

TOWN OF JOHNSTOWN, COLORADO

FINANCIAL REPORT

December 31, 2014

CONTENTS

	PAGE

INDEPENDENT AUDITORS' REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-10
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Assets	11
Statement of Activities	12
Fund Financial Statements:	
Balance Sheet-Governmental Funds	13
Reconciliation of the Balance Sheet to the Statement of Net Assets	14
Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds	15
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
Statement of Revenues, Expenditures and Changes in Fund Balance-Actual and Budget (Legal Basis)	
General Fund	17
Use Tax Capital Improvement Fund	18
Impact Fee Fund	19
Statement of Net Assets-Proprietary Funds	20
Statement of Revenues, Expenses, and Changes in Fund Net Assets-Proprietary Funds	21
Statement of Cash Flows-Proprietary Funds	22-23
Notes to Financial Statements	24-39

REQUIRED SUPPLEMENTAL INFORMATION	
Combining and Individual Fund Statements and Schedules:	
General Fund Schedule of Revenues-Actual and Budget (Legal Basis)	40
General Fund Schedule of Expenditures-Actual and Budget (Legal Basis)	41-44
OTHER SUPPLEMENTAL INFORMATION	
Nonmajor Special Revenue Funds	
Combining Balance Sheet	45
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	46
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Actual and Budget (Legal Basis)	
Contingent Fund	47
Cemetery Fund	48
Paving Fee Fund	49
Equipment Replacement Fund	50
Johnson's Corner Capital Improvement Fund	51
Conservation Trust Fund	52
Major Enterprise Funds	
Schedule of Revenues and Expenses-Actual and Budget (Legal Basis)	
Water Enterprise Fund	53-54
Wastewater Enterprise Fund	55-56
Drainage Enterprise Fund	57
Library Enterprise Fund	58
Local Highway Finance Report	59-60



RAYMOND E. DERR, CPA, P.C.
PSKOV SPG Financial Group

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Town Council
Town of Johnstown, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Johnstown, Colorado, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Johnstown, Colorado, as listed in the Table of Contents.

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.

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.

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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information.

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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Johnstown, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules and local highway finance report, listed in the Table of Contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



RAYMOND E. DERR, P.C.
Certified Public Accountant
Longmont, Colorado
May 19, 2015

TOWN OF JOHNSTOWN, COLORADO

Management's Discussion and Analysis

As management of the Town of Johnstown, Colorado, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Johnstown, Colorado, for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with additional information provided in the financial statements.

Financial Highlights

The Town's assets exceeded its liabilities at December 31, 2014, by \$102,298,841 (net assets).

The Town's total net assets increased by \$12,632,051 in 2014.

At December 31, 2014, the restricted fund balance for the general fund was \$24,256,105 or approximately 4.44 times total general fund expenditures.

The Town's total debt decreased by \$1,866,746 during the 2014 fiscal year. The key factor for this decrease was the payment of debt and no additional borrowings during 2014.

Overview of the Financial Statements:

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

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

The statement of net assets presents information on all the Town's assets and liabilities, with the difference between the two being reported as net assets. Over time, the increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town of Johnstown that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of Johnstown include general government, public safety, public works, community development, culture, and parks and recreation. The business-type activities of the Town of Johnstown include water, wastewater, drainage and library.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Town's funds can be divided into two categories: governmental and proprietary.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Financial information based on spendable resources is useful in evaluating the Town's short-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it may be useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Readers may then better understand the long-term impact of the Town's short-term financing decisions. Both the governmental fund balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains ten individual governmental funds. Information is presented separately in the governmental balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the general fund and other major funds. The non-major funds are combined in the Other Governmental Funds into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and individual fund statements elsewhere in this report.

Proprietary Funds. The Town of Johnstown maintains one type of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water, wastewater, drainage and library operations, all of which are considered to be major funds of the Town of Johnstown.

Notes to Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

REPORTING THE TOWN AS A WHOLE GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net assets may serve over time as a useful indicator of the Town's financial position. For the year ending December 31, 2014, the Town's combined assets exceeded liabilities by \$102,298,841.

Cash of \$74,010,968 is one the Town's largest portion of total assets (72.3 percent) and may be used to meet the Town's ongoing obligations to citizens and creditors.

The other largest portion of the Town of Johnstown's net assets (27.5 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors. Our analysis below focuses on the net assets of the Town's governmental and business-type activities.

NET ASSETS

As of December 31, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash	\$51,130,507	\$22,880,461	\$ 74,010,968
Capital Assets	9,110,971	18,991,646	28,102,617
Other Assets	3,794,862	302,086	4,096,948
	-----	-----	-----
Total Assets	64,036,340	42,174,193	106,210,533
	-----	-----	-----
Long-Term Liabilities			
Other Liabilities	3,560,377	351,315	3,911,692
	-----	-----	-----
Total Liabilities	3,560,377	351,315	3,911,692
	-----	-----	-----
Net Assets:			
Invested in Capital Assets, Net of Related Debt	9,110,971	18,991,646	28,102,617
Restricted	51,364,992	22,831,232	74,196,224
	-----	-----	-----
Total Net Assets	\$60,475,963	\$41,822,878	\$102,298,841
	=====	=====	=====

NET ASSETS

As of December 31, 2013

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash	\$43,483,392	\$20,945,882	\$64,429,274
Capital Assets	9,324,352	17,985,479	27,309,831
Other Assets	3,396,587	309,536	3,706,123
	-----	-----	-----
Total Assets	56,204,331	39,240,897	95,445,228
	-----	-----	-----
Long-Term Liabilities		1,445,000	1,445,000
Other Liabilities	3,679,712	653,726	4,333,438
	-----	-----	-----
Total Liabilities	3,679,712	2,098,726	5,778,438
	-----	-----	-----
Net Assets:			
Invested in Capital Assets, Net of Related Debt	9,324,352	16,577,479	25,901,831
Restricted	43,200,267	20,564,692	63,764,959
	-----	-----	-----
Total Net Assets	\$52,524,619	\$37,142,171	\$89,666,790
	=====	=====	=====

CHANGE IN NET ASSETS
For The Year Ended December 31, 2014

	Governmental Activities	Business-Type Activities	Total
	-----	-----	-----
Revenues:			
Program Revenues:			
Charges for Services	\$ 4,199,906	\$ 4,749,998	\$ 8,949,904
Operating Grants and Contributions			
Capital Grants & Contributions		2,877,043	2,877,043
General Revenues:			
Property Taxes	3,431,025		3,431,025
Sales and Use Taxes	6,006,200		6,006,200
Other Taxes/Licenses	671,177		671,177
Earnings on Investments	224,813	105,136	329,949
	-----	-----	-----
Total Revenues	14,533,121	7,732,177	22,265,298
	-----	-----	-----
Expenses:			
General Government	659,305		659,305
Public Safety	1,798,463		1,798,463
Public Works	2,533,013		2,533,013
Health and Welfare	113,901		113,901
Culture and Recreation	1,025,715		1,025,715
Interest on Long-Term Debt		133	133
Water		1,507,894	1,507,894
Wastewater		1,286,702	1,286,702
Drainage		239,100	239,100
Library		469,021	469,021
	-----	-----	-----
Total Expenses	6,130,397	3,502,850	9,633,247
	-----	-----	-----
Excess Before Transfers	8,402,724	4,229,327	12,632,051
Transfers	(451,380)	451,380	
	-----	-----	-----
Increase in Net Assets	7,951,344	4,680,707	12,632,051
	-----	-----	-----
Net Assets January 1, 2014	52,524,619	37,142,171	89,666,790
	-----	-----	-----
Net Assets December 31, 2014	\$60,475,963	\$41,822,878	\$102,298,841
	=====	=====	=====

