

TOWN OF ERIE, COLORADO

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

YEAR ENDED DECEMBER 31, 2024



**TOWN OF ERIE, COLORADO
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	1
GFOA CERTIFICATE OF ACHIEVEMENT	5
ORGANIZATIONAL CHART	6
LIST OF TOWN OFFICIALS	7

FINANCIAL SECTION **8**

INDEPENDENT AUDITORS' REPORT	9
MANAGEMENT'S DISCUSSION AND ANALYSIS	13

BASIC FINANCIAL STATEMENTS **25**

GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	26
STATEMENT OF ACTIVITIES	27

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

BALANCE SHEET	28
RECONCILIATION OF THE GOVERNMENT FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	29
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	30
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	31
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	32
GRANTS FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	33
ERIE URBAN RENEWAL AUTHORITY – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	34

**TOWN OF ERIE, COLORADO
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

PROPRIETARY FUNDS	
STATEMENT OF NET POSITION	35
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	36
STATEMENT OF CASH FLOWS	37
NOTES TO THE FINANCIAL STATEMENTS	39
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)	77
SCHEDULE OF THE TOWN CONTRIBUTIONS	78
SUPPLEMENTARY INFORMATION	
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES	
NONMAJOR GOVERNMENTAL FUNDS	80
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS	81
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS	82
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS	83
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS	84
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR SPECIAL REVENUE FUNDS	85
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR CAPITAL PROJECTS FUNDS	86
SPECIAL REVENUE FUNDS – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	
CEMETERY FUND	87
CONSERVATION TRUST FUND	88
TRAILS AND NATURAL AREAS FUND	89
ERIE CIVIC COMMUNITY FUND	90

**TOWN OF ERIE, COLORADO
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

CAPITAL PROJECTS FUNDS – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	
PUBLIC FACILITIES IMPACT FUND	91
CAPITAL IMPROVEMENTS FUND	92
TRANSPORTATION IMPACT FUND	93
PARKS IMPROVEMENT FUND	94
STORM DRAINAGE IMPACT FUND	95
TREE IMPACT FUND	96
POLICE FACILITIES IMPACT FUND	97
PROPRIETARY FUNDS	98
COMBINING STATEMENT OF NET POSITION – NONMAJOR PROPRIETARY FUNDS	99
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – NONMAJOR PROPRIETARY FUNDS	100
COMBINING STATEMENT OF CASH FLOWS – NONMAJOR PROPRIETARY FUNDS	101
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)	
WATER FUND	102
WASTEWATER FUND	103
STORM DRAINAGE IMPACT FUND	104
AIRPORT FUND	105
STATISTICAL SECTION	
FINANCIAL TRENDS	
NET POSITION BY COMPONENT	108
CHANGES IN NET POSITION	109
FUND BALANCES – GOVERNMENTAL FUNDS	111
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	112

**TOWN OF ERIE, COLORADO
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

REVENUE CAPACITY

TAX REVENUES BY SOURCE	113
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	114
PRINCIPAL PROPERTY TAXPAYERS – BOULDER COUNTY	115
PRINCIPAL PROPERTY TAXPAYERS – WELD COUNTY	116
PROPERTY TAX LEVY FROM DIRECT AND OVERLAPPING GOVERNMENTS	117
PROPERTY TAX LEVIES AND COLLECTIONS	118
SALES AND USE TAX REVENUE BY TYPE	119
SALES TAX RATES FROM DIRECT AND OVERLAPPING GOVERNMENTS	120
PRINCIPAL SALES TAXPAYERS	121

DEBT CAPACITY

RATIOS OF OUTSTANDING DEBT BY TYPE	122
RATIO OF GENERAL BONDED DEBT OUTSTANDING	123
DIRECT AND OVERLAPPING GENERAL BONDED DEBT	124
LEGAL DEBT MARGIN INFORMATION	125
PLEDGED-REVENUE COVERAGE – WATER REVENUE BONDS	126
PLEDGED-REVENUE COVERAGE – WASTEWATER REVENUE BONDS	126

DEMOGRAPHIC AND ECONOMIC INFORMATION

DEMOGRAPHIC AND ECONOMIC STATISTICS	127
PRINCIPAL EMPLOYERS	128

OPERATING INFORMATION

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION	129
OPERATING INDICATORS BY FUNCTION	130
CAPITAL ASSETS BY FUNCTION	131
PROPERTY VALUES AND CONSTRUCTION	132

**TOWN OF ERIE, COLORADO
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

COMPLIANCE SECTION

CONTINUING DISCLOSURES

WATER ENTERPRISE FUND	134
GENERAL FUND	138
WASTEWATER ENTERPRISE FUND	140

SINGLE AUDIT

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	144
--	------------

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	146
--	------------

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	150
---	------------

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	151
--	------------

SCHEDULE OF FINDINGS AND QUESTIONED COSTS	152
--	------------

STATE COMPLIANCE

LOCAL HIGHWAY FINANCE REPORT	157
-------------------------------------	------------

INTRODUCTORY SECTION



August 29, 2025

To the Honorable Mayor, Members of the Town Council, and Residents of the Town of Erie:

State Law requires all general-purpose local governments to publish within six months of the close of each fiscal year a complete set of audited financial statements. Pursuant to that requirement and the granted extension, we hereby issue this annual comprehensive financial report of the Town of Erie (the Town) for the fiscal year ended December 31, 2024.

This report is management's representation concerning the Town's finances. Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations Town management has established a comprehensive internal control framework designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Town's internal controls have been designed to provide a reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

CliftonLarsonAllen LLP, Certified Public Accountants, have issued unmodified ("clean") opinions on the Town's financial statements for the year ended December 31, 2024. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter and should be read in conjunction with it.

Profile of the Town

Erie was platted on January 25, 1871 and incorporated as the Town of Erie on November 16, 1874. It is the second oldest municipality in Weld County. Founded as a rural coal-mining town, Erie is now located on the northern fringe of the Denver-Boulder Metropolitan Area. The estimated population of the Town at December 31, 2024, is approximately 40,183, with a planning area that includes 48 square miles in Boulder and Weld Counties. The Town levies property tax on real properties located within its boundaries, has a municipal sales and use tax, and is empowered by state statute to extend its corporate limits by annexation. Annexation occurs periodically when deemed appropriate by the governing Council.

The Town has operated under the Trustee-Administrator form of government since its first meeting on November 16, 1874, as a statutory town. In November 2023, Town of Erie residents approved the Town's "Home Rule" status. This changed the structure of government to a Council-Manager form of government. Policy-making and legislative authority are vested in the Town Council consisting of the mayor and six members. The Council is responsible for passing ordinances, adopting the budget, appointing committees, and appointing the Town Manager, Town Attorney, Municipal Judge, and Town Prosecutor. The Town Manager is responsible for carrying out the goals, policies, and ordinances of the Council, for overseeing the day-to-day operations of the Town, and for appointing the heads of the various departments, including a chief financial officer. The Council is elected on a nonpartisan basis. The Mayor is elected at large for a four-year term and six Council Members are elected from three Town districts, two from each respective district, for staggered four-year terms at each biennial election.

The Town provides a full range of services, including police protection; public works, engineering, and street maintenance; parks, trails, open space, and recreational activities; planning and development services; economic development; environmental services and administration. The Town also offers business-type services from its water, sewer, and storm drainage utilities, and the municipal airport. In addition, although it is a separate legal entity, the Town has established the Town of Erie Urban Renewal Authority (URA).

Other traditional municipal services such as fire protection and library services are provided to Erie's residents by outside special districts not affiliated with the Town. Other utility services, such as electricity, gas, and trash services, are provided by private companies not affiliated with the Town. Since these organizations are not affiliated with the Town, their financial information is not reported in the Town's financial statements.

The annual budget serves as the foundation for the Town's financial planning and control. All departments submit requests for appropriation to the Finance Director. The Finance Director and Town Manager use these requests to begin developing a proposed budget. The budget is presented to the Council for review prior to October 15. The Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 15. The Town's fiscal year ends on December 31. The appropriated budget is prepared by fund (e.g., general), department (e.g., police), and division (e.g., patrol). Department heads may transfer appropriations within a department, but not between funds. Transfers of appropriations between funds, and appropriations increasing the budget, require Council approval.

Factors Affecting Financial Condition

A government's finances are related to the local and national economies. For example, a downturn in the local economy may reduce the government's revenues as well as increase the demand for services from residents. The information presented in the financial statements is perhaps best understood when it is considered from a broader perspective.

Local Economy

Until the mid-1990's the Town experienced very slow population growth. However, since 2000 the Town's population has quadrupled, primarily reflecting growth in single-family residential homes. Residential construction activity was strong, though slightly slower than the prior year, with 907 permits for new residential properties issued compared to 721 permits in 2023. To support the continued growth, the Town assesses permit, impact, and tap fees and uses this revenue to pay for public improvements such as parks, recreation facilities, and transportation infrastructure. In addition, these fees are used to develop water resources and water, wastewater, and storm drainage infrastructure.

Town sales tax revenues are a key source of funding for services provided to the Town's residents and businesses. The Town expects that sales tax revenues will continue to grow as residential and commercial development occurs in and around the community. The opening of King Soopers on Highway 7 in the last quarter of 2017 significantly increased the Town's sales tax revenues. In 2019, a change in internet sales tax regulations resulted in another sales tax increase as the Town began collecting taxes on online sales to Erie residents. In 2020, construction activity finally began on the southeast corner of Highway 287 and Arapahoe Road. The development – called Nine Mile – includes a Lowe's, mixed retail and commercial, and multi-family housing, which opened in 2022. The second phase of this development includes a King Soopers which opened in late 2024. The Town continues to work on implementing a long-range plan for developing the Town's eastern edge along Interstate 25, which includes 255 acres the Town strategically purchased to be a critical element in the economic development of this area. The Town continues to work on increasing the number of businesses throughout the community, including initiatives to enhance Historic Downtown Erie, Town Center/Four Corners, and the Highway 7 corridor, among other areas of potential development.

The immediate vicinity, including the Town, Boulder County, and Weld County, has an employed labor force of about 369,000. The Town's major employers range from retail to engineering to education to healthcare to light manufacturing. As of December 31, 2024, the Town government had 307.7 budgeted full-time equivalent employees, making it one of Erie's top five employers. As indicated above, the community is expected to maintain strong growth of high-quality residential construction. This growth should translate into corresponding growth in the number and variety of businesses in the community.

Long-term Financial Planning

As indicated above and discussed elsewhere in this report, the Town continues to maintain strong fund balance positions in its various funds. The Council and management believe it is prudent to conserve its level of reserves in the General Fund as the Town experiences continued growth and expands and diversifies its commercial base. This growth can be expected to lead to increased levels of sales, use and property tax revenues, in addition to other revenue sources not directly dependent on residential development.

The Council and staff assess the need for additional capital improvements as part of its long-range planning process. As part of the annual budget process, staff updates projections of capital needs over the next five years. Projects currently in progress or under consideration include an expansion of and improvements to the Town's park system, various roadway projects, increases in the capacity of the water and wastewater systems, and additions to the Town's open space and trails. In addition, the Town is a participant in both the Windy Gap Firming Project and the Northern Integrated Supply Project, as well as developing other water resources to ensure adequate water supplies as the Town grows.

Relevant Financial Policies

The Town has adopted various financial policies over the years, with periodic revisions when appropriate. These policies guide the financial operations of the Town and provide structure when developing the budget. The Town's operating reserve policy requires the Town to maintain a fund balance in the General Fund of 25% of the current year's budgeted operating expenditures, with amounts over that percentage transferred to the Capital Improvement Fund and expended for one-time capital expenditures unless otherwise authorized by the Town Council. Enterprise funds must maintain a ninety-day operating and maintenance expense reserve plus 2% of the net book value of capital assets. All funds exceeded reserve requirements as of December 31, 2024.

Awards and Acknowledgements

The Government Financial Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its annual comprehensive financial report for the fiscal year ended December 31, 2023. This was the 20th consecutive year the Town has received this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for only one year. We believe that our current annual comprehensive 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 would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. This report would not have been possible without the efficient and dedicated services of the entire staff of the Finance and Administration departments. Credit also must be given to the Mayor and the Town Council for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Erie's finances.

Respectfully submitted,

Malcolm Fleming
Town Manager

Sara Hancock
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Erie
Colorado**

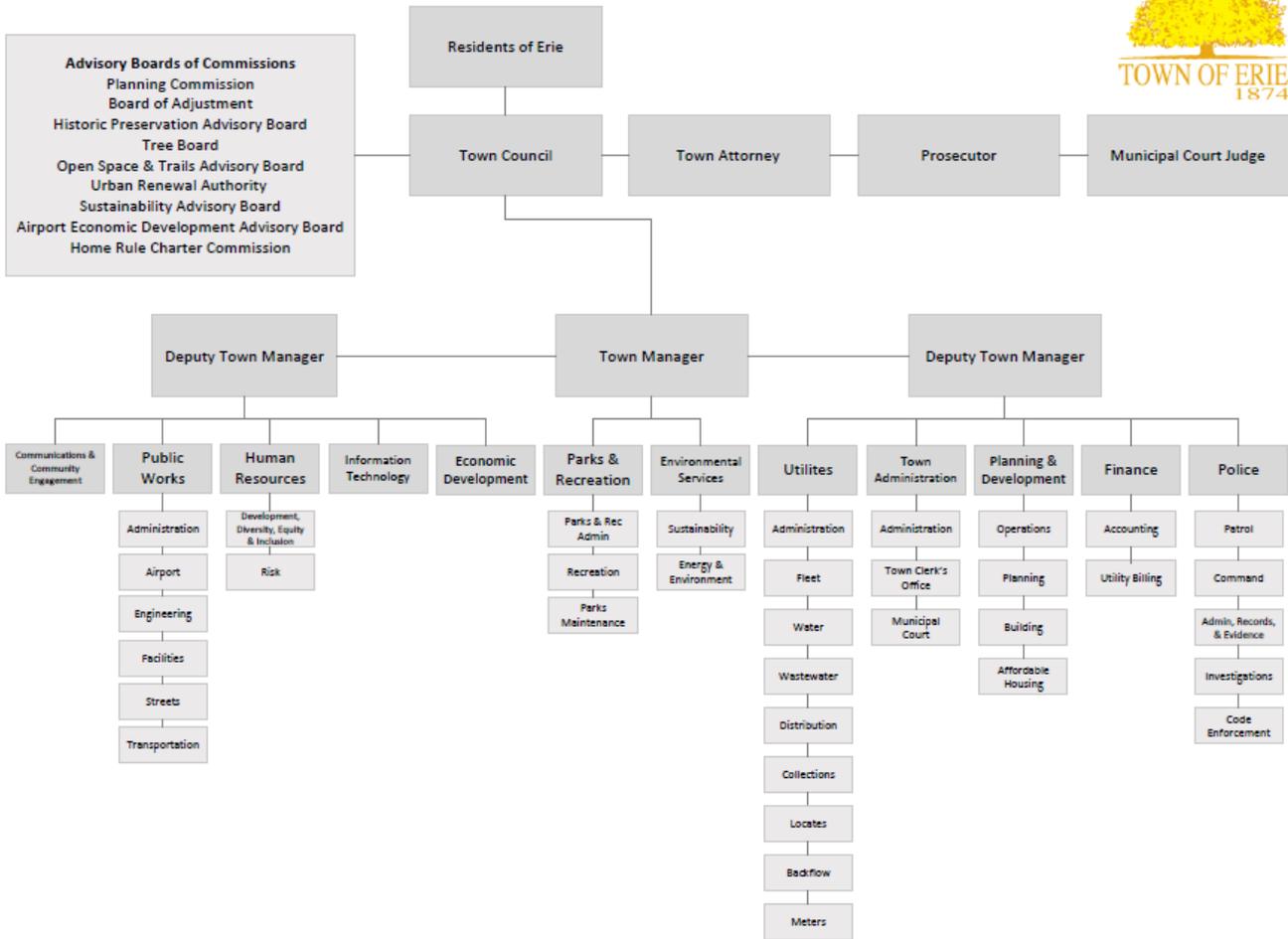
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

TOWN OF ERIE ORGANIZATIONAL CHART



*As of budget adoption 2025

Town of Erie, Colorado
List of Town Officials

Elected Officials - Mayor and Town Council

Andrew J. Moore	Mayor
Brandon Bell	Mayor Pro Tem
Anil Pesaramelli	Member
Emily Baer	Member
John Mortellaro	Member
Brian O'Conner	Member
Dan Hoback	Member

Appointed Officials

Malcolm Fleming	Town Manager
Amanda Bailhache	Municipal Court Judge
Christy Ausmus	Prosecuting Attorney
Kendra Carberry	Town Attorney

Senior Staff

Patrick Hammer	Deputy Town Manager
Melissa Wiley	Deputy Town Manager
Sara Hancock	Director of Finance
Todd Fessenden	Director of Utilities
Denise Jakan	Director of Information Technology
Gabi Rae	Communications & Community Engagement Director
Alicia Melendez	Director of Human Resources
Julian Jacquin	Director of Economic Development
Sarah Nurmela	Director of Planning & Development
Richard Mathis	Chief of Police
Meredyth Muth	Administrative Operations Director
Luke Bolinger	Parks & Recreation Director
David Pasic	Director of Public Works
David Frank	Director of Environmental Services

Note: List is as of the issuance date of this report.

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Town Council
Town of Erie
Erie, Colorado

Report on the Audit of the Financial Statements

Opinions

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 Erie (the Town), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison statements for the General Fund, Grants Fund, and the Erie Urban Renewal Authority Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and GASB required pension schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund statements and schedules, the Local Highway Finance Report, and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (collectively, the supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections and the continuing disclosures but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Town Council
Town of Erie

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Denver, Colorado
August 29, 2025

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The Town of Erie's (Town) management offers readers this narrative overview and analysis of the Town's financial activities for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, found earlier in this report. Amounts in this section are rounded for purposes of easier understanding.

FINANCIAL HIGHLIGHTS

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2024 by \$953.6 million (net position). Of this amount, \$200.8 million (unrestricted net position) may be used to meet the Town's ongoing obligations in accordance with financial policies.
- The Town's total net position increased by \$101.2 million or 11.9%, compared to 2023. Governmental net position increased by \$36.7 million or 10.2%, and business-type net position increased by \$64.5 million, or 13.1%.
- At December 31, 2024, the Town's governmental funds reported combined ending fund balances of \$137.4 million, an increase of \$8.5 million from 2023. This increase reflects higher levels of sales tax revenues, increased grant funding, and expense control efforts.
- The General Fund, the Town's primary operating fund, reported unassigned fund balance of \$20.4 million, representing 34.1% of actual operating expenditures for 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. These consist 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 position* presents information on all the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these categories 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 Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). One purpose of the design of the statement of activities is to show the financial reliance of the Town's distinct functions on revenues provided by the Town's taxpayers.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Both government-wide financial statements distinguish Town functions 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 Town's governmental activities include general government (including the Town's urban renewal authority activities), public safety, public works, and parks and recreation. Business-type activities include the water system, wastewater system, storm drainage system and municipal airport.

The government-wide financial statements can be found on pages 26 and 27 of this report.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the Town's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions 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. This information may be useful in evaluating the Town's near-term financing requirements.

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

During 2024, the Town had 14 individual governmental funds, including the Town's urban renewal authority (URA). The General Fund is considered a *major fund*, as is the Governmental Grants Fund, and the URA. Their fund information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. The remaining individual governmental fund statements are provided in the form of combining statements in a later section of this report.

The Town adopts an annual appropriated budget for each of its governmental funds other than the Erie Community Civic Fund. Budgetary comparison statements for the general fund and the major special revenue funds are included in the basic financial statements to demonstrate compliance with the adopted budget.

The basic governmental fund financial statements can be found on pages 28 – 34 of this report.

The Town maintains two types of **proprietary funds** - enterprise and internal service funds. The proprietary fund financial statements are prepared on the accrual basis of accounting. 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, storm drainage and airport operations.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The Airport Fund qualifies as an enterprise fund under GAAP, as it charges fees to external users. However, it does not meet the Taxpayer's Bill of Rights (TABOR) definition of an enterprise fund due to its establishment prior to TABOR becoming law.

Internal service funds are accounting devices used to accumulate and allocate costs internally among the Town's various functions. At the end of 2019, the Town created its first internal service fund, to be used to account for its fleet of vehicles and heavy equipment. These services predominantly benefit the governmental rather than business-type functions. As such, they are included within the governmental activities in the government-wide financial statements. The activity in the Fleet and Equipment Acquisition Fund is used for monitoring the Town's fleet of vehicles and heavy equipment and is allocated between the governmental and business-type activities based upon actual usage. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The Town adopts an annual appropriated budget for its proprietary funds. Budgetary comparisons for the proprietary funds are included in a later section of this report.

The basic proprietary fund financial statements can be found on pages 35 – 38 of this report.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39 – 75 of this report.

Required Supplementary Information

Required supplementary information providing certain supporting pension schedules can be found on pages 77 and 78.

Supplementary Information

Supplementary information, including combining statements for the nonmajor governmental funds (referred to earlier) are presented following the required supplementary information. In addition, budget statements for proprietary funds are also presented in this section. This information can be found on pages 80 – 105.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

As noted above, over time net position may serve as a useful indicator of a government's financial position. As of December 31, 2024, the Town's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was \$953.6 million, an increase of \$101.2 million over the total at December 31, 2023. The Town reported positive balances in net position for both governmental and business-type activities. Net position increased by \$36.7 million in its governmental activities and \$64.5 million in its business-type activities.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The following table reflects the Town's condensed statement of net position.

**Statement of Net Position
December 31, 2024 and 2023
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and Other Assets	\$ 164,232	\$ 153,488	\$ 180,347	\$ 148,305	\$ 344,579	\$ 301,793
Capital Assets	274,736	247,708	424,053	395,466	698,789	643,174
Total Assets	438,968	401,196	604,400	543,771	1,043,368	944,967
Deferred Outflows of Resources	2,759	3,127	2,037	2,213	4,796	5,340
Liabilities:						
Long-Term Liabilities	17,456	18,703	47,914	50,675	65,370	69,378
Other Liabilities	10,898	9,878	2,418	3,724	13,316	13,602
Total Liabilities	28,354	28,581	50,332	54,399	78,686	82,980
Deferred Inflows of Resources	15,901	14,925	-	-	15,901	14,925
Net Position:						
Net Investment in Capital Assets	258,536	232,640	380,155	347,535	638,691	580,175
Restricted	113,088	77,621	931	1,433	114,019	79,054
Unrestricted	25,848	50,556	175,019	142,617	200,867	193,173
Total Net Position	\$ 397,472	\$ 360,817	\$ 556,105	\$ 491,585	\$ 953,577	\$ 852,402

The Town's net investment in capital assets represents 67.0% of its net position. These capital assets are used to provide necessary services to residents and therefore are not available for future spending. It should be noted that the resources to repay the associated debt must be provided from other sources, since capital assets themselves cannot be liquidated to provide the resources.

Restricted net position accounts for 12.0% of total net position, representing resources that are subject to external restrictions on how they may be used. The remaining component of net position is unrestricted, representing 21.0% of the Town's total net position and may be used to meet ongoing obligations to the Town's residents and creditors.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Statement of Activities

The following table provides a summary of the Town's statement of activities.

**Statement of Activities
Years Ended December 31, 2024 and 2023
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for Services	\$ 16,920	\$ 14,466	\$ 24,388	\$ 20,285	\$ 41,308	\$ 34,751
Operating Grants and Contributions	7,373	7,637	1,764	-	9,137	7,637
Capital Grants and Contributions	23,300	40,977	56,348	56,509	79,648	97,486
General Revenues:						
Taxes	47,204	41,110	-	-	47,204	41,110
Grants	-	-	-	-	-	-
Investment Earnings	6,528	6,196	7,293	6,543	13,821	12,739
Other	1,963	5,137	282	121	2,245	5,258
Total Revenues	103,288	115,523	90,075	83,458	193,363	198,981
Expenses:						
General Government	23,501	16,466	-	-	23,501	16,466
Public Safety	10,126	9,778	-	-	10,126	9,778
Public Works	17,008	12,769	-	-	17,008	12,769
Parks and Recreation	15,172	13,188	-	-	15,172	13,188
Interest on Long-Term Debt	586	563	-	-	586	563
Water	-	-	15,262	13,181	15,262	13,181
Wastewater	-	-	7,170	7,190	7,170	7,190
Storm Drainage	-	-	2,722	1,932	2,722	1,932
Airport	-	-	641	288	641	288
Total Expenses	66,393	52,764	25,795	22,591	92,188	75,355
Increase (Decrease) in Net Position Before Transfers	36,895	62,759	64,280	60,867	101,175	123,626
Transfers	(240)	(252)	240	252	-	-
Increase (Decrease) in Net Position	36,655	62,507	64,520	61,119	101,175	123,626
Net Position - Beginning of Year	360,817	298,310	491,585	430,466	852,402	728,776
Net Position - End of Year	\$ 397,472	\$ 360,817	\$ 556,105	\$ 491,585	\$ 953,577	\$ 852,402

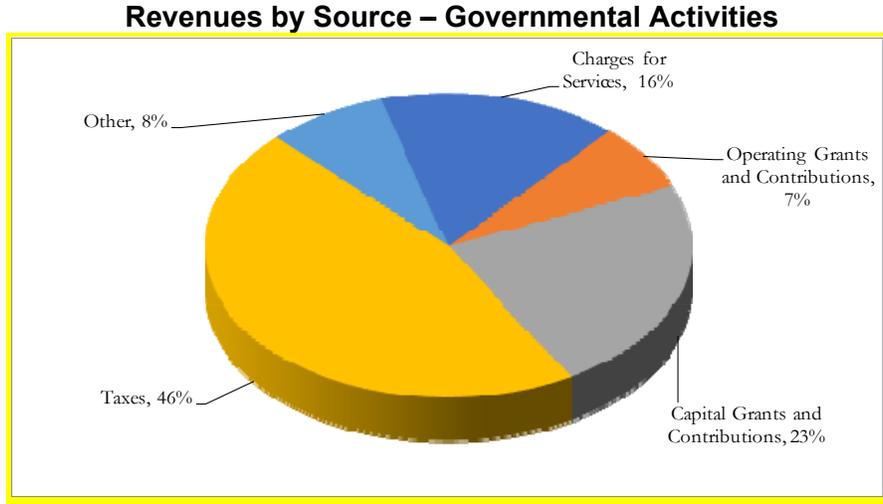
Governmental Activities – Revenues

During 2024, the Town's primary revenue sources for governmental operations included taxes, accounting for 45.7% of total governmental revenues. In addition, capital grants and contributions represented 22.6% of total governmental revenues while charges for services made up 16.4%. Program revenues of \$47.6 million were \$18.8 million less than expenses. This is an ordinary occurrence for governments and indicates that taxes provide a primary source of revenues to support governmental operations.

Total governmental activities revenues of \$103.3 million had a decrease of \$12.2 million or 10.6%, compared to 2023. Contributing to the decrease was capital grants and contributions which decreased a total of \$17.7 million or 43.1% compared to 2023.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The following chart provides the breakdown of revenues by source for 2024:



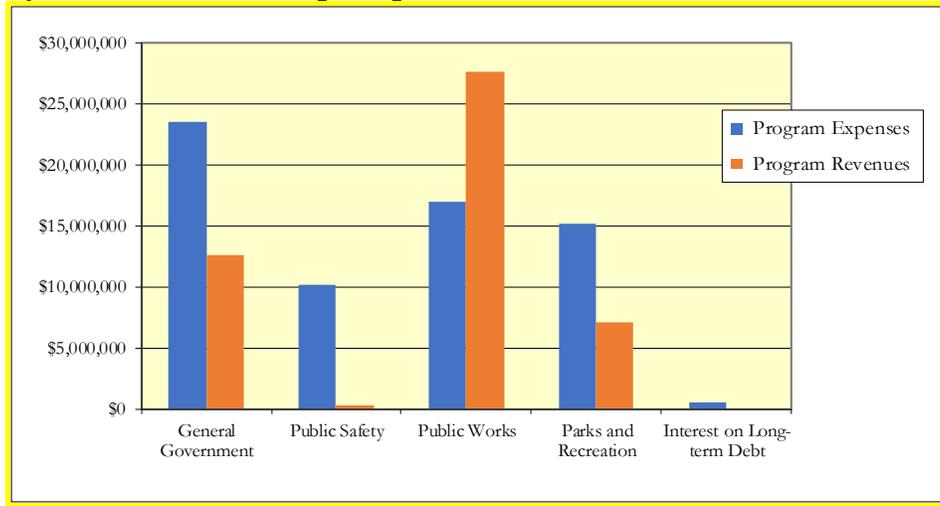
Governmental Activities – Expenses

Total governmental activities expenses were \$66.4 million in 2024, an increase of \$13.6 million, or 25.8%, compared to 2023. The increase in expenses was due to the following:

- Public works expenses increased \$4.2 million or 33.2%, compared to 2023. This reflects increasing service levels and maintenance of Town properties due to continued growth of the Town.
- All other expenses increased \$9.4 million, or 23.5%, compared to 2023. This reflects the additional staff and service level needed to support a growing town.

The following chart provides a comparison of 2024 expenses by function compared to the related program revenues for governmental activities:

Expenses and Offsetting Program Revenues – Governmental Activities



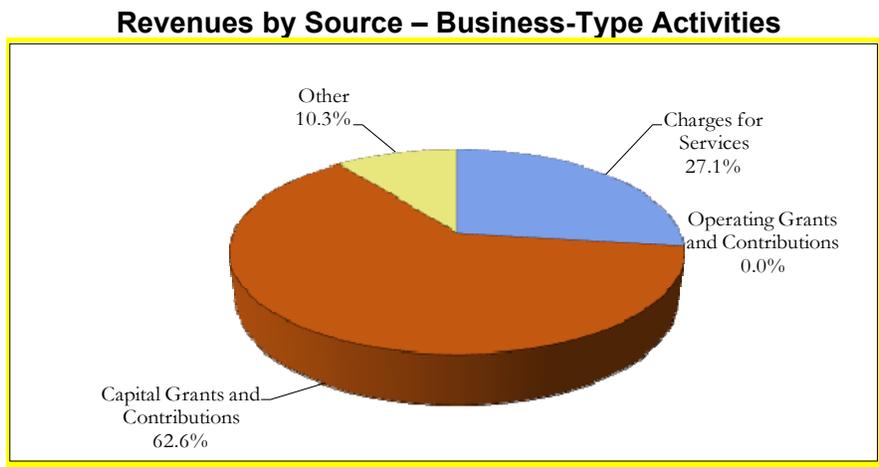
**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Business-Type Activities – Revenues

Business-type activities primarily rely on charges for services to support related expenses. Charges for services of \$24.4 million for business-type activities represented 27.1% of total 2024 business-type revenues.

The other primary source of revenue, representing 62.6% of revenues, comes primarily from capital contributions in the form of tap fees, developer constructed donated capital and reimbursements, and grants. This source of revenue was \$56.3 million in 2024, a decrease of \$0.2 million, or 0.3%, compared to 2023. This is due to a decrease in tap fees associated with new building development when compared to the prior year.

