



COMPREHENSIVE ANNUAL FINANCIAL REPORT

2019
FOR THE YEAR ENDED DEC. 31, 2019



About the cover:

The Downtown Parking and Circulation Plan aims to ensure anticipated growth and necessary transportation investments can be accommodated to serve parking demand and the evolving mobility needs of Downtown Erie. The goal is to strike a balance between community livability, economic vitality, and convenient mobility. The Plan will function as a five-year road map for implementing a coherent parking strategy and outlining needed multimodal transportation investments in Downtown Erie. For more visit: www.erieco.gov/1577/Downtown-Parking

Photo credit:

Town of Erie

Town of Erie, Colorado

Comprehensive Annual Financial Report
For the fiscal year ended
December 31, 2019

Prepared by the Finance Department:

Steve Felten, CPA – Finance Director

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Town of Erie, Colorado
 Comprehensive Annual Financial Report
 For the fiscal year ended December 31, 2019

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Introductory Section

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June 17, 2020

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

State Law requires all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financial statements. Pursuant to that requirement, we hereby issue this comprehensive annual financial report of the Town of Erie (the Town) for the fiscal year ended December 31, 2019.

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 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, 2019. 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, 2019, is approximately 28,000, 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 Board.

The Town has operated under the Trustee-Administrator form of government since its first meeting on November 16, 1874, as a statutory town. Policy-making and legislative authority are vested in the Board of Trustees (the Board) consisting of the mayor and six trustees. The Board is responsible for passing ordinances, adopting the budget, appointing committees, and appointing the town administrator, clerk, treasurer, and attorney. The town administrator is responsible for carrying out the goals, policies, and ordinances of the Board, for overseeing the day-to-day operations of the Town, and for appointing the heads of the various departments. The Board is elected on a nonpartisan basis. The mayor is elected for a two-year term and three trustees are elected for four-year terms at each biennial election. The mayor and trustees are elected at-large.

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 building 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 administrator use these requests to begin developing a proposed budget. The budget is presented to the Board for review prior to October 15. The Board 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. Transfers of appropriations between departments and funds, and appropriations increasing the budget, require Board of Trustee approval.

Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. For the General Fund, the Trails and Natural Areas Fund and the Town's URA, budgetary comparisons are presented on pages 42-44, as part of the basic financial statements for the governmental funds. Budget to actual comparisons for the Transportation Impact Fund are presented on page 100. For all other governmental funds, these comparisons are presented in the nonmajor governmental funds subsection of this report, beginning on page 92. Budgetary comparisons for the proprietary funds begin on page 101.

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 continued to show strength in 2019, with permits for 607 dwelling units issued compared to 641 in 2018. To support that growth, the Town assesses permit, impact, and tap fees and uses this revenue to pay for 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 a King Soopers on Highway 7 in the last quarter of 2017 significantly increased the Town's sales tax revenues. In 2019, construction activity finally began on the southeast corner of Highway 287 and Arapahoe Road. The planned development – called Nine Mile – is expected to include a Lowe's, mixed retail and commercial, and multi-family housing. In 2018 the Town also began developing and implementing a long-range plan for developing the Town's eastern edge along Interstate 25, including the strategic purchase of 255 acres that is expected 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 365,000. The Town's major employers range from retail to engineering to education to healthcare to light manufacturing. At December 31, 2019, the Town government had 220 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.

COVID-19 and the Town's Response

The Town's Board and management are confident the Town will continue to benefit from the local economy as just described. But for 2020, and for some time after that, the global COVID-19 pandemic will have a major impact on the Town's financial performance.

The 2020 budget was approved by the Board of Trustees in October 2019. The General Fund, the Town's primary operating fund, had a budgeted surplus of \$12 thousand. Town

management's updated forecast for 2020 reflecting estimated impacts from the economic effects of the pandemic projects a deficit in the General Fund of approximately \$3.6 million. Projected revenue shortfalls of \$4.8 million are primarily related to sales tax, revenues related to development activity and recreation activities. In response to this projected decrease in revenues, the Town has deferred several capital projects and has either deferred or eliminated various operating expenses. Open positions are reviewed before filling to ensure the positions are critical in nature.

Due to the strength of the fund balance in the General Fund, management expects fund balance available for appropriation only to decline to 92% of 2020 original budgeted personnel and operating expenditures, compared to 97% for 2019. Currently, management expects no significant impact to the Town's enterprise funds as a result of the pandemic.

The Town will continually monitor economic conditions and their impact on the Town's financial condition. Management has identified various cost reduction options in addition to those already implemented should additional steps need to be taken to address revenue shortfalls exceeding those assumed in the forecast.

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 Board 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. While delayed to some degree by the pandemic, 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 Board 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 Firing Project and the Northern Integrated Supply Project, parts of its efforts 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 budget policy provides that the fund balance in the General Fund will only be expended for one-time capital expenditures unless otherwise authorized by the Board of Trustees. 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, plus an additional reserve of \$7.5 million to provide a funding source for one-time or capital expenditures or for services in the event of severe economic conditions. 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, 2019.

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 comprehensive annual financial report for the fiscal year ended December 31, 2018. This was the fifteenth consecutive year the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We 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 Board of Trustees 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 Administrator

Steve Felten, CPA



Finance Director



Government Finance Officers Association

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

Presented to

**Town of Erie
Colorado**

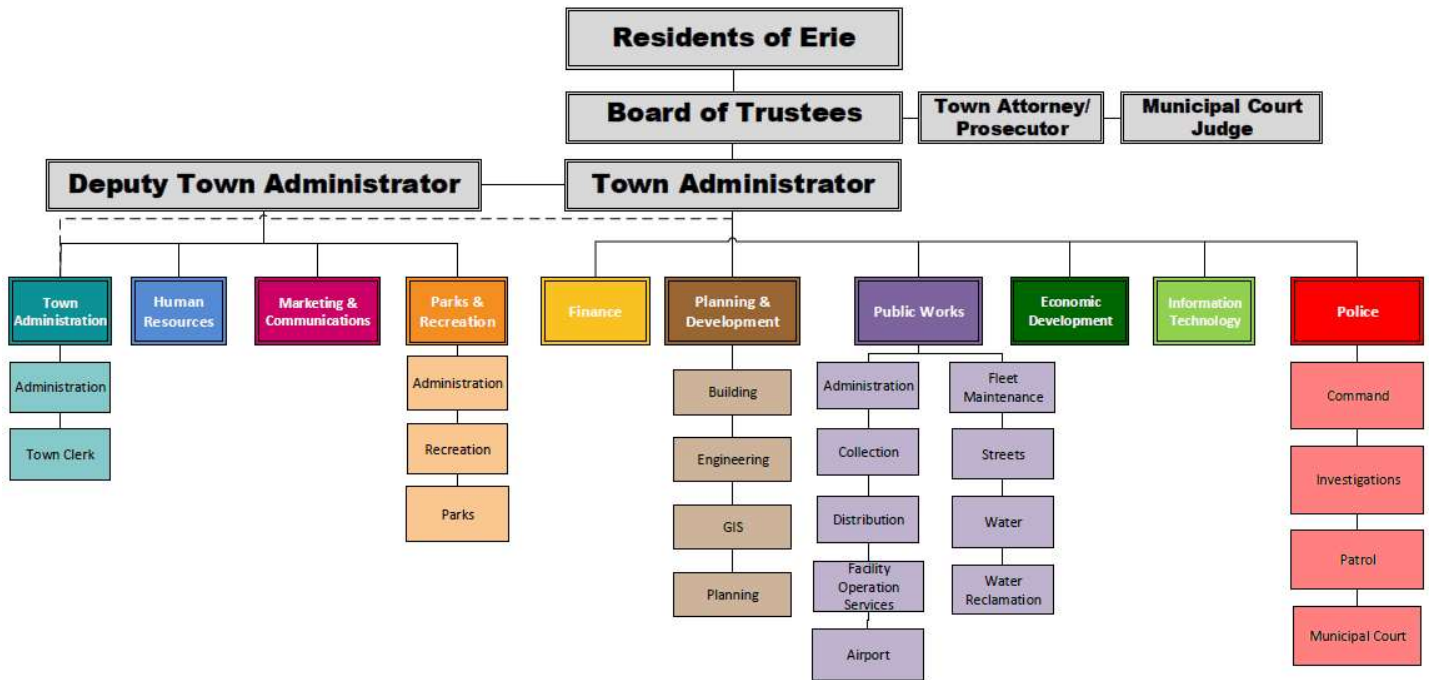
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

Organizational Chart



Town of Erie, Colorado

List of Town Officials

Elected Officials - Mayor & Board of Trustees

Jennifer Carroll	Mayor	April 2020
Geoff Deakin	Mayor Pro-Tem	April 2020
Scott Charles	Trustee	April 2020
Bill Gippe	Trustee	April 2022
Adam Haid	Trustee	April 2022
Christiaan van Woudenberg	Trustee	April 2022
Dan Woog	Trustee	April 2020

Appointed Officials

Malcolm Fleming	Town Administrator
Municipal Court Judge	Teresa Ablao
Prosecuting Attorney	Kristin Brown
Town Attorney	Kendra Carberry

Senior Staff

Farrell Buller	Deputy Town Administrator
Steve Felten	Director of Finance
Todd Fessenden	Director of Public Works
Denise Jakan	Director of Information Technology
Jessica Koenig	Town Clerk
Amber Luttrell	Marketing & Communications Manager
Alicia Melendez	Director of Human Resources
Ben Pratt	Director of Economic Development
Fred Starr	Director of Planning & Development
Kim Stewart	Chief of Police
Amy Teetzel	Administrative Operations Manager

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

Financial Section

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Town of Erie
Erie, Colorado

Report on the Financial Statements

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, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



Board of Trustees
Town of Erie

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Erie as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Trails and Natural Areas Fund, and the Erie Urban Renewal Authority for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Erie's basic financial statements. The introductory section, combining and individual fund statements and schedules, the statistical section and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Board of Trustees
Town of Erie

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2020, on our consideration of the Town of Erie'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 of Erie'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 of Erie's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Broomfield, Colorado
June 17, 2020

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Management's Discussion and Analysis

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, 2019. 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 2019 by \$520.6 million (net position). Of this amount, \$118.9 million (unrestricted net position) may be used to meet the Town's ongoing obligations in accordance with financial policies.
- The Town's net position increased by \$76.2 million, or 17%, compared to 2018. Governmental net position increased by \$31.3 million, or 18%, and business-type net position increased by \$44.8 million, or 17%.
- At December 31, 2019, the Town's governmental funds reported combined ending fund balances of \$54.8 million, an increase of \$4.8 million from 2018. This increase reflects higher levels of sales tax revenues, continued relatively high levels of development activity and expense control efforts.
- The General Fund, the Town's primary operating fund, reported unassigned fund balance of \$20.7 million, representing 98% of actual operating expenditures for 2019.

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 of 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.

Both of the 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 35-37 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 of 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 2019 the Town had eleven individual governmental funds, including the Town's urban renewal authority (URA). The General Fund is considered a *major fund*, as are the Trails and Natural Areas Fund, the Transportation Impact 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 38-44 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.

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 have been included within the governmental-activities in the government-wide financial statements. The activity in the Fleet and Equipment Acquisition Fund will be used for monitoring the Town's fleet of vehicles and heavy equipment, and will be 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 45-47 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 49-79 of this report.

Required Supplementary Information providing certain supporting pension schedules can be found on pages 81-84.

Combining Statements for the nonmajor governmental funds (referred to earlier) are presented following the required supplementary information. In addition, budget schedules for nonmajor governmental funds, the Transportation Impact Fund and all of the proprietary funds are also presented in this section. This information can be found on pages 85-105.

Government-wide Financial Analysis

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, 2019, the Town's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was \$520.6 million, an increase of \$76.2 million over the total at December 31, 2018. The Town reported positive balances in net position for both governmental and business-type activities. Net position increased by \$31.3 million in its governmental activities and \$44.8 million in its business-type activities.

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

Statement of Net Position as of December 31 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	\$ 74,289	\$ 62,535	\$ 96,705	\$ 75,732	\$ 170,994	\$ 138,267
Capital assets	160,943	138,395	284,881	261,516	445,824	399,911
Total assets	235,232	200,930	381,586	337,248	616,818	538,178
Deferred Outflows of Resources	2,149	1,307	3,238	3,496	5,387	4,803
Liabilities						
Long-term liabilities	16,466	16,956	64,613	67,988	81,079	84,944
Other liabilities	6,693	4,201	4,300	1,678	10,993	5,879
Total liabilities	23,159	21,157	68,913	69,666	92,072	90,823
Deferred Inflows of Resources	9,551	7,748	-	-	9,551	7,748
Net Position						
Net investment in capital assets	144,757	122,702	223,257	199,949	368,014	322,651
Restricted	32,769	32,618	856	824	33,625	33,442
Unrestricted	27,145	18,012	91,798	70,305	118,943	88,317
Total net position	\$ 204,671	\$ 173,332	\$ 315,911	\$ 271,078	\$ 520,582	\$ 444,410

The Town's net investment in capital assets represents 71% 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 6% 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 23% of the Town's total net position and may be used to meet ongoing obligations to the Town's residents and creditors.

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

Statement of Activities for the year ending December 31 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues						
Charges for services	\$ 8,183	\$ 8,759	\$ 17,440	\$ 16,502	\$ 25,623	\$ 25,261
Operating grants and contributions	1,642	1,489	15	15	1,657	1,504
Capital grants and contributions	27,251	16,668	42,523	32,299	69,774	48,967
General revenues						
Taxes	23,751	21,048	-	-	23,751	21,048
Grants	292	128	-	-	292	128
Investment earnings	1,412	925	2,082	1,131	3,494	2,056
Other	1,181	1,293	664	132	1,845	1,425
Total revenues	63,712	50,310	62,724	50,079	126,436	100,389
Expenses						
General government	10,886	6,372	-	-	10,886	6,372
Public safety	5,323	4,126	-	-	5,323	4,126
Public works	7,054	5,912	-	-	7,054	5,912
Parks and recreation	8,619	7,659	-	-	8,619	7,659
Interest on long-term debt	491	548	-	-	491	548
Water	-	-	10,552	10,127	10,552	10,127
Wastewater	-	-	5,790	5,406	5,790	5,406
Storm drainage	-	-	1,235	1,075	1,235	1,075
Airport	-	-	314	290	314	290
Total expenses	32,373	24,617	17,891	16,898	50,264	41,515
Increase in net position	31,339	25,693	44,833	33,181	76,172	58,874
Net position - beginning	173,332	147,639	271,078	237,897	444,410	385,536
Net position - ending	\$ 204,671	\$ 173,332	\$ 315,911	\$ 271,078	\$ 520,582	\$ 444,410

Governmental Activities – Revenues: During 2019, the Town's primary revenue sources for governmental operations included taxes, accounting for 37% of total governmental revenues. In addition, capital grants and contributions represented 43% of total governmental revenues while charges for services made up 13%. Program revenues of \$37.1 million were \$4.7 million more than expenses. Excluding \$15.7 million in contributions of infrastructure built by developers (included in capital grants and contributions), program revenues were \$11.0 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.

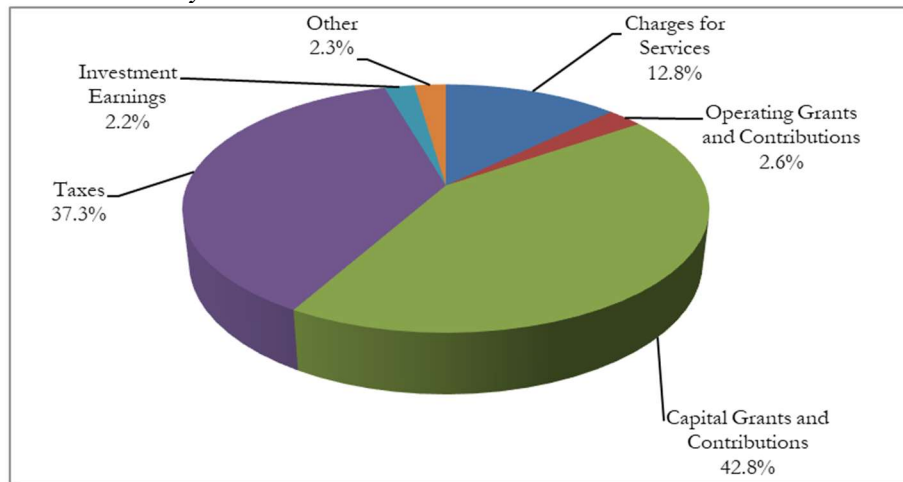
Total governmental activities revenues of \$63.7 million had an increase of \$13.4 million, or 27%, compared to 2018. Developer contributions of street and park infrastructure totaled \$15.7 million, an increase of \$8.4 million, or 115%, compared to 2018. All other revenue sources increased \$5.0 million, or 12%, to \$48.0 million in 2019. The primary drivers of the increase excluding developer contributions were sales, use and property taxes, which increased a total of \$2.6 million, or 13%, compared to 2018.

Also contributing to the increase in revenues was an agreement with a developer for a cash contribution to the Town in the amount of \$2.0 million for construction of a neighborhood park. Investment earnings increased \$487 thousand, or 53%, to \$1.4 million in 2019 due primarily to higher invested balances. In addition, the Town continued to experience strong development activity. Permits representing 607 dwelling units were issued in 2019 compared to 641 in 2018. Included in the 2018 number were 76 townhome units.

Partially offsetting these increases was a decline of \$849 thousand in permit fees, primarily reflecting a one-time receipt of a \$1.0 million fee in 2018 pursuant to an encroachment license for a pipeline. This same encroachment license provides for an ongoing annual payment of \$250 thousand.

The following chart provides the breakdown of revenues by source for 2019:

2019 Revenues by Source – Governmental Activities



Governmental Activities – Expenses: Total governmental activities expenses were \$32.4 million in 2019, an increase of \$7.8 million, or 32%, compared to 2018. The increase in expenses was due to the following:

- Personnel expense increased \$1.9 million, or 18%, to \$12.6 million in 2019 due to additions of new staff in 2018 and 2019 (primarily police and parks and recreation employees) and annual merit increases.
- Operations and maintenance expenses were \$13.4 million, an increase of \$4.9 million, or 57%, compared to 2018. Of this increase, \$2.5 million represents the estimated cost basis of land owned by the Town's URA provided as a development incentive for the Nine Mile project at the corner of Highway 287 and Arapahoe. This site is expected to have a Lowe's as its anchor tenant, in addition to various other commercial and retail businesses and multi-family housing.

As previously reported, the Town was the victim of a cyber-fraud in 2019, resulting in a loss of \$1.0 million, which is reflected in operations and maintenance expense. To date the Town has recovered \$250 thousand from its insurers, and is pursuing its claim for the remainder of the loss. The insurance claim proceeds are netted against the loss.

Excluding the land transfer and the fraud loss, operations and maintenance expenses increased \$1.6 million, or 19%, compared to 2018. This increase was primarily the result of street maintenance and other capital-type expenditures that did not meet capitalization criteria.

- Depreciation expense increased \$493 thousand, or 10%, primarily arising from developer-built streets contributed to the Town in 2018 and 2019 and the addition of two new neighborhood parks in 2018.

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

2019 Expenses and Offsetting Program Revenues – Governmental Activities

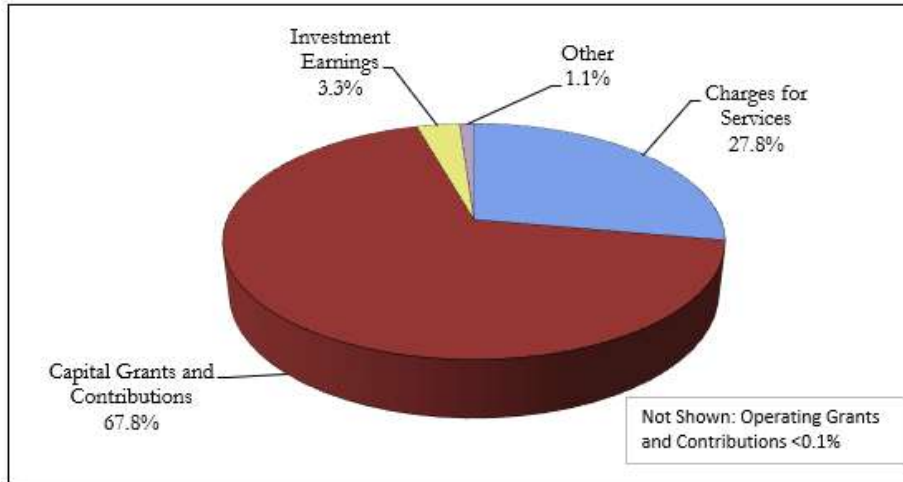


Business-type Activities – Revenues: Business-type activities primarily rely on charges for services to support related expenses. Charges for services of \$17.4 million for business-type activities represented 28% of 2019 revenues, and increased \$938 thousand, or 6%, compared to the prior year. This increase was due primarily to an increase in demand for all utility services due to growth and to an increase in water rates pursuant to a rate study conducted in 2014, partially offset by a decline in average water usage due to 2019 being a relatively wet year.

The other primary source of revenue, representing 68% 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 \$42.5 million in 2019, an increase of \$10.2 million, or 32%, compared to 2018, due to an increase of \$10.9 million in developer-constructed infrastructure donated to the Town compared to the prior year.

The following chart provides the breakdown of revenues by source for 2019:

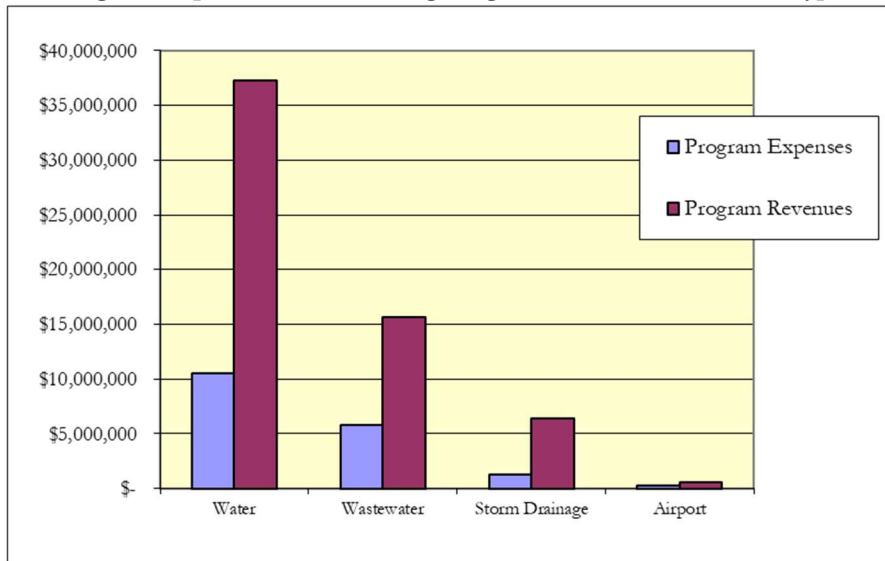
2019 Revenues by Source – Business-type Activities



Business-type Activities – Expenses: Business-type expenses were \$17.9 million in 2019, an increase of \$993 thousand, or 6%, compared to 2018. Contributing to this change was an increase in depreciation of \$518 thousand, or 9%, to \$6.6 million in 2019, resulting from new asset additions in 2018 and 2019. In addition, operating expenses (CBT assessments, supplies, etc.) increased \$428 thousand, or 11%, to \$4.4 million in 2019.