CHANGE IN NET ASSETS
For The Year Ended December 31, 2013

	Governmental Activities -----	Business-Type Activities -----	Total -----
Revenues:			
Program Revenues:			
Charges for Services	\$ 4,220,312	\$ 4,418,780	\$ 8,639,092
Operating Grants and Contributions			
Capital Grants & Contributions		2,751,400	2,751,400
General Revenues:			
Property Taxes	3,061,819		3,061,819
Sales and Use Taxes	5,014,048		5,014,048
Other Taxes/Licenses	571,785		571,785
Earnings on Investments	49,214	18,600	67,814
	-----	-----	-----
Total Revenues	12,917,178	7,188,780	20,105,958
	-----	-----	-----
Expenses:			
General Government	602,044		602,044
Public Safety	1,751,717		1,751,717
Public Works	2,194,401		2,194,401
Health and Welfare	95,733		95,733
Culture and Recreation	557,518		557,518
Interest on Long-Term Debt		111,851	111,851
Water		1,362,852	1,362,852
Wastewater		1,334,656	1,334,656
Drainage		156,007	156,007
Library		481,342	481,342
	-----	-----	-----
Total Expenses	5,201,413	3,446,708	8,648,121
	-----	-----	-----
Excess Before Transfers	7,715,765	3,742,072	11,457,837
Transfers	(432,386)	432,386	
	-----	-----	-----
Increase in Net Assets	7,283,379	4,174,458	11,457,837
	-----	-----	-----
Net Assets January 1, 2013	45,241,240	32,967,713	78,208,953
	-----	-----	-----
Net Assets December 31, 2013	\$52,524,619	\$37,142,171	\$89,666,790
	=====	=====	=====

Government-wide activities. The Town of Johnstown continues to experience growth of new construction of homes and commercial buildings. The Town charges tap fees for water and wastewater services, impact fees and building permits to builders for development. These charges account for most of the \$12,632,051 and \$11,457,837 increase in net assets for the year ending December 31, 2014 and 2013, respectively.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As explained earlier, the Town of Johnstown uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Town of Johnstown's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

At December 31, 2014, the Town's governmental funds reported a combined ending fund balance of \$51,364,992, an increase of \$8,164,725. The General Fund is the major operating fund of the Town. At the end of the fiscal year 2014, the fund balance increased by \$3,927,666 from \$20,328,439 to \$24,256,105.

The other two major governmental funds' fund balance at December 31, 2014, were \$10,192,698 for the Impact Fee Fund and \$12,677,976 for the Use Tax Capital Improvement Fund. All fund balances of the Town's governmental funds are considered to be adequate levels and available for spending at the Town's discretion.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town budgeted for General Fund expenditures of \$6,466,800 for the year ended December 31, 2014. Actual expenditures were \$5,467,477.

The General Fund's 2014 actual revenues of \$9,395,143 exceed the budgeted revenues of \$6,523,400 by \$2,871,743.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Town of Johnstown's investment in capital assets for its governmental and business-type activities as of December 31, 2014, amounts to \$28,102,167 (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings and system improvements, machinery and equipment, and park facilities. The Town of Johnstown's investment in capital assets for the current fiscal year increased by \$1,649,708 for governmental and business-type activities.

Long-Term Debt. At December 31, 2014, the Town of Johnstown had no long-term debt outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The annual budget provides for the efficient, effective and economical use of the Town's financial resources while assuring established goals are successfully accomplished in a timely fashion. The 2015 budget continues to reflect the Town's sustained commitment to financial responsibility, effective management of the Town's resources, and the continuation of comprehensive and cost efficient service delivery to the citizens of Johnstown.

The 2015 budget was approved by the Town Council on December 1, 2014. A total of \$14,750,500 was allocated for all funds, which represents approximately an fifteen percent (15%) decrease over the 2014 budget.

A strong emphasis continues to be placed upon the maintenance and upgrade of the Town's buildings and infrastructure.

The focus for 2015 is implementing Council's priority projects and making a commitment to continue serving our citizen's with the levels of service necessary to making noticeable enhancements to the quality of life in Johnstown.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Town of Johnstown's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Town of Johnstown
Attn: Diana Seele, Clerk/Treasurer
PO Box 609
Johnstown, CO 80534

BASIC FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF NET ASSETS
December 31, 2014

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Current Assets:			
Cash	\$51,130,507	\$22,880,461	\$ 74,010,968
Receivables-Net	3,592,319	274,354	3,866,673
Inventory		2,497	2,497
Due from Other Funds	202,543	25,235	227,778
Total Current Assets	54,925,369	23,182,547	78,107,916
Noncurrent Assets:			
Capital Assets			
Land and Water Rights	99,633	3,024,654	3,124,287
Depreciable Buildings, Property, And Equipment, net	9,011,338	15,966,992	24,978,330
Total Noncurrent Assets	9,110,971	18,991,646	28,102,617
Total Assets	64,036,340	42,174,193	106,210,533
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	370,666	163,248	533,914
Due to Other Funds	39,711	188,067	227,778
Deferred Revenue	3,150,000		3,150,000
Total Current Liabilities	3,560,377	351,315	3,911,692
Noncurrent Liabilities:			
Total Liabilities	3,560,377	351,315	3,911,692
NET ASSETS			
Invested in Capital Assets, net of related debt	9,110,971	18,991,646	28,102,617
Restricted	51,364,992	22,831,232	74,196,224
Total Net Assets	\$60,475,963	\$41,822,878	\$102,298,841

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating and Contributions	Costs Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities:				
General Government	\$ 659,305	\$1,149,743	\$	\$
Public Safety	1,798,463	266,217		
Public Works	2,533,013	2,064,540		
Health and Welfare	113,901	24,592		
Culture and Recreation	1,025,715	694,814		
Total Governmental Activities	6,130,397	4,199,906		
Business-Type Activities:				
Water	1,507,894	2,292,837		2,219,000
Wastewater	1,286,702	1,617,835		658,043
Drainage	239,233	459,290		
Library	469,021	380,036		
Total Business-Type Activities	3,502,850	4,749,998		2,877,043
Total Primary Government	\$ 9,633,247	\$8,949,904	\$	\$ 2,877,043

General Revenues:

- Property Taxes
- Specific Ownership Taxes
- Sales and Use Taxes
- Franchise Taxes
- Earnings on Investments
- Transfers

Total General Revenues
and Transfers

Change in Net Assets

Net Assets, Beginning
January 1, 2014

Net Assets, Ending
December 31, 2014

Net (Expense) Revenue and Changes in Net Assets

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ 490,438	\$	\$ 490,438
(1,532,246)		(1,532,246)
(468,473)		(468,473)
(89,309)		(89,309)
(330,901)		(330,901)
-----	-----	-----
(1,930,491)		(1,930,491)
-----	-----	-----
	3,003,943	3,003,943
	989,176	989,176
	220,057	220,057
	(88,985)	(88,985)
	-----	-----
	4,124,191	4,124,191
-----	-----	-----
(1,930,491)	4,124,191	2,193,700
-----	-----	-----
3,431,025		3,431,025
277,006		277,006
6,006,200		6,006,200
394,171		394,171
224,813	105,136	329,949
(451,380)	451,380	
-----	-----	-----
9,881,835	556,516	10,438,351
-----	-----	-----
7,951,344	4,680,707	12,632,051
-----	-----	-----
52,524,619	37,142,171	89,666,790
-----	-----	-----
\$60,475,963	\$41,822,878	\$102,298,841
=====	=====	=====

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2014

	General -----	Impact Fee -----
ASSETS		
Cash	\$ 24,032,307	\$ 10,192,698
Accounts Receivable	442,319	
Due from Other Funds	188,067	
General Property Taxes Receivable	3,150,000	
	-----	-----
Total Assets	\$ 27,812,693	\$ 10,192,698
	=====	=====
LIABILITIES		
Accounts Payable	\$ 370,666	\$
Due to Other Funds	35,922	
Deferred Revenue	3,150,000	
	-----	-----
Total Liabilities	3,556,588	
	-----	-----
FUND BALANCES		
Restricted	24,256,105	10,192,698
	-----	-----
Total Liabilities and Fund Balances	\$ 27,812,693	\$ 10,192,698
	=====	=====

Use Tax Capital Improvement -----	Other Governmental Funds -----	Total -----
\$ 12,674,187	\$ 4,231,315	\$ 51,130,507
		442,319
3,789	10,687	202,543
		3,150,000
-----	-----	-----
\$ 12,677,976	\$ 4,242,002	\$ 54,925,369
=====	=====	=====
\$	\$	\$ 370,666
	3,789	39,711
		3,150,000
-----	-----	-----
	3,789	3,560,377
-----	-----	-----
12,677,976	4,238,213	51,364,992
-----	-----	-----
\$ 12,677,976	\$ 4,242,002	\$ 54,925,369
=====	=====	=====

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
December 31, 2014

Total Governmental Fund Balances	\$51,364,992
Capital assets used in governmental activities	9,110,971

