151,207
Elimination of transfers between governmental funds.	Transfers in	\$ (25,137,060)	
	Transfers out	<u>25,137,060</u>	-
Transfers between governmental funds to fiduciary funds are classified as expenditures.	Expenditures	\$ 44,160	
	Transfers out	<u>(44,160)</u>	-
Change In Net Position of Governmental Activities			\$ 18,382,342

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2016

	Business-type Activities Enterprise Funds			Governmental Activities
	Finance Authority	Nonmajor Solid Waste Management	Total	Internal Service Funds
Assets				
Current Assets:				
Cash and cash equivalents (Note 3-A)	\$ 6,968	\$ -	\$ 6,968	\$ 7,294,568
Accounts receivable	-	173,673	173,673	24,336
Inventory (Note 1-E-4)	-	-	-	155,024
Prepaid items (Note 1-E-5)	12,130	-	12,130	65,443
Total Current Assets	19,098	173,673	192,771	7,539,371
Noncurrent Assets:				
Prepaid items (Note 1-E-5)	242,592	-	242,592	-
Capital assets: (Note 3-C)				
Depreciable capital assets, net	24,005,918	-	24,005,918	4,893,299
Total Noncurrent Assets	24,248,510	-	24,248,510	4,893,299
Total Assets	24,267,608	173,673	24,441,281	12,432,670
Liabilities				
Current Liabilities:				
Vouchers and contracts payable	-	-	-	433,592
Accrued expenses payable	-	-	-	2,574
Compensated absences payable	-	-	-	4,853
Accrued interest payable	57,414	-	57,414	-
Interfund payable	-	22,876	22,876	-
Certificates of participation payable (Note 3-E)	635,000	-	635,000	-
Total Current Liabilities	692,414	22,876	715,290	441,020
Long-Term Liabilities:				
Certificates of participation payable (Note 3-E)	28,333,596	-	28,333,596	-
Total Liabilities	29,026,010	22,876	29,048,886	441,020
Net Position				
Net investment in capital assets (Note 3-J)	(4,962,678)	-	(4,962,678)	4,893,299
Restricted for emergencies	-	-	-	5,123
Unrestricted	204,275	150,798	355,073	7,093,229
Total Net Position	\$ (4,758,402)	\$ 150,798	\$ (4,607,604)	\$ 11,991,651

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, 2016

	Business-type Activities Enterprise Funds			Governmental Activities
	Finance Authority	Solid Waste Management	Total	Internal Service Funds
Operating Revenues				
Charges for services	\$ 2,003,419	\$ 753,333	\$ 2,756,752	\$ 6,937,409
Miscellaneous	-	-	-	68,563
Total Operating Revenues	<u>2,003,419</u>	<u>753,333</u>	<u>2,756,752</u>	<u>7,005,972</u>
Operating Expenses				
Salaries	-	-	-	1,706,551
Purchased services and charges	4,147	-	4,147	2,779,934
Materials and supplies	-	-	-	1,129,103
Amortization	3,387	-	3,387	-
Depreciation	1,063,344	-	1,063,344	1,331,208
Total Operating Expenses	<u>1,070,879</u>	<u>-</u>	<u>1,070,879</u>	<u>6,946,797</u>
Operating Income	<u>932,540</u>	<u>753,333</u>	<u>1,685,873</u>	<u>59,175</u>
Non-Operating Revenues (Expenses)				
Interest expense	(1,402,356)	-	(1,402,356)	-
Investment earnings	-	11,631	11,631	100,537
Total Non-Operating Revenues (Expenses)	<u>(1,402,356)</u>	<u>11,631</u>	<u>(1,390,725)</u>	<u>100,537</u>
Income (Loss) Before Contributions and Transfers	<u>(469,816)</u>	<u>764,964</u>	<u>295,148</u>	<u>159,712</u>
Contributions	-	-	-	73,360
Transfers in	-	-	-	199,192
Transfers out	-	(1,078,846)	(1,078,846)	(2,957,590)
Change in Net Position	<u>(469,816)</u>	<u>(313,882)</u>	<u>(783,698)</u>	<u>(2,525,326)</u>
Net Position Beginning of Year	<u>(4,288,586)</u>	<u>464,680</u>	<u>(3,823,906)</u>	<u>14,516,976</u>
Net Position End of Year	<u>\$ (4,758,402)</u>	<u>\$ 150,798</u>	<u>\$ (4,607,604)</u>	<u>\$ 11,991,651</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, 2016

				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	\$ 2,003,419	\$ 740,014	\$ 2,743,433	\$ -
Cash received from interfund services provided	-	-	-	7,006,672
Cash payments to employees for services	-	-	-	(1,704,271)
Cash payments for goods and services	(4,147)	-	(4,147)	(4,188,055)
Net Cash Provided by (Used In) Operating Activities	1,999,271	740,014	2,739,286	1,114,347
Cash Flows from Noncapital Financing Activities				
Interfund loan	-	22,876	22,876	-
Transfers in	-	-	-	199,192
Transfers out	-	(1,078,846)	(1,078,846)	(2,957,590)
Net Cash Provided by (Used in) Noncapital Financing Activities	-	(1,055,970)	(1,055,970)	(2,758,398)
Cash Flows from Capital and Related Financing Activities				
Proceeds from sale of capital assets	-	-	-	-
Principal paid on certificates of participation	(600,000)	-	(600,000)	-
Interest paid on notes and certificates of participation	(1,403,419)	-	(1,403,419)	-
Payments for capital acquisitions	-	-	-	(2,010,393)
Net Cash (Used in) Capital and Related Financing Activities	(2,003,419)	-	(2,003,419)	(2,010,393)
Cash Flows from Investing Activities				
Investment earnings	-	11,631	11,631	100,537
Net Increase (Decrease) in Cash and Cash Equivalents	(4,148)	(304,325)	(308,473)	(3,553,907)
Cash and Cash Equivalents - Beginning of Year	11,115	304,325	315,440	10,848,475
Cash and Cash Equivalents - End of Year	\$ 6,967	\$ -	\$ 6,967	\$ 7,294,568

(continued)

City of Commerce City, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

(continued)

				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	\$ 932,540	\$ 753,333	\$ 1,685,873	\$ 59,175
Adjustments:				
Depreciation	1,063,344	-	1,063,344	1,331,208
Amortization	3,387	-	3,387	-
(Increase) Decrease in Assets:				
Accounts receivable	-	(13,318)	(13,318)	(876)
Inventory	-	-	-	76,376
Prepaid items	-	-	-	(8,664)
Increase (Decrease) in Liabilities:				
Vouchers and contracts payable	-	-	-	(327,336)
Accrued expenses	-	-	-	(18,660)
Compensated absences	-	-	-	3,123
Net Cash Provided by (Used In) Operating Activities	<u>1,999,271</u>	<u>740,014</u>	<u>2,739,286</u>	<u>1,114,347</u>
Noncash Capital Activities:				
Contributions of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,360</u>

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2016

	Pension Trust	Agency
Assets		
Equity in pooled cash and investments	\$ 631,046	\$ 2,115,544
Loans receivable	378,983	-
Mutual money market funds, at fair value	20,216,188	-
Total Assets	21,226,217	2,115,544
Liabilities		
Accounts payable	-	\$ 2,115,544
Net Position		
Held in trust for pension benefits	\$ 21,226,217	

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, 2016

Additions	
Contributions:	
City	\$ 673,775
Employee	673,776
Investment earnings	2,818,548
Transfers in	44,160
Total Additions	4,210,259
 Deductions	
Administration	52,628
Benefits	42,720
Withdrawals	3,012,517
Total Deductions	3,107,865
 Change in Net Position	 1,102,394
 Net Position Beginning of Year	 20,123,823
 Net Position End of Year	 \$ 21,226,217

See accompanying notes to the basic financial statements

City of Commerce City, Colorado
Combining Statement of Net Position
Component Units
December 31, 2016

	Housing Authority	Quality Community Foundation	Total
Assets			
<i>Current Assets:</i>			
Cash and cash equivalents	\$ 1,245,241	\$ 33,777	\$ 1,279,018
Receivables:			
Accounts	15,870	-	15,870
Loans	26,959	-	26,959
Interest	20,829	-	20,829
Restricted cash	1,246,210	-	1,246,210
Total Current Assets	2,555,109	33,777	2,588,886
<i>Noncurrent Assets:</i>			
Investments in housing units	4,908	-	4,908
Receivables:			
Notes	2,360,780	-	2,360,780
Interest	729,362	-	729,362
Capital assets:			
Land	364,938	-	364,938
Depreciable, net	345,949	-	345,949
Total Noncurrent Assets	3,805,937	-	3,805,937
Total Assets	6,361,046	33,777	6,394,823
Liabilities			
<i>Current Liabilities:</i>			
Vouchers and contracts payable	1,760	-	1,760
Security deposits payable	4,200	-	4,200
Total Current Liabilities	5,960	-	5,960
Net Position			
Net investment in capital assets	710,887	-	710,887
Restricted for housing purposes	1,246,210	-	1,246,210
Restricted for community charitable purposes	-	33,777	33,777
Unrestricted	4,397,989	-	4,397,989
Total Net Position	\$ 6,355,086	\$ 33,777	\$ 6,388,863

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, 2016*

	Housing Authority	Quality Community Foundation	Total
Expenses			
General government	\$ 198,579	\$ 142,701	\$ 341,280
Revenues			
Program:			
Charges for services	60,211	-	60,211
Operating grants and contributions	105,236	-	105,236
Total Program Revenues	165,447	-	165,447
Net Program (Expense)	(33,132)	(142,701)	(175,833)
General Revenues			
Miscellaneous	172,438	138,109	310,547
Investment earnings	13,105	9	13,114
Total General Revenues	185,543	138,118	323,661
Change in Net Position	152,411	(4,583)	147,828
Net Position Beginning of Year	6,202,675	38,360	6,241,035
Net Position End of Year	\$ 6,355,086	\$ 33,777	\$ 6,388,863

See accompanying notes to the basic financial statements

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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 URA's primary own-source revenues are earmarked property taxes and miscellaneous revenues. 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:

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.

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 non-major 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 and deferred inflows of resources as fund balance. The following are the City's major governmental funds:

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, and redevelopment in the interest of public health, safety, morals or welfare for residents of the City.

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 two pension trust funds and an agency fund. The pension trust funds provide pensions to City police 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.

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 position.

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, 2016 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.

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 on 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.

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.

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, 2016, 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.

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, with an option to use up to 24 of these hours prior to six months of employment. 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) or the refunded debt (the old debt).

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-K)

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. 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 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. ROUNDING

The preparation of the financial statements represent accurate numerical values by using rounding which may cause differences in the statements due to rounding. Rounding a numerical value means replacing it by another value that is approximately equal but shorter, simpler, or more explicit representation.

1-E-16. IMPLEMENTATION OF NEW GASB STANDARDS

In February 2015, GASB issued Statement No. 72, Fair Value Measurement and Application (GASB 72). The objectives of GASB 72 are to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establish general principles for measuring fair value measurement. The provisions of GASB 72 are effective for financial statements in periods beginning after June 15, 2015. The City has implemented GASB 72 for the year ended December 31, 2016 to comply with GASB requirements with no material impact on the City's financial statements.

In August 2015, GASB issued Statements No. 77, Tax Abatement Disclosures (GASB 77). GASB 77 requires state and local governments for the first time to disclose information about tax abatement agreements. GASB 77 requires governments to disclose information about their own abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenue. The City has implemented GASB 77 for the year ended December 31, 2016 to comply with GASB requirements with no material impact on the City's financial statements.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

2-A. BUDGETARY INFORMATION

The City adopts an 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 CBSD 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).

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	\$ 3,272,514
Debt Service Fund	1,100
Capital Expenditures Fund	33,675,665
Northern Infrastructure GID Fund	1,789,165
Urban Renewal Authority Fund	455,522
Water Rights Acquisition Fund	1,979,628

Excess expenditures were funded by additional revenues from multiple funds.

2-C FUND DEFICITS

The Finance Authority Fund reported a net position deficit of \$4,758,402. As the certificates of participation are retired, this deficit will be eliminated. The E-470 Residential GID Fund reported a deficit fund balance of \$53,121. Subsequent years' property taxes will eliminate this deficit.

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.

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, 2016, the carrying amount of the City's deposits (including its component units) was \$2,884,725 and the bank balance was \$3,043,382. The bank balance was covered by federal depository insurance \$303,688 and PDPA \$2,739,694.

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, 2016 the City had the following investments and maturities:

Investment Type	Fair Value	Maturity Period			
		Three Months or Less	4 - 12 Months	1 - 5 Years	6 - 10 Years
Farm Credit Note	\$ 33,073,170.00	\$ -	\$ 6,006,216.00	\$ 24,104,457.00	\$ 2,962,497.00
Freddie Mac Note	3,997,336	-	2,998,254	999,082	-
Fannie Mae Note	23,663,909	-	2,003,014	21,660,895	-
Federal Home Loan Banks BND	19,398,003	-	3,060,250	16,337,754	-
US Treasury Bond	109,957,358	36,327,443	58,271,518	15,358,397	-
Total	\$ 190,089,776	\$ 36,327,443	\$ 72,339,252	\$ 78,460,584	\$ 2,962,497
Annuity	36,378				
Colo Trust - Money Market	3,415,253.44				
Colo Trust - GID 104th Ave - 2008	3,387,344.00				
Wells - Money Market	13,635,609.59				
Total	\$ 210,564,361				

Fair value Measurement-The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles.

The City has the following recurring fair value measurement as of December 31, 2016:

- U.S. Treasury Bond of \$109 million are valued using quoted market prices (Level 1 inputs)
- Federal Agency securities of \$80 million are valued using benchmarking and matrix pricing (Level 2 inputs)

Farm Credit Note
 Freddie Mac Note
 Fannie Mae Note
 Federal Home Loan Banks BND

- Annuity of \$36 thousand is valued based on the term of the underlying policy based on actuarial calculation made by the insurer. (Level 2 inputs)
- Money Market holding of \$13 million are measured at cost and subject to leveling. (level 2 inputs)
- COLO TRUST is measured at NAV and not subject to leveling.

Fiduciary Fund Investments- The City’s fiduciary responsibility is limited to acting as an agent for the transfer of assets to ICMA. ICMA is responsible for the investment of the funds as directed by the Plan participants. The fair value of the total investments maintained with ICMA for the Police Plan at December 31, 2016, was \$20,216,188.

Asset Category	Police Percent of Assets	Balance	Fair Value
Stable Value/Cash Management	9%	\$1,736,133	Level 2 input
Bond	8%	\$1,607,664	Level 2 input
Guaranteed Lifetime Income	0%	\$0	Level 2 input
Balanced/Asset Allocation	30%	\$6,119,236	Level 2 input
U.S. Stock	45%	\$9,082,782	Level 2 input
International/Global Stock	7%	\$1,505,067	Level 2 input
Specialty	1%	\$165,306	Level 2 input
Total Assets	100%	\$20,216,188	

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.

At December 31, 2016, 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 AA by Standard & Poor’s and rated A1 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.

Cash and investment reconciliation:

Fund Reporting Level:	Pooled Cash and Investments	Investments	Total
Government Fund Type - Balance Sheet	\$ 200,886,612	\$ -	\$ 200,886,612
Proprietary Fund Type Statement of Net Position:	-	-	-
Internal Service Funds	7,294,568	-	7,294,568
Statement of Fiduciary Net Position	2,746,589	20,216,188	22,962,777
Component Units	1,279,018	-	1,279,018
Component Units - Restricted Cash	1,246,210	-	1,246,210
Enterprise Funds	6,968	-	6,968
 Total	 <u>\$ 213,459,965</u>	 <u>\$ 20,216,188</u>	 <u>\$ 233,676,153</u>
 Cash	 \$ 2,884,725	 \$ -	 \$ 2,884,725
Petty Cash	10,879	-	10,879
Investments	-	230,780,549	230,780,549
 Total	 <u>\$ 2,895,604</u>	 <u>\$ 230,780,549</u>	 <u>\$ 233,676,153</u>

3-B. RECEIVABLES

Property Taxes - The following is the City's property tax calendar for 2015 property taxes received in 2016:

Levy date	December 15, 2015
Lien date	January 31, 2016
Due dates	February 28, 2016 June 15, 2016
Collection dates	February 2016 June 2016

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 \$5,920,725. 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. As of December 31, 2016 the outstanding loan amount is \$6,848,942.

DIA Tech Center

In April 2013, the ECAGID board approved a loan to the DIA Tech Center 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%. As of December 31, 2016 the outstanding loan amount is \$2,924,505.

3-C. CAPITAL ASSETS

Capital Asset activity for the year ended December 31, 2016 for governmental activities (including the internal service funds) was as follows:

<u>Asset Class</u>	<u>Balance 1/1/2016</u>	<u>2016 Additions</u>	<u>2016 Deletions</u>	<u>Balance 12/31/2016</u>
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 43,975,082	\$ 3,454,302	\$ -	\$ 47,429,384
Golf course	4,224,818	-	-	4,224,818
Water rights	7,340,520	1,982,757	155,474	9,167,803
Construction in progress	8,146,425	22,099,964	66,199	30,180,190
Construction in progress - GID	9,056,625	1,645,125	10,701,750	-
Total capital assets not being depreciated	72,743,470	29,182,148	10,923,423	91,002,195
Depreciable capital assets				
Strom sewers	40,141,655	62,680	-	40,204,335
Bridges	12,413,405	1,801,367	-	14,214,772
Parks (excluding land)	35,575,216	5,046,204	-	40,621,420
Roads	247,364,881	6,000,987	-	253,365,868
Trails	8,981,624	80,212	-	9,061,836
Islands	149,500	-	-	149,500
Street lights	12,508,368	-	-	12,508,368
Traffic signals	2,927,684	178,427	-	3,106,111
Signage	2,194,085	10,714	-	2,204,799
GID - water and sewer mains	9,148,117	4,596,944	-	13,745,061
GID - buildings	1,862,965	-	-	1,862,965
GID - roads	100,573,826	6,104,806	-	106,678,632
Buildings	20,728,814	365,992	-	21,094,806
Machinery & equipment	14,963,593	2,462,174	137,023	17,288,744
Intangibles	1,410,875	-	88,978	1,321,897
Total depreciable capital assets	510,944,608	26,710,505	226,001	537,429,112
Total capital assets	583,688,078	55,892,653	11,149,424	628,431,308
Accumulated depreciation:				
Strom sewers	25,853,338	1,688,757	-	27,542,095
Bridges	7,765,968	467,905	-	8,233,873
Parks (excluding land)	11,175,182	1,700,687	-	12,875,869
Roads	146,680,162	7,571,134	-	154,251,296
Trails	4,937,442	529,102	-	5,466,544
Islands	147,882	-	-	147,882
Street lights	9,995,734	421,430	-	10,417,164
Traffic signals	2,798,939	65,979	-	2,864,918
Signage	1,774,728	27,713	-	1,802,441
GID - water and sewer mains	2,868,849	269,403	-	3,138,252
GID - buildings	1,840,190	-	-	1,840,190
GID - roads	19,692,622	4,638,955	-	24,331,577
Buildings	11,656,327	754,998	-	12,411,325
Machinery & equipment	10,426,597	1,391,797	117,640	11,700,754
Intangibles	983,939	138,941	54,461	1,068,419
Total accumulated depreciation	258,597,899	19,666,803	172,101	278,092,601
Governmental activities capital assets, net	\$ 325,090,179	\$ 36,225,851	\$ 10,977,323	\$ 350,338,707

Governmental activities depreciation expense:

General government	\$ 2,285,736
Public works	15,151,278
Parks and recreation	<u>2,229,789</u>
Total governmental activities depreciation expense	<u><u>\$ 19,666,803</u></u>

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

<u>Asset Class</u>	<u>Balance 1/1/2016</u>	<u>2016 Additions</u>	<u>2016 Deletions</u>	<u>Balance 12/31/2016</u>
Depreciable capital assets				
Buildings	\$ 33,732,729	\$ -	\$ -	\$ 33,723,729
Accumulated depreciation				
Buildings	<u>8,663,467</u>	<u>1,063,344</u>	<u>-</u>	<u>9,726,811</u>
Finance Authority capital assets, net	<u><u>\$ 25,069,262</u></u>	<u><u>\$ (1,063,344)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 24,005,918</u></u>

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

<u>Asset Class</u>	<u>Balance 1/1/2016</u>	<u>2016 Additions</u>	<u>2016 Deletions</u>	<u>Balance 12/31/2016</u>
Capital assets not being depreciated:				
Nondepreciable - land	\$ 345,949	\$ -	\$ -	\$ 345,949
Depreciable - buildings	<u>416,204</u>	<u>-</u>	<u>-</u>	<u>416,204</u>
Total capital assets	<u><u>762,153</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>762,153</u></u>
Accumulated depreciation:				
Building	<u>40,594</u>	<u>10,672</u>	<u>-</u>	<u>51,266</u>
Housing Authority capital assets, net	<u><u>\$ 721,559</u></u>	<u><u>\$ (10,672)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 710,887</u></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 (\$2,098,527) 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 \$22,918. 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.

These amounts are reported as follows:

Governmental Fund Balance Sheet		Government Wide Statement of Position	
Fund	Amount	Fund	Amount
General	\$ 2,469,619	General	\$ 2,469,619
Northern Infrastructure GID	5,804,141	Northern Infrastructure GID	5,804,141
E-470 Commercial GID	15,872	E-470 Commercial GID	15,872
Urban Renewal	539,382	Urban Renewal	539,382
Special Improvements	22,918		
Total	<u>\$ 8,851,932</u>	Total	<u>\$ 8,829,014</u>

3-E. ASSETS HELD FOR RESALE

The City has acquired the following assets as held for resale:

Water Acquisition Fund in the amount	\$3,624,792
The Water Rights Acquisition Fund exists for the purchase of irrigation and potable water rights.	
Frico water held for resale Northern Infrastructure GID Fund	\$2,318,230
URA Fund	\$4,640,400
The objective of the Authority is the acquisition, clearance, rehabilitation, conservation, development, or redevelopment of slum and blighted areas within the City.	

3-F. INTERFUND BALANCES AND TRANSFERS

Interfund balances at December 31, 2016 of \$484,689 relates to the reclassification of a cash overdraft in the City's cash and investment pool.

Payable to:	Payable from:			Total
	Nonmajor Governmental Funds	Non-major Solid Waste Management Fund	Northern Infrastructure GID Fund	
General Fund	\$ 86,559	\$ 22,876	\$ 375,254	\$ 484,689

Interfund transfers for the year ended December 31, 2016, consisted of the following:

Interfund transfers for the year ended December 31, 2016, consisted of the following:

Transfer to:	Transfer from:						Total
	General Fund	Urban Renewal Authority	Capital Expenditures Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Internal Service Funds	
Urban Renewal Authority	\$ 183,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 183,000
General Fund	-	-	40,000	-	-	11,545	51,545
NIGID Funds	-	-	40,000	-	-	-	40,000
Capital Expenditures Fund	4,810,551	-	-	6,459,300	1,078,846	2,876,345	15,225,042
Nonmajor Governmental Funds	7,492,126	275,000	2,750,000	-	-	-	10,517,126
Internal Service Funds	129,493	-	-	-	-	69,700	199,192
Fiduciary Funds	44,160	-	-	-	-	-	44,160
Total	\$ 12,659,330	\$ 275,000	\$ 2,830,000	\$ 6,459,300	\$ 1,078,846	\$ 2,957,590	\$ 26,260,066

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 transfer from the general fund to the elected officials' retirement fund (\$44,160) is reclassified as a third party transaction on the government-wide statement of activities.