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

2019 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. In particular, 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 a 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.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$54.8 million. Of that amount, \$3.9 million was nonspendable, \$32.8 million was restricted, \$200 thousand was committed, \$1.4 million was assigned and \$16.5 million was unassigned fund balance.

The General Fund, the primary operating fund of the Town, had a fund balance at December 31, 2019, of \$30.1 million, of which \$3.9 million was nonspendable, \$4.1 million was restricted, \$1.4 million was assigned and \$20.7 million, was unassigned.

As just noted, the General Fund has \$3.9 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. See Note III.D. on page 65 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 \$20.7 million represents 98% of General Fund 2019 actual operating expenditures and 95% of 2020 budgeted operating expenditures.

The Town has two General Fund reserve policies. The first requires a reserve of 25% of operating expenditures be maintained. Based on 2019 budgeted expenditures the required reserve is \$5.3 million. In addition, in 2010 the Town established a \$7.5 million reserve which may only be used with the approval of the Board of Trustees for one-time or capital expenditures, or in the event of revenue reductions due to severe economic conditions in order to prevent significant reduction in services. In addition to unassigned fund balance, a portion of the restricted fund balance is available to meet these policy targets. As of year-end the available fund balance exceeded the policy targets.

Total fund balance of the General Fund increased \$2.5 million for the current year. Total revenues of \$31.8 million increased \$1.8 million, or 6%, compared to 2018, primarily reflecting strong growth in sales, use and property taxes. The Town issued residential building permits representing 607 dwelling units in 2019, a slight decrease compared to the 641 dwelling units added in 2018, reflecting continued strong development activity. Included in the 2018 number are 76 townhome units.

Expenditures of \$25.8 million decreased approximately \$4.3 million, or 14%, compared to the prior year. Capital expenditures in 2019 totaled \$3.2 million compared to \$10.3 million in 2018, a decrease of \$7.0 million, or 69%. Most of this decrease in capital outlays was the result of the \$6.4 million purchase in 2018 of 255 acres of land along Interstate 25 and Erie Parkway on the Town's eastern edge. This area is considered to be a critical part of the Town's future economic development, consisting of over 1,000 acres along the west side of Interstate 25.

Partially offsetting this decrease in expenses was a \$1.5 million, or 14%, increase in personnel expense, primarily the result of staff additions during 2018 and 2019 in uniformed police officers and parks and recreation staff. In addition, as noted above, the Town was the victim of a cyber-fraud in 2019, resulting in a loss of \$1.0 million, which is reflected in operations and maintenance expense. To date the Town has recovered \$250 thousand from its insurers, and is pursuing its claim for the remainder of the loss. The insurance claim proceeds are netted against the loss.

During 2019 there were three transfers from the General Fund totaling \$4.3 million, two to the Town's urban renewal authority and one to the Fleet & Equipment Acquisition Fund. Transfers primarily reflect movement of revenues from the fund with collection authorization to the fund making the expenditure.

The first transfer (non-cash) to the URA was in the amount of \$2.6 million. This amount represents the estimated value of the retail/commercial land contributed to the developer of the Nine Mile project at the corner of Highway 287 and Arapahoe as part of the incentive package for the project. The original purchase of this land was funded through an advance from the Town's General Fund to the URA. With the contribution of this land the Town's General Fund effectively needed to "forgive" this portion of the advance, accomplished with a transfer to the URA. Future revenues from development of the site will more than offset this transfer of land.

The second transfer (non-cash) from the Town's General Fund to the URA was in the amount of \$411 thousand. This amount represented the estimated expenses (including allocated staff

time) incurred by the URA in its efforts to establish an urban renewal area in the I-25 corridor. These expenditures were funded through advances from the Town's General Fund. To date the URA has not been successful in establishing an urban renewal area in the I-25 corridor. While efforts will continue to establish a funding mechanism for the required infrastructure in the area – including through the URA – due to the uncertainty of how this infrastructure will be funded and how the advance will be repaid, the advance funding these expenditures was converted to a transfer from the Town's General Fund. Should future revenues become available to the URA from development in this area, the Town could then recover the amount previously advanced.

The transfer from the General Fund to the Fleet and Equipment Acquisition Fund - in the amount of \$1.25 million - was to establish this new fund. These funds and future contributions will be used to establish a funding mechanism for future replacements and additions of vehicles and equipment.

In 2019, the Town had three other major governmental funds. Essentially all of the revenues of the Trails and Natural Areas Fund (T&NAF) come from a dedicated 4.000 mill property tax levy. This mill levy generated \$1.6 million in property taxes in 2019, an increase of \$226 thousand, or 17%, compared to the prior year, the result of building activity and increases in assessed values of existing properties. The only significant expenditure activity in 2019 was the purchase of the Wise Farm for \$7.2 million, of which \$500 thousand was funded by the Parks Improvement Impact Fund for a future park site. The remaining land will be retained as open space. At the time of the purchase the T&NAF did not have adequate funds on hand for the purchase, so the General Fund provided the additional required cash. This interfund receivable/payable relationship, which had a balance of \$508 thousand as of December 31, 2019, was repaid from property tax receipts of the T&NAF in early 2020.

The Transportation Impact Fund was also considered a major fund in 2019. Its funding source is primarily impact fees collected at the time building permits are issued. These revenues totaled \$4.1 million in 2019, a slight decrease of \$108 thousand, or 3%, compared to the prior year. All expenditures of this fund must be capital in nature and mitigate the impacts of new development. The only significant capital project in 2019 was construction of the Erie Parkway Bridge, accounting for \$5.7 million of the \$5.9 million in total capital expenditures.

The remaining major governmental fund in 2019 was the Town's urban renewal authority. Prior to 2012 the URA had no significant activities. Since then, the URA has expended \$4.2 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 approximately \$2.5 million in operating expenses, primarily for legal and consulting fees to identify various urban renewal areas along with other related activities, and allocated personnel costs of Town support staff. As discussed above, these expenditures were funded with advances by the General Fund. The advance from the General Fund was satisfied in part through the 2019 transfers from the General Fund discussed above. The remaining advance, which was \$3.7 million as of December 31, 2019, will be recovered through various activities.

A total of \$17.3 million in fund balances are restricted or committed for future capital outlays and similar purposes in the other (nonmajor) governmental funds.

See Note I.D.10. on pages 57-58, Note II.B. on page 59, and Note III.D. on pages 65-66 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, 2019, was \$315.9 million, of which \$91.8 million was unrestricted net position. Total net position increased \$44.8 million over the prior year, with unrestricted net position increasing \$21.5 million.

The \$44.8 million increase in total net position is attributable primarily to an increase of \$28.6 million in net position in the Water Fund. This favorable change was due to an increase in capital contributions of \$3.9 million, or 17%, to \$26.8 million in 2019 as a result of an increase of \$3.9 million in developer-constructed infrastructure donated to the Town compared to the prior year. Operating revenues (charges for services) were \$10.4 million, an increase of \$178 thousand, or 2%, compared to 2018 due to an increase in usage charges effective January 1, 2019, pursuant to a rate study conducted in 2014, and an increase in the number of customers, partially offset by a decline in usage as a result of a relatively wet irrigation season.

Operating expenses of the Water Fund increased \$490 thousand, or 6%, to \$8.8 million. This increase was due to increases in repair and maintenance expenses and depreciation expense.

In the Wastewater Fund net position increased \$10.5 million. Operating revenues (charges for services) were \$5.5 million, a \$391 thousand, or 8%, increase from 2018 as a result of an increase in customers. Capital contributions increased \$3.0 million, or 42%, compared to 2018, the result of donated infrastructure constructed by developers. Operating expenses were up \$395 thousand, or 8%, from 2018, due primarily to increases in depreciation and operating and maintenance expense.

Net position in the Storm Drainage Operating Fund increased \$5.4 million. This increase was primarily the result of donated infrastructure constructed by developers in the amount of \$4.9 million. Net position in the Airport Fund increased \$289 thousand, primarily the result of \$545 thousand in grant revenues, net of \$287 thousand in depreciation expense.

General Fund Budgetary Highlights

The 2019 General Fund original budget provided for a surplus of \$924 thousand, reflecting revenues of \$26.3 million, expenditures of \$25.7 million and other financing sources of \$300 thousand. The final budget provided for a deficit of \$2.1 million, reflecting revenues of \$29.3 million, expenditures of \$28.0 million and other financing uses (net) of \$3.4 million. Revenues and other financing sources increased \$3.6 million to \$30.2 million in the final budget, primarily due to increased projections for sales and use tax (increased \$2.2 million). The expenditure and other financing uses budget increased \$6.6 million to \$32.3 million in the final budget. The primary expenditure changes to the original budget were the addition of the \$4.3 million in transfers to the urban renewal authority and Fleet and Equipment Acquisition Fund discussed previously, \$870 thousand in additions for professional services (legal and consulting) and \$734 thousand for capital projects (primarily rollovers of incomplete capital projects from 2018).

Actual results for 2019 in the General Fund was a surplus of \$2.5 million. Revenues exceeded budget in almost all categories, with particular strength in sales and use tax, permit and development-related fees and landfill fees. Expenditures were under budget due primarily to the timing of various capital, maintenance and consulting projects, expense controls/savings and open positions. Additional information can be found in “Governmental Funds” above.

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, 2019, for its governmental and business-type activities amounted to \$445.8 million, a net increase of \$45.9 million from December 31, 2018. The increase in capital assets was the result of \$27.5 million in Town-funded additions and \$33.5 million in infrastructure constructed by developers and contributed to the Town, partially offset by \$12.0 million in depreciation.

Capital Assets as of December 31, 2019 and 2018 (net of accumulated depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Land	\$ 26,978	\$ 22,882	\$ 6,563	\$ 5,836	\$ 33,541	\$ 28,718
Water rights	-	-	84,413	84,390	84,413	84,390
Buildings	31,638	32,646	761	74	32,399	32,720
Improvements other than buildings	91,931	77,098	171,623	158,733	263,554	235,831
Machinery, equipment, and vehicles	2,505	2,717	1,313	1,021	3,818	3,738
Construction in progress	7,891	3,052	20,208	11,462	28,099	14,514
Total capital assets	<u>\$ 160,943</u>	<u>\$ 138,395</u>	<u>\$ 284,881</u>	<u>\$ 261,516</u>	<u>\$ 445,824</u>	<u>\$ 399,911</u>

Major capital improvements during the fiscal year ended December 31, 2019, included the following:

Governmental Activities (total additions - \$31.0 million)

- Developer-constructed infrastructure – primarily streets (\$15.7 million)
- Purchase of Wise Farm for open space and future park site (\$7.2 million)
- Erie Parkway bridge (\$5.7 million)
- Various street improvements (\$1.6 million)

Business-type Activities (total additions - \$30.0 million)

- Developer-constructed infrastructure (\$17.8 million)
- Expansion of the water treatment plant (\$5.6 million)
- Windy Gap & NISP projects (\$2.1 million)
- Expansion of the wastewater treatment plant (\$1.4 million)

Additional information on the Town's capital assets can be found in Note III.C. on pages 64-65 of this report.

Long-Term Debt

At the end of 2019, the Town had \$79.3 million in total outstanding long-term debt, a decrease of \$4.5 million from December 31, 2018. Of this amount, \$14.9 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.

The following table summarizes long-term debt outstanding as of December 31, 2019, and 2018.

Outstanding Debt as of December 31, 2019 and 2018 (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 14,853	\$ 15,938	\$ -	\$ -	\$ 14,853	\$ 15,938
Revenue bonds and loans	-	-	42,519	45,299	42,519	45,299
Certificates of participation	-	-	21,825	22,495	21,825	22,495
Capital lease obligations	30	-	29	-	59	-
Total debt outstanding	<u>\$ 14,883</u>	<u>\$ 15,938</u>	<u>\$ 64,373</u>	<u>\$ 67,794</u>	<u>\$ 79,256</u>	<u>\$ 83,732</u>

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 and wastewater system revenue bonds were increased from A1 to Aa3 by Moody's Investors Services in 2017.

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 \$116.0 million.

Additional information on the Town's long-term debt can be found in Note III.E. on pages 66-70 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. But for 2020, and for some time after that, the global COVID-19 pandemic will have a major impact on the Town's financial performance.

The 2020 budget was approved by the Board of Trustees in October 2019. The General Fund, the Town's primary operating fund, had a budgeted surplus of \$12 thousand. Town management's updated forecast for 2020 reflecting estimated impacts from the economic effects of the pandemic projects a deficit in the General Fund of approximately \$3.6 million. Projected revenue shortfalls of \$4.8 million are primarily related to sales tax, revenues related to development activity and recreation activities. In response to this projected decrease in revenues, the Town has deferred several capital projects, and has either deferred or eliminated various operating expenses. Open positions are reviewed before filling to ensure the positions are critical in nature.

Due to the strength of the fund balance in the General Fund, management expects fund balance available for appropriation only to decline to 92% of 2020 original budgeted personnel and operating expenditures, compared to 97% for 2019. Currently management expects no significant impact to the Town's enterprise funds as a result of the pandemic.

The Town will continually monitor economic conditions and their impact on the Town's financial condition. Management has identified various cost reduction options in addition to those already implemented should additional steps need to be taken to address revenue shortfalls exceeding those assumed in the forecast.

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, P.O. Box 750, Erie, CO, 80516.

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Basic Financial Statements

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Town of Erie, Colorado
Statement of Net Position
December 31, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled Cash and Investments	\$ 55,598,274	\$ 91,268,975	\$146,867,249
Restricted Cash and Investments	3,764,855	2,801,680	6,566,535
Receivables	14,687,757	2,208,214	16,895,971
Prepaid Items and Other Assets	238,000	425,249	663,249
Capital Assets Not Being Depreciated			
Land and Water Rights	26,978,014	90,976,205	117,954,219
Construction in Progress	7,890,592	20,208,021	28,098,613
Capital Assets, Net of Accumulated Depreciation	126,074,065	173,697,234	299,771,299
Total Assets	235,231,557	381,585,578	616,817,135
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refundings	608,146	3,238,253	3,846,399
Pension Related Items	1,540,699	-	1,540,699
Total Deferred Outflows of Resources	2,148,845	3,238,253	5,387,098
LIABILITIES			
Accounts Payable	3,343,117	3,695,298	7,038,415
Accrued Interest Payable	41,101	276,328	317,429
Accrued Wages Payable	272,763	97,316	370,079
Other Liabilities	2,079,781	164,191	2,243,972
Unearned Revenue	954,935	67,154	1,022,089
Noncurrent Liabilities:			
Due within one year	1,510,390	3,465,904	4,976,294
Due in more than one year	14,522,798	61,147,093	75,669,891
Net Pension Liability	432,908	-	432,908
Total Liabilities	23,157,793	68,913,284	92,071,077
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	9,523,193	-	9,523,193
Pension Related Items	28,091	-	28,091
Total Deferred Inflows of Resources	9,551,284	-	9,551,284
NET POSITION			
Net Investment in Capital Assets	144,757,342	223,256,751	368,014,093
Restricted			
Capital Projects	29,567,531	-	29,567,531
Parks and Open Space	758,856	-	758,856
Solid Waste/Streets	1,172,010	-	1,172,010
Operations and Maintenance Reserves	-	856,000	856,000
Emergencies	1,270,601	-	1,270,601
Unrestricted	27,144,985	91,797,796	118,942,781
Total Net Position	\$ 204,671,325	\$ 315,910,547	\$520,581,872

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

Town of Erie, Colorado
Statement of Activities
For the Year Ended December 31, 2019

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental Activities					
General Government	\$ 10,886,195	\$ 2,683,426	\$ 87,921	\$ 1,227,009	\$ 3,998,356
Public Safety	5,322,831	364,421	9,384	-	373,805
Public Works	7,054,349	2,871,912	1,298,531	20,868,155	25,038,598
Parks and Recreation	8,619,341	2,263,602	246,387	5,156,235	7,666,224
Interest on Long-Term Debt	491,020	-	-	-	-
Total Governmental Activities	<u>32,373,736</u>	<u>8,183,361</u>	<u>1,642,223</u>	<u>27,251,399</u>	<u>37,076,983</u>
Business-type Activities					
Water	10,552,481	10,429,799	15,000	26,845,844	37,290,643
Wastewater	5,789,508	5,486,900	-	10,201,532	15,688,432
Storm Drainage	1,235,057	1,513,384	-	4,930,817	6,444,201
Airport	313,934	10,027	-	545,284	555,311
Total Business-type Activities	<u>17,890,980</u>	<u>17,440,110</u>	<u>15,000</u>	<u>42,523,477</u>	<u>59,978,587</u>
Total Primary Government	<u>\$ 50,264,716</u>	<u>\$ 25,623,471</u>	<u>\$ 1,657,223</u>	<u>\$ 69,774,876</u>	<u>\$ 97,055,570</u>

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

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
	\$ (6,887,839)	\$ -	\$ (6,887,839)
	(4,949,026)	-	(4,949,026)
	17,984,249	-	17,984,249
	(953,117)	-	(953,117)
	(491,020)	-	(491,020)
	<u>4,703,247</u>	<u>-</u>	<u>4,703,247</u>
	-	26,738,162	26,738,162
	-	9,898,924	9,898,924
	-	5,209,144	5,209,144
	<u>-</u>	<u>241,377</u>	<u>241,377</u>
	<u>-</u>	<u>42,087,607</u>	<u>42,087,607</u>
	<u>4,703,247</u>	<u>42,087,607</u>	<u>46,790,854</u>
GENERAL REVENUES			
Property Taxes	7,318,677	-	7,318,677
Sales and Use Taxes	15,121,419	-	15,121,419
Franchise Taxes	929,733	-	929,733
Specific Ownership Taxes	381,373	-	381,373
Grants and Contributions not Restricted to Specific Programs	291,898	-	291,898
Investment Earnings	1,411,789	2,080,168	3,491,957
Miscellaneous	<u>1,180,904</u>	<u>664,410</u>	<u>1,845,314</u>
Total General Revenues	<u>26,635,793</u>	<u>2,744,578</u>	<u>29,380,371</u>
Changes in Net Position	31,339,040	44,832,185	76,171,225
Net Position - Beginning	<u>173,332,285</u>	<u>271,078,362</u>	<u>444,410,647</u>
Net Position - Ending	<u>\$ 204,671,325</u>	<u>\$ 315,910,547</u>	<u>\$ 520,581,872</u>

Town of Erie, Colorado
Balance Sheet
Governmental Funds
December 31, 2019

	General Fund	Trails and Natural Areas Fund	Transportation Impact Fund	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Pooled Cash and Investments	\$ 27,456,688	\$ -	\$ 9,507,471	\$ -	\$ 17,383,391	\$ 54,347,550
Restricted Cash and Investments	-	-	-	3,764,855	-	3,764,855
Receivables	8,710,978	2,107,425	17,741	2,466,474	1,385,139	14,687,757
Due From Other Funds	508,233	-	-	-	-	508,233
Prepaid Items and Other Assets	238,000	-	-	-	-	238,000
Advances to Other Funds	3,729,450	-	-	-	-	3,729,450
Total Assets	<u>\$ 40,643,349</u>	<u>\$ 2,107,425</u>	<u>\$ 9,525,212</u>	<u>\$ 6,231,329</u>	<u>\$ 18,768,530</u>	<u>\$ 77,275,845</u>
LIABILITIES						
Accounts Payable	\$ 1,572,938	\$ 14,561	\$ 1,469,613	\$ 179,495	\$ 106,510	\$ 3,343,117
Wages Payable	269,261	-	-	3,502	-	272,763
Other Liabilities	2,061,321	-	5,500	2,178	10,058	2,079,057
Due to Other Funds	-	508,233	-	-	-	508,233
Advances from Other Funds	-	-	-	3,729,450	-	3,729,450
Unearned Revenue	926,830	-	12,338	375,000	1,365,768	2,679,936
Total Liabilities	<u>4,830,350</u>	<u>522,794</u>	<u>1,487,451</u>	<u>4,289,625</u>	<u>1,482,336</u>	<u>12,612,556</u>
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	5,332,249	2,107,191	-	2,083,753	-	9,523,193
Unavailable Fund Resources - Grants	343,944	-	-	-	-	343,944
Total Deferred Inflows of Resources	<u>5,676,193</u>	<u>2,107,191</u>	<u>-</u>	<u>2,083,753</u>	<u>-</u>	<u>9,867,137</u>
FUND BALANCES						
Nonspendable						
Interfund Advances - Noncurrent	3,729,450	-	-	-	-	3,729,450
Prepaid Items	218,000	-	-	-	-	218,000
Restricted for:						
Capital Projects	1,648,000	-	8,037,761	3,591,255	16,290,515	29,567,531
Parks and Open Space	-	-	-	-	758,856	758,856
Solid Waste/Streets	1,172,010	-	-	-	-	1,172,010
Emergency Reserves	1,270,601	-	-	-	-	1,270,601
Committed to:						
Cemetery Operations	-	-	-	-	236,823	236,823
Assigned to:						
Purchases on Order	1,428,579	-	-	-	-	1,428,579
Unassigned	20,670,166	(522,560)	-	(3,733,304)	-	16,414,302
Total Fund Balances	<u>30,136,806</u>	<u>(522,560)</u>	<u>8,037,761</u>	<u>(142,049)</u>	<u>17,286,194</u>	<u>54,796,152</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 40,643,349</u>	<u>\$ 2,107,425</u>	<u>\$ 9,525,212</u>	<u>\$ 6,231,329</u>	<u>\$ 18,768,530</u>	<u>\$ 77,275,845</u>