The following chart provides the breakdown of revenues by source for business-type activities for 2024:



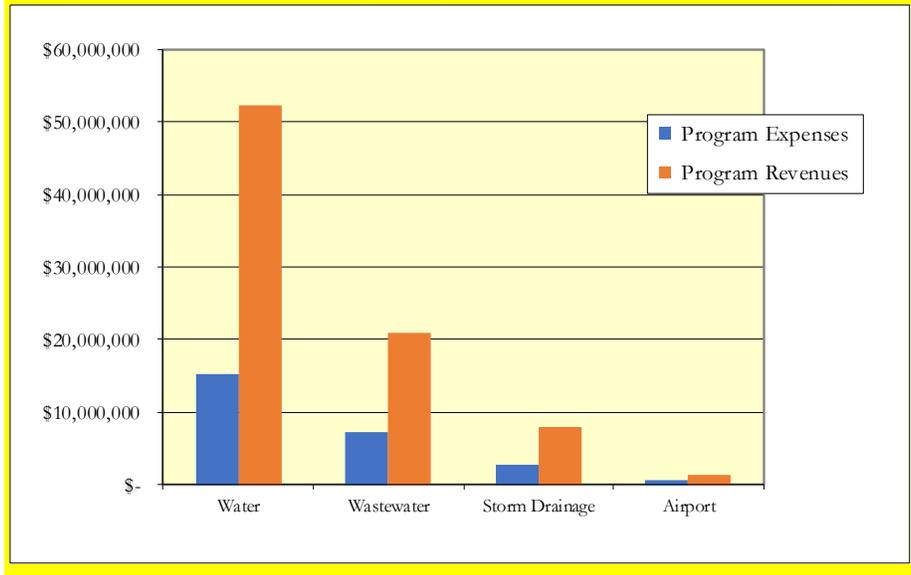
Business-Type Activities – Expenses

Business-type expenses were \$25.8 million in 2024, an increase of \$3.2 million , or 14.2%, compared to 2023. Contributing to this increase were increased personnel, operations and maintenance, and depreciation expenses in the Water, Wastewater, and Storm Drainage funds, all reflecting the continued growth of the Town.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The following chart provides a comparison of 2024 expenses by function compared to the related program revenues for business-type activities:

Program Expenses and Offsetting Program Revenues – Business-Type Activities



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental Funds

The focus of the Town'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. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Unassigned fund balance is one of five fund balance classifications, as follows: nonspendable, restricted, committed, assigned, and unassigned fund balance.

Fund balances are the differences between assets and deferred outflows of resources, and liabilities and deferred inflows of resources in a governmental fund. The nonspendable fund balance includes amounts that are not in spendable form or amounts that are required to be maintained intact. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by formal action of the government's highest level of decision-making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund, and deficit fund balances in any other governmental fund.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$137.4 million. Of that amount, \$1.5 million was nonspendable, \$114.4 million was restricted, \$0.5 million was committed, \$3.3 million was assigned and \$17.7 million was unassigned fund balance.

The General Fund, the primary operating fund of the Town, had a fund balance at December 31, 2024, of \$30.2 million of which \$1.5 million was nonspendable, \$5.0 million was restricted, \$3.3 million was assigned and \$20.4 million was unassigned.

As just noted, the General Fund has \$1.5 million in nonspendable fund balance. This amount primarily represents the noncurrent portion of advances to the URA, used to fund operations and the acquisition of certain properties in planned urban renewal areas. This advance will be repaid by the URA as urban renewal projects are identified and tax increment bond financing related to these projects is obtained by the URA or recovered through other revenue sources. Additionally included are the prepaid insurance costs for the Town's insurance provider CIRSA, as well as technology fees related to the Town's financial system, Tyler. See Note 3.D. on page 56 for more information.

As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. The unassigned fund balance of \$20.4 million represents 34.1% of General Fund 2024 actual operating expenditures and 25.6% of 2024 budgeted operating expenditures.

The Town has two General Fund reserve policies. The first requires a reserve of 25% of operating expenditures to be maintained. Based on 2024 budgeted expenditures, the required reserve is \$15.7 million.

Total fund balance of the General Fund decreased \$22.8 million for the current year, reflecting transfers to the Capital Improvement Fund for one-time expenditures of accumulated fund balance for capital projects. Total General Fund revenues of \$63.5 million increased \$7.1 million, or 13%, compared to 2023, primarily reflecting strong growth in sales, use and property taxes.

General Fund expenditures of \$60.0 million increased approximately \$3.5 million, or 6%, compared to the prior year. This is mainly driven by General Fund Public Works expenditures of \$11.8 million, which increased \$3.5 million, or 42%, compared to the prior year.

In 2024, the Town had one other major governmental fund. The revenues of the Grants Fund come from grants awarded to the Town from federal, state, and local agencies. Formerly non-major, the Grants Fund expenditures increased 8.8% in 2024, including over \$2 million dollars attributed to general government activities.

Formerly a major fund, the fund balance of the Transportation Impact Fund increased \$4.0 million, or 15% when compared to the prior year. This is due to continued inflows of impact fee revenue related to development, while there was only one major capital project that occurred in 2024. Accumulated fund balance will be used to acquire and improve transportation infrastructure in the coming years.

Formerly a major fund, the fund balance of the Parks Improvement Fund increased by \$2.9 million, or 24% compared to the prior year. Continued inflows of impact fees from development were offset by expenditures associated with capital improvements to park infrastructure.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

In 2024, the Town also added the Capital Improvements Fund, which will serve as the Town's capital infrastructure project fund. While nonmajor in 2024, it is funded with a \$27 million transfer from the General Fund and is expected to be a major fund in subsequent financial statements. The fund has budgeted projects in 2025 for both new and ongoing capital maintenance projects.

The remaining major governmental fund in 2024 was the Town's urban renewal authority. Prior to 2012 the URA had no significant activities. Since then, the URA has expended approximately \$7 million for the purchase and improvement of real estate for future urban renewal projects, almost all of which were related to the Nine Mile project, a mixed commercial/retail/multi-family development planned for the southwest corner of Highway 287 and Arapahoe Road. In addition, the URA has expended over \$3 million in operating expenses since inception, primarily for incentive agreements, legal and consulting fees to identify various urban renewal areas along with other related activities, and allocated personnel costs of Town support staff. In 2024, the fund balance of the URA decreased by \$0.5 million, or 4.6%, compared to the prior year. This is due to the increase of capital projects in the Colliers Hill area related to growth in the area, as well as an increase in capital projects in the Nine Mile area as development was completed in that area and businesses opened mid-year.

A total of \$98.5 million in fund balances are restricted or committed for future capital outlays and similar purposes in the other (nonmajor) governmental funds. See Note 1.D. starting on page 43 and Note 3.D. starting on page 56 for more information.

Proprietary Funds

The Town's proprietary fund financial statements provide the same type of information as found in the government-wide financial statements, but in more detail. The total net position of all enterprise funds as of December 31, 2024, was \$556.1 million, of which \$175.0 million was unrestricted net position. Total net position increased \$64.5 million over the prior year, with unrestricted net position increasing \$32.4 million. The \$64.5 million increase in total net position is attributable primarily to an increase in the donation of developer constructed infrastructure across all enterprise funds. In the Water Fund, net position increased \$42.8 million. In the Wastewater Fund, net position increased \$15.2 million. In the Storm Drainage and Airport Funds, net position increased \$6.5 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The 2024 General Fund original budget reflected revenues of \$53.5 million and expenditures of \$62.2 million. The final budget provided for a deficiency, or use of fund balance, primarily for one-time expenditures of accumulated fund balance for capital projects of \$24.6 million, reflecting revenues of \$53.2 million, expenditures of \$80.0 million, and other financing sources of \$2.0 million. The expenditure budget increased \$17.6 million to \$79.8 million in the final budget. The primary expenditure changes were related to capital construction projects that were started in 2023 but rolled forward to 2024 in the first supplemental budget appropriation.

Actual results for 2024 in the General Fund was a deficit of \$22.8 million, primarily for one-time expenditures of accumulated fund balance for capital projects. Revenues exceeded budget in almost all categories, with particularly favorable outcomes in sales and use tax, and licenses and permits. Expenditures were under budget primarily due to the timing of capital projects. Additional information can be found in the "Governmental Funds" above.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets includes land, water rights, buildings, improvements, machinery, equipment, and vehicles. It includes governmental activities as well as water, wastewater, storm drainage and airport infrastructure. Capital assets net of accumulated depreciation as of December 31, 2024, for its governmental and business-type activities amounted to \$698.8 million, a net increase of \$55.6 million from December 31, 2023. The increase in capital assets was the result of \$35.5 million in Town-funded additions and \$30.7 million in infrastructure constructed by developers and contributed to the Town, partially offset by depreciation.

**Capital Assets
December 31, 2024 and 2023
(Net of Accumulated Depreciation)
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 44,253	\$ 40,944	\$ 6,562	\$ 6,562	\$ 50,815	\$ 47,506
Water Rights	-	-	84,413	84,413	84,413	84,413
Buildings	29,723	29,405	12,134	12,346	41,857	41,751
Improvements Other Than Buildings	168,045	159,420	250,110	203,388	418,155	362,808
Machinery, Equipment, and Vehicles	3,549	3,456	3,478	2,908	7,027	6,364
Construction in Progress	26,173	12,155	66,793	85,501	92,966	97,656
Leased Assets	2,993	2,328	563	348	3,556	2,676
Total Capital Assets	<u>\$ 274,736</u>	<u>\$ 247,708</u>	<u>\$ 424,053</u>	<u>\$ 395,466</u>	<u>\$ 698,789</u>	<u>\$ 643,174</u>

Major capital improvements during the fiscal year ended December 31, 2024, included the following:

- Governmental Activities (total additions - \$21.5 million)
 - Developer-constructed infrastructure – primarily streets (\$9.7 million)
 - Reynolds Property (\$2.7 million)
 - Various street improvements (\$3.3 million)
- Business-Type Activities (total additions - \$55.8 million)
 - North Water Reclamation Facility (NWFR) (\$32.8 million)
 - Developer-constructed infrastructure (\$21 million)

Additional information on the Town's capital assets can be found in Note 3.C. starting on page 54 of this report.

Long-Term Debt

At the end of 2024, the Town had \$65.4 million in total outstanding long-term debt, a decrease of \$3.6 million from December 31, 2023. Of this amount, \$8.6 million represents general obligation bonds secured by all available Town revenue. The remainder is primarily secured by specific revenue sources (e.g., water revenues) and water rights.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

The Town's general obligation bond rating was last reviewed by Moody's Investors Service in 2018, resulting in a rating increase from Aa2 to Aa1. The Town's ratings on its water system revenue bonds were reviewed in the prior year, resulting in a rating increase from Aa3 to Aa2. The wastewater system revenue bonds were increased from A+ to AA- by S&P Global in the prior year.

State statutes limit the amount of general obligation debt the Town may issue to 3% of estimated actual valuation. The current general obligation debt limitation for the Town is \$171.0 million.

During 2024, the Town implemented GASB Statement No. 101, *Compensated Absences* and GASB Statement No. 100 *Accounting Changes and Error Corrections*. This changed the presentation of the Town's compensated absences liability. This implementation had no impact on net position.

Additional information on the Town's long-term debt can be found in Note 3.E. starting on page 57 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Several factors drive the Town's budget and financial performance. Some of these factors include area employment rates, retail sales, motor vehicle sales, construction activity, population growth, and capital infrastructure needs. Throughout 2024, the Town saw increased financial performance as the area continues to see rapid development and growth. The 2025 budget was approved by the Town Council in November 2024. The General Fund, the Town's primary operating fund, had a budgeted surplus of \$7.3 million, related primarily to increases in revenue collection. Revenue forecasts reflect a moderate increase in sales taxes, development related revenues, and recreation activities.

The Town has set aside significant amounts of reserves in the General Fund to enable it to continue to provide required services in the event of an economic downturn. The Town will continue to conserve resources until its commercial base grows, providing consistent and higher levels of sales, use, and property taxes.

FINANCIAL CONTACT

This financial report is designed to provide users (residents, taxpayers, customers, investors, creditors, and other interested parties) with a general overview of the Town's finances and to demonstrate the Town's accountability and compliance with generally accepted accounting principles. Questions concerning any of the information presented in this report or requests for additional information should be addressed to the Town of Erie, Finance Director, PO Box 750, Erie, CO 80516.

BASIC FINANCIAL STATEMENTS

TOWN OF ERIE, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Pooled Cash and Investments	\$ 128,345,520	\$ 173,680,198	\$ 302,025,718
Restricted Cash and Investments	11,581,022	3,132,552	14,713,574
Receivables	23,036,984	4,119,321	27,156,305
Internal Balances	1,024,331	(1,024,331)	-
Prepaid Items and Other Assets	244,029	439,569	683,598
Capital Assets Not Being Depreciated:			
Land and Water Rights	44,253,110	90,975,006	135,228,116
Construction in Progress	26,173,436	66,792,960	92,966,396
Capital Assets and Right-to-Use Assets, Net of Accumulated Depreciation and Amortization	<u>204,309,773</u>	<u>266,284,736</u>	<u>470,594,509</u>
Total Assets	<u>438,968,205</u>	<u>604,400,011</u>	<u>1,043,368,216</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refundings	168,523	2,037,321	2,205,844
Pension Related Items	<u>2,590,714</u>	-	<u>2,590,714</u>
Total Deferred Outflows of Resources	<u>2,759,237</u>	<u>2,037,321</u>	<u>4,796,558</u>
LIABILITIES			
Accounts Payable	6,866,444	1,704,874	8,571,318
Accrued Interest Payable	13,667	218,110	231,777
Accrued Wages Payable	1,129,538	169,542	1,299,080
Other Liabilities	2,234,416	259,059	2,493,475
Unearned Revenue	654,595	67,154	721,749
Noncurrent Liabilities:			
Due Within One Year	3,316,647	3,555,422	6,872,069
Due in More Than One Year	<u>14,139,174</u>	<u>44,358,591</u>	<u>58,497,765</u>
Total Liabilities	<u>28,354,481</u>	<u>50,332,752</u>	<u>78,687,233</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	12,971,415	-	12,971,415
Lease Related	2,586,701	-	2,586,701
Pension Related Items	<u>342,830</u>	-	<u>342,830</u>
Total Deferred Inflows of Resources	<u>15,900,946</u>	<u>-</u>	<u>15,900,946</u>
NET POSITION			
Net Investment in Capital Assets	258,536,275	380,154,786	638,691,061
Restricted:			
Capital Projects	102,183,838	-	102,183,838
Parks and Open Space	6,736,677	-	6,736,677
Operations and Maintenance Reserves	-	931,064	931,064
Other Purposes	1,694,818	-	1,694,818
Emergencies	2,472,585	-	2,472,585
Unrestricted	<u>25,847,822</u>	<u>175,018,730</u>	<u>200,866,552</u>
Total Net Position	<u>\$ 397,472,015</u>	<u>\$ 556,104,580</u>	<u>\$ 953,576,595</u>

See accompanying Notes to Financial Statements.

**TOWN OF ERIE, COLORADO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024**

Functions/Programs	Expenses	Program Revenues				Net Revenue (Expense) and Changes in Net Position Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	Governmental Activities	Business-Type Activities	Total
Primary Government:								
Governmental Activities:								
General Government	\$ 23,500,908	\$ 9,804,228	\$ 2,769,554	\$ -	\$ 12,573,782	\$ (10,927,126)	\$ -	\$ (10,927,126)
Public Safety	10,125,655	155,566	21,779	83,057	260,402	(9,865,253)	-	(9,865,253)
Public Works	17,007,807	3,491,616	4,185,799	19,917,934	27,595,349	10,587,542	-	10,587,542
Parks and Recreation	15,172,873	3,468,117	395,703	3,299,412	7,163,232	(8,009,641)	-	(8,009,641)
Interest on Long-Term Debt	585,760	-	-	-	-	(585,760)	-	(585,760)
Total Governmental Activities	66,393,003	16,919,527	7,372,835	23,300,403	47,592,765	(18,800,238)	-	(18,800,238)
Business-Type Activities:								
Water	15,261,761	15,060,859	13,074	37,243,222	52,317,155	-	37,055,394	37,055,394
Wastewater	7,170,155	7,309,219	964	13,541,660	20,851,843	-	13,681,688	13,681,688
Storm Drainage	2,721,229	2,012,442	410,636	5,562,741	7,985,819	-	5,264,590	5,264,590
Airport	641,277	5,812	1,339,477	-	1,345,289	-	704,012	704,012
Total Business-Type Activities	25,794,422	24,388,332	1,764,151	56,347,623	82,500,106	-	56,705,684	56,705,684
Total Primary Government	\$ 92,187,425	\$ 41,307,859	\$ 9,136,986	\$ 79,648,026	\$ 130,092,871	(18,800,238)	56,705,684	37,905,446
General Revenues								
Taxes:								
						12,790,072	-	12,790,072
						32,732,591	-	32,732,591
						1,286,116	-	1,286,116
						394,736	-	394,736
						6,528,494	7,292,868	13,821,362
						1,963,345	281,589	2,244,934
						(240,000)	240,000	-
						55,455,354	7,814,457	63,269,811
						Total General Revenues and Transfers		
						36,655,116	64,520,141	101,175,257
CHANGES IN NET POSITION								
						360,816,899	491,584,439	852,401,338
						Net Position - Beginning of Year		
						\$ 397,472,015	\$ 556,104,580	\$ 953,576,595
						NET POSITION - END OF YEAR		

See accompanying Notes to Financial Statements.

**TOWN OF ERIE, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	General Fund	Grants Fund	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Pooled Cash and Investments	\$ 24,640,290	\$ 1,761,875	\$ -	\$ 101,924,319	\$ 128,326,484
Restricted Cash and Investments	-	-	11,581,022	-	11,581,022
Receivables	14,356,529	2,215,308	3,486,379	2,978,768	23,036,984
Due from Other Funds	5,660,109	-	-	-	5,660,109
Prepaid Items and Other Assets	244,029	-	-	-	244,029
Advances to Other Funds	1,196,936	-	-	-	1,196,936
	<u>\$ 46,097,893</u>	<u>\$ 3,977,183</u>	<u>\$ 15,067,401</u>	<u>\$ 104,903,087</u>	<u>\$ 170,045,564</u>
Total Assets					
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 2,960,128	\$ 28,255	\$ 286,712	\$ 3,525,302	\$ 6,800,397
Wages Payable	1,129,538	-	-	-	1,129,538
Other Liabilities	2,234,416	-	-	-	2,234,416
Advance from Other Funds	-	-	1,196,936	-	1,196,936
Due to Other Funds	-	3,431,451	-	-	3,431,451
Unearned Revenue	326,000	238,191	-	71,368	635,559
Total Liabilities	<u>6,650,082</u>	<u>3,697,897</u>	<u>1,483,648</u>	<u>3,596,670</u>	<u>15,428,297</u>
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	6,666,919	-	3,462,066	2,842,430	12,971,415
Lease Related	2,586,701	-	-	-	2,586,701
Unavailable Fund Resources - Grants	-	1,694,818	-	-	1,694,818
Total Deferred Inflows of Resources	<u>9,253,620</u>	<u>1,694,818</u>	<u>3,462,066</u>	<u>2,842,430</u>	<u>17,252,934</u>
FUND BALANCES					
Nonspendable:					
Interfund Advances - Noncurrent	1,196,936	-	-	-	1,196,936
Prepaid Items	244,029	-	-	-	244,029
Restricted for:					
Capital Projects	1,648,000	-	11,429,641	92,133,564	105,211,205
Parks and Open Space	856,132	-	-	5,880,545	6,736,677
Emergency Reserves	2,472,585	-	-	-	2,472,585
Committed to:					
Cemetery Operations	-	-	-	449,878	449,878
Assigned to:					
Purchases on Order	3,330,708	-	-	-	3,330,708
Unassigned	20,445,801	(1,415,532)	(1,307,954)	-	17,722,315
Total Fund Balances	<u>30,194,191</u>	<u>(1,415,532)</u>	<u>10,121,687</u>	<u>98,463,987</u>	<u>137,364,333</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 46,097,893</u>	<u>\$ 3,977,183</u>	<u>\$ 15,067,401</u>	<u>\$ 104,903,087</u>	<u>\$ 170,045,564</u>

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
RECONCILIATION OF THE GOVERNMENT FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds \$ 137,364,333

The amounts reported as governmental activities on the statement of net position are different because:

Capital assets utilized in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements. 271,018,788

Certain receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. 1,694,818

Long-term liabilities and related items are not due and payable in the current period and, therefore, are not reported in the fund financial statements.

Bonds Payable	(12,575,000)
Leases Payable	(92,285)
SBITAs Payable	(578,533)
Unamortized Bond Issuance Premium and Discounts, Net	(254,385)
Unamortized Deferred Refunding Loss	168,523
Accrued Interest Payable	(13,667)
Compensated Absences	(1,609,582)
Other Noncurrent Liabilities	<u>(450,707)</u>
Total Long-Term Liabilities and Related Items	<u>(15,405,636)</u>

Deferred outflows of resources related to pensions used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Change in Investment Earnings	624,385
Changes in Assumptions	504,477
Change in Experience	869,728
Contributions Subsequent to the Measurement Date	499,735
Change in Proportionate Share	<u>92,389</u>
Total Deferred Outflows of Resources	<u>2,590,714</u>

Deferred inflows of resources related to pensions used in governmental activities are not due and payable in the current year and, therefore, are not reported in the funds.

Change in Experience	(41,788)
Change in Proportionate Share	<u>(301,042)</u>
Total Deferred Inflows of Resources	<u>(342,830)</u>

The internal service fund is used by management to charge the capital asset acquisition to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.

551,828

Net Position of Governmental Activities as Reported on the Statement of Net Position \$ 397,472,015

TOWN OF ERIE, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	General Fund	Formerly Nonmajor Grants Fund	Formerly Major Transportation Impact Fund	Formerly Major Parks Improvement	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 40,051,897	\$ -	\$ -	\$ -	\$ 4,205,884	\$ 2,945,734	\$ 47,203,515
Intergovernmental	2,343,458	3,290,128	-	-	-	381,657	6,015,243
Licenses and Permits	5,166,712	-	-	-	-	-	5,166,712
Fees and Charges for Services	11,520,545	-	-	-	24,670	52,000	11,597,215
Fines and Forfeitures	155,566	-	-	-	-	-	155,566
Capital Contributions and Fees	-	2,200	-	-	-	13,569,278	13,571,478
Investment Earnings	2,668,775	83,788	-	-	530,237	3,245,694	6,528,494
Miscellaneous	1,592,788	-	-	-	-	69,295	1,662,083
Total Revenues	<u>63,499,741</u>	<u>3,376,116</u>	<u>-</u>	<u>-</u>	<u>4,760,791</u>	<u>20,263,658</u>	<u>91,900,306</u>
EXPENDITURES							
Current Operating:							
General Government	16,428,393	2,059,827	-	-	3,334,144	8,075	21,830,439
Public Safety	9,791,329	21,426	-	-	-	-	9,812,755
Public Works	11,779,404	-	-	-	-	335	11,779,739
Parks and Recreation	11,820,243	16,246	-	-	-	156,601	11,993,090
Capital Outlay	8,265,968	2,875,812	-	-	1,586,980	13,685,878	26,414,638
Debt Service:							
Principal	1,509,658	-	-	-	165,000	-	1,674,658
Interest	352,809	-	-	-	158,207	-	511,016
Total Expenditures	<u>59,947,804</u>	<u>4,973,311</u>	<u>-</u>	<u>-</u>	<u>5,244,331</u>	<u>13,850,889</u>	<u>84,016,335</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,551,937	(1,597,195)	-	-	(483,540)	6,412,769	7,883,971
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	27,000,000	27,000,000
Transfers Out	(27,240,000)	-	-	-	-	-	(27,240,000)
SBITAs	638,305	-	-	-	-	-	638,305
Leases	85,228	-	-	-	-	-	85,228
Sale of Capital Assets	96,889	-	-	-	-	-	96,889
Insurance Recoveries	63,717	-	-	-	-	-	63,717
Total Other Financing Sources (Uses)	<u>(26,355,861)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,000,000</u>	<u>644,139</u>
NET CHANGES IN FUND BALANCES	(22,803,924)	(1,597,195)	-	-	(483,540)	33,412,769	8,528,110
Fund Balances - Beginning of Year, as Previously Presented	<u>52,998,115</u>	<u>-</u>	<u>26,086,265</u>	<u>12,170,509</u>	<u>10,605,227</u>	<u>26,976,107</u>	<u>128,836,223</u>
Changes within Financial Reporting Entity (Major to Nonmajor and Nonmajor to Major)	<u>-</u>	<u>181,663</u>	<u>(26,086,265)</u>	<u>(12,170,509)</u>	<u>-</u>	<u>38,075,111</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 30,194,191</u>	<u>\$ (1,415,532)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,121,687</u>	<u>\$ 98,463,987</u>	<u>\$ 137,364,333</u>

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Changes in Fund Balances - Governmental Funds \$ 8,528,110

The amounts reported as governmental activities on the statement of activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.

Capital Outlays	26,414,638
Depreciation and Amortization Expense	<u>(9,053,029)</u>
Excess of Capital Outlays Over Depreciation	17,361,609

Contributions of capital assets by developers increase net position in the statement of activities but do not appear in the governmental funds because they are not financial resources.

9,728,924

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

1,347,952

Governmental Funds report principal payments as expenditures. However, in the statement of activities these payments are reflected as a reduction in long-term debt obligations.

1,674,658

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Net Book Value of Disposed Assets	(113,065)
Change in Accrued Compensated Absences	(201,252)
Amortization of Premiums, Discounts, Deferred Refunding Losses, and Bond Insurance Premiums	13,026
Pension Expense	<u>210,753</u>
Total Expenses Not Requiring Current Resources	(90,538)

Governmental Funds report proceeds from borrowings as other financing sources. However, in the statement of net position these proceeds are reflected as debt obligations.

(723,533)

The Town's internal service fund is used by management to charge costs related to fleet and equipment acquisition to individual funds. The net revenue of the internal service fund is reported in governmental activities.

(1,172,066)

Change in Net Position of Governmental Activities as Reported on the Statement of Activities

\$ 36,655,116

**TOWN OF ERIE, COLORADO
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 36,415,000	\$ 35,915,000	\$ 40,051,897	\$ 4,136,897
Intergovernmental	1,523,350	1,523,350	2,343,458	820,108
Licenses and Permits	2,999,000	2,999,000	5,166,712	2,167,712
Fees and Charges for Services	11,112,070	11,112,070	11,520,545	408,475
Fines and Forfeitures	100,000	100,000	155,566	55,566
Investment Earnings	525,000	525,000	2,668,775	2,143,775
Miscellaneous	860,000	985,387	1,592,788	607,401
Total Revenues	<u>53,534,420</u>	<u>53,159,807</u>	<u>63,499,741</u>	<u>10,339,934</u>
EXPENDITURES				
Current Operating:				
General Government:				
Legislative	238,803	468,941	536,761	(67,820)
Town Administration	9,419,896	10,443,073	9,348,191	1,094,882
Community Development	3,802,691	6,837,032	3,383,948	3,453,084
Finance	2,359,286	2,359,286	2,161,760	197,526
Central Charges	858,257	866,904	997,733	(130,829)
Public Safety	9,694,340	9,644,270	9,791,329	(147,059)
Public Works	9,139,517	11,550,951	11,779,404	(228,453)
Parks and Recreation	12,564,471	12,900,883	11,820,243	1,080,640
Capital Outlay	12,622,200	23,267,746	8,265,968	15,001,778
Debt Service:				
Principal	1,155,000	1,155,000	1,509,658	(354,658)
Interest	335,013	335,013	352,809	(17,796)
Total Expenditures	<u>62,189,474</u>	<u>79,829,099</u>	<u>59,947,804</u>	<u>19,881,295</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,655,054)	(26,669,292)	3,551,937	30,221,229
OTHER FINANCING SOURCES (USES)				
Transfers In	551,386	3,873,663	-	(3,873,663)
Transfers Out	(895,446)	(1,845,446)	(27,240,000)	(25,394,554)
SBITAs	-	-	638,305	638,305
Leases	-	-	85,228	85,228
Sale of Capital Assets	-	-	96,889	96,889
Insurance Recoveries	-	-	63,717	63,717
Total Other Financing Sources (Uses)	<u>(344,060)</u>	<u>2,028,217</u>	<u>(26,355,861)</u>	<u>(28,384,078)</u>
NET CHANGES IN FUND BALANCE	<u>\$ (8,999,114)</u>	<u>\$ (24,641,075)</u>	(22,803,924)	<u>\$ 1,837,151</u>
Fund Balance - Beginning of Year			<u>52,998,115</u>	
FUND BALANCE - END OF YEAR			<u>\$ 30,194,191</u>	

Public Safety, Public Works, and Parks and Recreation are considered departments of the Government.

See accompanying Notes to Financial Statements.

**TOWN OF ERIE, COLORADO
GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 1,287,043	\$ 5,163,748	\$ 3,290,128	\$ (1,873,620)
Capital Contributions and Fees	-	-	2,200	2,200
Investment Earnings	-	-	83,788	83,788
Total Revenues	<u>1,287,043</u>	<u>5,163,748</u>	<u>3,376,116</u>	<u>(1,787,632)</u>
EXPENDITURES				
Current Operating:				
General Government	1,220,000	47,901	2,059,827	(2,011,926)
Public Safety	-	-	21,426	(21,426)
Parks and Recreation	-	-	16,246	(16,246)
Capital Outlay	-	118,403	2,875,812	(2,757,409)
Total Expenditures	<u>1,220,000</u>	<u>166,304</u>	<u>4,973,311</u>	<u>(4,807,007)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	67,043	4,997,444	(1,597,195)	(6,594,639)
OTHER FINANCING USES				
Transfers Out	<u>(1,287,043)</u>	<u>(5,523,694)</u>	-	5,523,694
Total Other Financing Sources (Uses)	<u>(1,287,043)</u>	<u>(5,523,694)</u>	-	5,523,694
NET CHANGES IN FUND BALANCE	<u>\$ (1,220,000)</u>	<u>\$ (526,250)</u>	(1,597,195)	<u>\$ (1,070,945)</u>
Fund Balance - Beginning of Year			<u>181,663</u>	
FUND BALANCE - END OF YEAR			<u>\$ (1,415,532)</u>	

**TOWN OF ERIE, COLORADO
 ERIE URBAN RENEWAL AUTHORITY
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 5,216,756	\$ 5,216,756	\$ 4,205,884	\$ (1,010,872)
Fees and Charges for Services	1,654	1,654	24,670	23,016
Investment Earnings	335,000	335,000	530,237	195,237
Total Revenues	<u>5,553,410</u>	<u>5,553,410</u>	<u>4,760,791</u>	<u>(792,619)</u>
EXPENDITURES				
Current Operating:				
General Government	1,859,326	1,859,326	3,334,144	(1,474,818)
Capital Outlay	6,500,000	8,764,820	1,586,980	7,177,840
Debt Service:				
Principal	-	-	165,000	(165,000)
Interest	164,000	164,000	158,207	5,793
Total Expenditures	<u>8,523,326</u>	<u>10,788,146</u>	<u>5,244,331</u>	<u>5,543,815</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,969,916)</u>	<u>(5,234,736)</u>	<u>(483,540)</u>	<u>4,751,196</u>
NET CHANGES IN FUND BALANCE	<u>\$ (2,969,916)</u>	<u>\$ (5,234,736)</u>	<u>(483,540)</u>	<u>\$ 4,751,196</u>
Fund Balance - Beginning of Year			<u>10,605,227</u>	
FUND BALANCE - END OF YEAR			<u>\$ 10,121,687</u>	

See accompanying Notes to Financial Statements.