Net assets of governmental activities	\$60,475,963
	=====

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS

Year Ended December 31, 2014

	General -----	Impact Fee -----
REVENUES		
Taxes	\$ 6,944,850	\$
Licenses & Permits	1,028,099	1,585,586
Intergovernmental Revenue	529,031	
Charges for Services	539,124	
Fines & Forfeits	131,488	
Other	50,819	
Earnings on Investments	128,382	30,237
	-----	-----
Total Revenues	9,351,793	1,615,823
	-----	-----
EXPENDITURES		
General Government	570,763	
Public Safety	1,627,895	8,588
Public Works	1,157,403	111,310
Health and Welfare	113,901	
Culture and Recreation	859,921	
	-----	-----
Total Expenditures	4,329,883	119,898
	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,021,910	1,495,925
	-----	-----
OTHER FINANCING SOURCES (USES)		
Transfers In	43,350	
Transfers Out	(1,137,594)	
	-----	-----
Total Other Financing Sources (Uses)	(1,094,244)	
	-----	-----
NET CHANGE IN FUND BALANCE	3,927,666	1,495,925
	-----	-----
RESTRICTED FUND BALANCE		
January 1, 2014	20,328,439	8,696,773
	-----	-----
December 31, 2014	\$24,256,105	\$10,192,698
	=====	=====

Use Tax Capital Improvement	Other Governmental Funds	Total
-----	-----	-----
\$ 3,063,231	\$ 100,321	\$10,108,402
	149,350	2,763,035
	60,587	589,618
		539,124
		131,488
	125,822	176,641
58,082	8,112	224,813
3,121,313	444,192	14,533,121
		570,763
77,592	81,374	1,795,449
1,040,896	118,386	2,427,995
		113,901
21,604	127,383	1,008,908
1,140,092	327,143	5,917,016
1,981,221	117,049	8,616,105
46,664	600,000	690,014
	(3,800)	(1,141,394)
46,664	596,200	(451,380)
2,027,885	713,249	8,164,725
10,650,091	3,524,964	43,200,267
\$12,677,976	\$4,238,213	\$51,364,992
=====	=====	=====

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2014

Net change in fund balances - total governmental funds \$8,164,725

Governmental funds report capital outlays as expenditures.
However, in the Statement of Activities, the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expense (213,381)

Change in net assets of governmental activities \$7,951,344

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (LEGAL BASIS)
GENERAL FUND

Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Taxes	\$ 6,944,850	\$ 5,219,000	\$ 1,725,850
Licenses and Permits	1,028,099	291,800	736,299
Intergovernmental	529,031	445,500	83,531
Charges for Services	539,124	380,100	159,024
Fines and Forfeits	131,488	60,500	70,988
Other	50,819	39,500	11,319
Earnings on Investments	128,382	42,000	86,382
	-----	-----	-----
Total Revenues	9,351,793	6,478,400	2,873,393
	-----	-----	-----
EXPENDITURES			
General Government	570,763	616,500	45,737
Public Safety	1,627,895	1,941,400	313,505
Public Works	1,157,403	1,182,800	25,397
Health and Welfare	113,901	122,700	8,799
Culture and Recreation	859,921	1,465,800	605,879
	-----	-----	-----
Total Expenditures	4,329,883	5,329,200	999,317
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,021,910	1,149,200	3,872,710
OTHER FINANCING SOURCES (USES)			
Transfers In	43,350	45,000	(1,650)
Transfers Out	(1,137,594)	(1,137,600)	6
	-----	-----	-----
NET CHANGE IN FUND BALANCE	3,927,666	56,600	3,871,066
RESTRICTED FUND BALANCE			
January 1, 2014	20,328,439	19,004,000	1,324,439
	-----	-----	-----
December 31, 2014	\$24,256,105	\$19,060,600	\$ 5,195,505
	=====	=====	=====

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - ACTUAL AND BUDGET (LEGAL BASIS)
 USE TAX CAPITAL IMPROVEMENT FUND
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Use Tax	\$ 3,063,231	\$ 850,000	\$ 2,213,231
Earnings on Investments	58,082	50,000	8,082
	-----	-----	-----
Total Revenues	3,121,313	900,000	2,221,313
	-----	-----	-----
EXPENDITURES	1,140,092	1,778,000	637,908
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,981,221	(878,000)	2,859,221
	-----	-----	-----
OTHER FINANCING SOURCES (USES)			
Transfers In	46,664	48,800	(2,136)
Transfers Out			
	-----	-----	-----
Total Other Financing Sources (Uses)	46,664	48,800	(2,136)
	-----	-----	-----
NET CHANGE IN FUND BALANCE	2,027,885	(829,200)	2,857,085
RESTRICTED FUND BALANCE			
January 1, 2014	10,650,091	10,545,200	104,891
	-----	-----	-----
December 31, 2014	\$12,677,976	\$ 9,716,000	\$ 2,961,976
	=====	=====	=====

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (LEGAL BASIS)
IMPACT FEE FUND
Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Impact Fees	\$ 1,585,586	\$ 594,000	\$ 991,586
Earnings on Investments	30,237	40,000	(9,763)
	-----	-----	-----
Total Revenues	1,615,823	634,000	981,823
	-----	-----	-----
EXPENDITURES	119,898	1,119,100	999,202
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,495,925	(485,100)	1,981,025
	-----	-----	-----
OTHER FINANCING SOURCES (USES)			
Transfers Out	-----	-----	-----
NET CHANGE IN FUND BALANCE	1,495,925	(485,100)	1,981,025
	-----	-----	-----
RESTRICTED FUND BALANCE			
January 1, 2014	8,696,773	8,361,900	334,873
	-----	-----	-----
December 31, 2014	\$10,192,698	\$7,876,800	\$2,315,898
	=====	=====	=====

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 December 31, 2014

	Business-type Activities-Enterprise Funds		
	Water	Wastewater	Drainage
ASSETS			
Current Assets:			
Cash	\$12,003,161	\$ 7,454,987	\$ 1,945,393
Accounts Receivable, net	17,869	214,486	41,999
Inventory	2,497		
Due from Other Funds	4,102		21,133
Total Current Assets	12,027,629	7,669,473	2,008,525
Capital Assets			
Land & Water Rights	3,013,648	11,006	
Improvements-Other	12,941,931	7,329,985	
Equipment	14,523	418	
	15,970,102	7,341,409	
Less accumulated depreciation	(4,784,640)	(1,890,459)	
Total Capital Assets	11,185,462	5,450,950	
Total Assets	23,213,091	13,120,423	2,008,525
LIABILITIES			
Current Liabilities:			
Payable from Current Assets:			
Accounts Payable	131,500		
Accrued Liabilities	15,087	16,661	
Due to Other Funds	28,240	109,687	50,140
Total Current Liabilities	174,827	126,348	50,140
Long-Term Liabilities:			
Total Liabilities	174,827	126,348	50,140
NET ASSETS			
Invested in Capital Assets, net of related debt	11,185,462	5,450,950	
Restricted	11,852,802	7,543,125	1,958,385
Total Net Assets	\$23,038,264	\$12,994,075	\$ 1,958,385

Library	Total
\$ 1,476,920	\$22,880,461
	274,354
	2,497
	25,235
----- 1,476,920 -----	----- 23,182,547 -----
2,895,084	3,024,654
	23,167,000
	14,941
----- 2,895,084 (539,850) -----	----- 26,206,595 (7,214,949) -----
2,355,234	18,991,646
----- 3,832,154 -----	----- 42,174,193 -----
	131,500
	31,748
	188,067
	----- 351,315 -----
	----- 351,315 -----
2,355,234	18,991,646
1,476,920	22,831,232
----- \$ 3,832,154 =====	----- \$41,822,878 =====

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 Year Ended December 31, 2014