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

Town of Erie, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2019

	<u>Amount</u>
The amounts reported as Governmental Activities on the Statement of Net Position (page 35) are different because:	
Total Governmental Fund Balances (page 38)	\$ 54,796,152
Capital assets utilized in Governmental Activities are not financial resources and, therefore, are not reported in the fund financial statements.	160,942,671
Certain receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	2,068,944
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	(14,000,000)
Capital lease obligations	(30,382)
Unamortized issuance premium	(852,798)
Unamortized deferred refunding loss	608,146
Accrued interest payable	(41,101)
Compensated absences	(699,300)
Other noncurrent liabilities	<u>(450,707)</u>
Total long-term liabilities and related items	(15,466,142)
Net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	(432,908)
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	340,549
Changes in assumptions	419,258
Change in experience	556,250
Contributions subsequent to the measurement date	220,731
Change in proportionate share	<u>3,911</u>
Total deferred outflows of resources	1,540,699
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	(4,625)
Change in proportionate share	<u>(23,466)</u>
Total deferred inflows of resources	(28,091)
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.	<u>1,250,000</u>
Net Position - Governmental Activities (page 35)	<u><u>\$204,671,325</u></u>

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

Town of Erie, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General Fund	Trails and Natural Areas Fund	Transportation Impact Fund	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 20,750,132	\$ 1,557,125	\$ -	\$ 1,443,945	\$ -	\$ 23,751,202
Intergovernmental	1,687,735	-	-	-	246,387	1,934,122
Licenses and Permits	2,849,759	-	-	-	-	2,849,759
Fees and Charges for Services	4,940,856	-	-	1,551	26,775	4,969,182
Fines and Forfeitures	364,421	-	-	-	-	364,421
Capital Contributions and Fees	-	-	4,095,296	-	5,757,589	9,852,885
Investment Earnings	693,693	63,010	242,471	43,710	368,905	1,411,789
Miscellaneous	558,578	3,960	-	3,000	12,265	577,803
Total Revenues	31,845,174	1,624,095	4,337,767	1,492,206	6,411,921	45,711,163
EXPENDITURES						
Current Operating:						
General Government	6,549,890	-	-	367,501	-	6,917,391
Public Safety	5,029,328	-	-	-	-	5,029,328
Public Works	3,429,778	-	-	-	-	3,429,778
Parks and Recreation	6,028,787	45,172	-	-	77,664	6,151,623
Capital Outlay	3,231,882	6,720,021	5,887,290	375,000	1,053,764	17,267,957
Debt Service						
Principal	964,080	-	-	-	-	964,080
Interest	531,867	-	-	-	-	531,867
Total Expenditures	25,765,612	6,765,193	5,887,290	742,501	1,131,428	40,292,024
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,079,562	(5,141,098)	(1,549,523)	749,705	5,280,493	5,419,139
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	3,015,000	-	3,015,000
Transfers Out	(4,265,000)	-	-	-	-	(4,265,000)
Capital Leases	34,462	-	-	-	-	34,462
Proceeds on the Sale of Capital Assets	49,404	-	-	-	-	49,404
Insurance Recoveries	77,193	-	-	-	-	77,193
Proceeds from Litigation Settlements	476,500	-	-	-	-	476,500
Total Other Financing Sources (Uses)	(3,627,441)	-	-	3,015,000	-	(612,441)
Net Change in Fund Balance	2,452,121	(5,141,098)	(1,549,523)	3,764,705	5,280,493	4,806,698
Fund Balance - Beginning	27,684,685	4,618,538	9,587,284	(3,906,754)	12,005,701	49,989,454
Fund Balance - Ending	\$ 30,136,806	\$ (522,560)	\$ 8,037,761	\$ (142,049)	\$ 17,286,194	\$ 54,796,152

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

Town of Erie, Colorado
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019

	<u>Amount</u>
The amounts reported as Governmental Activities on the Statement of Activities (pages 36-37) are different because:	
Net Changes in Fund Balances - Governmental Funds (page 40)	\$ 4,806,698
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 expense.	
Capital outlays	15,285,733
Depreciation expense	<u>(5,357,709)</u>
Excess of capital outlays over depreciation	9,928,024
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.	15,673,514
Contribution of land to a developer as a development incentive for construction of a commercial and multi-family site and related infrastructure does not appear in the governmental funds because it does not use financial resources.	(2,505,852)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,725,000
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.	964,080
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	(548,448)
Change in accrued interest payable	3,111
Change in accrued compensated absences	(132,962)
Amortization of premiums, discounts, deferred refunding losses and bond insurance premiums	34,408
Pension expense	(44,802)
Employer contribution expense	<u>220,731</u>
Total expenses not requiring current resources	(467,962)
Governmental Funds report proceeds from borrowings as other financing sources. However, in the Statement of Net Position these proceeds are reflected as debt obligations.	(34,462)
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.	<u>1,250,000</u>
Change in Net Position - Governmental Activities (page 37)	<u><u>\$ 31,339,040</u></u>

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

Town of Erie, Colorado
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes	\$ 16,570,600	\$ 18,836,000	\$ 20,750,132	\$ 1,914,132
Intergovernmental	1,283,500	1,643,000	1,687,735	44,735
Licenses and Permits	2,343,000	2,592,800	2,849,759	256,959
Fees and Charges for Services	4,698,500	4,731,500	4,940,856	209,356
Fines and Forfeitures	275,000	293,000	364,421	71,421
Investment Earnings	325,000	500,000	693,693	193,693
Miscellaneous	788,400	699,800	558,578	(141,222)
Total Revenues	26,284,000	29,296,100	31,845,174	2,549,074
EXPENDITURES				
Current Operating:				
General Government				
Legislative	294,300	240,000	216,967	23,033
Town Administration	2,420,100	3,499,800	3,135,508	364,292
Community Development	2,027,700	2,045,500	1,744,268	301,232
Finance	314,900	336,400	324,662	11,738
Central Charges	350,600	368,600	1,128,485	(759,885)
Public Safety	4,780,000	5,040,700	5,029,328	11,372
Public Works	3,467,200	3,620,800	3,429,778	191,022
Parks and Recreation	6,044,100	6,159,800	6,028,787	131,013
Capital Outlay	4,468,400	5,202,800	3,231,882	1,970,918
Debt Service				
Principal	960,000	964,600	964,080	520
Interest	532,600	532,600	531,867	733
Total Expenditures	25,659,900	28,011,600	25,765,612	2,245,988
Excess of Revenues over Expenditures	624,100	1,284,500	6,079,562	4,795,062
OTHER FINANCING SOURCES (USES)				
Transfers In	300,000	10,000	-	(10,000)
Transfers Out	-	(4,288,000)	(4,265,000)	23,000
Capital Leases	-	34,700	34,462	(238)
Proceeds on the Sale of Capital Assets	-	365,900	49,404	(316,496)
Insurance Recoveries	-	13,300	77,193	63,893
Proceeds from Litigation Settlements	-	476,500	476,500	-
Total Other Financing Sources (Uses)	300,000	(3,387,600)	(3,627,441)	(239,841)
Net Change in Fund Balance	\$ 924,100	\$ (2,103,100)	2,452,121	\$ 4,555,221
Fund Balance - Beginning			27,684,685	
Fund Balance - Ending			<u>\$ 30,136,806</u>	

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

Town of Erie, Colorado
Trails & Natural Areas Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes	\$ 1,578,000	\$ 1,568,000	\$ 1,557,125	\$ (10,875)
Investment Earnings	25,000	50,000	63,010	13,010
Miscellaneous	-	-	3,960	3,960
Total Revenues	1,603,000	1,618,000	1,624,095	6,095
EXPENDITURES				
Current Operating:				
Parks and Recreation	32,400	32,400	45,172	(12,772)
Capital Outlay	1,735,000	6,801,300	6,720,021	81,279
Total Expenditures	1,767,400	6,833,700	6,765,193	68,507
Deficiency of Revenues over Expenditures	(164,400)	(5,215,700)	(5,141,098)	74,602
OTHER FINANCING USES				
Transfers Out	(300,000)	-	-	-
Total Other Financing Uses	(300,000)	-	-	-
Net Change in Fund Balance	\$ (464,400)	\$ (5,215,700)	(5,141,098)	\$ 74,602
Fund Balance - Beginning			4,618,538	
Fund Balance - Ending			\$ (522,560)	

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

Town of Erie, Colorado
Erie Urban Renewal Authority
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes	\$ 1,093,000	\$ 1,630,000	\$ 1,443,945	\$ (186,055)
Fees and Charges for Services	1,000	1,500	1,551	51
Investment Earnings	5,000	5,000	43,710	38,710
Miscellaneous	-	3,000	3,000	-
Total Revenues	1,099,000	1,639,500	1,492,206	(147,294)
EXPENDITURES				
Current Operating:				
General Government	382,400	430,200	367,501	62,699
Capital Outlay	-	1,552,100	375,000	1,177,100
Total Expenditures	382,400	1,982,300	742,501	1,239,799
Excess (Deficiency) of Revenues Over (Under) Expenditures	716,600	(342,800)	749,705	1,092,505
OTHER FINANCING SOURCES				
Transfers In	-	3,038,000	3,015,000	(23,000)
Proceeds from Disposition of Capital Assets	1,300,000	-	-	-
Total Other Financing Sources	1,300,000	3,038,000	3,015,000	(23,000)
Net Change in Fund Balance	\$ 2,016,600	\$ 2,695,200	3,764,705	\$ 1,069,505
Fund Balance - Beginning			(3,906,754)	
Fund Balance - Ending			\$ (142,049)	

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

Town of Erie, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2019

	Business-type Activities					Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Airport Fund	Total Enterprise Funds	Internal Service Fund (1)
ASSETS						
Current Assets						
Pooled Cash and Investments	\$ 60,879,538	\$ 26,828,875	\$ 3,456,778	\$ 103,784	\$ 91,268,975	\$ 1,250,724
Restricted Cash and Investments	2,801,680	-	-	-	2,801,680	-
Receivables	1,204,698	736,561	235,214	31,741	2,208,214	-
Prepaid Items	380,530	44,719	-	-	425,249	-
Total Current Assets	65,266,446	27,610,155	3,691,992	135,525	96,704,118	1,250,724
Noncurrent Assets						
Capital Assets						
Construction in Progress	16,808,847	1,699,174	1,700,000	-	20,208,021	-
Land and Water Rights	90,261,183	59,022	63,705	592,295	90,976,205	-
Buildings, Property, and Equipment	116,890,052	71,893,674	36,567,687	6,642,179	231,993,592	-
Accumulated Depreciation	(33,143,641)	(16,303,048)	(5,858,917)	(2,990,752)	(58,296,358)	-
Total Capital Assets	190,816,441	57,348,822	32,472,475	4,243,722	284,881,460	-
Total Noncurrent Assets	190,816,441	57,348,822	32,472,475	4,243,722	284,881,460	-
Total Assets	256,082,887	84,958,977	36,164,467	4,379,247	381,585,578	1,250,724
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Charges on Refunding	1,345,354	1,892,899	-	-	3,238,253	-
Total Deferred Outflows of Resources	1,345,354	1,892,899	-	-	3,238,253	-
LIABILITIES						
Current Liabilities						
Accounts Payable	3,313,469	287,395	94,434	-	3,695,298	-
Accrued Interest Payable	219,488	53,129	3,711	-	276,328	-
Wages Payable	49,580	43,467	4,186	83	97,316	-
Other Liabilities	146,610	15,521	2,000	60	164,191	724
Unearned Revenue	53,424	13,730	-	-	67,154	-
Compensated Absences	104,190	84,819	4,269	178	193,456	-
Current Portion of Long Term Debt						
Certificates of Participation Payable	685,000	-	-	-	685,000	-
Loans Payable	-	142,854	13,275	-	156,129	-
Bonds Payable	1,880,000	545,000	-	-	2,425,000	-
Capital Lease Obligations	6,319	-	-	-	6,319	-
Total Current Liabilities	6,458,080	1,185,915	121,875	321	7,766,191	724
Noncurrent Liabilities						
Compensated Absences	22,916	24,117	-	-	47,033	-
Long Term Debt, Net of Unamortized Premiums and Discounts						
Certificates of Participation Payable	22,280,126	-	-	-	22,280,126	-
Loans Payable	-	1,402,614	234,148	-	1,636,762	-
Bonds Payable	20,593,941	16,567,036	-	-	37,160,977	-
Capital Lease Obligations	22,195	-	-	-	22,195	-
Total Noncurrent Liabilities	42,919,178	17,993,767	234,148	-	61,147,093	-
Total Liabilities	49,377,258	19,179,682	356,023	321	68,913,284	724
NET POSITION						
Net Investment in Capital Assets	146,369,730	40,418,247	32,225,052	4,243,722	223,256,751	-
Restricted						
Operations and Maintenance Reserves	-	856,000	-	-	856,000	-
Unrestricted	61,681,253	26,397,947	3,583,392	135,204	91,797,796	1,250,000
Total Net Position	\$ 208,050,983	\$ 67,672,194	\$ 35,808,444	\$ 4,378,926	\$ 315,910,547	\$ 1,250,000

(1) Fleet and Equipment Acquisition Fund

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

Town of Erie, Colorado
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Business-type Activities					Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Airport Fund	Total Enterprise Funds	Internal Service Fund (1)
OPERATING REVENUES						
Charges for Services	\$ 10,429,799	\$ 5,486,900	\$ 1,513,384	\$ 10,027	\$ 17,440,110	\$ -
OPERATING EXPENSES						
Personnel Services	2,305,940	1,944,056	204,800	3,910	4,458,706	-
Operations and Maintenance	2,746,365	1,357,962	255,162	22,561	4,382,050	-
Depreciation	3,738,035	1,837,044	770,081	287,463	6,632,623	-
Total Operating Expenses	8,790,340	5,139,062	1,230,043	313,934	15,473,379	-
Net Operating Income (Loss)	1,639,459	347,838	283,341	(303,907)	1,966,731	-
NON-OPERATING REVENUES (EXPENSES)						
Investment Earnings	1,370,664	639,135	68,805	1,564	2,080,168	-
Intergovernmental	15,000	-	-	-	15,000	-
Other Non-Operating Income	18,921	-	98,407	46,061	163,389	-
Interest Expense	(1,760,175)	(650,446)	(5,014)	-	(2,415,635)	-
Proceeds from Litigation Settlements	500,000	-	-	-	500,000	-
Gain (Loss) on Disposition of Capital Assets	(1,966)	1,021	-	-	(945)	-
Total Non-Operating Revenues (Expenses)	142,444	(10,290)	162,198	47,625	341,977	-
Income (Loss) Before Contributions	1,781,903	337,548	445,539	(256,282)	2,308,708	-
Capital Contributions and Grants	26,845,844	10,201,532	4,930,817	545,284	42,523,477	-
Transfers In	-	-	-	-	-	1,250,000
Change in Net Position	28,627,747	10,539,080	5,376,356	289,002	44,832,185	1,250,000
Total Net Position - Beginning	179,423,236	57,133,114	30,432,088	4,089,924	271,078,362	-
Total Net Position - Ending	\$ 208,050,983	\$ 67,672,194	\$ 35,808,444	\$ 4,378,926	\$ 315,910,547	\$ 1,250,000

(1) Fleet and Equipment Acquisition Fund

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

Town of Erie, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Business-type Activities					Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Airport Fund	Total Enterprise Funds	Internal Service Fund (1)
Cash Flows from Operating Activities						
Receipts from Customers and Users	\$ 10,390,419	\$ 5,448,593	\$ 1,537,230	\$ 58,434	\$ 17,434,676	\$ -
Payments to Employees	(2,267,445)	(1,911,691)	(203,702)	(3,786)	(4,386,624)	-
Payments to Suppliers	(2,736,331)	(1,337,756)	(206,290)	(22,561)	(4,302,938)	-
Net Cash Provided by Operating Activities	5,386,643	2,199,146	1,127,238	32,087	8,745,114	-
Cash Flows from Non-capital Financing Activities						
Operating Grants	15,000	-	-	-	15,000	-
Cash Flows Provided by Non-capital Financing Activities	15,000	-	-	-	15,000	-
Cash Flows from Capital and Related Financing Activities						
Capital Grants	-	-	-	573,223	573,223	-
Receipts from Capital Debt Issuance	29,639	-	-	-	29,639	-
Acquisition and Construction of Capital Assets	(7,388,669)	(1,747,115)	-	(592,230)	(9,728,014)	-
Proceeds from Sale of Capital Assets	30,000	1,021	-	-	31,021	-
Principal Paid on Capital Debt	(2,491,124)	(667,010)	(13,025)	-	(3,171,159)	-
Interest Paid on Capital Debt	(1,797,193)	(644,315)	(5,210)	-	(2,446,718)	-
Capital Contributions	20,445,008	3,733,160	-	-	24,178,168	-
Proceeds from Litigation Settlements	500,000	-	-	-	500,000	-
Transfer from Other Funds	-	-	-	-	-	1,250,000
Cash Flows Provided by (Used in) Capital and Related Financing Activities	9,327,661	675,741	(18,235)	(19,007)	9,966,160	1,250,000
Cash Flows from Investing Activities						
Purchase of Investments	35,220	15,521	2,000	60	52,801	724
Earnings on Investments	1,253,466	626,283	65,968	2,018	1,947,735	-
Cash Flows Provided by Investing Activities	1,288,686	641,804	67,968	2,078	2,000,536	724
Net Increase in Pooled Cash and Investments	16,017,990	3,516,691	1,176,971	15,158	20,726,810	1,250,724
Pooled Cash and Investments - January 1	44,861,548	23,312,184	2,279,807	88,626	70,542,165	-
Pooled Cash and Investments - December 31	\$ 60,879,538	\$ 26,828,875	\$ 3,456,778	\$ 103,784	\$ 91,268,975	\$ 1,250,724
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities						
Operating Income (Loss)	\$ 1,639,459	\$ 347,838	\$ 283,341	\$ (303,907)	\$ 1,966,731	\$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities						
Depreciation Expense	3,738,035	1,837,044	770,081	287,463	6,632,623	-
Other Income	18,921	-	98,407	46,061	163,389	-
(Increase) Decrease in						
Accounts Receivable	(29,390)	(38,307)	(74,561)	2,346	(139,912)	-
Prepaid Items	(3,190)	2,496	-	-	(694)	-
Increase (Decrease) in						
Accounts Payable	(28,010)	17,710	48,872	-	38,572	-
Wages Payable	11,361	12,991	648	55	25,055	-
Compensated Absences Payable	27,134	19,374	450	69	47,027	-
Other Liabilities	12,323	-	-	-	12,323	-
Net Cash Provided by Operating Activities	\$ 5,386,643	\$ 2,199,146	\$ 1,127,238	\$ 32,087	\$ 8,745,114	\$ -
Noncash Investing, Capital, and Financing Activities						
Capital Assets Acquired through Contributions	\$ 6,415,916	\$ 6,473,572	\$ 4,930,817	\$ -	\$ 17,820,305	\$ -
Capital Assets Acquired through Accounts Payable	3,188,186	165,970	-	-	3,354,156	-

(1) Fleet and Equipment Acquisition Fund

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

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Notes to the Financial Statements

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Town of Erie, Colorado
Notes to the Financial Statements
As of and for the year ended December 31, 2019

Note I. Summary of Significant Accounting Policies

The Town of Erie, Colorado (the Town), incorporated in 1874, is a statutory municipality governed by a trustee-administrator form of government through a Mayor and six-member Board of Trustees. The Town provides the following services: police, public works, parks and recreation, community development, administration, finance, human resources, 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 considered to be 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.

Brief descriptions of the blended component units follow:

Town of Erie Urban Renewal Authority (URA) – The URA was created in 2011 by action of the Town Mayor and Board of Trustees, 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 currently funded from 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.

Note I. Summary of Significant Accounting Policies (continued)

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

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 of 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.

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 revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Note I. Summary of Significant Accounting Policies (continued)

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 taxes, 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 considered to be 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:

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

The *Trails and Natural Areas Fund* accounts for property tax revenues used to acquire, construct and maintain trails; and acquire and develop and maintain natural areas for public use.

The *Transportation Impact Fund* accounts for impact fee revenues used to construct and acquire transportation system enhancements.

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

Proprietary funds – which include enterprise funds and internal service funds - distinguish operating revenues and expenses from non-operating 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:

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

Note I. Summary of Significant Accounting Policies (*continued*)

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

The *Storm Drainage Operating Fund* accounts for charges received from system users, used to construct and maintain the storm drainage system.

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.

D. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

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

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 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.

Note I. Summary of Significant Accounting Policies *(continued)*

By December 15 of each year, property taxes for the Town are levied by the Board 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, 2019. These taxes are classified as deferred inflows since they are not normally available to the Town until mid-2020 and are budgeted for in 2020.

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 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 of three years or more. 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.

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.

Note I. Summary of Significant Accounting Policies *(continued)*

Capital assets of the Town are depreciated using the straight-line method with estimated useful lives as follows:

Asset Type	Years
Buildings and improvements	5 - 50
Improvements other than buildings	5 - 50
Machinery and equipment	3 - 10
Vehicles	3 - 5

6. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused paid time off and extended sick leave benefits. There is no liability for unpaid accumulated extended sick leave since the Town does not have a policy to pay any amounts when employees separate from service with the Town. All paid time off is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured. Compensated absences for governmental activities are paid for from the General Fund.

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.

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 position by the Town that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net position 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 III.F.1. for more information. In addition, a deferred

Note I. Summary of Significant Accounting Policies *(continued)*

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 and reimbursement-based grants, 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 are recognized as an inflow of resources in the period they are collected.

The Town also reports as deferred inflows of resources certain items related to its pension plan. See Note III.F.1. for more information.

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

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.

The nonspendable fund balance 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 are amounts 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 includes amounts that can be used only for the specific purposes imposed by formal action through ordinance of the Board of Trustees, and remains binding unless removed in the same manner.

Note I. Summary of Significant Accounting Policies *(continued)*

Amounts in the assigned fund balance classification are 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 Board of Trustees, 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 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.

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.

In 2010 the Board of Trustees passed a resolution that established an additional General Fund reserve. The reserve was established at \$7,500,000. The reserve may only be used with the approval of the Board of Trustees for one-time or capital expenditures, or in the event of revenue reductions due to severe economic conditions in order to prevent a significant reduction in services. This reserve does not meet the definition of a stabilization arrangement pursuant to GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and therefore is reflected in unassigned fund balance.

All minimum fund balance policy requirements were met as of December 31, 2019.