**TOWN OF ERIE, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2024**

	Business-Type Activities				Governmental Activities	
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund ⁽¹⁾
ASSETS						
Current Assets:						
Pooled Cash and Investments	\$ 133,952,313	\$ 37,826,338	\$ 1,901,547	\$ -	\$ 173,680,198	\$ 19,036
Restricted Cash and Investments	3,132,552	-	-	-	3,132,552	-
Receivables	1,224,317	907,176	672,609	1,315,219	4,119,321	-
Prepaid Items	407,330	32,239	-	-	439,569	-
Total Current Assets	<u>138,716,512</u>	<u>38,765,753</u>	<u>2,574,156</u>	<u>1,315,219</u>	<u>181,371,640</u>	<u>19,036</u>
Noncurrent Assets:						
Capital Assets:						
Construction in Progress	54,502,061	997,591	10,063,972	1,229,336	66,792,960	-
Land and Water Rights	90,259,984	59,022	63,705	592,295	90,975,006	-
Buildings, Property, and Equipment	165,950,093	125,324,940	62,275,821	7,284,639	360,835,493	2,836,427
Accumulated Depreciation	(53,294,488)	(26,492,568)	(10,950,528)	(4,375,760)	(95,113,344)	(963,721)
Total Capital Assets, Net	<u>257,417,650</u>	<u>99,888,985</u>	<u>61,452,970</u>	<u>4,730,510</u>	<u>423,490,115</u>	<u>1,872,706</u>
Right-to-Use Assets:						
Leased Vehicles and Equipment	780,740	79,502	114,191	-	974,433	3,349,097
Accumulated Amortization	(345,523)	(28,015)	(38,308)	-	(411,846)	(1,504,272)
Total Right-to-Use Assets, Net	<u>435,217</u>	<u>51,487</u>	<u>75,883</u>	<u>-</u>	<u>562,587</u>	<u>1,844,825</u>
Total Noncurrent Assets	<u>257,852,867</u>	<u>99,940,472</u>	<u>61,528,853</u>	<u>4,730,510</u>	<u>424,052,702</u>	<u>3,717,531</u>
Total Assets	<u>396,569,379</u>	<u>138,706,225</u>	<u>64,103,009</u>	<u>6,045,729</u>	<u>605,424,342</u>	<u>3,736,567</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charges on Refunding	672,673	1,364,648	-	-	2,037,321	-
LIABILITIES						
Current Liabilities:						
Accounts Payable	903,927	233,989	421,954	145,004	1,704,874	66,047
Accrued Interest Payable	171,812	43,623	2,675	-	218,110	-
Wages Payable	87,300	51,969	30,273	-	169,542	-
Other Liabilities	259,059	-	-	-	259,059	-
Due to Other Funds	-	-	-	1,024,331	1,024,331	1,204,327
Unearned Revenue	53,424	13,730	-	-	67,154	19,036
Compensated Absences	92,673	55,167	32,136	-	179,976	-
Current Portion of Long-Term Debt:						
Certificates of Participation Payable	859,508	-	-	-	859,508	-
Loans Payable	-	147,337	14,657	-	161,994	-
Bonds Payable	1,540,669	650,000	-	-	2,190,669	-
Leases Payable	135,615	10,938	16,722	-	163,275	534,365
Total Current Liabilities	<u>4,103,987</u>	<u>1,206,753</u>	<u>518,417</u>	<u>1,169,335</u>	<u>6,998,492</u>	<u>1,823,775</u>
Noncurrent Liabilities:						
Compensated Absences	32,682	19,455	11,333	-	63,470	-
Long-Term Debt, Net of Unamortized Premiums and Discounts:						
Certificates of Participation Payable	18,213,078	-	-	-	18,213,078	-
Loans Payable	-	675,073	163,683	-	838,756	-
Bonds Payable	11,694,932	13,091,700	-	-	24,786,632	-
Leases Payable	352,399	44,508	59,748	-	456,655	1,360,964
Total Noncurrent Liabilities	<u>30,293,091</u>	<u>13,830,736</u>	<u>234,764</u>	<u>-</u>	<u>44,358,591</u>	<u>1,360,964</u>
Total Liabilities	<u>34,397,078</u>	<u>15,037,489</u>	<u>753,181</u>	<u>1,169,335</u>	<u>51,357,083</u>	<u>3,184,739</u>
NET POSITION						
Net Investment in Capital Assets	228,129,046	86,568,659	60,856,806	4,600,275	380,154,786	1,756,163
Restricted:						
Operations and Maintenance Reserves	-	931,064	-	-	931,064	-
Unrestricted	134,715,928	37,533,661	2,493,022	276,119	175,018,730	(1,204,335)
Total Net Position	<u>\$ 362,844,974</u>	<u>\$ 125,033,384</u>	<u>\$ 63,349,828</u>	<u>\$ 4,876,394</u>	<u>\$ 556,104,580</u>	<u>\$ 551,828</u>

⁽¹⁾ Fleet and Equipment Acquisition Fund

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Business-Type Activities				Total Enterprise Funds	Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Nonmajor Enterprise Funds		Internal Service Fund ⁽¹⁾
OPERATING REVENUES						
Charges for Services	\$ 15,060,859	\$ 7,309,219	\$ 2,012,442	\$ 5,812	\$ 24,388,332	\$ 34
OPERATING EXPENSES						
Personnel Services	2,210,843	1,304,323	740,239	-	4,255,405	-
Operations and Maintenance	6,774,643	2,971,622	630,305	378,842	10,755,412	-
Depreciation and Amortization	4,944,622	2,332,963	1,347,964	262,435	8,887,984	1,049,016
Total Operating Expenses	<u>13,930,108</u>	<u>6,608,908</u>	<u>2,718,508</u>	<u>641,277</u>	<u>23,898,801</u>	<u>1,049,016</u>
OPERATING INCOME (LOSS)	1,130,751	700,311	(706,066)	(635,465)	489,531	(1,048,982)
NONOPERATING REVENUES (EXPENSES)						
Investment Earnings	5,644,262	1,521,926	124,723	1,957	7,292,868	-
Intergovernmental	13,074	964	410,636	1,339,477	1,764,151	9,642
Other Nonoperating Income	137,907	-	-	143,682	281,589	-
Interest Expense	(1,331,653)	(561,247)	(2,721)	-	(1,895,621)	(175,694)
Gain (Loss) on Disposition of Capital Assets	-	57,550	-	-	57,550	42,968
Total Nonoperating Revenues (Expenses)	<u>4,463,590</u>	<u>1,019,193</u>	<u>532,638</u>	<u>1,485,116</u>	<u>7,500,537</u>	<u>(123,084)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	5,594,341	1,719,504	(173,428)	849,651	7,990,068	(1,172,066)
Capital Contributions and Grants	37,243,222	13,484,110	5,562,741	-	56,290,073	-
Transfers In	-	-	-	240,000	240,000	-
CHANGES IN NET POSITION	42,837,563	15,203,614	5,389,313	1,089,651	64,520,141	(1,172,066)
Net Position - Beginning of Year	<u>320,007,411</u>	<u>109,829,770</u>	<u>57,960,515</u>	<u>3,786,743</u>	<u>491,584,439</u>	<u>1,723,894</u>
NET POSITION - END OF YEAR	<u>\$ 362,844,974</u>	<u>\$ 125,033,384</u>	<u>\$ 63,349,828</u>	<u>\$ 4,876,394</u>	<u>\$ 556,104,580</u>	<u>\$ 551,828</u>

⁽¹⁾ Fleet and Equipment Acquisition Fund

See accompanying Notes to Financial Statements.

**TOWN OF ERIE, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Business-Type Activities				Total Enterprise Funds	Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Nonmajor Enterprise Funds		Internal Service Fund ⁽¹⁾
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	\$ 14,973,066	\$ 7,244,527	\$ 1,577,402	\$ (1,161,215)	\$ 22,633,780	\$ 34
Cash Received from Interfund Services Provided to Other Funds	-	-	-	-	-	1,204,327
Payments to Employees	(2,184,223)	(1,280,015)	(713,783)	-	(4,178,021)	-
Payments to Suppliers	(7,107,295)	(4,222,417)	(467,456)	(244,671)	(12,041,839)	(18,927)
Net Cash Provided (Used) by Operating Activities	5,681,548	1,742,095	396,163	(1,405,886)	6,413,920	1,185,434
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Grants Received	13,074	964	410,636	1,339,477	1,764,151	28,678
Cash Received on Interfund Borrowing	-	-	-	1,024,331	1,024,331	-
Transfer from Other Funds	-	-	-	240,000	240,000	-
Cash Flows Provided (Used) by Noncapital Financing Activities	13,074	964	410,636	2,603,808	3,028,482	28,678
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and Construction of Capital Assets	(11,736,190)	(887,375)	(2,104,335)	(1,405,301)	(16,133,201)	(539,672)
Proceeds from the Sale of Capital Assets	-	57,550	-	-	57,550	56,500
Principal Paid on Capital Debt	(2,207,473)	(774,913)	(25,379)	-	(3,007,765)	(541,386)
Interest and Fiscal Agent Fees Paid	(1,387,990)	(563,985)	(2,937)	-	(1,954,912)	(175,694)
Capital Grants and Contributions	26,705,617	8,612,049	20,000	-	35,337,666	-
Cash Flows Provided (Used) by Capital and Related Financing Activities	11,373,964	6,443,326	(2,112,651)	(1,405,301)	14,299,338	(1,200,252)
CASH FLOWS FROM INVESTING ACTIVITIES						
Earnings on Investments	5,644,262	1,521,926	124,723	1,957	7,292,868	-
Cash Flows Provided by Investing Activities	5,644,262	1,521,926	124,723	1,957	7,292,868	-
NET INCREASE (DECREASE) IN POOLED CASH AND INVESTMENTS	22,712,848	9,708,311	(1,181,129)	(205,422)	31,034,608	13,860
Pooled Cash and Investments - Beginning of Year	114,372,017	28,118,027	3,082,676	205,422	132,143,380	5,176
POOLED CASH AND INVESTMENTS - END OF YEAR	<u>\$ 137,084,865</u>	<u>\$ 37,826,338</u>	<u>\$ 1,901,547</u>	<u>\$ -</u>	<u>\$ 176,812,750</u>	<u>\$ 19,036</u>

⁽¹⁾ Fleet and Equipment Acquisition Fund

See accompanying Notes to Financial Statements.

**TOWN OF ERIE, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2024**

	Business-Type Activities					Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund ⁽¹⁾
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 1,130,751	\$ 700,311	\$ (706,066)	\$ (635,465)	\$ 489,531	\$ (1,048,982)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	4,944,622	2,332,963	1,347,964	262,435	8,887,984	1,049,016
Other Income	137,907	-	-	143,682	281,589	-
(Increase) Decrease in:						
Accounts Receivable	(225,700)	(63,113)	(435,040)	(1,310,710)	(2,034,563)	-
Prepaid Items	208	2,496	-	-	2,704	-
Increase (Decrease) in:						
Accounts Payable	(365,636)	(1,287,303)	162,849	134,172	(1,355,918)	(18,927)
Wages Payable	26,620	24,308	11,550	-	62,478	-
Compensated Absences Payable	32,776	32,433	14,906	-	80,115	-
Due to Other Funds	-	-	-	-	-	1,204,327
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,681,548</u>	<u>\$ 1,742,095</u>	<u>\$ 396,163</u>	<u>\$ (1,405,886)</u>	<u>\$ 6,413,920</u>	<u>\$ 1,185,434</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Contributed Capital Assets	\$ 10,537,605	\$ 4,872,061	\$ 5,542,741	\$ -	\$ 20,952,407	\$ -
Amortization of Premium	117,110	98,067	-	-	215,177	-
Lease Assets	290,285	34,439	56,831	-	-	639,734
Lease Liabilities	290,285	34,439	56,831	-	-	639,734
⁽¹⁾ Fleet and Equipment Acquisition Fund						
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT TO STATEMENT OF NET POSITION CASH AND CASH EQUIVALENTS						
Unrestricted Cash and Cash Equivalents	\$ 133,952,313	\$ 37,826,338	\$ 1,901,547	\$ -	\$ 173,680,198	\$ 19,036
Restricted Cash and Cash Equivalents	<u>3,132,552</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,132,552</u>	<u>-</u>
Total Cash and Cash Equivalents	<u>\$ 137,084,865</u>	<u>\$ 37,826,338</u>	<u>\$ 1,901,547</u>	<u>\$ -</u>	<u>\$ 176,812,750</u>	<u>\$ 19,036</u>

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Erie, Colorado (the Town), incorporated in 1874, is a statutory municipality governed by a council-manager form of government through a mayor and six-member Town Council. The Town provides the following services: police, public works, parks and recreation, community development, administration, finance, human resources, environmental services, utilities, water, wastewater, and storm drainage. The Town also owns the Erie Municipal Airport.

A. Reporting Entity

The accompanying financial statements present the Town (the primary government) and its component units for which the government is financially accountable. The blended component units discussed below are included in the Town's reporting entity because of the significance of their operational or financial relationship to the Town and to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the Town. The Town considers the Town of Erie Urban Renewal Authority and the Erie Community Civic Fund as component units. Both entities are separate organizations for which the Town is financially accountable.

The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization.

A town's component units are presented either as "blended" or "discretely presented." If blended, it is reported as if it were a fund of the Town throughout the year. It is included at both the government-wide and fund financial reporting levels. Component units are considered special revenue governmental funds and are reported on a modified accrual basis.

Brief descriptions of the blended component units as follows:

Town of Erie Urban Renewal Authority (URA)

The URA was created in 2011 by action of the Town Mayor and Town Council, who serve as its Board of Commissioners in addition to four additional external commissioners, under the Colorado Urban Renewal Law. The URA is charged with the creation and implementation of the Town of Erie urban renewal plan pursuant to the Urban Renewal Law. Operations of the URA are funded from tax increment financing as well as General Fund resources, which will be repaid from various funding sources of the URA, including tax increment financing for urban renewal projects within its boundaries. The URA is reported as a special revenue fund. Separate audited financial statements of the URA are not available but are included as a blended fund.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Erie Community Civic Fund (ECCF)

The ECCF is a nonprofit organization established fully for the benefit of the Town, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC). The ECCF is used to facilitate certain contributions and grants for support of various Town activities. Separate audited financial statements of the ECCF are not available but are included as a blended fund as the governing body is substantially the same as the governing body of the Town and there is a financial benefit relationship between the Town and the ECCF.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements, consisting of the statement of net position and the statement of activities, report financial information on all the activities of the Town and its component units. 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.

The statement of net position presents the financial position of the governmental and business-type activities of the Town at year-end.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town does not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operating 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. The Town does not operate any fiduciary funds. Major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

C. 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 fund financial statements. 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.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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 Town considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period, and all other revenues to be available if they are collected within 120 days of the end of the current fiscal period.

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

Property taxes, sales taxes, highway users' taxes, use taxes, franchise fees, other fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are measurable and available only when cash is received by the Town.

The fund financial statements provide information about the Town's funds, including its blended component units. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

General Fund

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.

Grants Fund

The Grants Fund accounts for revenues received from federal, state, and local granting agencies. It is used to fulfill the requirements of the grant awards and/or contracts associated with the funds.

The Town of Erie Urban Renewal Authority is described above in 1.A.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

Proprietary Funds

Proprietary Funds, which include enterprise funds and internal service 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 the proprietary fund's principal ongoing operations. The principal operating revenues of all proprietary funds are charges for services to customers. Operating expenses from proprietary 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 non-operating revenues and expenses.

The Town reports the following major enterprise funds:

Water Fund

The Water Fund accounts for the acquisition, treatment, and distribution of the Town's water supply.

Wastewater Fund

The Wastewater Fund accounts for the collection and treatment of gray water in the Town's wastewater system.

Storm Drainage Operating Fund

The Storm Drainage Operating Fund accounts for the charges for services revenue from impact fees which are transferred to cover the proportionate share of capital projects related to growth.

Additionally, the Town utilizes an internal service fund to account for the acquisition of new and replacement vehicles and equipment, primarily for the benefit of its governmental activities.

Amounts 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, including special assessments. General revenues include all taxes, interest and investment earnings, and miscellaneous revenues.

Interfund transactions are treated and classified as revenues, expenditures, or expenses (the same as if these same transactions involved external organizations). These include interfund transfers and billings from one fund to another for the purchase of goods or services. In the government-wide statement of activities, interfund transactions are eliminated unless the transfer is between the governmental and the business-type activities.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

The Town's cash and cash equivalents are unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the Town's proprietary funds consider cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition to be cash equivalents.

Whenever possible the Town pools cash to enhance investment opportunities and to facilitate management of cash resources. Investments are made taking into consideration safety, liquidity, and income potential, in that order. The Town makes investments pursuant to its investment policy and relevant state of Colorado statutes.

Investments are reported in accordance with Governmental Accounting Standards Board (GASB) Statement 72, as amended.

2. Receivables and Payables

Activities between funds that represent lending/borrowing arrangements 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., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due (to)/from other funds." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

By December 15 of each year, property taxes for the Town are levied by the Council and certified to Boulder County and Weld County for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. The taxes are collected by the Boulder County and Weld County Treasurers on behalf of the Town. A 1% collection fee is retained by the Counties as compensation for collecting the taxes.

Property taxes levied in the General Fund, the Trails and Natural Areas Fund, and the URA are included in receivables and deferred inflows at December 31, 2024. These taxes are classified as deferred inflows since they are not normally available to the Town until the middle of the following year and are budgeted for in the year in which they are collected.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

2. Receivables and Payables (Continued)

Lease receivables result when the Town leases certain assets, primarily agricultural land and cellular antenna sites, to various third parties. Lease receivables are recognized at the commencement of the lease term, along with a deferred inflow of resources, with certain exceptions for short-term leases and leases that transfer ownership of the underlying asset and are measured at the present value of the lease payments expected to be received during the lease term. See Note 1.D.12 for more information.

3. Prepaid Items

Certain payments to vendors and other third parties reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Expenditures/expenses are recorded when the service underlying the prepaid item is provided (consumption method).

4. Restricted Assets

Certain proceeds from the issuance of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets because their use is limited by applicable bond covenants. In addition, unexpended property tax receipts of the Town's urban renewal authority are classified as restricted assets because their use is restricted for various urban renewal activities.

5. Capital and Right-to-Use Assets

Capital assets, which include property, plant, equipment, and all infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) acquired since 1997, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and the proprietary funds in the fund 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 three years. Such assets are recorded at acquisition cost or estimated acquisition cost, if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Right-to-use assets under lease arrangements are measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The related amortization is included with depreciation expense in the accompanying financial statements.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

5. Capital and Right-to-Use Assets (Continued)

The right to use Subscription-Based Information Technology Arrangement (SBITA) assets are initially measured at an amount equal to the present value of the SBITA liability plus any SBITA payments made at the start of the SBITA term, if applicable, plus capitalizable initial implementation costs at the start of the SBITA term, less any incentives received from the SBITA vendor at the start of the SBITA term. The right to use SBITA assets are amortized on a straight-line basis over the SBITA term.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Town are depreciated, and right-to-use assets are amortized, using the straight-line method with estimated useful lives as follows:

Buildings and Improvements	5 to 50 Years
Improvements Other Than Buildings	5 to 50 Years
Machinery and Equipment	3 to 10 Years
Vehicles	3 to 5 Years
Right-to-Use Assets	Varies*

* The shorter of the lease term or useful life of the underlying asset

6. Accrued Liabilities for Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that have been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

7. Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide and proprietary financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method over the term of the debt. Long-term debt payable is reported net of the applicable unamortized premiums or discounts. Debt issuance costs are reported as an outflow of resources.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

7. Long-Term Obligations (Continued)

In the fund financial statements for governmental fund-types, the par amount of debt issued, and premiums received are reported as other financing sources. Bond discounts are reported as other financing uses. Issuance costs, even if withheld from the debt proceeds received, are reported as debt service expenditures.

8. Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of financial position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net assets by the Town that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net assets by the Town that is applicable to a future reporting period. Both deferred outflows and inflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

The Town has certain items that relate to its pension plan that qualify for reporting as a deferred outflow of resources. See Note 3.F for more information. In addition, a deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources for the Town consist of property taxes receivable, reimbursement-based grants, and leases as applicable in the government-wide and fund financial statements. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected. Reimbursement based grant revenue is considered a deferred inflow of resources in the year the Town has incurred qualified expenses/expenditures under the grant and is recognized as an inflow of resources in the period they are collected. Deferred inflows of resources related to leases is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. Interest revenue on the lease receivable and revenue from the deferred inflows of resources is recognized in a systematic and rational manner over the term of the lease.

The Town also reports as deferred inflows of resources certain items related to its pension plan. See Note 3.F for more information.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

9. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Statewide Defined Benefit Plan (SWDB), administered by the Fire & Police Pension Association of Colorado (FPPA), and additions to/deductions from the SWDB's fiduciary net position have been determined on the same basis as they are reported by the FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Fund Balances and Net Position

Fund balances of governmental funds are reported in various categories, based primarily on the extent to which the Town is bound to observe constraints imposed upon the use of the resources for specific purposes.

Nonspendable Fund Balance – This category includes amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes prepaid items and the long-term amount of interfund loans.

Restricted Fund Balances – These amounts are subject to externally enforceable legal restrictions. Such restrictions are typically imposed by parties such as creditors, grantors, contributors, other governments, or enabling legislation.

Committed Fund Balance – This includes amounts that can be used only for the specific purposes imposed by formal action through ordinance of the Town Council and remains binding unless removed in the same manner.

Assigned Fund Balance – This classification is intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund assigned amounts represent intended uses established by the Town Council, as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unassigned Fund Balance – This is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

10. Fund Balances and Net Position (Continued)

Generally, the Town would first apply restricted, then committed, and then assigned resources prior to unassigned resources when an expenditure is incurred for purposes for which more than one of the classifications of fund balance is available.

Minimum Fund Balances

The Town has established minimum unrestricted fund balances for certain of its funds. For the General Fund, the minimum fund balance is 25% of annual budgeted operating expenditures. Proprietary funds are to maintain a minimum unrestricted net position of 25% of annual operating and maintenance expenses plus 2% of capital assets.

The general fund unassigned fund balance is transferred into the capital improvements fund to support capital infrastructure projects.

All minimum fund balance policy requirements were met as of December 31, 2024.

Net position is classified in the following categories:

Net Investment in Capital Assets – This category represents the Town’s capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – This category represents resources with legal or contractual obligations to spend in accordance with restrictions imposed by external third parties.

Unrestricted Net Position – This category includes all net position not invested in capital assets or restricted.

11. Use of Estimates

The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town adopts annual budgets on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds. The budgets for proprietary funds are adopted on a non-GAAP modified accrual budgetary basis. All annual appropriations lapse at fiscal year-end. The Town does not adopt a budget for the Erie Community Civic Fund.

On or before October 15 of each year, the Town Manager submits to the Town Council a proposed operating budget for the fiscal year commencing on the following January 1. Study sessions and public hearings are conducted during Council meetings to obtain input from elected officials, residents, and other interested parties. By December 15, the final budget is adopted.

The appropriated budget is adopted by fund. The budget is prepared by fund, department, and division. Managers can make transfers between line items within their departments, and the Town Manager and/or Finance Director can make transfers between departments without Council approval. Any changes between funds require Council approval. The Council made supplemental appropriations during the year, which are reflected in the final budget columns of the financial statements and schedules. The General Fund may be in violation of state statutes as the expenditures and transfers out exceed the appropriated budget by \$5,513,259. The Grants Fund may be in violation of state statutes as the expenditures exceeded the appropriated budget by \$4,807,007.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Cash and investments are reported in the financial statements as follows:

Pooled Cash and Investments	\$ 302,025,718
Restricted Cash and Investments	14,713,574
Total	<u>\$ 316,739,292</u>

Cash and investments consist of the following:

Bank Checking Accounts	\$ 17,468,527
Investments	299,268,265
Cash on Hand	2,500
Total	<u>\$ 316,739,292</u>

As of December 31, 2024, the carrying amount of the Town's deposits was \$17,468,527.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Town bank accounts at year-end were entirely covered by federal depository insurance or by eligible collateral maintained by another financial institution or held by the Town's custodial banks in its name under provisions of the Colorado Public Deposit Protection Act (CPDPA). The CPDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance.

As of December 31, 2024, the Town had the following investments:

Investment Type	Rating		Carrying Value	Investment Maturities		% of Total
	Moody's	S&P		Less than 1 Year	1 to 5 Years	
U.S. Treasury Notes			\$ 45,746,005	\$ 17,347,235	\$ 28,398,770	15.29 %
Agency	Aaa	AA+	17,117,058	2,239,840	14,877,218	5.72
U.S. Corporate Notes	Aaa	AA+	3,336,872	2,134,484	1,202,388	1.12
Commercial Paper	P-1	A-1+	1,463,817	1,463,817	-	0.49
BlackRock Liquidity Funds -						
FedFund Series	Aaa-mf	AAAm	47,060,404	47,060,404	-	15.73
COLOTRUST PLUS+	n/a	AAAm	98,573,272	98,573,272	-	32.94
CSIP Liquid Portfolio	n/a	AAAm	81,885,444	81,885,444	-	27.36
UMB Money Market	Aaa-mf	AAAm	4,085,393	4,085,393	-	1.37
Total Fair Value			<u>\$ 299,268,265</u>	<u>\$ 254,789,889</u>	<u>\$ 44,478,376</u>	<u>100.00 %</u>

It is the policy of the Town to invest its funds in a manner that will provide for the highest investment return consistent with the preservation of principal and provision of the liquidity necessary for daily cash flow demands. The Town's investment policy applies to all investment activities of the Town, under the control of the finance director. The Town Municipal Code, Section 2-1-4, authorizes the investments that the Town can hold. Investments of the Town may include obligations of the United States of America or its agencies thereof, certificates of deposit, bankers' acceptances, commercial paper, investment-grade obligations of state and local governments, repurchase agreements collateralized by any of the foregoing securities, money market mutual funds, local government investment pools, corporate securities, and supranational securities.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's investment policy limits the Town's investment portfolio to maturities of less than five years and a weighted average maturity of less than three years. Additionally, the Town structures its investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Credit Risk

Credit quality risk is the risk that the issuer or other counterparty to a debt security will not fulfill its obligations to the Town. The Town's investment policy limits investments to certain types of investments and diversifies the investment portfolio so the impact of potential losses from any one type of investment will be minimized.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. Pursuant to its investment policy, the Town has established various limits for issuers for each of the types of securities in which it is permitted to invest.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investment policy addresses this risk by requiring the pre-qualifying of financial institutions, broker/dealers, intermediaries, and advisers with which the Town does business to ensure that such risk is minimized.

Local Government Investment Pools

As shown in the table on the previous page, the Town had investments in the Colorado Government Liquid Asset Trust (COLOTRUST) and the Colorado Statewide Investment Program (CSIP) at year-end. COLOTRUST and CSIP are investment vehicles established for local government entities in Colorado to pool surplus funds. These funds were established under the authority of, and in conformity with, Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes. The state of Colorado regulates these funds.

These funds operate similarly to money market funds and each share is valued at \$1.00. Fund investments include U.S. Treasury bills, notes, note strips, repurchase agreements collateralized by U.S. Treasury securities and commercial paper. Designated custodial banks provide safekeeping and depository services to these funds in connection with the funds' direct investment and withdrawal functions. The custodians' internal records identify investments owned by the funds.

Fair Value of Investments

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Fair Value of Investments (Continued)

There is a hierarchy of three levels of inputs that may be used to measure fair value, as follows:

Level 1 – Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs for an asset or liability.

The Town’s investment in COLOTRUST PLUS+ is measured at net asset value, equal to \$1.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. BlackRock Liquidity Funds – FedFund Series, CSIP Liquid Portfolio and the Wells Fargo Treasury Money Market Fund are valued at amortized cost. All other Town investments are valued using Level 2 inputs.

B. Accounts Receivable and Leases Receivable

Receivables as of year-end for the Town’s individual major funds and nonmajor funds, in the aggregate, are as follows:

	General	Grants	Erie Urban Renewal Authority	Nonmajor Governmental	Total Governmental
Governmental:					
Property Taxes	\$ 6,666,919	\$ -	\$ -	\$ 2,842,430	\$ 9,509,349
Sales Taxes	4,368,297	-	-	-	4,368,297
Other Taxes	104,675	-	-	-	104,675
Customers	40,167	-	-	-	40,167
Intergovernmental	-	2,215,308	3,462,067	-	5,677,375
Interest	141,312	-	24,312	136,338	301,962
Leases	2,586,701	-	-	-	2,586,701
Other	448,458	-	-	-	448,458
Total Receivables	<u>\$ 14,356,529</u>	<u>\$ 2,215,308</u>	<u>\$ 3,486,379</u>	<u>\$ 2,978,768</u>	<u>\$ 23,036,984</u>

	Water	Wastewater	Storm Drainage	Airport	Total Business-Type
Business-Type:					
Customers	\$ 916,176	\$ 834,798	\$ 258,030	\$ -	\$ 2,009,004
Intergovernmental	50,248	-	410,636	1,306,985	1,767,869
Interest	257,893	72,378	3,943	-	334,214
Other	-	-	-	8,234	8,234
Total Receivables	<u>\$ 1,224,317</u>	<u>\$ 907,176</u>	<u>\$ 672,609</u>	<u>\$ 1,315,219</u>	<u>\$ 4,119,321</u>

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Accounts Receivable and Leases Receivable (Continued)

The Town leases certain assets, primarily agricultural land and cellular antenna site leases, to various third parties, expiring in 2025-2051. Payments are generally fixed monthly or annually with certain variable payments not included in the measurement of the lease receivable. The Town recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the Town measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The lease receivable as of December 31, 2024, is \$2,586,701. The Town recorded deferred inflows of resources for lease revenue related to leasing arrangements that occurred during the year. As of December 31, 2024, the Town recorded deferred inflows of resources of \$2,586,701.