3-G. LONG-TERM DEBT

Primary Government Bonds - The following is a summary of the outstanding long-term bond issues at December 31, 2016:

2015 Sales and Use Tax Revenue Bonds - On April 2, 2015, the City issued serial revenue bonds in the amount of \$52,645,000 to refinance and combine the 2005 Series Sales and Use Tax Revenue Bonds in the amount of \$17,500,000 and the 2006 Series Sales and Use Tax revenue bonds in the amount of \$46,500,000.

The interest rate ranges are 2% – 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, 2016 follow:

Year	2015 Sales and Use Tax Revenue Bonds		
	Principal	Interest	Total
2017	\$ 1,760,000	\$ 2,046,875	\$ 3,806,875
2018	1,820,000	1,994,075	3,814,075
2019	1,890,000	1,921,275	3,811,275
2020	1,930,000	1,883,475	3,813,475
2021	1,960,000	1,844,875	3,804,875
2022-2026	10,915,000	8,016,625	18,931,625
2027-2031	13,810,000	5,140,075	18,950,075
2032-2036	14,800,000	1,853,800	16,653,800
Total	\$ 48,885,000	\$ 24,701,075	\$ 73,586,075

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, 2016 follow:

Year	2002 General Obligation Refunding Bonds		
	Principal	Interest	Total
2017	\$ 435,000	\$ 303,156	\$ 738,156
2018	455,000	285,756	740,756
2019	475,000	267,556	742,556
2020	495,000	248,556	743,556
2021	510,000	228,756	738,756
2022-2026	2,875,000	828,750	3,703,750
2027-2031	3,365,000	334,288	3,699,288
Total	\$ 8,610,000	\$ 2,496,818	\$ 11,106,818

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.

Annual debt service requirements to amortize this debt, as of December 31, 2016 follow:

Year	2013 General Obligation Remarketed Bonds		
	Principal	Interest	Total
2017	\$ 1,255,000	\$ 3,201,041	\$ 4,456,041
2018	1,435,000	3,138,291	4,573,291
2019	1,620,000	3,072,416	4,692,416
2020	1,825,000	2,991,416	4,816,416
2021	2,050,000	2,900,166	4,950,166
2022-2026	12,605,000	12,788,581	25,393,581
2027-2031	16,095,000	9,305,581	25,400,581
2032-2036	24,185,000	4,915,971	29,100,971
2037-2038	10,975,000	662,800	11,637,800
Total	<u>\$ 72,045,000</u>	<u>\$ 42,976,264</u>	<u>\$ 115,021,264</u>

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, 2016 follow:

Year	2014 Sales and Use Tax Revenue Bonds		
	Principal	Interest	Total
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	1,490,000	3,047,188	4,537,188
2021	1,560,000	2,972,688	4,532,688
2022-2026	8,850,000	13,825,688	22,675,688
2027-2031	11,100,000	11,577,213	22,677,213
2032-2036	13,925,000	8,748,250	22,673,250
2037-2041	17,200,000	5,480,938	22,680,938
2042-2044	12,350,000	1,255,250	13,605,250
Total	<u>\$ 70,770,000</u>	<u>\$ 56,218,164</u>	<u>\$ 126,988,164</u>

2016 Sales and Use Tax Revenue Bonds - On September, 2016 the City issued serial revenue bonds in the amount of \$54,460,000 to finance construction, installation, operation and maintenance of parks, recreation and roadway improvements. The interest rate ranges are 2% – 5%. Annual principal and interest payments are due Feb 1, with the principal maturing August 1, 2046.

Annual debt service requirements to amortize this debt, as of December 31, 2016 follow:

Year	2016 Sales and Use Tax Revenue Bonds		
	Principal	Interest	Total
2017	\$ -	\$ 2,307,361	\$ 2,307,361
2018	-	2,670,900	2,670,900
2019	-	2,670,900	2,670,900
2020	220,000	2,670,900	2,890,900
2021	450,000	2,666,500	3,116,500
2022-2026	5,575,000	12,930,700	18,505,700
2027-2031	8,060,000	11,286,750	19,346,750
2032-2036	10,280,000	9,060,750	19,340,750
2037-2041	13,125,000	6,220,000	19,345,000
2042-2046	16,750,000	2,594,250	19,344,250
Total	\$ 54,460,000	\$ 55,079,011	\$ 109,539,011

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.

Annual debt service requirements to amortize this debt, as of December 31, 2016 follow:

Year	2013 Lease Purchase Agreement		
	Principal	Interest	Total
2017	\$ 183,361	\$ 29,760	\$ 213,121
2018	204,815	25,552	230,367
2019	228,141	20,857	248,998
2020	240,524	15,704	256,228
2021	246,701	10,355	257,056
2022-2023	316,085	5,234	321,320
Total	\$ 1,419,627	\$ 107,463	\$ 1,527,090

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, 2016 follow:

Year	2006 Certificates of Participation		
	Principal	Interest	Total
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	715,000	1,292,306	2,007,306
2021	760,000	1,260,131	2,020,131
2022-2026	4,455,000	5,749,406	10,204,406
2027-2031	5,605,000	4,625,106	10,230,106
2032-2036	9,470,000	3,076,500	12,546,500
2037	5,805,000	290,250	6,095,250
Total	\$ 28,785,000	\$ 20,344,825	\$ 49,129,825

Changes in Long-term Debt - Changes in the City’s long-term obligations consisted of the following for the year ended December 31, 2016 (includes internal service funds):

	Outstanding 1/1/2016	2016 Additions	2016 Reductions	Outstanding 12/31/2016	Amounts Due in One Year
Governmental activities					
2002 GID general obligation fixed refunding bonds	\$ 9,025,000	\$ -	\$ 415,000	\$ 8,610,000	\$ 435,000
2013 GID general obligation fixed remarketed bonds	73,145,000	-	1,100,000	72,045,000	1,255,000
2014 sales and use tax revenue bonds	72,120,000	-	1,350,000	70,770,000	1,405,000
2015 sales and use tax revenue bonds	50,615,000	-	1,730,000	48,885,000	1,760,000
2016 sales and use tax revenue bonds	-	54,460,000	-	54,460,000	-
2013 lease purchase agreement	1,583,263	-	163,636	1,419,627	183,361
Net deferred premiums	15,778,774	12,174,430	777,889	27,175,315	-
Total bonded debt	222,267,037	66,634,430	5,536,525	283,364,942	5,038,361
Compensated absences	137,560	153,277	110,048	180,789	154,607
Total Governmental Activities	\$ 222,404,597	\$ 66,787,707	\$ 5,646,573	\$ 283,545,731	\$ 5,192,968
Business-Type Activities					
2006 certificate of participation	\$ 29,385,000	\$ -	\$ 600,000	\$ 28,785,000	\$ 635,000
Deferred premiums	192,338	-	8,743	183,595	-
Total Business-Type Activities	\$ 29,577,338	\$ -	\$ 608,743	\$ 28,968,595	\$ 635,000

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. The general fund services the outstanding certificates of participation. The 2013 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 \$173,390,000.

- 2014 Sales and Use Tax Revenue Bond Series -\$70,045,000
- 2015 Sales and Use Tax Revenue Bond Series - \$48,885,000
- 2016 Sales and Use Tax Revenue Bond Series- \$54,460,000

The proceeds from the Bond series were used to construct infrastructure. The bonds are payable solely from the pledged sales and uses taxes and are payable through 2046.

Annual principal and interest payments on the bonds referenced above are expected to require approximately 21.5 percent of pledged revenues. The total principal and interest remaining to be paid on the total bonds is approximately \$310 million. For the current year, total principal and interest paid and total incremental sales and use tax revenues were approximately \$8,345,000 and \$55,378,000 respectively.

3-H. 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:

<u>Year</u>	<u>Annual Payment</u>
2017	\$ 67,136
2018	67,731
2019	68,288
2020	71,584
2021	71,458
Total	<u>\$ 346,197</u>

The 2016 rental payments totaled \$52,890.

3-I. 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:

- 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, 2016, the City's total Police Department payroll was \$9,745,725 and the total payroll covered by the Plan was \$6,585,338.

Contributions to the Plan for the year ended December 31, 2016, and the Plan participant composition at December 31, 2016, are summarized below:

<u>Contributions</u>	<u>Employee</u>	<u>Employer</u>
10% required contribution	\$ 673,776	\$ 673,776
Total	<u>\$ 673,776</u>	<u>\$ 673,776</u>

<u>Plan Participants</u>	
Fully vested employees	75
Partially vested employees	<u>8</u>
Total plan participants	<u><u>83</u></u>

The Plan had net position available for benefits of \$20,967,989 at December 31, 2016. \$20,216,188 of these assets are maintained by an independent investment management company and represents investments in mutual funds. \$372,820 is held in pooled cash and investments at the end of the year.

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 seventeen 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, 2016, the City recognized as incurred \$44,160 in 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, 2016 was \$258,226.

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.

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, 2016, was \$22,993,918.

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 2016 were \$596,197 and \$596,246 respectively. For the year ended December 31, 2016, the City's total payroll was \$24,550,940 while the total payroll covered by the Plan was \$9,933,979.

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 2016 were \$13,607 and \$13,607, respectively. For the year ended December 31, 2016, the payroll covered by the plan was \$170,086.

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 and City Attorney 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 2016 were \$165,539 and \$165,550, respectively. For the year ended December 31, 2016, the payroll covered by the Plan was \$2,678,979.

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.

Total employee and employer contributions to the Plan for 2016 were \$9,745 and \$9,745, respectively. For the year ended December 31, 2016, the payroll covered by the Plan was \$324,828.

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, 2016
(With Comparative Totals At December 31, 2015)

	2016			2015
	Police Pension	Elected Official Retirement	Fiduciary Funds Total	Total
Assets				
Equity in pooled cash and investments	\$ 372,820	\$ 258,226	\$ 631,046	\$ 628,229
Loans receivable	378,983	-	378,983	471,830
Mutual money market funds, at fair value	20,216,188	-	20,216,188	19,023,764
Total Assets	20,967,991	258,226	21,226,217	20,123,823
Net Position				
Held in trust for pension benefits	\$ 20,967,991	\$ 258,226	\$ 21,226,217	\$ 20,123,823

City of Commerce City, Colorado
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Police Pension	Elected Official Retirement	Total	Total
Additions				
Contributions:				
City	\$ 673,776	\$ -	\$ 673,775	\$ 630,331
Employee	673,776	-	673,776	630,331
Investment earnings	2,817,172	1,377	2,818,548	458,331
Transfers in - General Fund	-	44,160	44,160	39,360
Total Additions	<u>4,164,723</u>	<u>45,537</u>	<u>4,210,259</u>	<u>1,758,353</u>
Deductions				
Administration	52,628	-	52,628	65,570
Benefits	-	42,720	42,720	39,360
Withdrawals	3,012,517	-	3,012,517	2,224,772
Total Deductions	<u>3,065,145</u>	<u>42,720</u>	<u>3,107,865</u>	<u>2,329,702</u>
Change in Net Position	1,099,578	2,817	1,102,394	(571,349)
Net Position Beginning of Year	<u>19,868,413</u>	<u>255,409</u>	<u>20,123,823</u>	<u>20,695,171</u>
Net Position End of Year	<u>\$ 20,967,991</u>	<u>\$ 258,226</u>	<u>\$ 21,226,217</u>	<u>\$ 20,123,823</u>

3-J. 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 \$376 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 \$437.64 per retiree only or \$661 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.

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

<u>Year Beginning January, 1</u>	<u>Annual OPEB Cost</u>	<u>Annual OPEB Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
2014	737,493	214,336	29.1%	3,758,111
2015	971,494	273,947	28.2%	4,455,658
2016	738,364	261,573	35.4%	4,932,449

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:

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Normal cost	\$ 255,835	\$ 325,759
Interest on normal cost	8,186	11,292
Amortization of unfunded actuarial accrued liability (UAAL)	<u>557,770</u>	<u>484,119</u>
Annual required contribution (ARC)	821,791	821,170
Interest on Net OPEB obligation	142,581	150,324
ARC Adjustment	<u>(226,008)</u>	<u>-</u>
Annual OPEB cost	738,364	971,494
Expected employer benefit payments	<u>261,573</u>	<u>273,947</u>
Increase in net OPEB obligation	476,791	697,547
Net OPEB obligation, beginning of year	<u>4,455,658</u>	<u>3,758,111</u>
Net OPEB obligation, end of year	<u>\$ 4,932,449</u>	<u>\$ 4,455,658</u>

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

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
1/1/2016	\$ -	\$ 10,996,221	0.00%	\$ 10,996,221	\$ 8,794,809	125.03%

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.

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, 2016
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar amount, Open group
Amortization period	30 years
Asset valuation method	Fair value of assets
Actuarial assumptions:	
Investment rate of return - General Assets	3.20%
Investment rate of return - Funded Plan	N/A
Underlying Inflation	2.50%
Annual Covered Payroll Change	3.30%
	Total Plan Cost
Healthcare cost Trend Rate - Initial	8.9%
Healthcare cost Trend Rate - 2nd Year Rate	8.4%
Healthcare cost Trend Rate - Ultimate	4.5%
Healthcare cost Trend Rate - Year Ultimate Rate Attained	2024
Healthcare cost Trend Rate - Initial	

The total City contributions in 2014 were \$404,155, in 2015 were \$419,426 and in 2016 were \$449,032, all deposited into the Vantagecare Retirement Savings Plan for the general employees while the FOP Retiree Health Insurance Plan is funded on a pay-as-you-go basis.

3-K. 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	\$ 4,452
Inventories	46,225
Long-term receivables	<u>65,296</u>
Total	<u>\$ 115,973</u>
Major Northern Infrastructure GID Fund:	
Assets held for resale	<u>\$ 2,318,230</u>
Major Urban Renewal Authority Fund:	
Assets held for resale	<u>\$ 4,640,400</u>
Nonmajor Governmental Fund:	
Assets held for resale	\$ 3,624,792
Long-term interfund receivable	<u>2,924,505</u>
Total	<u>\$ 6,549,297</u>

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

General Fund:	
Emergencies	\$ 2,295,847
Capital outlay and operations	<u>18,882,326</u>
Total	<u>\$ 21,178,173</u>
Major Capital Projects Fund:	
Emergencies	\$ 2,127,611
Capital projects	<u>100,835,682</u>
Total	<u>\$ 102,963,293</u>

Major Northern Infrastructure GID Fund:	
Debt service	\$ <u>6,758</u>
Major Urban Renewal Authority Fund:	
Emergencies	\$ 36,001
Urban renewal	<u>2,086,749</u>
Total	<u>\$ 2,122,750</u>
Nonmajor Governmental Fund:	
Restricted	<u>\$ 1,956,605</u>

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

General Fund:	
Court surcharge	\$ <u>4,931</u>
Major Capital Projects Fund:	
Long-term receivables	<u>\$ 6,848,942</u>
Nonmajor Governmental Fund:	
Water Rights	1,774,947
Capital Projects	<u>3,054,631</u>
Total	<u>\$ 4,829,578</u>

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

General Fund:	
Operating reserves	\$ 5,731,937
Safeguard	<u>11,056,343</u>
Total	<u>\$ 16,788,280</u>
Major Capital Projects Fund:	
Capital projects	<u>\$ 17,773,590</u>
Nonmajor Governmental Fund:	
Assigned	<u>\$ 3,168,218</u>

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, 2016 is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Component Units</u>
Net invested in capital assets:			
Cost of capital assets	\$ 628,431,308	\$ 33,723,729	\$ 762,153
Less: accumulated depreciation	278,092,601	9,726,811	51,266
Book value	<u>350,338,707</u>	<u>24,005,918</u>	<u>710,887</u>
Less: capital related debt	256,189,627	28,968,596	-
Add: unspent bond proceeds	100,835,682	-	-
Add: refunding loss	2,098,527	-	-
Less: deferred bond premiums	<u>27,175,315</u>	<u>-</u>	<u>-</u>
Net investment in capital assets:	<u>\$ 169,907,974</u>	<u>\$ (4,962,678)</u>	<u>\$ 710,887</u>

3-L. TAX ABATEMENT PROGRAMS

The City enters into sales and use tax abatement agreements with local businesses with the objective to create jobs, expand tax base, and encourage existing business to make capital investment, and spur new office, industrial and retail expansion and development. The City with the approval of City Council may grant sales and use rebates to new or expansion of organization on a case by case basis. For the year ended December 31, 2016, the City abated approximately \$1,607,534 in sales tax and \$534,743 in use tax.

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 Pinnacle Assurance.

4-B. COMMITMENTS

Commitments - As of December 31, 2016, the City has made the following commitments:

<u>Contractor</u>	<u>Total Contract</u>	<u>Project To-date Expenditures</u>	<u>Remaining Commitments</u>
A-1 Chipseal	\$ 596,977	\$ 571,396	\$ 25,581
Atkins North America	693,075	446,500	246,575
Atkins North America	986,240	95,114	891,126
Atkins North America	33,945	14,363	19,583
Bonnie Roerig & Assoc	50,000	26,730	23,270
Brannan Sand & Gravel	1,212,905	1,019,883	193,022
Core Consultants	786,000	363,238	422,762
Core Consultants	49,900	32,278	17,622
DHM Design	294,920	276,130	18,790
Felsburg Holt & Ullevig	1,599,305	1,297,538	301,767
Flatiron Constructors	23,883,437	7,400,683	16,482,754
Flatiron Constructors	20,927,889	815,766	20,112,123
Geocal Inc.	350,000	75,070	274,930
HDR, Inc	1,126,040	474,227	651,813
HDR, Inc	33,730	20,398	13,332
HDR, Inc	1,970,675	1,889,927	80,748
Huitt-Zollars Inc	437,119	23,531	413,588
Noraa Concrete	90,203	78,546	11,657
Pinkard Construction Co	26,643,209.88	5,285,092	21,358,117
Sink Combs Dethlefs	2,190,595	1,732,440	458,155
Taylor Khors LLC	416,702	368,552	48,150
Wember	862,911	861,767	1,144
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 85,235,777</u>	<u>\$ 23,169,168</u>	<u>\$ 62,066,609</u>

Fund Encumbrances

Fund	2017 Project	Total Encumbrances
Water Acquisition Fund	Water Acquisition Fees	\$ 2,187,850.00
Impact Fee Fund	Parks/Open Space	500,000
Impact Fee Fund	Transportation	400,000
Capital Improvement Fund	Program Contingency	10,001,204
Capital Improvement Fund	Channel 8 Equipment	239,106
Capital Improvement Fund	Pavement Management	2,027,488
Capital Improvement Fund	Concrete Flatwork/Sidewalk	183,380
Capital Improvement Fund	Central Park Blvd Connection	750,000
Capital Improvement Fund	Tower Road/Pena Blvd On-Ramp	3,703,527
Capital Improvement Fund	Chambers Road Median Work	108,080
Capital Improvement Fund	Highway 2 Widening	25,665,909
Capital Improvement Fund	2nd Creek Infrastructure	2,508,105
Capital Improvement Fund	Tower Road Widening	43,850,002
Capital Improvement Fund	Sand Creek Sidewalk Connectivity	115,000
Capital Improvement Fund	120th Ave & Buckley Rd	119,500
Capital Improvement Fund	Belle Creek Intersection	611,177
Capital Improvement Fund	Potomac Street Bridge	120,000
Capital Improvement Fund	Vasquez Transportation Study	677,367
Capital Improvement Fund	RTD Station Area Imp	2,678,644
Capital Improvement Fund	96th Ave Lighting	242,200
Capital Improvement Fund	Traffic Signal-Brighton/104	300,000
Capital Improvement Fund	RTD North Metro Ling Enhancement	112,500
Capital Improvement Fund	112th Widening-Chambers to Tower	100,000
Capital Improvement Fund	88th Ave Widening	150,000
Capital Improvement Fund	Interchange Construction 120th/US85	150,000
Capital Improvement Fund	Vehicle Wash Facility	182,000
Capital Improvement Fund	Quebec Sidewalk	191,875
Capital Improvement Fund	N/R Loop & Connections	2,245,262
Capital Improvement Fund	Sandcreek/Wetland	190,949
Capital Improvement Fund	General Park Improvement	273,943
Capital Improvement Fund	Forest Drive Property	112,261
Capital Improvement Fund	Buffalo Run Equipment Replacement	273,669
Capital Improvement Fund	ACSD14 Improvements	374,985
Capital Improvement Fund	Natural Resources Damages Project	991,468
Capital Improvement Fund	Villages East Park	267,101
Capital Improvement Fund	New Recreation Center	39,515,276
Capital Improvement Fund	Ex Rec Center Expansion	9,720,904
	Total	<u>\$ 151,840,732.77</u>

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.”

CDOT Intergovernmental Agreement (IGA) – The City entered into an Intergovernmental Agreement (IGA) which includes a provision for payback of funds if the City does not proceed with the project and thus there is a potential liability if it does not occur. The language was included in the agreement to ensure that the money was expended on Highway 2, which was devolved from the state to the City, and not spent on some other effort.

The City started construction in September 2016 and will be complete in the Spring of 2018. The City will expend the money received on Highway 2 on the intended work and the risk to the City is minimal.

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 EVENTS

Refunding Debt - On April 2017 the City refunded the 2006 Certificates of Participation. The new 2006 Certificates of Participation annual bond payments are consistent with the previous bond payments and the maturity schedule remains the same as the retired 2006 Certificates of Participation, with the final bonds maturing in 2037. The aggregate principal amount of the 2006 Certificates of Participation bonds shall be \$30,900,00.