	Business-type Activities - Enterprise Funds		
	Water	Wastewater	Drainage
	-----	-----	-----
OPERATING REVENUES			
Charges for Services	\$ 2,058,475	\$ 1,548,930	\$ 400,280
Other	234,362	68,905	59,010
	-----	-----	-----
Total Operating Revenues	2,292,837	1,617,835	459,290
	-----	-----	-----
OPERATING EXPENSES			
Operations & Maintenance	997,065	872,709	239,100
Administration	188,625	279,953	
Depreciation	299,079	134,040	
Amortization	23,125		
	-----	-----	-----
Total Operating Expenses	1,507,894	1,286,702	239,100
	-----	-----	-----
OPERATING INCOME (LOSS)	784,943	331,133	220,190
	-----	-----	-----
NONOPERATING REVENUES (EXPENSES)			
Grants			
Earnings on Investments	45,405	52,518	5,753
Interest on Indebtedness			(133)
	-----	-----	-----
CHANGE IN NET ASSETS BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	830,348	383,651	225,810
	-----	-----	-----
TRANSFERS			
In	182,200		
Out	(86,214)		
CAPITAL CONTRIBUTIONS	2,219,000	658,043	
	-----	-----	-----
CHANGE IN NET ASSETS	3,145,334	1,041,694	225,810
	-----	-----	-----
TOTAL NET ASSETS			
January 1, 2014	19,892,930	11,952,381	1,732,575
	-----	-----	-----
December 31, 2014	\$23,038,264	\$12,994,075	\$1,958,385
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 Year Ended December 31, 2014

	Business-type Activities-Enterprise Funds		
	Water	Wastewater	Drainage
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers & users	\$ 2,026,220	\$ 1,584,864	\$ 459,290
Cash paid to suppliers	(631,788)	(794,778)	(159,694)
Cash paid to employees	(261,875)	(346,410)	(84,605)
Net cash provided by operating activities	1,132,557	443,676	214,991
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers In	182,200		
Transfers Out	(86,214)		
Net Cash Provided By Noncapital Financing Activities	95,986		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal Paid on Notes and Bonds	(1,408,000)		(353,800)
Interest Paid on Notes and Bonds			(133)
Capital Assets Acquisition		(1,497,136)	
Contributed Capital received	2,219,000	658,043	
Proceeds from Loan			
Net Cash Used For Capital And Related Financing Activities	811,000	(839,093)	(353,933)
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on Investments	45,405	52,518	5,753
INCREASE (DECREASE) IN CASH	2,084,948	(342,899)	(133,189)
CASH AND CASH EQUIVALENTS			
January 31, 2014	9,918,213	7,797,886	2,078,582
December 31, 2014	\$12,003,161	\$ 7,454,987	\$ 1,945,393

Library	Total
\$ 380,036	\$ 4,450,410
(176,316)	(1,762,576)
(234,855)	(927,745)
-----	-----
(31,135)	1,760,089
-----	-----
355,394	537,594
-----	(86,214)
-----	-----
355,394	451,380
-----	-----
-----	(1,761,800)
-----	(133)
-----	(1,497,136)
-----	2,877,043
-----	-----
-----	(382,026)
-----	-----
1,460	105,136
-----	-----
325,719	1,934,579
-----	-----
1,151,201	20,945,882
-----	-----
\$ 1,476,920	\$22,880,461
=====	=====

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 Year Ended December 31, 2014

Business-type Activities-Enterprise Funds

 Water Wastewater Drainage Library Totals

RECONCILIATION OF OPERATING
 INCOME (LOSS) TO NET CASH
 PROVIDED (USED) BY OPERATING
 ACTIVITIES

Operating Income (Loss)	\$ 784,943	\$ 331,133	\$ 220,190	\$ (88,985)	\$ 1,247,281
-------------------------	------------	------------	------------	--------------	--------------

Adjustments to reconcile
 operating income (loss)
 to net cash provided (used)
 by operating activities:

Depreciation & Amortization Grant	322,204	134,040		57,850	514,094
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	26,617	(32,971)	(3,532)		(9,886)
(Increase) decrease in inventory	113				113
Increase (decrease) in accounts payable	(5,637)	(5,187)			(10,824)
Increase (decrease) in accrued liabilities	8,419	16,661	(1,667)		23,413
Increase (decrease) in due to other funds	(4,102)				(4,102)
Total adjustments	347,614	112,543	(5,199)	57,850	512,808

NET CASH PROVIDED BY

OPERATING ACTIVITIES	\$ 1,132,557	\$ 443,676	\$ 214,991	\$ (31,135)	\$ 1,760,089
----------------------	--------------	------------	------------	--------------	--------------

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity:

The Town of Johnstown, Colorado, is a Colorado Home Rule Town and was organized on March 21, 1907, as an incorporated municipality under applicable Colorado statutes and is administered by an elected Mayor and Town Council. The Town provides the following services to the residents and businesses: public safety (police and building inspection), highways and streets, sanitation, water, culture-recreation, public improvements, planning and zoning, judicial, and general administrative services.

Management has considered all potential component units in defining the Town for financial reporting purposes. As required by generally accepted accounting principles, these financial statements present the Town of Johnstown, Colorado (the primary government). There are no component units included in the Town's reporting entity.

Government-wide and Fund Financial Statements:

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use,

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, cigarette taxes, sales taxes, use taxes, interest revenue and charges for services are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental funds:

The General Fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Impact Fee Fund is a special revenue fund that was established to account for all impact fee revenues specifically earmarked for maintenance and improvements.

The Use Tax Capital Improvement Fund is a special revenue fund that was created to make capital improvements for the Town with use tax.

The Town reports the following major proprietary funds:

The Water Fund accounts for user charges and the expenses for operating, financing and maintaining the Town's water system.

The Wastewater Fund accounts for user charges and expenses for operating, financing and maintaining the Town's sanitary sewer system.

The Drainage Fund accounts for user charges and expenses for operating, financing and maintaining the Town's drainage system.

The Library Fund accounts for user charges and expenses for operating, financing and maintaining the Town's library system.

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

The Town applies all applicable FASB pronouncements as well as private-sector standard issued on or before November 30, 1989, to the government-wide financial statements and the proprietary fund types, unless those pronouncements conflict with or contradict GASB pronouncements. The Town has elected not to apply private-sector standards issued after November 30, 1989.

Accounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

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

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Property Taxes:

Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on February 28 and June 15, or in total on April 30. Property taxes are billed and collected by Weld and Larimer Counties, Colorado. Taxes for the following year are levied no later than December 15 and are recorded as a receivable with a corresponding offset to deferred revenue.

Cash and Deposits:

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

Investment practices are governed by the Town's own investment policy and procedures. Interest income earned on pooled investments is allocated based on each fund's share of those investments.

Receivables and Payables:

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

TOWN OF JOHNSTOWN, COLORADO
NOTES TO FINANCIAL STATEMENTS - continued

Inventories and Prepaid Items:

Inventories of enterprise funds are valued at cost using the first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Reserved/Restricted Assets:

All of the Town's assets are restricted as of December 31, 2014.

Capital Assets:

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., streets and roads, bridges, stormwater drainage, traffic signals, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on the date received.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Retroactive reporting of general governmental infrastructure has not been implemented.

Assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

Estimated useful lives for asset types are as follows:

Buildings and Improvements	10-50 years
Machinery and Equipment	3-30 years
Infrastructure	10-50 years

Compensated Absences:

It is the policy of the Town to permit employees to accumulate a limited amount of earned but unused vacation and sick leave benefits. Upon separation from Town service, earned but unused vacation is paid to the employees and is recorded and recognized in the financial statements. Earned but unused sick leave is not paid to the employees and is not recorded nor recognized in the financial statements.

Long-term Obligations:

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bonds payable are reported as deferred charges and amortized over the term of the related debt.

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

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS- continued

Fund Equity:

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information:

The Town follows the Colorado Local Government Budget Law procedures in establishing the budgetary data reflected in the financial statements.

. Prior to October 15, the person designated by the Council submits a proposed budget for the calendar year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.

. The Notice of Budget is published and public hearings are conducted during council meetings to obtain taxpayer comments.

. Prior to December 15, the final budget is adopted and the certification of mill levies to the Weld and Larimer County Commissioners is approved.

. Prior to December 31, the Council adopts an ordinance or a resolution making appropriations for the ensuing calendar year.

. Amendments to the current calendar year budget must be approved prior to spending money not included in the original or prior budgets.

. The budgets for the Town of Johnstown are adopted and presented on a basis consistent with generally accepted accounting principles (GAAP) except that bond proceeds are treated as other financing sources and bond principal payments are treated as expenditures.

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

. Expenditures may not legally exceed budgeted appropriations at the fund level for all funds. Appropriations for all funds lapse at year-end.

Tax, Spending, and Debt Limitations:

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, commonly known as the Taxpayers Bill of Rights or TABOR. TABOR contains several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Town of Johnstown, Colorado, voters chose to waive the revenue limitations imposed by TABOR. The Town believes it is in compliance with the other requirements of the Amendment. However, the Town has made certain interpretations of the Amendment's language in order to determine its compliance. The Amendment is complex and subject to judicial interpretation.