During the year ended December 31, 2024, the Town recognized lease revenue related to its leases of \$140,643 and interest income related to its leases of \$74,662. The principal and interest on lease receivables is as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 107,394	\$ 77,787
2026	117,297	74,535
2027	115,981	70,984
2028	116,789	67,472
2029	125,163	63,933
2030 - 2034	534,627	273,595
2035 - 2039	683,511	181,310
2040 - 2044	555,487	77,735
2045 - 2049	173,343	21,725
2050 - 2051	57,109	2,583
Total	<u>\$ 2,586,701</u>	<u>\$ 911,659</u>

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital and Right-to-Use Assets

Capital and Right-to-Use Lease and SBITA asset activity for Governmental Activities for the year ended December 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 12,154,694	\$ 16,684,201	\$ (2,665,459)	\$ 26,173,436
Land and Open Space	40,944,107	3,309,003	-	44,253,110
Total Capital Assets, Not Being Depreciated	<u>53,098,801</u>	<u>19,993,204</u>	<u>(2,665,459)</u>	<u>70,426,546</u>
Capital Assets, Being Depreciated:				
Buildings	41,342,833	1,454,851	-	42,797,684
Streets and Other Infrastructure	161,266,781	14,777,143	-	176,043,924
Parks and Trails	46,575,265	1,050,993	(125,000)	47,501,258
Furniture and Equipment	5,758,391	866,333	(41,047)	6,583,677
Vehicles	2,339,373	-	(188,473)	2,150,900
Total Capital Assets, Being Depreciated	<u>257,282,643</u>	<u>18,149,320</u>	<u>(354,520)</u>	<u>275,077,443</u>
Less: Accumulated Depreciation for:				
Buildings	(11,937,677)	(1,136,965)	-	(13,074,642)
Streets and Other Infrastructure	(33,050,171)	(4,770,461)	-	(37,820,632)
Parks and Trails	(15,371,802)	(2,307,880)	-	(17,679,682)
Furniture and Equipment	(3,304,314)	(548,417)	41,047	(3,811,684)
Vehicles	(1,337,328)	(224,683)	188,473	(1,373,538)
Total Accumulated Depreciation	<u>(65,001,292)</u>	<u>(8,988,406)</u>	<u>229,520</u>	<u>(73,760,178)</u>
Total Capital Assets, Being Depreciated, Net	<u>192,281,351</u>	<u>9,160,914</u>	<u>(125,000)</u>	<u>201,317,265</u>
Governmental Activities Capital Assets, Net	245,380,152	29,154,118	(2,790,459)	271,743,811
Right-to-Use Lease and SBITA Assets:				
Vehicles	2,809,862	639,734	(100,499)	3,349,097
Equipment	88,811	85,228	(23,296)	150,743
SBITAs	368,521	1,120,941	(4,548)	1,484,914
Total Right-to-Use Lease and SBITA Assets	<u>3,267,194</u>	<u>1,845,903</u>	<u>(128,343)</u>	<u>4,984,754</u>
Less: Accumulated Amortization for:				
Vehicles	(827,830)	(708,963)	32,521	(1,504,272)
Equipment	(45,962)	(34,466)	23,263	(57,165)
SBITAs	(65,149)	(370,210)	4,550	(430,809)
Total Accumulated Amortization	<u>(938,941)</u>	<u>(1,113,639)</u>	<u>60,334</u>	<u>(1,992,246)</u>
Total Right-to-Use Lease and SBITA Assets, Net	<u>2,328,253</u>	<u>732,264</u>	<u>(68,009)</u>	<u>2,992,508</u>
Governmental Activities Capital and Right-to-Use Lease and SBITA Assets, Net	<u>\$ 247,708,405</u>	<u>\$ 29,886,382</u>	<u>\$ (2,858,468)</u>	<u>\$ 274,736,319</u>

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital and Right-to-Use Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 85,501,647	\$ 15,049,952	\$ (33,758,639)	\$ 66,792,960
Land and Reservoirs	6,562,209	-	-	6,562,209
Water Rights	84,412,797	-	-	84,412,797
Total Capital Assets, Not Being Depreciated	176,476,653	15,049,952	(33,758,639)	157,767,966
Capital Assets, Being Depreciated:				
Buildings	12,586,472	105,795	-	12,692,267
Improvements Other Than Buildings	287,881,894	54,605,252	-	342,487,146
Machinery and Equipment	4,709,130	1,090,831	(143,880)	5,656,081
Total Capital Assets, Being Depreciated	305,177,496	55,801,878	(143,880)	360,835,494
Less: Accumulated Depreciation for:				
Buildings	(240,348)	(318,489)	-	(558,837)
Improvements Other Than Buildings	(84,495,200)	(7,881,490)	-	(92,376,690)
Machinery and Equipment	(1,800,904)	(520,793)	143,880	(2,177,817)
Total Accumulated Depreciation	(86,536,452)	(8,720,772)	143,880	(95,113,344)
Total Capital Assets, Being Depreciated, Net	218,641,044	47,081,106	-	265,722,150
Business-Type Activities Capital Assets, Net	395,117,697	62,131,058	(33,758,639)	423,490,116
Right-to-Use Assets:				
Vehicles	592,878	381,555	-	974,433
Total Right-to-Use Assets	592,878	381,555	-	974,433
Less: Accumulated Amortization for:				
Vehicles	(244,635)	(167,212)	-	(411,847)
Total Accumulated Amortization	(244,635)	(167,212)	-	(411,847)
Total Right-to-Use Assets, Net	348,243	214,343	-	562,586
Business Type Activities Capital and Right-to-Use Assets, Net	\$ 395,465,940	\$ 62,345,401	\$ (33,758,639)	\$ 424,052,702

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital and Right-to-Use Assets (Continued)

Depreciation and amortization expense charged to functions/programs of the primary government are as follows:

Governmental Activities:		
General Government	\$	1,381,294
Public Safety		312,900
Public Works		5,228,068
Parks and Recreation		3,179,783
Total Depreciation and Amortization Expense - Governmental Activities	\$	<u>10,102,045</u>
Business-Type Activities:		
Water	\$	4,944,622
Wastewater		2,332,963
Storm Drainage		1,347,964
Airport		262,435
Total Depreciation and Amortization Expense - Business-Type Activities	\$	<u>8,887,984</u>

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2024, is as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Internal Service Fund	\$ 1,204,327
General Fund	Governmental Grants Fund	3,431,451
General Fund	Nonmajor Proprietary Funds	1,024,331
Total		<u>\$ 5,660,109</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The general fund expects to collect these amounts in the subsequent year.

Advances From/To Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Urban Renewal Authority	\$ 1,196,936

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers (Continued)

The amounts payable to the general fund from the Urban Renewal Authority related to advances to the URA to pay for purchases of certain properties and for operating expenditures of the URA. This advance is responsible for the negative unassigned fund balance in the URA fund. Repayment of the remaining advance is anticipated primarily pursuant to the development agreement for the development of the Nine Mile property at the corner of Highway 287 and Arapahoe Road. The exact timing, amount, and/or mechanism of repayment remains subject to terms and conditions as specified in the development agreement. As the advance is repaid, the unassigned fund balance in the URA will be replenished.

Interfund transfers for the year ended December 31, 2024 consisted of the following:

	Transfer To		Total
	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	
Transfer From:			
General Fund	\$ 27,000,000	\$ 240,000	\$ 27,240,000
Total	\$ 27,000,000	\$ 240,000	\$ 27,240,000

As part of the budget process, the Town Council appropriates transfers between funds to allocate the Town's resources to support various programs across the Town. The \$27,000,000 transfer from the General Fund to the Capital Improvements Fund was to fund capital improvements in a separate fund. The transfer from the Grants Fund to the General Fund shown above of \$49,999 was related to grant funding received to support operations and capital projects normally occurring in those funds. The transfer from the General Fund to the Airport fund was related to support for airport improvements.

E. Long-Term Debt

1. General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have only been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. They are payable from real property taxes. These bonds are issued as serial bonds with varying amounts of principal maturing each year. The Town also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The Town can also use other resources to pay debt service. For the year ended December 31, 2024, the net revenue available for service of this debt was \$8,578,110. The debt principal and interest paid in 2024 equals \$1,490,013 (17.4% of available pledged revenues).

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

1. General Obligation Bonds (Continued)

Long-term debt outstanding for general obligation bonds at December 31, 2024, was as follows:

Year Issued	Description	Coupon Interest Rate (%)	Effective Interest Rate (%)	Final Maturity Date	Issued	Outstanding
2013	General Obligation Refunding Bonds	2.00 - 4.00	2.14	2026	\$ 8,460,000	\$ 2,440,000
2014	General Obligation Bonds	3.25 - 3.75	3.24	2033	6,200,000	6,200,000
Total General Obligation Bonds						\$ 8,640,000

2. Notes from Direct Borrowings and Direct Placements Revenue Bonds and Loans

Revenue Bonds and Loans

The Town also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The Town also can use other resources to pay debt service. There are no unused lines of credit. For the year ended December 31, 2024, the net revenue available for service of this debt was \$40,079,259. The debt principal and interest paid in 2023 equals \$3,191,092 (8.0% of available pledged revenues).

Revenue bonds and loans outstanding at year-end were as follows:

Year Issued	Description	Coupon Interest Rate (%)	Effective Interest Rate (%)	Final Maturity Date	Issued	Outstanding
1995	Storm Drainage Revenue Loan	2.00	2.00	2035	\$ 498,512	\$ 178,339
2009	Wastewater Revenue Loan	2.00	N/A	2030	1,534,700	272,410
2009	Wastewater Revenue Loan	0.00	0.00	2030	2,000,000	550,000
2015	Water Revenue Refunding Bonds	2.00 - 5.00	3.17	2032	12,335,000	9,405,000
2016	Wastewater Revenue Refunding Bonds	2.00 - 5.00	2.91	2037	16,670,000	12,475,000
2017	Water Revenue Refunding Bonds	3.24	3.12	2032	4,575,000	3,335,000
2021	Urban Renewal Authority Revenue Bonds	4.00	4.00	2038	4,100,000	3,935,000
Total Revenue Bonds and Loans						\$ 30,150,749

Certificates of Participation

The Town formed the Erie Finance Corporation (EFC) to issue certificates of participation (COPs) for the acquisition and construction of major capital additions and improvements. The COPs are secured by the underlying capital assets. Debt service payments are made from rents collected by EFC based upon annually renewable lease agreements between the Town and EFC. Payments are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the Town within the meaning of any constitutional or statutory debt limitation.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

2. Notes from Direct Borrowings and Direct Placements Revenue Bonds and Loans (Continued)

Certificates of Participation (Continued)

The Town entered into its first COPs transaction in 2005. COPs in the amount of \$32,030,000 were issued to purchase Colorado-Big Thompson water shares. The 2005 COPs were retired in 2010, when the 2010 COPs were issued. The 2010 COPs carried a fixed rate of 2.70% through October 1, 2017, and carried a variable rate after that date. In 2014 the COPs were remarketed, resulting in the issuance of new certificates with maturities extending through 2040 and carrying a fixed rate. The effective interest rate of the new certificates was 3.76%. There are no collateralized assets. COPs outstanding at year-end are as follows:

Year Issued	Description	Coupon Interest Rate (%)	Effective Interest Rate (%)	Final Maturity Date	Issued	Outstanding
2014	Water Certificates of Participation	2.00 - 5.00	3.76	2040	\$ 25,105,000	\$ 18,205,000
	Total Certificates of Participation					<u>\$ 18,205,000</u>

Annual debt service requirements to maturity for general obligation bonds and direct borrowings and direct placements are as follows:

Year Ending December 31,	Governmental Activities				Business-Type Activities			
	General Obligation Bonds		Revenue Bonds of Urban Renewal Authority		Revenue Bonds and Loans from Direct Borrowings and Direct Placements		Certificates of Participation from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,200,000	\$ 288,813		\$ 164,000	\$ 2,191,994	\$ 1,002,833	\$ 805,000	\$ 790,125
2026	1,240,000	215,613	45,000	164,000	2,288,239	906,601	845,000	749,875
2027	800,000	215,613	145,000	162,200	2,384,508	805,857	890,000	707,625
2028	825,000	189,613	215,000	156,400	2,490,803	700,514	930,000	663,125
2029	855,000	162,800	225,000	147,800	2,537,125	601,809	980,000	616,625
2030 - 2034	3,720,000	348,163	1,130,000	491,400	9,452,712	1,454,560	4,285,000	2,100,400
2035 - 2039	-	-	2,175,000	323,200	4,870,368	368,714	6,460,000	1,515,500
2040	-	-	-	-	-	-	3,010,000	181,800
Total	<u>\$ 8,640,000</u>	<u>\$ 1,420,615</u>	<u>\$ 3,935,000</u>	<u>\$ 1,609,000</u>	<u>\$ 26,215,749</u>	<u>\$ 5,840,888</u>	<u>\$ 18,205,000</u>	<u>\$ 7,325,075</u>

3. Other Long-Term Debt

Lease Liability

The Town leases certain assets from various third parties. The Town recognizes a lease liability and an intangible right-to-use lease asset in the financial statements. At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or the lease term.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

3. Other Long-Term Debt (Continued)

Lease Liability (Continued)

The assets leased include vehicles, copiers, printers, and a mail machine. Payments are fixed monthly. Lease assets are reported with other capital assets on the statement of net position. Lease asset activity of the Town is included in Note 3.C.

The Town monitors change in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. As of December 31, 2024, the Town had an outstanding liability for all its leases of \$2,607,544.

Principal and interest lease payments to maturity are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 561,654	\$ 163,905	\$ 159,494	\$ 49,546
2026	540,870	114,428	147,158	36,488
2027	496,827	64,502	129,126	23,356
2028	219,364	28,812	68,405	15,355
2029	168,899	8,215	115,747	5,920
Total	<u>\$ 1,987,614</u>	<u>\$ 379,862</u>	<u>\$ 619,930</u>	<u>\$ 130,665</u>

SBITA Liability

The Town has entered into agreements for various SBITA arrangements. The SBITA arrangements expire at various dates through 2027 and provide for renewal options.

As of December 31, 2024, SBITA assets and the related accumulated amortization totaled \$1,484,914 and \$430,809, respectively.

The future subscription payments under SBITA agreements are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 261,644	\$ 22,971	\$ 284,615
2026	215,914	12,676	228,590
2027	100,975	4,039	105,014
Total	<u>\$ 578,533</u>	<u>\$ 39,686</u>	<u>\$ 618,219</u>

Other Liability

The other long-term liability of \$450,707 represents a reimbursement due in 2024 related to infrastructure constructed by a developer. Due to project delays, the project is ongoing and reimbursement is expected to be paid upon completion in 2025.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

4. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within One Year
Governmental Activities:					
Bonds and Other Debt Payable:					
General Obligation Bonds	\$ 9,795,000	\$ -	\$ (1,155,000)	\$ 8,640,000	\$ 1,200,000
Revenue Bonds	4,100,000	-	(165,000)	3,935,000	-
Deferred Premiums and Discounts	355,335	-	(100,950)	254,385	100,950
SBITA Liability	256,771	638,305	(316,543)	578,533	261,644
Lease Liability	1,908,566	720,155	(641,107)	1,987,614	564,114
Total Bonds and Other Debt Payable	16,415,672	1,358,460	(2,378,600)	15,395,532	2,126,708
Compensated Absences (1)	1,408,330	201,252	-	1,609,582	1,189,939
Other Long-Term Liability	450,707	-	-	450,707	-
Total Governmental Activities	<u>\$ 18,274,709</u>	<u>\$ 1,559,712</u>	<u>\$ (2,378,600)</u>	<u>\$ 17,455,821</u>	<u>\$ 3,316,647</u>
Business-Type Activities:					
Direct Placements and Direct Borrowings:					
Revenue Bonds and Loans	\$ 28,321,523	\$ -	\$ (2,105,774)	\$ 26,215,749	\$ 2,191,994
Certificates of Participation	18,980,000	-	(775,000)	18,205,000	805,000
Deferred Premiums and Discounts	2,845,065	-	(215,177)	2,629,888	215,177
Total Direct Placements and Direct Borrowings	50,146,588	-	(3,095,951)	47,050,637	3,212,171
Lease Liability	365,365	381,555	(126,990)	619,930	163,275
Compensated Absences (1)	163,332	80,114	-	243,446	179,976
Total Business-Type Activities	<u>\$ 50,675,285</u>	<u>\$ 461,669</u>	<u>\$ (3,222,941)</u>	<u>\$ 47,914,013</u>	<u>\$ 3,555,422</u>

(1) The change in the compensated absence liability is presented as a net change.

The liability attributable to the governmental funds is recorded as governmental activities - noncurrent liability. Liabilities relating to employees of governmental funds are liquidated out of the associated fund.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

5. Defeasance of Debt

In a prior year, the Town defeased certain water revenue bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. This transaction resulted in an economic gain to the Town. On December 31, 2024, defeased bonds had remaining balances outstanding of \$597,751.

F. Retirement Plans

Police Officers Pension Plan

1. General Information about the Pension Plan

Plan Description

The Town contributes to the Statewide Retirement Plan (SRP), a cost-sharing multiple-employer defined benefit pension plan administered by the Fire & Police Pension Association of Colorado (FPPA) for firefighters hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. The SRP became effective January 1, 1980. As of August 5, 2003, the SRP may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. Most full-time, paid firefighters of the District are members of the SRP, and all newly hired firefighters have to be enrolled in the SRP. Effective January 1, 2023, the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan were combined to form the Statewide Retirement Plan based on House Bill 22-1034. The Statewide Defined Benefit Plan became the Defined Benefit Component of the Statewide Retirement Plan and the Statewide Hybrid Plan became the Hybrid Component of the Statewide Retirement Plan.

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

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

2. Benefits Provided

SRP provides retirement and disability, annual increases and death benefits for members or their beneficiaries. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the Normal Retirement Age. The FPPA Board of Directors may change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances, with the Normal Retirement Age being not less than age 55 and not more than age 60. A member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

A member is eligible for retirement after attainment of age 55 with at least five years of credited service.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

The annual normal retirement benefit for the Defined Benefit Component is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average member's highest three years' base salary for each year of service thereafter.

Beginning January 1, 2007, the annual normal retirement benefit for the Social Security Component is 1.0 percent of the average of the member's highest three years base salary for each year of credited service up to then years plus 1.25 percent of the average of the member's highest three years' base salary for each year thereafter. Prior to 2007, the benefit for members of the Social Security Component will be reduced by the amount of social security income the member receives annually, calculated as if the social security benefit started as of age 62

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

2. Benefits Provided (Continued)

Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost of living adjustment (COLA). COLAs may be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0 percent to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

Upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

3. Contributions

Contribution rates for the SRP are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 22 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2024, the total minimum required member and employer contribution rate was 22.2 percent.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

3. Contributions (Continued)

Members of the Social Security Component contribute 6.0 percent of base salary. Per the 2020 legislation, employer contribution rates will increase 0.25 percent annually through 2030 to a total of 6.5 percent of base salary. These increases result in a combined contribution rate of 12.5 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 11 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9 percent each and at least a combined rate of 18 percent in 2030. In 2024, the total minimum combined member and employer contribution rate was 16.5 percent.

The Hybrid Defined Benefit Component sets contribution rates at a level that enables the defined benefits to be fully funded at the member's retirement date. The amount allocated to the Hybrid Defined Benefit Component is set annually by the FPPA Board of Directors. The Hybrid Defined Benefit Component contribution rate from July 1, 2023 through June 30, 2024 is 14.24 percent. The Hybrid Defined Benefit Component contribution rate from January 1, 2023 through June 30, 2023 was 13.90 percent. Contributions in excess of those necessary to fund the defined benefit are allocated to the member's self-directed account in the Money Purchase Component. A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan.

Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members. A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the Town reported a net pension liability of \$-0- for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the collective total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The Town's proportion of the net pension liability was based on Town contributions to the SRP relative to the total contributions of participating employers to the SRP based upon the January 1, 2024 actuarial valuation. At December 31, 2023, the Town's proportion was 0.45668%, which was a decrease of 0.02548% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Town recognized pension expense of (\$288,982). At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 869,728	\$ 41,788
Changes of Assumptions or Other Inputs	504,477	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	624,385	-
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	92,389	301,042
Contributions Subsequent to the Measurement Date	499,735	-
Total	\$ 2,590,714	\$ 342,830

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The \$499,735 reported as deferred outflows of resources relating to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred inflows and outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 299,049
2026	461,465
2027	675,978
2028	60,479
2029	86,718
Thereafter	164,460
Total	<u>\$ 1,748,149</u>

5. Actuarial Assumptions

The actuarial valuations for the SRP were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2023. The valuations used the following actuarial assumption and other inputs:

	<u>Total Pension Liability</u>	<u>Actuarial Determined Contributions</u>
Actuarial Valuation Date	January 1, 2024	January 1, 2023
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30-Years
Long-Term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25 - 11.25%	4.25 - 11.25%
Cost-of-Living Adjustments (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. The on-duty mortality rate is 0.00015.

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2022 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2023. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent).

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00 %	8.33 %
Equity Long/Short	6.00	7.27
Private Markets	34.00	10.31
Fixed Income - Rates	10.00	5.35
Fixed Income - Credit	5.00	5.89
Absolute Return	9.00	6.39
Cash	1.00	4.32
Total	<u>100.00 %</u>	

6. Discount Rate

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

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 3.77 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

7. Sensitivity of the Town’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the District’s proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.00 percent, as well as what the District’s proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability (Asset)	\$ 2,560,803	\$ -	\$ -

As of the measurement period ended December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of FPPA Board’s Benefits Policy which includes a variable COLA and supplemental payments. Consistent with FPPA Board’s policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Asset. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

8. Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

General Employees

The Town contributes to an employer defined contribution plan established for non-police employees.

Plan Name	The Town of Erie Savings Plan
Plan Administrator	Town Finance Director
Recordkeeper	OneAmerica (a Third-Party Trustee)

The plan was established by authority of the Town Council and can be amended by the Plan Trustees (Town Manager and Finance Director). The Town Manager establishes and may amend contribution requirements.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

8. Pension Plan Fiduciary Net Position (Continued)

General Employees (Continued)

The plan is available to all non-police benefited employees (full-time employees and part-time employees working at least 24 hours per week). The plan was created in accordance with IRC Section 457(b) (employee contributions) and 401(a) (employer contributions). Employees are eligible to participate on the first day of each month after their date of hire.

Under the terms of the plan the Town is the only non-employee contributor and matches dollar-for-dollar up to the first 5% of employee contributions. Participants are not required to contribute to the plan but may contribute up to \$22,500 per year (\$30,000 for employees over 50). Employer contributions are based on the participant's salary (salary, pay, or earned income less salary reductions made under IRC §125). During 2024, the Town made all required contributions to the plan, contributing \$499,735. Employees contributed \$601,720 (including voluntary contributions).

Employees vest immediately. Employees have a non-forfeitable interest in the employer contributions to their accounts held by the plan recordkeeper. Voluntary pre-tax and Roth (after-tax) contributions are allowed. Since a third-party trustee holds the assets in trust, they are not reflected in the Town's financial statements.

NOTE 4 OTHER INFORMATION

A. Risk Management

The Town faces risks of loss, including damage to and loss of property and contents, general and automobile liabilities, professional liability (i.e., errors and omissions), and workers' compensation. The Town carries commercial insurance for the risks of loss, including workers' compensation and property/casualty loss insurance. Settlements have not exceeded coverages for each of the past three fiscal years. Coverage limits and deductibles have stayed relatively constant in the past three years.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Litigation

The Town is currently the defendant in several lawsuits. Some of the lawsuits are in the process of appeal or settlement. Those lawsuits do not involve significant claims which have not already been provided for in prior years. Therefore, there does not appear to be a threat of significant liability to the Town from those lawsuits. In addition, there are several claims asserted against the Town. Legal counsel is of the opinion that insurance carried by the Town is sufficient to cover any potential adverse settlements from those claims covered by insurance. As to those claims which may not be covered by insurance, legal counsel is unable to form an opinion as to any potential adverse settlements.

C. Commitments and Encumbrances

At year-end, commitments and encumbrances by fund were as follows:

	<u>Governmental</u>	<u>Enterprise</u>	<u>Total</u>
General Fund	\$ 3,330,708	\$ -	\$ 3,330,708
Capital Improvements Fund	6,755,082	-	6,755,082
Grants Fund	264,380	-	264,380
Trails and Natural Areas Fund	502,610	-	502,610
Parks Improvement Fund	430,677	-	430,677
Police Facilities Impact Fund	1,402,519	-	1,402,519
Transportation Impact Fund	1,424,907	-	1,424,907
Public Facilities Improvement Fund	1,611,599	-	1,611,599
Tree Impact Fund	5,200	-	5,200
Storm Drainage Impact Fund	272,401	-	272,401
Fleet and Equipment Acquisition Fund	513,228	-	513,228
Urban Renewal Authority	708,728	-	708,728
Water Fund	-	13,040,788	13,040,788
Wastewater Fund	-	4,918,427	4,918,427
Airport Fund	-	167,873	167,873
Storm Drainage Operating	-	2,798,761	2,798,761
Total Commitments	<u>\$ 17,222,039</u>	<u>\$ 20,925,849</u>	<u>\$ 38,147,888</u>

The commitments and encumbrances reflected in the above table technically lapse at the end of the year but are expected to be reappropriated and become part of the subsequent year's budget because performance under the various executory contracts is expected in the next year.

Most of the amounts reflected in the above table are related to capital projects, representing \$33.6 million of the total. Of this amount, \$3 million represents contractual commitments for the expansion and renovation of Town Hall. This project is expected to be completed in 2025.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Commitments and Encumbrances (Continued)

The Town is also participating in several raw water storage and delivery projects with the Northern Colorado Water Conservancy District. In 2024, the Town contributed \$4.4 million to the Northern Integrated Supply Project and \$2.1 million to the Windy Gap Firming Project. Future years' contributions to these projects depend on the Town Council election to participate.

D. Contingent Liabilities

Federal grants are subject to audit which could result in disallowed costs, the amount which is undeterminable at December 31, 2024. If any costs are disallowed in the future, the Town expects them to be insignificant.

E. Annexation and Developer Agreements

The Town has entered into several annexation and developer agreements with various developers of residential/commercial developments. Among other things, these agreements indicate whether the Town or the developer is responsible for the construction of infrastructure and other improvements such as water, wastewater and storm drainage infrastructure, streets, trails, parks and similar capital improvements required to support the development. The Town's portion of these costs will be paid primarily from tap and impact fees collected from these developments.

The Town has entered into an agreement with Dillon Companies Inc. (Dillon) that provides for reimbursement by the Town to the developer up to \$1.5 million for certain public improvements to be constructed by the developer. Reimbursements by the Town will be limited to the amount of sales tax received in the prior year on certain commercial parcels. Such reimbursements shall cease after the 10th year of such payments regardless of the total amount reimbursed to Dillon. During 2024, the Town paid Dillon \$-0- pursuant to this agreement. Cumulative reimbursements since inception pursuant to this agreement were \$674,835 as of December 31, 2024.

The Town, through the URA, has entered into a public finance and development agreement with Erie Four Corners, LLC, Four Corners Business Improvement District and Four Corners Metropolitan District (collectively, the Developer). The Developer has agreed to construct the necessary infrastructure improvements for the project. The urban renewal authority will reimburse the Developer a portion of the cost of qualifying improvements, not to exceed \$35,000,000 over a period not to exceed approximately 20 years. Reimbursement will be from incremental property taxes on the commercial and retail portions of the project. No reimbursements have been made to date on this project.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Annexation and Developer Agreements (Continued)

Also through the URA, in 2017 two tax abatement agreements were entered into to provide incentives for development in Historic Old Town through reimbursements of incremental property taxes. The first was for the construction of a commercial/retail/office building at 105 Wells St. with D&H Erie, LLC, and the second was with Four Lakes, LLC (dba Echo Brewing Cask and Barrel) for the expansion of and improvements to 600/620 Briggs St. The maximum reimbursement under each of these agreements is \$1,500,000. During 2024, the Town reimbursed D&H Erie, LLC \$105,390 pursuant to this agreement. Reimbursements under the agreement for Echo Brewing began in 2023.

In 2019, the URA entered into a property tax sharing agreement with 615 Briggs LLC for construction of a new building to house a restaurant and retail/office space in Historic Old Town. The agreement has a cap of \$446,050 and has a term of up to 10 years, beginning with the date the certificate of occupancy is issued. During 2024, the Town paid 615 Briggs LLC \$60,223 pursuant to this agreement.

In 2019, the URA also entered into a reimbursement agreement with RTD Birdhouse Holdings LLC for improvements to and expansion of 526 Briggs in Historic Old Town, with the primary occupant being a restaurant. The agreement provides for sharing of sales tax for a period of up to seven years, with a cap of \$420,000. During 2024, the Town paid RTD Birdhouse Holdings LLC \$50,186 pursuant to this agreement.

The URA has entered into a property and sales tax sharing agreement with Evergreen-287 and Arapahoe LLC for the development of land located on the southeast corner of Highway 287 and Arapahoe Road, known as the Nine Mile development (Nine Mile). Nine Mile is a mixed-use development, with retail, commercial, and multi-family components. The agreement provides for tax increment revenue to pay debt service costs on up to \$12,800,000 in eligible infrastructure costs on the site, with the debt issued by the Nine Mile Metropolitan District. Certain operations and administrative costs will also be paid from the tax increment revenue. During 2024, the Town paid the Nine Mile Metropolitan District \$2,158,061 pursuant to this agreement.

F. Tax, Spending, and Debt Limitations

On November 3, 1992, the voters of the State approved Article X, Section 20, to the State Constitution (the Amendment). The Amendment provides for several limitations on government activities, including those related to revenue, expenditures, property taxes, and issuance of debt. These provisions of the Constitution are complex and subject to judicial interpretation. In the opinion of management, the Town is in compliance with such provisions.

The Amendment provides for exceptions related to “enterprises,” defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of its annual revenue in grants from all state and local governments combined. The Town’s management is of the opinion that its Water, Wastewater, Storm Drainage, and Airport operations qualify for this exclusion.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 4 OTHER INFORMATION (CONTINUED)

F. Tax, Spending, and Debt Limitations (Continued)

In 1994, the Town’s electorate authorized the Town to retain any revenues in excess of the limits imposed by the Amendment, pursuant to its existing sales and use tax code and general taxes on all taxable property without any increase in sales and use tax rates or increase in the general property tax mill levy. This effectively removed all revenue and spending limits imposed by Amendment. However, any future tax rate or tax code changes increasing tax revenues are subject to voter approval.

G. Emergency Reserve

The Town Council approved a resolution to create an emergency reserve as required by Article X, Section 20, of the Colorado Constitution. The year-end reserve of \$2,472,585 is calculated based on the requirements of Article X, Section 20.

NOTE 5 ACCOUNTING CHANGES AND ERROR CORRECTIONS

Changes to or within Financial Reporting Entity

The Transportation Impact Fund and Parks Improvement Fund previously met the criteria to be reported as major governmental funds. However, effective January 1, 2024, the funds no longer met the criteria to be reported as major funds and are reported as nonmajor governmental funds for the fiscal year ended December 31, 2024.

The Grants Fund previously met the criteria to be reported as a nonmajor governmental fund. However, effective January 1, 2024, the fund met the criteria to be reported as a major fund and is reported as major governmental fund for the fiscal year ended December 31, 2024.

The effect of those changes to or within the financial reporting entity is shown in the table below.

	Transportation Impact	Parks Improvement	Grants	Nonmajor Governmental
December 31, 2024, As Previously Reported Change in Fund Presentation from Major to Nonmajor	\$ (26,086,265)	\$ (12,170,509)	\$ -	\$ 38,256,774
December 31, 2024, As Previously Reported Change in Fund Presentation from Nonmajor to Major	-	-	181,663	(181,663)
December 31, 2024, As Adjusted or Restated	<u>\$ (26,086,265)</u>	<u>\$ (12,170,509)</u>	<u>\$ 181,663</u>	<u>\$ 38,075,111</u>

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF ERIE, COLORADO
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
LAST TEN FISCAL YEARS*

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Plan Measurement Date	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Town's Proportion of the Net Pension Liability (Asset)	0.45668%	0.48216%	0.43109%	0.38349%	0.37436%	0.34242%	0.34200%	0.33195%	0.33625%	0.33118%
Town's Proportionate Share of the Net Pension Liability (Asset)	\$ -	\$ 427,970	\$ (2,336,210)	\$ (832,568)	\$ (211,723)	\$ 432,908	\$ (492,022)	\$ 119,945	\$ (5,928)	\$ (373,766)
Town's Covered Payroll	\$ 4,499,509	\$ 4,194,863	\$ 3,470,347	\$ 3,080,269	\$ 2,759,138	\$ 2,212,900	\$ 2,005,275	\$ 1,775,038	\$ 1,638,675	\$ 1,489,488
Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.0%	10.2%	(67.3%)	(27.0%)	(7.7%)	19.6%	(24.5%)	6.8%	(0.4%)	(25.1%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.0%	97.6%	116.2%	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%

* The amounts presented for each fiscal year were determined as of December 31, based on the measurement date of the Plan. Covered payroll is presented based on the fiscal year.