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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes	\$ 58,419,006	\$ 58,419,006	\$ 63,588,326	\$ 5,169,320	\$ 58,279,474
Licenses and permits	1,466,470	1,466,470	2,226,495	760,025	1,566,929
Intergovernmental	101,790	101,790	108,363	6,573	102,901
Charges for services	5,317,315	7,871,215	8,732,206	860,992	5,437,209
Fines and forfeits	1,110,329	1,110,329	1,309,473	199,144	1,245,088
Investments earnings	1,416,191	1,416,191	300,930	(1,115,261)	813,563
Miscellaneous	544,126	544,126	361,713	(182,413)	469,080
Total Revenues	68,375,227	70,929,127	76,627,508	5,698,381	67,914,245
Other Financing Sources					
Transfers in	-	-	51,545	40,000	-
Total Revenues and Other Financing Sources	68,375,227	70,929,127	76,679,053	5,738,381	67,914,245
Expenditures					
<i>Current:</i>					
Administration	4,134,290	4,967,132	4,621,244	345,888	4,127,802
Human resources	979,683	986,096	970,420	15,677	943,726
Finance	12,717,061	12,101,323	11,632,275	469,048	11,911,533
Community planning/development	3,208,933	3,245,868	3,227,389	18,478	2,946,312
Public safety	15,208,846	15,420,700	15,574,130	(153,431)	15,134,571
Public works	7,460,490	7,493,473	7,628,745	(135,272)	7,378,984
Parks, Recreation and Golf	10,853,012	10,913,775	10,800,754	113,022	9,749,131
<i>Debt Service:</i>					
Principal retirement	163,636	163,636	163,636	-	145,508
Interest and fiscal charges	33,519	33,519	33,519	-	36,867
Total Expenditures	54,759,470	55,325,522	54,652,112	673,410	52,374,432
Other Financing Uses					
Transfers out	9,386,816	9,386,816	12,659,330	(3,272,514)	7,455,718
Total Expenditures and Other Financing Uses	64,146,286	64,712,338	67,311,442	(2,599,103)	59,830,150
Net Change in Fund Balances	\$ 4,228,941	\$ 6,216,788	9,367,611	\$ 3,139,278	8,084,095
Fund Balances Beginning of Year			39,581,440		31,497,345
Fund Balances End of Year			\$ 48,949,051		\$ 39,581,440

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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		
Revenues					
Property taxes	\$ 275,000	\$ 275,000	\$ 524,701	\$ 249,701	\$ 265,710
Investment earnings	20,000	20,000	12,414	(7,586)	33,169
Miscellaneous	-	-	662,914	662,914	475,272
Total Revenues	295,000	295,000	1,200,029	905,029	774,151
Other Financing Sources					
Transfers in:					
General fund	83,000	183,000	183,000	-	83,000
Total Revenues and Other Financing Sources	378,000	478,000	1,383,029	905,029	857,151
Expenditures					
Current:					
Community development	103,000	203,000	658,522	(455,522)	490,846
Other Financing Uses:					
Transfers out:					
Debt service fund	275,000	275,000	275,000	-	265,710
Total Expenditures and Other Financing Uses	378,000	478,000	933,522	(455,522)	756,556
Net Change in Fund Balances	\$ -	\$ -	449,508	\$ 449,508	100,595
Fund Balances Beginning of Year			6,313,642		6,213,047
Fund Balances End of Year			\$ 6,763,150		\$ 6,313,642

See accompanying independent auditor's report

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, 2016*

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)
1/1/2012	-	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%
1/1/2016	-	10,996,211	0.0%	10,996,211	8,794,809	125.0%

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, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash and investments	\$ 1,711,838	\$ 2,499,381	\$ 5,825,873	\$ 10,037,092
Receivables:				
Accounts	103,742	-	96	103,837
Property taxes	-	-	16,370	16,370
Notes receivable	-	-	2,924,505	2,924,505
Special assessments	32,468	-	-	32,468
Assets held for resale	-	-	3,624,792	3,624,792
Total Assets	<u>1,848,048</u>	<u>2,499,381</u>	<u>12,391,636</u>	<u>16,739,064</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Vouchers and contracts payable	45,303	-	122,109	167,413
Interfund payable	33,438	-	53,121	86,559
Total Liabilities	78,742	-	175,230	253,972
Deferred Inflows of Resources	22,918	-	15,872	38,790
Total Liabilities and Deferred Inflows of Resources	<u>101,659</u>	<u>-</u>	<u>191,102</u>	<u>292,761</u>
Fund Balances				
Nonspendable	-	-	6,545,024	6,545,024
Restricted	1,746,389	-	210,215	1,956,604
Committed	-	-	4,829,578	4,829,578
Assigned	-	2,499,381	668,837	3,168,218
Unassigned	-	-	(53,121)	(53,121)
Total Fund Balances	<u>1,746,389</u>	<u>2,499,381</u>	<u>12,200,533</u>	<u>16,446,303</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 1,848,048</u>	<u>\$ 2,499,381</u>	<u>\$ 12,391,636</u>	<u>\$ 16,739,064</u>

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, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property taxes	\$ -	\$ -	\$ 18,137	\$ 18,137
Special assessments	4,452	-	-	4,452
Intergovernmental	778,578	-	-	778,578
Investment earnings	21,471	16,761	100,047	138,278
Interest and penalties	1,704	-	-	1,704
Charges for services	25,000	-	2,362,382	2,387,382
Sale of water rights	-	-	150,411	150,411
Contributions	20,932	-	-	20,932
Miscellaneous	-	382,819	15,189	398,007
Total Revenues	852,138	399,580	2,646,165	3,897,883
Expenditures				
<i>Current:</i>				
General government	33	1,100	680,199	681,332
Community development	-	-	-	-
Public safety	120,860	-	-	120,860
Public works	21,652	-	-	21,652
Parks, Recreation and Golf	141,006	-	-	141,006
<i>Capital Outlay</i>	-	-	1,982,757	1,982,757
<i>Debt Service:</i>				
Principal retirement	-	3,080,000	-	3,080,000
Interest and fiscal charges	-	5,265,050	-	5,265,050
Total Expenditures	283,550	8,346,150	2,662,956	11,292,656
Excess (Deficiency) of Revenues Over (Under) Expenditures	568,587	(7,946,570)	(16,791)	(7,394,773)
Other Financing Sources (Uses)				
Transfers in	-	7,767,126	2,750,000	10,517,126
Transfers out	(515,000)	-	(5,944,300)	(6,459,300)
Total Other Financing Sources (Uses)	(515,000)	7,767,126	(3,194,300)	4,057,826
Net Change in Fund Balances	53,588	(179,444)	(3,211,091)	(3,336,947)
Fund Balances Beginning of Year	1,692,801	2,678,825	15,411,623	19,783,249
Fund Balances End of Year	\$ 1,746,389	\$ 2,499,381	\$ 12,200,533	\$ 16,446,302

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
General Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ 48,552,470	\$ 37,305,394
Receivables:		
Accounts	854,014	993,679
Property taxes	2,469,619	2,590,002
Sales and use taxes	5,405,375	5,302,765
Notes	65,296	71,385
Interfund	484,689	127,797
Inventory	46,225	45,513
Prepaid items	4,452	8,264
Total Assets	<u>\$ 57,882,139</u>	<u>\$ 46,444,799</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ 3,168,559	\$ 2,231,358
Accrued expenditures	60,234	334,104
Deposits payable	2,892,977	1,282,764
Unearned revenue	341,699	425,132
Total Liabilities	<u>6,463,469</u>	4,273,359
Deferred Inflows of Resources	<u>2,469,619</u>	2,590,002
Total Liabilities and Deferred Inflows of Resources	<u>8,933,088</u>	6,863,361
Fund Balances		
Nonspendable:		
Inventory	46,225	45,513
Prepaid items	4,452	8,264
Long-term notes	65,296	71,385
Restricted:		
Emergencies	2,295,847	2,041,031
Capital outlay and operations	18,882,326	4,643,876
Committed - court surcharge	4,931	265,994
Assigned:		
Operating reserves	5,731,937	5,469,947
Safeguards	11,056,343	9,642,472
Unassigned	10,861,695	17,392,956
Total Fund Balances	<u>48,949,051</u>	39,581,438
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 57,882,139</u>	<u>\$ 46,444,799</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, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues	\$ 68,375,227	\$ 70,929,127	\$ 76,627,508	\$ 5,698,381	\$ 67,914,245
Other Financing Sources:					
Transfers in:	-	-	-	-	-
Information Technology Fund	-	-	11,545	11,545	-
Capital Expenditures Fund	-	-	40,000	40,000	-
Total Revenues and Other Financing Sources	<u>68,375,227</u>	<u>70,929,127</u>	<u>\$ 76,679,053</u>	<u>5,749,926</u>	<u>67,914,245</u>
Expenditures	<u>54,759,470</u>	<u>55,325,522</u>	<u>54,652,112</u>	<u>673,410</u>	<u>52,374,432</u>
Other Financing Uses:					
Transfers out:					
Capital Expenditures Fund	1,669,530	1,669,530	4,810,551	(3,141,021)	55,880
Debt Service Fund	7,492,126	7,492,126	7,492,126	-	7,231,328
Urban Renewal Authority	83,000	83,000	183,000	(100,000)	83,000
Elected Officials Retirement Fund	44,160	44,160	44,160	-	39,360
Fleet Management Fund	98,000	98,000	101,934	(3,934)	5,265
Information Technology Fund	-	-	19,625	(19,625)	25,588
Finance Authority	-	-	-	-	11,520
Facilities Management Fund	-	-	7,934	(7,934)	37,777
Total Other Financing Uses	<u>9,386,816</u>	<u>9,386,816</u>	<u>12,659,330</u>	<u>(3,272,514)</u>	<u>7,455,718</u>
Total Expenditures and Other Financing Uses	<u>64,146,286</u>	<u>64,712,338</u>	<u>67,311,442</u>	<u>(2,599,103)</u>	<u>59,830,150</u>
Net Change in Fund Balances	<u>\$ 4,228,941</u>	<u>\$ 6,216,788</u>	<u>9,367,611</u>	<u>\$ 3,150,823</u>	<u>8,084,095</u>
Fund Balances Beginning of Year - As Restated			<u>39,581,440</u>		<u>31,497,345</u>
Fund Balances End of Year			<u>\$ 48,949,051</u>		<u>\$ 39,581,440</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, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Taxes:					
General property taxes	\$ 2,596,469	\$ 2,596,469	2,591,268	\$ (5,201)	\$ 2,331,857
Specific ownership taxes	200,673	200,673	214,994	14,321	211,167
Sales and use taxes	50,399,692	50,399,692	55,378,333	4,978,641	50,463,396
Highway users tax	1,572,724	1,572,724	1,673,837	101,113	1,616,231
Road and bridge tax	514,511	514,511	509,964	(4,547)	475,684
Motor vehicle registration	190,468	190,468	205,256	14,788	196,922
Vehicle transfer taxes	8,868	8,868	7,013	(1,855)	7,657
Franchise fees	2,935,601	2,935,601	2,914,395	(21,206)	2,976,560
Retail Excess	-	-	93,267	93,267	-
Total Taxes	58,419,006	58,419,006	63,588,326	5,169,320	58,279,474
Licenses and Permits:					
Liquor licenses	47,279	47,279	52,258	4,979	49,214
Occupation licenses	27,767	27,767	15,085	(12,682)	11,330
Contractors' licenses	82,000	82,000	70,435	(11,565)	54,599
Building permits	930,489	930,489	1,452,504	522,015	1,450,246
Other	378,935	378,935	636,213	257,278	1,540
Total Licenses and Permits	1,466,470	1,466,470	2,226,495	760,025	1,566,929
Intergovernmental:					
State shared cigarette tax	101,790	101,790	108,363	6,573	102,901
Charges for Services:					
Recreation/Golf fees	3,575,711	3,575,711	3,904,615	328,904	3,724,255
Plan check fees	266,362	266,362	502,762	236,400	232,804
Court and docket fees	307,065	307,065	336,494	29,429	358,749
Zoning	61,500	61,500	77,544	16,044	82,151
Other	1,106,677	3,660,577	3,910,790	250,213	1,039,249
Total Charges for Services	5,317,315	7,871,215	8,732,206	860,991	5,437,209
Fines and Forfeitures:					
Municipal court	669,054	669,054	711,192	42,138	809,428
Photo red light enforcement	399,058	399,058	571,370	172,312	405,826
D.U.I. fines	32,415	32,415	19,876	(12,539)	26,873
Other	9,802	9,802	7,034	(2,768)	2,960
Total Fines and Forfeits	1,110,329	1,110,329	1,309,473	199,144	1,245,088
Miscellaneous:					
Investment earnings	1,416,191	1,416,191	300,930	(1,115,261)	813,563
Miscellaneous	544,126	544,126	361,713	(182,413)	469,080
Total Miscellaneous	1,960,317	1,960,317	662,643	(1,297,674)	1,282,643
Total Revenues	\$ 68,375,227	\$ 70,929,127	\$ 76,627,508	\$ 5,698,381	\$ 67,914,245

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, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Expenditures					
General Government:					
Legislative	\$ 539,395	\$ 539,395	\$ 519,122	\$ 20,273	\$ 546,533
Legal	730,954	773,006	630,688	142,318	909,019
City clerk	281,777	284,426	298,620	(14,194)	292,464
City manager	1,028,351	1,795,429	1,689,689	105,740	965,851
Economic development	522,321	527,989	491,047	36,942	463,882
Communications	1,031,492	1,046,888	992,078	54,810	950,053
Total General Government	4,134,290	4,967,132	4,621,244	345,888	4,127,802
Human Resources:					
Administration	801,645	808,058	814,003	(5,945)	795,610
Risk management	118,538	118,538	104,548	13,991	93,184
Employee assisted housing	-	-	5,155	(5,155)	264
Employee activity committee	17,500	17,500	2,932	14,568	11,723
Organizational development	42,000	42,000	43,782	(1,782)	42,945
Total Human Resources:	979,683	986,096	970,420	15,677	943,726
Finance:					
Financial planning and budgeting	404,446	413,522	391,860	21,662	379,690
Financial services	1,791,776	1,806,494	2,065,962	(259,469)	1,926,396
Tax	1,121,909	1,140,698	723,024	417,673	1,156,553
Judicial	599,761	601,630	590,375	11,255	610,874
Internal service	8,799,169	8,138,980	7,861,053	277,926	7,838,021
Total Finance	12,717,061	12,101,323	11,632,275	469,048	11,911,533
Community Planning/Development:					
Administration	519,877	526,164	576,095	(49,931)	458,292
Community planning	662,990	680,145	590,078	90,067	564,492
Building safety	1,052,726	1,061,291	1,193,283	(131,992)	1,013,068
Neighborhood Services	712,607	717,347	666,084	51,263	754,296
Housing	260,733	260,921	201,850	59,071	156,164
Total Community Planning/Development	3,208,933	3,245,868	3,227,389	18,478	2,946,312
Public Safety:					
Administration	1,364,140	1,359,435	1,576,266	(216,831)	1,263,618
Support operations	5,104,981	5,132,853	5,050,741	82,112	4,972,922
Patrol operations	8,174,525	8,350,514	8,415,319	(64,804)	8,398,141
Community justice	355,399	355,399	326,923	28,476	302,528
Emergency management	209,801	222,498	204,882	17,617	197,362
Total Public Safety	15,208,846	15,420,700	15,574,130	(153,431)	15,134,571
Carried Forward	36,248,813	36,721,119	36,025,458	695,661	35,063,942

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, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

(Continued)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Brought Forward	\$ 36,248,813	\$ 36,721,119	\$ 36,025,458	\$ 695,661	\$ 35,063,942
Expenditures					
Public Works					
Administration	457,488	464,978	466,688	(1,709)	473,823
Street and traffic maintenance	3,023,852	3,049,150	2,882,729	166,421	2,942,115
Refuse collection	1,676,322	1,676,322	1,635,208	41,114	1,521,647
Engineering	2,302,828	2,303,023	2,644,121	(341,097)	2,441,399
Total Public Works	7,460,490	7,493,473	7,628,745	(135,272)	7,378,984
Parks, Recreation and Golf					
Administration	1,319,792	1,336,325	1,394,964	(58,639)	1,292,572
Parks maintenance	3,469,853	3,495,171	3,307,425	187,746	3,316,736
Recreation/Golf programs	5,917,634	5,936,546	5,989,762	(53,216)	5,028,988
Community events	145,733	145,733	108,603	37,130	110,834
Total Parks, Recreation and Golf	10,853,012	10,913,775	10,800,754	113,022	9,749,131
Debt Service:					
Principal retirement	163,636	163,636	163,636	-	145,508
Interest and fiscal charges	33,519	33,519	33,519	-	36,867
Total Debt Service	197,155	197,155	197,155	-	182,375
Total Expenditures	\$ 54,759,470	\$ 55,325,522	\$ 54,652,112	\$ 673,410	\$ 52,374,432

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Urban Renewal Authority Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ 2,371,457	\$ 1,877,277
Receivables:		
Accounts	-	-
Property taxes	539,382	524,701
Assets held for resale	<u>4,640,400</u>	<u>4,640,400</u>
Total Assets	<u>\$ 7,551,239</u>	<u>\$ 7,042,378</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Vouchers and contracts payable	<u>\$ 248,707</u>	<u>\$ 204,035</u>
Deferred Inflows of Resources	<u>539,382</u>	<u>524,701</u>
Total Liabilities and Deferred Inflows of Resources	<u>788,089</u>	<u>728,736</u>
Fund Balances		
Nonspendable - assets held for resale	4,640,400	4,640,400
Restricted for emergencies	36,001	18,099
Restricted for urban renewal	<u>2,086,749</u>	<u>1,655,143</u>
Total Fund Balances	<u>6,763,150</u>	<u>6,313,642</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 7,551,239</u>	<u>\$ 7,042,378</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2016*

	Special Improvements	Police Department	Conservation Trust	Chemical Roundup	CC/BSD Use Tax	Grants	Total Nonmajor Special Revenue Funds
Assets							
Equity in pooled cash and investments	\$ 44,753	\$ 51,091	\$ 215,144	\$ 279,704	\$ 1,121,146	\$ -	\$ 1,711,838
Receivables:							
Accounts	-	-	-	25,000	-	78,742	103,742
Special assessments	32,468	-	-	-	-	-	32,468
Total Assets	\$ 77,221	\$ 51,091	\$ 215,144	\$ 304,704	\$ 1,121,146	\$ 78,742	\$ 1,848,048
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Vouchers and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,303	\$ 45,303
Interfund payable	-	-	-	-	-	33,438	33,438
Total Liabilities	-	-	-	-	-	78,742	78,742
Deferred Inflows of Resources	22,918	-	-	-	-	-	22,918
Total Liabilities and Deferred Inflows of Resources	22,918	-	-	-	-	78,742	101,659
Fund Balances							
Restricted	54,304	51,091	215,144	304,704	1,121,146	-	1,746,389
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 77,221	\$ 51,091	\$ 215,144	\$ 304,704	\$ 1,121,146	\$ 78,742	\$ 1,848,048

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, 2016

	Special Improvements	Police Department	Conservation Trust	Chemical Roundup	CC/BSD Use Tax	Grants	Total Nonmajor Special Revenue Funds
Revenues							
Special assessments	\$ 4,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,452
Intergovernmental	-	-	538,705	-	-	239,873	778,578
Investment earnings	186	-	12,642	1,969	6,674	-	21,471
Interest and penalties	1,704	-	-	-	-	-	1,704
Charges for services	-	-	-	25,000	-	-	25,000
Contributions	-	20,932	-	-	-	-	20,932
Total Revenues	6,343	20,932	551,347	26,969	6,674	239,873	852,138
Expenditures							
Current:							
General government	33	-	-	-	-	-	33
Community development	-	-	-	-	-	-	-
Public safety	-	21,993	-	-	-	98,867	120,860
Public works	-	-	-	21,652	-	-	21,652
Parks and recreation	-	-	-	-	-	141,006	141,006
Total Expenditures	33	21,993	-	21,652	-	239,873	283,550
Excess of Revenues Over Expenditures	6,310	(1,060)	551,347	5,317	6,674	-	568,587
Other Financing (Uses)							
Transfers out	-	-	(515,000)	-	-	-	(515,000)
Net Change in Fund Balances	6,310	(1,060)	36,347	5,317	6,674	-	53,588
Fund Balances Beginning of Year	47,994	52,151	178,797	299,387	1,114,472	-	1,692,801
Fund Balances End of Year	\$ 54,304	\$ 51,091	\$ 215,144	\$ 304,704	\$ 1,121,146	\$ -	\$ 1,746,389

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Special Improvements Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ 44,753	\$ 38,412
Special assessments receivable	32,468	36,951
Total Assets	<u>\$ 77,221</u>	<u>\$ 75,364</u>
Deferred Inflows of Resources and Fund Balances		
Deferred Inflows of Resources		
Unavailable revenue	\$ 22,918	\$ 27,370
Fund Balances		
Restricted for:		
Capital projects	54,114	47,881
Emergencies	190	113
Total Fund Balances	<u>54,304</u>	<u>47,994</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 77,221</u>	<u>\$ 75,364</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Special assessments	\$ 4,452	\$ 1,768
Investment earnings	186	733
Interest and penalties	<u>1,704</u>	<u>1,259</u>
Total Revenues	6,343	3,760
Expenditures		
Current:		
General government	<u>33</u>	<u>22</u>
Excess of Revenues Over Expenditures	6,310	3,738
Fund Balances Beginning of Year	<u>47,994</u>	<u>44,256</u>
Fund Balances End of Year	<u>\$ 54,304</u>	<u>\$ 47,994</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Combining Balance Sheet
Police Department Fund
December 31, 2016
(With Comparative Totals at December 31, 2015)*

	2016			2015	
	Police Forfeiture - State	Police Forfeiture - Federal	Police Donation	Total	Total
Assets					
Equity in pooled cash and investments	\$ 3,563	\$ 887	\$ 46,641	\$ 51,091	\$ 52,173
Liabilities and Fund Balances:					
Liabilities					
Vouchers and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ 22
Fund Balances					
Restricted for:					
Emergencies	-	-	628	628	387
Public safety	3,563	887	46,013	50,463	47,314
Total Fund Balances	3,563	887	46,641	51,091	47,701
Total Liabilities and Fund Balances	\$ 3,563	\$ 887	\$ 46,641	\$ 51,091	\$ 47,723

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, 2016
(With Comparative Totals for the Year Ended December 31, 2015)

	2016				2015
	Police Forfeiture - State	Police Forfeiture - Federal	Police Donation	Total	Total
Revenues					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	20,932	20,932	12,893
Total Revenues	-	-	20,932	20,932	12,893
Expenditures					
Current:					
Public safety	-	-	21,993	21,993	10,233
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(1,060)	(1,060)	2,661
Fund Balances Beginning of Year	3,563	887	47,701	52,151	49,490
Fund Balances End of Year	\$ 3,563	\$ 887	\$ 46,641	\$ 51,091	\$ 52,151

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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Donations	\$ 10,000	\$ 10,000	\$ 20,932	\$ 10,932	\$ 12,893
Expenditures					
Current:					
Public safety	10,000	56,704	21,993	34,712	10,233
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (46,704)</u>	<u>(1,060)</u>	<u>\$ 45,644</u>	2,661
Fund Balances Beginning of Year			<u>47,701</u>		<u>45,040</u>
Fund Balances End of Year			<u>\$ 46,641</u>		<u>\$ 47,701</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Conservation Trust Fund
December 31, 2016 and 2015*

	2016	2015
Assets		
Equity in pooled cash and investments	\$ 215,144	\$ 178,797
Fund Balances		
Restricted for parks and recreation purposes	\$ 215,144	\$ 178,797
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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Intergovernmental - lottery	\$ 415,000	\$ 415,000	\$ 538,705	\$ 123,705	\$ 453,051
Investment earnings	7,500	7,500	12,642	5,142	19,135
Total Revenues	422,500	422,500	551,347	128,847	472,186
Other Financing Uses:					
Transfers out:					
Capital Projects Fund	515,000	515,000	515,000	-	530,000
Net Change in Fund Balances	<u>\$ (92,500)</u>	<u>\$ (92,500)</u>	<u>36,347</u>	<u>\$ 128,847</u>	(57,814)
Fund Balances Beginning of Year			<u>178,797</u>		<u>236,611</u>
Fund Balances End of Year			<u>\$ 215,144</u>		<u>\$ 178,797</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Chemical Roundup Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ 279,704	\$ 284,272
Accounts receivable	25,000	25,000
Total Assets	<u>\$ 304,704</u>	<u>\$ 309,272</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ -	\$ 9,885
Fund Balances		
Restricted for emergencies	809	913
Restricted for public works	303,895	298,474
Total Fund Balances	<u>304,704</u>	<u>299,387</u>
Total Liabilities and Fund Balances	<u>\$ 304,704</u>	<u>\$ 309,272</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Charges for services	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Investment earnings	-	-	1,969	1,969	5,435
Total Revenues	25,000	25,000	26,969	1,969	30,435
Expenditures:					
Current:					
Public works	25,000	25,000	21,652	3,348	9,885
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	5,317	<u>\$ 5,317</u>	20,550
Fund Balances Beginning of Year			<u>299,387</u>		<u>278,837</u>
Fund Balances End of Year			<u>\$ 304,704</u>		<u>\$ 299,387</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
CC/BSD Use Tax Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	<u>\$ 1,121,146</u>	<u>\$ 1,114,472</u>
Fund Balances		
Restricted for Emergencies	\$ 200	\$ 639
Restricted for Capital outlay	<u>1,120,946</u>	<u>1,113,833</u>
Total Fund Balances	<u>\$ 1,121,146</u>	<u>\$ 1,114,472</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, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Revenues		
Investment earnings	\$ 6,674	\$ 21,309
Fund Balances Beginning of Year	<u>1,114,472</u>	<u>1,093,163</u>
Fund Balances End of Year	<u>\$ 1,121,146</u>	<u>\$ 1,114,472</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Grants Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Accounts receivable	<u>\$ 78,742</u>	<u>\$ 36,374</u>
Liabilities		
Vouchers and contracts payable	45,303	-
Interfund payable	<u>33,438</u>	<u>36,374</u>
Total Liabilities	<u>\$ 78,742</u>	<u>\$ 36,374</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Intergovernmental	\$ -	\$ 392,766	\$ 239,873	\$ (152,893)	\$ 192,922
Expenditures					
Current:					
Public safety	-	227,466	98,867	128,599	95,620
Parks, Recreation and Golf	-	165,300	141,006	24,294	97,303
Total Expenditures	-	392,766	239,873	152,893	192,922
Net Change in Fund Balance	\$ -	\$ -	-	\$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			\$ -		\$ -