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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note II. 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 Administrator submits to the Town Board of Trustees a proposed operating budget for the fiscal year commencing on the following January 1. Study sessions and public hearings are conducted during Board of Trustee 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 without Board approval. All other changes require Board approval. The Board made supplemental appropriations during the year, which are reflected in the final budget columns of the financial statements and schedules.

B. Deficit Fund Equity

The Town of Erie Urban Renewal Authority had a deficit unassigned fund balance of \$3,733,304 as of December 31, 2019. Information on anticipated repayment of the advance from the General Fund that has financed this deficit can be found in Note III.D. Additional funds will arise over time as other urban renewal projects are identified and resulting tax increment funding monies are collected through increased property or sales tax collections.

The Trails and Natural Areas Fund had a deficit unassigned fund balance of \$522,560 as of December 31, 2019. This deficit arose as a result of an open space purchase during 2019 for which the fund did not have adequate resources at the time of purchase. The General Fund provided an advance to the fund to provide the necessary additional funds. This deficit and the related advance were eliminated/repaid as property taxes were received during the first two months of 2020.

Note III. Detailed Notes on All Funds

A. Deposits and Investments

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

Pooled cash and investments	\$ 146,867,249
Restricted cash and investments	<u>6,566,535</u>
Total	<u>\$ 153,433,784</u>

Note III. Detailed Notes on All Funds *(continued)*

Cash and investments consist of the following:

Bank checking accounts	\$ 2,860,436
Investments	150,571,423
Cash on hand	<u>1,925</u>
Total	<u>\$ 153,433,784</u>

Deposits

As of December 31, 2019, the carrying amount of the Town's deposits was \$2,860,436.

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.

Investments

As of December 31, 2019, the Town had the following investments:

Investment Type	Rating		Fair Value	Investment Maturities		% of Total
	Moody's	S&P		Less than 1 Year	1 to 5 Years	
U.S. Treasury Notes	Aaa	AA+	\$ 17,096,952	\$ 8,247,889	\$ 8,849,063	11%
Federal Farm Credit Bank	Aaa	AA+	15,028,429	5,160,682	9,867,747	10%
Federal Home Loan Bank	Aaa	AA+	11,994,406	4,679,155	7,315,251	8%
Federal Home Loan Mortgage Corp.	Aaa	AA+	4,762,366	3,249,507	1,512,859	3%
Federal National Mortgage Association	Aaa	AA+	5,042,872	1,010,068	4,032,804	3%
U.S. Corporate Notes	Aa1	AA+	3,036,765	999,957	2,036,808	2%
Commercial Paper	P1	A-1/A-1+	2,963,568	2,963,568	-	2%
BlackRock Liquidity Funds - FedFund Series	Aaa-mf	AAAm	37,200,000	37,200,000	-	25%
COLOTRUST PLUS+	n/a	AAAm	42,095,222	42,095,222	-	28%
CSAFE	n/a	AAAm	35,745	35,745	-	0%
CSIP Liquid Portfolio	n/a	AAAm	10,429,842	10,429,842	-	7%
Wells Fargo 100% Treasury Money Market Fund	Aaa-mf	AAAm	885,256	885,256	-	1%
Total fair value			<u>\$ 150,571,423</u>	<u>\$ 116,956,891</u>	<u>\$ 33,614,532</u>	<u>100%</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

Note III. Detailed Notes on All Funds (continued)

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 3 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.

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), Colorado Statewide Investment Program (CSIP) and Colorado Surplus Asset Fund Trust (CSAFE) at year-end. COLOTRUST, CSIP and CSAFE 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.

Note III. Detailed Notes on All Funds (continued)

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.

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, CSAFE, 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.

Note III. Detailed Notes on All Funds (continued)

B. Accounts Receivable

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

<u>Governmental:</u>	<u>General</u>	<u>Trails & Natural Areas Fund</u>	<u>Transportation Impact Fund</u>	<u>Urban Renewal Authority</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental</u>
Property taxes	\$ 5,332,899	\$ 2,107,425	\$ -	\$ 2,083,753	\$ -	\$ 9,524,077
Sales taxes	2,021,560	-	-	-	-	2,021,560
Other taxes	230,509	-	-	-	-	230,509
Customers	173,466	-	-	-	-	173,466
Intergovernmental	343,944	-	-	-	-	343,944
Interest	61,117	-	17,741	7,721	34,802	121,381
Other	547,483	-	-	375,000	1,350,337	2,272,820
Total receivables	<u>\$ 8,710,978</u>	<u>\$ 2,107,425</u>	<u>\$ 17,741</u>	<u>\$ 2,466,474</u>	<u>\$ 1,385,139</u>	<u>\$ 14,687,757</u>

<u>Business-type:</u>	<u>Water</u>	<u>Wastewater</u>	<u>Storm Drainage</u>	<u>Airport</u>	<u>Total Business-type</u>
Customers	\$ 750,049	\$ 681,055	\$ 183,611	\$ -	\$ 1,614,715
Intergovernmental	191,984	-	-	30,385	222,369
Interest	126,825	55,506	7,012	211	189,554
Other	135,840	-	44,591	1,145	181,576
Total receivables	<u>\$ 1,204,698</u>	<u>\$ 736,561</u>	<u>\$ 235,214</u>	<u>\$ 31,741</u>	<u>\$ 2,208,214</u>

Note III. Detailed Notes on All Funds *(continued)*

C. Capital Assets

Capital asset activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 3,051,865	\$ 6,152,393	\$ (1,313,666)	\$ 7,890,592
Land and open space	22,881,569	6,699,139	(2,602,694)	26,978,014
Total capital assets, not being depreciated	25,933,434	12,851,532	(3,916,360)	34,868,606
Capital assets, being depreciated:				
Buildings	39,554,653	-	-	39,554,653
Streets and other infrastructure	79,797,231	16,617,077	-	96,414,308
Parks and trails	22,614,209	1,970,919	-	24,585,128
Furniture and equipment	4,104,753	91,009	(201,689)	3,994,073
Vehicles	1,745,198	290,769	(81,055)	1,954,912
Total capital assets, being depreciated	147,816,044	18,969,774	(282,744)	166,503,074
Less accumulated depreciation for:				
Buildings	(6,909,148)	(1,007,769)	-	(7,916,917)
Streets and other infrastructure	(16,900,866)	(2,576,228)	-	(19,477,094)
Parks and trails	(8,412,142)	(1,179,002)	-	(9,591,144)
Furniture and equipment	(2,007,673)	(357,436)	201,689	(2,163,420)
Vehicles	(1,124,215)	(237,274)	81,055	(1,280,434)
Total accumulated depreciation	(35,354,044)	(5,357,709)	282,744	(40,429,009)
Total capital assets, being depreciated, net	112,462,000	13,612,065	-	126,074,065
Governmental activities capital assets, net	\$ 138,395,434	\$ 26,463,597	\$ (3,916,360)	\$ 160,942,671
	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 11,461,502	\$ 10,180,968	\$ (1,434,449)	\$ 20,208,021
Land and reservoirs	5,835,861	740,460	(12,913)	6,563,408
Water rights	84,390,297	22,500	-	84,412,797
Total capital assets, not being depreciated	101,687,660	10,943,928	(1,447,362)	111,184,226
Capital assets, being depreciated:				
Buildings	196,745	700,244	-	896,989
Improvements other than buildings	209,883,072	19,362,362	(296,921)	228,948,513
Machinery and equipment	1,690,414	457,676	-	2,148,090
Total capital assets, being depreciated	211,770,231	20,520,282	(296,921)	231,993,592
Less accumulated depreciation for:				
Buildings	(122,268)	(13,820)	-	(136,088)
Improvements other than buildings	(51,149,935)	(6,452,978)	277,870	(57,325,043)
Machinery and equipment	(669,402)	(165,825)	-	(835,227)
Total accumulated depreciation	(51,941,605)	(6,632,623)	277,870	(58,296,358)
Total capital assets, being depreciated, net	159,828,626	13,887,659	(19,051)	173,697,234
Business-type activities capital assets, net	\$ 261,516,286	\$ 24,831,587	\$ (1,466,413)	\$ 284,881,460

Note III. Detailed Notes on All Funds *(continued)*

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

Governmental activities:

General government	\$ 261,393
Public safety	397,824
Public works	2,900,603
Parks and recreation	<u>1,797,889</u>
Total depreciation expense - governmental activities	<u>\$5,357,709</u>

Business-type activities:

Water	\$3,738,035
Wastewater	1,837,044
Storm drainage	770,081
Airport	<u>287,463</u>
Total depreciation expense - business-type activities	<u>\$6,632,623</u>

D. Interfund Receivables, Payables, and Transfers

There was one advance from the General Fund at December 31, 2019, to the Town's urban renewal authority (URA) for \$3,729,450. The advance to the URA was made to pay for purchases of certain properties and for operating expenditures of the URA. Repayment of the remaining advance is anticipated primarily pursuant to a development agreement for the development of property purchased by the URA at the corner of Highway 287 and Arapahoe Road, although the exact timing, amount, and/or mechanism remains subject to terms and conditions as specified in the development agreement.

During 2019 the Town purchased a parcel of land for open space and a future park site for \$7.2 million, of which \$6.7 million was for open space to be paid for by the Trails and Natural Areas Fund and \$500 thousand by the Parks Improvement Impact Fund for the park site. At the time of the purchase the Trails and Natural Areas Fund did not have adequate funds on hand for the purchase, so the General Fund provided the additional required cash. This interfund receivable/payable relationship, which had a balance of \$508,233 as of December 31, 2019, was repaid from property tax receipts of the Trails and Natural Areas fund in early 2020.

During 2019 there were three transfers from the General Fund totaling \$4.3 million, two to the URA and one to the Fleet & Equipment Acquisition Fund. Transfers primarily reflect the movement of revenues from the fund with collection authorization to the fund making the expenditure.

The first transfer to the URA was \$2.6 million. This amount represents the estimated value of the retail/commercial land being contributed to the developer of the Nine Mile project at the corner of Highway 287 and Arapahoe as part of the incentive package for the project.

Note III. Detailed Notes on All Funds *(continued)*

As discussed above, the original purchase of this land was funded through an advance from the Town's General Fund to the URA. With the contribution of this land the Town's General Fund effectively needed to "forgive" this portion of the advance, accomplished with a transfer to the URA. Future revenues from development of the site will more than offset this transfer of land.

The second transfer from the Town's General Fund to the URA was \$411 thousand. This amount represented the estimated expenses (including allocated staff time) incurred by the URA in its efforts to establish an urban renewal area in the I-25 corridor. These expenditures were funded through advances from the Town's General Fund. To date the URA has not been successful in establishing an urban renewal area in the I-25 corridor. While efforts will continue to establish a funding mechanism for the required infrastructure in the area – including through the URA – due to the uncertainty of how this infrastructure will be funded and how the advance will be repaid, during 2019 the advance funding these expenditures was converted to a transfer from the Town's General Fund. Should future revenues become available to the URA from development in this area, the Town could then recover the amount previously advanced.

The transfer from the General Fund to the Fleet and Equipment Acquisition Fund - in the amount of \$1.25 million - was for the purpose of establishing this new fund. These funds and future contributions will be used to establish a funding mechanism for future replacements and additions of vehicles and equipment.

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.

General obligation bonds outstanding at December 31, 2019, are as follows:

Year Issued	Description	Coupon Interest Rate (%)	Final Maturity Date	Issued	Outstanding
2013	General obligation refunding bonds	3.00 - 4.00	2026	\$ 8,460,000	\$ 7,800,000
2014	General obligation bonds	3.25 - 3.75	2033	6,200,000	6,200,000
Total general obligation bonds					<u><u>\$ 14,000,000</u></u>

Note III. Detailed Notes on All Funds *(continued)*

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	Principal	Interest
2020	\$ 1,000,000	\$ 493,213
2021	1,025,000	463,213
2022	1,070,000	422,213
2023	1,110,000	379,413
2024	1,155,000	335,013
2025-2029	4,920,000	1,109,647
2030-2033	<u>3,720,000</u>	<u>348,163</u>
Total	<u>\$ 14,000,000</u>	<u>\$ 3,550,875</u>

2. 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 can also use other resources to pay debt service.

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

Year Issued	Description	Coupon Interest Rate (%)	Final Maturity Date	Issued	Outstanding
1995	Storm drainage revenue loan	2.00	2035	\$ 498,512	\$ 247,423
2009	Wastewater revenue loan	2.00	2030	1,534,700	495,468
2009	Wastewater revenue loan	0.00	2030	2,000,000	1,050,000
2009	Water revenue refunding bonds	3.50 - 4.00	2023	6,390,000	2,100,000
2011	Water revenue refunding bonds	2.75 - 5.00	2023	10,098,045	3,405,000
2015	Water revenue refunding bonds	3.00 - 5.00	2032	12,335,000	11,700,000
2016	Wastewater revenue refunding bonds	2.00 - 5.00	2037	16,670,000	15,355,000
2017	Water revenue refunding bonds	3.24	2032	4,575,000	<u>4,205,000</u>
Total revenue bonds and loans					<u><u>\$ 38,557,891</u></u>

Note III. Detailed Notes on All Funds *(continued)*

Annual debt service requirements to maturity for revenue bonds and loans are as follows:

Year Ending December 31	Principal	Interest
2020	\$ 2,581,129	\$ 1,441,349
2021	2,647,256	1,372,522
2022	2,743,405	1,281,522
2023	2,264,578	1,176,938
2024	2,105,774	1,085,318
2025-2029	11,892,668	4,017,614
2030-2034	10,630,228	1,600,317
2035-2036	<u>3,692,853</u>	<u>222,957</u>
Total	<u>\$ 38,557,891</u>	<u>\$ 12,198,537</u>

3. 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.

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%. The following is a summary of COPs payments:

Year Ending December 31	Principal	Interest	Total
2020	\$ 685,000	\$ 912,438	\$ 1,597,438
2021	700,000	897,025	1,597,025
2022	715,000	879,525	1,594,525
2023	745,000	850,925	1,595,925
2024	775,000	821,125	1,596,125
2025-2029	4,450,000	3,527,375	7,977,375
2030-2034	5,465,000	2,514,850	7,979,850
2035-2039	6,755,000	1,221,450	7,976,450
2040	<u>1,535,000</u>	<u>61,400</u>	<u>1,596,400</u>
Total	<u>\$ 21,825,000</u>	<u>\$ 11,686,113</u>	<u>\$ 33,511,113</u>

Note III. Detailed Notes on All Funds *(continued)*

4. Capital Lease Obligations

The Town entered into two capital lease agreements in 2019 for the purchase of two vehicles. The imputed interest rates on the leases ranged from 0.60% to 1.36%. The book value of the underlying assets was \$57,691 at December 31, 2019. The following is a schedule by year of future minimum lease obligations as of December 31, 2019:

<u>Year Ending December 31</u>	<u>Lease Payments</u>
2020	\$ 13,578
2021	13,080
2022	13,080
2023	13,079
2024	<u>7,444</u>
Total minimum lease payments	60,261
Less: amount representing interest	<u>(1,365)</u>
Present value of minimum lease payments	<u><u>\$ 58,896</u></u>

4. 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, 2019, defeased bonds had remaining balances outstanding of \$806,663.

Note III. Detailed Notes on All Funds *(continued)*

5. Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds and other debt payable:					
General obligation bonds	\$ 14,960,000	\$ -	\$ (960,000)	\$ 14,000,000	\$ 1,000,000
Less deferred amounts for issuance premiums	978,459	-	(125,660)	852,799	-
Capital lease obligations	-	34,462	(4,080)	30,382	6,720
Total bonds and other debt payable	15,938,459	34,462	(1,089,740)	14,883,181	1,006,720
Compensated absences	566,338	833,078	(700,116)	699,300	503,670
Other long-term liability	450,707	-	-	450,707	-
Total governmental activities	<u>\$ 16,955,504</u>	<u>\$ 867,540</u>	<u>\$ (1,789,856)</u>	<u>\$ 16,033,188</u>	<u>\$ 1,510,390</u>
Business-type activities:					
Bonds, loans and other debt payable:					
Revenue bonds and loans	\$ 41,057,927	\$ -	\$ (2,500,036)	\$ 38,557,891	\$ 2,581,129
Certificates of participation	22,495,000	-	(670,000)	21,825,000	685,000
Less deferred amounts for issuance premiums and discounts	4,241,464	-	(280,361)	3,961,103	-
Capital lease obligations	-	29,639	(1,125)	28,514	6,319
Total bonds, loans and other debt payable	67,794,391	29,639	(3,451,522)	64,372,508	3,272,448
Compensated absences	193,462	292,933	(245,906)	240,489	193,456
Total business-type activities	<u>\$ 67,987,853</u>	<u>\$ 322,572</u>	<u>\$ (3,697,428)</u>	<u>\$ 64,612,997</u>	<u>\$ 3,465,904</u>

The other long-term liability in the table above represents a reimbursement due in 2024 for infrastructure constructed by a developer.

F. Retirement Plans

1. Police Officers Pension Plan

a. General Information about the Pension Plan

Plan Description - The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). The Statewide Defined Benefit Plan (SWDB) provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by the FPPA. This is a noncontributory plan. All full-time, paid police officers of the Town are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan.

Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and

Note III. Detailed Notes on All Funds *(continued)*

required supplementary information for both the SWDB and the Statewide Death and Disability Plan. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits Provided – A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2% 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% for each year of service thereafter. The benefit earned prior to January 1, 2007, for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the SWDB. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the FPPA Board's discretion and can range from 0% to the higher of 3% or the Consumer Price Index.

A member is eligible for an early retirement at age 50 with at least five years of credited service or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year of service thereafter.

Contributions - The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers contributed at the rate of 10.5% and 8%, respectively, of base salary for a total contribution rate of 18.5% in 2019. Members of the SWDB plan and their employers were contributing at the rate of 10% and 8%, respectively, of base salary for a total contribution rate of 18% in 2018. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12% of base salary. Employer contributions will remain at 8% resulting in a combined contribution rate of 20% in 2022. Contributions to the SWDB plan from the Town were \$220,731 for the year ended December 31, 2019.

b. Pension Asset, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the Town reported a liability of \$432,908 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018,

Note III. Detailed Notes on All Funds (continued)

and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2018, the Town's proportion was 3.424%, which was an increase of 0.0004% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Town recognized pension expense of (\$175,929). At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 556,250	\$ 4,625
Net difference between projected and actual earnings on pension plan investments	340,549	-
Changes in assumptions	419,258	-
Changes in proportion and differences between contributions and proportionate share of contributions	3,911	23,466
Contributions subsequent to the measurement date	<u>220,731</u>	<u>-</u>
Total	<u>\$ 1,540,699</u>	<u>\$ 28,091</u>

\$220,731 reported as deferred outflows of resources related to pension resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:

2020	\$ 245,696
2021	174,605
2022	148,240
2023	247,279
2024	118,818
Thereafter	<u>357,239</u>
Total	<u>\$1,291,877</u>

Note III. Detailed Notes on All Funds (continued)

c. Actuarial Assumptions

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Total Pension Liability</u>	<u>Actuarial Determined Contributions</u>
Actuarial Valuation Date	January 1, 2019	January 1, 2018
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*	7.00%	7.50%
Projected Salary Increases*	4.25 - 11.25%	4.00 - 14.00%
Cost of Living Adjustments (COLA)	0.00%	0.00%
*Includes Inflation at	2.50%	2.50%

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

For determining the actuarial determined contributions, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue-collar adjustment projected with Scale BB. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

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 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by FPPA's actuaries based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019 and were used in the rollforward calculation of the total pension liability as of December 31, 2018. Actuarial assumptions effective for actuarial valuations prior to January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2018. The actuarial assumptions impact actuarial factors for benefit purposes such as the 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

Note III. Detailed Notes on All Funds *(continued)*

(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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Illiquid Alternatives	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

d. Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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 FPPA Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan 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.

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

The following table presents the proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) 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)	\$ 1,678,766	\$ 432,908	\$ (600,508)

Note III. Detailed Notes on All Funds (continued)

f. Pension Plan Fiduciary Net Position

Detailed information about the SWDB's fiduciary net position is available in FPPA's comprehensive annual financial report, which can be obtained at <http://www.fppaco.org>.

2. 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 Board and can be amended by the Plan Trustees (Town Administrator and Finance Director). The Town Board establishes and may amend contribution requirements.

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 Internal Revenue Code (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 \$19,500 per year (\$26,000 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 2019, the Town made all required contributions to the plan, contributing \$351,615. Employees contributed \$633,231 (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 IV. 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.

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	\$ 1,428,579	\$ -	\$ 1,428,579
Transportation Impact Fund	687,783	-	687,783
Urban Renewal Authority	1,134,635	-	1,134,635
Water Fund	-	1,265,857	1,265,857
Wastewater Fund	-	6,945,220	6,945,220
Storm Drainage	-	67,006	67,006
Total commitments	<u>\$ 3,250,997</u>	<u>\$8,278,083</u>	<u>\$11,529,080</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.

The vast majority of the amounts reflected in the above table are related to capital projects, representing \$11,166,000 of the total. Of this amount, \$6,728,000 represents contractual commitments for the expansion of the Town's wastewater treatment plant. This project is expected to be completed in 2021. Also included is a developer reimbursement commitment of the URA in the amount of \$1,125,000. This amount is expected to in turn be reimbursed by the developer to the URA, currently anticipated in the second half of 2020.

Note IV. Other Information (continued)

The Town is also participating in several raw water storage and delivery projects with the Northern Colorado Water Conservancy District. In 2019, the Town contributed \$1,472,000 to the Northern Integrated Supply Project and \$667,000 to the Windy Gap Firing Project. Future years' contributions to these projects depend on the Board of Trustees 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, 2019. 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. Cumulative reimbursements due pursuant to this agreement as of December 31, 2019 were \$78,113.

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.

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 (d/b/a Echo Brewing Cask and Barrel) for the expansion of and improvements to 600/620 Briggs St. The maximum reimbursement under each of these

Note IV. Other Information *(continued)*

agreements is \$1,500,000. No reimbursements have been made to date under these agreements.

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, expected in 2020. No reimbursements have been made to date under 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. No reimbursements have been made to date under this agreement.

The URA has entered into a property and sales tax sharing agreement with Evergreen-287 & 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 will be 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 \$10,800,000 in eligible infrastructure costs on the site, with the debt to be issued by a financing vehicle created by the developer. Certain operations and administrative costs will also be paid from the tax increment revenue.

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.

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.