**TOWN OF ERIE, COLORADO
SCHEDULE OF TOWN CONTRIBUTIONS
LAST TEN FISCAL YEARS***

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 499,735	\$ 426,232	\$ 377,537	\$ 294,980	\$ 246,421	\$ 220,731	\$ 177,032	\$ 160,422	\$ 142,003	\$ 131,094
Contributions in Relation to the Contractually Required Contribution	499,735	426,232	377,537	294,980	246,421	220,731	177,032	160,422	142,003	131,094
Contribution Deficiency (Excess)	<u>\$ -</u>									
Town's Covered Payroll	\$ 5,014,336	\$ 4,499,509	\$ 4,194,863	\$ 3,470,347	\$ 3,080,269	\$ 2,759,138	\$ 2,212,900	\$ 2,005,275	\$ 1,775,038	\$ 1,638,675
Contributions as a Percentage of Covered Payroll	10.0%	9.5%	9.0%	8.5%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

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

SUPPLEMENTARY INFORMATION

**TOWN OF ERIE, COLORADO
NONMAJOR GOVERNMENTAL FUNDS**

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Cemetery Fund – Accounts for revenues received from plot purchases at the municipal cemetery. Money is used for perpetual care expenditures at the cemetery.

Conservation Trust Fund – Accounts for revenues received from the Colorado State Lottery proceeds through the State's Conservation Trust Fund. It is used to acquire, develop, and maintain new conservation sites, and for capital improvements or maintenance for recreational purposes on any public site.

Trail and Natural Areas Fund – Accounts for property tax revenues used to acquire, construct, and maintain trails; and acquire, develop, and maintain natural areas for public use.

Erie Community Civic Fund – A nonprofit organization, exempt from federal income tax under Section 501(c)(3) of the IRC that is used to facilitate certain contributions and grants for support of various Town activities.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities.

Public Facilities Impact Fund – Accounts for impact fee revenues used to construct and acquire public facilities.

Police Facilities Impact Fund – Accounts for impact fee revenues used to construct and acquire police facilities.

Storm Drainage Impact Fund – Accounts for impact fee revenues used to acquire and construct the storm drainage system.

Tree Impact Fund – Accounts for impact fee revenues used to acquire and plant trees in public locations, and to issue certificates for tree purchases to homeowners of newly constructed homes.

Transportation Impact Fund – Accounts for impact fee revenues used to construct and acquire transportation infrastructure.

Parks Improvement Impact Fund – Accounts for impact fee revenues used to construct and acquire parks and related improvements.

**TOWN OF ERIE, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	<u>Total Nonmajor Special Revenue Funds</u>	<u>Total Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS			
Pooled Cash and Investments	\$ 6,579,703	\$ 95,344,616	\$ 101,924,319
Receivables	<u>2,855,049</u>	<u>123,719</u>	<u>2,978,768</u>
Total Assets	<u>\$ 9,434,752</u>	<u>\$ 95,468,335</u>	<u>\$ 104,903,087</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 218,635	\$ 3,306,667	\$ 3,525,302
Unearned Revenue	<u>43,264</u>	<u>28,104</u>	<u>71,368</u>
Total Liabilities	261,899	3,334,771	3,596,670
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	<u>2,842,430</u>	-	<u>2,842,430</u>
Total Deferred Inflows of Resources	2,842,430	-	2,842,430
FUND BALANCES			
Restricted for:			
Capital Projects	-	92,133,564	92,133,564
Parks and Open Space	5,880,545	-	5,880,545
Committed to:			
Cemetery Operations	<u>449,878</u>	-	<u>449,878</u>
Total Fund Balances	<u>6,330,423</u>	<u>92,133,564</u>	<u>98,463,987</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,434,752</u>	<u>\$ 95,468,335</u>	<u>\$ 104,903,087</u>

**TOWN OF ERIE, COLORADO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2024**

	<u>Cemetery Fund</u>	<u>Conservation Trust Fund</u>	<u>Trails and Natural Areas Fund</u>	<u>Erie Community Civic Fund</u>	<u>Total</u>
ASSETS					
Pooled Cash and Investments	\$ 449,022	\$ 1,311,240	\$ 4,799,786	\$ 19,655	\$ 6,579,703
Receivables	856	2,439	2,851,754	-	2,855,049
 Total Assets	 <u>\$ 449,878</u>	 <u>\$ 1,313,679</u>	 <u>\$ 7,651,540</u>	 <u>\$ 19,655</u>	 <u>\$ 9,434,752</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 218,635	\$ -	\$ 218,635
Unearned Revenue	-	-	43,264	-	43,264
Total Liabilities	-	-	261,899	-	261,899
 DEFERRED INFLOWS OF RESOURCES					
Property Taxes	-	-	2,842,430	-	2,842,430
Total Deferred Inflows of Resources	-	-	2,842,430	-	2,842,430
 FUND BALANCES					
Restricted for:					
Parks and Open Space	-	1,313,679	4,547,211	19,655	5,880,545
Committed to:					
Cemetery Operations	449,878	-	-	-	449,878
Total Fund Balances	<u>449,878</u>	<u>1,313,679</u>	<u>4,547,211</u>	<u>19,655</u>	<u>6,330,423</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 449,878</u>	 <u>\$ 1,313,679</u>	 <u>\$ 7,651,540</u>	 <u>\$ 19,655</u>	 <u>\$ 9,434,752</u>

**TOWN OF ERIE, COLORADO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2024**

	Public Facilities Impact Fund	Capital Improvements	Transportation Impact Fund	Parks Improvement	Storm Drainage Impact Fund	Police Facilities Impact Fund	Tree Impact Fund	Total
ASSETS								
Pooled Cash and Investments	\$ 7,843,749	\$ 27,018,320	\$ 32,338,830	\$ 15,077,397	\$ 10,066,295	\$ 1,382,406	\$ 1,617,619	\$ 95,344,616
Receivables	15,595	-	53,995	29,013	19,344	2,640	3,132	123,719
Total Assets	<u>\$ 7,859,344</u>	<u>\$ 27,018,320</u>	<u>\$ 32,392,825</u>	<u>\$ 15,106,410</u>	<u>\$ 10,085,639</u>	<u>\$ 1,385,046</u>	<u>\$ 1,620,751</u>	<u>\$ 95,468,335</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ 917,389	\$ 18,320	\$ 2,249,563	\$ 42,613	\$ -	\$ 78,782	\$ -	\$ 3,306,667
Unearned Revenue	3,822	-	12,338	8,120	3,224	-	600	28,104
Total Liabilities	<u>921,211</u>	<u>18,320</u>	<u>2,261,901</u>	<u>50,733</u>	<u>3,224</u>	<u>78,782</u>	<u>600</u>	<u>3,334,771</u>
FUND BALANCES								
Restricted for:								
Capital Projects	6,938,133	27,000,000	30,130,924	15,055,677	10,082,415	1,306,264	1,620,151	92,133,564
Total Fund Balances	<u>6,938,133</u>	<u>27,000,000</u>	<u>30,130,924</u>	<u>15,055,677</u>	<u>10,082,415</u>	<u>1,306,264</u>	<u>1,620,151</u>	<u>92,133,564</u>
Total Liabilities and Fund Balances	<u>\$ 7,859,344</u>	<u>\$ 27,018,320</u>	<u>\$ 32,392,825</u>	<u>\$ 15,106,410</u>	<u>\$ 10,085,639</u>	<u>\$ 1,385,046</u>	<u>\$ 1,620,751</u>	<u>\$ 95,468,335</u>

TOWN OF ERIE, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 2,945,734	\$ -	\$ 2,945,734
Intergovernmental	381,657	-	381,657
Fees and Charges for Services	52,000	-	52,000
Capital Contributions and Fees	446,288	13,122,990	13,569,278
Investment Earnings	355,304	2,890,390	3,245,694
Total Revenues	<u>4,250,278</u>	<u>16,013,380</u>	<u>20,263,658</u>
EXPENDITURES			
Current Operating:			
General Government	8,075	-	8,075
Public Works	-	335	335
Parks and Recreation	29,015	127,586	156,601
Capital Outlay	3,885,541	9,800,337	13,685,878
Total Expenditures	<u>3,922,631</u>	<u>9,928,258</u>	<u>13,850,889</u>
EXCESS OF REVENUES OVER EXPENDITURES	327,647	6,085,122	6,412,769
OTHER FINANCING USES			
Transfers In	-	27,000,000	27,000,000
Total Other Financing Uses	<u>-</u>	<u>27,000,000</u>	<u>27,000,000</u>
NET CHANGES IN FUND BALANCE	327,647	33,085,122	33,412,769
Fund Balance - Beginning of Year, as Previously Presented	<u>6,184,439</u>	<u>20,791,668</u>	<u>26,976,107</u>
Changes within Financial Reporting Entity (Nonmajor to Major and Major to Nonmajor)	<u>(181,663)</u>	<u>38,256,774</u>	<u>38,075,111</u>
FUND BALANCE - END OF YEAR	<u>\$ 6,330,423</u>	<u>\$ 92,133,564</u>	<u>\$ 98,463,987</u>

TOWN OF ERIE, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2024

	<i>Formerly Nonmajor</i>					
	Grants	Cemetery	Conservation	Trails and	Erie	
	Fund	Fund	Trust Fund	Natural	Community	Total
				Areas Fund	Civic Fund	
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ 2,945,734	\$ -	\$ 2,945,734
Intergovernmental	-	-	381,657	-	-	381,657
Fees and Charges for Services	-	52,000	-	-	-	52,000
Capital Contributions and Fees	-	-	-	446,288	-	446,288
Investment Earnings	-	19,004	53,882	282,418	-	355,304
Miscellaneous	-	-	-	69,295	-	69,295
Total Revenues	-	71,004	435,539	3,743,735	-	4,250,278
EXPENDITURES						
Current Operating:						
General Government	-	8,075	-	-	-	8,075
Parks and Recreation	-	-	-	29,015	-	29,015
Capital Outlay	-	-	159,423	3,726,118	-	3,885,541
Total Expenditures	-	8,075	159,423	3,755,133	-	3,922,631
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	62,929	276,116	(11,398)	-	327,647
NET CHANGES IN FUND BALANCE	-	62,929	276,116	(11,398)	-	327,647
Fund Balance - Beginning of Year, as Previously Presented	181,663	386,949	1,037,563	4,558,609	19,655	6,184,439
Changes within Financial Reporting Entity (Nonmajor to Major)	(181,663)	-	-	-	-	(181,663)
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 449,878</u>	<u>\$ 1,313,679</u>	<u>\$ 4,547,211</u>	<u>\$ 19,655</u>	<u>\$ 6,330,423</u>

TOWN OF ERIE, COLORADO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR CAPITAL PROJECT FUNDS
YEAR ENDED DECEMBER 31, 2024

	Public Facilities Impact Fund	Capital Improvements	Formerly Major Transportation Impact Fund	Formerly Major Parks Improvement	Storm Drainage Impact Fund	Police Facilities Impact Fund	Tree Impact Fund	Total
REVENUES								
Capital Contributions and Fees	\$ 3,292,456	\$ -	\$ 5,000,397	\$ 2,483,924	\$ 1,424,029	\$ 555,184	\$ 367,000	\$ 13,122,990
Investment Earnings	437,395	-	1,281,037	630,434	422,998	51,370	67,156	2,890,390
Total Revenues	<u>3,729,851</u>	<u>-</u>	<u>6,281,434</u>	<u>3,114,358</u>	<u>1,847,027</u>	<u>606,554</u>	<u>434,156</u>	<u>16,013,380</u>
EXPENDITURES								
Current Operating:								
Public Works	-	-	-	-	-	335	-	335
Parks and Recreation	-	-	-	-	-	-	127,586	127,586
Capital Outlay	7,248,090	-	2,236,775	229,190	-	86,282	-	9,800,337
Total Expenditures	<u>7,248,090</u>	<u>-</u>	<u>2,236,775</u>	<u>229,190</u>	<u>-</u>	<u>86,617</u>	<u>127,586</u>	<u>9,928,258</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,518,239)</u>	<u>-</u>	<u>4,044,659</u>	<u>2,885,168</u>	<u>1,847,027</u>	<u>519,937</u>	<u>306,570</u>	<u>6,085,122</u>
OTHER FINANCING USES								
Transfers In	-	27,000,000	-	-	-	-	-	27,000,000
Total Other Financing Uses	<u>-</u>	<u>27,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,000,000</u>
NET CHANGES IN FUND BALANCE	<u>(3,518,239)</u>	<u>27,000,000</u>	<u>4,044,659</u>	<u>2,885,168</u>	<u>1,847,027</u>	<u>519,937</u>	<u>306,570</u>	<u>33,085,122</u>
Fund Balance - Beginning of Year, as Previously Presented	<u>10,456,372</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,235,388</u>	<u>786,327</u>	<u>1,313,581</u>	<u>20,791,668</u>
Change within Financial Reporting Entity (Major to Nonmajor)	<u>-</u>	<u>-</u>	<u>26,086,265</u>	<u>12,170,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,256,774</u>
FUND BALANCE - END OF YEAR	<u>\$ 6,938,133</u>	<u>\$ 27,000,000</u>	<u>\$ 30,130,924</u>	<u>\$ 15,055,677</u>	<u>\$ 10,082,415</u>	<u>\$ 1,306,264</u>	<u>\$ 1,620,151</u>	<u>\$ 92,133,564</u>

**TOWN OF ERIE, COLORADO
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Fees and Charges for Services	\$ -	\$ -	\$ 52,000	\$ 52,000
Investment Earnings	-	-	19,004	19,004
Total Revenues	-	-	71,004	71,004
EXPENDITURES				
Current Operating:				
General Government	-	8,085	8,075	10
Total Expenditures	-	8,085	8,075	10
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(8,085)	62,929	71,014
NET CHANGES IN FUND BALANCE	\$ -	\$ (8,085)	62,929	\$ 71,014
Fund Balance - Beginning of Year			386,949	
FUND BALANCE - END OF YEAR			<u>\$ 449,878</u>	

**TOWN OF ERIE, COLORADO
 CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 381,657	\$ 381,657
Investment Earnings	-	-	53,882	53,882
Total Revenues	-	-	435,539	435,539
EXPENDITURES				
Capital Outlay	168,750	178,224	159,423	18,801
Total Expenditures	168,750	178,224	159,423	18,801
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(168,750)</u>	<u>(178,224)</u>	<u>276,116</u>	<u>454,340</u>
NET CHANGES IN FUND BALANCE	<u>\$ (168,750)</u>	<u>\$ (178,224)</u>	<u>276,116</u>	<u>\$ 454,340</u>
Fund Balance - Beginning of Year			<u>1,037,563</u>	
FUND BALANCE - END OF YEAR			<u><u>\$ 1,313,679</u></u>	

**TOWN OF ERIE, COLORADO
TRAILS AND NATURAL AREAS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 3,019,000	\$ 3,019,000	\$ 2,945,734	\$ (73,266)
Capital Contributions and Fees	-	-	446,288	446,288
Investment Earnings	60,000	60,000	282,418	222,418
Miscellaneous	-	-	69,295	69,295
Total Revenues	<u>3,079,000</u>	<u>3,079,000</u>	<u>3,743,735</u>	<u>664,735</u>
EXPENDITURES				
Current Operating:				
Parks and Recreation	-	-	29,015	(29,015)
Capital Outlay	4,477,500	5,520,163	3,726,118	1,794,045
Total Expenditures	<u>4,477,500</u>	<u>5,520,163</u>	<u>3,755,133</u>	<u>1,765,030</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,398,500)	(2,441,163)	(11,398)	2,429,765
OTHER FINANCING USES				
Transfers Out	(438,840)	(438,840)	-	438,840
Total Other Financing Uses	<u>(438,840)</u>	<u>(438,840)</u>	<u>-</u>	<u>438,840</u>
NET CHANGES IN FUND BALANCE	<u>\$ (1,837,340)</u>	<u>\$ (2,880,003)</u>	(11,398)	<u>\$ 2,868,605</u>
Fund Balance - Beginning of Year			<u>4,558,609</u>	
FUND BALANCE - END OF YEAR			<u>\$ 4,547,211</u>	

**TOWN OF ERIE, COLORADO
 ERIE CIVIC COMMUNITY FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>19,655</u>	
FUND BALANCE - END OF YEAR			<u>\$ 19,655</u>	

**TOWN OF ERIE, COLORADO
PUBLIC FACILITIES IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Positive (Negative)
REVENUES				
Capital Contributions and Fees	\$ 2,565,920	\$ 2,565,920	\$ 3,292,456	\$ 726,536
Investment Earnings	50,000	50,000	437,395	387,395
Total Revenues	2,615,920	2,615,920	3,729,851	1,113,931
EXPENDITURES				
Capital Outlay	50,000	10,282,149	7,248,090	3,034,059
Total Expenditures	50,000	10,282,149	7,248,090	3,034,059
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,565,920	(7,666,229)	(3,518,239)	4,147,990
NET CHANGES IN FUND BALANCE	\$ 2,565,920	\$ (7,666,229)	(3,518,239)	\$ 4,147,990
Fund Balance - Beginning of Year			10,456,372	
FUND BALANCE - END OF YEAR			\$ 6,938,133	

**TOWN OF ERIE, COLORADO
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES				
Transfers In	-	-	27,000,000	27,000,000
Total Other Financing Sources	-	-	27,000,000	27,000,000
NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	27,000,000	<u>\$ 27,000,000</u>
Fund Balance - Beginning of Year			-	
FUND BALANCE - END OF YEAR			<u>\$ 27,000,000</u>	

**TOWN OF ERIE, COLORADO
TRANSPORTATION IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Positive (Negative)
REVENUES				
Capital Contributions and Fees	\$ 3,965,740	\$ 3,965,740	\$ 5,000,397	\$ 1,034,657
Investment Earnings	100,000	100,000	1,281,037	1,181,037
Total Revenues	<u>4,065,740</u>	<u>4,065,740</u>	<u>6,281,434</u>	<u>2,215,694</u>
EXPENDITURES				
Current Operating:				
Capital Outlay	<u>1,084,274</u>	<u>18,876,735</u>	<u>2,236,775</u>	<u>16,639,960</u>
Total Expenditures	<u>1,084,274</u>	<u>18,876,735</u>	<u>2,236,775</u>	<u>16,639,960</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,981,466	(14,810,995)	4,044,659	18,855,654
OTHER FINANCING SOURCES				
Transfers In	-	2,063,128	-	(2,063,128)
Total Other Financing Sources	<u>-</u>	<u>2,063,128</u>	<u>-</u>	<u>(2,063,128)</u>
NET CHANGES IN FUND BALANCE	<u>\$ 2,981,466</u>	<u>\$ (12,747,867)</u>	4,044,659	<u>\$ 16,792,526</u>
Fund Balance - Beginning of Year			<u>26,086,265</u>	
FUND BALANCE - END OF YEAR			<u>\$ 30,130,924</u>	

**TOWN OF ERIE, COLORADO
PARKS IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Capital Contributions and Fees	\$ 1,550,940	\$ 1,550,940	\$ 2,483,924	\$ 932,984
Investment Earnings	-	-	630,434	630,434
Total Revenues	<u>1,550,940</u>	<u>1,550,940</u>	3,114,358	1,563,418
EXPENDITURES				
Capital Outlay	<u>9,345,000</u>	<u>229,190</u>	<u>229,190</u>	-
Total Expenditures	<u>9,345,000</u>	<u>229,190</u>	<u>229,190</u>	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,794,060)</u>	<u>1,321,750</u>	<u>2,885,168</u>	<u>1,563,418</u>
NET CHANGES IN FUND BALANCE	<u>\$ (7,794,060)</u>	<u>\$ 1,321,750</u>	2,885,168	<u>\$ 1,563,418</u>
Fund Balance - Beginning of Year			<u>12,170,509</u>	
FUND BALANCE - END OF YEAR			<u>\$ 15,055,677</u>	

**TOWN OF ERIE, COLORADO
 STORM DRAINAGE IMPACT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Capital Contributions and Fees	\$ 1,091,628	\$ 1,091,628	\$ 1,424,029	\$ 332,401
Investment Earnings	20,000	20,000	422,998	402,998
Total Revenues	<u>1,111,628</u>	<u>1,111,628</u>	<u>1,847,027</u>	<u>735,399</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,111,628</u>	<u>1,111,628</u>	<u>1,847,027</u>	<u>735,399</u>
NET CHANGES IN FUND BALANCE	<u>\$ 1,111,628</u>	<u>\$ 1,111,628</u>	<u>1,847,027</u>	<u>\$ 735,399</u>
Fund Balance - Beginning of Year			<u>8,235,388</u>	
FUND BALANCE - END OF YEAR			<u>\$ 10,082,415</u>	

**TOWN OF ERIE, COLORADO
TREE IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Capital Contributions and Fees	\$ 198,000	\$ 198,000	\$ 367,000	\$ 169,000
Investment Earnings	3,000	3,000	67,156	64,156
Total Revenues	<u>201,000</u>	<u>201,000</u>	<u>434,156</u>	<u>233,156</u>
EXPENDITURES				
Current Operating:				
Parks and Recreation	134,000	134,000	127,586	6,414
Total Expenditures	<u>134,000</u>	<u>134,000</u>	<u>127,586</u>	<u>6,414</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>67,000</u>	<u>67,000</u>	<u>306,570</u>	<u>239,570</u>
NET CHANGES IN FUND BALANCE	<u>\$ 67,000</u>	<u>\$ 67,000</u>	306,570	<u>\$ 239,570</u>
Fund Balance - Beginning of Year			<u>1,313,581</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,620,151</u>	

**TOWN OF ERIE, COLORADO
POLICE FACILITIES IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Capital Contributions and Fees	\$ 411,600	\$ 411,600	\$ 555,184	\$ 143,584
Investment Earnings	20,000	20,000	51,370	31,370
Total Revenues	<u>431,600</u>	<u>431,600</u>	<u>606,554</u>	<u>174,954</u>
EXPENDITURES				
Current Operating:				
Public Works	-	-	335	(335)
Capital Outlay	454,100	3,835,100	86,282	3,748,818
Total Expenditures	<u>454,100</u>	<u>3,835,100</u>	<u>86,617</u>	<u>3,748,483</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(22,500)</u>	<u>(3,403,500)</u>	<u>519,937</u>	<u>3,923,437</u>
NET CHANGES IN FUND BALANCE	<u>\$ (22,500)</u>	<u>\$ (3,403,500)</u>	<u>519,937</u>	<u>\$ 3,923,437</u>
Fund Balance - Beginning of Year			<u>786,327</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,306,264</u>	

**TOWN OF ERIE, COLORADO
PROPRIETARY FUNDS**

**Schedules of Revenues, Expenses, and Changes in Fund Net Position – Actual and Budget
(Non-GAAP Budgetary Basis)**

This section presents combining and budgetary comparisons for the following funds:

- Water Fund
- Wastewater Fund
- Storm Drainage Operating
- Airport Fund

**TOWN OF ERIE, COLORADO
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2024**

	Airport Fund	Total Enterprise Nonmajor Funds
ASSETS		
Current Assets:		
Receivables	\$ 1,315,219	\$ 1,315,219
Total Current Assets	1,315,219	1,315,219
Noncurrent Assets:		
Capital Assets:		
Construction in Progress	1,229,336	1,229,336
Land and Water Rights	592,295	592,295
Buildings, Property, and Equipment	7,284,639	7,284,639
Accumulated Depreciation	(4,375,760)	(4,375,760)
Total Capital Assets, Net	4,730,510	4,730,510
Total Assets	6,045,729	6,045,729
LIABILITIES		
Current Liabilities:		
Accounts Payable	145,004	145,004
Due to Other Funds	1,024,331	1,024,331
Total Current Liabilities	1,169,335	1,169,335
Total Liabilities	1,169,335	1,169,335
NET POSITION		
Net Investment in Capital Assets	4,600,275	4,600,275
Unrestricted	276,119	276,119
Total Net Position	\$ 4,876,394	\$ 4,876,394

TOWN OF ERIE, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2024

	Airport Fund	Total Nonmajor Proprietary Funds
OPERATING REVENUES		
Charges for Services	\$ 5,812	\$ 5,812
OPERATING EXPENSES		
Operations and Maintenance	378,842	378,842
Depreciation	262,435	262,435
Total Operating Expenses	641,277	641,277
NET OPERATING INCOME (LOSS)	(635,465)	(635,465)
NONOPERATING REVENUES (EXPENSES)		
Investment Earnings	1,957	1,957
Intergovernmental	1,339,477	1,339,477
Other Nonoperating Income	143,682	143,682
Total Nonoperating Revenues (Expenses)	1,485,116	1,485,116
INCOME (LOSS) BEFORE TRANSFERS	849,651	849,651
Transfers In	240,000	240,000
CHANGES IN NET POSITION	1,089,651	1,089,651
Net Position - Beginning of Year	3,786,743	3,786,743
NET POSITION - END OF YEAR	\$ 4,876,394	\$ 4,876,394

**TOWN OF ERIE, COLORADO
NONMAJOR PROPRIETARY FUND
COMBINING STATEMENT OF CASH FLOWS
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024
(NON-GAAP BUDGETARY BASIS)**

	Airport Fund	Total Nonmajor Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ (1,161,215)	\$ (1,161,215)
Payments to Suppliers	(244,671)	(244,671)
Net Cash Used by Operating Activities	(1,405,886)	(1,405,886)
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Grants Received	1,339,477	1,339,477
Cash Received on Interfund Borrowing	1,024,331	1,024,331
Transfer from Other Funds	240,000	240,000
Cash Flows Provided by Noncapital Financing Activities	2,603,808	2,603,808
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(1,405,301)	(1,405,301)
Cash Flows Used by Capital and Related Financing Activities	(1,405,301)	(1,405,301)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on Investments	1,957	1,957
Cash Flows Provided by Investing Activities	1,957	1,957
 NET DECREASE IN POOLED CASH AND INVESTMENTS	(205,422)	(205,422)
 Pooled Cash and Investments - Beginning of Year	205,422	205,422
 POOLED CASH AND INVESTMENTS - END OF YEAR	\$ -	\$ -
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (635,465)	\$ (635,465)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	262,435	262,435
Other Income	143,682	143,682
(Increase) Decrease in:		
Accounts Receivable	(1,310,710)	(1,310,710)
Increase (Decrease) in:		
Accounts Payable	134,172	134,172
Net Cash Provided (Used) by Operating Activities	\$ (1,405,886)	\$ (1,405,886)

**TOWN OF ERIE, COLORADO
WATER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ 13,281,000	\$ 13,281,000	\$ 15,060,859	\$ 1,779,859
Capital Contributions and Fees	17,467,800	17,467,800	26,705,617	9,237,817
Investment Earnings	527,000	527,000	5,644,262	5,117,262
Intergovernmental	-	-	13,074	13,074
Miscellaneous	10,000	10,000	137,907	127,907
Total Revenues	<u>31,285,800</u>	<u>31,285,800</u>	<u>47,561,719</u>	<u>16,275,919</u>
EXPENSES				
Operating Expenses:				
Personnel Services	1,422,927	2,024,255	2,243,619	(219,364)
Operations and Maintenance	2,249,631	7,841,103	6,774,643	1,066,460
Capital Outlay	12,894,879	99,301,115	12,018,651	87,282,464
Debt Related Expenses:				
Principal Payments	2,100,000	2,210,145	2,207,473	2,672
Interest Expense	1,353,823	1,353,823	1,387,990	(34,167)
Total Expenses	<u>20,021,260</u>	<u>112,730,441</u>	<u>24,632,376</u>	<u>88,098,065</u>
OTHER FINANCING SOURCES				
Transfers In	-	(1,305,559)	-	1,305,559
Total Other Financing Sources	<u>-</u>	<u>(1,305,559)</u>	<u>-</u>	<u>1,305,559</u>
CHANGES IN NET POSITION - BUDGET BASIS	<u>\$ 11,264,540</u>	<u>\$ (82,750,200)</u>	22,929,343	<u>\$ 105,679,543</u>
RECONCILIATION TO GAAP BASIS				
Bond Principal Payments			2,207,473	
Debt Issuance Costs			46,983	
Change in Accrued Interest Payable			9,354	
Change in Compensated Absences Payable			32,776	
Developer Contributions			10,537,605	
Capital Outlay			12,018,651	
Depreciation and Amortization			<u>(4,944,622)</u>	
CHANGE IN NET POSITION - GAAP BASIS			42,837,563	
Net Position - Beginning of Year			<u>320,007,411</u>	
NET POSITION - END OF YEAR			<u>\$ 362,844,974</u>	

**TOWN OF ERIE, COLORADO
WASTEWATER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 6,530,000	\$ 6,530,000	\$ 7,309,219	\$ 779,219
Capital Contributions and Fees	5,394,000	5,394,000	8,612,049	3,218,049
Intergovernmental	-	-	964	964
Investment Earnings	200,000	200,000	1,521,926	1,321,926
Total Revenues	<u>12,124,000</u>	<u>12,124,000</u>	<u>17,442,579</u>	<u>5,318,579</u>
EXPENSES				
Operating Expenses:				
Personnel Services	885,711	1,227,153	1,336,756	(109,603)
Operations and Maintenance	4,770,185	4,562,198	2,970,043	1,592,155
Capital Outlay	14,550,250	17,888,661	929,203	16,959,458
Debt Related Expenses:				
Principal Payments	2,100,000	154,970	774,913	(619,943)
Interest Expense	551,677	551,677	563,985	(12,308)
Total Expenses	<u>22,857,823</u>	<u>24,384,658</u>	<u>6,574,900</u>	<u>17,809,758</u>
OTHER FINANCING SOURCES				
Proceeds on Sale of Capital Assets	-	-	57,550	57,550
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>57,550</u>	<u>57,550</u>
CHANGES IN NET POSITION - BUDGET BASIS	<u>\$ (10,733,823)</u>	<u>\$ (12,260,658)</u>	10,925,229	<u>\$ 23,185,887</u>
RECONCILIATION TO GAAP BASIS				
Principal Payments			774,913	
Change in Accrued Interest Payable			2,738	
Change in Compensated Absences Payable			32,433	
Developer Contributions			4,872,061	
Capital Outlay			929,203	
Depreciation and Amortization			<u>(2,332,963)</u>	
CHANGE IN NET POSITION - GAAP BASIS			15,203,614	
Net Position - Beginning of Year			<u>109,829,770</u>	
NET POSITION - END OF YEAR			<u>\$ 125,033,384</u>	

TOWN OF ERIE, COLORADO
STORM DRAINAGE IMPACT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ 1,937,000	\$ 1,937,000	\$ 2,012,442	\$ 75,442
Capital Contributions and Fees	-	-	20,000	20,000
Intergovernmental	-	-	410,636	410,636
Investment Earnings	22,809	22,809	124,723	101,914
Total Revenues	<u>1,959,809</u>	<u>1,959,809</u>	<u>2,567,801</u>	<u>607,992</u>
EXPENSES				
Operating Expenditures:				
Personnel Services	742,528	1,098,421	740,239	358,182
Operations and Maintenance	788,714	634,297	630,305	3,992
Capital Outlay	2,527,160	6,770,965	2,161,168	4,609,797
Debt Related Expenses:				
Principal Payments	18,223	58,490	25,379	33,111
Interest Expense	-	-	2,937	(2,937)
Total Expenses	<u>4,076,625</u>	<u>8,562,173</u>	<u>3,560,028</u>	<u>5,002,145</u>
CHANGES IN NET POSITION - BUDGET BASIS	<u>\$ (2,116,816)</u>	<u>\$ (6,602,364)</u>	(992,227)	<u>\$ 5,610,137</u>
RECONCILIATION TO GAAP BASIS				
Principal Payments			25,379	
Change in Accrued Interest Payable			216	
Developer Contributions			5,542,741	
Capital Outlay			2,161,168	
Depreciation and Amortization			<u>(1,347,964)</u>	
CHANGE IN NET POSITION - GAAP BASIS			5,389,313	
Net Position - Beginning of Year			<u>57,960,515</u>	
NET POSITION - END OF YEAR			<u>\$ 63,349,828</u>	