NOTE 2 - CASH, DEPOSITS AND INVESTMENTS

The Town invests excess idle cash funds under the prudent investor rule. The criteria for selection of investments and their order of priority are: 1) safety; 2) liquidity; 3) yield. The Town Clerk/Treasurer is responsible for all of the deposits and investments of the Town. As the Town's need for funds is not constant, investments are scheduled in coordination with all funds of the Town such that there is as little idle cash as practical. The Town funds are invested in FDIC insured checking, savings, certificate of deposit accounts and collateralized local investment pools.

Cash, deposits and investments are carried at cost. Colorado state statutes require all eligible public depositories to pledge collateral with a custodian having a market value equal to at least one hundred-two percent of the aggregate of all deposits. All institutions holding Town of Johnstown deposits are currently certified as eligible public depositories in accordance with the statutes.

At December 31, 2014, the Town's cash, deposits and investments were insured or secured as follows:

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

Type -----	Rating -----	Carrying Value -----
Deposits:		
First National Bank		\$48,496,506
NorthStar Bank Colorado		2,304,221
County Treasurer		88,320
Cash		50
Investments		
COLOTRUST	AAAm	11,602,242
CSAFE	AAAm	11,519,629

Total Deposits and Investments		\$74,010,968 =====

The investment pools represent investments in the Colorado Government Liquid Asset Trust (COLOTRUST) and Colorado Surplus Asset Fund Trust (CSAFE) which are a 2a7 - like pool. The fair value of the pool is determined by the pools' share price. The Town has no regulatory oversight for the pool.

Interest Rate Risk - The Town minimizes the risk by investing operating funds in shorter term securities (with a maximum of no more than five years) and local investment pools.

Credit Risk - Colorado Statutes limits investments in which local governments may invest. The Town has no investment policy that would further limit its investment choices.

Concentration of Credit Risk - The Town has no policy on the amount the Town may invest in any one issuer.

NOTE 3 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions, injuries to employees, and natural disasters. The Town utilizes commercial insurance to meet its insurance needs, including workman's compensation.

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

NOTE 4 - JOINT VENTURE

The Town participates with other towns and cities in the Weld 911 Emergency Telephone Service Authority (the Authority which provides emergency 911 dialing services to telephone customers within the Town limits. This joint venture does not meet criteria for inclusion in the Town's financial statements because the Authority is fully independent of the Town. The Authority has separate governance and management having the authority to receive the dispensed funds, approve budgets, sign contracts, determine services to be provided, hire personnel, acquire agencies, or any other legal function within the scope of its organizational documents and bylaws.

The Authority is primarily funded through a \$.50 per month surcharge to each customer's telephone bill. Accounting responsibility has been placed with Weld County, Colorado which treats this Authority as an agency fund for its purposes.

NOTE 5 - POLICEMEN'S PENSION FUND

The Town of Johnstown, Colorado, contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association. The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members through the Statewide Death and Disability Plan which is also administered by the Colorado Fire and Police Pension Association. This is a non-contributory plan. All full-time, paid police officers of the Town are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Title 31, Article 30, of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado, 80111, or by calling FPPA at 303-770-3772 in the Denver metro area, or 1-800-332-FPPA (3772) from outside the metro area.

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

Benefits to officers from the Statewide Defined Benefit Plan are integrated with benefits provided by Social Security.

Plan members and the Town are required to contribute at a rate set by statute. The contribution requirements of plan members and the Town are established under Title 31, Article 30, Part 10, of the CRS, as amended. The contribution rate for members is 3.8% of covered salary and for the Town is 3.8% of covered salary. During 2014, the Town and officers of the Police Department each contributed \$49,345 to the Statewide Defined Benefit Plan.

NOTE 6 - SALES AND USE TAX

A 3% tax is imposed on the sale or use of all tangible personal property in the Town. The State of Colorado administers the collection of such taxes from licensed vendors and remits the collections on a monthly basis to the Town.

The 3% tax has no restrictions and is used for general operating purposes within the General Fund.

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES

Individual fund interfund receivable and payable balances at December 31, 2014, are as follows:

Fund -----	Interfund Receivables -----	Interfund Payables -----
Governmental Activities:		
General Fund	\$ 188,067	\$ 35,922
Contingent Fund		
Cemetery Fund	3,155	
Conservation Trust Fund		
Use Tax Capital Improvement	3,789	
Johnson's Corner Capital Improvement	7,532	3,789
Impact Fee Fund		
Business-type Activities:		
Water Fund	4,102	28,240
Wastewater Fund		109,687
Library Fund		
Drainage Fund	21,133	50,140
	-----	-----
	\$ 227,778	\$ 227,778
	=====	=====

NOTES TO FINANCIAL STATEMENTS - continued

NOTE 8 - INTERFUND TRANSFERS

Fund -----	Interfund Transfers In -----	Interfund Transfers Out -----
Governmental Activities:		
General Fund	\$ 43,350	\$1,137,594
Contingent Fund	225,000	
Paving Fee Fund		3,800
Impact Fee Fund		
Use Tax Capital Improvement Fund	46,664	
Equipment Replacement Fund	375,000	
Public Works Construction Fund		
Business-type Activities:		
Water Fund	182,200	86,214
Wastewater Fund		
Drainage Fund		
Library Fund	355,394	
	----- \$1,227,608 =====	----- \$1,227,608 =====

NOTE 9 - CHANGES IN LONG-TERM DEBT

	Balance January 1, 2014 -----	Additions -----	Reductions -----	Balance December 31, 2014 -----	Due Within One Year -----
Governmental Activities:					
Capital Leases	\$	\$	\$	\$	\$
Business-type Activities:					
Notes Payable	\$	\$	\$	\$	\$
Bonds Payable	1,760,000		1,760,000		
	----- \$1,760,000 =====	----- \$ =====	----- \$1,760,000 =====	----- \$ =====	----- \$ =====

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

NOTE 10 - CHANGES IN CAPITAL ASSETS

	Balance January 1, 2014 -----	Additions -----	Deletions -----	Balance December 31, 2014 -----
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 99,633	\$	\$	\$ 99,633
Capital assets, being depreciated:				
Buildings	9,643,336			9,643,336
Improvements, other than buildings	42,932			42,932
Equipment	2,551,017	152,572		2,703,589
Total capital assets, being depreciated	12,237,285	152,572		12,389,857
Less accumulated depreciation for:				
Buildings	(1,242,411)	(190,265)		(1,432,676)
Improvements, other than buildings	(42,932)			(42,932)
Equipment	(1,727,223)	(175,688)		(1,902,911)
Total accumulated depreciation	(3,012,566)	(365,953)		(3,378,519)
Total capital assets, being depreciated, net	9,224,719	(213,381)		9,011,338
Governmental activities capital assets, net	\$ 9,324,352	\$ (213,381)	\$	\$ 9,110,971

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
	-----	-----	-----	-----
Business-type Activities:				
Capital assets, not being depreciated:				
Land and water rights	\$ 3,024,654	\$	\$	\$ 3,024,654
Capital assets, being depreciated:				
Improvements, other than buildings	21,669,864	1,497,136		23,167,000
Equipment	14,941			14,941
Total assets being depreciated	21,684,805	1,497,136		23,181,941
Less accumulated depreciation for:				
Improvements other than buildings	(6,709,039)	(490,969)		(7,200,008)
Equipment	(14,941)			(14,941)
Total accumulated depreciation	(6,723,980)	(490,969)		(7,214,949)
Total capital assets, being depreciated, net	14,960,825	(1,006,167)		15,966,992
Business-type activities capital assets, net	\$17,985,479	\$(1,006,167)\$		\$18,991,646
	=====	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

NOTES TO FINANCIAL STATEMENTS - continued

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

Governmental activities:

General government	\$ 88,542
Public Safety	84,388
Public Works	176,216
Culture and recreation	16,807

Total depreciation expense- governmental activities	\$365,953
--	-----------

=====

Business-type activities:

Water	\$299,079
Wastewater	134,040
Library	57,850

Total depreciation expense- business-type activities	\$490,969
---	-----------

=====

REQUIRED AND OTHER SUPPLEMENTAL INFORMATION

TOWN OF JOHNSTOWN, COLORADO

GENERAL FUND

The General Fund is used to account for all transactions of a government which are not accounted for in another fund.