Note IV. Other Information (continued)

G. Emergency Reserve

The Town Board approved a resolution creating an emergency reserve as required by Article X, Section 20, of the Colorado Constitution. The year-end reserve of \$1,270,601 is calculated based on the requirements of Article X, Section 20.

Note V. Subsequent Event

Subsequent to year end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Following other states in the nation, Colorado declared a state of emergency on March 11, 2020 and shortly thereafter issued a stay-at-home order for its citizens which was in effect through the month of April. Colorado transitioned to safer-at-home guidelines on April 27, 2020 easing some of the restrictions which had been in place for seven weeks. Near the end of May businesses started to slowly reopen, but many are operating at limited capacity. More than 16 percent of the state's workers have filed unemployment claims since mid-March and the risk of recession in 2020 is elevated.

The Town's Board of Trustees and management have taken actions to mitigate the potential negative impact of the pandemic on the Town. The full impact of COVID-19 is unknown and cannot be reasonably estimated, however management has assumed that General Fund revenues will decline approximately \$4.8 million, primarily related to construction activity, sales tax and recreation activities. In response to this expected revenue decline, the Town has reduced anticipated expenditures for 2020 by \$3.3 million, primarily related to the deferral of capital projects. Departments are developing additional plans for short-term reductions in the event financial impacts on the Town are greater than projected. The revised forecast projects a 2020 deficit in the General Fund of approximately \$3.6 million. The General Fund is projected to end the year with fund balance available for appropriation in excess of 90% of budgeted 2020 personnel and operating expenditures. No significant negative impact is anticipated on the Town's utility operations.

As of June 2020, retail sales tax revenues are actually up \$861 thousand, or 35%, from 2019 amounts and are approximately \$885 thousand, or 36%, ahead of the 2020 budget.

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Required Supplementary Information

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Town of Erie, Colorado
Schedule of the Town's Proportionate Share of the Net Pension Liability (Asset)
Last 10 Years ⁽¹⁾

	2018	2017	2016	2015	2014	2013
Town's proportion of the net pension liability (asset)	0.3424%	0.3420%	0.3319%	0.3362%	0.3312%	0.3106%
Town's proportionate share of the net pension liability (asset)	\$ 432,908	\$ (492,022)	\$ 119,905	\$ (5,840)	\$ (373,881)	\$ (277,699)
Covered payroll	2,212,900	2,005,275	1,775,033	1,638,675	1,489,485	1,348,891
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	19.56%	-24.54%	6.76%	-0.36%	-25.10%	-20.59%
Plan fiduciary net position as a percentage of the total pension liability	95.2%	106.3%	98.2%	100.1%	106.8%	105.8%

(1) The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the plan. The Town implemented GASB Statement No.'s 68 and 71 in 2015; therefore 10 years of data is not available.

Town of Erie, Colorado
Schedule of Town Contributions and Related Ratios
Last 10 Years ⁽¹⁾

	2019	2018	2017	2016	2015	2014	2013
Statutorily required contributions	\$ 220,731	\$ 177,032	\$ 160,422	\$ 142,003	\$ 131,094	\$ 119,159	\$ 107,911
Contributions in relation to the statutorily required contribution	220,731	177,032	160,422	142,003	131,094	119,159	107,911
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$2,759,138	\$2,212,900	\$2,005,275	\$1,775,033	\$1,638,675	\$1,489,485	\$1,348,891
Contribution as a percentage of covered payroll	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

(1) The amounts presented for each fiscal year were determined as of December 31. The Town implemented GASB Statement No.'s 68 and 71 in 2015; therefore 10 years of data is not available.

Combining and Individual Fund Statements and Schedules

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Town of Erie

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.

Erie Community Civic Fund: A nonprofit organization, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code 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.

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

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

Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Pooled Cash and Investments	\$ 1,084,925	\$ 16,298,466	\$ 17,383,391
Receivables	2,155	1,382,984	1,385,139
Total Assets	<u>\$ 1,087,080</u>	<u>\$ 17,681,450</u>	<u>\$ 18,768,530</u>
LIABILITIES			
Accounts Payable	\$ 90,773	\$ 15,737	\$ 106,510
Other Liabilities	628	9,430	10,058
Unearned Revenue	-	1,365,768	1,365,768
Total Liabilities	<u>91,401</u>	<u>1,390,935</u>	<u>1,482,336</u>
FUND BALANCES			
Restricted for:			
Capital Projects	-	16,290,515	16,290,515
Parks and Open Space	758,856	-	758,856
Committed to:			
Cemetery Operations	<u>236,823</u>	<u>-</u>	<u>236,823</u>
Total Fund Balances	<u>995,679</u>	<u>16,290,515</u>	<u>17,286,194</u>
Total Liabilities and Fund Balances	<u>\$ 1,087,080</u>	<u>\$ 17,681,450</u>	<u>\$ 18,768,530</u>

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 246,387	\$ -	\$ 246,387
Fees and Charges for Services	26,775	-	26,775
Capital Contributions and Fees	-	5,757,589	5,757,589
Investment Earnings	25,868	343,037	368,905
Miscellaneous	12,265	-	12,265
Total Revenues	311,295	6,100,626	6,411,921
EXPENDITURES			
Current Operating:			
Parks and Recreation	77,664	-	77,664
Capital Outlay	166,403	887,361	1,053,764
Total Expenditures	244,067	887,361	1,131,428
Excess of Revenues Over Expenditures	67,228	5,213,265	5,280,493
Fund Balance - Beginning	928,451	11,077,250	12,005,701
Fund Balance - Ending	\$ 995,679	\$ 16,290,515	\$ 17,286,194

Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Cemetery Fund	Conservation Trust Fund	Erie Community Civic Fund	Total
ASSETS				
Pooled Cash and Investments	\$ 236,470	\$ 829,076	\$ 19,379	\$ 1,084,925
Receivables	490	1,665	-	2,155
Total Assets	<u>\$ 236,960</u>	<u>\$ 830,741</u>	<u>\$ 19,379</u>	<u>\$ 1,087,080</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 90,773	\$ -	\$ 90,773
Other Liabilities	137	480	11	628
Total Liabilities	<u>137</u>	<u>91,253</u>	<u>11</u>	<u>91,401</u>
FUND BALANCES				
Restricted for:				
Parks and Open Space	-	739,488	19,368	758,856
Committed to:				
Cemetery Operations	<u>236,823</u>	<u>-</u>	<u>-</u>	<u>236,823</u>
Total Fund Balances	<u>236,823</u>	<u>739,488</u>	<u>19,368</u>	<u>995,679</u>
Total Liabilities and Fund Balances	<u>\$ 236,960</u>	<u>\$ 830,741</u>	<u>\$ 19,379</u>	<u>\$ 1,087,080</u>

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019

	Cemetery Fund	Conservation Trust Fund	Erie Community Civic Fund	Total
REVENUES				
Intergovernmental	\$ -	\$ 246,387	\$ -	\$ 246,387
Fees and Charges for Services	26,775	-	-	26,775
Investment Earnings	5,614	20,254	-	25,868
Miscellaneous	-	-	12,265	12,265
Total Revenues	32,389	266,641	12,265	311,295
EXPENDITURES				
Current Operating:				
Parks and Recreation	-	77,664	-	77,664
Capital Outlay	-	166,403	-	166,403
Total Expenditures	-	244,067	-	244,067
Excess of Revenues Over Expenditures	32,389	22,574	12,265	67,228
Fund Balance - Beginning	204,434	716,914	7,103	928,451
Fund Balance - Ending	<u>\$ 236,823</u>	<u>\$ 739,488</u>	<u>\$ 19,368</u>	<u>\$ 995,679</u>

Town of Erie, Colorado
Cemetery Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Fees and Charges for Services	\$ 25,000	\$ 25,000	\$ 26,775	\$ 1,775
Investment Earnings	2,000	4,000	5,614	1,614
Total Revenues	27,000	29,000	32,389	3,389
EXPENDITURES				
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	27,000	29,000	32,389	3,389
Net Change in Fund Balance	\$ 27,000	\$ 29,000	32,389	\$ 3,389
Fund Balance - Beginning			204,434	
Fund Balance - Ending			\$ 236,823	

Town of Erie, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	\$ 190,000	\$ 225,000	\$ 246,387	\$ 21,387
Investment Earnings	7,000	12,000	20,254	8,254
Total Revenues	197,000	237,000	266,641	29,641
EXPENDITURES				
Current Operating:				
Parks and Recreation	154,100	155,500	77,664	77,836
Capital Outlay	15,000	142,300	166,403	(24,103)
Total Expenditures	169,100	297,800	244,067	53,733
Excess (Deficiency) of Revenues Over (Under) Expenditures	27,900	(60,800)	22,574	83,374
Net Change in Fund Balance	\$ 27,900	\$ (60,800)	22,574	\$ 83,374
Fund Balance - Beginning			716,914	
Fund Balance - Ending			\$ 739,488	

Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2019

	Parks Improvement Impact Fund	Public Facilities Impact Fund	Storm Drainage Impact Fund	Tree Impact Fund	Total
ASSETS					
Pooled Cash and Investments	\$ 6,379,421	\$ 3,799,008	\$ 5,411,351	\$ 708,686	\$ 16,298,466
Receivables	1,362,728	7,769	11,037	1,450	1,382,984
Total Assets	<u>\$ 7,742,149</u>	<u>\$ 3,806,777</u>	<u>\$ 5,422,388</u>	<u>\$ 710,136</u>	<u>\$ 17,681,450</u>
LIABILITIES					
Accounts Payable	\$ 8,299	\$ -	\$ -	\$ 7,438	\$ 15,737
Other Liabilities	3,691	2,198	3,131	410	9,430
Unearned Revenue	1,358,120	3,824	3,224	600	1,365,768
Total Liabilities	<u>1,370,110</u>	<u>6,022</u>	<u>6,355</u>	<u>8,448</u>	<u>1,390,935</u>
FUND BALANCES					
Restricted for:					
Capital Projects	<u>6,372,039</u>	<u>3,800,755</u>	<u>5,416,033</u>	<u>701,688</u>	<u>16,290,515</u>
Total Fund Balances	<u>6,372,039</u>	<u>3,800,755</u>	<u>5,416,033</u>	<u>701,688</u>	<u>16,290,515</u>
Total Liabilities and Fund Balances	<u>\$ 7,742,149</u>	<u>\$ 3,806,777</u>	<u>\$ 5,422,388</u>	<u>\$ 710,136</u>	<u>\$ 17,681,450</u>

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019

	Parks Improvement Impact Fund	Public Facilities Impact Fund	Storm Drainage Impact Fund	Tree Impact Fund	Total
REVENUES					
Capital Contributions and Fees	\$ 3,161,535	\$ 1,227,009	\$ 1,174,345	\$ 194,700	\$ 5,757,589
Investment Earnings	130,102	79,088	117,701	16,146	343,037
Total Revenues	3,291,637	1,306,097	1,292,046	210,846	6,100,626
EXPENDITURES					
Capital Outlay	801,722	16,290	-	69,349	887,361
Total Expenditures	801,722	16,290	-	69,349	887,361
Excess of Revenues Over Expenditures	2,489,915	1,289,807	1,292,046	141,497	5,213,265
Fund Balance - Beginning	3,882,124	2,510,948	4,123,987	560,191	11,077,250
Fund Balance - Ending	\$ 6,372,039	\$ 3,800,755	\$ 5,416,033	\$ 701,688	\$ 16,290,515

Town of Erie, Colorado
Parks Improvement Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With
	Original	Final		Final Budget
	Budget	Budget	Actual	Over
				(Under)
REVENUES				
Capital Contributions and Fees	\$ 2,025,000	\$ 2,395,400	\$ 3,161,535	\$ 766,135
Investment Earnings	35,000	70,000	130,102	60,102
Total Revenues	2,060,000	2,465,400	3,291,637	826,237
EXPENDITURES				
Capital Outlay	815,000	1,893,500	801,722	1,091,778
Total Expenditures	815,000	1,893,500	801,722	1,091,778
Excess of Revenues				
Over Expenditures	1,245,000	571,900	2,489,915	1,918,015
Net Change in Fund Balance	\$ 1,245,000	\$ 571,900	2,489,915	\$ 1,918,015
Fund Balance - Beginning			3,882,124	
Fund Balance - Ending			\$ 6,372,039	

Town of Erie, Colorado
Public Facilities Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With
	Original	Final		Final Budget
	Budget	Budget	Actual	Over
				(Under)
REVENUES				
Capital Contributions and Fees	\$ 1,096,000	\$ 1,278,100	\$ 1,227,009	\$ (51,091)
Investment Earnings	25,000	50,000	79,088	29,088
Total Revenues	1,121,000	1,328,100	1,306,097	(22,003)
EXPENDITURES				
Capital Outlay	-	45,000	16,290	28,710
Total Expenditures	-	45,000	16,290	28,710
Excess of Revenues				
Over Expenditures	1,121,000	1,283,100	1,289,807	6,707
Net Change in Fund Balance	\$ 1,121,000	\$ 1,283,100	1,289,807	\$ 6,707
Fund Balance - Beginning			2,510,948	
Fund Balance - Ending			\$ 3,800,755	

Town of Erie, Colorado
Storm Drainage Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With
	Original	Final		Final Budget
	Budget	Budget	Actual	Over
				(Under)
REVENUES				
Capital Contributions and Fees	\$ 812,000	\$ 976,100	\$ 1,174,345	\$ 198,245
Investment Earnings	35,000	60,000	117,701	57,701
Total Revenues	847,000	1,036,100	1,292,046	255,946
EXPENDITURES				
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	847,000	1,036,100	1,292,046	255,946
Net Change in Fund Balance	\$ 847,000	\$ 1,036,100	1,292,046	\$ 255,946
Fund Balance - Beginning			4,123,987	
Fund Balance - Ending			\$ 5,416,033	

Town of Erie, Colorado
Tree Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With
	Original	Final		Final Budget
	Budget	Budget	Actual	Over
				(Under)
REVENUES				
Capital Contributions and Fees	\$ 153,000	\$ 177,000	\$ 194,700	\$ 17,700
Investment Earnings	6,000	10,000	16,146	6,146
Total Revenues	159,000	187,000	210,846	23,846
EXPENDITURES				
Capital Outlay	118,000	166,400	69,349	97,051
Total Expenditures	118,000	166,400	69,349	97,051
Excess of Revenues Over Expenditures	41,000	20,600	141,497	120,897
Net Change in Fund Balance	<u>\$ 41,000</u>	<u>\$ 20,600</u>	141,497	<u>\$ 120,897</u>
Fund Balance - Beginning			<u>560,191</u>	
Fund Balance - Ending			<u>\$ 701,688</u>	

Town of Erie, Colorado
 Transportation Impact Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Capital Contributions and Fees	\$ 3,356,000	\$ 3,889,700	\$ 4,095,296	\$ 205,596
Investment Earnings	-	125,000	242,471	117,471
Total Revenues	3,356,000	4,014,700	4,337,767	323,067
EXPENDITURES				
Capital Outlay	7,400,000	7,805,100	5,887,290	1,917,810
Total Expenditures	7,400,000	7,805,100	5,887,290	1,917,810
Deficiency of Revenues over Expenditures	(4,044,000)	(3,790,400)	(1,549,523)	2,240,877
Net Change in Fund Balance	<u>\$ (4,044,000)</u>	<u>\$ (3,790,400)</u>	(1,549,523)	<u>\$ 2,240,877</u>
Fund Balance - Beginning			<u>9,587,284</u>	
Fund Balance - Ending			<u>\$ 8,037,761</u>	

Town of Erie
Proprietary Funds

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

This section presents budgetary comparisons for the following funds:

Water Fund

Wastewater Fund

Storm Drainage Operating Fund

Airport Fund

Town of Erie, Colorado
Water Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	\$ 9,615,000	\$ 9,655,000	\$ 10,429,799	\$ 774,799
Capital Contributions and Fees	15,664,000	19,062,300	20,429,928	1,367,628
Intergovernmental	-	6,900	15,000	8,100
Investment Earnings	260,000	695,000	1,370,664	675,664
Miscellaneous	58,800	65,500	18,921	(46,579)
Total Revenues	25,597,800	29,484,700	32,264,312	2,779,612
EXPENDITURES				
Operating Expenditures				
Personnel Services	2,309,900	2,331,300	2,278,806	52,494
Operations and Maintenance	3,039,800	3,101,000	2,478,065	622,935
Capital Outlay	57,521,400	31,290,100	10,035,933	21,254,167
Debt Related Expenses				
Principal Payments	2,542,900	2,494,200	2,491,124	3,076
Interest Expense	2,286,200	1,797,200	1,797,190	10
Total Expenditures	67,700,200	41,013,800	19,081,118	21,932,682
OTHER FINANCING SOURCES				
Proceeds from Debt Issuance	34,770,000	30,900	29,639	(1,261)
Proceeds from Disposition of Capital Assets	-	30,000	30,000	-
Proceeds from Litigation Settlements	-	500,000	500,000	-
Total Other Financing Sources	34,770,000	560,900	559,639	(1,261)
Change in Net Position, Budget Basis	\$ (7,332,400)	\$ (10,968,200)	13,742,833	\$ 24,711,033
Reconciliation to GAAP Basis:				
Debt Proceeds			(29,639)	
Bond Principal Payments			2,491,124	
Change in Accrued Interest Payable			7,066	
Change in Compensated Absences Payable			(27,134)	
Developer Contributions			6,415,916	
Capital Outlay			9,773,909	
Depreciation and Amortization			(3,714,362)	
Loss on Disposition of Capital Assets			(31,966)	
Change in Net Position, GAAP Basis			28,627,747	
Total Net Position - Beginning			179,423,236	
Total Net Position - Ending			\$ 208,050,983	

Town of Erie, Colorado
Wastewater Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	\$ 5,119,000	\$ 5,350,000	\$ 5,486,900	\$ 136,900
Capital Contributions and Fees	2,907,000	3,253,000	3,727,960	474,960
Investment Earnings	275,000	425,000	639,135	214,135
Miscellaneous	33,800	33,800	-	(33,800)
Total Revenues	8,334,800	9,061,800	9,853,995	792,195
EXPENDITURES				
Operating Expenditures				
Personnel Services	2,029,200	2,047,900	1,924,682	123,218
Operations and Maintenance	1,336,100	1,374,800	1,324,093	50,707
Capital Outlay	6,620,000	7,623,800	1,885,168	5,738,632
Debt Related Expenses				
Principal Payments	667,000	671,600	667,010	4,590
Interest Expense	645,000	645,000	644,316	684
Total Expenditures	11,297,300	12,363,100	6,445,269	5,917,831
OTHER FINANCING SOURCES				
Proceeds from Debt Issuance	-	37,100	-	(37,100)
Proceeds from Disposition of Capital Assets	-	1,000	1,021	21
Total Other Financing Sources	-	38,100	1,021	(37,079)
Change in Net Position, Budget Basis	<u>\$ (2,962,500)</u>	<u>\$ (3,263,200)</u>	3,409,747	<u>\$ 6,672,947</u>
Reconciliation to GAAP Basis:				
Principal Payments			667,010	
Change in Accrued Interest Payable			1,453	
Change in Compensated Absences Payable			(19,374)	
Developer Contributions			6,473,572	
Capital Outlay			1,853,795	
Depreciation and Amortization			(1,847,123)	
Change in Net Position, GAAP Basis			10,539,080	
Total Net Position - Beginning			<u>57,133,114</u>	
Total Net Position - Ending			<u>\$ 67,672,194</u>	

Town of Erie, Colorado
Storm Drainage Operating Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	\$ 1,224,000	\$ 1,490,000	\$ 1,513,384	\$ 23,384
Investment Earnings	25,000	50,000	68,805	18,805
Miscellaneous	33,800	56,900	98,407	41,507
Total Revenues	1,282,800	1,596,900	1,680,596	83,696
EXPENDITURES				
Operating Expenditures				
Personnel Services	209,100	211,000	204,350	6,650
Operations and Maintenance	218,200	253,800	179,159	74,641
Capital Outlay	10,000	267,200	76,003	191,197
Debt Related Expenses				
Principal Payments	13,000	13,000	13,025	(25)
Interest Expense	5,200	5,200	5,209	(9)
Total Expenditures	455,500	750,200	477,746	272,454
Change in Net Position, Budget Basis	<u>\$ 827,300</u>	<u>\$ 846,700</u>	1,202,850	<u>\$ 356,150</u>
Reconciliation to GAAP Basis:				
Principal Payments			13,025	
Change in Accrued Interest Payable			195	
Change in Compensated Absences Payable			(450)	
Developer Contributions			4,930,817	
Depreciation and Amortization			(770,081)	
Change in Net Position, GAAP Basis			5,376,356	
Total Net Position - Beginning			<u>30,432,088</u>	
Total Net Position - Ending			<u>\$ 35,808,444</u>	

Town of Erie, Colorado
Airport Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	\$ 5,800	\$ 9,800	\$ 10,027	\$ 227
Capital Contributions and Fees	-	579,200	545,284	(33,916)
Investment Earnings	1,500	1,000	1,564	564
Miscellaneous	40,000	45,000	46,061	1,061
Total Revenues	47,300	635,000	602,936	(32,064)
EXPENDITURES				
Operating Expenditures				
Personnel Services	3,800	3,800	3,841	(41)
Operations and Maintenance	26,100	31,700	22,561	9,139
Capital Outlay	-	581,300	581,755	(455)
Total Expenditures	29,900	616,800	608,157	8,643
Change in Net Position, Budget Basis	\$ 17,400	\$ 18,200	(5,221)	\$ (23,421)
Reconciliation to GAAP Basis:				
Change in Compensated Absences Payable			(69)	
Capital Outlay			581,755	
Depreciation and Amortization			(287,463)	
Change in Net Position, GAAP Basis			289,002	
Total Net Position - Beginning			4,089,924	
Total Net Position - Ending			\$ 4,378,926	

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Statistical Section

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This part of the Town of Erie’s comprehensive annual 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.