**TOWN OF ERIE, COLORADO
AIRPORT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 5,000	\$ 5,000	\$ 5,812	\$ 812
Intergovernmental	-	-	1,339,477	1,339,477
Investment Earnings	500	118,608	1,957	(116,651)
Miscellaneous	48,000	48,000	143,682	95,682
Total Revenues	<u>53,500</u>	<u>171,608</u>	<u>1,490,928</u>	<u>1,319,320</u>
EXPENSES				
Operating Expenses:				
Operations and Maintenance	42,352	497,154	378,842	118,312
Capital Outlay	2,527,160	6,770,965	1,405,301	5,365,664
Total Expenses	<u>2,569,512</u>	<u>7,268,119</u>	<u>1,784,143</u>	<u>5,483,976</u>
OTHER FINANCING SOURCES				
Transfers In	1,287,043	2,423,920	240,000	(2,183,920)
Total Other Financing Sources	<u>1,287,043</u>	<u>2,423,920</u>	<u>240,000</u>	<u>(2,183,920)</u>
CHANGES IN NET POSITION - BUDGET BASIS	<u>\$ (1,228,969)</u>	<u>\$ (4,672,591)</u>	(53,215)	<u>\$ 4,619,376</u>
RECONCILIATION TO GAAP BASIS				
Capital Outlay			1,405,301	
Depreciation and Amortization			<u>(262,435)</u>	
CHANGE IN NET POSITION - GAAP BASIS			1,089,651	
Net Position - Beginning of Year			<u>3,786,743</u>	
NET POSITION - END OF YEAR			<u>\$ 4,876,394</u>	

STATISTICAL SECTION

STATISTICAL SECTION INFORMATION

This part of the Town of Erie's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.</i>	108
Revenue Capacity <i>These schedules contain trend information to help the reader assess the Town's most significant local revenue sources, property, and sales taxes.</i>	113
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.</i>	122
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i>	127
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services that the Town provides and the activities it performs.</i>	129

**TOWN OF ERIE, COLORADO
NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2015 (1)	2016	2017	2018	2019	2020	2021	2022 (2)	2023 (3)	2024 (4)
Governmental Activities:										
Net Investment in Capital Assets	\$ 83,754,661	\$ 91,829,234	\$ 104,366,825	\$ 122,702,339	\$ 144,757,342	\$ 153,586,231	\$ 164,363,793	\$ 184,876,753	\$ 232,640,304	\$ 258,536,275
Restricted	21,372,046	20,657,054	26,561,257	32,617,869	32,768,998	46,605,118	61,250,141	71,344,789	77,620,942	113,087,918
Unrestricted	7,096,865	9,812,424	16,619,107	18,012,077	27,144,985	34,479,339	39,515,991	42,088,033	50,555,653	25,847,822
Total Governmental Activities Net Position	<u>\$ 112,223,572</u>	<u>\$ 122,298,712</u>	<u>\$ 147,547,189</u>	<u>\$ 173,332,285</u>	<u>\$ 204,671,325</u>	<u>\$ 234,670,688</u>	<u>\$ 265,129,925</u>	<u>\$ 298,309,575</u>	<u>\$ 360,816,899</u>	<u>\$ 397,472,015</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 138,280,725	\$ 161,759,392	\$ 190,333,252	\$ 199,949,037	\$ 223,256,751	\$ 244,297,057	\$ 277,608,597	\$ 301,984,842	\$ 347,534,533	\$ 380,154,786
Restricted	1,982,998	1,183,031	786,000	824,000	856,000	878,650	794,198	1,069,630	1,432,725	931,064
Unrestricted	31,991,085	45,517,350	46,221,528	70,305,325	91,797,796	99,686,616	113,229,889	127,411,291	142,617,181	175,018,730
Total Business-Type Activities Net Position	<u>\$ 172,254,808</u>	<u>\$ 208,459,773</u>	<u>\$ 237,340,780</u>	<u>\$ 271,078,362</u>	<u>\$ 315,910,547</u>	<u>\$ 344,862,323</u>	<u>\$ 391,632,684</u>	<u>\$ 430,465,763</u>	<u>\$ 491,584,439</u>	<u>\$ 556,104,580</u>
Primary Government:										
Net Investment in Capital Assets	\$ 222,035,386	\$ 253,588,626	\$ 294,700,077	\$ 322,651,376	\$ 368,014,093	\$ 397,883,288	\$ 441,972,390	\$ 486,861,595	\$ 580,174,837	\$ 638,691,061
Restricted	23,355,044	21,840,085	27,347,257	33,441,869	33,624,998	47,483,768	62,044,339	72,414,419	79,053,667	114,018,982
Unrestricted	39,087,950	55,329,774	62,840,635	88,317,402	118,942,781	134,165,955	152,745,880	169,499,324	193,172,834	200,866,552
Total Primary Government Net Position	<u>\$ 284,478,380</u>	<u>\$ 330,758,485</u>	<u>\$ 384,887,969</u>	<u>\$ 444,410,647</u>	<u>\$ 520,581,872</u>	<u>\$ 579,533,011</u>	<u>\$ 656,762,609</u>	<u>\$ 728,775,338</u>	<u>\$ 852,401,338</u>	<u>\$ 953,576,595</u>

Source: Town of Erie Finance Department

- (1) In 2015 the Town implemented GASB 68, which provides for the recognition of certain pension-related amounts. Prior year amounts were not restated.
(2) In 2022 the Town implemented GASB 87, which provides for the recognition of certain lease related amounts. Prior year amounts were not restated.
(3) In 2023 the Town implemented GASB 96, which provides for the recognition of certain subscription-based technology agreement amounts. Prior year amounts were not restated.
(4) In 2024 the Town implemented GASB 101, which provides for the recognition of certain compensated absence amounts. Prior year amounts were not restated.

**TOWN OF ERIE, COLORADO
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2015 (1)	2016	2017	2018	2019	2020	2021	2022 (2)	2023 (3)	2024 (4)
EXPENSES										
Governmental Activities:										
General Government	\$ 6,364,236	\$ 3,624,195	\$ 4,601,379	\$ 6,372,190	\$ 10,886,195	\$ 10,512,723	\$ 8,351,209	\$ 13,281,516	\$ 16,465,989	\$ 23,500,908
Public Safety	3,065,695	3,564,444	3,911,466	4,125,915	5,322,831	5,599,006	6,994,602	8,542,802	9,778,482	10,125,655
Public Works	4,611,400	5,129,083	5,566,858	5,912,042	7,054,349	3,362,722	8,088,311	11,180,655	12,769,086	17,007,807
Parks and Recreation	6,248,337	6,478,449	7,106,468	7,658,937	8,619,341	6,261,294	9,293,615	11,110,189	13,188,269	15,172,873
Interest on Long-Term Debt	720,371	657,411	604,011	547,591	491,020	346,189	422,809	558,517	563,325	585,760
Total Governmental Activities Expenses	<u>21,010,039</u>	<u>19,453,582</u>	<u>21,790,182</u>	<u>24,616,675</u>	<u>32,373,736</u>	<u>26,081,934</u>	<u>33,150,546</u>	<u>44,673,679</u>	<u>52,765,151</u>	<u>66,393,003</u>
Business-Type Activities:										
Water	10,865,948	9,605,720	9,263,291	10,127,032	10,552,481	12,299,401	11,826,645	12,643,055	13,181,879	15,261,761
Wastewater	10,553,917	4,886,037	5,001,576	5,405,865	5,789,508	6,044,230	5,372,301	5,927,439	7,190,086	7,170,155
Storm Drainage	664,028	932,686	809,794	1,075,170	1,235,057	2,111,400	1,506,412	1,675,517	1,932,205	2,721,229
Airport	337,969	307,283	668,087	289,865	313,934	358,135	323,670	312,615	287,505	641,277
Housing Authority	112,370	116,252	335,939	-	-	-	-	-	-	-
Total Business-Type Activities Expenses	<u>22,534,232</u>	<u>15,847,978</u>	<u>16,078,687</u>	<u>16,897,932</u>	<u>17,890,980</u>	<u>20,813,166</u>	<u>19,029,028</u>	<u>20,558,626</u>	<u>22,591,675</u>	<u>25,794,422</u>
Total Primary Government Expenses	<u>43,544,271</u>	<u>35,301,560</u>	<u>37,868,869</u>	<u>41,514,607</u>	<u>50,264,716</u>	<u>46,895,100</u>	<u>52,179,574</u>	<u>65,232,305</u>	<u>75,356,826</u>	<u>92,187,425</u>
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	1,607,509	1,952,378	2,169,570	3,561,877	2,683,426	2,235,795	3,227,872	6,633,468	8,138,575	9,804,258
Public Safety	219,581	299,055	268,853	275,835	364,421	251,347	240,420	176,163	141,988	155,566
Public Works	2,164,559	2,411,375	3,178,241	2,720,956	2,871,912	2,704,752	3,544,739	3,723,357	3,154,201	3,491,616
Parks and Recreation	2,013,213	2,018,464	2,089,718	2,199,954	2,263,602	1,547,175	1,852,950	2,485,001	3,033,505	3,468,117
Operating Grants and Contributions	1,127,940	1,198,439	1,249,172	1,489,061	1,642,223	2,789,977	2,040,396	3,710,369	7,637,059	7,372,835
Capital Grants and Contributions	4,455,967	9,605,770	22,013,219	16,667,704	27,251,399	15,376,327	20,550,338	21,251,804	40,977,210	23,300,403
Total Governmental Activities Program Revenues	<u>11,588,769</u>	<u>17,485,481</u>	<u>30,968,773</u>	<u>26,915,387</u>	<u>37,076,983</u>	<u>24,905,373</u>	<u>31,456,715</u>	<u>37,980,162</u>	<u>63,082,538</u>	<u>47,592,795</u>
Business-Type Activities:										
Charges for Services:										
Water	7,131,476	8,278,284	9,044,664	10,251,306	10,429,799	12,654,777	12,325,727	13,193,795	11,571,276	15,060,859
Wastewater	4,143,696	4,320,614	4,439,911	5,096,131	5,486,900	5,806,390	6,067,831	6,470,593	6,800,914	7,309,219
Storm Drainage	514,714	660,450	795,580	1,146,469	1,513,384	1,611,680	1,655,485	1,787,794	1,905,894	2,012,442
Other Activities	85,794	89,736	21,928	8,475	10,027	5,690	4,938	4,847	6,507	5,812
Operating Grants and Contributions	74,100	20,190	346,239	14,644	15,000	80,642	53,850	-	-	1,764,151
Capital Grants and Contributions	13,603,985	24,893,959	28,156,435	32,299,315	42,523,477	28,341,075	42,841,773	36,940,393	56,509,170	56,347,623
Total Business-Type Activities Program Revenues	<u>25,553,765</u>	<u>38,263,233</u>	<u>42,804,757</u>	<u>48,816,340</u>	<u>59,978,587</u>	<u>48,500,254</u>	<u>62,949,604</u>	<u>58,397,422</u>	<u>76,793,761</u>	<u>82,500,106</u>
Total Primary Government Program Revenues	<u>37,142,534</u>	<u>55,748,714</u>	<u>73,773,530</u>	<u>75,731,727</u>	<u>97,055,570</u>	<u>73,405,627</u>	<u>94,406,319</u>	<u>96,377,584</u>	<u>139,876,299</u>	<u>130,092,901</u>

(1) In 2015 the Town implemented GASB 68, which provides for the recognition of certain pension-related amounts. Prior year amounts were not restated.

(2) In 2022 the Town implemented GASB 87, which provides for the recognition of certain lease related amounts. Prior year amounts were not restated.

(3) In 2023 the Town implemented GASB 96, which provides for the recognition of certain subscription-based technology agreement amounts. Prior year amounts were not restated.

(4) In 2024 the Town implemented GASB 101, which provides for the recognition of certain compensated absence amounts. Prior year amounts were not restated.

TOWN OF ERIE, COLORADO
CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2015 (1)	2016	2017	2018	2019	2020	2021	2022 (2)	2023 (3)	2024 (4)
NET REVENUE (EXPENSE)										
Governmental Activities	\$ (9,421,270)	\$ (1,968,101)	\$ 9,178,591	\$ 2,298,712	\$ 4,703,247	\$ (1,176,561)	\$ (1,693,831)	\$ (6,693,517)	\$ 10,317,387	\$ (18,800,238)
Business-Type Activities	3,019,533	22,415,255	26,726,070	31,918,408	42,087,607	27,687,088	43,920,576	37,838,796	54,202,086	56,705,684
Total Primary Government Net Revenue (Expense)	(6,401,737)	20,447,154	35,904,661	34,217,120	46,790,854	26,510,527	42,226,745	31,145,279	64,519,473	37,905,446
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Taxes	12,075,737	14,336,443	18,033,869	21,047,896	23,751,202	28,270,838	33,628,011	36,721,257	41,109,718	47,203,515
Intergovernmental - Unrestricted	249,784	91,578	78,323	128,227	291,898	-	-	-	-	-
Investment Earnings	127,840	201,007	376,733	925,222	1,411,789	817,090	(47,759)	841,978	6,196,019	6,528,494
Other Miscellaneous	379,013	403,763	258,643	1,293,000	1,180,904	2,087,996	1,359,217	2,415,198	5,136,540	1,963,345
Transfers In/Out	(9,349)	(33,719)	(3,207,559)	-	-	-	(2,786,401)	(12,037)	(252,340)	(240,000)
Total Governmental Activities	12,823,025	14,999,072	15,540,009	23,394,345	26,635,793	31,175,924	32,153,068	39,966,396	52,189,937	55,455,354
Business-Type Activities:										
Investment Earnings	127,247	252,507	477,847	1,131,438	2,080,168	1,201,192	(70,430)	851,660	6,543,125	7,292,868
Other Miscellaneous	65,952	121,267	176,374	132,472	664,410	63,496	133,814	139,358	121,125	281,589
Transfers In/Out	9,349	33,719	3,207,559	-	-	-	2,786,401	12,037	252,340	240,000
Total Business-Type Activities	202,548	407,493	3,861,780	1,263,910	2,744,578	1,264,688	2,849,785	1,003,055	6,916,590	7,814,457
Total Primary Government General Revenue and Other Changes in Net Position	13,025,573	15,406,565	19,401,789	24,658,255	29,380,371	32,440,612	35,002,853	40,969,451	59,106,527	63,269,811
CHANGES IN NET POSITION										
Governmental Activities	3,401,755	13,030,971	24,718,600	25,693,057	31,339,040	29,999,363	30,459,237	33,272,878	62,507,324	36,655,116
Business-Type Activities	3,222,081	22,822,748	30,587,850	33,182,318	44,832,185	28,951,776	46,770,361	38,841,851	61,118,676	64,520,141
Total Primary Government Changes in Net Position	<u>\$ 6,623,836</u>	<u>\$ 35,853,719</u>	<u>\$ 55,306,450</u>	<u>\$ 58,875,375</u>	<u>\$ 76,171,225</u>	<u>\$ 58,951,139</u>	<u>\$ 77,229,598</u>	<u>\$ 72,114,729</u>	<u>\$ 123,626,000</u>	<u>\$ 101,175,257</u>

Source: Town of Erie Finance Department

- (1) In 2015 the Town implemented GASB 68, which provides for the recognition of certain pension-related amounts. Prior year amounts were not restated.
(2) In 2022 the Town implemented GASB 87, which provides for the recognition of certain lease related amounts. Prior year amounts were not restated.
(3) In 2023 the Town implemented GASB 96, which provides for the recognition of certain subscription-based technology agreement amounts. Prior year amounts were not restated.
(4) In 2024 the Town implemented GASB 101, which provides for the recognition of certain compensated absence amounts. Prior year amounts were not restated.

TOWN OF ERIE, COLORADO
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Nonspendable	\$ 5,202,240	\$ 5,563,854	\$ 5,654,209	\$ 5,978,897	\$ 3,947,450	\$ 3,953,617	\$ 1,546,198	\$ 1,940,270	\$ 854,514	\$ 1,440,965
Restricted/Reserved	4,789,674	4,894,278	4,854,795	4,015,815	4,090,611	3,854,025	3,387,859	4,304,120	4,788,480	4,976,717
Assigned	41,842	250,058	230,835	253,913	1,428,579	919,618	2,587,676	3,491,184	4,575,086	3,330,708
Unassigned/Unreserved	6,875,429	9,824,378	16,020,667	17,436,060	20,670,166	29,013,058	40,190,862	39,019,318	42,780,035	20,445,801
Total General Fund	<u>\$ 16,909,185</u>	<u>\$ 20,532,568</u>	<u>\$ 26,760,506</u>	<u>\$ 27,684,685</u>	<u>\$ 30,136,806</u>	<u>\$ 37,740,318</u>	<u>\$ 47,712,595</u>	<u>\$ 48,754,892</u>	<u>\$ 52,998,115</u>	<u>\$ 30,194,191</u>
All Other Governmental Funds:										
Restricted/Reserved	\$ 16,582,372	\$ 15,199,524	\$ 21,172,707	\$ 28,110,032	\$ 28,678,387	\$ 42,539,370	\$ 57,029,714	\$ 68,435,343	\$ 76,275,573	\$ 109,443,750
Committed	130,154	141,528	172,047	204,434	236,823	259,622	277,235	309,838	386,949	449,878
Unassigned/Unreserved	(5,012,977)	(5,382,532)	(5,656,411)	(6,009,697)	(4,255,864)	(574,264)	(1,523,852)	(2,403,788)	(824,414)	(2,723,486)
Total All Other Governmental Funds	<u>\$ 11,699,549</u>	<u>\$ 9,958,520</u>	<u>\$ 15,688,343</u>	<u>\$ 22,304,769</u>	<u>\$ 24,659,346</u>	<u>\$ 42,224,728</u>	<u>\$ 55,783,097</u>	<u>\$ 66,341,393</u>	<u>\$ 75,838,108</u>	<u>\$ 107,170,142</u>

Source: Town of Erie Finance Department

TOWN OF ERIE, COLORADO
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REVENUES										
Taxes	\$ 12,075,737	\$ 14,336,443	\$ 18,033,869	\$ 21,047,896	\$ 23,751,202	\$ 28,270,838	\$ 33,628,011	\$ 36,721,257	\$ 41,109,718	\$ 47,203,515
Intergovernmental	1,647,060	1,540,723	1,542,503	1,639,812	1,934,122	2,809,865	2,567,529	4,601,995	8,665,433	6,015,243
Licenses and Permits	1,855,274	2,209,044	2,837,483	3,699,178	2,849,759	2,674,326	4,211,015	3,618,380	3,752,246	5,166,712
Charges for Services	3,930,007	4,173,172	4,600,046	4,783,608	4,969,182	3,270,758	4,437,492	9,223,446	10,574,035	11,597,215
Fines and Forfeitures	219,581	299,055	268,853	275,835	364,421	251,347	240,420	176,163	141,988	155,566
Capital Contributions and Fees	4,331,583	4,432,454	8,943,896	9,377,666	9,852,885	17,070,945	16,795,257	13,737,708	13,366,770	13,571,478
Investment Earnings	127,840	201,007	376,732	925,222	1,411,789	817,090	(46,726)	841,978	6,196,019	6,528,494
Miscellaneous	315,850	303,042	555,948	769,663	577,803	907,633	1,048,686	1,140,303	1,311,384	1,662,083
Total Revenues	<u>24,502,932</u>	<u>27,494,940</u>	<u>37,159,330</u>	<u>42,518,880</u>	<u>45,711,163</u>	<u>56,072,802</u>	<u>62,881,684</u>	<u>70,061,230</u>	<u>85,117,593</u>	<u>91,900,306</u>
EXPENDITURES										
General Government	6,161,828	3,380,139	4,632,833	6,007,314	6,917,391	7,427,255	7,662,750	12,628,081	16,003,466	21,830,439
Public Safety	2,977,558	3,244,415	3,482,081	4,041,846	5,029,328	5,599,006	6,508,152	8,031,047	9,166,237	9,812,755
Public Works	2,793,781	2,980,586	2,991,570	3,028,797	3,429,778	3,234,109	4,309,441	7,196,959	8,328,128	11,779,739
Parks and Recreation	4,550,832	4,851,857	5,152,725	5,385,752	6,151,623	6,136,766	7,268,714	9,001,320	10,522,693	11,993,090
Capital Outlay	9,255,862	9,299,339	4,504,128	15,251,967	17,267,957	8,122,463	13,793,968	20,061,521	27,894,465	26,414,638
Debt Service:										
Principal	1,177,108	1,225,393	1,281,999	1,302,230	964,080	1,000,000	1,025,000	1,090,442	1,243,646	1,674,658
Interest	748,037	697,864	645,055	588,833	531,867	494,563	489,216	591,863	549,883	511,016
Bond Issuance Costs	-	-	-	-	-	-	158,470	1,025	-	-
Total Expenditures	<u>27,665,006</u>	<u>25,679,593</u>	<u>22,690,391</u>	<u>35,606,739</u>	<u>40,292,024</u>	<u>32,014,162</u>	<u>41,215,711</u>	<u>58,602,258</u>	<u>73,708,518</u>	<u>84,016,335</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,162,074)	1,815,347	14,468,939	6,912,141	5,419,139	24,058,640	21,665,973	11,458,972	11,409,075	7,883,971
OTHER FINANCING SOURCES (USES)										
Transfers In	2,390,626	657,893	328,700	350,064	3,015,000	-	1,263,303	462,919	2,038,284	27,000,000
Transfers Out	(2,399,975)	(691,612)	(3,536,259)	(350,064)	(4,265,000)	-	(4,383,063)	(1,174,956)	(3,757,405)	(27,240,000)
Leases and SBITAs	-	-	-	-	34,462	-	4,018,000	88,811	332,028	723,533
Proceeds from Sale of Capital Assets	42,014	28,305	105,000	352,091	49,404	1,089,359	1,083,872	516,903	120,843	96,889
Insurance Recoveries	21,146	72,421	33,333	139,187	77,193	20,895	12,918	117,587	3,597,113	63,717
Proceeds from Litigation Settlements	-	-	-	45,147	476,500	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>53,811</u>	<u>67,007</u>	<u>(3,069,226)</u>	<u>536,425</u>	<u>(612,441)</u>	<u>1,110,254</u>	<u>1,995,030</u>	<u>11,264</u>	<u>2,330,863</u>	<u>644,139</u>
NET CHANGES IN FUND BALANCES	<u>\$ (3,108,263)</u>	<u>\$ 1,882,354</u>	<u>\$ 11,399,713</u>	<u>\$ 7,448,566</u>	<u>\$ 4,806,698</u>	<u>\$ 25,168,894</u>	<u>\$ 23,661,003</u>	<u>\$ 11,470,236</u>	<u>\$ 13,739,938</u>	<u>\$ 8,528,110</u>
Debt Service as a Percentage of Noncapital Expenditures	10.46%	11.74%	10.60%	9.29%	6.50%	6.26%	5.52%	4.37%	3.91%	3.79%

Source: Town of Erie Finance Department

**TOWN OF ERIE, COLORADO
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Year	Property Tax	Sales Tax	Use Tax	Franchise Fees	Specific Ownership Tax	Total
2015	(1) \$ 4,316,592	\$ 4,457,099	\$ 2,305,363	\$ 717,589	\$ 279,094	\$ 12,075,737
2016	5,019,474	5,501,497	2,799,247	749,480	266,745	14,336,443
2017	5,403,174	8,577,175	2,912,918	815,245	325,357	18,033,869
2018	6,337,412	10,014,132	3,475,026	861,850	359,476	21,047,896
2019	7,318,677	11,316,593	3,804,826	929,733	381,373	23,751,202
2020	11,005,008	14,325,821	2,809,036	954,990	359,543	29,454,398
2021	9,649,826	17,397,657	5,155,049	1,047,336	378,143	33,628,011
2022	10,199,933	19,983,396	4,898,980	1,218,424	420,524	36,721,257
2023	9,387,986	21,647,034	7,185,724	1,246,032	368,576	39,835,352
2024	12,790,072	24,604,400	8,128,191	1,286,116	394,736	47,203,515

Source: Town of Erie Finance Department

(1) In April 2014, voters approved a mill levy increase to construct the Public Safety Building. This change, which went into effect in 2015, added 0.878 mills to the Town's levy. For 2023 the levy was .412 mills.

**TOWN OF ERIE, COLORADO
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Boulder County							
Year ⁽¹⁾	Residential Property	Commercial Property	Vacant Land	Other	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Taxable Actual Value
2015	\$ 77,114,109	\$ 7,766,827	\$ 6,742,267	\$ 15,712,692	\$ 5,103,216	\$ 102,232,679	\$ 1,041,775,470
2016	97,235,515	9,220,302	13,490,705	13,883,022	5,097,508	128,732,036	1,321,949,675
2017	104,059,150	9,165,292	11,683,177	11,435,241	5,323,021	131,019,839	1,398,000,738
2018	115,094,833	10,156,615	18,400,076	12,400,193	5,531,996	150,519,721	1,718,471,789
2019	124,435,480	10,233,474	21,345,831	17,825,107	9,991,034	163,848,858	1,859,592,069
2020	145,487,054	10,500,582	13,000,560	19,485,057	11,301,389	177,171,864	2,142,183,152
2021	157,894,830	10,191,927	8,464,834	20,037,054	11,557,060	185,031,585	2,301,244,980
2022	181,259,054	10,171,822	14,725,589	20,251,761	11,566,772	214,841,454	2,650,578,208
2023	190,940,874	11,808,344	22,145,999	20,671,346	12,217,221	233,349,342	2,892,816,968
2024	255,613,855	19,526,482	22,642,744	11,029,598	52,914,438	308,812,679	4,278,502,986

Weld County							
Year ⁽¹⁾	Residential Property	Commercial Property	Vacant Land	Other	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Taxable Actual Value
2015	\$ 93,755,970	\$ 18,416,740	\$ 4,236,270	\$ 45,016,450	\$ 18,783,500	\$ 142,641,930	\$ 1,299,657,997
2016	111,653,120	19,459,280	4,527,990	47,749,940	22,414,960	160,975,370	1,532,172,186
2017	114,999,210	20,798,020	4,142,940	36,049,340	22,921,780	153,067,730	1,564,789,993
2018	130,164,270	29,902,290	5,512,400	38,221,720	23,990,010	179,810,670	1,969,952,922
2019	134,773,700	32,511,630	7,941,930	80,171,320	27,254,860	228,143,720	2,096,626,349
2020	155,698,557	46,363,400	11,315,580	171,617,860	35,369,280	349,626,117	2,566,839,330
2021	168,252,811	48,656,690	7,215,250	143,087,350	38,982,460	328,229,641	2,704,195,863
2022	194,905,510	58,200,590	9,291,910	91,067,690	42,343,670	311,122,030	3,058,539,448
2023	229,754,570	61,034,770	10,397,610	115,463,193	45,625,733	371,024,410	3,237,859,553
2024	291,795,300	76,574,030	16,599,460	74,256,900	56,597,650	459,225,690	4,821,462,645

Boulder County and Weld County				
Year ⁽¹⁾	Grand Total Assessed Taxable Value	Grand Total Actual Taxable Value	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
2015	\$ 244,874,609	\$ 2,341,433,467	10.46 %	17.364
2016	289,707,406	2,854,121,861	10.15	16.419
2017	284,087,569	2,962,790,731	9.59	16.548
2018	330,330,391	3,688,424,711	8.96	15.800
2019	391,992,578	3,956,218,418	9.91	15.090
2020	526,797,981	4,709,022,482	11.19	14.122
2021	513,261,226	5,005,440,843	10.25	14.187
2022	525,963,484	5,709,117,656	9.21	14.137
2023	604,373,752	6,130,676,521	9.86	13.909
2024	768,038,369	9,099,965,631	8.44	13.381

Sources: Boulder County Assessor's Office
 Weld County Assessor's Office

⁽¹⁾ Taxes for the year assessed are collected in the following year. For example: Taxes assessed for 2023 will be collected in the 2024 calendar year.