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Debt Service Fund
December 31, 2016 and 2015*

	2016	2015
Assets		
Equity in pooled cash and investments	\$ 2,499,381	\$ 2,678,825
Fund Balances		
Assigned for debt service	\$ 2,499,381	\$ 2,678,825
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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Investment earnings	\$ -	\$ -	\$ 16,761	\$ 16,761	\$ 44,974
Miscellaneous	577,924	577,924	382,819	(195,105)	614,445
Total Revenues	<u>577,924</u>	<u>577,924</u>	<u>399,580</u>	<u>(178,344)</u>	<u>659,419</u>
Other Financing Sources (Uses):					
Refunding Revenue Bond Issued	-	-	-	-	52,645,000
Bond Premium	-	-	-	-	5,219,129
Payment to refunding bond escrow agent	-	-	-	-	(56,991,439)
Transfers in:					
Urban Renewal Authority Fund	275,000	275,000	275,000	-	265,710
General Fund	7,492,126	7,492,126	7,492,126	-	7,231,328
Total Other Financing Source	<u>7,767,126</u>	<u>7,767,126</u>	<u>7,767,126</u>	<u>-</u>	<u>8,369,729</u>
Total Revenues and Other Financing Sources	<u>8,345,050</u>	<u>8,345,050</u>	<u>8,166,706</u>	<u>(178,344)</u>	<u>9,029,147</u>
Expenditures:					
<i>Current:</i>					
General government	-	-	1,100	(1,100)	-
<i>Debt Service:</i>					
Principal	3,080,000	3,080,000	3,080,000	-	3,355,000
Interest	5,265,050	5,265,050	5,265,050	-	5,587,827
Bond Issues Cost	-	-	-	-	454,031
Total Expenditures	<u>8,345,050</u>	<u>8,345,050</u>	<u>8,346,150</u>	<u>(1,100)</u>	<u>9,396,858</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>(179,444)</u>	<u>\$ (179,444)</u>	<u>(367,711)</u>
Fund Balances Beginning of Year			<u>2,678,825</u>		<u>3,046,536</u>
Fund Balances End of Year			<u>\$ 2,499,381</u>		<u>\$ 2,678,825</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Capital Expenditures Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ 139,925,593	\$ 87,021,778
Receivables		
Accounts	1,611,953	959,700
Notes	6,848,942	6,226,312
Prepaid expenses	-	94
Total Assets	<u>\$ 148,386,488</u>	<u>\$ 94,207,884</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ 5,230,305	\$ 1,819,606
Deposits payable	13,685	-
Unearned revenue	15,556,673	17,489,977
Total Liabilities	<u>20,800,663</u>	<u>19,309,584</u>
Fund Balances		
Nonspendable	6,848,942	6,226,406
Restricted for:		
Emergencies	2,127,611	76,309
Capital projects	100,835,682	60,448,898
Assigned for capital projects	17,773,590	8,146,687
Total Fund Balances	<u>127,585,824</u>	<u>74,898,300</u>
Total Liabilities and Fund Balances	<u>\$ 148,386,488</u>	<u>\$ 94,207,884</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues:					
Other taxes	\$ 377,000	\$ 377,000	\$ 427,439	\$ 50,439	\$ 392,171
Charges for services	33,000	33,000	35,063	2,063	32,504
Intergovernmental	4,750,000	14,418,168	3,258,170	(11,159,998)	1,723,401
Miscellaneous	900,000	18,389,977	3,451,579	(14,938,398)	683,799
Investment earnings	-	-	226,467	226,467	12,939
Total Revenues	6,060,000	33,218,145	7,398,718	(25,819,428)	2,844,815
Other Financing Sources:					
Issuance of revenue bonds	-	54,460,000	54,460,000	-	-
Bond premium	-	11,540,000	12,174,430	634,430	-
Transfers in:					
General Fund	1,669,530	4,810,551	4,810,551	-	55,880
Impact Fees Fund	3,402,300	5,944,300	5,944,300	-	4,049,000
Information Technology Fund	276,345	276,345	276,345	-	18,900
Conservation Trust Fund	515,000	515,000	515,000	515,000	530,000
Fleet Fund	-	2,600,000	2,600,000	-	-
Northern Infrastructure GID Fund	-	-	-	-	130,000
Solid Waste Management Fund	1,078,846	1,078,846	1,078,846	-	40,000
Total Other Financing Sources	6,942,021	81,225,042	81,859,472	1,149,430	4,823,780
Total Revenues and Other Financing Sources	13,002,021	114,443,187	89,258,190	(24,669,998)	7,668,595
Expenditures:					
<i>Capital Outlay</i>	14,409,516	184,436,606	33,106,235	151,330,370	18,218,588
<i>Debt Service:</i>					
Bond issuance costs	-	-	634,430	(634,430)	-
Total Expenditures	14,409,516	184,436,606	33,740,665	150,695,940	18,218,588
Other Financing Uses:					
Transfers out:					
Impact Fees Fund	-	2,750,000	2,750,000	-	-
General Fund	40,000	40,000	40,000	-	-
GID Fund	-	40,000	40,000	-	-
Total Expenditures and Other Financing Uses	14,449,516	187,266,606	36,570,665	150,695,940	18,218,588
Net Change in Fund Balances	\$ (1,407,495)	\$ (69,993,418)	52,687,524	\$ 175,365,938	(10,549,993)
Fund Balances Beginning of Year			74,898,300		85,448,293
Fund Balances End of Year			\$ 127,585,824		\$ 74,898,300

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Northern Infrastructure GID Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ -	\$ 1,236,688
Receivables:		
Accounts	57,500	-
Property taxes	5,804,141	5,637,639
Assets held for resale	<u>2,318,230</u>	<u>2,415,559</u>
Total Assets	<u>\$ 8,179,870</u>	<u>\$ 9,289,886</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ 153,591	\$ 1,347,420
Interfund payable	<u>375,254</u>	<u>-</u>
Total Liabilities	<u>528,845</u>	<u>-</u>
Deferred Inflows of Resources	<u>5,804,141</u>	<u>5,637,639</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,332,986</u>	<u>6,985,059</u>
Fund Balances		
Nonspendable - assets held for resale	2,318,230	2,415,559
Restricted for:		
Emergencies	6,758	1,245
Debt service	<u>(478,103)</u>	<u>(111,977)</u>
Total Fund Balances	<u>1,846,885</u>	<u>2,304,827</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 8,179,870</u>	<u>\$ 9,289,886</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Property taxes	\$ 5,635,146	\$ 5,635,146	5,688,423	\$ 53,277	\$ 4,572,537
Specific ownership tax	563,515	563,515	464,635	(98,880)	393,019
Sale of water rights	-	-	125,000	125,000	-
Investment earnings	150,000	150,000	22,343	(127,657)	59,138
Miscellaneous	25,000	25,000	125,547	100,547	49,640
Total Revenues	6,373,661	6,373,661	6,425,948	52,287	5,074,334
Other Financing Sources					
Transfers in:					
Capital Expenditures Fund	-	40,000	40,000	-	-
Total Revenues and Other Financing Sources	6,373,661	6,413,661	6,465,948	52,287	5,074,334
Expenditures:					
<i>Current:</i>					
General government	148,350	148,350	101,638	(46,712)	81,353
Cost of water rights distributed	-	-	97,329	(97,329)	79,999
<i>Capital Outlay</i>	-	-	1,645,125	(1,645,125)	9,056,626
<i>Debt Service:</i>					
Principal	1,515,000	1,515,000	1,515,000	-	1,360,000
Interest and fiscal charges	3,564,799	3,564,799	3,564,798	2	3,607,548
Total Expenditures	5,228,149	5,228,149	6,923,891	(1,789,165)	14,185,525
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,145,512	1,185,512	(457,943)	(1,736,878)	(9,111,191)
Other Financing Uses:					
Transfer out:					
Capital Project Fund	-	-	-	-	(130,000)
Net Change in Fund Balances	\$ 1,145,512	\$ 1,185,512	\$ (457,943)	\$ (1,736,878)	\$ (9,241,191)
Fund Balances Beginning of Year			2,304,828		11,546,018
Fund Balances End of Year			\$ 1,846,885		\$ 2,304,828

See accompanying independent auditor's report

*City of Commerce City, Colorado
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2016*

	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	Impact Fees	Total Nonmajor Capital Projects Funds
Assets									
Equity in pooled cash and investments	\$ 1,803,644	\$ 1,828,024	\$ 34,587	\$ 687,239	\$ 497,569	\$ 35,118	\$ -	\$ 939,691	\$ 5,825,873
Receivables:									
Accounts	-	-	-	-	-	96	-	-	96
Property taxes	-	-	-	-	-	15,872	498	-	16,370
Notes receivable	-	-	-	-	-	2,920,232	-	4,273	2,924,505
Assets held for resale	3,624,792	-	-	-	-	-	-	-	3,624,792
Total Assets	\$ 5,428,436	\$ 1,828,024	\$ 34,587	\$ 687,239	\$ 497,569	\$ 2,971,318	\$ 498	\$ 943,964	\$ 12,391,636
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Vouchers and contracts payable	11,364	-	-	-	33,667	-	498	76,581	122,109
Interfund payable	-	-	-	-	-	-	53,121	-	53,121
Total Liabilities	11,364	-	-	-	33,667	-	53,619	76,581	175,230
Deferred Inflows of Resources	-	-	-	-	-	15,872	-	-	15,872
Total Liabilities and Deferred Inflows of Resources	11,364	-	-	-	33,667	15,872	53,619	76,581	191,102
Fund Balances									
Nonspendable	3,624,792	-	-	-	-	2,920,232	-	-	6,545,024
Restricted	17,333	2,207	6	48,138	4,091	5,479	-	132,961	210,215
Committed	1,774,947	1,825,817	34,581	-	459,811	-	-	734,422	4,829,578
Assigned	-	-	-	639,101	-	29,735	(53,121)	-	668,837
Unassigned	-	-	-	-	-	-	-	-	(53,121)
Total Fund Balances	5,417,072	1,828,024	34,587	687,239	463,902	2,955,446	(53,121)	867,383	12,200,533
Total Liabilities and Fund Balances	\$ 5,428,436	\$ 1,828,024	\$ 34,587	\$ 687,239	\$ 497,569	\$ 2,971,318	\$ 498	\$ 943,964	\$ 12,391,636

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, 2016

	Water Rights Acquisition	Second Creek Drainage Basin	Third Creek Drainage Basin	Future Growth	Buffalo Run Tributary District	E-470 Commercial Area GID	E-470 Residential Area GID	Impact Fees	Total Nonmajor Capital Projects Funds
Revenues									
Charges for services	\$ 546,810	\$ 63,501	\$ -	\$ -	\$ 134,411	\$ -	\$ -	\$ 1,617,660	\$ 2,362,382
Property taxes	-	-	-	-	-	17,604	533	-	18,137
Investment earnings	30,970	10,066	206	(6,636)	1,976	(582)	(319)	64,367	100,047
Sale of Water Rights	-	-	-	-	-	150,411	-	-	150,411
Miscellaneous	-	-	-	-	-	15,189	-	-	15,189
Total Revenues	577,779	73,566	206	(6,636)	136,387	182,621	214	1,682,027	2,646,165
Expenditures									
Current:									
General government	496,400	-	-	-	56,185	244	7	127,363	680,199
Capital Outlay	1,982,757	-	-	-	-	-	-	-	1,982,757
Total Expenditures	2,479,157	-	-	-	56,185	244	7	127,363	2,662,956
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,064,136	73,566	206	(6,636)	80,202	182,377	207	1,554,664	(16,791)
Other Financing Sources:									
Transfers in	-	-	-	-	-	-	-	2,750,000	2,750,000
Transfers out	-	-	-	-	-	-	-	(5,944,300)	(5,944,300)
Net Change in Fund Balances	2,064,136	73,566	206	(6,636)	80,202	182,377	207	(1,639,636)	(3,211,090)
Fund Balances Beginning of Year	7,318,449	1,754,458	34,381	693,876	383,700	2,773,069	(53,328)	2,507,019	15,411,623
Fund Balances End of Year	\$ 9,382,585	\$ 1,828,024	\$ 34,587	\$ 687,239	\$ 463,902	\$ 2,955,446	\$ (53,121)	\$ 867,383	\$ 12,200,533

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Water Rights Acquisition Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ 1,803,644	\$ 3,743,462
Assets held for resale	3,624,792	3,574,987
Total Assets	\$ 5,428,436	\$ 7,318,449
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	\$ 11,364	\$ -
Total Liabilities	11,364	-
Fund Balances		
Nonspendable - assets held for resale	3,624,792	3,574,987
Restricted for emergencies	17,333	13,718
Committed for water rights	1,774,946	3,729,745
Total Fund Balances	5,417,072	7,318,449
Total Liabilities and Fund Balances	\$ 5,428,436	\$ 7,318,449

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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Water acquisition fees	\$ 310,000	\$ 310,000	\$ 546,810	\$ 236,810	\$ 688,154
Investment earnings	-	-	30,970	30,970	61,194
Total Revenues	310,000	310,000	577,779	267,779	749,348
Expenditures					
Current:					
General government	-	-	-	-	166,312
Water acquisition fee	310,000	310,000	499,529	-	-
Cost of water rights	-	-	(3,129)	3,129	61,242
Capital outlay	-	-	1,982,757	-	-
Total Expenditures	310,000	310,000	2,479,157	3,129	227,554
Net Change in Fund Balances	\$ -	\$ -	(1,901,377)	\$ 270,908	521,794
Fund Balances Beginning of Year			7,318,449		6,796,655
Fund Balances End of Year			\$ 5,417,072		\$ 7,318,449

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Second Creek Drainage Basin Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	<u>\$ 1,828,024</u>	<u>\$ 1,754,458</u>
Fund Balances		
Restricted for emergencies	\$ 2,207	\$ 1,328
Committed for capital outlay	<u>1,825,817</u>	<u>1,753,129</u>
Total Fund Balances	<u>\$ 1,828,024</u>	<u>\$ 1,754,458</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Drainage fees	\$ 75,000	\$ 75,000	\$ 63,501	\$ (11,499)	\$ 10,765
Investment earnings	-	-	10,066	10,066	33,512
Total Revenues	75,000	75,000	73,567	(1,433)	44,277
Expenditures:					
General government	75,000	75,000	-	75,000	-
Excess of Revenues Over Expenditures	\$ -	\$ -	73,567	73,567	44,277
Fund Balance Beginning of Year			1,754,458		1,710,181
Fund Balance End of Year			\$ 1,828,024		\$ 1,754,458

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Third Creek Drainage Basin Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	<u>\$ 34,587</u>	<u>\$ 34,381</u>
Fund Balances		
Restricted for emergencies	\$ 6	\$ 20
Committed for capital outlay	<u>34,581</u>	<u>34,362</u>
Total Fund Balances	<u><u>\$ 34,587</u></u>	<u><u>\$ 34,381</u></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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Drainage fees	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)	\$ -
Investment earnings	-	-	206	206	657
Total Revenues	1,000	1,000	206	(794)	657
Expenditures:					
General government	1,000	1,000	-	1,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	206	<u>\$ 206</u>	657
Fund Balance Beginning of Year			<u>34,381</u>		<u>33,723</u>
Fund Balance End of Year			<u>\$ 34,587</u>		<u>\$ 34,381</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Future Growth Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	<u>\$ 687,239</u>	<u>\$ 972,648</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	<u>\$ -</u>	<u>\$ 278,773</u>
Fund Balances		
Restricted for emergencies	48,138	20,411
Assigned for capital outlay	<u>639,101</u>	<u>673,464</u>
Total Fund Balances	<u>687,239</u>	<u>693,876</u>
Total Liabilities and Fund Balances	<u>\$ 687,239</u>	<u>\$ 972,648</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues		
Investment earnings	\$ (6,636)	\$ 14,472
Miscellaneous	-	665,899
Total Revenues	<u>(6,636)</u>	<u>680,371</u>
Expenditures:		
General government	-	665,899
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,636)	14,472
Fund Balances Beginning of Year	<u>693,876</u>	<u>679,404</u>
Fund Balances End of Year	<u>\$ 687,239</u>	<u>\$ 693,876</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
Buffalo Run Tributary Drainage Basin Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	<u>\$ 497,569</u>	<u>\$ 394,942</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	<u>\$ 33,667</u>	<u>\$ 11,242</u>
Fund Balances		
Restricted for emergencies	4,091	2,704
Committed for capital outlay	<u>459,811</u>	<u>380,996</u>
Total Fund Balances	<u>463,902</u>	<u>383,700</u>
Total Liabilities and Fund Balances	<u>\$ 497,569</u>	<u>\$ 394,942</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services	\$ 60,000	\$ 60,000	\$ 134,411	\$ 74,411	\$ 82,959
Investment earnings	-	-	1,976	1,976	7,184
Total Revenues	60,000	60,000	136,387	76,387	90,143
Expenditures					
General government	60,000	60,000	56,185	3,815	28,327
Excess of Revenues Over Expenditures	\$ -	\$ -	80,202	\$ 80,202	61,816
Fund Balances Beginning of Year			383,700		321,884
Fund Balances End of Year			\$ 463,902		\$ 383,700

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
E-470 Commerical Area GID Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ 35,118	\$ -
Receivables:		
Accounts	96	10,817
Property taxes	15,872	16,247
Notes receivable	2,500,000	2,500,000
Interest receivable	420,232	300,347
Total Assets	<u>\$ 2,971,318</u>	<u>\$ 2,827,411</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Interfund payable	\$ -	\$ 38,096
Deferred Inflows of Resources	<u>15,872</u>	<u>16,247</u>
Total Liabilities and Deferred Inflows of Resources	<u>15,872</u>	<u>54,343</u>
Fund Balances		
Nonspendable	2,920,232	2,800,347
Restricted for emergencies	5,479	9,535
Unassigned	-	(36,813)
Assigned	29,735	-
Total Fund Balances	<u>2,955,446</u>	<u>2,773,069</u>
Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,971,318</u>	<u>\$ 2,827,411</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Property taxes	\$ 16,000	\$ 16,000	\$ 17,604	\$ 1,604	\$ 7,395
Investment earnings	-	-	(582)	(582)	(687)
Loan Interest	-	-	150,411	150,411	311,122
Miscellaneous	-	-	15,189	15,189	-
Total Revenues	\$ 16,000	\$ 16,000	\$ 182,621	\$ 166,622	\$ 317,831
Expenditures					
Current:					
General government	16,000	16,000	244	15,756	5,602
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	182,377	<u>\$ 150,866</u>	312,229
Fund Balances Beginning of Year			<u>2,773,069</u>		<u>2,460,840</u>
Fund Balances End of Year			<u>\$ 2,955,446</u>		<u>\$ 2,773,069</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Balance Sheet
E-470 Residential Area GID Fund
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ -	\$ -
Receivables:		
Property taxes	498	492
Total Assets	<u>\$ 498</u>	<u>\$ 492</u>
Liabilities		
Vouchers and contracts payable	498	492
Interfund loan payable	53,121	53,328
Total Liabilities and Deferred Inflows of Resources	<u>\$ 53,619</u>	<u>\$ 53,820</u>
Fund Balances		
Unassigned (deficit)	(53,121)	(53,328)
Total Liabilities and Fund Balance	<u>\$ 498</u>	<u>\$ 492</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Property taxes	\$ -	\$ -	\$ 533	\$ 533	\$ -
Investment earnings (loss)	-	-	(319)	(319)	(1,020)
Miscellaneous	10,000	10,000	-	(10,000)	-
Total Revenues	\$ 10,000	\$ 10,000	\$ 214	\$ (9,786)	\$ (1,020)
Expenditures					
<i>Current:</i>					
General government	10,000	10,000	7	-	-
(Deficiency) of Revenues (Under) Expenditures	\$ -	\$ -	207	\$ (9,786)	(1,020)
Fund Balances Beginning of Year			(53,328)		(52,308)
Fund Balances End of Year			\$ (53,121)		\$ (53,328)

See accompanying independent auditor's report

City of Commerce City, Colorado
Comparative Balance Sheet
Impact Fees Fund
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets		
Equity in pooled cash and investments	\$ 939,691	\$ 2,481,355
Receivables:		
Accounts	<u>4,273</u>	<u>51,646</u>
Total Assets	<u>\$ 943,964</u>	<u>\$ 2,533,001</u>
Liabilities and Fund Balances		
Liabilities		
Vouchers and contracts payable	<u>\$ 76,581</u>	<u>\$ 25,982</u>
Fund Balances		
Restricted for emergencies	132,961	29,977
Committed for capital outlay	<u>734,422</u>	<u>2,477,042</u>
Total Fund Balances	<u>867,383</u>	<u>2,507,019</u>
Total Liabilities and Fund Balances	<u>\$ 943,964</u>	<u>\$ 2,533,001</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Impact fees	\$ 805,000	\$ 805,000	\$ 1,617,660	\$ 812,660	\$ 789,019
Investment earnings	-	-	64,367	64,367	210,215
Total Revenues	805,000	805,000	1,682,027	877,027	999,233
Other Financing Sources					
Transfers in:					
Capital Expenditures Fund	-	2,750,000	2,750,000	-	-
Total Other Financing Sources	-	2,750,000	2,750,000	-	-
Total Revenues and Other Financing Sources	805,000	3,555,000	4,432,027	877,027	999,233
Expenditures					
General government	55,000	55,000	127,363	(72,363)	107,502
Other Financing Uses					
Transfers out:					
Capital Expenditures Fund	3,402,300	8,694,300	5,944,300	2,750,000	4,049,000
Total Expenditures and Other Financing Uses	3,457,300	8,749,300	6,071,663	2,677,637	4,156,502
Net Change in Fund Balances	\$ (2,652,300)	\$ (5,194,300)	(1,639,636)	\$ 3,554,664	(3,157,269)
Fund Balances Beginning of Year			2,507,019		5,664,288
Fund Balances End of Year			\$ 867,383		\$ 2,507,019