Contents	Page
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>	111
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>	115
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>	123
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>	128
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 activities it performs.</i>	130

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Town of Erie
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013 ⁽¹⁾	2014	2015 ⁽²⁾	2016	2017	2018	2019
Governmental Activities										
Net Investment in Capital Assets	\$ 72,498,257	\$ 72,014,062	\$ 74,135,764	\$ 77,940,386	\$ 81,995,267	\$ 83,754,661	\$ 91,829,234	\$ 104,366,825	\$ 122,702,339	\$ 144,757,342
Restricted	21,282,036	16,385,652	19,194,615	19,769,068	18,521,700	21,372,046	20,657,054	26,561,257	32,617,869	32,768,998
Unrestricted	8,127,869	13,780,904	10,221,089	7,505,621	7,907,992	7,096,865	9,812,424	16,619,107	18,012,077	27,144,985
Total Governmental Activities Net Position	\$ 101,908,162	\$ 102,180,618	\$ 103,551,468	\$ 105,215,075	\$ 108,424,959	\$ 112,223,572	\$ 122,298,712	\$ 147,547,189	\$ 173,332,285	\$ 204,671,325
Business-type Activities										
Net Investment in Capital Assets	\$ 139,778,932	\$ 131,296,683	\$ 131,076,105	\$ 138,601,037	\$ 144,136,677	\$ 138,280,725	\$ 161,759,392	\$ 190,333,252	\$ 199,949,037	\$ 223,256,751
Restricted	7,790,656	7,125,596	7,195,376	1,699,317	1,960,235	1,982,998	1,183,031	786,000	824,000	856,000
Unrestricted	10,662,206	17,313,158	19,982,088	22,531,638	22,935,815	31,991,085	45,517,350	46,221,528	70,305,325	91,797,796
Total Business-type Activities Net Position	\$ 158,231,794	\$ 155,735,437	\$ 158,253,569	\$ 162,831,992	\$ 169,032,727	\$ 172,254,808	\$ 208,459,773	\$ 237,340,780	\$ 271,078,362	\$ 315,910,547
Primary Government										
Net Investment in Capital Assets	\$ 212,277,189	\$ 203,310,745	\$ 205,211,869	\$ 216,541,423	\$ 226,131,944	\$ 222,035,386	\$ 253,588,626	\$ 294,700,077	\$ 322,651,376	\$ 368,014,093
Restricted	29,072,692	23,511,248	26,389,991	21,468,385	20,481,935	23,355,044	21,840,085	27,347,257	33,441,869	33,624,998
Unrestricted	18,790,075	31,094,062	30,203,177	30,037,259	30,843,807	39,087,950	55,329,774	62,840,635	88,317,402	118,942,781
Total Primary Government Net Position	\$ 260,139,956	\$ 257,916,055	\$ 261,805,037	\$ 268,047,067	\$ 277,457,686	\$ 284,478,380	\$ 330,758,485	\$ 384,887,969	\$ 444,410,647	\$ 520,581,872

Source: Town of Erie Finance Department

⁽¹⁾ In 2013 the Town implemented GASB 65, which provides for the expensing of debt issuance costs. Prior year amounts were not restated.

⁽²⁾ In 2015 the Town implemented GASB 68, which provides for the recognition of certain pension-related amounts. Prior year amounts were not restated.

Town of Erie
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013 (1)	2014	2015 (2)	2016	2017	2018	2019
Expenses										
Governmental Activities:										
General Government	\$ 2,025,071	\$ 2,215,449	\$ 2,315,020	\$ 3,424,886	\$ 4,173,232	\$ 6,364,236	\$ 3,624,195	\$ 4,601,379	\$ 6,372,190	\$ 10,886,195
Public Safety	2,337,449	2,361,217	2,392,865	2,562,909	2,810,944	3,065,695	3,564,444	3,911,466	4,125,915	5,322,831
Public Works	2,771,238	3,168,315	3,283,741	5,365,419	5,607,191	4,611,400	5,129,083	5,566,858	5,912,042	7,054,349
Parks & Recreation	5,209,771	6,038,210	6,214,564	4,528,156	4,591,031	6,248,337	6,478,449	7,106,468	7,658,937	8,619,341
Interest on Long-Term Debt	854,380	819,064	780,479	649,304	681,174	720,371	657,411	604,011	547,591	491,020
Total Governmental Activities Expenses	13,197,909	14,602,255	14,986,669	16,530,674	17,863,572	21,010,039	19,453,582	21,790,182	24,616,675	32,373,736
Business-type Activities:										
Water	6,830,005	7,167,474	7,666,733	8,176,581	8,988,723	10,865,948	9,605,720	9,263,291	10,127,032	10,552,481
Wastewater	3,261,244	3,874,319	4,538,293	4,676,937	4,980,408	10,553,917	4,886,037	5,001,576	5,405,865	5,789,508
Storm Drainage	372,769	400,859	418,621	447,151	412,940	664,028	932,686	809,794	1,075,170	1,235,057
Airport	265,896	314,911	299,977	445,648	263,355	337,969	307,283	668,087	289,865	313,934
Housing Authority	114,313	117,270	107,136	111,463	119,300	112,370	116,252	335,939	-	-
Total Business-type Activities Expenses	10,844,227	11,874,833	13,030,760	13,857,780	14,764,726	22,534,232	15,847,978	16,078,687	16,897,932	17,890,980
Total Primary Government Expenses	\$ 24,042,136	\$ 26,477,088	\$ 28,017,429	\$ 30,388,454	\$ 32,628,298	\$ 43,544,271	\$ 35,301,560	\$ 37,868,869	\$ 41,514,607	\$ 50,264,716
Program Revenues										
Governmental Activities:										
Charges for Services										
General Government	\$ 572,119	\$ 636,727	\$ 619,763	\$ 1,028,882	\$ 1,199,010	\$ 1,607,509	\$ 1,952,378	\$ 2,169,570	\$ 3,561,877	\$ 2,683,426
Public Safety	135,506	162,864	176,375	246,843	249,004	219,581	299,055	268,853	275,835	364,421
Public Works	1,796,856	1,512,843	1,259,149	1,808,015	2,021,365	2,164,559	2,411,375	3,178,241	2,720,956	2,871,912
Parks and Recreation	1,904,056	1,878,354	1,723,388	1,874,591	1,935,127	2,013,213	2,018,464	2,089,718	2,199,954	2,263,602
Operating Grants and Contributions	73,748	128,031	1,002,109	1,020,806	1,095,717	1,127,940	1,198,439	1,249,172	1,489,061	1,642,223
Capital Grants and Contributions	1,894,614	1,382,427	1,670,546	2,153,798	3,188,496	4,455,967	9,605,770	22,013,219	16,667,704	27,251,399
Total Governmental Activities Program Revenues	6,376,899	5,701,246	6,451,330	8,132,935	9,688,719	11,588,769	17,485,481	30,968,773	26,915,387	37,076,983
Business-type Activities:										
Charges for Services										
Water	5,511,767	6,321,368	7,104,638	6,393,236	6,514,590	7,131,476	8,278,284	9,044,664	10,251,306	10,429,799
Wastewater	2,774,232	3,112,916	3,535,547	4,141,562	4,267,375	4,143,696	4,320,614	4,439,911	5,096,131	5,486,900
Storm Drainage	387,275	392,907	401,146	411,862	427,761	514,714	660,450	795,580	1,146,469	1,513,384
Other Activities	173,394	136,988	98,477	86,138	82,478	85,794	89,736	21,928	8,475	10,027
Operating Grants and Contributions	-	-	73,455	66,438	54,829	74,100	20,190	346,239	14,644	15,000
Capital Grants and Contributions	3,720,291	3,701,122	4,276,591	7,673,635	9,196,375	13,603,985	24,893,959	28,156,435	32,299,315	42,523,477
Total Business-type Activities Program Revenues	12,566,959	13,665,301	15,489,854	18,772,871	20,543,408	25,553,765	38,263,233	42,804,757	48,816,340	59,978,587
Total Primary Government Program Revenues	\$ 18,943,858	\$ 19,366,547	\$ 21,941,184	\$ 26,905,806	\$ 30,232,127	\$ 37,142,534	\$ 55,748,714	\$ 73,773,530	\$ 75,731,727	\$ 97,055,570
Net (Expense) Revenue										
Governmental Activities	\$ (6,821,010)	\$ (8,901,009)	\$ (8,535,339)	\$ (8,397,739)	\$ (8,174,853)	\$ (9,421,270)	\$ (1,968,101)	\$ 9,178,591	\$ 2,298,712	\$ 4,703,247
Business-type Activities	1,722,732	1,790,468	2,459,094	4,915,091	5,778,682	3,019,533	22,415,255	26,726,070	31,918,408	42,087,607
Total Primary Government Net (Expense) Revenue	\$ (5,098,278)	\$ (7,110,541)	\$ (6,076,245)	\$ (3,482,648)	\$ (2,396,171)	\$ (6,401,737)	\$ 20,447,154	\$ 35,904,661	\$ 34,217,120	\$ 46,790,854
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 3,947,570	\$ 3,880,843	\$ 3,962,431	\$ 3,977,786	\$ 3,993,379	\$ 4,316,592	\$ 5,019,474	\$ 5,403,174	\$ 6,337,412	\$ 7,318,677
Sales & Use Taxes	3,420,184	3,692,180	4,096,437	4,914,157	5,633,645	6,762,462	8,300,744	11,490,093	13,489,158	15,121,419
Franchise Taxes	684,352	561,740	638,792	685,918	708,894	717,589	749,480	815,245	861,850	929,733
Specific Ownership Taxes	221,453	234,005	258,258	239,435	286,551	279,094	266,745	325,357	359,476	381,373
Intergovernmental - Unrestricted	-	-	107,617	103,540	207,505	249,784	91,578	78,323	128,227	291,898
Investment Earnings	262,564	250,191	182,476	102,215	169,030	127,840	201,007	376,733	925,222	1,411,789
Other Miscellaneous	207,953	556,947	423,901	212,691	613,890	379,013	403,763	258,643	1,293,000	1,180,904
Transfers In/Out	(19,813)	(21,547)	(20,087)	(18,137)	(228,157)	(9,349)	(33,719)	(3,207,559)	-	-
Total Governmental Activities	8,724,263	9,154,359	9,649,825	10,217,605	11,384,737	12,823,025	14,999,072	15,540,009	23,394,345	26,635,793
Business-type Activities:										
Investment Earnings	155,037	113,452	122,303	82,977	132,694	127,247	252,507	477,847	1,131,438	2,080,168
Other Miscellaneous	99,970	101,533	49,538	376,272	61,202	65,952	121,267	176,374	132,472	664,410
Transfers In/Out	19,813	21,547	20,087	18,137	228,157	9,349	33,719	3,207,559	-	-
Total Business-type Activities	274,820	236,532	191,928	477,386	422,053	202,548	407,493	3,861,780	1,263,910	2,744,578
Total Primary Government General Revenue and Other Changes in Net Position	\$ 8,999,083	\$ 9,390,891	\$ 9,841,753	\$ 10,694,991	\$ 11,806,790	\$ 13,025,573	\$ 15,406,565	\$ 19,401,789	\$ 24,658,255	\$ 29,380,371
Changes in Net Position										
Governmental Activities	\$ 1,903,253	\$ 253,350	\$ 1,114,486	\$ 1,819,866	\$ 3,209,884	\$ 3,401,755	\$ 13,030,971	\$ 24,718,600	\$ 25,693,057	\$ 31,339,040
Business-type Activities	1,997,552	2,027,000	2,651,022	5,392,477	6,200,735	3,222,081	22,822,748	30,587,850	33,182,318	44,832,185
Total Primary Government Changes in Net Position	\$ 3,900,805	\$ 2,280,350	\$ 3,765,508	\$ 7,212,343	\$ 9,410,619	\$ 6,623,836	\$ 35,853,719	\$ 55,306,450	\$ 58,875,375	\$ 76,171,225

Source: Town of Erie Finance Department

(1) In 2013 the Town implemented GASB 65, which provides for the expensing of debt issuance costs. Prior year amounts were not restated.

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

Town of Erie
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2010	2011 ⁽¹⁾	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$ -	\$ 128,000	\$ 1,477,677	\$ 4,030,672	\$ 4,596,194	\$ 5,202,240	\$ 5,563,854	\$ 5,654,209	\$ 5,978,897	\$ 3,947,450
Restricted/Reserved	8,025,287	2,163,588	5,009,870	2,286,494	7,177,572	4,789,674	4,894,278	4,854,795	4,015,815	4,090,611
Assigned	-	1,026,106	1,462,004	1,118,949	131,230	41,842	250,058	230,835	253,913	1,428,579
Unassigned/Unreserved	8,245,195	12,755,793	8,619,655	6,784,338	7,895,100	6,875,429	9,824,378	16,020,667	17,436,060	20,670,166
Total General Fund	\$ 16,270,482	\$ 16,073,487	\$ 16,569,206	\$ 14,220,453	\$ 19,800,096	\$ 16,909,185	\$ 20,532,568	\$ 26,760,506	\$ 27,684,685	\$ 30,136,806
All Other Governmental Funds										
Restricted/Reserved	\$ 13,328,502	\$ 14,222,064	\$ 14,184,745	\$ 17,482,574	\$ 16,173,493	\$ 16,582,372	\$ 15,199,524	\$ 21,172,707	\$ 28,110,032	\$ 28,678,387
Committed	-	137,963	143,579	17,987	151,996	130,154	141,528	172,047	204,434	236,823
Unassigned/Unreserved	-	(55,925)	(1,255,208)	(4,065,293)	(4,408,588)	(5,012,977)	(5,382,532)	(5,656,411)	(6,009,697)	(4,255,864)
Total of All Other Governmental Funds	\$ 13,328,502	\$ 14,304,102	\$ 13,073,116	\$ 13,435,268	\$ 11,916,901	\$ 11,699,549	\$ 9,958,520	\$ 15,688,343	\$ 22,304,769	\$ 24,659,346

Source: Town of Erie Finance Department

⁽¹⁾In 2011 the Town implemented GASB 54 to reflect the new classifications of fund balance. Prior year amounts were not restated.

Town of Erie
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 8,273,559	\$ 8,368,768	\$ 8,955,918	\$ 9,817,296	\$ 10,622,469	\$ 12,075,737	\$ 14,336,443	\$ 18,033,869	\$ 21,047,896	\$ 23,751,202
Intergovernmental	918,999	1,037,646	1,109,725	1,124,346	1,465,446	1,647,060	1,540,723	1,542,503	1,639,812	1,934,122
Licenses and Permits	536,684	603,482	723,393	1,308,271	1,534,533	1,855,274	2,209,044	2,837,483	3,699,178	2,849,759
Charges for Services	2,504,617	2,581,391	2,878,907	3,403,217	3,620,969	3,930,007	4,173,172	4,600,046	4,783,608	4,969,182
Fines and Forfeitures	135,506	162,864	176,375	246,843	249,004	219,581	299,055	268,853	275,835	364,421
Capital Contributions and Fees	2,107,334	1,349,989	1,670,547	2,153,798	2,604,363	4,331,583	4,432,454	8,943,896	9,377,666	9,852,885
Investment Earnings	262,564	250,191	182,476	102,215	169,030	127,840	201,007	376,732	925,222	1,411,789
Miscellaneous	304,083	387,386	374,370	232,919	203,135	315,850	303,042	555,948	769,663	577,803
Total Revenues	15,043,346	14,741,717	16,071,711	18,388,905	20,468,949	24,502,932	27,494,940	37,159,330	42,518,880	45,711,163
Expenditures										
General Government	1,986,858	2,200,613	2,145,500	2,782,286	2,935,090	6,161,828	3,380,139	4,632,833	6,007,314	6,917,391
Public Safety	2,240,394	2,275,395	2,323,677	2,440,001	2,699,615	2,977,558	3,244,415	3,482,081	4,041,846	5,029,328
Public Works	1,582,570	1,719,095	1,833,074	3,790,678	3,973,497	2,793,781	2,980,586	2,991,570	3,028,797	3,429,778
Parks & Recreation	4,468,041	4,690,752	4,928,772	3,028,137	3,059,582	4,550,832	4,851,857	5,152,725	5,385,752	6,151,623
Capital Outlay	8,606,166	1,863,774	4,813,537	6,319,547	8,511,674	9,255,862	9,299,339	4,504,128	15,251,967	17,267,957
Debt Service										
Principal	880,000	915,000	950,000	1,800,062	1,125,320	1,177,108	1,225,393	1,281,999	1,302,230	964,080
Interest	857,444	820,681	782,756	673,681	683,515	748,037	697,864	645,055	588,833	531,867
Bond Insurance Costs	-	-	-	123,357	110,693	-	-	-	-	-
Total Expenditures	20,621,473	14,485,310	17,777,316	20,957,749	23,098,986	27,665,006	25,679,593	22,690,391	35,606,739	40,292,024
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,578,127)	256,407	(1,705,605)	(2,568,844)	(2,630,037)	(3,162,074)	1,815,347	14,468,939	6,912,141	5,419,139
Other Financing Sources (Uses)										
Transfers In	109,400	131,200	457,800	4,965,891	1,803,700	2,390,626	657,893	328,700	350,064	3,015,000
Transfers Out	(129,213)	(152,747)	(477,887)	(4,984,028)	(2,031,857)	(2,399,975)	(691,612)	(3,536,259)	(350,064)	(4,265,000)
Debt Proceeds (inc. capital leases)	-	-	695,000	9,985,460	6,508,716	-	-	-	-	34,462
Payment for Refunded Bonds	-	-	-	(9,571,113)	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	19,085	113,351	3,085	14,523	7,380	42,014	28,305	105,000	352,091	49,404
Insurance Recoveries & Related	41,331	22,084	46,446	171,510	33,374	21,146	72,421	33,333	139,187	77,193
Proceeds from Litigation Settlements	-	-	-	-	370,000	-	-	-	45,147	476,500
Total Other Financing Sources (Uses)	40,603	113,888	724,444	582,243	6,691,313	53,811	67,007	(3,069,226)	536,425	(612,441)
Net Changes in Fund Balance	\$ (5,537,524)	\$ 370,295	\$ (981,161)	\$ (1,986,601)	\$ 4,061,276	\$ (3,108,263)	\$ 1,882,354	\$ 11,399,713	\$ 7,448,566	\$ 4,806,698
Debt Service as a Percentage of Noncapital Expenditures ⁽¹⁾	14.46%	13.57%	13.16%	16.16%	11.77%	10.24%	11.24%	10.12%	8.81%	5.97%

Source: Town of Erie Finance Department

⁽¹⁾Included in noncapital expenditures for this calculation are certain expenditures classified for budgeting purposes as capital but do not qualify to be capitalized.

Town of Erie
General Governmental Tax Revenues By Source
Last Ten Fiscal Years

Year	Property Tax	Sales Tax	Use Tax	Franchise Tax	Specific Ownership Tax	Total
2010	\$ 3,947,570	\$ 2,842,974	\$ 577,210	\$ 684,352	\$ 221,453	\$ 8,273,559
2011	3,880,843	3,095,659	596,521	561,740	234,005	8,368,768
2012	3,962,431	3,318,242	778,195	638,792	258,258	8,955,918
2013	3,977,786	3,616,019	1,298,138	685,918	239,435	9,817,296
2014	3,993,379	4,027,197	1,606,448	708,894	286,551	10,622,469
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

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 2019 the levy was 0.550 mills.

Town of Erie
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Boulder County							
Year ⁽¹⁾	Residential	Commercial	Vacant		Less:	Total Taxable	Total Taxable
	Property	Property	Land	Other	Tax Exempt Real Property	Assessed Value	Actual Value
2010	\$ 74,095,210	\$ 7,658,420	\$ 6,248,880	\$ 12,085,460	\$ 4,334,730	\$ 95,753,240	\$ 994,842,810
2011	74,805,120	7,568,860	5,440,850	12,778,926	4,847,360	95,746,396	1,001,879,430
2012	73,860,728	7,251,830	4,783,897	18,565,810	4,999,658	99,462,607	993,982,165
2013	75,143,537	7,367,407	3,721,512	15,228,537	5,170,320	96,290,673	1,003,587,145
2014	74,154,873	7,686,083	5,744,842	14,205,385	5,079,776	96,711,407	998,823,627
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

Weld County							
Year ⁽¹⁾	Residential	Commercial	Vacant		Less:	Total Taxable	Total Taxable
	Property	Property	Land	Other	Tax Exempt Real Property	Assessed Value	Actual Value
2010	\$ 83,802,080	\$ 15,705,830	\$ 8,242,820	\$ 38,309,470	\$ 10,838,480	\$ 135,221,720	\$ 1,175,217,277
2011	85,974,780	16,846,260	6,993,710	26,916,450	8,507,750	128,223,450	1,191,937,810
2012	85,755,600	17,973,430	3,804,960	33,924,800	8,585,400	132,873,390	1,190,322,109
2013	87,078,530	17,404,680	3,815,130	48,243,410	18,250,220	138,291,530	1,213,972,885
2014	91,188,060	18,957,690	4,523,580	48,319,546	18,605,790	144,383,086	1,272,092,511
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

Boulder County and Weld County				
Year ⁽¹⁾	Grand Total Assessed	Grand Total Actual	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
	Taxable Value	Taxable Value		
2010	\$ 230,974,960	\$ 2,170,060,087	10.64%	17.198
2011	223,969,846	2,193,817,240	10.21%	17.376
2012	232,335,997	2,184,304,274	10.64%	17.146
2013	234,582,203	2,217,560,030	10.58%	17.095
2014	241,094,493	2,270,916,138	10.62%	16.567
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

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: 2019 taxes assessed will be collected in the 2020 calendar year.