**TOWN OF ERIE, COLORADO
PRINCIPAL PROPERTY TAXPAYERS – BOULDER COUNTY
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
EQR-Nine Mile LLC	\$ 6,565,648	1	2.21 %	\$ -	-	- %
Public Service CO of Colorado (Xcel)	6,004,342	2	2.02	3,455,376	1	2.68
Century Land Holdings LLC	3,958,162	3	1.33	-	-	-
Richmond American Homes of Colorado Inc	3,343,791	4	1.13	-	-	-
Lowes Home Centers LLC	3,136,518	5	1.06	-	-	-
Arapahoe Ridge Property LLC	3,038,310	6	1.02	-	-	-
JMJC Eleven LLC	2,591,910	7	0.87	2,092,732	5	1.63
Dillon Companies Inc	2,022,108	8	0.68	-	-	-
Evergreen-287 and Aparhoe LLC	1,948,516	9	0.66	-	-	-
MDC Coast 19 LLC	1,300,894	10	0.44	-	-	-
Encana Oil & Gas (USA) Inc.	-	-	-	2,882,094	2	2.24
Meritage Homes of Colorado Inc.	-	-	-	2,869,440	3	2.23
Arapahoe Ridge Retail Center LLC	-	-	-	2,721,464	4	2.11
Bayou Development Corp.	-	-	-	1,783,159	6	1.39
Lennar Colorado LLC	-	-	-	1,621,496	7	1.26
Melody Homes Inc.	-	-	-	1,206,008	8	0.94
Standard Pacific of Colorado Inc.	-	-	-	1,189,928	9	0.92
Ochsner Legacy Trust	-	-	-	1,100,490	10	0.85
Total	\$ 33,910,199		11.42 %	\$ 20,922,187		16.25 %

Source: Boulder County Assessor's Office

**TOWN OF ERIE, COLORADO
PRINCIPAL PROPERTY TAXPAYERS – WELD COUNTY
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Crestone Peak Resources LLC	\$26,843,040	1	6.49 %	\$ -	-	- %
Dillon Companies Inc	5,379,920	2	1.30	-	-	-
TRG Colliers Hill CO LLC	4,824,890	3	1.17	-	-	-
Kerr McGee Gathering LLC	4,795,870	4	1.16	3,188,040	3	1.94
Public Service CO of Colorado (Xcel)	4,324,420	5	1.04	1,466,390	6	0.89
Park Homes LLC	3,961,080	6	0.96	-	-	-
United Power Inc	2,575,840	7	0.62	-	-	-
Erie Storage Limited Liability Company	2,425,130	8	0.59	-	-	-
NSA Property Holdings LLC	2,198,520	9	0.53	-	-	-
Front Range Landfill 5305	1,718,410	10	0.42	-	-	-
Encana Oil & Gas (USA) Inc	-	-	-	9,304,010	1	5.66
Kerr-McGee Oil & Gas Onshore LP	-	-	-	6,054,110	2	3.68
Synergy Resources Corporation	-	-	-	1,640,590	4	1.00
Waste Connections Inc	-	-	-	1,560,510	5	0.95
Colorado National Golf Club LLC	-	-	-	1,064,660	7	0.65
Erie Commons Commercial Partners LLC	-	-	-	1,062,990	8	0.65
Noble Energy Inc.	-	-	-	805,430	9	0.49
Family Investments LLC	-	-	-	689,450	10	0.42
Total	\$ 59,047,120		14.28 %	\$ 26,836,180		16.33 %

Source: Weld County Assessor's Office

**TOWN OF ERIE, COLORADO
PROPERTY TAX LEVY FROM DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS**

Boulder County

Year	Town of Erie				Boulder County	St. Vrain Valley School District	Boulder Valley School District	Mountain View Fire Protection District	Northern Colorado Water Conservation District	Urban Drainage and Flood District	High Plains Library	Metro Districts ⁽²⁾	(Range) Total
	General Operating	General Obligation Bonds	Trails and Natural Areas	Total Direct									
Rates (In Mills) ⁽¹⁾													
2015	7.288	6.076	4.000	17.364	24.794	53.673	47.569	11.747	1.000	0.632	3.267	50.000	106.373 - 162.477
2016	7.288	5.131	4.000	16.419	22.624	53.887	45.814	11.747	1.000	0.553	3.308	50.000	101.465 - 159.538
2017	7.288	5.260	4.000	16.548	24.064	56.945	48.961	11.747	1.000	0.559	3.271	50.000	106.150 - 164.134
2018	7.288	4.512	4.000	15.800	22.726	56.394	47.780	11.747	1.000	0.500	3.256	5.000 - 55.277	102.809 - 166.700
2019	7.288	3.802	4.000	15.090	24.026	56.385	48.967	16.247	1.000	0.726	3.252	0.000 - 55.277	109.308 - 172.003
2020	7.288	2.834	4.000	14.122	23.473	57.559	48.359	16.247	1.000	0.900	3.217	0.000 - 55.666	107.318 - 172.184
2021	7.288	2.899	4.000	14.187	24.771	56.542	48.393	16.247	1.000	0.900	3.181	0.000 - 55.664	108.679 - 172.492
2022	7.288	2.849	4.000	14.137	24.250	57.358	47.944	16.247	1.000	0.900	3.197	0.000 - 55.664	107.675 - 172.753
2023	7.288	2.621	4.000	13.909	21.287	57.238	48.024	16.247	1.000	0.900	3.196	0.000 - 67.562	104.563 - 113.777
2024	7.288	2.093	4.000	13.381	22.661	57.168	48.175	16.247	1.000	0.900	3.179	10.000 - 59.212	105.543 - 173.748

Weld County

Year	Town of Erie				Weld County	St. Vrain Valley School District	Mountain View Fire Protection District	Northern Colorado Water Conservation District	High Plains Library	Metro Districts ⁽³⁾	(Range) Total	
	General Operating	General Obligation Bonds	Trails and Natural Areas	Total Direct								
Rates (In Mills) ⁽¹⁾												
2015		7.288	6.076	4.000	17.364	16.804	53.673	11.747	1.000	3.267	10.000 - 70.000	103.855 - 173.855
2016		7.288	5.131	4.000	16.419	15.800	53.887	11.747	1.000	3.308	10.000 - 70.000	102.161 - 172.161
2017		7.288	5.260	4.000	16.548	15.800	56.945	11.747	1.000	3.271	10.000 - 70.000	105.311 - 175.311
2018		7.288	4.512	4.000	15.800	15.800	56.394	11.747	1.000	3.256	15.000 - 77.388	103.997 - 181.385
2019		7.288	3.802	4.000	15.090	15.038	56.385	16.247	1.000	3.252	15.000 - 77.928	107.012 - 184.940
2020		7.288	2.834	4.000	14.122	15.038	57.559	16.247	1.000	3.217	15.000 - 77.928	107.183 - 185.111
2021		7.288	2.899	4.000	14.187	15.038	57.559	16.247	1.000	3.217	15.000 - 77.928	107.248 - 185.176
2022		7.288	2.849	4.000	14.137	15.038	57.358	16.247	1.000	3.197	15.000 - 77.928	106.977 - 184.905
2023		7.288	2.621	4.000	13.909	12.024	58.385	16.247	1.000	3.196	10.350 - 89.994	104.761 - 211.758
2024		7.288	2.093	4.000	13.381	15.956	57.168	16.247	1.000	3.179	10.350 - 89.994	106.931 - 196.925

Sources: Boulder County Assessor's Office
Weld County Assessor's Office

⁽¹⁾ One mill generates \$1 of property tax revenue per \$1,000 of assessed valuation. Taxes for the year assessed are collected in the following year. For example: Taxes assessed for 2022 will be collected in 2023 calendar year.

⁽²⁾ Includes the following metro districts: Erie Farm, Flatiron Meadows, Four Corners, and Rex Ranch.

⁽³⁾ Includes the following metro districts: 232 Metro, Colliers Hill #'s 1-3; Erie Commons #'s 1-3; Erie Corporate Center #'s 1-3; Erie Highlands #'s 1-5, Morgan Hill #'s 1-3; redbtail Ranch; Summerfield #'s 1-3; Sunset Parks and Vista Ridge.

**TOWN OF ERIE, COLORADO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Collection Year	Total Tax Levy ⁽¹⁾⁽²⁾	Total Tax Collections ⁽²⁾	Collections as a Percent of Tax Levy
2015	(3) \$ 4,252,002	\$ 4,254,354	100.06 %
2016	4,756,706	4,757,945	100.03
2017	4,701,081	4,669,385	99.33
2018	5,219,221	5,220,932	100.03
2019	5,915,166	5,802,149	98.09
2020	7,439,440	7,408,094	99.58
2021	7,281,636	7,320,025	100.53
2022	7,435,546	7,716,705	103.78
2023	7,904,405	7,819,002	98.92
2024	9,529,527	9,854,217	103.41

Sources: Boulder County Assessor's Office
Weld County Assessor's Office

⁽¹⁾ Taxes for the year assessed are collected in the following year. For example: Taxes assessed for 2023 will be collected in the 2024 calendar year.

⁽²⁾ Excludes property taxes received by the Town of Erie Urban Renewal Authority.

⁽³⁾ In April 2014, voters approved a mill levy increase to construct the Public Safety Building. It went into effect in 2015, when the levy was 0.878 mills. In 2023 the levy was 0.412 mills.

**TOWN OF ERIE, COLORADO
SALES AND USE TAX REVENUE BY TYPE
LAST TEN YEARS**

Year	General	Vehicle	Use Tax ⁽¹⁾	Total Sales and Use Tax	Total Direct Tax Rate
2015	\$ 2,577,761	\$ 1,879,338	\$ 2,305,363	\$ 6,762,462	3.50
2016	3,477,116	2,024,381	2,799,247	8,300,744	3.50
2017	6,227,906	2,349,269	2,912,918	11,490,093	3.50
2018	7,557,622	2,456,510	3,475,026	13,489,158	3.50
2019	8,631,808	2,684,785	3,804,826	15,121,419	3.50
2020	11,387,041	2,938,780	2,809,036	17,134,857	3.50
2021	13,901,108	3,496,549	5,155,049	22,552,706	3.50
2022	16,080,986	3,902,410	4,898,980	24,882,376	3.50
2023	17,163,799	4,483,235	7,185,724	28,832,758	3.50
2024	19,043,534	4,290,838	8,128,190	31,462,562	3.50

Sources: Boulder County Treasurer's Office
Weld County Treasurer's Office
Colorado Department of Revenue
Town of Erie Finance Department

⁽¹⁾ Primarily represents taxes assessed on building materials associated with construction activity.

**TOWN OF ERIE, COLORADO
SALES TAX RATES FROM DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS**

Boulder County						
Year	Town of Erie	State of Colorado	Regional Transportation Authority	Scientific and Cultural Facilities District	Boulder County	Total
2015	3.500	2.900	1.000	0.100	0.800	8.300
2016	3.500	2.900	1.000	0.100	0.985	8.485
2017	3.500	2.900	1.000	0.100	0.985	8.485
2018	3.500	2.900	1.000	0.100	0.985	8.485
2019	3.500	2.900	1.000	0.100	0.985	8.485
2020	3.500	2.900	1.000	0.100	0.985	8.485
2021	3.500	2.900	1.000	0.100	0.985	8.485
2022	3.500	2.900	1.000	0.100	0.985	8.485
2023	3.500	2.900	1.000	0.100	1.185	8.685
2024	3.500	2.900	1.000	0.100	1.185	8.685

Weld County				
Year	Town of Erie	State of Colorado	Regional Transportation Authority	Total
2015	3.500	2.900	1.000	7.400
2016	3.500	2.900	1.000	7.400
2017	3.500	2.900	1.000	7.400
2018	3.500	2.900	1.000	7.400
2019	3.500	2.900	1.000	7.400
2020	3.500	2.900	1.000	7.400
2021	3.500	2.900	1.000	7.400
2022	3.500	2.900	1.000	7.400
2023	3.500	2.900	1.000	7.400
2024	3.500	2.900	1.000	7.400

Sources: Town of Erie Finance Office
Colorado Department of Revenue

**TOWN OF ERIE, COLORADO
PRINCIPAL SALES TAXPAYERS
LAST TEN YEARS**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Aggregate Top 10 Filers ⁽¹⁾	\$ 1,217,909	\$ 1,547,514	\$ 4,202,529	\$ 5,193,369	\$ 4,472,727	\$ 6,143,362	\$ 6,241,787	\$ 7,249,445	\$ 8,295,140	\$ 9,605,380
Aggregate All Other Filers	<u>1,359,852</u>	<u>1,929,602</u>	<u>2,025,377</u>	<u>2,364,253</u>	<u>4,159,081</u>	<u>5,204,528</u>	<u>7,596,956</u>	<u>8,379,093</u>	<u>8,868,659</u>	<u>9,438,154</u>
Total Sales Tax ⁽²⁾	<u>\$ 2,577,761</u>	<u>\$ 3,477,116</u>	<u>\$ 6,227,906</u>	<u>\$ 7,557,622</u>	<u>\$ 8,631,808</u>	<u>\$ 11,347,890</u>	<u>\$ 13,838,743</u>	<u>\$ 15,628,538</u>	<u>\$ 17,163,799</u>	<u>\$ 19,043,534</u>
Top 10 Filers as a Percentage of Total Tax	47.2%	44.5%	67.5%	68.7%	51.8%	52.0%	45.1%	46.4%	48.3%	50.4%

Source: Colorado Department of Revenue

⁽¹⁾ Colorado State Statutes prohibit disclosure of individual sales and use tax returns, therefore the identities of the vendors cannot be divulged under penalty of law.

⁽²⁾ Excludes sales tax arising from sales of vehicles.

**TOWN OF ERIE, COLORADO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			URA Revenue Bonds	Business-Type Activities			Total Primary Government	Percentage of Personal Income	
	General Obligation Bonds	Leases	SBITAs		Revenue Bonds/Loans ⁽¹⁾	Certificates of Participation	Mortgages and Other Loans Payable			
2015	\$ 20,010,049	\$ 138,363	\$ -	\$ -	\$ 51,331,253	\$ 25,768,158	\$ -	\$ 735,843	\$ 97,983,666	7.20 %
2016	18,707,714	82,969	-	-	49,398,754	25,088,650	-	665,499	93,943,586	6.46
2017	17,350,378	22,229	-	-	46,784,562	24,394,142	-	-	88,551,311	5.27
2018	15,938,459	-	-	-	44,104,764	23,689,627	-	-	83,732,850	4.40
2019	14,852,799	30,382	-	-	41,378,868	22,965,126	28,514	-	79,255,689	3.74
2020	13,745,525	73,586	-	-	38,571,880	22,225,618	82,118	-	74,698,727	5.55
2021	12,613,251	512,674	-	4,018,984	35,698,765	21,471,110	179,724	-	74,494,508	3.77
2022	11,435,976	1,567,857	-	4,025,308	32,729,499	20,701,602	457,942	-	70,918,184	2.52
2023	10,218,703	1,908,566	256,771	4,031,632	30,244,495	19,902,093	365,365	-	66,914,165	1.84
2024	8,956,429	1,987,614	578,533	3,872,956	27,978,052	19,072,585	619,930	-	63,053,708	1.57

Sources: Bureau of Economic Analysis
U.S. Census Bureau
Town of Erie Finance Department
Town of Erie Economic Development

⁽¹⁾ Includes revenue bonds and loans from the Colorado Water Resources and Power Development Authority.

**TOWN OF ERIE, COLORADO
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS**

Year	Population	Estimated Actual Taxable Value	General Bonded Debt ⁽¹⁾	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2015	21,200	\$ 2,341,433,467	\$ 20,010,049	0.85	\$ 944
2016	22,400	2,854,121,861	18,707,714	0.66	835
2017	24,000	2,962,790,731	17,350,378	0.59	723
2018	25,900	3,688,424,711	15,938,459	0.43	615
2019	27,700	3,956,218,418	14,852,799	0.38	536
2020	29,200	4,709,022,482	13,745,525	0.29	471
2021	30,038	5,005,440,843	12,613,251	0.25	420
2022	31,420	5,709,117,656	11,435,976	0.20	364
2023	36,835	6,130,676,521	10,218,703	0.17	277
2024	40,183	9,099,965,631	8,956,430	0.10	223

Sources: U.S. Census Bureau
Town of Erie Community Development Department
Boulder County Assessor's Office
Weld County Assessor's Office

⁽¹⁾ General obligation bond debt equal to gross general obligation bond debt less obligations associated with proprietary funds.
In this table the gross general obligation debt is equal to net general obligation bond debt.

**TOWN OF ERIE, COLORADO
DIRECT AND OVERLAPPING GENERAL BONDED DEBT
YEAR ENDED DECEMBER 31, 2024**

	Outstanding General Bonded Debt	Percentage Applicable to the Town ⁽²⁾	Share of Debt Applicable to the Town
Direct Debt:			
Town of Erie (Including Erie Urban Renewal Authority)	\$ 15,730,281	100 %	\$ 15,730,281
Overlapping Debt ⁽¹⁾ :			
Boulder Valley School District	966,693,424	7	68,433,151
St. Vrain Valley School District	331,845,798	11	36,948,179
Northern Colorado Water Conservation District	101,750,890	2	2,165,618
Mountain View Fire District	3,555,000	43	1,539,123
Brennen Metro District	2,936,816	100	2,936,816
Colliers Hill Metro Districts 1-3	86,045,000	100	86,045,000
Erie Commons Metro Districts 1-3	35,086,854	100	35,086,854
North Station Metro Districts 1-3	3,000,000	100	3,000,000
Erie Farm Metro District	14,955,510	100	14,955,510
Erie Highlands Metro Districts 1-5	30,182,709	100	30,182,709
Flatiron Meadows Metro District	23,085,542	100	23,085,542
Jay Grove Metro District	8,470,000	100	8,470,000
Lost Creek Farm Metro District	1,762,000	100	1,762,000
Morgan Hill Metro Districts 1-3	30,407,754	100	30,407,754
Nine Mile Metro District	17,775,000	100	17,775,000
Rex Ranch Metro District	4,230,000	100	4,230,000
Spring Hill Metro Districts 1-4	25,236,841	100	25,236,841
Vista Ridge Metro District	32,334,799	100	32,334,799
Westerly Metro Districts 1-4	48,516,132	100	48,516,132
Total Overlapping Debt	<u>1,767,870,069</u>		<u>473,111,028</u>
Total Direct and Overlapping General Bonded Debt	<u>\$ 1,783,600,350</u>		<u>\$ 488,841,309</u>

Source: Annual Financial Report of each government entity

⁽¹⁾ The following governments had no outstanding general bonded debt:
High Plains Library District, Boulder Valley Conservation District, Longmont Conservation District, Left Hand Water & Sanitation District, 232 Metro District, Four Corners Metro District, Parkdale Metro Districts 1-3, Redtail Ranch Metro District, Shores on Plum Creek Metro Districts 1-10, Summerfield Metro Districts 1-3, Sunset Parks Metro District.

⁽²⁾ Town assessed valuation as a percentage of the total assessed valuation of the overlapping government. The amounts shown do not represent obligations of the Town of Erie.

**TOWN OF ERIE, COLORADO
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt Limit	\$ 73,170,157	\$ 89,743,263	\$ 94,865,701	\$ 118,914,195	\$ 130,019,324	\$ 155,482,394	\$ 150,163,225	\$ 171,273,530	\$ 183,920,296	\$ 183,920,296
Less: Net Debt Applicable to Limit	<u>18,635,000</u>	<u>17,465,000</u>	<u>16,240,000</u>	<u>14,960,000</u>	<u>14,000,000</u>	<u>13,000,000</u>	<u>12,613,251</u>	<u>11,435,976</u>	<u>9,795,000</u>	<u>9,795,000</u>
Legal Debt Margin	<u>\$ 54,535,157</u>	<u>\$ 72,278,263</u>	<u>\$ 78,625,701</u>	<u>\$ 103,954,195</u>	<u>\$ 116,019,324</u>	<u>\$ 142,482,394</u>	<u>\$ 137,549,974</u>	<u>\$ 159,837,554</u>	<u>\$ 174,125,296</u>	<u>\$ 174,125,296</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25.47%	19.46%	17.12%	12.58%	10.77%	8.36%	8.40%	6.68%	5.56%	3.28%

Legal Debt Margin Calculation for Fiscal Year 2022:

Actual Valuation:	
Boulder County	\$ 4,278,502,986
Weld County	<u>4,821,462,645</u>
Total Actual Valuation	<u>\$ 9,099,965,631</u>
Legal Debt Margin:	
Debt Limitation:	
3% of Total Assessed Valuation	\$ 272,998,969
Debt Applicable to Limitation:	
Outstanding Balance of General Obligation Bonds	<u>8,956,430</u>
Legal Debt Margin	<u>\$ 264,042,539</u>

Source: Town of Erie Finance Department

**TOWN OF ERIE, COLORADO
PLEGGED-REVENUE COVERAGE
WATER REVENUE BONDS
LAST TEN FISCAL YEARS**

Year	Gross Revenues ⁽¹⁾	Operating Expenses ⁽²⁾	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	\$ 18,267,808	\$ 3,755,288	\$ 14,512,520	\$ 1,560,000	\$ 1,272,904	\$ 2,832,904	5.12
2016	22,824,241	4,769,246	18,054,995	1,625,000	1,122,156	2,747,156	6.57
2017	25,075,166	4,211,555	20,863,611	1,835,000	945,089	2,780,089	7.50
2018	31,495,779	4,822,378	26,673,401	1,785,000	914,506	2,699,506	9.88
2019	32,762,346	5,052,305	27,710,041	1,820,000	866,968	2,686,968	10.31
2020	33,480,209	5,765,605	27,714,604	1,880,000	808,981	2,688,981	10.31
2021	33,276,222	8,463,362	24,812,860	1,935,000	752,178	2,687,178	7.21
2022	33,276,222	8,463,362	24,812,860	2,015,000	678,979	2,693,979	9.21
2023	46,665,358	8,987,079	37,678,279	2,260,000	1,443,392	3,703,392	10.17
2024	57,820,407	12,167,639	45,652,768	2,231,670	1,353,823	3,585,493	12.73

Source: Town of Erie Finance Department

⁽¹⁾ Gross revenues consist of water sales, capital contributions (tap fees), investment income, and other income.

⁽²⁾ Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, or interest paid on outstanding bonds. Includes assessments for Windy Gap Firming Project, which are reported as Capital Outlay in the Financial Statements.

**PLEGGED-REVENUE COVERAGE
WASTEWATER REVENUE BONDS
LAST TEN FISCAL YEARS**

Year	Gross Revenues ⁽¹⁾	Operating Expenses ⁽²⁾	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	\$ 6,710,717	\$ 2,557,448	\$ 4,153,269	\$ 600,491	\$ 934,736	\$ 1,535,227	2.71
2016	7,388,911	2,510,334	4,878,577	493,183	797,144	1,290,327	3.78
2017	7,984,720	2,780,013	5,204,707	636,647	670,389	1,307,036	3.98
2018	10,262,444	3,048,996	7,213,448	656,182	655,143	1,311,325	5.50
2019	9,855,016	3,302,018	6,552,998	667,010	644,016	1,311,026	5.00
2020	11,519,473	3,451,820	8,067,653	545,000	617,725	1,162,725	6.94
2021	13,663,957	2,754,347	10,909,610	570,000	606,825	1,176,825	9.27
2022	15,854,193	3,277,324	12,576,869	714,594	598,131	1,312,725	9.58
2023	23,671,311	4,548,948	19,122,363	715,481	580,135	1,295,616	14.76
2024	22,337,726	4,272,285	18,065,441	712,800	550,868	1,263,668	14.30

Source: Town of Erie Finance Department

⁽¹⁾ Gross revenues consist of water sales, capital contributions (tap fees), investment income, and other income.

⁽²⁾ Operating expenses excludes depreciation.

**TOWN OF ERIE, COLORADO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Population ⁽¹⁾	Personal Income ⁽²⁾ (in Thousands)	Per Capita Income ⁽²⁾	Median Age ⁽¹⁾	School Enrollment	Unemployment Rate ⁽³⁾
2015	21,200	\$ 1,360,976	\$ 64,197	36.0	4,903	2.7 %
2016	22,400	1,453,200	64,875	37.0	5,172	2.1
2017	24,000	1,679,232	69,968	37.0	5,700	2.5
2018	25,900	1,904,116	73,518	37.0	5,757	3.3
2019	27,700	2,119,798	76,527	36.8	6,162	2.0
2020	29,200	1,345,828	46,090	36.6	5,845	3.6
2021	30,038	1,978,062	65,852	37.0	5,976	4.0
2022	31,420	2,815,012	89,593	36.4	5,885	2.7
2023	36,835	3,630,199	46,546	37.1	6,224	3.7
2024	40,183	4,028,024	100,242	38.0	9,926	4.0

Sources: U.S. Census Bureau
Town of Erie Economic Development Department
Bureau of Economic Analysis
Bureau of Labor Statistics
Department of Local Affairs
Boulder Valley School District
St. Vrain Valley School District

⁽¹⁾ Source - Town of Erie - Economic Development.

⁽²⁾ Source - U.S. Department of Commerce, Bureau of Economic Analysis, Table CA1-3 for Boulder County Metropolitan Statistical Area.

⁽³⁾ Source - Economic Research - Federal Reserve Bank of St. Louis

**TOWN OF ERIE, COLORADO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

2024			
Employer	Employees	Rank	Percentage of Total Town Employment
St. Vrain Valley School District	617	1	13.82 %
Town of Erie	552	2	12.37
King Soopers	548	3	12.28
Safeway	135	4	3.02
Lowe's	93	5	2.08
Boulder Valley School District	90	6	2.02
Relucent Plastics Solutions	60	7	1.34
Colorado National Golf Club	50	8	1.12
Elementum 3d	44	9	0.99
Boulder Community Health	30	10	0.67
Total	<u><u>2,219</u></u>		49.71 %

2015			
Employer	Employees	Rank	Percentage of Total Town Employment
St. Vrain Valley School District	309	1	9.36 %
Town of Erie	249	2	7.55
Safeway	68	3	2.06
Colorado National Golf Club	51	4	1.55
Lazy Dog	48	5	1.45
Magnum Plastics	44	6	1.33
Primrose	42	7	1.27
CML RW	41	8	1.24
Aspen Ridge Prep School	34	9	1.03
Air Mechanical	24	10	0.73
Total	<u><u>910</u></u>		27.57 %

Source: Town of Erie Economic Development

**TOWN OF ERIE, COLORADO
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
Town Administration	5.0	5.0	6.0	6.0	6.0	6.0	10.0	10.0	10.0	12.1
Community Engagement	-	-	-	-	-	-	3.0	4.0	5.0	5.0
Economic Development	1.0	1.0	1.0	1.0	2.0	2.0	3.0	3.0	4.0	4.0
Environmental Services	-	-	-	-	-	-	-	-	-	6.4
Finance	6.0	7.0	8.0	8.0	8.0	9.0	9.0	12.0	13.0	15.0
Human Resources	2.0	2.0	3.0	3.0	3.0	4.0	5.0	5.0	6.5	9.0
Information Technology	3.0	3.6	3.6	4.0	4.0	4.0	4.0	4.0	5.0	5.0
Planning and Development	16.0	18.0	23.0	26.0	25.0	26.0	28.0	23.0	26.0	25.4
Parks and Recreation	72.1	75.0	79.4	84.0	85.2	84.5	88.4	93.2	97.2	94.8
Public Safety	27.4	30.0	32.0	40.5	43.5	47.0	51.5	56.0	57.0	56.8
Public Works	35.7	37.4	43.0	43.0	43.0	45.0	45.5	57.0	66.0	74.2
Total	168.2	179.0	199.0	215.5	219.7	227.5	247.4	267.2	289.7	307.7

Source: Town of Erie Finance Department

**TOWN OF ERIE, COLORADO
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Recreation:										
Recreation/Community Center Visits	208,845	229,482	242,703	262,664	264,835	62,522	81,912	160,779	195,718	211,465
Recreation Activities	73,930	72,768	71,101	72,728	74,700	42,084	64,725	57,963	81,917	92,873
Community Events	3,031	2,987	4,334	4,237	6,282	1,554	10,147	13,912	11,229	24,384
Rentals	613	648	594	559	546	156	1,041	1,734	2,715	3,829
Police:										
Traffic Violations	1,420	1,897	1,474	1,852	2,635	1,712	2,178	1,268	1,653	1,659
Criminal Violations	385	404	211	183	332	321	299	152	404	362
Water:										
Number of Service Connections	7,561	8,048	8,547	9,193	9,859	10,265	10,843	11,587	12,332	12,788
Average Daily Flow (Million Gallons Per Day)	2.75	3.15	3.25	3.80	3.27	4.07	4.30	4.20	3.60	4.70
Wastewater:										
Number of Service Connections	7,242	7,732	8,220	8,875	9,421	9,983	10,589	11,590	11,997	12,788
Average Daily Flows (Million Gallons Per Day)	1.190	1.300	1.490	1.500	1.557	1.510	1.730	1.850	1.98	2.10

Sources: Town of Erie Public Works Department
Town of Erie Police Department
Town of Erie Parks and Recreation Department

**TOWN OF ERIE, COLORADO
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Parks and Recreation:										
Community Center	1	1	1	1	1	1	1	1	1	1
Parks	10	10	10	12	12	13	13	13	13	13
Park Acreage	136	136	136	150	150	157	157	163	163	175
Open Space Acreage	1,075	1,096	1,096	1,096	1,143	1,143	1,143	1,143	1,143	1,365
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	9	10	10	11	13	16	21	21	25	28
Public Works										
Streets (Miles)	134.0	135.0	154.0	154.0	157.6	158.5	161.9	168.2	341.7	341.7
Water:										
Water Mains (Miles)	149.5	157.0	165.0	181.0	189.5	195.0	205.5	217.5	232.6	241.2
Maximum Daily Capacity (Million Gallons Per Day)	12.2	12.2	12.2	12.2	12.2	18.9	18.9	18.9	16.7	16.7
Wastewater:										
Sanitary Sewers (Miles)	100.8	103.5	109.0	122.0	125.9	131.3	136.4	145.1	156.2	158.8
Maximum Daily Capacity (Million Gallons Per Day)	2.70	2.70	2.70	1.50	1.95	1.95	1.95	1.95	3.0	3.0
Storm Drainage:										
Storm Sewers (Miles)	49.7	53.0	59.0	64.0	64.6	72.6	82.2	118.7	80.03	67.00
Airport:										
Terminal Building	1	1	1	1	1	1	1	1	1	1

Sources: Town of Erie Public Works Department
Town of Erie Police Department
Town of Erie Parks and Recreation Department

**TOWN OF ERIE, COLORADO
PROPERTY VALUES AND CONSTRUCTION
LAST TEN FISCAL YEARS**

Year	Estimated Actual Property Value			Commercial Construction		Residential Construction	
	Commercial	Residential	Total	Number of Units	Value	Number of Units	Value
2015	\$ 90,288,387	\$ 2,161,739,601	\$ 2,252,027,988	4	\$ 3,141,720	427	\$ 118,590,894
2016	98,895,118	2,666,423,992	2,765,319,110	9	19,393,000	465	123,766,000
2017	103,321,654	2,853,165,694	2,956,487,348	10	6,344,000	631	168,432,000
2018	138,133,645	3,578,300,793	3,716,434,438	11	12,468,000	640	164,695,000
2019	147,396,182	3,847,222,276	3,994,618,458	9	12,429,000	607	180,731,000
2020	196,082,070	4,524,863,798	4,720,945,868	4	3,147,000	475	135,482,000
2021	202,925,137	4,895,479,836	5,098,404,973	29	39,724,735	807	239,977,422
2022	235,766,237	5,669,633,615	5,905,399,852	13	58,481,551	719	194,014,745
2023	251,182,810	605,452,672	6,305,709,482	7	19,564,149	721	283,449,775
2024	344,990,594	8,444,885,068	8,789,875,662	9	17,127,682	907	406,574,393

Sources: Boulder County Assessor's Office
Weld County Assessor's Office
Town of Erie Building Department

COMPLIANCE SECTION

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WATER ENTERPRISE FUND**

History of Net Revenues and Debt Service Coverage

	2020	2021	2022	2023	2024
Gross Revenues:					
Charges for Services	\$ 12,654,777	\$ 12,325,726	\$ 13,193,794	\$ 11,571,276	\$ 15,060,859
Tap Fees	19,986,944	28,671,412	19,377,186	21,632,647	26,705,617
Interest Income	786,177	(43,489)	691,342	5,087,793	5,644,262
Other Income	52,311	98,268	13,900	67,595	137,907
Total	<u>33,480,209</u>	<u>41,051,917</u>	<u>33,276,222</u>	<u>38,359,311</u>	<u>47,548,645</u>
Operation and Maintenance:					
Expenses ⁽¹⁾	<u>5,765,605</u>	<u>6,751,775</u>	<u>8,463,362</u>	<u>7,540,831</u>	<u>6,774,643</u>
Net Revenues	<u>\$ 27,714,604</u>	<u>\$ 34,300,142</u>	<u>\$ 24,812,860</u>	<u>\$ 30,818,480</u>	<u>\$ 40,774,002</u>
Combined Maximum Annual Principal and Interest Requirements	\$ 2,688,981	\$ 3,439,356	\$ 2,693,979	\$ 3,703,592	\$ 3,703,592
Pro-Forma Coverage Ratio	10.31x	9.97x	9.21x	8.32x	11.01x
Current Year Debt Service					\$ 3,703,592
Coverage Ratio - Current Year					11.01x
Minimum Required Ratio					1.25x

⁽¹⁾ Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, or interest paid on outstanding bonds. Includes assessments for Windy Gap Firing Project, which are reported as Capital Outlay in the Financial Statements.

History of Water Connection Fees

Year	Residential ⁽¹⁾ Taps Sold	Dwelling Units	Residential Connection Fees	Commercial Taps Sold	Commercial Connection Fees	Total Taps Sold	Total Connection Fees
2019	472	470	\$ 14,922,595	2	\$ 1,031,995	474	\$ 15,954,590
2020	824	1,055	26,598,578	28	2,133,449	852	28,732,027
2021	638	1,037	17,004,986	28	2,372,200	666	19,377,186
2023	774	721	20,244,150	14	1,424,647	788	21,668,797
2024	1,007	938	25,365,299	22	1,340,318	1,029	26,705,617

⁽¹⁾ Residential also includes multi-family/townhome and irrigation taps.

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WATER ENTERPRISE FUND (CONTINUED)**

History of Water Accounts

<u>Year</u>	<u>Residential Accounts</u>	<u>Commercial Accounts</u>	<u>Irrigation Accounts</u>	<u>Total Accounts</u>	<u>% Change in Accounts</u>
2020	9,950	183	193	10,326	4.7 %
2021	10,522	192	200	10,914	5.7
2022	11,211	203	212	11,626	6.5
2023	11,908	216	224	12,348	6.2
2024	12,759	227	242	13,228	7.1

Note: Irrigation accounts based on summer usage activity.