The General Fund is used to account for the ordinary operations of a governmental unit which are financed from taxes and other general revenues.

TOWN OF JOHNSTOWN, COLORADO

GENERAL FUND
 SCHEDULE OF REVENUES - ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
TAXES			
General Property Taxes	\$3,427,206	\$2,860,000	\$ 567,206
Specific Ownership Taxes	277,006	190,000	87,006
Sales Taxes	2,842,648	1,875,000	967,648
Franchise Taxes	394,171	290,000	101,171
Interest on Delinquent Taxes	3,819	4,000	(181)
	-----	-----	-----
Total Taxes	\$6,944,850	\$5,219,000	\$1,725,850
	=====	=====	=====
LICENSES AND PERMITS			
Business Licenses and Building Permits	\$1,023,211	\$ 289,400	\$ 733,811
Nonbusiness Licenses and Permits	4,888	2,400	2,488
	-----	-----	-----
Total Licenses and Permits	\$1,028,099	\$ 291,800	\$ 736,299
	=====	=====	=====
INTERGOVERNMENTAL			
State Shared			
Cigarette Taxes	\$ 15,758	\$ 13,500	\$ 2,258
Highway Users' Taxes	373,432	330,000	43,432
Motor Vehicle Registration Fees	47,591	37,000	10,591
County Shared			
Road & Bridge Apportionment	92,250	65,000	27,250
	-----	-----	-----
Total Intergovernmental	\$ 529,031	\$ 445,500	\$ 83,531
	=====	=====	=====
CHARGES FOR SERVICES			
General Government	\$ 55,067	\$ 2,100	\$ 52,967
Sanitation-Trash Fees	461,521	360,000	101,521
Cemetery-Lots & Care	22,536	18,000	4,536
	-----	-----	-----
Total Charges for Services	\$ 539,124	\$ 380,100	\$ 159,024
	=====	=====	=====
FINES AND FORFEITS			
Municipal Court	\$ 131,488	\$ 60,500	\$ 70,988
	=====	=====	=====
OTHER			
	\$ 50,819	\$ 39,500	\$ 11,319
	=====	=====	=====
EARNINGS ON INVESTMENTS			
	\$ 128,382	\$ 42,000	\$ 86,382
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

GENERAL FUND
 SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
GENERAL GOVERNMENT			
Legislative	\$ 28,185	\$ 36,600	\$ 8,415
	-----	-----	-----
Judicial	43,140	30,400	(12,740)
	-----	-----	-----
Elections	12,778	20,000	7,222
	-----	-----	-----
Administration			
Salaries/Manager	129,338	131,700	2,362
Payroll Taxes	9,178	10,500	1,322
Retirement	9,117	9,100	(17)
Health Insurance	25,312	30,000	4,688
Telephone	2,107	2,100	(7)
Utilities	5,274	5,000	(274)
Office Expenses	9,994	11,700	1,706
Repair & Maintenance	8,142	12,700	4,558
Insurance & Bonds	9,816	13,800	3,984
Audit and Accounting	8,900	8,900	
Legal Services	33,093	40,000	6,907
Publishing	3,601	6,000	2,399
Dues and Subscriptions	2,319	2,800	481
Other	24,677	32,700	8,023
Treasurer's Fees	44,892	45,000	108
	-----	-----	-----
Total Administration	325,760	362,000	36,240
	-----	-----	-----
Planning and Zoning	160,900	167,500	6,600
	-----	-----	-----
Total General Government	\$570,763	\$616,500	\$ 45,737
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

GENERAL FUND

SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET (LEGAL BASIS)

Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
PUBLIC SAFETY			
Police			
Salaries	\$ 957,632	\$1,004,000	\$ 46,368
Payroll Taxes	67,714	76,800	9,086
Health Insurance	226,813	290,200	63,387
Telephone	6,236	9,100	2,864
Utilities	15,072	16,400	1,328
Repairs & Maintenance	9,670	18,000	8,330
Gas & Oil	27,959	38,000	10,041
Supplies	3,441	6,000	2,559
Insurance & Bonds	40,038	44,000	3,962
Uniforms & Cleaning	5,561	5,000	(561)
Operating Equipment	29,716	38,700	8,984
Workmen's Compensation	35,332	38,000	2,668
Retirement & Contributions	49,345	65,000	15,655
Other	7,686	9,800	2,114
Training	7,695	10,000	2,305
Office Supplies	5,794	6,000	206
Professional Services	27,403	43,200	15,797
	-----	-----	-----
Total Police	1,523,107	1,718,200	195,093
	-----	-----	-----
Protective Inspections	104,788	223,200	118,412
	-----	-----	-----
Total Public Safety	\$1,627,895	\$1,941,400	\$313,505
	=====	=====	=====
PUBLIC WORKS			
Maintenance of Condition			
Salaries	\$ 258,480	\$ 282,400	\$ 23,920
Payroll Taxes	18,197	22,000	3,803
Retirement	14,411	17,800	3,389
Health Insurance	59,249	80,000	20,751
Utilities	6,220	15,000	8,780
Repairs & Maintenance	19,091	25,000	5,909
Gas and Oil	22,225	22,500	275
Operating Equipment	5,790	26,500	20,710
Professional Services	2,376	3,000	624

TOWN OF JOHNSTOWN, COLORADO

GENERAL FUND
 SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET (LEGAL BASIS)
 Year ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
PUBLIC WORKS (Continued)			
Streets (Continued)			
Operating Supplies	\$ 4,952	\$ 4,500	\$(452)
Insurance & Bonds	23,000	24,000	1,000
Workmen's Compensation	8,607	16,000	7,393
Other	5,052	6,100	1,048
	-----	-----	-----
Total Maintenance of Condition	447,650	544,800	97,150
	-----	-----	-----
Snow and Ice Removal			
Contracted Services	16,244	20,000	3,756
	-----	-----	-----
Indirect Functions			
Street Lighting	232,671	218,000	(14,671)
	-----	-----	-----
Total Streets	696,565	782,800	86,235
	-----	-----	-----
Sanitation			
Trash Service	460,838	400,000	(60,838)
	-----	-----	-----
Total Public Works	\$1,157,403	\$1,182,800	\$ 25,397
	=====	=====	=====
HEALTH AND WELFARE			
Communicable Disease Control			
Animal Control Services	\$ 77,424	\$ 81,500	\$ 4,076
	-----	-----	-----
Cemetery	36,477	41,200	4,723
	-----	-----	-----
Total Health & Welfare	\$ 113,901	\$ 122,700	\$ 8,799
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

GENERAL FUND
 SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
CULTURE AND RECREATION			
Special Programs			
Senior Citizens	\$ 54,187	\$ 55,500	\$ 1,313
Community Recreation	36,880	53,000	16,120
Community Development	727,797	1,299,500	571,703
	-----	-----	-----
Total Special Programs	818,864	1,408,000	589,136
	-----	-----	-----
Parks	41,057	57,800	16,743
	-----	-----	-----
Total Culture and Recreation	\$ 859,921	\$1,465,800	\$605,879
	=====	=====	=====
TRANSFERS			
Library Fund	\$ 355,394	\$ 355,400	\$ 6
Equipment Replacement Fund	375,000	375,000	
Contingent Fund	225,000	225,000	
Water Fund	182,200	182,200	
	-----	-----	-----
Total Transfers	\$1,137,594	\$1,137,600	\$ 6
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

SPECIAL REVENUE FUNDS

Special Revenue Fund types are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government.

MAJOR SPECIAL REVENUE FUNDS

Use Tax Capital Improvement Fund was established to account for collection of use tax revenues for acquisition, improvement, and construction of capital improvements.

Impact Fee Fund is used to account for permit fees received from builders for specific purposes for acquisition, improvement, and construction of capital improvements.

NONMAJOR SPECIAL REVENUE FUNDS

Contingent Fund was established as a financing source for unforeseen expenditures.

Cemetery Fund is to account for monies to be used in the maintenance of the Town's cemetery.

Paving Fee Fund is to account for monies received from builders for paving streets within the Town.

Public Works Construction Fund was established in 2011 to account for the receipts and expenditures for the construction of a new Public Works building.

Equipment Replacement Fund was established in 2004 to accumulate monies for equipment replacement.

Johnson's Corner Capital Improvement Fund is to account for sales tax revenues for the purpose of capital improvements.

Conservation Trust Fund is to account for receipts from the State of Colorado lottery for parks and recreation expenditures.