**Town of Erie
Principal Property Taxpayers
December 31**

Taxpayer	Boulder County					
	2019			2010		
	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
Principal Taxpayers						
Public Service Co. of Colorado (Xcel)	\$ 4,202,438	1	2.56 %	\$ -	-	- %
Calatlantic Group Inc.	3,396,576	2	2.07	-	-	-
Arapahoe Ridge Property LLC	2,593,180	3	1.58	-	-	-
JMJC Eleven LLC	2,580,616	4	1.57	-	-	-
HT Flatiron LP	2,032,739	5	1.24	-	-	-
William Lyon Homes Inc.	1,322,540	6	0.81	-	-	-
Toll Co. LP	1,202,866	7	0.73	-	-	-
Westpac Realty Fund II LLC	1,114,180	8	0.68	-	-	-
Crestone Peak Resources	934,211	9	0.57	-	-	-
Richard & Deborah Oliver	898,086	10	0.55	-	-	-
Encana Oil & Gas Usa Inc.	-	-	-	4,050,460	1	4.23
Arapahoe Ridge Retail Center LLC	-	-	-	2,669,050	2	2.79
Public Service Co. of Colorado (Xcel)	-	-	-	2,267,800	3	2.37
Richmond American Homes of Colorado	-	-	-	1,147,420	4	1.20
Muhr Partnership Three	-	-	-	1,139,760	5	1.19
Alande Company	-	-	-	912,090	6	0.95
Westpac Realty Fund II LLC	-	-	-	869,040	7	0.91
Boulder Valley Investment LLC	-	-	-	672,580	8	0.70
CVH Investments LLC	-	-	-	666,620	9	0.70
Richard & Deborah Oliver	-	-	-	503,040	10	0.53
	<u>\$ 20,277,432</u>		<u>12.38 %</u>	<u>\$ 14,897,860</u>		<u>15.56 %</u>
Taxpayer	Weld County					
	2019			2010		
	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
Principal Taxpayers						
Crestone Peak Resources, LP	\$ 122,838,390	1	49.95 %	\$ -	-	- %
Dillon Companies Inc.	4,478,120	2	1.82	-	-	-
Public Service Co. of Colorado (Xcel)	3,553,060	3	1.44	-	-	-
Park Homes LLC	2,424,030	4	0.99	-	-	-
Kerr-McGee Gathering LLC	2,321,970	5	0.94	-	-	-
Richmond American Homes of Colorado Inc.	2,050,240	6	0.83	-	-	-
United Power Inc.	1,426,090	7	0.58	-	-	-
Front Range Landfill 505	1,297,520	8	0.53	-	-	-
KP Kaufmann Company Inc.	1,287,320	9	0.52	-	-	-
King Soopers	1,068,020	10	0.43	-	-	-
Encana Oil & Gas (USA) Inc.	-	-	-	7,456,740	1	5.51
Noble Energy Inc.	-	-	-	1,920,310	2	1.42
WL Homes	-	-	-	1,300,480	3	0.96
Vista Ridge Development LLC	-	-	-	1,296,670	4	0.96
Vista Ridge Development Corp.	-	-	-	1,131,120	5	0.84
Colorado National Golf Club LLC	-	-	-	978,530	6	0.72
Comcast of Colorado I LLC	-	-	-	885,370	7	0.65
VRC Development LLC	-	-	-	851,980	8	0.63
Woodcrest Homes Inc.	-	-	-	774,040	9	0.57
1010 Redevelopment Inc.	-	-	-	737,160	10	0.55
	<u>\$ 142,744,760</u>		<u>58.04 %</u>	<u>\$ 17,332,400</u>		<u>12.82 %</u>

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

Town of Erie
Property Tax Levy from Direct and Overlapping Governments
Last Ten Years

Boulder County									
Town of Erie									
	General	General	Trails &	Total	Boulder	St. Vrain	Boulder	Mountain	Northern
	Operating	Obligation	Natural	Direct	County	Valley School	Valley School	View	Colorado
Year		Bonds	Areas			District	District	District	Water
									Conservation
Rates (In mills) ⁽¹⁾									
2010	7.288	5.910	4.000	17.198	23.667	46.268	39.999	11.747	1.000
2011	7.288	6.088	4.000	17.376	24.645	46.837	43.838	11.747	1.000
2012	7.288	5.858	4.000	17.146	24.645	47.614	44.843	11.747	1.000
2013	7.288	5.807	4.000	17.095	24.645	53.500	45.547	11.747	1.000
2014	7.288	5.279	4.000	16.567	25.120	53.679	45.372	11.747	1.000
2015	7.288	6.076	4.000	17.364	24.794	53.673	47.569	11.747	1.000
2016	7.288	5.131	4.000	16.419	22.624	53.887	45.814	11.747	1.000
2017	7.288	5.260	4.000	16.548	24.064	56.945	48.961	11.747	1.000
2018	7.288	4.512	4.000	15.800	22.726	56.394	47.780	11.747	1.000
2019	7.288	3.802	4.000	15.090	24.026	57.559	48.359	16.247	1.000

Weld County									
Town of Erie									
	General	General	Trails &	Total	Weld	St. Vrain	Mountain	Mountain	Northern
	Operating	Obligation	Natural	Direct	County	Valley School	View	View	Colorado
Year		Bonds	Areas			District	District	District	Water
									High
									Plains
Rates (In mills) ⁽¹⁾									
2010	7.288	5.910	4.000	17.198	16.804	46.268	11.747	1.000	3.255
2011	7.288	6.088	4.000	17.376	16.804	46.837	11.747	1.000	3.281
2012	7.288	5.858	4.000	17.146	16.804	47.614	11.747	1.000	3.271
2013	7.288	5.807	4.000	17.095	16.804	53.500	11.747	1.000	3.261
2014	7.288	5.279	4.000	16.567	16.804	53.679	11.747	1.000	3.264
2015	7.288	6.076	4.000	17.364	16.804	53.673	11.747	1.000	3.267
2016	7.288	5.131	4.000	16.419	15.800	53.887	11.747	1.000	3.308
2017	7.288	5.260	4.000	16.548	15.800	56.945	11.747	1.000	3.271
2018	7.288	4.512	4.000	15.800	15.800	56.394	11.747	1.000	3.256
2019	7.288	3.802	4.000	15.090	15.038	57.559	16.247	1.000	3.217

Source: 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: 2019 taxes assessed will be collected in the 2020 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; Redtail Ranch; Summerfield #'s 1-3; Sunset Parks and Vista Ridge.

Urban Drainage & Flood District	High Plains Library	Metro Districts ⁽²⁾	(Range) Total
0.508	3.255	-	97.374 - 103.643
0.523	3.281	-	102.410 - 105.409
0.566	3.271	-	103.218 - 155.989
0.599	3.261	50.000	103.894 - 161.847
0.608	3.264	50.000	103.678 - 161.985
0.632	3.267	50.000	106.373 - 162.477
0.553	3.308	50.000	101.465 - 159.538
0.559	3.271	50.000	106.150 - 164.134
0.500	3.256	5.000-55.277	102.809 - 166.700
0.900	3.217	40.000 - 55.666	108.839 - 173.705

Metro Districts ⁽³⁾	(Range) Total
18.000 - 57.827	96.272 - 154.099
18.000 - 57.827	97.045 - 154.872
20.000 - 57.827	97.582 - 155.409
20.000 - 57.827	103.407 - 161.234
20.000 - 57.827	103.061 - 160.888
10.000 - 70.000	103.855 - 173.855
10.000 - 70.000	102.161 - 172.161
10.000 - 70.000	105.311 - 175.311
15.000 - 77.388	103.997 - 181.385
15.000 - 77.928	108.151 - 186.079

Town of Erie
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
2010	\$ 3,727,878	\$ 3,720,315	99.80
2011	3,972,307	3,947,570	99.38
2012	3,891,700	3,880,843	99.72
2013	3,983,633	3,962,431	99.47
2014	4,010,183	3,987,059	99.42
2015 ⁽³⁾	3,994,213	3,993,379	99.98
2016	4,252,002	4,254,354	100.06
2017	4,756,706	4,757,945	100.03
2018	4,701,081	4,669,385	99.33
2019	5,219,221	5,220,932	100.03

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: 2019 taxes assessed will be collected in the 2020 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 2019 the levy was 0.550 mills.

Town of Erie
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
2010	\$ 1,737,860	\$ 1,105,114	\$ 577,210	\$ 3,420,184	3.50 %
2011	1,863,647	1,232,012	596,521	3,692,180	3.50
2012	1,967,717	1,350,525	778,195	4,096,437	3.50
2013	2,070,627	1,545,392	1,298,138	4,914,157	3.50
2014	2,251,151	1,776,046	1,606,448	5,633,645	3.50
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

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
Principal Sales Taxpayers
Last Ten Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Aggregate top ten filers ⁽¹⁾	\$ 1,009,572	\$ 942,292	\$ 994,891	\$ 1,096,938	\$ 1,137,611	\$ 1,217,909	\$ 1,547,514	\$ 4,202,529	\$ 5,193,369	\$ 4,472,727
Aggregate all other filers	728,288	921,355	972,826	973,689	1,113,540	1,359,852	1,929,602	2,025,377	2,364,253	4,159,081
Total sales tax ⁽²⁾	\$ 1,737,860	\$ 1,863,647	\$ 1,967,717	\$ 2,070,627	\$ 2,251,151	\$ 2,577,761	\$ 3,477,116	\$ 6,227,906	\$ 7,557,622	\$ 8,631,808
Top ten filers as a percentage of total tax	58.1%	50.6%	50.6%	53.0%	50.5%	47.2%	44.5%	67.5%	68.7%	51.8%

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
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities					Total Primary Government	Percentage of Personal Income ⁽²⁾	Per Capita
	General Obligation Bonds	Capital Leases	Revenue Bonds/Loans ⁽¹⁾	Certificates of Participation		Capital Leases	Mortgages & Other Loans Payable				
2010	\$17,623,254	-	\$ 60,542,625	\$ 29,522,550	\$ 2,582,378	\$ 819,154	\$ 111,089,961	12.27%	\$ 6,138		
2011	16,692,986	-	58,734,280	29,026,374	2,513,192	803,667	107,770,499	11.23%	5,825		
2012	15,727,719	-	56,086,691	28,465,197	2,441,007	781,683	103,502,297	10.10%	5,505		
2013	15,923,684	250,790	54,983,075	28,295,000	-	758,942	100,211,491	9.40%	5,166		
2014	21,249,523	195,470	54,126,668	25,105,000	-	745,832	101,422,493	8.56%	5,046		
2015	20,010,049	138,363	51,331,253	25,768,158	-	735,843	97,983,666	7.20%	4,622		
2016	18,707,714	82,969	49,398,754	25,088,650	-	665,499	93,943,586	6.46%	4,194		
2017	17,350,378	22,229	46,784,562	24,394,142	-	-	88,551,311	5.32%	3,690		
2018	15,938,459	-	44,104,764	23,689,627	-	-	83,732,850	4.40%	3,233		
2019	14,852,799	30,382	41,378,868	22,965,126	28,514	-	79,255,689	N/A	2,861		

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.

⁽²⁾ Current year personal income data not yet available.

Town of Erie
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
2010	18,100	\$ 2,170,060,087	\$ 17,623,254	0.81	\$ 974
2011	18,500	2,193,817,240	16,692,986	0.76	902
2012	18,800	2,184,304,274	15,727,719	0.72	837
2013	19,400	2,217,560,030	15,923,684	0.72	821
2014	20,100	2,270,916,138	21,249,523	0.94	1,057
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

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
Direct and Overlapping General Bonded Debt
As of December 31, 2019

	Outstanding General Bonded Debt	Percentage Applicable to the Town⁽²⁾	Share of Debt Applicable to the Town
Direct Debt			
Town of Erie	<u>\$ 14,000,000</u>	100 %	<u>\$ 14,000,000</u>
Overlapping Debt ⁽¹⁾			
Boulder Valley School District	791,885,000	1	10,014,591
Colliers Hill Metropolitan District #1	26,570,000	100	26,570,000
Colliers Hill Metropolitan District #2	24,126,000	100	24,126,000
Erie Commons Metropolitan District #2	32,435,000	100	32,435,000
Erie Farm Metropolitan District	8,572,000	100	8,572,000
Erie Highlands Metropolitan District #1	9,156,000	100	9,156,000
Erie Highlands Metropolitan District #2	17,144,000	100	17,144,000
Flatiron Meadows Metropolitan District	7,580,000	100	7,580,000
Rex Ranch Metropolitan District	3,745,000	100	3,745,000
St. Vrain Valley School District	514,915,000	7	38,536,706
Vista Ridge Metropolitan District	<u>35,680,000</u>	100	<u>35,680,000</u>
Total Overlapping Debt	<u>1,471,808,000</u>		<u>213,559,297</u>
Total Direct and Overlapping General Bonded Debt	<u><u>\$ 1,485,808,000</u></u>		<u><u>\$ 227,559,297</u></u>

Source: Provided by each government entity

⁽¹⁾The following governments had no outstanding general bonded debt:

Weld County, Mountain View Fire, High Plains Library, Northern Colorado Water, Left Hand Water, Boulder Valley Conservation, Erie Corp Center Metro #2, Erie Corp Center Metro #3, Ridge Lands Metro, RTD, St. Vrain Sanitation, Erie Commons Metro #1, Longmont Conservation, Erie Corp Center Metro #1, Sunset Parks Metro, Colliers Hill Metro #3, Morgan Hill Metro #1, Morgan Hill Metro #2, Morgan Hill Metro #3, Erie Highlands Metro #3, Erie Highlands Metro #4, Erie Highlands Metro #5, Summerfield Metro #1, Summerfield Metro #2, Summerfield Metro #3, Redtail Ranch Metro District, 232 Metro District, Erie Area 4 TIF, Erie Historical Urban Renewal, Erie Urban Renewal, Sierra Vista Metro District, Boulder County, Urban Drainage and Flood Control, Lafayette Rural Fire, Brennan Metro District, Lost Creek Farms Metro District, Hwy 287 URA, Four Corners URA, Four Corners Metro District and Four Corners BID.

⁽²⁾Town assessed valuation as a percentage of the total assessed valuation of the overlapping government.

Town of Erie
Legal Debt Margin Information
Last Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit	\$ 66,674,109	\$ 67,199,962	\$ 66,938,782	\$ 68,952,454	\$ 70,581,786	\$ 73,170,157	\$ 89,743,263	\$ 94,865,701	\$ 118,914,195	\$ 130,019,324
Less: Net Debt Applicable to Limit	17,355,000	16,440,000	15,490,000	14,625,000	19,755,000	18,635,000	17,465,000	16,240,000	14,960,000	14,000,000
Legal Debt Margin	\$ 49,319,109	\$ 50,759,962	\$ 51,448,782	\$ 54,327,454	\$ 50,826,786	\$ 54,535,157	\$ 72,278,263	\$ 78,625,701	\$ 103,954,195	\$ 116,019,324

Total Net Debt Applicable to the Limit
as a Percentage of Debt Limit

26.03%	24.46%	23.14%	21.21%	27.99%	25.47%	19.46%	17.12%	12.58%	10.77%
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Legal Debt Margin Calculation for Fiscal Year 2019

Actual Valuation	
Boulder County	\$ 1,895,248,401
Weld County	2,438,729,072
Total Actual Valuation	\$ 4,333,977,473
Legal Debt Margin	
Debt Limitation:	
3 Percent of Total Assessed Valuation	\$ 130,019,324
Debt Applicable to Limitation:	
Outstanding Balance of General	
Obligation Bonds	14,000,000
Legal Debt Margin	\$ 116,019,324

Source: Town of Erie Finance Department

Town of Erie
Pledged-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	
2010	\$ 8,315,995	\$ 2,655,958	\$ 5,660,037	\$ 1,260,000	\$ 1,236,523	\$ 2,496,523	2.27 x
2011	8,857,658	2,746,833	6,110,825	676,000	1,100,016	1,776,016	3.44 x
2012	10,438,223	3,012,737	7,425,486	1,453,045	1,383,950	2,836,995	2.62 x
2013	12,674,206	3,191,385	9,482,821	1,465,000	1,370,029	2,835,029	3.34 x
2014	14,265,470	4,090,660	10,174,810	1,500,000	1,334,204	2,834,204	3.59 x
2015	18,267,808	3,755,288	14,512,520	1,560,000	1,272,904	2,832,904	5.12 x
2016	22,824,241	4,769,246	18,054,995	1,625,000	1,122,156	2,747,156	6.57 x
2017	25,075,166	4,211,555	20,863,611	1,835,000	945,089	2,780,089	7.50 x
2018	31,495,779	4,822,378	26,673,401	1,785,000	914,506	2,699,506	9.88 x
2019	32,762,346	5,052,305	27,710,041	1,820,000	866,968	2,686,968	10.31 x

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
Pledged-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	
2010	\$ 3,408,358	\$ 1,462,235	\$ 1,946,123	\$ 460,178	\$ 1,018,239	\$ 1,478,417	1.32 x
2011	3,625,497	1,672,930	1,952,567	558,773	1,019,333	1,578,106	1.24 x
2012	4,332,892	1,985,483	2,347,409	563,209	998,926	1,562,135	1.50 x
2013	5,477,482	2,170,910	3,306,572	560,696	973,337	1,534,033	2.16 x
2014	5,827,861	2,488,132	3,339,729	578,224	952,155	1,530,379	2.18 x
2015	6,710,717	2,557,448	4,153,269	600,491	934,736	1,535,227	2.71 x
2016	7,388,911	2,510,334	4,878,577	493,183	797,144	1,290,327	3.78 x
2017	7,984,720	2,780,013	5,204,707	636,647	670,389	1,307,036	3.98 x
2018	10,262,444	3,048,996	7,213,448	656,182	655,143	1,311,325	5.50 x
2019	9,855,016	3,302,018	6,552,998	667,010	644,016	1,311,026	5.00 x

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
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population ⁽¹⁾	Personal	Per Capita	Median	School	Unemployment
		Income ⁽²⁾ (in thousands)	Income ⁽²⁾	Age ⁽¹⁾	Enrollment	Rate ⁽³⁾
2010	18,100	\$ 905,561	\$ 50,031	35.8	3,532	6.9
2011	18,500	960,021	51,893	36.2	3,636	6.0
2012	18,800	1,024,638	54,502	36.4	3,852	5.7
2013	19,400	1,066,379	54,968	35.2	4,085	4.6
2014	20,100	1,184,232	58,917	36.9	4,602	3.3
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	1,663,152	69,298	37.0	5,700	2.5
2018	25,900	1,900,905	73,394	37.0	5,757	3.3
2019	27,700	-	-	36.8	6,162	2.0

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. 2019 data not yet available.

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

Town of Erie
Principal Employers
Current Year and Ten Years Ago

<u>Employer</u>	<u>2019</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Town of Erie (1)	493	1	13.27 %
St. Vrain Valley School District	440	2	11.85
King Soopers	256	3	6.89
Safeway	75	4	2.02
Boulder Valley School District	72	5	1.94
Colorado National Golf Club	66	6	1.78
Magnum Plastics	63	7	1.70
Aspen Ridge Prep School	57	8	1.53
Sonic Drive-In	50	9	1.35
Lazy Dog	47	10	1.27
Total	<u>1,619</u>		<u>43.60 %</u>

(1) Includes part-time/ seasonal staff. Budgeted FTE's are 220.

	<u>2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Town of Erie	258	1	10.32 %
St. Vrain Valley School District	250	2	10.00
Safeway	180	3	7.20
Colorado National Golf Club	75	4	3.00
Magnum Plastics	24	5	0.96
John Murphy Millworks	20	6	0.80
Starbucks	17	7	0.68
Walgreens	17	8	0.68
County Line Lumber	10	9	0.40
Papa Murphy's	7	10	0.28
	<u>858</u>		<u>34.32 %</u>

Source: Town of Erie Economic Development

Town of Erie
Full-Time Equivalent Town Government Employees by Function
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function										
General Government	13.2	13.2	14.2	15.2						
Town Administration					5.0	5.0	5.0	6.0	6.0	6.0
Economic Development					1.0	1.0	1.0	1.0	1.0	2.0
Finance					6.0	6.0	7.0	8.0	8.0	8.0
Human Resources					2.0	2.0	2.0	3.0	3.0	3.0
Information Technology					3.0	3.0	3.6	3.6	4.0	4.0
Planning & Development					15.0	16.0	18.0	23.0	26.0	25.0
Parks & Recreation	65.1	69.0	69.6	74.3	71.2	72.1	75.0	79.4	84.0	85.2
Public Safety	24.8	25.0	25.0	27.0	25.9	27.4	30.0	32.0	40.5	43.5
Public Works	39.6	40.6	42.6	45.6	35.6	35.7	37.4	43.0	43.0	43.0
Total	142.7	147.8	151.4	162.1	164.7	168.2	179.0	199.0	215.5	219.7

Note: Beginning in 2014 FTE's are reflected based on the primary organizational structure. Personnel costs of certain employees in General Government and Public Works are allocated to the Water, Wastewater, Storm Drainage and Airport Funds and the Town's urban renewal authority based on the estimated portion of their time dedicated to supporting these activities.

Source: Town of Erie Finance Department

Town of Erie
Operating Indicators by Function
Last Ten Fiscal Years

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Recreation										
Participation in Recreation Activities	40,862	70,250	67,815	70,262	68,975	64,038	69,712	54,926	64,195	65,318
Participation in Sports	3,303	4,782	6,375	6,954	4,988	5,725	5,818	5,895	5,657	6,279
Participation in Senior Activities	3,667	5,779	14,136	17,211	16,086	9,532	10,516	9,103	9,239	9,987
Senior Lunches	2,636	2,677	2,364	2,383	1,770	2,510	2,499	2,574	2,667	2,977
Police										
Traffic Violations	1,021	1,091	1,138	1,573	1,255	1,420	1,897	1,474	1,852	2,635
Criminal Violations	158	247	239	263	275	385	404	211	183	332
Water										
Number of Service Connections	6,503	6,546	6,765	6,990	7,195	7,561	8,048	8,547	9,193	9,859
Average Daily Flow (million gallons per day)	2.53	2.64	2.94	2.64	2.63	2.75	3.15	3.25	3.80	3.27
Wastewater										
Number of Service Connections	6,216	6,298	6,491	6,716	6,912	7,242	7,732	8,220	8,875	9,421
Average Daily Flows (million gallons per day)	1.007	1.070	1.090	1.216	1.190	1.190	1.300	1.490	1.500	1.557

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

Town of Erie
Capital Assets Statistics by Function
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function										
Parks and Recreation										
Community Center	1	1	1	1	1	1	1	1	1	1
Parks	10	10	10	10	10	10	10	10	16	16
Park Acreage	136	136	136	136	136	136	136	150	150	150
Open Space Acreage	272	272	607	607	1,075	1,075	1,096	1,096	1,096	1,143
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	8	8	8	8	9	9	10	10	11	13
Public Works										
Streets (miles)	130.0	121.0	122.4	134.0	134.0	134.0	135.0	154.0	154.0	157.6
Water										
Water Mains (miles)	111.0	125.5	132.7	132.7	137.0	149.5	157.0	165.0	181.0	189.5
Maximum Daily Capacity (million gallons per day)	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2
Wastewater										
Sanitary Sewers (miles)	94.0	87.7	89.7	90.9	94.0	100.8	103.5	109.0	122.0	125.9
Maximum Daily Capacity (million gallons per day)	1.80	2.70	2.70	2.70	2.70	2.70	2.70	2.70	1.50	1.95
Storm Drainage										
Storm Sewers (miles)	34.0	40.1	40.1	39.9	44.0	49.7	53.0	59.0	64.0	64.6
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
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
2010	\$ 80,565,996	\$ 1,983,526,184	\$ 2,064,092,180	3	\$ 14,093,550	119	\$ 25,714,523
2011	84,189,472	2,019,788,333	2,103,977,805	2	1,988,216	108	27,681,427
2012	86,983,585	2,005,135,153	2,092,118,738	5	3,860,578	150	36,498,702
2013	85,420,889	2,037,869,085	2,123,289,974	2	8,414,892	249	63,529,916
2014	91,875,014	2,077,190,454	2,169,065,468	7	14,437,901	291	81,564,843
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

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

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Compliance Section

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Water Enterprise Fund Continuing Disclosures:

History of Net Revenues and Debt Service Coverage for the Water Enterprise

	2015	2016	2017	2018	2019
Gross Revenues					
Charges for services	\$ 7,131,476	\$ 8,278,284	\$ 9,044,664	\$ 10,251,306	\$ 10,429,799
Tap fees	11,027,144	14,374,273	15,702,821	20,416,574	20,404,933
Interest income	69,333	156,900	285,093	699,994	1,370,664
Other income	39,855	14,784	42,588	127,905	556,950
Total Gross Revenues	18,267,808	22,824,241	25,075,166	31,495,779	32,762,346
Operation and Maintenance Expenses (1)	3,755,288	4,769,246	4,211,555	4,822,378	5,052,305
Net Revenues	<u>\$ 14,512,520</u>	<u>\$ 18,054,995</u>	<u>\$ 20,863,611</u>	<u>\$ 26,673,401</u>	<u>\$ 27,710,041</u>
Combined Maximum Annual Principal and Interest Requirements	\$ 2,693,979	\$ 2,693,979	\$ 2,693,979	\$ 2,693,979	\$ 2,693,979
Pro-Forma Coverage Ratio	5.39x	6.70x	7.74x	9.90x	10.29x
Current year debt service					\$ 2,686,968
Coverage Ratio - current year					10.31x
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.

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
2015	422	422	\$ 10,823,895	2	\$ 203,249	424	\$ 11,027,144
2016	462	465	13,422,405	11	951,868	473	14,374,273
2017	511	631	14,976,375	9	726,446	520	15,702,821
2018	637	640	19,309,796	11	1,106,778	648	20,416,574
2019	607	604	19,310,174	9	1,094,759	616	20,404,933

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

History of Water Accounts

<u>Year</u>	<u>Residential Accounts</u>	<u>Commercial Accounts</u>	<u>Irrigation Accounts</u>	<u>Total Accounts</u>
2015	7,246	124	151	7,521
2016	7,757	141	154	8,052
2017	8,233	150	169	8,552
2018	8,856	163	184	9,203
2019	9,497	174	188	9,859

Note: Irrigation accounts based on summer usage activity.

Largest Customers of the Water System

<u>Type of Business</u>	<u>2019 Revenue</u>	<u>% of Total (1)</u>
The Town	\$ 240,174	2.30%
School District	204,580	1.96%
Homeowners Association	166,166	1.59%
Construction Company	99,222	0.95%
Homeowners Association	75,495	0.72%
Homeowners Association	70,954	0.68%
Construction Company	65,595	0.63%
Homeowners Association	54,966	0.53%
Homeowners Association	54,691	0.52%
School District	49,795	0.48%
Total	<u>\$ 1,081,638</u>	<u>10.37%</u>

(1) Based on total charges for service of \$10,429,799.

Budget Summary and Comparison - Water Fund

	2018 Final Budget	2018 Actual	2019 Final Budget	2019 Actual
Beginning Working Capital	\$ 27,651,563	\$ 27,651,563	\$ 44,961,120	\$ 44,961,120
Revenues				
Charges for services	9,342,000	10,251,306	9,655,000	10,429,799
Connection fees	18,220,000	20,416,574	19,062,300	20,404,933
Interest income	385,000	699,994	695,000	1,370,664
Other income (1)	168,800	127,904	602,400	588,918
Total revenues	28,115,800	31,495,778	30,014,700	32,794,314
Total funds available	55,767,363	59,147,341	74,975,820	77,755,434
Operating Expenses				
Administration	3,203,100	3,332,704	3,385,100	3,004,555
Distribution	321,000	264,407	351,300	263,751
Treatment	1,397,000	1,184,014	1,412,200	1,230,397
Meters	230,400	217,141	283,700	258,170
Debt service	4,299,800	4,299,343	4,291,400	4,288,314
Capital outlay	9,878,500	4,860,531	31,290,100	10,035,933
Total operating expenses	19,329,800	14,158,140	41,013,800	19,081,120
Other Financing Sources				
Proceeds from debt issuance (2)	-	-	30,900	29,639
Total other financing sources	-	-	30,900	29,639
Other changes in working capital	-	(28,081)	-	(63,722)
Net change in working capital	8,786,000	17,309,557	(10,968,200)	13,679,111
Ending Working Capital	\$ 36,437,563	\$ 44,961,120	\$ 33,992,920	\$ 58,640,231

(1) 2019 reflects \$500,000 received pursuant to an arbitration settlement related to a capital project. Funds will be used in 2020.

(2) 2019 represents a capital lease obligation.

Water Fund - History of Revenues, Expenses and Changes in Net Position

	Year Ended December 31,				
	2015	2016	2017	2018	2019
Operating Revenues					
Charges for services	\$ 7,131,476	\$ 8,278,284	\$ 9,044,664	\$ 10,251,306	\$ 10,429,799
Operating Expenses					
Personnel services	1,641,891	1,684,788	2,038,669	2,256,820	2,305,940
Operations and maintenance	2,113,397	3,084,458	2,172,886	2,565,558	2,746,365
Depreciation	2,626,283	2,821,610	3,105,037	3,477,471	3,738,035
Total Operating Expenses	6,381,571	7,590,856	7,316,592	8,299,849	8,790,340
Net Operating Income	749,905	687,428	1,728,072	1,951,457	1,639,459
Nonoperating Revenues (Expenses)					
Investment income	69,333	156,900	285,093	699,994	1,370,664
Other, net (1)	(2,013,951)	14,784	42,588	31,704	531,955
Interest expense (2)	(2,443,958)	(2,014,864)	(1,946,105)	(1,827,183)	(1,760,175)
Total Nonoperating Expenses, net	(4,388,576)	(1,843,180)	(1,618,424)	(1,095,485)	142,444
Net Income/Loss before Contributions	(3,638,671)	(1,155,752)	109,648	855,972	1,781,903
Capital contributions (3)	11,040,531	17,246,744	18,262,084	22,995,540	26,845,844
Change in Net Position	7,401,860	16,090,992	18,371,732	23,851,512	28,627,747
Total Net Position - Beginning	111,530,314	118,932,174	136,951,652	155,323,384	179,423,236
Prior Period Adjustments (4) (5)	-	1,928,486	-	248,340	-
Total Net Position - Ending	<u>\$ 118,932,174</u>	<u>\$ 136,951,652</u>	<u>\$ 155,323,384</u>	<u>\$ 179,423,236</u>	<u>\$ 208,050,983</u>

(1) 2015 reflects a write-off in the amount of \$2,040,419 representing the book value of a reservoir no longer in use. 2019 reflects an arbitration settlement of \$500,000 related to a capital project (funds to be expended for repairs in 2020).

(2) Includes debt issuance costs of \$195,510 in 2015 and \$80,825 in 2017.

(3) Reflects developer contributions of infrastructure of \$2,872,000 in 2016, \$2,559,000 in 2017, \$2,483,000 in 2018 and \$6,416,000 in 2019.

(4) In 2016 a prior period adjustment was made to record developer contributions of infrastructure that should have been reflected in 2015.

(5) In 2018 a prior period adjustment was made to record adjustments to 2017 year-end customer billing accruals.

Budget Summary and Comparison - General Fund

	2018 Final Budget	2018 Actual	2019 Final Budget	2019 Actual
Revenues				
Taxes	\$ 16,791,100	\$ 18,615,903	\$ 18,836,000	\$ 20,750,132
Intergovernmental	1,351,500	1,435,852	1,643,000	1,687,735
Licenses and Permits	3,221,000	3,699,178	2,592,800	2,849,759
Fees and Charges for Services	4,608,700	4,753,635	4,731,500	4,940,856
Fines and Forfeitures	278,000	275,835	293,000	364,421
Investment Earnings	300,000	510,692	500,000	693,693
Miscellaneous	678,300	765,864	699,800	558,578
Total Revenues	27,228,600	30,056,959	29,296,100	31,845,174
Expenditures				
Current Operating:				
General Government (1)	5,816,300	5,615,511	6,490,300	6,549,890
Public Safety	4,143,052	4,041,846	5,040,700	5,029,328
Public Works	3,392,100	3,028,797	3,620,800	3,429,778
Parks and Recreation	5,691,800	5,264,703	6,159,800	6,028,787
Capital Outlay (2)	11,644,000	10,269,388	5,202,800	3,231,882
Debt Service				
Principal	1,302,500	1,302,230	964,600	964,080
Interest	589,500	588,833	532,600	531,867
Total Expenditures	32,579,252	30,111,308	28,011,600	25,765,612
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,350,652)	(54,349)	1,284,500	6,079,562
Other Financing Sources (Uses)				
Transfers In	310,052	350,064	10,000	-
Transfers Out	-	-	(4,288,000)	(4,265,000)
Capital Leases	-	-	34,700	34,462
Sales of Capital Assets	344,000	352,091	365,900	49,404
Insurance Recoveries	99,600	139,187	13,300	77,193
Proceeds from Litigation Settlements	44,600	45,147	476,500	476,500
Total Other Financing Sources (Uses)	798,252	886,489	(3,387,600)	(3,627,441)
Net Change in Fund Balance	(4,552,400)	832,140	(2,103,100)	2,452,121
Fund Balance, Beginning	26,760,506	26,760,506	27,684,685	27,684,685
Prior Period Adjustments (3)	-	92,039	-	-
Fund Balance, Ending	\$ 22,208,106	\$ 27,684,685	\$ 25,581,585	\$ 30,136,806

(1) 2019 reflects a cyber-fraud less of \$1.0 million, net of \$250 thousand in insurance claims proceeds received to date.

(2) 2018 reflects the purchase of 255 acres of land along I-25 and Erie Parkway for \$6.4 million for future economic development.

(3) In 2018 a prior period adjustment was made to record adjustments to 2017 year-end revenue accruals.

General Fund - History of Revenues, Expenses and Changes in Fund Balance

	Year Ended December 31,				
	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 11,033,487	\$ 12,925,001	\$ 16,179,942	\$ 18,615,903	\$ 20,750,132
Intergovernmental	1,454,903	1,322,006	1,138,700	1,435,852	1,687,735
Licenses and Permits	1,855,274	2,209,044	2,837,483	3,699,178	2,849,759
Fees and Charges for Services	3,918,891	4,138,040	4,570,432	4,753,635	4,940,856
Fines and Forfeitures	219,581	299,055	268,853	275,835	364,421
Investment Earnings	62,898	105,882	209,518	510,692	693,693
Miscellaneous	315,850	260,717	552,644	765,864	558,578
Total Revenues	18,860,884	21,259,745	25,757,572	30,056,959	31,845,174
Expenditures					
Current Operating:					
General Government (1)	5,881,034	3,120,399	4,349,177	5,615,511	6,549,890
Public Safety	2,977,558	3,244,415	3,482,081	4,041,846	5,029,328
Public Works	2,793,781	2,980,586	2,991,570	3,028,797	3,429,778
Parks and Recreation	4,428,109	4,710,210	5,023,118	5,264,703	6,028,787
Capital Outlay (2)	6,190,605	2,071,521	2,082,586	10,269,388	3,231,882
Debt Service					
Principal	1,177,108	1,225,393	1,281,999	1,302,230	964,080
Interest	748,037	697,864	645,055	588,833	531,867
Total Expenditures	24,196,232	18,050,388	19,855,586	30,111,308	25,765,612
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,335,348)	3,209,357	5,901,986	(54,349)	6,079,562
Other Financing Sources (Uses)					
Transfers In	2,390,626	326,700	328,700	350,064	-
Transfers Out	(9,349)	(13,400)	(77,046)	-	(4,265,000)
Capital Leases	-	-	-	-	34,462
Sales of Capital Assets	42,014	28,305	105,000	352,091	49,404
Insurance Recoveries	21,146	72,421	33,333	139,187	77,193
Proceeds from Litigation Settlements	-	-	-	45,147	476,500
Total Other Financing Sources (Uses)	2,444,437	414,026	389,987	886,489	(3,627,441)
Net Change in Fund Balance	(2,890,911)	3,623,383	6,291,973	832,140	2,452,121
Fund Balance, Beginning	19,800,096	16,909,185	20,532,568	26,760,506	27,684,685
Prior Period Adjustments (3) (4)	-	-	(64,035)	92,039	-
Fund Balance, Ending	\$ 16,909,185	\$ 20,532,568	\$ 26,760,506	\$ 27,684,685	\$ 30,136,806

(1) 2015 reflects a \$3.0 million incentive payment related to the construction of a King Soopers in the Town. 2019 reflects a \$1.0 million cyber-crime fraud loss, net of \$250 thousand in insurance claim proceeds received to date.

(2) 2018 reflects the purchase of 255 acres of land along I-25 and Erie Parkway for \$6.4 million for future economic development.

(3) In 2017 a prior period adjustment was made to reflect the correction of parks capital contribution fees recorded in the General Fund in error..

(4) In 2018 a prior period adjustment was made to record adjustments to 2017 year-end revenue accruals.

Wastewater Enterprise Fund Continuing Disclosures:

History of Net Revenues and Debt Service Coverage for the Wastewater Enterprise

	2015	2016	2017	2018	2019
Gross Revenues					
Charges for services	\$ 4,143,696	\$ 4,320,614	\$ 4,439,911	\$ 5,096,131	\$ 5,486,900
Tap fees	2,241,200	2,508,135	2,757,730	3,407,731	3,241,428
Interest income	53,377	88,916	178,651	393,174	639,135
Other	272,444	471,246	608,428	1,365,408	487,553
Total Gross Revenues	6,710,717	7,388,911	7,984,720	10,262,444	9,855,016
Operation and Maintenance Expenses (1)					
	2,557,448	2,510,334	2,780,013	3,048,996	3,302,018
Net Revenues	<u>\$ 4,153,269</u>	<u>\$ 4,878,577</u>	<u>\$ 5,204,707</u>	<u>\$ 7,213,448</u>	<u>\$ 6,552,998</u>
Combined Maximum Annual Principal and Interest Requirements	\$ 1,377,100	\$ 1,377,100	\$ 1,377,100	\$ 1,377,100	\$ 1,377,100
Pro-Forma Coverage Ratio	3.02x	3.54x	3.78x	5.24x	4.76x
Current year debt service					\$ 1,311,026
Coverage Ratio - current year					5.00x
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
2015	422	\$ 2,192,667	2	\$ 48,533	424	\$ 2,241,200
2016	460	2,418,000	9	90,135	469	2,508,135
2017	501	2,677,997	5	79,733	506	2,757,730
2018	621	3,289,865	11	117,866	632	3,407,731
2019	603	3,135,600	8	105,828	611	3,241,428

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

History of Wastewater Accounts

<u>Year</u>	<u>Residential Accounts</u>	<u>Commercial Accounts</u>	<u>Total Accounts</u>
2015	7,108	110	7,218
2016	7,609	124	7,733
2017	8,090	128	8,218
2018	8,716	139	8,855
2019	9,272	149	9,421

History of Wastewater Operating Revenues by Category

<u>Year</u>	<u>Residential Revenues</u>	<u>Commercial Revenues</u>	<u>Total Revenues</u>
2015	\$ 3,947,626	\$ 196,070	\$ 4,143,696
2016	4,096,196	224,418	4,320,614
2017	4,211,801	228,110	4,439,911
2018	4,798,347	297,784	5,096,131
2019	5,123,745	363,155	5,486,900

Largest Customers of the Wastewater System

<u>Type of Business</u>	<u>2019 Revenue</u>	<u>% of Total (1)</u>
Homeowners Association	\$ 107,518	1.96%
The Town	47,180	0.86%
Commercial Business	36,998	0.67%
Homeowners Association	33,423	0.61%
School District	32,002	0.58%
Commercial Business	25,132	0.46%
School District	22,853	0.42%
Homeowners Association	21,256	0.39%
Homebuilder	17,843	0.33%
Homebuilder	17,088	0.31%
Total	<u>\$ 361,293</u>	<u>6.58%</u>

(1) Based on total charges for service of \$5,486,900.

Budget Summary and Comparison - Wastewater Fund

	2018 Final Budget	2018 Actual	2019 Final Budget	2019 Actual
Beginning Working Capital	\$ 17,386,614	\$ 17,386,614	\$ 22,916,995	\$ 22,916,995
Revenues				
Charges for services	5,019,000	5,096,131	5,350,000	5,486,900
Tap fees	3,036,000	3,407,731	3,118,000	3,241,428
Investment income	275,000	393,174	425,000	639,135
Other income	173,800	1,365,408	169,800	487,553
Total revenues	8,503,800	10,262,444	9,062,800	9,855,016
Total funds available	25,890,414	27,649,058	31,979,795	32,772,011
Operating Expenses				
Administration	1,742,000	1,696,256	1,785,700	1,719,136
Collection	290,900	206,969	315,600	250,203
Treatment	1,264,600	1,041,681	1,321,400	1,279,436
Debt service	1,312,400	1,311,625	1,316,600	1,311,326
Capital outlay	1,747,000	438,529	7,623,800	1,885,168
Total operating expenses	6,356,900	4,695,060	12,363,100	6,445,269
Other Financing Sources				
Proceeds from Debt Issuance (1)	-	-	37,100	-
Total other financing sources	-	-	37,100	-
Other changes in working capital	-	(37,003)	-	(30,547)
Net change in working capital	2,146,900	5,530,381	(3,263,200)	3,379,200
Ending Working Capital	<u>\$ 19,533,514</u>	<u>\$ 22,916,995</u>	<u>\$ 19,653,795</u>	<u>\$ 26,296,195</u>

(1) 2019 represents a capital lease obligation.

Wastewater Fund - History of Revenues, Expenses and Changes in Net Position

	Year Ended December 31,				
	2015	2016	2017	2018	2019
Operating Revenues					
Charges for services	\$ 4,143,696	\$ 4,320,614	\$ 4,439,911	\$ 5,096,131	\$ 5,486,900
Operating Expenses					
Personnel services	1,438,353	1,465,748	1,663,310	1,894,886	1,944,056
Operations and maintenance	1,119,095	1,044,586	1,116,703	1,154,110	1,357,962
Depreciation	1,447,349	1,418,963	1,543,024	1,694,838	1,837,044
Total Operating Expenses	4,004,797	3,929,297	4,323,037	4,743,834	5,139,062
Net Operating Income	138,899	391,317	116,874	352,297	347,838
Nonoperating Revenues (Expenses)					
Investment income	53,377	88,916	178,651	393,174	639,135
Other, net (1)	(5,611,491)	9,873	13,795	7,500	1,021
Interest expense (2)	(924,719)	(956,740)	(672,334)	(662,031)	(650,446)
Total Nonoperating Expenses, net	(6,482,833)	(857,951)	(479,888)	(261,357)	(10,290)
Net Income/(Loss) before Contributions	(6,343,934)	(466,634)	(363,014)	90,940	337,548
Capital contributions (3)	2,500,734	3,858,449	6,122,913	7,173,026	10,201,532
Change in Net Position (1)	(3,843,200)	3,391,815	5,759,899	7,263,966	10,539,080
Total Net Position - Beginning	42,045,545	38,202,345	43,881,828	49,641,727	57,133,114
Prior Period Adjustments (4)(5)	-	2,287,668	-	227,421	-
Total Net Position - Ending	<u>\$ 38,202,345</u>	<u>\$ 43,881,828</u>	<u>\$ 49,641,727</u>	<u>\$ 57,133,114</u>	<u>\$ 67,672,194</u>

(1) 2015 reflects write-off in the amount of \$5,624,401 representing the net book value of the South Water Reclamation Facility, originally constructed in 1999.

This plant was idled in 2011 after construction of the North Water Reclamation Facility. While future possible uses for this facility are under investigation, due to the uncertainties about how this plant will be used, or if it will be used, management decided to write off the remaining book value of the plant.

(2) 2016 includes debt issuance costs of \$234,256.

(3) Reflects developer contributions of infrastructure of \$889,000 in 2016, \$2,771,000 in 2017, \$2,407,000 in 2018 and \$6,474,000 in 2019.

(4) In 2016 a prior period adjustment was made to record developer contributions of infrastructure that should have been reflected in 2015.

(5) In 2018 a prior period adjustment was made to record adjustments to 2017 year-end customer billing accruals.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Erie			
		YEAR ENDING: December 2019			
This Information From The Records Of (example - City of _ or County of _): Town of Erie		Prepared By: Steve Felten Phone: 303-926-2751			
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway- User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway disbursements:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	7,566,540		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,180,482		
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	8,922	b. Snow and ice removal			
3. Other local imposts (from page 2)	7,139,498	c. Other	385,790		
4. Miscellaneous local receipts (from page 2)	199,473	d. Total (a. through c.)	385,790		
5. Transfers from toll facilities		4. General administration & miscellaneous	1,026,314		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety			
a. Bonds - Original Issues		6. Total (1 through 5)	10,159,126		
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)	7,347,893	b. Redemption	-		
B. Private Contributions		c. Total (a. + b.)	-		
C. Receipts from State government (from page 2)	1,261,710	2. Notes:			
D. Receipts from Federal Government (from page 2)	-	a. Interest			
E. Total receipts (A.7 + B + C + D)	8,609,603	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 disbursements (A.6 + B.3 + C + D)	10,159,126		
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					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	9,587,284	8,609,603	10,159,126	8,037,761	-
Notes and Comments:					

FORM FHWA-536 (Rev. 1-05)

PREVIOUS EDITIONS OBSOLETE

(Next Page)

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2019	
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	199,473
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	4,095,296	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	3,044,202	g. Other Misc. Receipts	-
6. Total (1. through 5.)	7,139,498	h. Other	
c. Total (a. + b.)	7,139,498	i. Total (a. through h.)	199,473
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	983,126	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	93,547	d. Federal Transit Admin	
d. Other - Road & Bridge Taxes	185,037	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	278,584	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	1,261,710	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			-
b. Engineering Costs			-
c. Construction:			
(1). New Facilities		-	-
(2). Capacity Improvements		5,887,289	5,887,289
(3). System Preservation		1,679,249	1,679,249
(4). System Enhancement & Operation		2	2
(5). Total Construction (1) + (2) + (3) + (4)	-	7,566,540	7,566,540
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	7,566,540	7,566,540
			(Carry forward to page 1)
Notes and Comments:			