Largest Customers of the Water System

<u>Type of Business</u>	<u>2024 Revenue</u>	<u>% of Total ⁽¹⁾</u>
The Town	\$ 258,524	1.72 %
Homeowners Association	162,321	1.08
Homeowners Association	127,357	0.85
Homeowners Association	116,863	0.78
Homeowners Association	104,149	0.69
Homeowners Association	100,998	0.67
Homeowners Association	88,054	0.58
Homeowners Association	84,486	0.56
Homeowners Association	74,613	0.50
Commercial Business	70,151	0.47
Total	<u>\$ 1,187,516</u>	<u>7.88 %</u>

⁽¹⁾ Based on total charges for service of \$15,060,859

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WATER ENTERPRISE FUND (CONTINUED)**

Budget Summary and Comparison

	2023		2024	
	Final Budget	Actual	Final Budget	Actual
Working Capital - Beginning of Year	\$ 99,473,632	\$ 99,473,632	\$ 119,236,765	\$ 119,236,765
REVENUES				
Charges for Services	12,792,000	11,571,276	13,281,000	15,060,859
Connection Fees	16,118,192	12,344,761	17,467,800	26,705,617
Investment Earnings	527,000	5,087,793	527,000	5,644,262
Intergovernmental	-	-	-	13,074
Other Income	10,000	186,190	10,000	137,907
Total Revenues	29,447,192	29,190,020	31,285,800	47,561,719
Total Funds Available	128,920,824	128,663,652	150,522,565	166,798,484
OPERATING EXPENSES				
Administration	1,800,131	1,209,060	6,223,485	5,563,525
Distribution	184,230	467,429	570,189	751,334
Treatment	2,156,959	1,837,409	2,236,432	2,018,904
Meters	485,013	378,547	835,252	684,499
Debt Service	3,703,592	1,526,271	3,563,968	3,595,463
Capital Outlay	31,032,165	4,065,863	99,301,115	12,018,651
Total Operating Expenses	39,362,090	9,484,579	112,730,441	24,632,376
OTHER FINANCING SOURCES				
Transfers	-	57,692	(1,305,559)	-
Proceeds from Dispositions of Assets	-	5,750	-	-
Total Other Financing Sources	-	63,442	(1,305,559)	-
CHANGE IN WORKING CAPITAL	(9,914,898)	19,763,133	(82,750,200)	22,929,343
WORKING CAPITAL - END OF YEAR	\$ 89,558,734	\$ 119,236,765	\$ 36,486,565	\$ 142,166,108

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WATER ENTERPRISE FUND (CONTINUED)**

History of Revenues, Expenses, and Changes in Net Position

	Year Ended December 31,				
	2020	2021	2022	2023	2024
OPERATING REVENUES					
Charges for Services	\$ 12,654,777	\$ 12,325,727	\$ 13,193,795	\$ 11,571,276	\$ 15,060,859
OPERATING EXPENSES					
Personnel Services	2,480,835	1,105,768	1,209,060	1,182,715	2,210,843
Operations and Maintenance	3,284,770	5,179,327	5,825,302	6,358,116	6,774,643
Depreciation	3,954,365	3,911,356	4,056,950	4,205,967	4,944,622
Total Operating Expenses	<u>9,719,970</u>	<u>10,196,451</u>	<u>11,091,312</u>	<u>11,746,798</u>	<u>13,930,108</u>
NET OPERATING INCOME	2,934,807	2,129,276	2,102,483	(175,522)	1,130,751
NONOPERATING REVENUES (EXPENSES)					
Investment Income	786,177	(43,489)	691,342	5,087,793	5,644,262
Other, Net	(828,788)	98,267	54,900	73,345	150,981
Interest Expense	<u>(1,698,332)</u>	<u>(1,630,194)</u>	<u>(1,551,743)</u>	<u>(1,435,081)</u>	<u>(1,331,653)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(1,740,943)</u>	<u>(1,575,416)</u>	<u>(805,501)</u>	<u>3,726,057</u>	<u>4,463,590</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,193,864	553,860	1,296,982	3,550,535	5,594,341
Capital Contributions ⁽¹⁾	19,986,944	31,502,294	23,756,944	29,875,251	37,243,222
Transfers In	<u>-</u>	<u>178,797</u>	<u>12,037</u>	<u>57,692</u>	<u>-</u>
CHANGES IN NET POSITION	21,180,808	32,234,951	25,065,963	33,483,478	42,837,563
Net Position - Beginning of Year	208,050,983	229,231,791	261,466,742	286,523,933	320,007,411
Prior Period Adjustments ⁽²⁾	<u>-</u>	<u>-</u>	<u>(8,772)</u>	<u>-</u>	<u>-</u>
NET POSITION - END OF YEAR	<u>\$ 229,231,791</u>	<u>\$ 261,466,742</u>	<u>\$ 286,523,933</u>	<u>\$ 320,007,411</u>	<u>\$ 362,844,974</u>

⁽¹⁾ Reflects developer contributions of infrastructure of \$3,457,8226 in 2020, \$2,802,924 in 2021, \$4,024,574 in 2022, \$16,964,943 in 2023, and \$10,537,605 in 2024.

⁽²⁾ In 2022, an adjustment to beginning net position was made in association with the implementation of GASB 87.

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
GENERAL FUND**

Budget Summary and Comparison

	2023		2024	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Taxes	\$ 31,825,000	\$ 36,017,753	\$ 35,915,000	\$ 40,051,897
Intergovernmental	1,523,000	2,007,689	1,523,350	2,343,458
Licenses and Permits	2,671,500	3,752,246	2,999,000	5,166,712
Fees and Charges for Services	10,420,838	10,486,352	11,112,070	11,520,545
Fines and Forfeitures	190,000	141,988	100,000	155,566
Investment Earnings	325,000	2,467,527	525,000	2,668,775
Miscellaneous	918,045	1,574,228	985,387	1,592,788
Total Revenues	<u>47,873,383</u>	<u>56,447,783</u>	<u>53,159,807</u>	<u>63,499,741</u>
EXPENDITURES				
Current Operating:				
General Government	15,181,478	14,293,383	20,975,236	16,428,393
Public Safety	9,416,439	9,152,782	9,644,270	9,791,329
Public Works	9,790,106	8,273,082	11,550,951	11,779,404
Parks and Recreation	10,247,749	10,311,056	12,900,883	11,820,243
Capital Outlay	21,010,395	12,779,835	23,267,746	8,265,968
Debt Service:				
Principal	1,110,000	1,243,646	1,155,000	1,509,658
Interest	379,413	385,883	335,013	352,809
Total Expenditures	<u>67,135,580</u>	<u>56,439,667</u>	<u>79,829,099</u>	<u>59,947,804</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(19,262,197)	8,116	(26,669,292)	3,551,937
OTHER FINANCING SOURCES (USES)				
Transfers In	2,303,367	1,475,123	3,873,663	-
Transfers Out	(1,392,620)	(1,290,000)	(1,845,446)	(27,240,000)
SBITAs	-	332,028	-	638,305
Leases	-	-	-	85,228
Sales of Capital Assets	-	120,843	-	96,889
Insurance Recoveries	-	3,597,113	-	63,717
Total Other Financing Sources (Uses)	<u>910,747</u>	<u>4,235,107</u>	<u>2,028,217</u>	<u>(26,355,861)</u>
NET CHANGES IN FUND BALANCE	(18,351,450)	4,243,223	(24,641,075)	(22,803,924)
Fund Balance, Beginning of Year	<u>48,754,892</u>	<u>48,754,892</u>	<u>52,998,115</u>	<u>52,998,115</u>
FUND BALANCE - END OF YEAR	<u>\$ 30,403,442</u>	<u>\$ 52,998,115</u>	<u>\$ 28,357,040</u>	<u>\$ 30,194,191</u>

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
GENERAL FUND (CONTINUED)**

	Year Ended December 31,				
	2020	2021	2022	2023	2024
REVENUES					
Taxes	\$ 24,080,039	\$ 29,133,082	\$ 31,349,334	\$ 36,017,753	\$ 40,051,897
Intergovernmental	2,566,167	2,202,934	2,514,356	2,007,689	2,343,458
Licenses and Permits	2,674,326	4,211,015	3,618,380	3,752,246	5,166,712
Fees and Charges for Services	3,250,445	4,419,377	9,188,962	10,486,352	11,520,545
Fines and Forfeitures	251,347	240,420	176,163	141,988	155,566
Capital Contributions and Fees	167,862	-	-	-	-
Investment Earnings	366,320	(18,392)	304,256	2,467,527	2,668,775
Miscellaneous	900,619	1,039,749	1,140,303	1,574,228	1,592,788
Total Revenues	<u>34,257,125</u>	<u>41,228,185</u>	<u>48,291,754</u>	<u>56,447,783</u>	<u>63,499,741</u>
EXPENDITURES					
Current Operating:					
General Government ⁽¹⁾	7,260,736	7,194,997	11,297,718	14,293,383	16,428,393
Public Safety	5,599,006	6,508,152	8,021,645	9,152,782	9,791,329
Public Works	3,362,722	4,258,974	7,154,892	8,273,082	11,779,404
Parks and Recreation	6,068,075	7,058,168	8,859,126	10,311,056	11,820,243
Capital Outlay	2,961,895	4,951,753	10,883,991	12,779,835	8,265,968
Debt Service:					
Principal	1,000,000	1,025,000	1,090,442	1,243,646	1,509,658
Interest	494,563	463,705	427,863	385,883	352,809
Total Expenditures	<u>26,746,997</u>	<u>31,460,749</u>	<u>47,735,677</u>	<u>56,439,667</u>	<u>59,947,804</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,510,128	9,767,436	556,077	8,116	3,551,937
OTHER FINANCING SOURCES (USES)					
Transfers In	-	465,490	462,919	1,475,123	-
Transfers Out	-	(333,360)	(700,000)	(1,290,000)	(27,240,000)
SBITAs	-	-	-	332,028	638,305
Leases	-	-	88,811	-	85,228
Sales of Capital Assets	72,489	59,793	516,903	120,843	96,889
Insurance Recoveries	20,895	12,918	117,587	3,597,113	63,717
Total Other Financing Sources (Uses)	<u>93,384</u>	<u>204,841</u>	<u>486,220</u>	<u>4,235,107</u>	<u>(26,355,861)</u>
NET CHANGES IN FUND BALANCE	7,603,512	9,972,277	1,042,297	4,243,223	(22,803,924)
Fund Balance, Beginning of Year	<u>30,136,806</u>	<u>37,740,318</u>	<u>47,712,595</u>	<u>48,754,892</u>	<u>52,998,115</u>
FUND BALANCE - END OF YEAR	<u>\$ 37,740,318</u>	<u>\$ 47,712,595</u>	<u>\$ 48,754,892</u>	<u>\$ 52,998,115</u>	<u>\$ 30,194,191</u>

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WASTEWATER ENTERPRISE FUND**

History of Net Revenues and Debt Service Coverage

	2020	2021	2022	2023	2024
Gross Revenues:					
Charges for Services	\$ 5,806,390	\$ 6,067,831	\$ 6,470,593	\$ 6,800,914	\$ 7,309,219
Tap Fees	5,348,514	7,613,747	6,315,397	6,906,834	8,612,049
Interest Income	364,288	(22,586)	127,073	1,233,125	1,521,926
Other	281	4,965	2,941,130	8,722,339	4,275,945
Total Gross Revenues	<u>11,519,473</u>	<u>13,663,957</u>	<u>15,854,193</u>	<u>23,663,212</u>	<u>21,719,139</u>
Operation and Maintenance Expenses ⁽¹⁾	<u>3,451,820</u>	<u>2,754,347</u>	<u>3,277,324</u>	<u>4,490,330</u>	<u>4,490,330</u>
Net Revenues	<u>\$ 8,067,653</u>	<u>\$ 10,909,610</u>	<u>\$ 12,576,869</u>	<u>\$ 19,172,882</u>	<u>\$ 17,228,809</u>
Combined Maximum Annual Principal and Interest Requirements	\$ 1,162,725	\$ 1,176,825	\$ 1,312,725	\$ 1,295,616	\$ 1,236,668
Pro-Forma Coverage Ratio	6.94x	9.27x	9.58x	14.8x	13.93x
Current Year Debt Service					\$ 1,315,625
Coverage Ratio - Current Year					13.1x
Minimum Required Ratio					1.10x

⁽¹⁾ Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, or interest paid on outstanding bonds.

History of Wastewater Tap Fees

Year	Residential Taps Sold ⁽¹⁾	Residential Tap Fees	Commercial Taps Sold	Commercial Tap Fees	Total Taps Sold	Total Tap Fees
2020	471	\$ 2,449,201	1	\$ 71,067	472	\$ 2,520,268
2021	777	6,593,633	16	283,765	793	6,877,398
2022	628	5,729,331	22	159,479	650	5,888,810
2023	722	6,379,200	7	232,153	729	6,611,353
2024	842	8,059,647	9	162,105	851	8,221,752

⁽¹⁾ Residential also includes multi-family/townhome taps.

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WASTEWATER ENTERPRISE FUND (CONTINUED)**

History of Wastewater Accounts

<u>Year</u>	<u>Residential Accounts</u>	<u>Commercial Accounts</u>	<u>Total Accounts</u>	<u>% Change in Accounts</u>
2020	9,828	155	9,983	6.0 %
2021	10,430	159	10,589	6.1
2022	11,416	174	11,590	9.5
2023	11,812	185	11,997	3.5
2024	12,654	194	12,848	7.1

Largest Customers of the Wastewater System

<u>Type of Business</u>	<u>2024 Revenue</u>	<u>% of Total ⁽¹⁾</u>
Homeowners Association	\$ 115,787	1.58 %
Commercial Business	62,567	0.86
Commercial Business	60,517	0.83
Commercial Business	52,463	0.72
Commercial Business	50,863	0.70
Commercial Business	27,109	0.37
Commercial Business	24,674	0.34
Commercial Business	24,470	0.33
Commercial Business	22,135	0.30
Commercial Business	21,515	0.29
Total	<u>\$ 462,100</u>	<u>6.32 %</u>

⁽¹⁾ Based on total charges for service of \$7,309,219

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WASTEWATER ENTERPRISE FUND (CONTINUED)**

Budget Summary and Comparison

	2023		2024	
	Final Budget	Actual	Final Budget	Actual
Working Capital - Beginning of Year	\$ 20,531,749	\$ 20,531,749	\$ 38,427,371	\$ 38,427,371
REVENUES				
Charges for Services	6,429,450	6,800,914	6,429,450	6,800,914
Tap Fees	4,700,900	6,906,834	4,700,900	6,906,834
Investment Income	200,000	1,233,125	200,000	1,233,125
Other Income	-	8,722,339	-	8,722,339
Total Revenues	11,330,350	23,663,212	11,330,350	23,663,212
Total Funds Available	31,862,099	44,194,961	49,757,721	62,090,583
OPERATING EXPENSES				
Administration	2,566,369	2,252,772	3,279,451	2,089,022
Collection	356,403	428,159	382,093	428,505
Treatment	1,797,272	1,752,340	2,127,807	1,754,755
Debt Service	2,260,000	741,204	706,647	1,338,898
Capital Outlay	580,135	593,115	17,888,661	929,203
Total Operating Expenses	7,560,179	5,767,590	24,384,659	6,540,383
NET CHANGE IN WORKING CAPITAL	3,770,171	17,895,622	(13,054,309)	17,122,829
WORKING CAPITAL - END OF YEAR	\$ 24,301,920	\$ 38,427,371	\$ 25,373,062	\$ 55,550,200

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WASTEWATER ENTERPRISE FUND (CONTINUED)**

History of Revenues, Expenses, and Changes in Net Position

	Year Ended December 31,				
	2020	2021	2022	2023	2024
OPERATING REVENUES					
Charges for Services	\$ 5,806,390	\$ 6,067,831	\$ 6,470,593	\$ 6,800,914	\$ 7,309,219
OPERATING EXPENSES					
Personnel Services	2,061,132	525,161	698,474	873,913	1,336,756
Operations and Maintenance	1,390,688	2,229,186	2,578,850	3,616,417	2,970,043
Depreciation	1,965,740	1,993,448	2,040,821	2,109,250	2,332,963
Total Operating Expenses	<u>5,417,560</u>	<u>4,747,795</u>	<u>5,318,145</u>	<u>6,599,580</u>	<u>6,639,762</u>
NET OPERATING INCOME	388,830	1,320,036	1,152,448	201,334	669,457
NONOPERATING REVENUES (EXPENSES)					
Investment Income	364,288	(22,586)	127,073	1,233,125	1,521,926
Other, Net	281	4,965	123,644	-	58,514
Interest Expense	(626,670)	(624,506)	(609,294)	(590,506)	(563,985)
Total Nonoperating Expenses, Net	<u>(262,101)</u>	<u>(642,127)</u>	<u>(358,577)</u>	<u>642,619</u>	<u>1,016,455</u>
NET INCOME BEFORE CONTRIBUTIONS	126,729	677,909	793,871	843,953	1,685,912
Capital Contributions ⁽¹⁾	5,348,514	9,596,446	9,132,883	15,629,173	13,484,110
Transfers In	-	-	-	8,098	-
CHANGES IN NET POSITION	5,475,243	10,274,355	9,926,754	16,481,224	15,170,022
Net Position - Beginning of Year	<u>67,672,194</u>	<u>73,147,437</u>	<u>83,421,792</u>	<u>93,348,546</u>	<u>109,829,770</u>
NET POSITION - END OF YEAR	<u>\$ 73,147,437</u>	<u>\$ 83,421,792</u>	<u>\$ 93,348,546</u>	<u>\$ 109,829,770</u>	<u>\$ 124,999,792</u>

⁽¹⁾ Reflects developer contributions of infrastructure of \$2,123,354 in 2020, \$1,982,699 in 2021, \$2,817,486 in 2022, \$10,988,996 in 2023 and \$4,872,016 in 2024.



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

Town Council
Town of Erie
Erie, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Erie (the Town), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated August 29, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on

the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Town's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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



CliftonLarsonAllen LLP

Denver, Colorado
August 29, 2025



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Town Council
Town of Erie
Erie, Colorado

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the Town of Erie (the Town)'s compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Town's major federal programs for the year ended December 31, 2024. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on COVID-19 Coronavirus State and Local Fiscal Recovery Funds

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, Town of Erie, Colorado complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on COVID-19 Coronavirus State and Local Fiscal Recovery Funds for the year ended December 31, 2024.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, Town of Erie, Colorado complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2024.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on COVID-19 Coronavirus State and Local Fiscal Recovery Funds

As described in the accompanying schedule of findings and questioned costs, the Town did not comply with requirements regarding Assistance Listing No. 21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds as described in finding number 2024-002 for Procurement and Suspension and Debarment.

Compliance with such requirements is necessary, in our opinion, for the Town to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-003. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-003 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Town Council
Town of Erie

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Denver, Colorado
August 29, 2025

TOWN OF ERIE, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Amount Provided to Subrecipients	Total Federal Expenditures
Department of Interior				
Passed through Colorado Department of Local Affairs: Minerals Leasing Act	15.437	F22MLG9393	\$ -	\$ 23,551
Department of Transportation				
Airport Improvement Program	20.106	N/A	-	164,556
Airport Improvement Program	20.106	N/A	-	1,106,403
Pass-Through Colorado Department of Transportation:				
Highway Planning and Construction	20.205	21-HA4-XC-00012	-	8,193
Highway Planning and Construction	20.205	20-HA4-XC-00049	-	28,610
Highway Planning and Construction	20.205	24-HA4-XC-00204	-	21,282
Highway Planning and Construction	20.205	21-HA4-XC-00095	-	2,048,592
Total Department of Transportation			-	3,377,636
Department of Treasury				
Pass-Through Colorado Department of Local Affairs: COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	None Provided	-	1,671,368
Department of Health and Human Services				
Pass-Through Colorado Office of Early Childhood:				
Child Care and Development Block Grant	93.575	None Provided	-	7,023
Child Care and Development Block Grant	93.575	None Provided	-	7,023
Total Department of Health and Human Services			-	14,046
Federal Emergency Management Agency				
Pass-Through Colorado Department of Public Safety: Hazard Mitigation Grant	97.039	HMGP-4498	-	410,636
Total Expenditures of Federal Awards			\$ -	\$ 5,497,237

See accompanying Notes to Schedule of Expenditures of Federal Awards.

TOWN OF ERIE, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Erie under programs of the federal government for the year ended December 31, 2024. No federal financial assistance was passed through to other entities. The information in this Schedule is presented in accordance with the requirements of 2 CFR Par 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Erie, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Erie.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, with the exception of amounts reported by the Department of Transportation Airport Improvement Program and the Federal Emergency Management Agency Hazard Mitigation Grant. For these two award programs, the expenditures are reported on a full accrual basis. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Federal award program titles are reported as presented by Assistance Listing Number (ALN) in the System for Award Management (SAM).

NOTE 3 INDIRECT COST RATE

The Town of Erie has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? x yes none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified except for ALN 21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds program for Procurement, Suspension and Debarment which was qualified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of Major Federal Programs

Assistance Listing Numbers

21.027
97.039
20.106

Name of Federal Program or Cluster

COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Hazard Mitigation Grant
Airport Improvement Program

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

\$750,000

Auditee qualified as low-risk auditee? yes x no

TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

Section II – Financial Statement Findings

2024 – 001

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: Several audit adjustments and revisions were necessary to properly state balances at year-end which include the following:

- A proposed audit adjustment in the amount of \$406,651 was made to correct an overstatement of cash balances related to an URA request for reimbursement that was made after year-end.
- A proposed audit adjustment in the amount of \$254,495 was made to correct reductions in grading/stormwater permits revenue that should have been applied to developer deposit payables.
- A proposed audit adjustment in the amount of \$43,264 was made to correct a negative prepaid balance for invoice 09585 which should have been recorded in unearned revenue account.
- A proposed audit adjustment in the amount of \$4,638,778 was made to properly state negative cash balance allocations as a liability.
- A proposed audit adjustment in the amount of \$291,631 was made to correct an expense that was included in prepaid assets for FY2024 but was actually paid in 2025.
- A proposed audit adjustment in the amount of \$19,655 was made to properly state fund 820 activity that was excluded from the year-end trial balance.
- Significant year-end adjustments related to grant activity were necessary but not corrected in the general ledger in a timely manner, including the activity related to the unearned grant revenue and deferred inflows for grant revenue which required reevaluation of the audit materiality and audit risk assessment approach.

Criteria or Specific Requirement: Monthly maintenance of the trial balance and preparation of year-end closing entries in accordance with generally accepted accounting principles (GAAP) helps ensure that timely, accurate, and useful information is available to management and those charged with governance.

Effect: Not having proper controls over trial balance maintenance could result in inaccurate account balances and material adjustments. Financial statement amounts may be misstated or not properly supported. Failure to implement effective processes and procedures could increase the risks of fraud, violations of appropriation laws and mismanagement of funds.

Cause: Internal controls were not in place to ensure that monthly general ledger account reconciliations were completed and reviewed for all significant accounts during the fiscal year.

Repeat Finding: Yes, modified and repeated, finding 2023-001.

TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024

Section II – Financial Statement Findings (Continued)

Recommendation: Management should implement a monthly or quarterly financial closing process to ensure that all significant matters impacting the financial statements are evaluated for compliance with GAAP and reconciled regularly.

Views of Responsible Officials and Planned Corrective Actions: There is no disagreement with the audit finding. After receiving finding 2023-001 in September 2024 the Town created monthly closing processes and utilized a year end checklist for fiscal year end 2024. The Town will continue to improve on the SOP for the year-end checklist to ensure all required year-end entries and reconciliations are made by our Accounting staff.

Section III – Findings and Questioned Costs – Major Federal Programs

2024 – 002

Federal Agency: Department of the Treasury

Federal Program Name: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Pass-Through Agency: Colorado Department of Local Affairs

Pass-Through Number: None

Award Period: 1/1/2024 – 12/31/2024

Compliance Requirement: Procurement and Suspension and Debarment

Type of Finding: Material Weakness in Internal Control over Compliance, Material Noncompliance (Modified Opinion)

Criteria or Specific Requirement: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a passthrough entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) and available at <https://governmentcontractregistration.com/sam-registration-and-renewal/>, (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

**TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

Condition: The Town does not have adequate internal control procedures in place to monitor compliance with suspension and debarment requirements for contracts. During compliance testing, we noted that two out of four vendors selected for testing had not been checked to verify they were not suspended or debarred prior to the start of the project and both vendors were inactive since at least 2021.

Questioned Costs: \$100,103. This is the total amounts procured from the two vendors.

Context: The Town does have a policy and procedure to check a vendor's suspension and debarment status either by checking the active record on SAM.gov, collecting a certification from the proposed entity, and/or adding a clause or condition to the covered transaction with that entity. However, the Town was not able to provide verification of the suspension and debarment status through review of SAM.gov, providing a certification from the vendor, or through a clause or condition within the signed contract to verify that the vendor was verified prior to the state of the projects. We did attempt to verify these vendors were not currently suspended or debarred through review of SAM.gov but noted that both vendors were inactive since at least 2021.

Cause: The Town experienced turnover in the grants position and could not provide documentation to show it followed the appropriate suspension and debarment requirements.

Effect: Payments of program funds to a contractor that has been suspended or debarred would be unallowable and subject to recovery by the grantor. We were unable to verify that that the contractors were not suspended or debarred, or otherwise not excluded from participating in the transaction as the vendors have been inactive for several years. Therefore, we are questioning the related costs.

Repeat Finding: Yes, modified and repeated, finding 2023-002.

Recommendation: The Town should update all contracts to include a suspension and debarment paragraph to verify status with every renewal or collecting certification from the proposed entity. Additionally, the Town should update procedures to ensure that a vendor's status is checked in SAM.gov prior to contracting with a vendor.

Views of Responsible Officials and Planned Corrective Actions: There is no disagreement with the finding. After receiving finding 2023-002 in September 2024 the Finance department made updates to the Purchasing Policy which were approved by Town Council in April 2025. This included a provision in the policy for all requisitions to be routed to the Grants Manager or designee to check the vendor's status in SAM.Gov prior to issuance of the purchase order.

**TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2024 – 003

Federal Agency: Department of Transportation

Federal Program Name: Airport Improvement Program

Assistance Listing Number: 20.106

Pass-Through Agency: N/A

Pass-Through Number: None

Award Period: 7/22/2024 – 12/31/2024

Compliance Requirement: Reporting

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria or Specific Requirement: Per 2 CFR § 200.303 (a), non-Federal entities must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition: The required SF-271 report was not submitted timely and was submitted after being requested for the audit. The required SF-425 report was not accurately completed and not submitted.

Questioned Costs: None.

Context: The Town did not submit the required grant reporting in a timely manner.

Cause: The Town does not have adequate policies in place to ensure accurate and timely financial reporting for federal awards.

Effect: The Town was not in compliance with the financial reporting requirements.

Repeat Finding: No.

Recommendation: The Town should continue its efforts to strengthen internal controls to ensure continuous monitoring and review of project obligations resulting in reports that are submitted in compliance with the grant requirements.

Views of Responsible Officials and Planned Corrective Actions: There is no disagreement with the finding. The Town's grants team will continue to work with departments and any outside consultants to ensure reporting is completed timely and accurately.

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/24
This Information From The Records Of Town of Erie	Prepared By: Brittany Meyers

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. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 8,460,807.19
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 2,450,272.22
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ -
2. General fund appropriations	\$ 3,670,585.54	b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ 8,797,068.06	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 1,281,037.08	d. Total (a. through c.)	\$ -
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 2,336,041.34
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 13,247,120.75
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 13,748,690.68	b. Redemption	
F. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 3,540,694.51	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 17,289,385.19	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 13,247,120.75

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 26,098,602.53	\$ 17,289,385.19	\$ 13,247,120.75	\$ 30,140,866.97	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
 YEAR ENDING (mm/yy):
12/24

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	\$ 1,281,037.08
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 4,932,465.51	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 3,864,602.55	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 8,797,068.06	h. Other	
c. Total (a. + b.)	\$ 8,797,068.06	i. Total (a. through h.)	\$ 1,281,037.08
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I. C. 5.)	\$ 1,180,996.29	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	\$ 108,543.87	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	\$ 2,251,154.35	f. Other Federal ARPA	
f. Total (a. through e.)	\$ 2,359,698.22	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 3,540,694.51	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES 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			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements		\$ 4,316,371.64	\$ 4,316,371.64
(3). System Preservation		\$ 4,144,435.55	\$ 4,144,435.55
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 8,460,807.19	\$ 8,460,807.19
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 8,460,807.19	\$ 8,460,807.19
<i>(Carry forward to page 1)</i>			

Notes and Comments:



**TOWN OF ERIE
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2024**

The Town of Erie respectfully submits the following corrective action plan for the year ended December 31, 2024.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2024-001 Material Weakness in Internal Control over Financial Reporting

Recommendation: Management should implement a monthly or quarterly financial closing process to assure that all significant matters impacting the financial statements are evaluated for compliance with GAAP and reconciled regularly.

Explanation of Disagreement with Audit Finding: There is no disagreement with the audit finding.

Action Taken in Response to Finding: The Town agrees that monthly and/or quarterly maintenance of the trial balance and monthly closing processes, as well as year-end closing entries should be controlled by formal process. The Town plans to continue to improve this process via updates to standard order of procedure (SOP) and task checklist for accounting staff to reference for both monthly and year end entries.

Name of the Contact Person Responsible for Corrective Action: Sara Hancock,
Finance Director

Planned Completion Date for Corrective Action Plan: December 2025



**TOWN OF ERIE
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2024**

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

DEPARTMENT OF TREASURY

2024-002 COVID-19 Coronavirus State and Local Fiscal Recovery Funds – Assistance Listing No. 21.027

Recommendation: The Town should update all contracts to include a suspension and debarment paragraph to verify status with every renewal or collecting certification from the proposed entity. Additionally, the Town should update procedures to ensure that a vendor's status is checked in SAM.gov prior to contracting with vendor.

Explanation of Disagreement with Audit Finding: There is no disagreement with the audit finding.

Action Taken in Response to Finding: The Town agrees that suspension and debarment documentation was not properly kept. The Town has updated the Procurement Policy to include a process for requisition review by the Grants Manager or designee. This review will include confirmation of vendor status in SAM.gov prior to approval in the accounting system. The Town has met with their legal counsel to discuss updating all contract templates to include a clause or condition regarding suspension and debarment. This review will be completed by the finance department prior to entering into the contract with each entity. The documentation should include the certification from the vendor or reference the contract that includes the clause or condition regarding suspension and debarment.

Name of the Contact Person Responsible for Corrective Action: Sara Hancock, Finance Director

Planned Completion Date for Corrective Action Plan: The Purchasing Policy was updated in April 2025 to include the checking of SAM.gov in the requisition process prior to the issuance of a purchase order to commence work. The Town will continue to work with legal counsel to update contract templates to include a clause or condition regarding suspension and debarment.

If the Department of the Treasury has questions regarding this plan, please call Sara Hancock, Finance Director at 303-926-2750.



**TOWN OF ERIE
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2024**

DEPARTMENT OF TRANSPORTATION

2024-003 Airport Improvement Program – Assistance Listing No. 20.106

Recommendation: The Town should continue its efforts to strengthen internal controls to ensure continuous monitoring and review of project obligations resulting in reports that are submitted in compliance with the grant requirements.

Explanation of Disagreement with Audit Finding: There is no disagreement with the audit finding.

Action Taken in Response to Finding: The Town utilized an outside consultant for this grant. Going forward the Town will ensure that the Grants team and the Department utilizing the outside consultants work closely together to monitor the status of reporting and review any reports prepared by any consultants for accuracy.

Name of the Contact Person Responsible for Corrective Action: Sara Hancock,
Finance Director

Planned Completion Date for Corrective Action Plan: October 2025

If the Department of the Transportation has questions regarding this plan, please call Sara Hancock, Finance Director at 303-926-2750.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.