TOWN OF JOHNSTOWN, COLORADO
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
December 31, 2014

	Contingent Fund	Cemetery Fund	Paving Fee Fund	Public Works Construction Fund
	-----	-----	-----	-----
ASSETS				
Cash	\$1,026,027	\$ 98,490	\$ 512	\$
Due From Other Funds		3,155		
	-----	-----	-----	-----
Total Assets	\$1,026,027	\$101,645	\$ 512	\$
	=====	=====	=====	=====
LIABILITIES				
Accounts Payable	\$	\$	\$	\$
Due To Other Funds				
	-----	-----	-----	-----
Total Liabilities				
	-----	-----	-----	-----
FUND BALANCES				
Restricted	1,026,027	101,645	512	
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND BALANCES				
	\$1,026,027	\$101,645	\$ 512	\$
	=====	=====	=====	=====

Equipment Replacement Fund	Johnson's Corner Capital Improvement Fund	Conservation Trust Fund	Total
\$1,033,709	\$ 17,510 7,532	\$2,055,067	\$4,231,315 10,687
<u>\$1,033,709</u>	<u>\$ 25,042</u>	<u>\$2,055,067</u>	<u>\$4,242,002</u>
\$	\$ 3,789	\$	\$ 3,789
	<u>3,789</u>		<u>3,789</u>
<u>1,033,709</u>	<u>21,253</u>	<u>2,055,067</u>	<u>4,238,213</u>
<u>\$1,033,709</u>	<u>\$ 25,042</u>	<u>\$2,055,067</u>	<u>\$4,242,002</u>

TOWN OF JOHNSTOWN, COLORADO

NONMAJOR SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 Year Ended December 31, 2014

	Contingent Fund	Cemetery Fund	Paving Fee Fund	Public Works Construction Fund
	-----	-----	-----	-----
REVENUES				
Taxes	\$	\$	\$	\$
Licenses and Permits			850	
Intergovernmental Revenue				
Other	19,512	2,056		
Earnings on Investments	1,065	81	3	
	-----	-----	-----	-----
Total Revenues	20,577	2,137	853	
	-----	-----	-----	-----
EXPENDITURES				
Public Safety				
Culture and Recreation				
Public Works	3,591			
	-----	-----	-----	-----
Total Expenditures	3,591			
	-----	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	16,986	2,137	853	
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	225,000			
Operating Transfers Out			(3,800)	
	-----	-----	-----	-----
NET CHANGE IN FUND BALANCES	241,986	2,137	(2,947)	
RESTRICTED FUND BALANCES				
January 1, 2014	784,041	99,508	3,459	
	-----	-----	-----	-----
December 31, 2014	\$1,026,027	\$101,645	\$ 512	\$
	=====	=====	=====	=====

Equipment Replacement Fund	Johnson's Corner Capital Improvement Fund	Conservation Trust Fund	Total
\$	\$ 100,321	\$	\$ 100,321
		148,500	149,350
10,925		60,587	60,587
3,687	20	93,329	125,822
		3,256	8,112
14,612	100,341	305,672	444,192
81,374			81,374
17,500	97,295	127,383	127,383
98,874	97,295	127,383	118,386
(84,262)	3,046	178,289	327,143
375,000			117,049
			600,000
			(3,800)
290,738	3,046	178,289	713,249
742,971	18,207	1,876,778	3,524,964
\$1,033,709	\$ 21,253	\$2,055,067	\$4,238,213

TOWN OF JOHNSTOWN, COLORADO

SPECIAL REVENUE FUNDS

CONTINGENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - ACTUAL AND BUDGET (LEGAL BASIS)

Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Other	\$ 19,512	\$	\$ 19,512
Earnings on Investments	1,065	900	(165)
	-----	-----	-----
Total Revenue	20,577	900	19,677
	-----	-----	-----
TRANSFER			
From Other Funds	225,000	225,000	
	-----	-----	-----
EXPENDITURES	(3,591)	(929,700)	926,109
	-----	-----	-----
TRANSFER			
To Other Funds			
	-----	-----	-----
EXCESS OF REVENUES AND TRANSFERS OVER (UNDER) EXPENDITURES	241,986	(703,800)	945,786
RESTRICTED FUND BALANCE			
January 1, 2014	784,041	703,800	80,241
	-----	-----	-----
December 31, 2014	\$1,026,027	\$	\$1,026,027
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

SPECIAL REVENUE FUNDS
CEMETERY FUND

SCHEDULE OF REVENUES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET (LEGAL BASIS)
Year Ended December 31, 2014

	Actual -----	Original and Final Budget -----	Variance Favorable (Unfavorable) -----
REVENUES			
Sale of Lots	\$ 2,056	\$ 2,800	\$(744)
Earnings on Investments	81	200	(119)
	-----	-----	-----
Total Revenues	2,137	3,000	(863)
	-----	-----	-----
EXPENDITURES			
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			
	2,137	3,000	(863)
RESTRICTED FUND BALANCE			
January 1, 2014	99,508	99,300	208
	-----	-----	-----
December 31, 2014	\$101,645	\$102,300	\$(655)
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

SPECIAL REVENUE FUNDS
 PAVING FEE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014.

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Paving Fees	\$ 850	\$	\$ 850
Earnings on Investments	3		3
	-----	-----	-----
Total Revenues	853		853
	-----	-----	-----
EXPENDITURES			
	-----	-----	-----
TRANSFER TO OTHER FUNDS	(3,800)	(3,800)	
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,947)	(3,800)	853
RESTRICTED FUND BALANCE			
January 1, 2014	3,459	3,800	(341)
	-----	-----	-----
December 31, 2014	\$ 512	\$	\$ 512
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

SPECIAL REVENUE FUNDS
 EQUIPMENT REPLACEMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Other	\$ 10,925	\$	\$ 10,925
Earnings on Investments	3,687	3,000	687
	-----	-----	-----
Total Revenues	14,612	3,000	11,612
	-----	-----	-----
TRANSFER			
From Other Funds	375,000	375,000	
	-----	-----	-----
EXPENDITURES	(98,874)	(114,000)	15,126
	-----	-----	-----
TRANSFER			
To Other Funds			
	-----	-----	-----
EXCESS OF REVENUES AND TRANSFERS OVER (UNDER) EXPENDITURES	290,738	264,000	26,738
RESTRICTED FUND BALANCE			
January 1, 2014	742,971	689,700	53,271
	-----	-----	-----
December 31, 2014	\$1,033,709	\$ 953,700	\$ 80,009
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

SPECIAL REVENUE FUNDS
 JOHNSON'S CORNER CAPITAL IMPROVEMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Sales Tax	\$ 100,321	\$ 89,000	\$ 11,321
Earnings on Investments	20	10	10
	-----	-----	-----
Total Revenues	100,341	89,010	11,331
	-----	-----	-----
TRANSFERS			
From Other Funds	-----	-----	-----
EXPENDITURES	(97,295)	(98,010)	715
	-----	-----	-----
TRANSFERS			
To Other Funds	-----	-----	-----
EXCESS OF REVENUES AND TRANSFERS OVER (UNDER) EXPENDITURES	3,046	(9,000)	12,046
RESTRICTED FUND BALANCE			
January 1, 2014	18,207	9,000	9,207
	-----	-----	-----
December 31, 2014	\$ 21,253	\$	\$ 21,253
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

SPECIAL REVENUE FUNDS
 CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Park Fees	\$ 148,500	\$ 62,500	\$ 86,000
Colorado Lottery			
Distribution	60,587	50,000	10,587
Other	93,329	46,000	47,329
Earnings on Investments	3,256	5,000	(1,744)
	-----	-----	-----
Total Revenues	305,672	163,500	142,172
	-----	-----	-----
TRANSFERS			
From (To) Other Funds			
	-----	-----	-----
EXPENDITURES	(127,383)	(180,800)	53,417
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND TRANSFERS	178,289	(17,300)	195,589
RESTRICTED FUND BALANCE			
January 1, 2014	1,876,778	1,760,900	115,878
	-----	-----	-----
December 31, 2014	\$ 2,055,067	\$ 1,743,600	\$ 311,467
	=====	=====	=====

TOWN OF JOHNSTOWN, COLORADO

MAJOR ENTERPRISE FUNDS

These funds are established to finance and account for the acquisition, operation and maintenance of governmental facilities and services.