See accompanying independent auditor's report

*City of Commerce City, Colorado
Finance Authority Fund
Comparative Statement of Net Position
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
<i>Current Assets:</i>		
Equity in pooled cash	\$ 6,968	\$ 11,115
Prepaid items	12,130	12,130
<i>Total Current Assets:</i>	<u>19,098</u>	<u>23,245</u>
<i>Noncurrent Assets:</i>		
Prepaid items	242,592	254,722
Capital assets:		
Depreciable, net	24,005,918	25,069,262
<i>Total Noncurrent Assets</i>	<u>24,248,510</u>	<u>25,323,984</u>
Total Assets	<u>24,267,608</u>	<u>25,347,229</u>
Liabilities		
<i>Current Liabilities:</i>		
Accrued interest payable	57,414	58,477
Interfund payable	-	-
Certificates of participation	635,000	600,000
<i>Total Current Liabilities</i>	<u>692,414</u>	<u>658,477</u>
<i>Long-Term Liabilities:</i>		
Certificates of participation	28,333,596	28,977,338
Total Liabilities	<u>29,026,010</u>	<u>29,635,814</u>
Net Position		
Net investment in capital assets	(4,962,678)	(4,508,076)
Unrestricted	204,275	219,490
Total Net Position	<u>\$ (4,758,402)</u>	<u>\$ (4,288,586)</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services	\$ 2,006,669	\$ 2,006,669	\$ 2,003,419	\$ (3,250)	\$ 1,997,632
Total Revenue	2,006,669	2,006,669	2,003,419	(3,250)	1,997,632
Other Financing Sources					
Transfer in:					
General Fund	-	-	-	-	11,520
Total Other Financing Sources	-	-	-	-	11,520
Total Revenue and Other Financing Sources	\$ 2,006,669	\$ 2,006,669	\$ 2,003,419	\$ (3,250)	\$ 2,009,152
Expenditures					
Purchased services and charges	3,250	3,250	4,147	(897)	8,113
Principal	600,000	600,000	600,000	-	570,000
Interest	1,403,419	1,403,419	1,402,356	1,063	1,426,623
Total Expenditures	2,006,669	2,006,669	2,006,504	165	2,004,735
Net Income (Loss) (Budgetary Basis)	\$ -	\$ -	\$ (3,085)	\$ (3,416)	\$ 4,417
Add:					
Principal			600,000		570,000
Deduct:					
Amortization			(3,387)		24,809
Depreciation			(1,063,344)		(1,063,344)
Net (Loss)			(469,816)		(464,119)
Net Position Beginning of Year			(4,288,586)		(3,824,467)
Net Position End of Year			\$ (4,758,402)		\$ (4,288,586)

See accompanying independent auditor's report

*City of Commerce City, Colorado
Comparative Statement of Net Position
Solid Waste Management Fund
December 31, 2016 and 2015*

	2016	2015
Assets		
<i>Current Assets:</i>		
Equity in pooled cash and investments	\$ -	\$ 304,325
Accounts receivable	<u>173,673</u>	<u>160,355</u>
Total Current Assets	<u>173,673</u>	<u>464,680</u>
Liabilities		
<i>Current Liabilities:</i>		
Interfund payable	<u>22,876</u>	<u>-</u>
Net Position		
Unrestricted	<u>\$ 150,798</u>	<u>\$ 464,680</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)*

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Waste disposal fees	\$ 550,000	\$ 550,000	\$ 753,333	\$ 203,333	\$ 632,972
Investment earnings	-	-	11,631	11,631	2,858
Total Revenues	550,000	550,000	764,964	214,964	635,830
Other Financing Uses					
Transfers out:					
Capital Expenditures Fund	1,078,846	1,078,846	1,078,846	-	40,000
Net Income (Loss)	<u>\$ (528,846)</u>	<u>\$ (528,846)</u>	<u>(313,882)</u>	<u>\$ 214,964</u>	595,830
Net Position Beginning of Year			<u>464,680</u>		<u>(131,150)</u>
Net Position End of Year			<u>\$ 150,798</u>		<u>\$ 464,680</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2016
(With Comparative Totals at December 31, 2015)

	2016			2015	
	Fleet Management	Information Technology	Facility Services	Total	Total
Assets					
Current Assets:					
Equity in pooled cash and investments	\$ 2,364,404	\$ 3,365,445	\$ 1,564,718	\$ 7,294,568	\$ 10,848,474
Accounts receivable	16,341	1,577	6,418	24,336	23,460
Inventory	155,024	-	-	155,024	231,400
Prepaid items	-	65,443	-	65,443	56,779
Total Current Assets	2,535,769	3,432,465	1,571,137	7,539,371	11,160,113
Noncurrent Assets:					
Capital assets:					
Depreciable, net	4,249,745	142,708	500,846	4,893,299	4,142,414
Total Assets	6,785,514	3,575,173	2,071,983	12,432,670	15,302,528
Liabilities					
Current Liabilities:					
Vouchers and contracts payable	192,257	37,873	203,462	433,592	760,929
Accrued expenses payable	843	-	1,731	2,574	20,320
Compensated absences payable	-	4,853	-	4,853	4,304
Total Current Liabilities	193,100	42,727	205,193	441,020	785,552
Net Position					
Net investment in capital assets	4,249,745	142,708	500,846	4,893,299	4,142,414
Restricted for emergencies	4,048	782	293	5,123	7,667
Unrestricted	2,338,621	3,388,957	1,365,651	7,093,229	10,366,894
Total Net Position	\$ 6,592,414	\$ 3,532,446	\$ 1,866,790	\$ 11,991,651	\$ 14,516,976

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, 2016
(With Comparative Totals For the Year Ended December 31, 2015)

	2016			2015	
	Fleet Management	Information Technology	Facility Services	Total	Total
Operating Revenues					
Charges for services	\$ 2,726,561	\$ 2,525,402	\$ 1,685,446	\$ 6,937,409	\$ 6,942,906
Miscellaneous	70,223	(1,660)	-	68,563	57,317
Total Operating Revenues	2,796,784	2,523,742	1,685,446	7,005,972	7,000,223
Operating Expenses					
Salaries and benefits	340,231	1,093,261	273,059	1,706,551	1,515,919
Purchased services and charges	209,408	1,455,139	1,115,387	2,779,934	2,492,180
Materials and supplies	1,008,527	61,504	59,072	1,129,103	1,015,040
Depreciation	1,246,933	38,773	45,503	1,331,208	1,143,098
Total Operating Expenses	2,805,099	2,648,677	1,493,021	6,946,797	6,166,237
Operating Income (loss)	(8,315)	(124,935)	192,425	59,175	833,986
Nonoperating Revenues					
Investment earnings (loss)	64,710	26,053	9,773	100,537	200,601
Gain on disposition on the sale of capital assets	-	-	-	-	10,516
Total Nonoperating Revenues	64,710	26,053	9,773	100,537	211,117
Income (loss) Before Contributions and Transfers	56,395	(98,882)	202,199	159,712	1,045,102
Contributions	15,642	-	57,718	73,360	220,261
Transfers in	101,934	89,325	7,933	199,192	34,631
Transfers out	(2,600,000)	(287,890)	(69,700)	(2,957,590)	(18,900)
Change in Net Position	(2,426,029)	(297,447)	198,150	(2,525,326)	1,281,094
Total Net Position Beginning of Year	9,018,443	3,829,892	1,668,640	14,516,976	13,235,881
Total Net Position End of Year	\$ 6,592,414	\$ 3,532,446	\$ 1,866,790	\$ 11,991,651	\$ 14,516,976

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, 2016
(With Comparative Totals For the Year Ended December 31, 2015)

	2016			2015	
	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	\$ 2,803,903	\$ 2,523,742	\$ 1,679,028	\$ 7,006,672	\$ 7,047,141
Cash payments to employees for services	(340,231)	(1,092,711)	(271,328)	(1,704,271)	(1,513,114)
Cash payments for goods and services	(1,641,810)	(1,519,303)	(1,026,942)	(4,188,055)	(3,065,294)
Net Cash Provided by Operating Activities	<u>821,861</u>	<u>(88,272)</u>	<u>380,757</u>	<u>1,114,347</u>	<u>2,468,733</u>
Cash Flows from Noncapital Financing Activities					
Transfers in	101,934	89,325	7,933	199,192	34,631
Transfers out	(2,600,000)	(287,890)	(69,700)	(2,957,590)	(18,900)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(2,498,066)</u>	<u>(198,565)</u>	<u>(61,767)</u>	<u>(2,758,398)</u>	<u>15,731</u>
Cash Flows from Capital and Related Financing Activities					
Proceeds from sale of capital assets	-	-	-	-	20,600
Payments for capital acquisitions	(1,776,464)	(59,429)	(174,500)	(2,010,393)	(1,303,638)
Net Cash Used in Capital and Related Financing Activities	<u>(1,776,464)</u>	<u>(59,429)</u>	<u>(174,500)</u>	<u>(2,010,393)</u>	<u>(1,283,038)</u>
Cash Flows from Investing Activities					
Investment earnings	64,710	26,053	9,773	100,537	200,601
Net Increase in Cash and Cash Equivalents	(3,387,958)	(320,213)	154,264	(3,553,907)	1,402,027
Cash and Cash Equivalents Beginning of Year	<u>5,752,362</u>	<u>3,685,658</u>	<u>1,410,455</u>	<u>10,848,475</u>	<u>9,446,448</u>
Cash and Cash Equivalents End of Year	<u>\$ 2,364,404</u>	<u>\$ 3,365,445</u>	<u>\$ 1,564,718</u>	<u>\$ 7,294,568</u>	<u>\$ 10,848,475</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, 2016
(With Comparative Totals For the Year Ended December 31, 2015)

(continued)

	2016				2015
	Fleet Management	Information Technology	Facility Services	Total	Total
Reconciliation of Operating Income (loss) to Net Cash Provided by Operating Activities					
Operating Income (loss)	\$ (8,315)	\$ (124,935)	\$ 192,425	\$ 59,175	\$ 833,986
Adjustments:					
Depreciation	1,246,933	38,773	45,503	1,331,208	1,143,098
(Increase) Decrease in Assets:					
Accounts receivable	7,119	(1,577)	(6,418)	(876)	46,918
Inventory	76,376	-	-	76,376	(52,084)
Prepaid items	-	(8,664)	-	(8,664)	52,446
Increase (Decrease) in Liabilities:					
Vouchers and contracts payable	(495,977)	18,372	150,269	(327,336)	491,172
Accrued expenses	(5,117)	(10,791)	(2,752)	(18,660)	(49,607)
Compensated absences payable	843	549	1,731	3,123	2,805
Net Cash Provided by Operating Activities	\$ 821,861	\$ (88,272)	\$ 380,758	\$ 1,114,347	\$ 2,468,733
Noncash Capital Activities:					
Contributions of capital assets	\$ 15,642	\$ -	\$ 57,718	\$ 73,360	\$ 220,261

See accompanying independent auditor's report

*City of Commerce City, Colorado
Fleet Management Fund
Comparative Statement of Net Position
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
<i>Current Assets:</i>		
Equity in pooled cash and investments	\$ 2,364,404	\$ 5,752,362
Accounts receivable	16,341	23,460
Inventory	155,024	231,400
Total Current Assets	<u>2,535,769</u>	<u>6,007,222</u>
<i>Noncurrent Assets:</i>		
Capital assets:		
Depreciable, net	4,249,745	3,704,572
Total Assets	<u>6,785,514</u>	<u>9,711,795</u>
Liabilities		
<i>Current Liabilities:</i>		
Vouchers and contracts payable	192,257	688,234
Accrued expenses payable	-	5,117
Compensated absences payable	843	-
Total Current Liabilities	<u>193,100</u>	<u>693,351</u>
Net Position		
Net investment in capital assets	4,249,745	3,704,572
Restricted for emergencies	4,048	4,979
Unrestricted	2,338,621	5,308,892
Total Net Position	<u>\$ 6,592,414</u>	<u>\$ 9,018,443</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services:	\$ 2,726,561	\$ 2,726,561	\$ 2,726,561	\$ -	\$ 2,331,104
Investment earnings	-	-	64,710	64,710	110,988
Miscellaneous	-	-	70,223	70,223	54,979
Total Revenues	2,726,561	2,726,561	2,861,494	134,933	2,497,071
Other Financing Sources					
Gain (Loss) on sale of vehicles	-	-	-	-	10,516
Transfers in:					
Fleet Fund Balance	2,329,000	4,929,000	-	(4,929,000)	-
General Fund	98,000	101,934	101,934	-	5,265
Total Other Financing Sources	2,427,000	5,030,934	101,934	(4,929,000)	15,781
Total Revenues and Other Financing Sources	5,153,561	7,757,495	2,963,428	(4,794,067)	2,512,852
Expenditures					
Salaries and benefits	378,000	381,934	340,231	41,703	317,316
Purchased services and charges	211,385	211,385	209,408	1,977	371,060
Materials and supplies	945,800	945,800	1,008,527	(62,727)	879,803
Capital outlay - capitalized	2,329,000	2,329,000	1,776,464	552,536	1,297,578
Total Expenditures	3,864,185	3,868,119	3,334,631	533,488	2,865,757
Other Financing Uses					
Transfers out:					
Capital Expenditures Fund	-	2,600,000	2,600,000	-	-
Total Expenditures and Other Financing Uses	3,864,185	6,468,119	5,934,631	533,488	2,865,757
Net Income (Loss) (Budgetary Basis)	\$ 1,289,376	\$ 1,289,376	(2,971,202)	\$ (5,327,555)	(352,905)
Reconciliation to GAAP Basis -					
Net Income (loss)					
Deduct:					
Depreciation			(1,246,933)		(1,062,583)
Add:					
Contributions			15,642		220,261
Capitalized capital outlay			1,776,464		1,297,578
Net Income (loss)			(2,426,029)		102,351
Net Position Beginning of Year			9,018,443		8,916,092
Net Position End of Year			\$ 6,592,414		\$ 9,018,443

See accompanying independent auditor's report

*City of Commerce City, Colorado
Information Technology Fund
Comparative Statement of Net Position
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
<i>Current Assets:</i>		
Equity in pooled cash and investments	\$ 3,365,445	\$ 3,685,658
Accounts receivable	1,577	-
Prepaid items	<u>65,443</u>	<u>56,779</u>
Total Current Assets	<u>3,432,465</u>	<u>3,742,437</u>
<i>Noncurrent Assets:</i>		
Capital assets:		
Depreciable, net	<u>142,708</u>	<u>123,711</u>
Total Assets	<u>3,575,173</u>	<u>3,866,147</u>
Liabilities		
<i>Current Liabilities:</i>		
Vouchers and contracts payable	37,873	19,501
Accrued expenses payable	-	12,450
Compensated absences payable	<u>4,853</u>	<u>4,304</u>
Total Current Liabilities	<u>42,727</u>	<u>36,255</u>
Net Position		
Net investment in capital assets	142,708	123,711
Restricted for emergencies	782	2,686
Unrestricted	<u>3,388,957</u>	<u>3,703,495</u>
Total Net Position	<u>\$ 3,532,446</u>	<u>\$ 3,829,892</u>

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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services	\$ 2,525,402	\$ 2,525,402	\$ 2,525,402	\$ -	\$ 2,411,104
Investment earnings	-	-	26,053	26,053	67,733
Miscellaneous	-	-	(1,660)	(1,660)	2,338
Total Revenues	2,525,402	2,525,402	2,549,795	24,393	2,481,176
Other Financing Sources					
Transfers in:					
Facilities Services Fund	-	69,700	69,700	-	-
General Fund	-	19,625	19,625	-	25,588
Total Revenues and Other Financing Sources	2,525,402	2,614,727	2,639,120	24,393	2,506,763
Expenditures					
Salaries and benefits	1,152,468	1,160,548	1,093,261	67,288	968,070
Purchased services and charges	1,525,826	1,595,526	1,455,139	140,387	1,005,893
Materials and supplies	67,215	67,215	61,504	5,711	55,761
Capital outlay - capitalized	-	-	59,429	(59,429)	3,435
Total Expenditures	2,745,509	2,823,289	2,669,333	153,956	2,033,159
Other Financing Uses					
Transfers out:					
General Fund	-	-	11,545	-	-
Capital Expenditures Fund	276,345	287,891	276,345	11,546	18,900
Total Expenditures and Other Financing Uses	3,021,854	3,111,180	2,957,223	165,502	2,052,059
Net Income (Loss) (Budgetary Basis)	<u>\$ (496,452)</u>	<u>\$ (496,452)</u>	<u>(318,103)</u>	<u>\$ 189,895</u>	454,704
Reconciliation to GAAP Basis -					
Net Income (Loss):					
Deduct:					
Depreciation			(38,773)		(35,784)
Add:					
Contributions			-		3,435
Capitalized capital outlay			59,429		-
Net Income			(297,446)		422,355
Net Position Beginning of Year			<u>3,829,892</u>		<u>3,407,537</u>
Net Position End of Year			<u>\$ 3,532,446</u>		<u>\$ 3,829,892</u>

See accompanying independent auditor's report

*City of Commerce City, Colorado
Facilities Services Fund
Comparative Statement of Net Position
December 31, 2016 and 2015*

	<u>2016</u>	<u>2015</u>
Assets		
<i>Current Assets:</i>		
Equity in pooled cash and investments	\$ 1,564,718	\$ 1,410,455
Accounts receivable	6,418	-
<i>Current Assets:</i>	<u>1,571,137</u>	<u>1,410,455</u>
<i>Noncurrent Assets:</i>		
Capital assets:		
Depreciable, net	500,846	314,131
Total Assets	<u>2,071,983</u>	<u>1,724,586</u>
Liabilities		
<i>Current Liabilities:</i>		
Vouchers and contracts payable	203,462	53,193
Accrued expenses payable	-	2,752
Compensated absences payable	1,731	-
<i>Total Current Liabilities</i>	<u>205,193</u>	<u>55,946</u>
Net Position		
Net investment in capital assets	500,846	314,131
Restricted for emergencies	293	2
Unrestricted	1,365,651	1,354,507
Total Net Position	<u>\$ 1,866,790</u>	<u>\$ 1,668,640</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			Variance With Final Budget	2015
	Original Budget	Final Budget	Actual		Actual
Revenues					
Charges for services	\$ 1,685,446	\$ 1,685,446	\$ 1,685,446	\$ -	\$ 2,200,698
Investment earnings	-	-	9,773	9,773	21,879
Total Revenues	1,685,446	1,685,446	1,695,219	9,773	2,222,577
Other Financing Sources					
Transfers in:					
Retained Earnings	70,400	70,400	-	(70,400)	-
General Fund	-	7,933	7,933	-	3,777
Total Revenues and Other Financing Sources	1,755,846	1,763,779	1,703,153	(60,627)	2,226,354
Expenditures					
Salaries and benefits	300,671	308,604	273,059	35,545	230,532
Purchased services and charges	1,101,421	1,031,721	1,115,387	(83,666)	1,115,227
Materials and supplies	78,700	78,700	59,072	19,628	79,476
Capital outlay - capitalize and noncapitalized	275,054	275,054	174,500	100,554	-
Total Expenditures	1,755,846	1,694,079	1,622,018	72,062	1,425,235
Other Financing Uses					
Transfer out:					
Information Technology Fund	-	69,700	69,700	-	-
Total Expenditures and Other Financing Uses	1,755,846	1,763,779	1,691,718	72,062	1,425,235
Net Income on Budgetary Basis	<u>\$ -</u>	<u>\$ -</u>	<u>11,435</u>	<u>\$ 11,435</u>	<u>\$ 801,119</u>
Reconciliation to GAAP Basis - Net Income:					
Deduct:					
Depreciation			(45,503)		(44,731)
Add:					
Contributions			57,718		-
Capitalized capital outlay			174,500		-
Net Income			198,150		756,388
Net Position Beginning of Year			<u>1,668,640</u>		<u>912,252</u>
Net Position End of Year			<u>\$ 1,866,790</u>		<u>\$ 1,668,640</u>

See accompanying independent auditor's report

City of Commerce City, Colorado
Combining Statement of Fiduciary Net Position
Pension Trust Funds
December 31, 2016
(With Comparative Totals At December 31, 2015)

	2016			2015
	Police Pension	Elected Official Retirement	Fiduciary Funds Total	Total
Assets				
Equity in pooled cash and investments	\$ 372,820	\$ 258,226	\$ 631,046	\$ 628,229
Loans receivable	378,983	-	378,983	471,830
Mutual money market funds, at fair value	20,216,188	-	20,216,188	19,023,764
Total Assets	<u>20,967,991</u>	<u>258,226</u>	<u>21,226,217</u>	<u>20,123,823</u>
Net Position				
Held in trust for pension benefits	<u>\$ 20,967,991</u>	<u>\$ 258,226</u>	<u>\$ 21,226,217</u>	<u>\$ 20,123,823</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, 2016
(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	2016			2015
	Police Pension	Elected Official Retirement	Total	Total
Additions				
Contributions:				
City	\$ 673,776	\$ -	\$ 673,775	\$ 630,331
Employee	673,776	-	673,776	630,331
Investment earnings	2,817,172	1,377	2,818,548	458,331
Transfers in - General Fund	-	44,160	44,160	39,360
Total Additions	4,164,723	45,537	4,210,259	1,758,353
Deductions				
Administration	52,628	-	52,628	65,570
Benefits	-	42,720	42,720	39,360
Withdrawals	3,012,517	-	3,012,517	2,224,772
Total Deductions	3,065,145	42,720	3,107,865	2,329,702
Change in Net Position	1,099,578	2,817	1,102,394	(571,349)
Net Position Beginning of Year	19,868,413	255,409	20,123,823	20,695,171
Net Position End of Year	\$ 20,967,991	\$ 258,226	\$ 21,226,217	\$ 20,123,823

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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Additions		
Contributions:		
City	\$ 673,776	\$ 630,331
Employee	673,776	630,331
Investment earnings	<u>2,817,172</u>	<u>453,614</u>
Total Additions	<u>4,164,723</u>	<u>1,714,276</u>
Deductions		
Administration	52,628	65,570
Withdrawals	<u>3,012,517</u>	<u>2,224,772</u>
Total Deductions	<u>3,065,145</u>	<u>2,290,342</u>
Change in Net Position	<u>1,099,578</u>	(576,066)
Net Position Beginning of Year	<u>19,868,413</u>	<u>20,444,479</u>
Net Position End of Year	<u>\$ 20,967,991</u>	<u>\$ 19,868,413</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, 2016
With Comparative Actual Amounts for the Year Ended December 31, 2015

	2016			2015	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Additions					
Investment earnings	\$ -	\$ -	\$ 1,377	\$ 1,377	\$ 4,717
Transfers in	44,160	44,160	44,160	-	39,360
Total Additions	44,160	44,160	45,537	1,377	44,077
Deductions					
Benefits	44,160	44,160	42,720	1,440	39,360
Change in Net Position	\$ -	\$ -	2,817	\$ 2,817	4,717
Net Position Beginning of Year			255,409		250,692
Net Position End of Year			\$ 258,226		\$ 255,409

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, 2016

	Balance			Balance
	January 1, 2016	Additions	Deductions	December 31, 2016
Assets				
Equity in pooled cash and investments	\$ 1,933,365	\$ 231,118	\$ 48,940	\$ 2,115,544
Liabilities				
Accounts payable	\$ 469,862	\$ 33,916	\$ 22,866	\$ 480,912
Accounts payable - voluntary school	-	7,676	7,676	-
Vouchers payable	4,646	16,924	21,570	-
Accounts payable - SD #14	168,109	9,123	4,182	173,050
Accounts payable - SD #27J	1,290,749	185,204	14,371	1,461,582
Total Liabilities	\$ 1,933,365	\$ 252,843	\$ 70,665	\$ 2,115,544

See accompanying independent auditor's report

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

Exhibit

Financial Trends

I - XI

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.

Revenue Capacity

XII - XVII

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.

Debt Capacity

XVIII - XXII

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.

Demographic and Economic Information

XXIII - XXV

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.

Operating Information

XXVI - XXVIII

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.

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 Component¹ (Unaudited)
Last Ten Calendar Years
(accrual basis of accounting)

	For The Calendar Year Ended December 31,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities								(Restated)		
Net Investment in Capital Assets	\$ 201,799,792	\$ 197,650,977	\$ 195,061,090	\$ 187,936,817	\$ 172,652,902	\$ 158,988,291	\$ 157,355,252	\$ 161,004,264	\$ 165,526,117	\$ 169,907,974
Restricted	24,199,979	35,216,023	36,661,942	39,843,691	29,176,277	23,606,110	20,386,337	25,823,135	70,690,134	27,419,936
Unrestricted	50,897,023	40,905,902	41,043,706	58,023,655	71,560,562	76,485,107	65,902,483	62,405,216	16,024,010	73,294,692
Total	\$ 276,896,794	\$ 273,772,902	\$ 272,766,738	\$ 285,804,163	\$ 273,389,741	\$ 259,079,508	\$ 243,644,072	\$ 249,232,615	\$ 252,240,261	\$ 270,622,602
Business-type Activities										
Net Investment in Capital Assets	\$ 6,952,882	\$ 6,323,401	\$ 5,601,616	\$ 4,906,948	\$ 5,492,158	\$ 5,695,020	\$ (3,540,550)	\$ (4,040,151)	\$ (4,508,076)	\$ (4,962,678)
Unrestricted (deficit) ²	(5,996,178)	(6,476,749)	(6,590,854)	(6,457,619)	(6,024,619)	(6,386,566)	1,076,795	84,534	684,170	355,074
Total	\$ 956,704	\$ (153,348)	\$ (989,238)	\$ (1,550,671)	\$ (532,461)	\$ (691,546)	\$ (2,463,755)	\$ (3,955,617)	\$ (3,823,906)	\$ (4,607,604)
Total Primary Government										
Net Investment in Capital Assets	\$ 208,752,674	\$ 203,974,378	\$ 200,662,706	\$ 192,843,765	\$ 178,145,060	\$ 164,683,311	\$ 153,814,702	\$ 156,964,113	\$ 161,018,041	\$ 164,945,296
Restricted	24,199,979	35,216,023	36,661,942	39,843,691	29,176,277	23,606,110	20,386,337	25,823,135	70,690,134	27,419,936
Unrestricted	44,900,845	34,429,153	34,452,852	51,566,036	65,535,943	70,098,541	66,979,278	62,489,750	16,708,180	73,649,766
Total	\$ 277,853,498	\$ 273,619,554	\$ 271,777,500	\$ 284,253,492	\$ 272,857,280	\$ 258,387,962	\$ 241,180,317	\$ 245,276,998	\$ 248,416,354	\$ 266,014,998
Governmental Activities										
Net Investment in Capital Assets	72.9%	72.2%	71.5%	65.8%	63.2%	61.4%	64.6%	64.6%	65.6%	62.8%
Restricted	8.7%	12.9%	13.4%	13.9%	10.7%	9.1%	8.4%	10.4%	28.0%	10.1%
Unrestricted	18.4%	14.9%	15.0%	20.3%	26.2%	29.5%	27.0%	25.0%	6.4%	27.1%
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	726.8%	-4123.6%	-566.3%	-316.4%	-1031.5%	-823.5%	143.7%	102.1%	117.9%	107.7%
Unrestricted	-626.8%	4223.6%	666.3%	416.4%	1131.5%	923.5%	-43.7%	-2.1%	-17.9%	-7.7%
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	75.1%	74.5%	73.8%	67.8%	65.3%	63.7%	63.8%	64.0%	64.8%	62.0%
Restricted	8.7%	12.9%	13.5%	14.0%	10.7%	9.1%	8.5%	10.5%	28.5%	10.3%
Unrestricted	16.2%	12.6%	12.7%	18.1%	18.2%	27.1%	27.2%	27.7%	6.7%	27.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

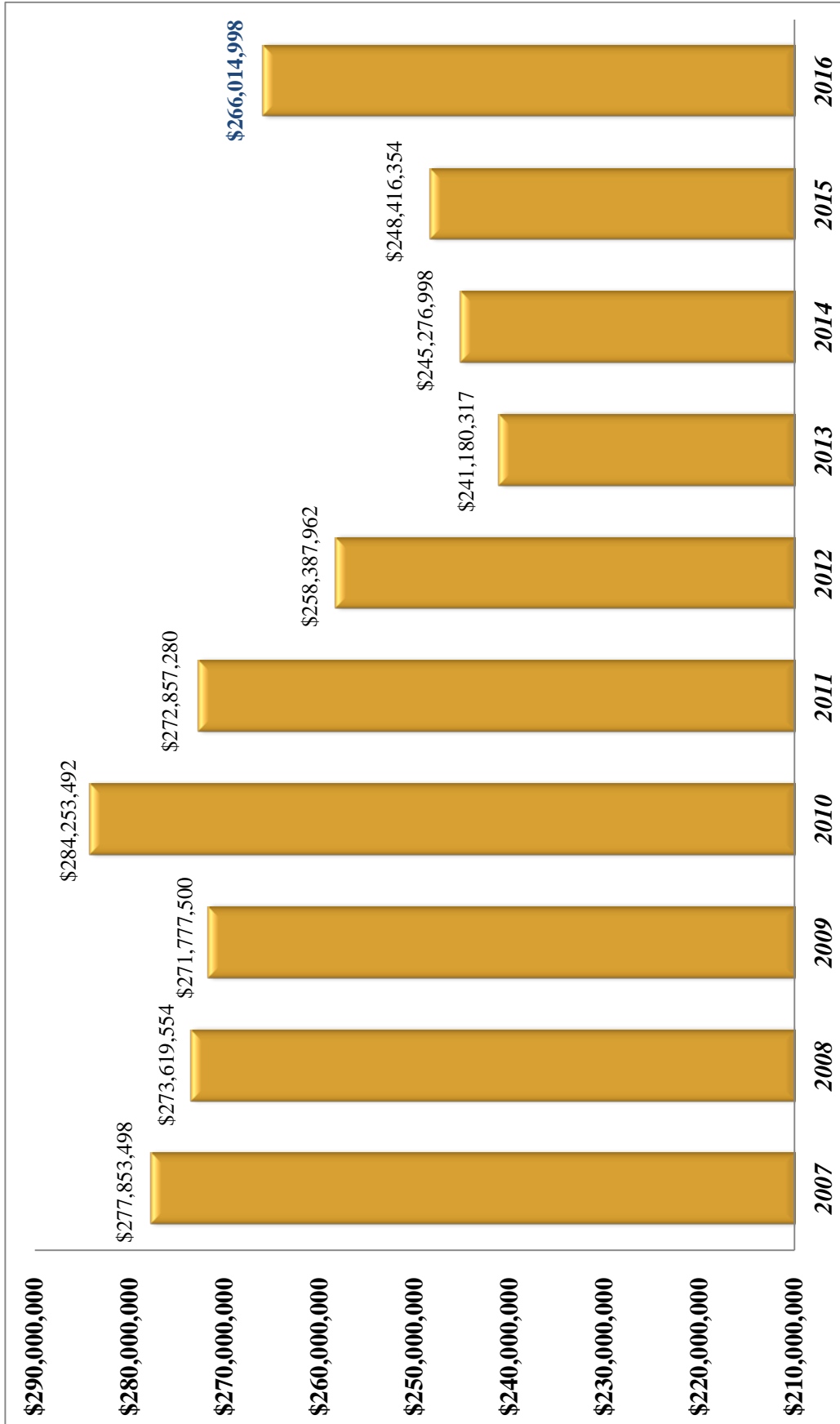
¹ Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets, restricted; and unrestricted. Net position are considered restricted only when (1) an external party, such as the State of Colorado or the federal government, 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,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
General government ⁵	\$ 14,262,649	\$ 13,595,170	\$ 13,904,175	\$ 12,738,525	\$ 16,447,412	\$ 14,459,589	\$ 17,900,457	\$ 18,048,736	\$ 17,269,638	\$ 17,228,391
Human resources ¹	500,225	596,156	602,019	652,609	817,107	850,988	740,491	950,390	952,096	976,141
Community development ⁴	3,825,428	3,547,786	3,464,452	3,354,574	3,522,548	4,213,383	3,467,187	3,408,731	3,408,731	3,929,739
Public safety	11,126,156	12,253,658	12,969,236	13,691,288	14,232,093	14,827,741	14,551,903	14,272,948	15,599,089	16,059,811
Public works ²	19,983,365	21,666,641	20,561,151	21,760,107	25,406,476	26,689,669	25,118,662	25,537,390	24,198,351	24,687,608
Parks, Recreation and Golf	6,029,934	6,052,183	6,366,292	6,816,406	7,569,219	8,439,968	8,439,968	8,627,413	11,280,173	12,913,063
Interest and fiscal charges	5,541,892	5,503,599	4,850,408	5,182,886	4,494,769	4,072,950	6,652,767	8,262,483	9,115,481	9,396,230
Total Expenses	61,269,649	63,215,193	62,717,733	64,196,395	72,489,624	73,705,288	78,861,531	81,166,547	81,823,558	85,190,982
Program Revenues:										
Charges for services:										
Fines	756,090	958,034	1,074,126	1,258,330	1,630,107	1,078,909	1,024,683	1,074,858	1,245,088	1,309,473
Parks and recreation	761,993	787,698	730,203	714,738	811,413	853,560	743,373	3,360,074	3,724,255	3,904,615
Impact fees	1,830,633	817,626	535,290	623,647	469,543	494,080	754,100	860,693	789,019	1,617,660
Water rights fees and sales	-	189,709	278,777	321,619	100,515	189,579	419,598	435,057	688,154	275,411
Building permits	971,235	817,820	461,541	792,190	866,302	841,494	1,000,069	1,266,718	1,450,246	1,452,504
Plan check fees	273,104	336,683	1,490,388	1,743,335	201,942	201,997	257,853	257,853	232,804	275,411
Other	1,472,583	1,379,162	1,343,023	1,671,249	1,659,508	1,556,505	1,745,850	1,764,681	2,059,182	2,307,941
Operating grants and contributions	1,992,195	1,999,486	774,525	1,122,157	937,741	788,938	341,810	378,293	503,376	445,213
Capital grants and contributions ²	14,497,538	2,267,814	10,151,868	1,564,668	2,360,758	1,935,167	6,414,329	4,732,804	5,610,936	9,375,833
Total Program Revenues	22,555,371	9,554,032	15,247,491	8,242,933	9,126,829	7,950,229	12,645,731	14,131,031	16,303,061	25,964,061
Net (Expense) Revenue	(38,714,278)	(53,661,161)	(47,470,242)	(55,953,462)	(63,362,795)	(65,755,059)	(66,215,802)	(67,035,515)	(65,520,495)	(59,226,921)
General Revenues:										
Taxes:										
Property	5,188,362	6,123,315	6,893,477	6,466,641	6,697,449	6,671,465	6,763,723	7,050,620	7,177,500	8,822,528
Sales and Use ^{3,6}	30,578,943	31,874,621	30,330,972	51,970,021	37,324,443	35,516,389	34,630,187	48,928,254	50,463,396	55,378,333
Specific ownership	478,676	510,503	502,773	427,252	415,350	442,228	490,182	548,138	604,186	679,629
Street and bridge	3,371,320	3,440,538	1,808,578	434,238	436,797	446,668	498,074	475,684	475,684	509,964
Franchise	2,120,437	2,452,393	2,382,718	2,620,463	2,619,162	2,749,246	2,808,129	2,893,110	2,976,560	2,914,395
Other	841,868	789,156	723,477	2,300,316	1,964,939	1,935,436	2,007,696	2,118,920	2,212,982	1,673,837
Gain on sale of capital assets	-	41,282	59,147	67,748	13,290	156,453	-	2,594,330	10,516	(52,240)
Investment earnings	5,433,333	2,782,977	1,653,193	1,211,130	2,605,099	1,032,235	(2,354,901)	2,870,410	1,537,783	802,674
Miscellaneous	2,812,655	1,724,314	1,643,299	3,044,934	2,949,926	3,588,779	4,405,791	3,193,013	3,015,451	5,801,299
Total General Revenues	50,825,594	49,739,099	45,997,634	68,342,743	55,026,455	52,525,388	49,197,475	71,279,058	68,474,057	76,530,418
Net Transfers In (Out)	2,200,000	798,170	466,444	448,144	87,464	490,895	1,582,891	1,345,000	28,480	1,078,846
Total Net Transfers and General Revenues	53,025,594	50,537,269	46,464,078	68,990,887	55,113,919	53,016,283	50,780,366	72,624,058	68,502,537	77,609,263
Change in Net Position	\$ 14,311,316	\$ (3,123,892)	\$ (1,006,164)	\$ 13,037,425	\$ (8,248,876)	\$ (12,738,776)	\$ (15,435,439)	\$ 5,588,543	\$ 2,982,042	\$ 18,382,342

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 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,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
General government ⁵	23.3%	21.5%	22.2%	19.8%	22.7%	19.6%	22.7%	22.2%	21.1%	20.2%
Human resources ¹	0.8%	0.9%	1.0%	1.0%	1.1%	1.2%	0.9%	1.2%	1.2%	1.1%
Community development ⁴	6.2%	5.6%	5.5%	5.2%	4.9%	5.7%	6.9%	4.3%	4.2%	4.6%
Public safety	18.2%	19.4%	20.7%	21.3%	19.6%	20.1%	18.5%	17.6%	19.1%	18.9%
Public works ²	32.6%	34.3%	32.8%	33.9%	35.0%	36.2%	31.9%	31.5%	29.6%	29.0%
Parks and recreation	9.8%	9.6%	10.2%	10.6%	10.4%	11.7%	10.7%	13.1%	13.8%	15.2%
Interest and fiscal charges	9.0%	8.7%	7.7%	8.1%	6.1%	8.2%	8.2%	10.2%	10.1%	11.0%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:										
Charges for services:										
Fines	3.4%	10.0%	7.0%	15.3%	17.9%	13.6%	8.1%	7.6%	7.6%	5.0%
Parks and recreation	3.4%	8.2%	4.8%	8.7%	8.9%	10.7%	5.9%	23.8%	22.8%	15.0%
Impact fees	8.1%	8.6%	3.5%	7.6%	5.1%	6.2%	6.0%	6.1%	4.8%	6.2%
Water rights fees	0.0%	2.0%	0.2%	3.9%	1.1%	2.4%	3.3%	3.1%	4.2%	1.1%
Building permits	4.3%	8.6%	3.0%	9.6%	9.5%	10.6%	7.9%	9.0%	8.9%	5.6%
Plan check fees	1.2%	3.5%	1.0%	2.1%	3.2%	2.7%	1.6%	1.8%	1.4%	1.1%
Other	6.5%	14.4%	8.8%	20.3%	18.3%	19.7%	18.1%	12.5%	12.6%	28.1%
Operating grants and contributions	8.8%	20.9%	5.1%	13.6%	10.3%	9.9%	2.7%	2.7%	3.1%	1.7%
Capital grants and contributions ²	62.7%	23.7%	66.6%	19.0%	25.8%	18.8%	50.7%	33.5%	33.4%	36.1%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:										
Taxes:										
Property	10.2%	12.3%	15.0%	9.4%	12.2%	12.7%	13.7%	9.9%	10.5%	11.5%
Sales ^{3,5}	60.2%	64.1%	65.9%	75.8%	67.8%	67.6%	70.4%	68.6%	73.7%	72.4%
Selective	0.9%	1.0%	1.1%	0.6%	0.8%	0.8%	1.0%	0.8%	0.9%	0.9%
Street and bridge taxes	6.6%	6.9%	3.9%	0.6%	0.8%	0.8%	0.9%	0.7%	0.7%	0.7%
Franchise taxes	4.2%	4.9%	5.2%	3.8%	4.8%	5.2%	5.7%	4.1%	4.3%	3.8%
Other	1.7%	1.6%	1.6%	3.4%	3.6%	3.7%	4.1%	3.0%	3.2%	2.2%
Gain on sale of capital assets	0.0%	0.1%	0.1%	0.1%	0.0%	0.3%	0.0%	3.6%	0.0%	-0.1%
Investment earnings	10.7%	5.6%	3.6%	1.8%	4.7%	2.0%	-4.8%	4.0%	2.2%	1.0%
Miscellaneous	5.5%	3.5%	3.6%	4.4%	5.4%	4.5%	5.3%	6.9%	5.4%	7.6%
Total General Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	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,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Golf course ²	\$ 1,840,031	\$ 1,844,817	\$ 1,749,606	\$ 2,354,627	\$ 2,444,128	\$ 2,483,443	\$ 2,515,214	\$ -	\$ -	\$ -
Finance Authority ¹	2,120,042	2,121,791	2,120,041	2,134,799	2,135,881	2,524,407	2,536,537	2,518,490	2,473,271	2,473,235
Total Expenses	3,960,073	3,966,608	3,869,647	4,489,426	4,580,009	5,007,850	5,051,751	2,518,490	2,473,271	2,473,235
Program Revenues										
Charges for services:										
Golf course	1,712,882	1,556,561	1,427,578	2,102,433	2,145,066	2,286,618	2,243,441	-	-	-
Solid waste management	634,341	579,994	591,644	793,675	1,469,745	657,788	682,659	361,564	632,972	753,333
Rents	1,118,136	1,467,933	1,469,239	1,469,806	696,373	1,467,806	1,857,807	2,006,231	1,997,632	2,003,419
Capital grants and contributions	-	-	-	-	1,319,483	2,502,655	72,692	-	-	-
Total Program Revenues	3,465,359	3,604,488	3,488,461	4,365,914	5,630,667	6,914,867	4,856,599	2,367,795	2,630,604	2,756,752
Net (Expense) Revenue	(494,714)	(362,120)	(381,186)	(123,512)	1,050,658	1,907,017	(195,152)	(150,695)	157,333	283,517
General Revenues										
Gain on the sale of capital assets	-	1,998	6,358	-	-	-	-	-	-	-
Investment earnings	249,532	20,137	5,382	(1,967)	14,937	11,115	(1,616)	3,833	2,858	11,631
Miscellaneous	11,971	28,103	-	12,190	40,079	3,004	7,450	-	-	-
Total General Revenues	261,503	50,238	11,740	10,223	55,016	14,119	5,834	3,833	2,858	11,631
Net Transfers In (Out)	(2,200,000)	(798,170)	(466,444)	(448,144)	(87,464)	(490,895)	(1,582,891)	(1,345,000)	(28,480)	(1,078,846)
Total General Revenues and Transfers	(1,938,497)	(747,932)	(454,704)	(437,921)	(32,448)	(476,776)	(1,577,057)	(1,341,167)	(25,622)	(1,067,215)
Change in Net Position	\$ (2,433,211)	\$ (1,110,052)	\$ (835,890)	\$ (561,433)	\$ 1,018,210	\$ 1,430,241	\$(1,772,209)	\$(1,491,862)	\$ 131,711	\$ (783,698)

Notes:

¹ This fund established in 2006.

² The golf course enterprise fund closed effective 1/1/2014, financial transactions are now part of the park and recreation department.

Data Source:

Applicable years' comprehensive annual financial report.

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

	For The Calendar Year Ended December 31,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	(Restated)									
Expenses:										
Governmental activities ¹	\$ 61,269,649	\$ 63,215,193	\$ 62,717,733	\$ 64,196,395	\$ 72,489,624	\$ 73,705,288	\$ 78,861,531	\$ 81,166,547	\$ 81,823,558	\$ 85,190,982
Business-type activities ²	3,960,073	3,966,608	3,869,647	4,489,426	4,580,009	5,007,850	5,051,751	2,518,490	2,473,271	2,473,235
Total Expenses	65,229,722	67,181,801	66,587,380	68,685,821	77,069,633	78,713,138	83,913,282	83,685,037	84,296,829	87,664,217
Program Revenues:										
Governmental activities ¹	22,555,371	9,554,032	15,247,491	15,247,491	9,126,829	7,950,229	12,645,731	14,131,031	16,328,663	25,964,061
Business-type activities ²	3,465,359	3,604,488	3,488,461	3,488,461	5,630,667	6,914,867	4,856,599	2,367,795	2,630,604	2,756,752
Total Program Revenues	26,020,730	13,158,520	18,735,952	18,735,952	14,757,496	14,865,096	17,502,330	16,498,826	18,959,267	28,720,813
Net (Expense) Revenue	(39,208,992)	(54,023,281)	(47,851,428)	(49,949,869)	(62,312,137)	(63,848,042)	(66,410,952)	(67,186,211)	(65,337,561)	(58,943,404)
General Revenues and Transfers:										
Governmental activities ¹	53,025,594	50,537,269	46,464,078	68,990,887	55,113,919	53,016,283	50,780,366	72,624,058	68,502,537	77,609,263
Business-type activities ²	(1,938,497)	(747,932)	(454,704)	(437,921)	(32,448)	(476,776)	(1,577,057)	(1,341,167)	(25,622)	(1,067,215)
Total General Revenues and Transfers	51,087,097	49,789,337	46,009,374	68,552,966	55,081,471	52,539,507	49,203,309	71,282,891	68,476,915	76,542,048
Change in Net Position	\$ 11,878,105	\$ (4,233,944)	\$ (1,842,054)	\$ 18,603,097	\$ (7,230,666)	\$ (11,308,535)	\$ (17,207,643)	\$ 4,096,680	\$ 3,139,356	\$ 17,598,644

Data Source:

¹ See Exhibit II

² See Exhibit IV

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

	For The Calendar Year Ended December 31,			
	2007	2008	2009	2010
General Fund				
Reserved	\$ 832,700	\$ 882,719	\$ 8,622,347	\$ 8,654,854
Unreserved	6,210,200	7,178,419	15,303,280	35,919,583
Subtotal General Fund	7,042,900	8,061,138	23,925,627	44,574,437
General Fund Percentage Change	-18.4%	14.5%	196.8%	86.3%
All Other Governmental Funds				
Reserved	38,398,143	46,342,591	38,763,033	36,589,993
Unreserved:				
Special Revenue Funds ³	13,029,449	13,074,677	2,999,564	3,085,693
Capital Projects Funds ²	29,342,699	23,112,209	24,328,314	23,385,483
Subtotal All Other Governmental Funds	80,770,291	82,529,477	66,090,911	63,061,169
All Other Governmental Funds Percentage Change	-24.7%	2.2%	-19.9%	-4.6%
Total Governmental Funds				
Reserved	39,230,843	47,225,310	47,385,380	45,244,847
Unreserved	48,582,348	43,365,305	42,631,158	62,390,759
Total Governmental Funds	\$ 87,813,191	\$ 90,590,615	\$ 90,016,538	\$107,635,606
All Governmental Funds Percentage Change	-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 substantial unspent capital projects fund's fund balances.

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 increased general fund's fund balance and a decreased special revenue fund's fund balance.

Data Source:

Applicable years' comprehensive annual financial report.

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

	For The Calendar Year Ended December 31,					
	2011	2012	2013	2014	2015	2016
General Fund						
<i>Nonspendable:</i>						
Inventory	\$ 2,770	\$ 1,895	\$ 38,011	\$ 43,085	\$ 45,513	\$ 46,225
Prepaid items	15,596	66,261	55,999	58,964	8,264	4,452
Long-term notes	11,482,660	13,961,916	6,566,774	61,819	71,385	65,296
Total nonspendable	11,501,026	14,030,072	6,660,784	163,868	125,162	115,973
<i>Restricted:</i>						
Emergencies	1,374,820	1,441,810	1,394,502	2,125,387	2,041,031	2,295,847
Capital outlay and operations	-	-	-	8,310,665	4,643,876	18,882,326
Total restricted	1,374,820	1,441,810	1,394,502	10,436,052	6,684,907	21,178,173
<i>Committed - court surcharge</i>	517,154	529,824	430,478	330,436	265,994	4,931
<i>Assigned:</i>						
Operating reserved	4,621,503	4,685,990	5,069,900	5,285,332	5,469,947	5,731,937
Safeguards	6,648,559	6,715,746	7,103,656	9,591,825	9,642,472	11,056,343
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	15,112,419	16,788,280
<i>Unassigned</i>	10,354,842	5,836,822	1,498,539	5,689,832	17,392,957	10,861,695
Total General Fund	\$ 41,679,415	\$ 35,647,539	\$24,850,675	\$ 31,497,345	\$ 39,581,438	\$ 48,949,051
General Fund % Change						
<i>From Prior Year</i>	-7.4%	-14.5%	-30.3%	26.7%	25.7%	55.4%
All Other Governmental Funds						
<i>Nonspendable</i>	\$ 4,051,340	\$ 10,893,726	\$13,659,072	\$ 17,218,123	\$ 19,657,699	\$ 13,503,653
<i>Restricted:</i>						
Emergencies	242,270	158,097	329,241	2,530,778	174,153	1,956,604
Capital projects	14,522,247	14,695,675	14,524,471	73,729,813	61,610,612	102,963,293
Debt service	16,008,506	16,248,149	15,023,319	9,604,099	-	6,758
Urban renewal	892,822	-	-	1,507,261	1,655,143	2,122,750
Public safety	36,690	34,287	33,735	48,685	51,764	-
Parks and recreation	229,548	188,494	251,087	236,611	178,797	-
Public works	224,342	241,669	254,947	277,760	298,474	-
Total restricted	32,156,425	31,566,371	30,416,800	87,935,007	63,968,944	107,049,405
<i>Committed:</i>						
Capital projects	13,586,808	1,796,408	1,867,718	7,685,089	4,645,529	9,903,574
Water rights	1,312,397	1,594,878	1,931,326	2,959,737	3,729,745	1,774,946
Total committed	14,899,205	3,391,286	3,799,044	10,644,826	8,375,273	11,678,520
<i>Assigned:</i>						
Capital projects	8,781,925	13,649,026	12,256,508	6,307,727	8,820,151	18,442,427
Debt service	1,060,349	1,087,630	1,679,447	3,046,536	2,678,825	2,499,381
Total assigned	9,842,274	14,736,656	13,935,955	9,354,263	11,498,976	20,941,808
<i>Unassigned:</i>						
Deficit	\$ -	\$ (149,875)	\$ (5,620,946)	\$ (55,378)	\$ 202,118	\$ (531,224)
Subtotal All Other Governmental Funds	\$ 60,949,244	\$ 60,438,164	\$56,189,925	\$125,096,841	\$ 103,298,774	\$ 152,642,162
Total Governmental Funds	\$ 102,628,659	\$ 96,085,703	\$81,040,600	\$156,594,186	\$ 142,880,212	\$ 201,591,212
All Other Governmental Funds						
Percentage Change	-4.7%	-6.3%	-15.7%	93.2%	-9.3%	41.1%

Notes:

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

Data Source:

Applicable years' comprehensive annual financial report.

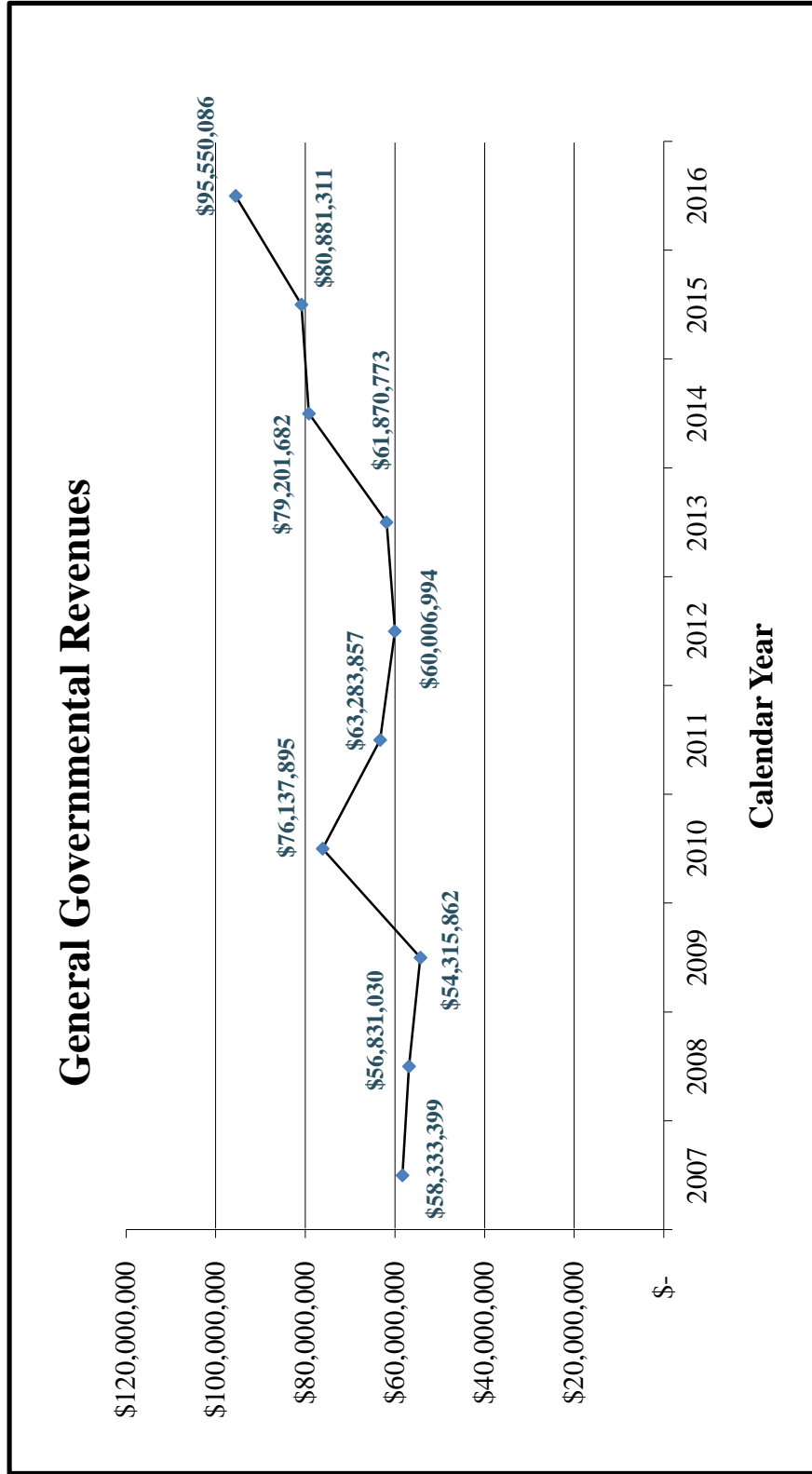
City of Commerce City, Colorado
General Governmental Revenues by Source (Unaudited) ¹
Last Ten Calendar Years
(modified accrual basis of accounting)

Revenue Source	For The Calendar Year Ended December 31,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	Amounts									
Taxes ²	\$ 42,268,892	\$ 44,888,577	\$ 42,641,995	\$ 64,218,931	\$ 49,458,140	\$ 47,747,921	\$ 47,146,585	\$ 62,037,116	\$ 63,910,308	\$ 70,711,661
Intergovernmental	1,969,412	2,029,825	1,981,140	2,226,237	1,005,266	2,592,159	4,170,519	2,519,646	2,472,275	4,145,111
Licenses and permits	1,416,628	1,159,365	974,838	974,838	2,678,222	973,393	1,142,045	1,419,125	1,566,929	2,226,495
Fines and forfeitures	756,090	958,034	1,258,330	1,258,330	1,630,107	1,078,909	1,024,683	1,074,858	1,245,088	1,309,473
Charges for services	3,892,920	2,892,662	3,341,377	3,341,377	3,192,957	3,173,822	3,722,863	6,525,951	7,065,610	11,154,651
Sale of water rights	-	-	-	-	-	-	-	-	-	275,411
Contributions ⁴	-	-	-	-	-	-	-	-	-	20,932
Special assessments	27,775	16,763	10,393	10,393	16,153	11,338	6,403	639	1,768	4,452
Investment earnings ²	5,153,528	2,595,563	1,117,962	1,117,962	2,392,127	932,928	(2,035,683)	2,477,146	1,335,923	700,433
Interest and penalties ³	310,714	301,949	4,966	4,966	3,423	2,225	1,835	131	1,259	1,704
Miscellaneous	2,537,440	1,988,292	2,984,861	2,984,861	2,907,462	3,494,299	6,691,523	3,147,070	3,282,151	4,999,761
Total Revenues	\$ 58,333,399	\$ 56,831,030	\$ 54,315,862	\$ 76,137,895	\$ 63,283,857	\$ 60,006,994	\$ 61,870,773	\$ 79,201,682	\$ 80,881,311	\$ 95,550,086
% change from prior year	-8.7%	-2.6%	-8.2%	45.9%	-16.9%	-5.2%	3.1%	28.0%	1.6%	20.6%
	Percentage of Total									
Taxes	72.5%	79.0%	78.5%	84.3%	78.2%	79.6%	76.2%	78.3%	79.0%	74.0%
Intergovernmental	3.4%	3.6%	3.6%	2.9%	1.6%	4.3%	6.7%	3.2%	3.1%	4.3%
Licenses and permits	2.4%	2.0%	1.8%	1.3%	4.2%	1.6%	1.8%	1.8%	1.9%	2.3%
Fines and forfeitures	1.3%	1.7%	2.3%	1.7%	2.6%	1.8%	1.7%	1.4%	1.5%	1.4%
Charges for services	6.7%	5.1%	6.2%	4.4%	5.0%	5.3%	6.0%	8.2%	8.7%	11.7%
Special assessments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment earnings	8.8%	4.6%	2.1%	1.5%	3.8%	1.6%	-3.3%	3.1%	1.7%	0.7%
Interest and penalties	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Miscellaneous	1.4%	1.7%	5.5%	3.9%	4.6%	5.8%	10.8%	4.0%	4.1%	5.2%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.7%

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.
- ⁴ Includes contributions from all governmental Funds

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								
2007 ²	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 ³	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
2015	7,177,500	604,186	50,463,396	2,976,560	1,616,231	392,171	680,263	63,910,308
2016	8,822,528	679,629	55,378,333	2,914,395	1,673,837	427,439	815,500	70,711,661
% Change in Dollars								
Over 10 Years	70.0%	42.0%	81.1%	37.4%	53.8%	-76.6%	-17.1%	67.3%
Percentage of Total								
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%
2015	11.2%	0.9%	79.0%	4.7%	2.5%	0.6%	1.1%	100.0%
2016	12.5%	1.0%	78.3%	4.1%	2.4%	0.6%	1.2%	100.0%

Notes:

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

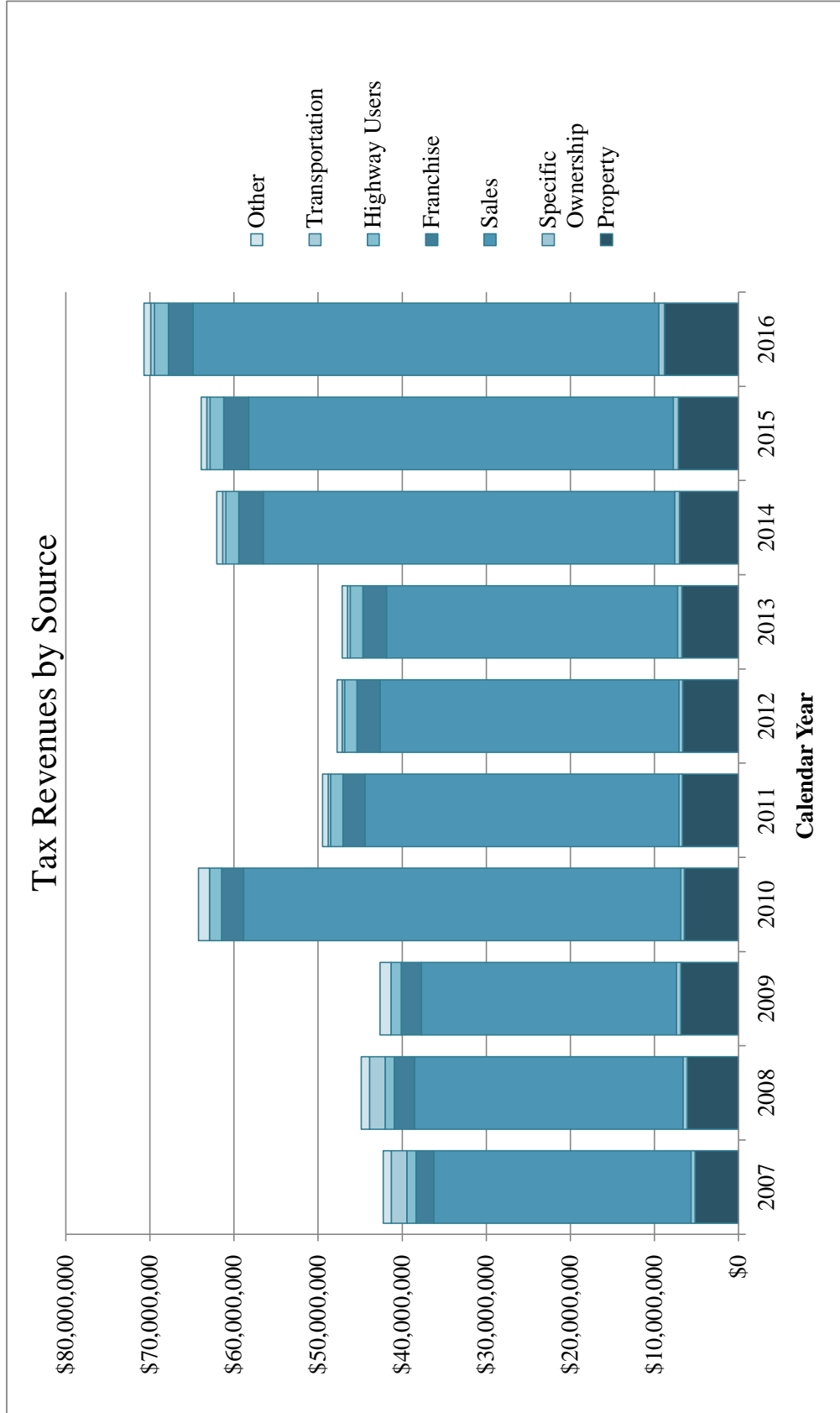
² In 2007, the local economy deteriorated substantially, resulting in decreases in sales tax revenue.

³ 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)



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

Function	For the Calendar Year Ended December 31,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Current:										
General government ³	\$ 12,344,115	\$ 12,904,813	\$ 12,547,698	\$ 13,049,858	\$ 15,974,790	\$ 13,301,591	\$ 16,762,932	\$ 17,732,572	\$ 17,235,593	\$ 17,133,818
Human resources	500,225	590,350	597,790	646,519	810,819	844,554	732,398	944,112	943,726	970,420
Community development	3,736,265	3,482,500	3,260,286	3,559,877	3,549,080	4,254,719	5,398,904	3,497,158	3,437,157	3,885,911
Public safety	10,921,627	11,870,083	12,311,251	13,486,079	14,121,885	14,753,922	14,294,055	14,216,866	15,240,423	15,694,990
Public works	5,438,256	5,524,594	6,228,428	6,491,376	6,598,923	7,160,016	7,109,305	7,617,254	7,388,869	7,650,397
Parks, Recreation and Golf	4,703,643	4,993,212	5,193,684	5,899,617	6,267,163	6,355,860	6,362,705	9,154,146	9,846,433	10,941,760
Total Current	37,644,131	39,365,552	40,139,137	43,133,326	47,322,660	46,670,662	50,660,299	53,162,108	54,092,202	56,277,296
% Change From Prior Year	8.0%	4.6%	2.0%	7.5%	9.7%	-1.4%	8.5%	4.9%	1.7%	4.0%
Capital Outlay ²	45,439,476	42,467,306	6,828,986	10,773,036	13,616,022	14,669,901	11,171,562	24,686,331	27,275,214	36,734,117
% Change From Prior Year	-35.7%	-6.5%	-83.9%	57.8%	26.4%	7.7%	-23.8%	121.0%	10.5%	34.7%
Debt Service										
Principal	875,000	1,735,000	1,800,000	1,890,000	1,357,895	1,534,165	5,081,142	2,828,438	4,860,508	4,758,636
Interest and fees	5,461,640	5,312,233	4,769,501	5,084,890	4,313,921	4,111,503	5,772,597	6,764,165	9,232,242	8,863,367
Bond issuance costs	-	305,893	-	-	-	-	2,071,222	592,270	454,031	634,430
Payment to escrow agent	-	-	-	-	1,572,248	-	-	-	-	-
Total Debt Service	6,336,640	7,353,126	6,569,501	6,974,890	7,244,064	5,645,668	12,924,961	10,184,873	14,546,781	14,256,432
% Change From Prior Year	-18.2%	16.0%	-10.7%	6.2%	3.9%	-22.1%	128.9%	-21.2%	42.8%	-2.0%
Total Expenditures	\$ 89,420,247	\$ 89,185,984	\$ 53,537,624	\$ 60,881,252	\$ 68,182,746	\$ 66,986,231	\$ 74,756,822	\$ 88,033,312	\$ 95,914,196	\$ 107,267,845
% Change From Prior Year	-21.1%	-0.3%	-40.0%	13.7%	12.0%	-1.8%	11.6%	17.8%	9.0%	11.8%
Debt Service as a % of Noncapital Expenditures	14.4%	15.6%	13.9%	14.0%	12.7%	10.1%	20.4%	13.3%	17.2%	14.9%

Notes:

- ¹ Includes all governmental fund types.
- ² 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.
- ³ 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 Calendar Year Ended December 31,									
Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Current:										
General government	\$ 12,344,115	\$ 12,904,813	\$ 12,547,698	\$ 13,049,858	\$ 15,974,790	\$ 13,301,591	\$ 16,762,932	\$ 17,732,572	\$ 17,235,593	\$ 17,133,818
Human resources	500,225	590,350	597,790	646,519	810,819	844,554	732,398	944,112	943,726	970,420
Community development	3,736,265	3,482,500	3,260,286	3,559,877	3,549,080	4,254,719	5,398,904	3,497,158	3,437,157	3,885,911
Public safety	10,921,627	11,870,083	12,311,251	13,486,079	14,121,885	14,753,922	14,294,055	14,216,866	15,240,423	15,694,990
Public works	5,438,256	5,524,594	6,228,428	6,491,376	6,598,923	7,160,016	7,109,305	7,617,254	7,388,869	7,650,397
Parks, Recreation and Golf	4,703,643	4,993,212	5,193,684	5,899,617	6,267,163	6,355,860	6,362,705	9,154,146	9,846,433	10,941,760
Total Current	\$ 37,644,131	\$ 39,365,552	\$ 40,139,137	\$ 43,133,326	\$ 47,322,660	\$ 46,670,662	\$ 50,660,299	\$ 53,162,108	\$ 54,092,202	\$ 56,277,296
	Percentage of Total									
Current:										
General government	32.8%	32.8%	31.3%	30.3%	33.8%	28.5%	33.1%	33.4%	31.9%	30.4%
Human resources	1.3%	1.5%	1.5%	1.5%	1.7%	1.8%	1.4%	1.8%	1.7%	1.7%
Community development	9.9%	8.8%	8.1%	8.3%	7.5%	9.1%	10.7%	6.6%	6.4%	6.9%
Public safety	29.0%	30.2%	30.7%	31.3%	29.8%	31.6%	28.2%	26.7%	28.2%	27.9%
Public works	14.4%	14.0%	15.5%	15.0%	13.9%	15.3%	14.0%	14.3%	13.7%	13.6%
Parks, Recreation and Golf	12.5%	12.7%	12.9%	13.7%	13.2%	13.6%	12.6%	17.2%	13.7%	19.4%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable years' 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)

	For The Calendar Year Ended December 31,									
Source	2007	2008	2009	2010	2011	2012	2013	2014	2015 ³	2016
Total Revenues	\$ 58,333,399	\$ 56,831,030	\$ 54,315,862	\$ 76,137,895	\$ 63,283,857	\$ 60,006,994	\$ 61,870,773	\$ 79,201,682	\$ 80,881,310	\$ 95,550,086
Total Expenditures	89,420,247	89,185,984	53,537,624	60,881,252	68,182,746	66,986,231	74,756,822	88,033,312	95,914,196	107,267,845
Excess (Deficiency) of Revenues Over (Under) Expenditures	(31,086,848)	(32,354,954)	778,238	15,256,643	(4,898,889)	(6,979,237)	(12,886,049)	(8,831,630)	(15,032,886)	(11,717,759)
Other Financing Sources										
Sale of capital assets	1,680,227	-	5,753	-	-	-	-	4,304,656	-	-
Issuance of long-term debt	-	35,500,000	-	2,045,763	-	-	86,400,000	73,445,000	52,645,000	54,460,000
Bond premium	-	-	-	-	-	-	6,615,706	5,157,213	5,219,129	12,174,430
Payment to refunding bond escrow agent	-	-	-	-	-	-	(89,998,038)	-	(56,991,439)	-
Lease purchase agreement	-	-	-	-	-	-	1,929,648	-	-	-
Bond discount	-	(337,250)	-	-	-	-	-	-	-	-
Transfers in	46,092,880	38,305,521	32,960,247	6,648,608	9,857,192	10,589,271	6,867,429	18,606,259	8,354,818	26,016,713
Transfers out	(44,758,306)	(38,335,893)	(32,182,824)	(6,331,946)	(9,886,248)	(10,152,989)	(13,973,799)	(17,127,912)	(8,381,429)	(22,223,630)
Total Other Financing Sources	3,014,801	35,132,378	783,176	2,362,425	(29,056)	436,282	(2,159,054)	84,385,216	846,080	70,427,513
Net Change in Fund Balances	(28,072,047)	2,777,424	(574,077)	17,619,068	(4,927,945)	(6,542,955)	(15,045,103)	76,137,775	(14,186,806)	58,709,754
Fund Balances, Beginning of Year²	115,885,238	87,813,191	90,590,615	90,016,538	107,556,604	102,628,659	96,085,704	81,040,600	157,068,264	142,881,460
Other Changes¹	-	-	-	(79,002)	-	-	-	-	-	-
Fund Balances, End of Year	\$ 87,813,191	\$ 90,590,615	\$ 90,016,538	\$ 107,556,604	\$ 102,628,659	\$ 96,085,704	\$ 81,040,600	\$ 157,178,375	\$ 142,881,451	\$ 201,591,213

Notes:

¹ Generally includes restatements of prior year fund balances.

² 2014 ending balance was restated in 2015

³ 2015 ending balance was understated

Data Source:

Applicable years' comprehensive annual financial report.

City of 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	
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%
2015	4.50%	2.90%	0.75%	1.00%	0.10%	0.00%	9.25%
2016	4.50%	2.90%	0.75%	1.00%	0.10%	0.00%	9.25%

Notes:

¹The 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".

City of Commerce City, Colorado
Principal Sales and Use Tax Taxpayers (Unaudited) ¹
Calendar Years 2016 and 2007

Type of Business:	2016	
	Amount	Percentage
Refinery	\$ 3,909,777	7.1%
Utility	3,573,170	6.5%
Retail	1,470,842	2.7%
Retail	1,003,205	1.8%
Utility	892,263	1.6%
Retail	784,597	1.4%
Retail	735,840	1.3%
Retail	509,657	0.9%
Retail	457,553	0.8%
Retail	399,041	0.7%
Total Principal Taxpayers	13,735,944	24.8%
All Other Taxpayers	41,642,389	75.2%
Total Taxpayers	\$ 55,378,333	100.0%
	2007 ³	
Type of Business:	Amount	Percentage
Utility	\$ 1,763,959	5.8%
Refinery	1,535,753	5.0%
Retail	1,162,981	3.8%
Utility	348,315	1.1%
Retail	282,497	0.9%
Utility	278,340	0.9%
Retail	233,837	0.8%
Retail	222,701	0.7%
Retail	199,787	0.7%
Retail	192,355	0.6%
Total Principal Taxpayers	6,220,525	20.3%
All Other Taxpayers ²	24,358,418	79.7%
Total Taxpayers	\$ 30,578,943	100.0%

Notes:

¹ Colorado law does not allow disclosure of individual taxpayers.

² Amount includes audit revenue.

³ Information as submitted in prior year CAFR.

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

Calendar Year	Amounts											Total Direct Tax Rate ²	Estimated Actual Value ³	Annual Percentage Change
	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			
2007	202,287,210	126,991,100	16,343,230	47,555,380	940,060	175,110	462,590	177,763,960	845,160	573,343,800	3,280	3,818,634,859	1.5%	
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	4,241,353,182	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	4,024,280,642	-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	3,970,455,224	-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	4,048,808,252	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	4,230,949,976	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	4,293,320,328	1.5%	
2015	238,260,070	236,533,030	27,239,130	27,143,070	405,450	413,040	20	254,618,390	5,022,600	789,634,800	3,280	4,893,574,400	14.0%	
2016	246,922,800	237,284,210	27,500,720	24,427,960	168,260	406,670	20	249,758,620	4,973,920	791,443,180	3,128	4,979,313,799	1.8%	
% Change From 2007 - 2016	22.1%	86.9%	68.3%	-48.6%	-82.1%	132.2%	-100.0%	40.5%	488.5%	38.0%		30.4%		
Assessment Ratio	7.96%	29.00%	29.00%	29.00%	87.50%	29.00%	29.00%	29.00%	29.00%					
	Percentage of Total													
2007	35.3%	22.1%	2.9%	8.3%	0.2%	0.0%	0.1%	31.0%	0.3%	100.0%		100.0%		
2008	31.8%	26.5%	3.9%	6.9%	0.1%	0.0%	0.1%	30.6%	0.1%	100.0%		100.0%		
2009	28.0%	27.6%	3.8%	5.3%	0.1%	0.0%	0.1%	34.8%	0.1%	100.0%		100.0%		
2010	28.2%	27.6%	3.7%	4.8%	0.1%	0.0%	0.0%	35.5%	0.1%	100.0%		100.0%		
2011	27.2%	29.2%	3.7%	4.3%	0.1%	0.0%	0.0%	35.3%	0.2%	100.0%		100.0%		
2012	27.1%	29.6%	3.6%	4.0%	0.1%	0.0%	0.0%	35.1%	0.5%	100.0%		100.0%		
2013	25.1%	29.8%	3.6%	3.7%	0.1%	0.0%	0.0%	37.0%	0.5%	100.0%		100.0%		
2014	25.9%	29.9%	3.6%	3.3%	0.1%	0.0%	0.0%	36.6%	0.5%	100.0%		100.0%		
2015	30.2%	30.0%	3.4%	3.4%	0.1%	0.0%	0.0%	32.2%	0.6%	100.0%		100.0%		
2016	31.2%	30.0%	3.5%	3.1%	0.0%	0.1%	0.0%	31.6%	0.6%	100.0%		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
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
2015	3.280	27.000	45.080	49.359	26.817	N/A
2016	3.128	27.000	43.154	49.317	27.055	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
Property Tax Levies and Collections ¹ (Unaudited)
Last Ten Calendar Years

Levy Year	Collection Year	Total Tax Levy	Current Year ² Collections	Percentage of Levy
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	2,331,857	96.2%
2015	2016	2,590,002	2,585,369	99.8%
2016	2017	2,475,321	-	0.0%

Notes:

¹ The amounts reported in this table exclude the GID taxes.

² 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, 2016 and 2007

2016				
Principal Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Suncor Energy	Refinery	\$ 126,670,030	1	16.01%
Public Service Co. of Colorado	Utility	15,848,340	2	2.00%
D and M Division of STC	Telecommunications	12,573,860	3	1.59%
Quest Corporation FKA US West	Telephone	8,277,400	4	1.05%
Lineage Master 2 RE LLC	Warehouse	8,073,550	5	1.02%
ARC3 FECMCCO01 LLC	-	6,054,850	6	0.77%
BT-OH, LLC	Commercial Building	5,784,460	7	0.73%
Caleast NAT LLC	Distribution Warehouse	4,826,750	8	0.61%
FedEx Corporate Services, Inc.	Courier	4,658,020	9	0.59%
Kew Realty Corporation	Commercial Realty	4,523,810	10	0.57%
Total Principal Taxpayers		197,291,070		24.93%
All Other Taxpayers		594,052,110		75.07%
Total Taxpayers		\$ 791,343,180		100.00%
2007 ¹				
Principal Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Suncor Energy	Refinery	\$ 107,262,370	1	18.71%
Quest Corporation FKA US West	Telephone	9,387,300	2	1.64%
Con Agra Floor Milling	Mill	6,751,660	3	1.18%
Shea Homes Limited Partnership	Developer	5,267,130	4	0.92%
BT-OH, LLC	Commercial Building	3,899,390	5	0.68%
1480 Welton Inc.	Commercial Building	3,717,990	6	0.65%
Public Service Co. of Colorado	Utility	3,335,130	7	0.58%
United Parcel Service - Rocky Mountain	Courier	3,261,690	8	0.57%
Richmond American Homes of Colorado	Developer	3,165,860	9	0.55%
Shamrock Food Company	Distribution	2,840,030	10	0.50%
Total Principal Taxpayers		148,888,550		25.97%
All Other Taxpayers		424,455,250		74.03%
Total Taxpayers		\$ 573,343,800		100.00%

¹ Information as submitted in prior year CAFR

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			Personal Income ²	Estimated Population	Total Debt Per Capita
	General Obligation Bonds	Sales Tax Revenue Bonds	Lease Purchase Agreement	Total	Certificates of Participation	Total			
2007	54,590,000	67,045,000	-	121,635,000	31,174,739	31,174,739	152,809,739	37,874	3,212
2008 ¹	90,090,000	65,310,000	-	155,400,000	31,173,865	31,173,865	186,573,865	39,249	3,959
2009	90,090,000	63,510,000	-	153,600,000	31,172,991	31,172,991	184,772,991	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	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	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	48,421	3,096
2013 ³	91,102,299	56,960,161	1,862,209	149,924,669	30,748,019	30,748,019	180,672,688	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	49,203	4,579
2015	94,133,634	138,616,212	1,583,263	234,333,109	29,577,338	29,577,338	263,910,447	51,762	4,527
2016	99,729,968	214,655,192	1,419,627	315,804,787	28,968,595	28,968,595	344,773,382	53,696	5,881

Notes:

¹ In 2008, the City issued \$35,500,000 in general obligation variable rate bonds which funded various infrastructure projects, primarily 104th street.

² Exhibit XXIII - information available only for Adams County.

³ 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
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
2015	94,133,634	461,756	93,671,878	1.9%	1,819
2016	99,729,968	6,758	99,723,210	2.0%	1,857

Data Source:

Applicable years' comprehensive annual financial report.

City of Commerce City, Colorado
Direct and Overlapping Governmental Activities Debt (Unaudited)
December 31, 2016

<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 ⁴			283,364,942
Total Direct and Overlapping Debt			\$ 566,422,920

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

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

³ Individual governments.

⁴ Information reported as of December 31, 2014, updates will be request in 2017.

Data Source:

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

	For The Calendar Year Ended December 31,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed Value ¹	\$ 573,343,800	\$ 668,782,470	\$ 671,258,040	\$ 675,562,050	\$ 670,259,060	\$ 684,102,000	\$ 737,334,370	\$ 738,714,600	\$ 789,634,800	\$ 791,443,180
Legal Debt Margin										
Debt limit (10% of assessed value)	\$ 57,334,380	\$ 66,878,247	\$ 67,125,804	\$ 67,556,205	\$ 67,025,906	\$ 68,410,200	\$ 73,733,437	\$ 73,871,460	\$ 78,963,480	\$ 79,144,318
Total debt applicable to limit	57,334,380	66,878,247	67,125,804	67,556,205	67,025,906	68,410,200	73,733,437	73,871,460	78,963,480	79,144,318
Legal Debt Margin	\$ 57,334,380	\$ 66,878,247	\$ 67,125,804	\$ 67,556,205	\$ 67,025,906	\$ 68,410,200	\$ 73,733,437	\$ 73,871,460	\$ 78,963,480	\$ 79,144,318
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	
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
2015	50,463,396	3,355,000	3,895,067	7,250,067	6.96
2016	55,378,333	3,080,000	5,265,050	8,345,050	6.64

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			
						Commerce City	Adams County ⁵	State of Colorado ⁵	United States ⁶
2007	37,874	13,553,627	32,301	81%	N/A	N/A	4.4%	3.9%	5.0%
2008	39,249	14,031,026	32,770	81%	N/A	N/A	5.4%	4.8%	7.3%
2009	42,630	13,930,014	31,727	81%	N/A	N/A	9.4%	8.1%	9.9%
2010	45,913	14,130,401	31,849	80%	30.0	N/A	10.3%	9.0%	9.4%
2011	47,446	14,925,051	33,061	80%	30.0	N/A	10.0%	8.6%	8.2%
2012	48,421	15,945,588	34,695	81%	30.2	N/A	9.2%	7.8%	8.2%
2013	49,799	N/A	N/A	N/A	30.2	N/A	7.6%	6.8%	7.4%
2014	49,203	N/A	N/A	N/A	31.4	N/A	5.4%	5.0%	6.2%
2015 ⁷	51,762	N/A	N/A	N/A	30.7	4.4%	4.2%	3.7%	5.2%
2016	53,696	N/A	N/A	N/A	30.9	3.6%	3.5%	3.3%	5.0%

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://lmi.gateway.coworkforce.com/lmi/gateway/gsipub/index.asp?docid=363>
- ⁶ United States Department of Labor, Bureau of Labor Statistics, <http://www.bls.gov/cps/cpsaat1.pdf>
- ⁷ Starting in 2015, all City Demographic and Economic Statistics will be acquired through the Economic Development Department's Published Economic Profile

City of Commerce City, Colorado
Principal Employers
For the Calendar Years Ended December 31, 2016 and 2007

Employer	Product or Service	2016		
		Number of Employees	Rank	Percentage of Major City Employers
United Parcel Service	Global Logistics	2,700	1	9.16%
Shamrock Foods	Foodservice Distribution/Warehousing	860	2	2.92%
FedEx Freight Inc	Global Logistics	630	3	2.14%
FedEx Ground Package System Inc	Global Logistics	600	4	2.04%
Suncor Energy USA Inc.	Energy Production	420	5	1.42%
Douglass Colony Group	Building Materials	400	6	1.36%
Old Dominion Freight Lines	Global Logistics	370	7	1.26%
Waste Management of Colorado Inc.	Waste Removal/Recycling	390	8	1.32%
Republic Services	Waste Removal/Recycling	270	9	0.92%
Walmart Stores Inc.	Retail Distribution/Warehousing	250	10	0.85%
Total Principal Employers' Employees		6,890		23.38%
Other Employers' Employees		22,585		76.62%
Total Employers' Employees		29,475		100.00%
2007¹				
Employer	Product or Service	Number of Employees	Rank	Percentage of Major City Employers
United Parcel Service	Parcel delivery	2,733	1	32.16%
Adams County School District 14	School district	954	2	11.23%
United Food Service, Inc.	Food service distribution	582	3	6.85%
Viking Freight, Inc.	Trucking	504	4	5.93%
Navajo Express, Inc.	Trucking	501	5	5.90%
City of Commerce	City government	427	6	5.03%
Laidlaw Transit Inc.	Transportation	378	7	4.45%
Northern Pipeline Const Co	Construction	352	8	4.14%
United States Postal Service	Postal service	340	9	4.00%
Wal-Mart Super Center	Retail	315	10	3.71%
Total Principal Employers' Employees		7,086		83.39%
Other Employers' Employees		1,411		16.61%
Total Employers' Employees		8,497		100.00%

Notes:

¹ Information as submitted in prior year CAFR

Data Source:

City Economic Development Division

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

Year	Single Family			Multi-Family			Commercial/Industrial		
	Number of Permits	% Change	Valuation	Number of Units	% Change	Valuation	Number of Permits	% Change	Valuation
2007	331	-49%	65,372,338	150	-13%	14,729,393	42	45%	27,388,287
2008	138	-58%	24,227,475	99	-34%	8,840,891	22	-48%	25,144,659
2009	122	-12%	19,121,004	8	-92%	659,219	15	-32%	16,374,200
2010	218	79%	33,769,751	21	163%	2,268,559	23	53%	31,863,595
2011	108	-50%	16,099,757	8	-62%	905,000	17	-26%	74,394,330
2012	192	78%	30,510,521	0	-100%	0	13	-24%	28,064,930
2013	380	98%	68,238,427	4	100%	713,720	18	38%	10,570,162
2014	344	-9%	58,877,374	9	125%	996,818	19	6%	21,063,783
2015	292	-15%	50,091,911	53	489%	4,762,860	16	-16%	8,455,246
2016	445	52%	112,735,258	51	-4%	9,154,600	21	31%	76,483,547

Data Source:
City Community Development Department

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

Function/program	For The Calendar Year Ended December 31,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government:										
Legislative	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Legal	2.00	4.00	4.00	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	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00
City manager	10.50	8.00	8.00	8.00	8.00	8.00	5.00	5.00	4.00	5.00
Economic development	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	4.00
Marketing and public relations	4.00	6.00	5.00	5.00	5.00	6.00	6.00	7.00	7.00	7.00
Community relations	-	-	-	-	-	-	-	-	-	-
Total General Government	30.50	34.00	34.00	34.00	34.00	35.00	33.00	32.00	32.00	33.00
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	1.00	1.00
Total Human Resources	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Finance:										
Financial planning and budgeting	1.50	3.00	3.00	4.00	4.00	4.00	4.00	5.00	4.00	3.00
Financial services	10.00	10.00	10.00	9.00	9.00	9.00	10.00	10.00	10.00	8.00
Tax	9.00	11.00	11.00	11.00	11.50	12.00	11.00	12.00	11.00	8.00
Judicial	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Total Finance	24.50	28.00	28.00	29.00	29.50	30.00	30.00	32.00	30.00	24.00
Community Planning/Development:										
Administration	3.00	4.50	4.50	4.50	4.50	5.00	4.00	5.00	6.00	6.00
Community planning	8.00	8.00	8.00	8.00	8.00	6.00	6.00	6.00	6.00	6.00
Building safety	17.00	14.00	14.00	12.00	11.00	11.00	10.00	10.00	13.00	10.00
Housing	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00
Neighborhood Services	18.00	18.00	18.00	16.00	15.00	15.00	13.00	9.00	8.00	7.00
Total Community Planning/Development	47.00	45.50	45.50	41.50	39.50	38.00	34.00	31.00	34.00	31.00
Public Safety:										
Administration	18.50	6.00	6.00	5.00	6.00	6.00	4.00	8.00	8.00	6.00
Investigation	18.00	36.50	36.50	35.50	39.00	39.00	35.00	47.00	44.00	37.00
Patrol	72.00	72.00	76.00	75.50	71.50	64.00	77.00	73.00	74.50	69.00
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	1.00	1.00
Total Public Safety	116.50	121.50	125.50	124.00	124.50	117.00	124.00	131.00	127.50	113.00
Public Works:										
Administration	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	2.00
Street & Traffic Maintenance	21.00	23.00	22.00	22.00	22.00	23.00	24.00	25.00	25.00	22.00
Engineering	9.00	9.00	9.00	9.00	9.00	10.00	9.00	9.00	13.00	9.00
Total Public Works	35.00	37.00	36.00	36.00	36.00	38.00	38.00	39.00	43.00	33.00
Parks & Recreation:										
Administration	9.50	10.50	11.50	11.50	11.00	11.00	10.00	11.00	12.00	12.00
Parks Maintenance	10.00	13.00	13.00	13.00	14.00	14.00	14.00	14.00	13.00	17.00
Trails & Open Space	1.00	-	-	-	-	-	-	-	-	-
Recreation Programs	13.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	20.00	15.00
Total Parks & Recreation	33.50	40.50	41.50	41.50	42.00	42.00	41.00	42.00	45.00	44.00
Facility Services:										
Administration	8.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Fleet Management:										
Administration	7.50	7.00	7.00	7.00	6.00	6.00	6.00	6.00	6.00	6.00
Information Technology:										
Administration	15.00	15.00	15.00	15.00	14.00	15.00	14.00	15.00	16.00	12.00
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	3.00	2.00
Total Golf	7.00	7.00	7.00	7.00	9.00	9.00	9.00	9.00	10.00	9.00
Total	330.50	345.50	349.50	346.00	345.50	341.00	340.00	348.00	354.50	316.00
Percentage Change From Prior Year	3.4%	4.5%	1.2%	-1.0%	-0.1%	-1.3%	-0.3%	2.4%	1.9%	-10.9%

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 2007 - 2016

For The Calendar Year Ended December 31,

Function/program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government:										
Liquor licenses processed	70	68	70	59	50	55	62	61	60	62
Written legal opinions	220	220	220	250	540	656	700	703	762	897
Ordinances and resolutions drafted	85	90	95	120	160	162	162	187	244	188
Job applications processed	2,051	3,880	3,900	2,850	4,703	3,279	3,561	4,191	4,570	5,835
Payroll checks issued	10,800	11,408	11,500	12,040	12,183	12,463	12,153	14,074	13,316	13,332
Invoices processed	14,000	13,918	16,000	15,383	14,991	14,923	13,577	15,042	16,235	16,244
Accounts payable checks issued	940	9,141	9,700	9,545	10,311	9,029	8,772	8,692	8,546	8,087
Court phone calls	15,459	13,512	14,505	15,272	15,541	10,275	9,980	10,099	11,761	10,028
Court appearances	4,245	5,175	5,508	5,512	-	-	-	-	-	-
Sales/use tax returns mailed	18,000	20,544	20,750	21,575	21,540	23,764	18,700	20,818	24,159	25,545
Audits performed	125	95	125	125	94	47	69	98	71	42
Community Planning and Development:										
Building permit applications	7,300	1,500	1,200	4,770	1,940	1,773	1,934	2,444	2,512	2,580
Inspections requested	23,000	24,000	10,500	14,356	10,695	9,637	13,614	15,408	16,496	17,662
Planning Commission applications	36	28	23	15	23	38	18	27	31	44
Police protection:										
Calls and complaints	62,061	85,479	88,039	74,246	72,689	64,045	65,204	70,479	82,541	82,244
Crime rate per 1,000 population	109	118	114	84	80	81	78	73	71	91
Physical arrests	2,121	2,739	3,012	2,872	2,928	2,814	3,199	3,303	1,713	4,776
Traffic violations filed	7,967	8,895	9,784	11,297	12,571	6,951	7,054	6,844	10,411	6,928
Parking violations	896	1,512	1,663	958	905	681	715	1,256	1,379	1,327
Vehicles towed	1,566	1,572	1,560	1,341	1,129	1,006	1,069	1,098	1,458	1,331
Public works:										
Service requests received	675	1,493	945	561	646	749	528	810	928	1,177
Hours spent on traffic maintenance	7,650	5,500	5,500	5,872	6,042	7,610	6,603	8,063	4,760	3,959
Hours spent on asphalt maintenance	7,900	8,500	8,500	8,195	8,089	7,917	8,705	8,830	4,382	6,505
Hours spent on weed maintenance	5,300	5,000	5,000	6,750	7,089	8,317	8,245	6,700	5,289	5,426
Concrete repairs (linear feet)	1,000	1,000	-	259	11,063	12,182	No program	No program	1,448	7,193
Parks, Recreation and Golf:										
Recreation center visits	126,000	153,011	155,000	111,662	110,045	105,004	115,305	147,028	106,369	146,560
Volunteer hours	10,500	15,860	17,000	14,606	15,500	10,724	10,849	11,266	11,524	11,107
Park rentals	1,100	1,150	1,200	934	805	1,521	1,939	2,646	1,049	900
Daily admissions	44,200	43,987	44,000	4,191	-	-	-	-	-	-
Program Registrations	-	-	-	-	9,862	10,046	11,249	12,052	11,810	11,656

Data Source :
 Various City departments and budgets.

City of Commerce City, Colorado
Capital Asset Statistics by Function/Program
Last Ten Calendar Years

Function/program	For The Calendar Year Ended December 31,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Area in square miles	34	34	34	34	35	35	35	35	35	35
Miles of streets	245	238	238	238	243	244	244	244	244	258
Number of street lights:										
Excel Energy	1,678	1,875	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
United Power	1,517	1,543	N/A	N/A	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	18	18	18	18	17	17	17	17	17	19
Park acreage	132	132	132	132	113	113	113	113	113	150
Swimming pools	1	1	1	1	1	1	1	1	1	2
Tennis courts	4	4	4	4	4	4	-	-	-	-
Roller hockey rink	1	1	1	1	-	-	-	-	-	-
Skateboard park	1	1	1	1	1	1	1	1	2	2
Basketball courts	3	5	5	5	5	5	5	5	6	8.5
Golf courses	1	1	1	1	1	1	1	1	1	1
Trails:										
On street miles	9	1	1	1	7	7	7	7	7	8
Off street miles	7	15	15	15	24	24	24	24	24	24
Futsal Court	-	-	-	-	-	-	2	2	2	1
Sprayground	-	-	-	-	-	-	1	1	1	1
Police protection:										
Number of stations	1	1	1	3	2	2	2	2	2	2
Number of patrol units	66	72	72	73	81	78	83	84	83	42

Data Source:
 Various City departments.

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 2016

This Information From The Records Of (example - City of _ or County of _): City of Commerce City	Prepared By: Christopher Johnson Phone: (303) 289-3727
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	22,119,270
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,403,102
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	2,915,965
2. General fund appropriations	15,442,005	b. Snow and ice removal	334,104
3. Other local imposts (from page 2)	3,402,525	c. Other	
4. Miscellaneous local receipts (from page 2)	22,831,189	d. Total (a. through c.)	3,250,069
5. Transfers from toll facilities		4. General administration & miscellaneous	1,340,366
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	8,415,319
a. Bonds - Original Issues		6. Total (1 through 5)	36,528,125
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	4,339,266
7. Total (1 through 6)	41,675,719	b. Redemption	2,687,420
B. Private Contributions		c. Total (a. + b.)	7,026,686
C. Receipts from State government (from page 2)	1,879,093	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	43,554,812	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	7,026,686
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	43,554,812

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	101,760,429	10,841,777	2,687,420	109,914,786
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
		43,554,812	43,554,812		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2016

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	2,892,561	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	630,703
5. Specific Ownership &/or Other	509,964	g. Other Misc. Receipts	22,119,270
6. Total (1. through 5.)	3,402,525	h. Other	81,216
c. Total (a. + b.)	3,402,525	i. Total (a. through h.)	22,831,189
	(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	1,673,837	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	205,256	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.)	205,256	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,879,093	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	4,824,901	4,824,901
(2). Capacity Improvements	0	14,847,723	14,847,723
(3). System Preservation	0	1,903,876	1,903,876
(4). System Enhancement & Operation	0	542,769	542,769
(5). Total Construction (1) + (2) + (3) + (4)	0	22,119,270	22,119,270
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	22,119,270	22,119,270
			(Carry forward to page 1)

Notes and Comments:



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