The Major Enterprise Funds are Water, Wastewater, Drainage and Library funds.

TOWN OF JOHNSTOWN, COLORADO

WATER ENTERPRISE FUND
 SCHEDULE OF REVENUES AND EXPENSES
 ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Water Sales	\$2,058,475	\$1,675,000	\$ 383,475
Other	234,362	100,000	134,362
Earnings on Investments	45,405	35,000	10,405
Transfer-From Other Funds	182,200	182,300	(100)
	-----	-----	-----
Total Revenues	2,520,442	1,992,300	528,142
	-----	-----	-----
EXPENSES			
Operations			
Salaries	197,500	209,100	11,600
Payroll Taxes	14,178	16,000	1,822
Retirement	9,595	11,000	1,405
Utilities	201,303	171,500	(29,803)
Repairs & Maintenance	77,249	176,000	98,751
Gas & Oil	11,691	14,500	2,809
Operating Supplies	270,866	597,600	326,734
Insurance	20,902	26,000	5,098
Professional Services	52,098	62,000	9,902
Health Insurance	45,477	54,500	9,023
Water Assessment	88,706	96,000	7,294
Workmen's Compensation	7,500	7,500	
	-----	-----	-----
Total Operations	997,065	1,441,700	444,635
	-----	-----	-----

TOWN OF JOHNSTOWN, COLORADO

WATER ENTERPRISE FUND - continued
 SCHEDULE OF REVENUES AND EXPENSES
 ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
Administration			
Salaries/Manager	64,375	68,200	3,825
Payroll Taxes	4,683	5,600	917
Retirement	4,633	5,500	867
Office Expense	15,025	17,100	2,075
Telephone	1,871	1,800	(71)
Health Insurance	13,171	16,000	2,829
Other	13,154	15,700	2,546
Legal	2,813	8,000	5,187
Professional Services	68,900	73,700	4,800
	-----	-----	-----
Total Administration	188,625	211,600	22,975
	-----	-----	-----
Interest on Debt		7,200	7,200
Retirement of Debt	1,408,000	1,408,000	
Capital Outlay			
Transfer to Other Funds	86,214	90,000	3,786
	-----	-----	-----
Total Expenses	2,679,904	3,158,500	478,596
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENSES	(159,462)	\$(1,166,200)	\$ 1,006,738
		=====	=====
RECONCILIATION TO NET INCOME (GAAP BASIS)			
Add:			
Capital Outlay			
Principal Payments	1,408,000		
Capital Contributions	2,219,000		
Less:			
Depreciation	(299,079)		
Amortization	(23,125)		

NET INCOME (GAAP BASIS)	\$3,145,334		
	=====		

TOWN OF JOHNSTOWN, COLORADO

WASTEWATER ENTERPRISE FUND
 SCHEDULE OF REVENUES AND EXPENSES-
 ACTUAL AND BUDGET (LEGAL BASIS)

Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Wastewater Fees	\$1,548,930	\$1,230,000	\$ 318,930
Earnings on Investments	52,518	30,000	22,518
Other	68,905	7,500	61,405
	-----	-----	-----
Total Revenues	1,670,353	1,267,500	402,853
	-----	-----	-----
EXPENSES			
Operations			
Salaries	236,068	238,700	2,632
Payroll Taxes	23,975	24,300	325
Retirement	11,391	13,700	2,309
Utilities	249,081	200,000	(49,081)
Repairs & Maintenance	97,536	139,700	42,164
Supplies	144,496	216,400	71,904
Insurance	22,792	26,600	3,808
Professional Service	32,190	26,000	(6,190)
Health Insurance	55,180	65,300	10,120
	-----	-----	-----
Total Operations	872,709	950,700	77,991
	-----	-----	-----
Administration			
Salaries/Manager	110,342	112,000	1,658
Payroll Taxes	7,664	8,800	1,136
Retirement	8,034	8,100	66
Health Insurance	23,472	29,000	5,528
Office Expense	14,025	18,500	4,475
Other	116,416	153,900	37,484
	-----	-----	-----
Total Administration	279,953	330,300	50,347
	-----	-----	-----

TOWN OF JOHNSTOWN, COLORADO

WASTEWATER ENTERPRISE FUND - continued
 SCHEDULE OF REVENUES AND EXPENSES-
 ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
Retirement of Debt			
Interest on Debt			
Transfer to Other Funds			
Capital Outlay	1,497,136	1,512,000	14,864
	-----	-----	-----
Total Expenses	2,649,798	2,793,000	143,202
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENSES	(979,445)	\$(1,525,500)	\$ 546,055
		=====	=====
RECONCILIATION TO NET INCOME (GAAP BASIS)			
Add:			
Capital Outlay	1,497,136		
Principal Payments			
Capital Contributions	658,043		
Less:			
Depreciation	(134,040)		

NET INCOME (GAAP BASIS)	\$1,041,694		
	=====		

TOWN OF JOHNSTOWN, COLORADO

DRAINAGE ENTERPRISE FUND
 SCHEDULE OF REVENUES AND EXPENSES
 ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Final Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Drainage Fees	\$ 400,280	\$ 300,000	\$ 100,280
Earnings on Investments	5,753	8,000	(2,247)
Other	59,010		59,010
Transfer from Other Funds			
	-----	-----	-----
Total Revenues	465,043	308,000	157,043
	-----	-----	-----
EXPENSES			
Operating Expenses	239,100	327,000	87,900
Interest on Debt	133	300	167
Retirement of Debt	353,800	353,800	
Transfer to Other Funds			
	-----	-----	-----
Total Expenses	593,033	681,100	88,067
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENSES	(127,990)	\$(373,100)	\$ 245,110
		=====	=====
RECONCILIATION TO NET INCOME (GAAP BASIS)			
Add:			
Principal Payments	353,800		

NET INCOME (GAAP BASIS)	\$ 225,810		
	=====		

TOWN OF JOHNSTOWN, COLORADO

LIBRARY ENTERPRISE FUND
 SCHEDULE OF REVENUES AND EXPENSES
 ACTUAL AND BUDGET (LEGAL BASIS)
 Year Ended December 31, 2014

	Actual	Original and Budget	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES			
Transfer from Other Funds	\$ 355,394	\$ 355,400	\$ (6)
Weld County Library District	353,787	355,005	(1,218)
Other	26,249	8,500	17,749
Earnings on Investments	1,460	1,000	460
	-----	-----	-----
Total Revenues	736,890	719,905	16,985
	-----	-----	-----
EXPENSES			
Operations:			
Salaries	234,855	300,000	65,145
Payroll Taxes/Health Insurance	38,320	50,000	11,680
Utilities/Telephone	32,406	47,500	15,094
Library Books & Materials	32,489	50,000	17,511
Supplies	43,493	130,750	87,257
Repairs & Maintenance	29,608	50,000	20,392
Transfer to Other Funds			
	-----	-----	-----
Total Operations	411,171	628,250	217,079
Retirement of Debt			
Interest on Debt			
	-----	-----	-----
Total Expenses	411,171	628,250	217,079
	-----	-----	-----
EXCESS OF REVENUES OVER (UNDER) EXPENSES			
	325,719	\$ 91,655	\$ 234,064
		=====	=====
 RECONCILIATION TO NET INCOME (GAAP BASIS)			
Add:			
Principal Payments			
Less:			
Depreciation	(57,850)		

NET INCOME (GAAP BASIS)	\$ 267,869		
	=====		

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Johnstown YEAR ENDING : December 2014
This Information From The Records Of (example - City of _ or County of Town of Johnstown	Prepared By: Diana Seele Phone: -4281.00

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)	239,000
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	375,000
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	1,000
2. General fund appropriations	393,678	b. Snow and ice removal	16,200
3. Other local imposts (from page 2)	277,000	c. Other	80,000
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	97,200
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	400,000
a. Bonds - Original Issues		6. Total (1 through 5)	1,111,200
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	670,678	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	440,522	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	1,111,200	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,111,200

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		1,111,200	1,111,200		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	277,000	g. Other Misc. Receipts	
6. Total (1. through 5.)	277,000	h. Other	
c. Total (a. + b.)	277,000	i. Total (a. through h.)	0
	(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	373,432	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	47,590	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) HS&EM	19,500	f. Other Federal	
f. Total (a. through e.)	67,090	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	440,522	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		239,000	239,000
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	239,000	239,000
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	239,000	239,000
			(Carry forward to page 1)

Notes and Comments: