

# **Town of Erie, Colorado**

Comprehensive Annual Financial Report  
For the fiscal year ended  
December 31, 2020

Prepared by the Finance Department:

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**Town of Erie, Colorado**  
 Comprehensive Annual Financial Report  
 For the fiscal year ended December 31, 2020

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## **Introductory Section**

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June 25, 2021

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, 2020.

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, 2020. 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, 2020, is approximately 29,000, 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, but not between funds. Transfers of appropriations between departments and funds, and appropriations increasing the budget, require Board of Trustee approval.

## **Factors Affecting Financial Condition**

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

## **Local Economy**

Until the mid-1990's the Town experienced very slow population growth. However, since 2000 the Town's population has quadrupled, primarily reflecting growth in single-family residential homes. Residential construction activity continued to show strength in 2020 despite the pandemic, with permits for 475 dwelling units issued compared to 601 in 2019. 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 2020, 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, 2020, the Town government had 228 full-time equivalent employees, making it one of Erie's top five employers. As indicated above, the community is expected to maintain strong growth of high-quality residential construction. This growth should translate into corresponding growth in the number and variety of businesses in the community.

## **Long-term Financial Planning**

As indicated above and discussed elsewhere in this report, the Town continues to maintain strong fund balance positions in its various funds. The 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 Firming 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, 2020.

### **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, 2019. This was the sixteenth 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  
Administrator



Stefanie Furman, CPA  
Town  
Interim 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

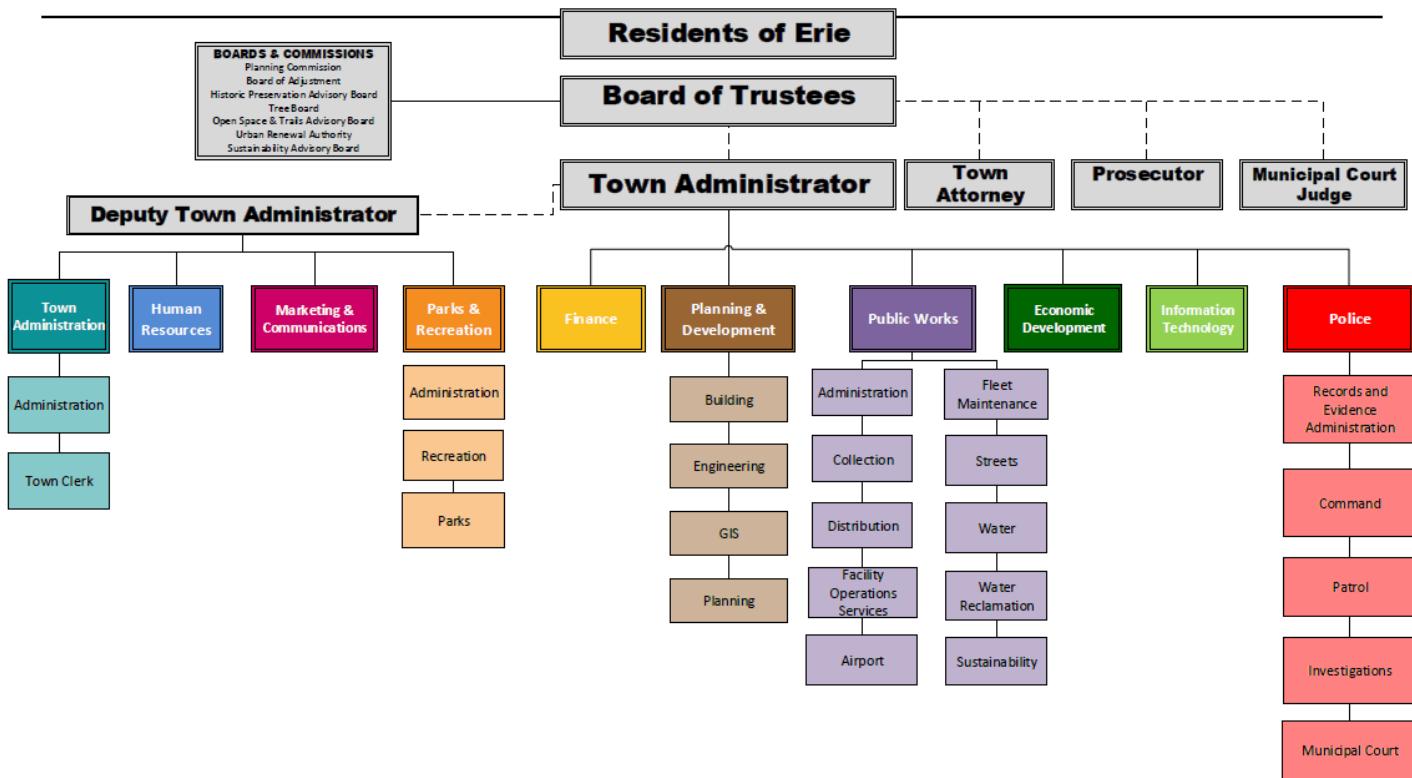
December 31, 2019

*Christopher P. Morill*

Executive Director/CEO

# Organizational Chart

## Town of Erie November 25, 2020



## Town of Erie, Colorado

### List of Town Officials

#### **Elected Officials - Mayor & Board of Trustees**

Jennifer Carroll	Mayor	April 2022
Adam Haid	Mayor Pro Tem	April 2022
Brandon Bell	Trustee	April 2024
Bill Gippe	Trustee	April 2022
Ari Harrison	Trustee	April 2024
Sara Loflin	Trustee	April 2024
Christiaan Van Woudenberg	Trustee	April 2022

#### **Appointed Officials**

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

#### **Senior Staff**

Melissa Wiley	Deputy Town Administrator
Stefanie Furman	Interim Director of Finance
Todd Fessenden	Director of Public Works
Denise Jakan	Director of Information Technology
Heidi Leatherwood	Town Clerk
Gabi Rae	Communications & Community Eng;
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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CliftonLarsonAllen LLP  
CLAconnect.com

## 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, 2020, 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.

### ***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, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Parks Improvement 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 schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is 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.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2021, 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*

**CliftonLarsonAllen LLP**

Broomfield, Colorado  
June 25, 2021

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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, 2020. 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 2020 by \$579.53 million (net position). Of this amount, \$134.2 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 \$58.95 million, or 11%, compared to 2019. Governmental net position increased by \$29.9 million, or 14%, and business-type net position increased by \$28.9 million, or 9%.
- At December 31, 2020, the Town's governmental funds reported combined ending fund balances of \$79.9 million, an increase of \$25.1 million from 2019. 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 \$29 million, representing 98% of actual operating expenditures for 2020.

### 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 31-32 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 2020 the Town had twelve individual governmental funds, including the Town's urban renewal authority (URA). The General Fund is considered a *major fund*, as are the Parks Improvement 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 34-40 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 are included within the governmental-activities in the government-wide financial statements. The activity in the Fleet and Equipment Acquisition Fund is used for monitoring the Town's fleet of vehicles and heavy equipment, and is allocated between the governmental and business-type activities based upon actual usage. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

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

The basic proprietary fund financial statements can be found on pages 41-43 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 45-73 of this report.

***Required Supplementary Information*** providing certain supporting pension schedules can be found on pages 75-78.

***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 and all of the proprietary funds are also presented in this section. This information can be found on pages 79-95.

## 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, 2020, the Town's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was \$579 million, an increase of \$58.9 million over the total at December 31, 2019. The Town reported positive balances in net position for both governmental and business-type activities. Net position increased by \$29.9 million in its governmental activities and \$28.9 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	
	2020	2019	2020	2019	2020	2019
<b>Assets</b>						
Current and other assets	\$ 94,787	\$ 74,289	\$ 104,945	\$ 96,705	\$ 199,732	\$ 170,994
Capital assets	166,960	160,943	301,194	284,881	468,154	445,824
<b>Total assets</b>	<b>261,747</b>	<b>235,232</b>	<b>406,139</b>	<b>381,586</b>	<b>667,886</b>	<b>616,818</b>
Deferred Outflows of Resources	1,888	2,149	2,980	3,238	4,868	5,387
<b>Liabilities</b>						
Long-term liabilities	15,199	16,466	61,141	64,613	76,340	81,079
Other liabilities	3,656	6,693	3,115	4,300	6,771	10,993
<b>Total liabilities</b>	<b>18,855</b>	<b>23,159</b>	<b>64,256</b>	<b>68,913</b>	<b>83,111</b>	<b>92,072</b>
Deferred Inflows of Resources	10,110	9,551	-	-	10,110	9,551
<b>Net Position</b>						
Net investment						
in capital assets	153,586	144,757	244,297	223,257	397,883	368,014
Restricted	46,605	32,769	879	856	47,484	33,625
Unrestricted	34,479	27,145	99,687	91,798	134,166	118,943
<b>Total net position</b>	<b>\$ 234,670</b>	<b>\$ 204,671</b>	<b>\$ 344,863</b>	<b>\$ 315,911</b>	<b>\$ 579,533</b>	<b>\$ 520,582</b>

The Town's net investment in capital assets represents 68.5% 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 8.1% 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 23.2% 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	
	2020	2019	2020	2019	2020	2019
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 6,739	\$ 8,183	\$ 20,079	\$ 17,440	\$ 26,818	\$ 25,623
Operating grants and contributions	2,790	1,642	80	15	2,870	1,657
Capital grants and contributions	15,376	27,251	28,341	42,523	43,717	69,774
General revenues						
Taxes	28,271	23,751	-	-	28,271	23,751
Grants	-	292	-	-	-	292
Investment earnings	817	1,412	1,201	2,082	2,018	3,494
Other	2,088	1,181	63	664	2,151	1,845
Total revenues	<u>56,081</u>	<u>63,712</u>	<u>49,764</u>	<u>62,724</u>	<u>105,845</u>	<u>126,436</u>
<b>Expenses</b>						
General government	10,513	10,886	-	-	10,513	10,886
Public safety	5,599	5,323	-	-	5,599	5,323
Public works	3,363	7,054	-	-	3,363	7,054
Parks and recreation	6,261	8,619	-	-	6,261	8,619
Interest on long-term debt	346	491	-	-	346	491
Water	-	-	12,299	10,552	12,299	10,552
Wastewater	-	-	6,044	5,790	6,044	5,790
Storm drainage	-	-	2,111	1,235	2,111	1,235
Airport	-	-	358	314	358	314
Total expenses	<u>26,082</u>	<u>32,373</u>	<u>20,812</u>	<u>17,891</u>	<u>46,894</u>	<u>50,264</u>
Increase in net position	29,999	31,339	28,952	44,833	58,951	76,172
Net position - beginning	<u>204,671</u>	<u>173,332</u>	<u>315,911</u>	<u>271,078</u>	<u>520,582</u>	<u>444,410</u>
Net position - ending	<u>\$ 234,670</u>	<u>\$ 204,671</u>	<u>\$ 344,863</u>	<u>\$ 315,911</u>	<u>\$ 579,533</u>	<u>\$ 520,582</u>

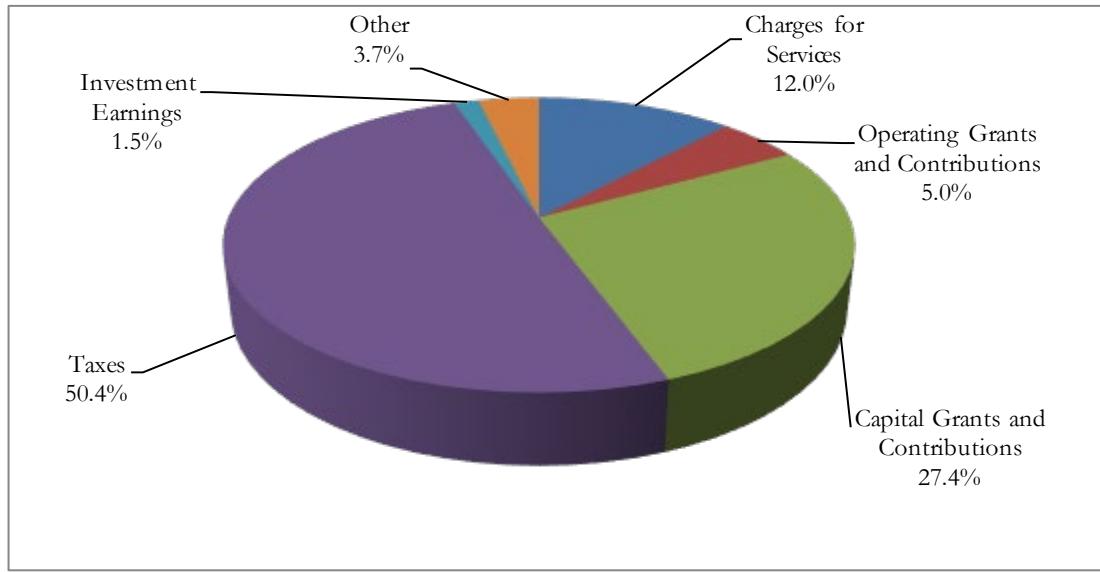
**Governmental Activities – Revenues:** During 2020, the Town's primary revenue sources for governmental operations included taxes, accounting for 50.4% of total governmental revenues. In addition, capital grants and contributions represented 27.3% of total governmental revenues while charges for services made up 12%. Program revenues of \$73.3 million were \$3.1 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 \$56 million had a decrease of \$10.9 million, or 16%, compared to 2019.

Sales, use, and property tax increased a total of \$4.5 million, or 19% compared to 2019. Offsetting the increase in taxes were decreases in Capital Grants and Contributions and Charges for Services. Capital contributions from developers decreased by \$6.0 million, or 22%, compared to 2019 due to the completion of several large development projects in 2019, primarily Colliers Hill. Charges for services decreased \$2.0 million, or 24% compared to 2019 due primarily to a decrease in recreation fees related to the closure of the recreation center during the COVID-19 pandemic.

The following chart provides the breakdown of revenues by source for 2020:

**2020 Revenues by Source – Governmental Activities**

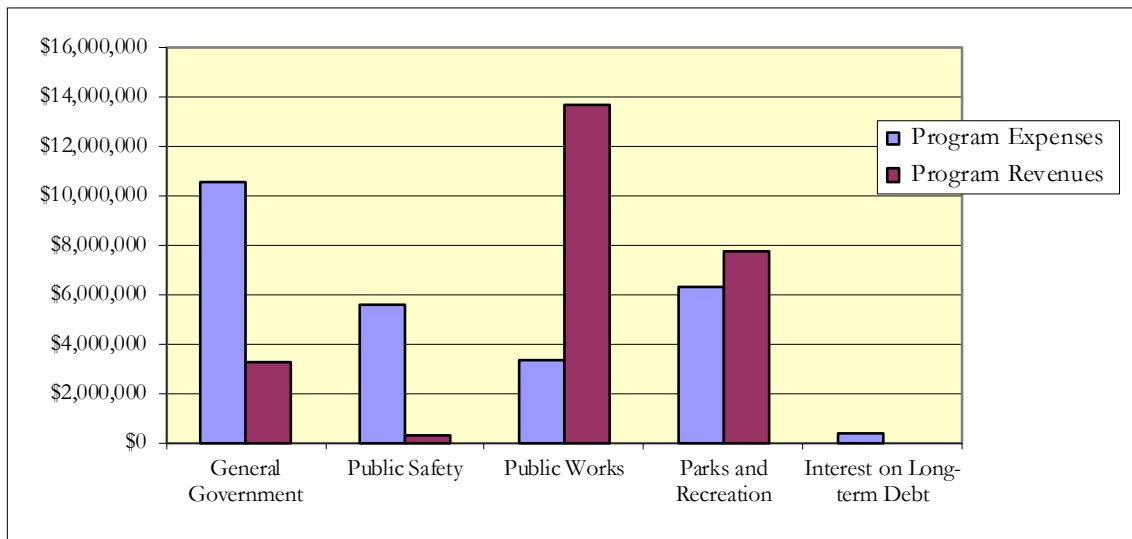


*Governmental Activities – Expenses:* Total governmental activities expenses were \$26.0 million in 2020, a decrease of \$6.8 million, or 21%, compared to 2019. The decrease in expenses was due to the following:

- Parks & Recreation expenses decreased \$1.0 million, or 12%, compared to 2019. This was due to the closure of the recreation center during the COVID-19 pandemic.
- General government expenses decreased \$305 thousand, or 2.8%, compared to 2019. This is primarily due to a one-time transaction in 2019 related to the transfer of property associated with Nine Mile.

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

**2020 Expenses and Offsetting Program Revenues – Governmental Activities**

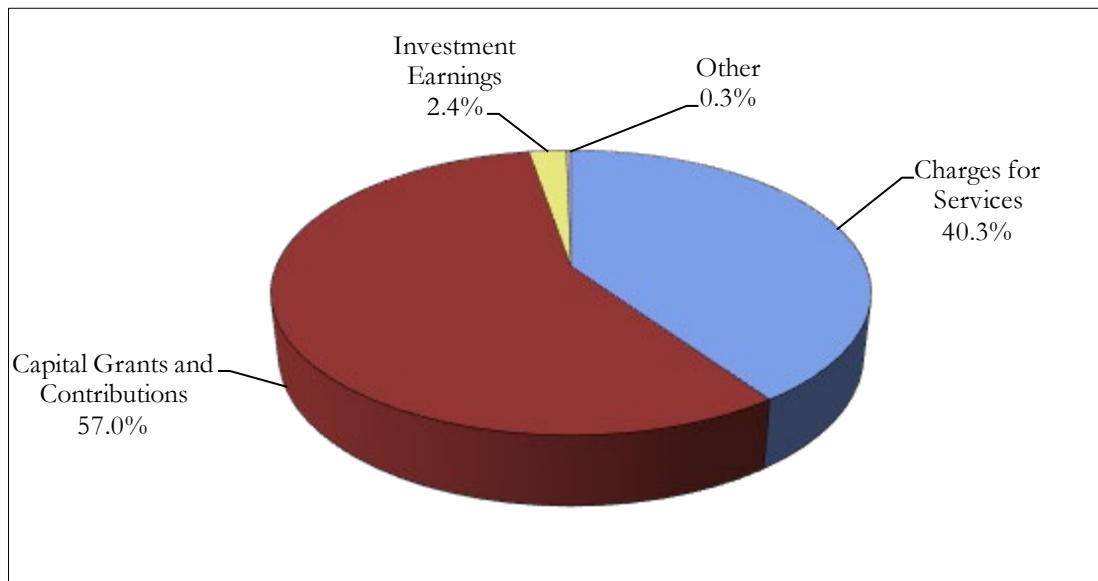


**Business-type Activities – Revenues:** Business-type activities primarily rely on charges for services to support related expenses. Charges for services of \$26.8 million for business-type activities represented 40.3% or 2020 revenues, and increased \$2.6 million, or 15.1%, compared to the prior year. This increase was due primarily to an increase in demand for all utility services due to growth.

The other primary source of revenue, representing 57% 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 \$28.3 million in 2020, a decrease of \$14.1 million, or 33%, compared to 2019. This is due to the large increase in 2019 related to developer constructed infrastructure donated to the Town, primarily related to Colliers Hill.

The following chart provides the breakdown of revenues by source for 2020:

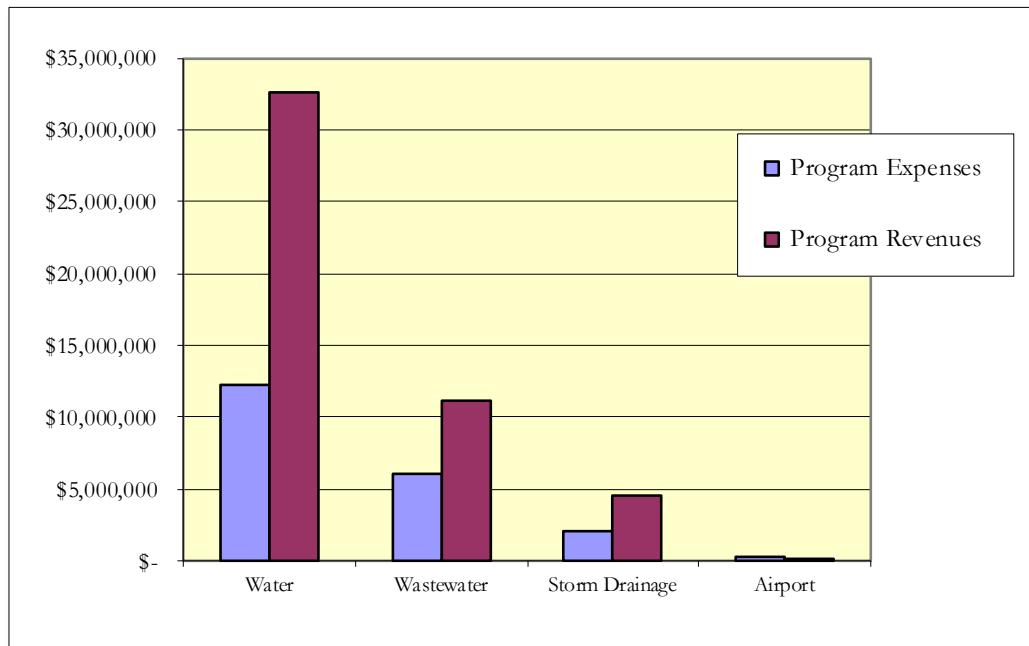
**2020 Revenues by Source – Business-type Activities**



**Business-type Activities – Expenses:** Business-type expenses were \$20.8 million in 2020, an increase of \$2.9 million, or 16%, compared to 2019. Contributing to this change was an increase in operation and maintenance expense associated with the Water Enterprise of \$1.7 million, or 16%, compared to 2019. In addition, operating expenses of the Storm Drainage fund increased \$876 thousand, or 71%, compared to 2019.

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

**2020 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 \$79.9 million. Of that amount, \$3.9 million was nonspendable, \$46.3 million was restricted, \$250 thousand was committed, \$900 thousand was assigned and \$28.4 million was unassigned fund balance.

The General Fund, the primary operating fund of the Town, had a fund balance at December 31, 2019, of \$37.7 million, of which \$3.9 million was nonspendable, \$3.8 million was restricted, \$900 thousand was assigned and \$29 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 61 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 \$29 million represents 98% of General Fund 2020 actual operating expenditures and 95% of 2021 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 2020 budgeted expenditures, the required reserve is \$5.8 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 \$7.6 million for the current year. Total revenues of \$34.2 million increased \$2.4 million, or 7%, compared to 2019, primarily reflecting strong growth in sales, use and property taxes.

Expenditures of \$26.7 million increased approximately \$980 thousand, or 3%, compared to the prior year. Capital expenditures in 2020 totaled \$3.24 million compared to \$3.23 million in 2019, an increase of \$17 thousand or 0.05%.

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.

In 2020, the Town had two other major governmental funds. Essentially all of the revenues of the Parks Improvement Fund come from impact fee revenues used to construct and acquire parks and related improvements.

The remaining major governmental fund in 2020 was the Town's urban renewal authority. Prior to 2012 the URA had no significant activities. Since then, the URA has expended \$7 million for the purchase and improvement of real estate for future urban renewal projects, almost all of which were related to the Nine Mile project, a mixed commercial/retail/multi-family development planned for the southwest corner of Highway 287 and Arapahoe Road. In addition, the URA has expended approximately \$2.7 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.

A total of \$27.8 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. starting on page 50, Note II.B. on page 58, and Note III.D. starting on page 61 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, 2020, was \$344.8 million, of which \$99.6 million was unrestricted net position. Total net position increased \$28.9 million over the prior year, with unrestricted net position increasing \$7.8 million.

The \$28.9 million increase in total net position is attributable primarily to an increase of \$21.2 million in net position in the Water Fund. This favorable change was due to an increase in operating revenues (charges for services) of \$2.2 million, or 21%, compared to 2019 due to an increase in the number of customers and an overall increase in water consumption related to the increased number of people at home during the COVID-19 pandemic.

Operating expenses of the Water Fund increased \$930 thousand, or 10%, to \$9.7 million. This increase was due to increases in repair and maintenance expenses and depreciation expense.

In the Wastewater Fund, net position increased \$5.4 million. Operating revenues (charges for services) were \$5.8 million, a \$320 thousand, or 5%, increase from 2019 as a result of an increase in customers. Capital contributions decreased \$4.8 million, or 46%, compared to 2019, the result of fewer donated infrastructure constructed by developers. Operating expenses were up \$278 thousand, or 5%, from 2019, due primarily to increases in depreciation and operating and maintenance expense.

Net position in the Storm Drainage Operating Fund increased \$2.5 million. This increase was primarily the result of donated infrastructure constructed by developers in the amount of \$3 million. Net position in the Airport Fund decreased \$266 thousand.

## **General Fund Budgetary Highlights**

The 2020 General Fund original budget provided for a surplus of \$11,900, reflecting revenues of \$3.2 million, expenditures of \$30.6 million, and other financing sources of \$350 thousand. The final budget provided for a surplus of \$939 thousand, reflecting revenues of \$31.2 million, expenditures of \$30.8 million, and other financing sources of \$600 thousand. Revenues and other financing sources increased \$1.2 million to \$31.8 million in the final budget, primarily due to increased projections for sales tax (increased \$3.5 million) and increased grant revenue related to the federal CARES funding (\$1.2 million). The expenditure budget decreased \$17 thousand to \$30.8 million in the final budget. The primary expenditure changes were related to the deferral of construction projects and decrease in operating expenses related to the closure of the recreation center during the COVID-19 pandemic.

Actual results for 2020 in the General Fund was a surplus of \$7.6 million. Revenues exceeded budget in almost all categories, with particularly favorable outcomes in sales and use tax, grants, and licenses and permits. Expenditures were under budget primarily due to the timing of capital projects. 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, 2020, for its governmental and business-type activities amounted to \$468.2 million, a net increase of \$22.3 million from December 31, 2019. The increase in capital assets was the result of \$42.6 million in Town-funded additions and \$14.5 million in infrastructure constructed by developers and contributed to the Town, partially offset by \$12.3 million in depreciation.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Land	\$ 26,978	\$ 26,978	\$ 6,557	\$ 6,563	\$ 33,535	\$ 33,541
Water rights	-	-	84,413	84,413	84,413	84,413
Buildings	30,843	31,638	776	761	31,619	32,399
Improvements other than buildings	103,808	91,931	172,764	171,623	276,572	263,554
Machinery, equipment, and vehicles	3,428	2,505	1,854	1,313	5,282	3,818
Construction in progress	1,903	7,891	34,830	20,208	36,733	28,099
 Total capital assets	 <u>\$ 166,960</u>	 <u>\$ 160,943</u>	 <u>\$ 301,194</u>	 <u>\$ 284,881</u>	 <u>\$ 468,154</u>	 <u>\$ 445,824</u>

Major capital improvements during the fiscal year ended December 31, 2020, included the following:

*Governmental Activities (total additions - \$14.8 million)*

- Developer-constructed infrastructure – primarily streets (\$5.9 million)
- Clayton Neighborhood Park (\$2 million)
- Various street improvements (\$1.6 million)

*Business-type Activities (total additions - \$33.2 million)*

- Developer-constructed infrastructure (\$8.6 million)
- Windy Gap & NISP projects (\$5.7 million)
- Expansion of the water treatment plant (\$5.3 million)
- Expansion of the wastewater treatment plant (\$2.5 million)

Additional information on the Town's capital assets can be found in Note III.C. starting on page 59 of this report.

### Long-Term Debt

At the end of 2020, the Town had \$69.7 million in total outstanding long-term debt, a decrease of \$5.9 million from December 31, 2019. Of this amount, \$11.9 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 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 \$126 million.

Additional information on the Town's long-term debt can be found in Note III.E. starting on page 61 of this report.

## **Economic Factors and Next Year's Budget**

Several factors drive the Town's budget and financial performance. Some of these factors include area employment rates, retail sales, motor vehicle sales, construction activity, population growth, and capital infrastructure needs. Throughout 2020, the global COVID-19 pandemic had an impact on the Town's financial performance. However, our ending financial position was significantly better than anticipated, and the outlook for 2021 remains positive.

The 2021 budget was approved by the Board of Trustees in December 2020. The General Fund, the Town's primary operating fund, had a budgeted surplus of \$1.3 million. Revenue forecasts reflect a moderate increase in sales taxes, development related revenues, and recreation activities.

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

## **Financial Contact**

This financial report is designed to provide users (residents, taxpayers, customers, investors, creditors, and other interested parties) with a general overview of the Town's finances and to demonstrate the Town's accountability and compliance with generally accepted accounting principles. Questions concerning any of the information presented in this report or requests for additional information should be addressed to the Town of Erie, Finance Director, 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, 2020**

	Primary Government		
	Governmental Activities		Business-type Activities
	Total		
<b>ASSETS</b>			
Pooled Cash and Investments	\$ 72,428,557	\$ 98,736,788	\$ 171,165,345
Restricted Cash and Investments	6,943,629	2,834,144	9,777,773
Receivables	15,130,878	2,693,170	17,824,048
Prepaid Items and Other Assets	71,567	680,822	752,389
Capital Assets Not Being Depreciated			
Land and Water Rights	26,978,014	90,970,289	117,948,303
Construction in Progress	1,903,345	34,830,048	36,733,393
Capital Assets, Net of Accumulated Depreciation	138,078,853	175,393,795	313,472,648
Net Pension Asset	211,723	-	211,723
Total Assets	<u>261,746,566</u>	<u>406,139,056</u>	<u>667,885,622</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Charges on Refundings	520,221	2,980,251	3,500,472
Pension Related Items	<u>1,368,279</u>	<u>-</u>	<u>1,368,279</u>
Total Deferred Outflows of Resources	<u>1,888,500</u>	<u>2,980,251</u>	<u>4,868,751</u>
<b>LIABILITIES</b>			
Accounts Payable	1,854,885	2,473,813	4,328,698
Accrued Interest Payable	38,601	267,776	306,377
Accrued Wages Payable	422,419	123,157	545,576
Other Liabilities	1,339,065	183,300	1,522,365
Unearned Revenue	-	67,154	67,154
Noncurrent Liabilities:			
Due within one year	1,804,375	3,827,737	5,632,112
Due in more than one year	<u>13,394,949</u>	<u>57,314,047</u>	<u>70,708,996</u>
Total Liabilities	<u>18,854,294</u>	<u>64,256,984</u>	<u>83,111,278</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	9,679,891		9,679,891
Pension Related Items	<u>430,193</u>	<u>-</u>	<u>430,193</u>
Total Deferred Inflows of Resources	<u>10,110,084</u>	<u>-</u>	<u>10,110,084</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	153,586,231	244,297,057	397,883,288
Restricted			
Capital Projects	41,060,286	-	41,060,286
Parks and Open Space	3,127,084	-	3,127,084
Solid Waste/Streets	720,095	-	720,095
Pension	211,723	-	211,723
Public Safety	-	-	-
Operations and Maintenance Reserves	-	878,650	878,650
Emergencies	1,485,930	-	1,485,930
Unrestricted	<u>34,479,339</u>	<u>99,686,616</u>	<u>134,165,955</u>
<b>Total Net Position</b>	<b><u>\$ 234,670,688</u></b>	<b><u>\$ 344,862,323</u></b>	<b><u>\$ 579,533,011</u></b>

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, 2020**

FUNCTIONS/PROGRAMS	Program Revenues					
			Operating		Capital	
	Charges for		Grants and		Grants and	
	Expenses	Services	Contributions	Contributions	Contributions	Total
<b>Primary Government</b>						
Governmental Activities						
General Government	\$ 10,512,723	\$ 2,235,795	\$ 50,025	\$ 956,021	\$ 3,241,841	
Public Safety	5,599,006	251,347	3,914	-	255,261	
Public Works	3,362,722	2,704,752	2,497,105	8,463,410	13,665,267	
Parks and Recreation	6,261,294	1,547,175	238,933	5,956,896	7,743,004	
Interest on Long-Term Debt	346,189	-	-	-	-	
Total Governmental Activities	<u>26,081,934</u>	<u>6,739,069</u>	<u>2,789,977</u>	<u>15,376,327</u>	<u>24,905,373</u>	
Business-type Activities						
Water	12,299,401	12,654,777	15,000	19,986,944	32,656,721	
Wastewater	6,044,230	5,806,390	281	5,348,514	11,155,185	
Storm Drainage	2,111,400	1,611,680	-	3,005,617	4,617,297	
Airport	358,135	5,690	65,361	-	71,051	
Total Business-type Activities	<u>20,813,166</u>	<u>20,078,537</u>	<u>80,642</u>	<u>28,341,075</u>	<u>48,500,254</u>	
Total Primary Government	<u><u>\$ 46,895,100</u></u>	<u><u>\$ 26,817,606</u></u>	<u><u>\$ 2,870,619</u></u>	<u><u>\$ 43,717,402</u></u>	<u><u>\$ 73,405,627</u></u>	

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental		Business-type	
Activities		Activities	
			Total
	\$ (7,270,882)	\$ -	\$ (7,270,882)
	(5,343,745)	-	(5,343,745)
	10,302,545	-	10,302,545
	1,481,710	-	1,481,710
	<u>(346,189)</u>	<u>-</u>	<u>(346,189)</u>
	<u>(1,176,561)</u>	<u>-</u>	<u>(1,176,561)</u>
	-	20,357,320	20,357,320
	-	5,110,955	5,110,955
	-	2,505,897	2,505,897
	<u>-</u>	<u>(287,084)</u>	<u>(287,084)</u>
	<u>-</u>	<u>27,687,088</u>	<u>27,687,088</u>
	<u>(1,176,561)</u>	<u>27,687,088</u>	<u>26,510,527</u>
<b>GENERAL REVENUES</b>			
Property Taxes	9,504,875	-	9,504,875
Sales and Use Taxes	17,451,430	-	17,451,430
Franchise Taxes	954,990	-	954,990
Specific Ownership Taxes	359,543	-	359,543
Grants and Contributions not Restricted to Specific Programs	-	-	-
Investment Earnings	817,090	1,201,192	2,018,282
Miscellaneous	2,087,996	63,496	2,151,492
<b>Transfers In (Out)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Revenues	<u>31,175,924</u>	<u>1,264,688</u>	<u>32,440,612</u>
Changes in Net Position	29,999,363	28,951,776	58,951,139
Net Position - Beginning	<u>204,671,325</u>	<u>315,910,547</u>	<u>520,581,872</u>
Net Position - Ending	<u>\$ 234,670,688</u>	<u>\$ 344,862,323</u>	<u>\$ 579,533,011</u>

**Town of Erie, Colorado**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2020**

	General Fund	Parks Improvement	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Pooled Cash and Investments	\$ 33,317,451	\$ 11,014,458	\$ -	\$ 27,671,039	\$ 72,002,948
Restricted Cash and Investments	-	-	6,943,629	-	6,943,629
Receivables	9,605,718	510,618	2,407,836	2,605,572	15,129,744
Prepaid Items and Other Assets	71,567	-	-	-	71,567
Advances to Other Funds	<u>3,882,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,882,052</u>
 Total Assets	 <u>\$ 46,876,788</u>	 <u>\$ 11,525,076</u>	 <u>\$ 9,351,465</u>	 <u>\$ 30,276,611</u>	 <u>\$ 98,029,940</u>
<b>LIABILITIES</b>					
Accounts Payable	1,292,808	434,927	50,799	\$ 76,351	\$ 1,854,885
Wages Payable	417,530	-	3,367	1,522	422,419
Other Liabilities	1,339,065	-	-	-	1,339,065
Advances from Other Funds	-	-	3,882,052	-	3,882,052
Unearned Revenue	<u>514,532</u>	<u>8,120</u>	<u>-</u>	<u>19,986</u>	<u>542,638</u>
 Total Liabilities	 <u>3,563,935</u>	<u>443,047</u>	<u>3,936,218</u>	<u>97,859</u>	<u>8,041,059</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	5,228,591	-	2,398,255	2,053,045	9,679,891
Unavailable Fund Resources - Grants	<u>343,944</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>343,944</u>
 Total Deferred Inflows of Resources	 <u>5,572,535</u>	<u>-</u>	<u>2,398,255</u>	<u>2,053,045</u>	<u>10,023,835</u>
<b>FUND BALANCES</b>					
Nonspendable					
Interfund Advances - Noncurrent	3,882,050	-	-	-	3,882,050
Prepaid Items	71,567	-	-	-	71,567
Restricted for:					
Capital Projects	1,648,000	11,082,029	3,591,256	24,739,001	41,060,286
Parks and Open Space	-	-	-	3,127,084	3,127,084
Solid Waste/Streets	720,095	-	-	-	720,095
Emergency Reserves	1,485,930	-	-	-	1,485,930
Committed to:					
Cemetery Operations	-	-	-	259,622	259,622
Assigned to:					
Purchases on Order	919,618	-	-	-	919,618
Unassigned	<u>29,013,058</u>	<u>-</u>	<u>(574,264)</u>	<u>-</u>	<u>28,438,794</u>
 Total Fund Balances	 <u>37,740,318</u>	<u>11,082,029</u>	<u>3,016,992</u>	<u>28,125,707</u>	<u>79,965,046</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 46,876,788</u>	<u>\$ 11,525,076</u>	<u>\$ 9,351,465</u>	<u>\$ 30,276,611</u>	<u>\$ 98,029,940</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, 2020**

	<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)	\$ 79,965,046
Capital assets utilized in Governmental Activities are not financial resources and, therefore, are not reported in the fund financial statements.	166,118,244
Certain receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	886,582
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	(13,000,000)
Capital lease obligations	-
Unamortized issuance premium	(745,525)
Unamortized deferred refunding loss	520,221
Accrued interest payable	(38,601)
Compensated absences	(929,506)
Other noncurrent liabilities	<u>(450,707)</u>
Total long-term liabilities and related items	(14,644,118)
Net pension asset is not available to pay for current expenditures and, therefore, is not reported in the funds.	211,723
Deferred outflows of resources related to pensions used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Changes in assumptions	402,017
Change in experience	716,509
Contributions subsequent to the measurement date	246,421
Change in proportionate share	<u>3,332</u>
Total deferred outflows of resources	1,368,279
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 investment earnings	(332,834)
Change in experience	(4,144)
Change in proportionate share	<u>(93,215)</u>
Total deferred inflows of resources	(430,193)
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>1,195,125</u>
Net Position - Governmental Activities (page 35)	<u>\$ 234,670,688</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, 2020**

	General Fund	Parks Improvement	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	24,080,039	\$ -	\$ 2,086,714	\$ 2,104,085	\$ 28,270,838
Intergovernmental	2,566,167	-	-	243,698	2,809,865
Licenses and Permits	2,674,326	-	-	-	2,674,326
Fees and Charges for Services	3,250,445	-	713	19,600	3,270,758
Fines and Forfeitures	251,347	-	-	-	251,347
Capital Contributions and Fees	167,862	7,233,988	1,500,000	8,169,095	17,070,945
Investment Earnings	366,320	98,251	60,820	291,699	817,090
Miscellaneous	900,619	-	-	7,014	907,633
Total Revenues	<u>34,257,125</u>	<u>7,332,239</u>	<u>3,648,247</u>	<u>10,835,191</u>	<u>56,072,802</u>
<b>EXPENDITURES</b>					
Current Operating:					
General Government	7,260,736	-	1,506,076	509,022	9,275,834
Public Safety	5,599,006	-	-	-	5,599,006
Public Works	3,362,722	-	-	-	3,362,722
Parks and Recreation	6,068,075	6,993	-	186,226	6,261,294
Capital Outlay	2,961,895	2,615,256	-	443,592	6,020,743
Debt Service	-	-	-	-	-
Principal	1,000,000	-	-	-	1,000,000
Interest	494,563	-	-	-	494,563
Total Expenditures	<u>26,746,997</u>	<u>2,622,249</u>	<u>1,506,076</u>	<u>1,138,840</u>	<u>32,014,162</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,510,128</u>	<u>4,709,990</u>	<u>2,142,171</u>	<u>9,696,351</u>	<u>24,058,640</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds on the Sale of Capital Assets	72,489	-	1,016,870	-	1,089,359
Insurance Recoveries	20,895	-	-	-	20,895
Total Other Financing Sources (Uses)	<u>93,384</u>	<u>-</u>	<u>1,016,870</u>	<u>-</u>	<u>1,110,254</u>
Net Change in Fund Balance	<u>7,603,512</u>	<u>4,709,990</u>	<u>3,159,041</u>	<u>9,696,351</u>	<u>25,168,894</u>
<b>Fund Balance - Beginning</b>	<u>30,136,806</u>	<u>6,372,039</u>	<u>(142,049)</u>	<u>18,429,356</u>	<u>54,796,152</u>
<b>Fund Balance - Ending</b>	<u><b>\$ 37,740,318</b></u>	<u><b>\$ 11,082,029</b></u>	<u><b>\$ 3,016,992</b></u>	<u><b>\$ 28,125,707</b></u>	<u><b>\$ 79,965,046</b></u>

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, 2020**

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	<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)	\$25,168,894
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	10,818,906
Depreciation expense	<u>(5,643,333)</u>
Excess of capital outlays over depreciation	5,175,573
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,151,980)
Governmental Funds report principal payments as expenditures. However, in the Statement of Activities these payments are reflected as a reduction in long-term debt obligations.	1,000,000
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	-
Change in accrued interest payable	2,500
Change in accrued compensated absences	(230,206)
Amortization of premiums, discounts, deferred refunding losses and bond insurance premiums	19,348
Pension expense	<u>70,109</u>
Total expenses not requiring current resources	(138,249)
Governmental Funds report proceeds from borrowings as other financing sources. However, in the Statement of Net Position these proceeds are reflected as debt obligations.	-
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>(54,875)</u>
Change in Net Position - Governmental Activities (page 37)	<u><u>\$ 29,999,363</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, 2020**

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	
	Positive (Negative)			
<b>REVENUES</b>				
Taxes	\$ 19,862,600	\$ 22,101,500	24,080,039	\$ 1,978,539
Intergovernmental	1,344,000	2,488,052	2,566,167	78,115
Licenses and Permits	2,784,500	2,111,500	2,674,326	562,826
Fees and Charges for Services	4,819,600	2,965,000	3,250,445	285,445
Fines and Forfeitures	305,000	248,000	251,347	3,347
Capital Contributions and Fees	-	280,300	167,862	(112,438)
Investment Earnings	450,000	284,000	366,320	82,320
Miscellaneous	683,600	680,300	900,619	220,319
 Total Revenues	 30,249,300	 31,158,652	 34,257,125	 3,098,473
<b>EXPENDITURES</b>				
Current Operating:				
General Government				
Legislative	312,800	184,500	191,394	(6,894)
Town Administration	3,367,200	4,158,257	4,052,724	105,533
Community Development	2,060,800	2,138,000	2,015,922	122,078
Finance	556,400	649,300	473,571	175,729
Central Charges	416,200	279,000	527,125	(248,125)
Public Safety	5,973,800	6,127,295	5,599,006	528,289
Public Works	3,786,100	3,206,100	3,362,722	(156,622)
Parks and Recreation	6,624,600	6,701,800	6,068,075	633,725
Capital Outlay	5,996,000	5,882,200	2,961,895	2,920,305
Debt Service				
Principal	1,000,000	1,000,000	1,000,000	-
Interest	493,500	493,500	494,563	(1,063)
 Total Expenditures	 30,587,400	 30,819,952	 26,746,997	 4,072,955
Excess of Revenues over Expenditures	(338,100)	338,700	7,510,128	7,171,428
 <b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	600,000	600,000	-	(600,000)
Transfers Out	(250,000)	-	-	-
Proceeds on the Sale of Capital Assets	-	-	72,489	72,489
Insurance Recoveries	-	-	20,895	20,895
Total Other Financing Sources (Uses)	350,000	600,000	93,384	(506,616)
 Net Change in Fund Balance	 \$ 11,900	 \$ 938,700	 7,603,512	 \$ 6,664,812
 <b>Fund Balance - Beginning</b>			 30,136,806	
 <b>Fund Balance - Ending</b>			 \$ 37,740,318	

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

**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, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Capital Contributions and Fees	\$ 2,742,900	\$ 5,813,000	7,233,988	\$ 1,420,988
Investment Earnings	50,000	97,000	98,251	1,251
Total Revenues	<u>2,792,900</u>	<u>5,910,000</u>	<u>7,332,239</u>	<u>1,422,239</u>
<b>EXPENDITURES</b>				
Current Operating:				
Parks and Recreation	-	-	6,993	(6,993)
Capital Outlay	5,365,000	2,757,900	2,615,256	142,644
Total Expenditures	<u>5,365,000</u>	<u>2,757,900</u>	<u>2,622,249</u>	<u>135,651</u>
Excess of Revenues Over Expenditures	<u>(2,572,100)</u>	<u>3,152,100</u>	<u>4,709,990</u>	<u>1,557,890</u>
Net Change in Fund Balance	<u>\$ (2,572,100)</u>	<u>\$ 3,152,100</u>	<u>4,709,990</u>	<u>\$ 1,557,890</u>
<b>Fund Balance - Beginning</b>			<u>6,372,039</u>	
<b>Fund Balance - Ending</b>			<u>\$ 11,082,029</u>	

**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, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Taxes	\$ 1,630,000	\$ 2,080,000	2,086,714	\$ 6,714
Fees and Charges for Services	1,500	1,000	713	(287)
Capital Contributions and Fees	1,500,000	1,500,000	1,500,000	-
Investment Earnings	5,000	34,800	60,820	26,020
Miscellaneous	-	-	0	-
Total Revenues	<u>3,136,500</u>	<u>3,615,800</u>	<u>3,648,247</u>	<u>32,447</u>
<b>EXPENDITURES</b>				
Current Operating:				
General Government	390,100	262,300	1,506,076	(1,243,776)
Capital Outlay	-	1,200,000	0	1,200,000
Total Expenditures	<u>390,100</u>	<u>1,462,300</u>	<u>1,506,076</u>	<u>(43,776)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,746,400</u>	<u>2,153,500</u>	<u>2,142,171</u>	<u>(11,329)</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from Disposition of Capital A	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,016,870</u>	<u>16,870</u>
Total Other Financing Sources	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,016,870</u>	<u>16,870</u>
Net Change in Fund Balance	<u>\$ 3,746,400</u>	<u>\$ 3,153,500</u>	<u>3,159,041</u>	<u>\$ 5,541</u>
<b>Fund Balance - Beginning</b>			<u>(142,049)</u>	
<b>Fund Balance - Ending</b>			<u>\$ 3,016,992</u>	

**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2020**

	Business-type Activities				Governmental Activities	
	Water Fund	Wastewater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund (1)	
<b>ASSETS</b>						
Current Assets						
Pooled Cash and Investments	64,022,784	30,016,077	4,697,927	\$ 98,736,788	\$ 425,609	-
Restricted Cash and Investments	2,834,144	-	-	2,834,144	-	-
Receivables	1,596,596	823,609	272,965	2,693,170	1,134	-
Prepaid Items	638,599	42,223	-	680,822	-	-
<b>Total Current Assets</b>	<b>69,092,123</b>	<b>30,881,909</b>	<b>4,970,892</b>	<b>104,944,924</b>	<b>426,743</b>	-
Noncurrent Assets						
Capital Assets						
Construction in Progress	29,889,863	4,115,185	825,000	34,830,048	-	-
Land and Water Rights	90,255,267	59,022	656,000	90,970,289	-	-
Buildings, Property, and Equipment	119,969,337	74,052,942	46,327,892	240,350,171	914,465	-
Accumulated Depreciation	(36,671,543)	(18,268,788)	(10,016,045)	(64,956,376)	(72,497)	-
<b>Total Capital Assets</b>	<b>203,442,924</b>	<b>59,958,361</b>	<b>37,792,847</b>	<b>301,194,132</b>	<b>841,968</b>	-
Total Noncurrent Assets	203,442,924	59,958,361	37,792,847	301,194,132	841,968	-
<b>Total Assets</b>	<b>272,535,047</b>	<b>90,840,270</b>	<b>42,763,739</b>	<b>406,139,056</b>	<b>1,268,711</b>	-
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred Charges on Refunding	1,193,002	1,787,249	-	2,980,251	-	-
<b>Total Deferred Outflows of Resources</b>	<b>1,193,002</b>	<b>1,787,249</b>	<b>-</b>	<b>2,980,251</b>	<b>-</b>	-
<b>LIABILITIES</b>						
Current Liabilities						
Accounts Payable	1,064,419	1,384,607	24,787	2,473,813	-	-
Accrued Interest Payable	212,186	52,078	3,512	267,776	-	-
Wages Payable	66,044	50,834	6,279	123,157	-	-
Other Liabilities	183,300	-	-	183,300	-	-
Due to Other Funds	-	-	-	-	-	-
Unearned Revenue	53,424	13,730	-	67,154	-	-
Compensated Absences	101,438	76,078	8,453	185,969	-	-
Current Portion of Long Term Debt						
Certificates of Participation Payable	700,000	-	-	700,000	-	-
Loans Payable	-	143,715	13,541	157,256	-	-
Bonds Payable	1,935,000	555,000	-	2,490,000	-	-
Capital Lease Obligations	13,968	-	-	13,968	12,756	-
<b>Total Current Liabilities</b>	<b>4,329,779</b>	<b>2,276,042</b>	<b>56,572</b>	<b>6,662,393</b>	<b>12,756</b>	-
Noncurrent Liabilities						
Compensated Absences	41,563	31,172	3,464	76,199	-	-
Advances from Other Funds	-	-	-	-	-	-
Long Term Debt, Net of Unamortized Premiums and Discounts						
Certificates of Participation Payable	21,525,618	-	-	21,525,618	-	-
Loans Payable	-	1,258,899	220,608	1,479,507	-	-
Bonds Payable	18,531,148	15,913,969	-	34,445,117	-	-
Capital Lease Obligations	68,150	-	-	68,150	60,830	-
<b>Total Noncurrent Liabilities</b>	<b>40,166,479</b>	<b>17,204,040</b>	<b>224,072</b>	<b>57,594,591</b>	<b>60,830</b>	-
<b>Total Liabilities</b>	<b>44,496,258</b>	<b>19,480,082</b>	<b>280,644</b>	<b>64,256,984</b>	<b>73,586</b>	-
<b>NET POSITION</b>						
Net Investment in Capital Assets	163,964,607	42,777,281	37,555,169	244,297,057	786,382	-
Restricted						
Operations and Maintenance Reserves	-	878,650	-	878,650	-	-
Unrestricted	65,267,184	29,491,506	4,927,926	99,686,616	408,743	-
<b>Total Net Position</b>	<b>\$ 229,231,791</b>	<b>\$ 73,147,437</b>	<b>\$ 42,483,095</b>	<b>\$ 344,862,323</b>	<b>\$ 1,195,125</b>	-

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

(1) Fleet and Equipment Acquisition Fund

**Town of Erie, Colorado**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Business-type Activities				Governmental Activities
	Water Fund	Wastewater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund (1)
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 12,654,777	\$ 5,806,390	\$ 1,617,370	\$ 20,078,537	\$ -
<b>OPERATING EXPENSES</b>					
Personnel Services	2,480,835	2,061,132	218,940	4,760,907	-
Operations and Maintenance	3,284,770	1,390,688	1,079,470	5,754,928	974
Depreciation	3,954,365	1,965,740	1,166,376	7,086,481	69,051
Total Operating Expenses	9,719,970	5,417,560	2,464,786	17,602,316	70,025
Net Operating Income (Loss)	2,934,807	388,830	(847,416)	2,476,221	(70,025)
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment Earnings	786,177	364,288	50,727	1,201,192	18,044
Intergovernmental	15,000	281	65,361	80,642	-
Other Non-Operating Income	37,311	-	26,185	63,496	1,840
Interest Expense	(1,698,332)	(626,670)	(4,749)	(2,329,751)	(4,734)
Gain (Loss) on Disposition of Capital Assets	(881,099)	-	-	(881,099)	-
Total Non-Operating Revenues (Expenses)	(1,740,943)	(262,101)	137,524	(1,865,520)	15,150
Income (Loss) Before Contributions	1,193,864	126,729	(709,892)	610,701	(54,875)
Capital Contributions and Grants	19,986,944	5,348,514	3,005,617	28,341,075	-
Change in Net Position	21,180,808	5,475,243	2,295,725	28,951,776	(54,875)
<b>Total Net Position - Beginning</b>	<b>208,050,983</b>	<b>67,672,194</b>	<b>40,187,370</b>	<b>315,910,547</b>	<b>1,250,000</b>
<b>Total Net Position - Ending</b>	<b>\$ 229,231,791</b>	<b>\$ 73,147,437</b>	<b>\$ 42,483,095</b>	<b>\$ 344,862,323</b>	<b>\$ 1,195,125</b>

(1) *Fleet and Equipment Acquisition Fund*

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

**Combining Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Water Fund	Wastewater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund (1)
<b>Cash Flows from Operating Activities</b>					
Receipts from Customers and Users	\$ 12,584,680	\$ 5,702,433	\$ 3,258,077	\$ 21,545,190	\$ -
Payments to Employees	(2,448,476)	(2,055,451)	(419,268)	(4,923,195)	-
Payments to Suppliers	(5,755,197)	(306,501)	(2,177,861)	(8,239,559)	(974)
Net Cash Provided (Used) in Operating Activities	<u>4,381,007</u>	<u>3,340,481</u>	<u>660,948</u>	<u>8,382,436</u>	<u>(974)</u>
<b>Cash Flows from Non-capital Financing Activities</b>					
Operating Grants	(311,246)	-	-	(311,246)	-
Cash Flows Provided by/(Used in) Non-capital Financing Activities	<u>(311,246)</u>	<u>-</u>	<u>-</u>	<u>(311,246)</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Receipts from Capital Grants	-	281	62,713	62,994	-
Proceeds from Capital Debt	-	-	-	-	91,408
Acquisition and Construction of Capital Assets	(16,154,384)	(4,575,278)	(2,243,026)	(22,972,688)	(912,243)
Proceeds from Sales of Capital Assets	-	-	-	-	1,206
Principal Paid on Capital Debt	(2,541,345)	(785,921)	(13,274)	(3,340,540)	(17,822)
Interest Paid on Capital Debt	(1,705,634)	(522,072)	(4,949)	(2,232,655)	(4,734)
Capital Contributions	19,986,944	5,348,514	3,005,617	28,341,075	-
Disposal of Capital Assets	(1,307,563)	-	-	(1,307,563)	-
Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>(1,721,982)</u>	<u>(534,476)</u>	<u>807,081</u>	<u>(1,449,377)</u>	<u>(842,185)</u>
<b>Cash Flows from Investing Activities</b>					
Earnings on Investments	827,931	381,197	101,198	1,310,326	18,044
Cash Flows Provided by Investing Activities	<u>827,931</u>	<u>381,197</u>	<u>101,198</u>	<u>1,310,326</u>	<u>18,044</u>
Net Decrease in Pooled Cash and Investments	3,175,710	3,187,202	1,569,227	7,932,139	(825,115)
Pooled Cash and Investments - January 1	<u>63,681,218</u>	<u>26,828,875</u>	<u>3,560,562</u>	<u>94,070,655</u>	<u>1,250,724</u>
<b>Pooled Cash and Investments - December 31</b>	<b><u>\$ 66,856,928</u></b>	<b><u>\$ 30,016,077</u></b>	<b><u>\$ 5,129,789</u></b>	<b><u>\$ 102,002,794</u></b>	<b><u>\$ 425,609</u></b>
<b>Reconciliation of Operating Loss to Net Cash Used in Operating Activities</b>					
Operating Income (Loss)	\$ 2,934,807	\$ 388,830	\$ (1,342,387)	\$ 1,981,250	\$ (70,025)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities					
Depreciation Expense	3,954,365	1,965,740	2,036,536	7,956,641	69,051
Other Income	37,311	-	33,602	70,913	-
Decrease in					
Accounts Receivable	(107,408)	(103,957)	(4,575)	(215,940)	-
Prepaid Items	(258,068)	2,496	-	(255,572)	-
Increase (Decrease) in					
Accounts Payable	(2,212,359)	1,097,212	(69,707)	(1,184,854)	-
Wages Payable	16,464	7,367	6,015	29,846	-
Compensated Absences Payable	15,895	(1,686)	3,464	17,673	-
Deferred Revenue	-	(15,521)	(2,000)	(17,521)	-
<b>Net Cash Provided (Used) In Operating Activities</b>	<b><u>\$ 4,381,007</u></b>	<b><u>\$ 3,340,481</u></b>	<b><u>\$ 660,948</u></b>	<b><u>\$ 8,382,436</u></b>	<b><u>\$ (974)</u></b>
<b>Noncash Investing, Capital, and Financing Activities</b>					
Capital Assets Acquired through Accounts Payable	\$ 649,736	\$ 1,238,802	\$ -	\$ 1,888,538	\$ -
(1) Fleet and Equipment Acquisition Fund					

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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, 2020**

**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. Component units are considered special revenue governmental funds and are reported on a modified accrual basis.

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 but are included as a blended fund.

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

*Erie Community Civic Fund (ECCF)* – The ECCF is a nonprofit organization established fully for the benefit of the Town, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The ECCF is used to facilitate certain contributions and grants for support of various Town activities. Separate audited financial statements of the ECCF are not available but are included as a blended fund.

### **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. In 2020, the Town adopted GASB Statement No. 84, *Fiduciary Activities*. As the Town has no fiduciary funds, this adoption had no effect on the financial statements in 2020. 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.

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.

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

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 *Parks Improvement Fund* accounts for impact fee revenues used to construct and acquire parks and related improvements.

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.

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

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

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.

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, 2020. These taxes are classified as deferred inflows since they are not normally available to the Town until mid-2021 and are budgeted for in 2021.

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

### ***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.

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.

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

### ***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 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.

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

### ***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.

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, 2020.

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

### ***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. Funds Exceeding Approved Budget**

The Town of Erie Urban Renewal Authority had a deficit within expenses of \$43,776 as of December 31, 2020. 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.

### **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	\$ 171,165,345
Restricted cash and investments	<u>9,777,773</u>
Total	<u><u>\$ 180,943,118</u></u>

Cash and investments consist of the following:

Bank checking accounts	\$ 4,341,474
Investments	176,599,944
Cash on hand	<u>1,700</u>
Total	<u><u>\$ 180,943,118</u></u>

#### ***Deposits***

As of December 31, 2020, the carrying amount of the Town's deposits was \$4,341,192.

#### **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.

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

#### ***Investments***

As of December 31, 2020, the Town had the following investments:

Investment Type	Rating		Fair Value	Less than		% of Total
	Moody's	S&P		1 Year	1 to 5 Years	
U.S. Treasury Notes	Aaa	AA+	\$ 12,040,992	\$ 6,036,927	\$ 6,004,065	7%
Agency	Aaa	AA+	39,654,554	7,098,768	32,555,786	22%
U.S. Corporate Notes	Aa2	AA	2,021,834	2,021,834	-	1%
Commercial Paper	P-1	A-1	1,998,744	1,998,744	-	1%
Supranational	Aaa	AAA	2,788,567	-	2,788,567	2%
BlackRock Liquidity Funds - FedFund Series	Aaa-mf	AAAm	37,200,000	37,200,000	-	21%
COLOTRUST PLUS+	n/a	AAAm	57,681,710	57,681,710	-	33%
CSAFE	n/a	AAA	1,824,049	1,824,049	-	1%
CSIP Liquid Portfolio	n/a	AAAm	20,501,317	20,501,317	-	12%
Wells Fargo 100% Treasury Money Market Fund	Aaa-mf	AAAm	888,177	888,177	-	1%
Total fair value			\$ 176,599,944	\$ 135,251,526	\$ 41,348,418	100%

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

#### **Interest Rate Risk**

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's investment policy limits the Town's investment portfolio to maturities of less than five years and a weighted average maturity of less than 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.

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

#### 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.

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.

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

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.

### **B. Accounts Receivable**

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

<b>Governmental:</b>	<b>General</b>	<b>Parks Improvement</b>	<b>Urban Renewal Authority</b>	<b>Nonmajor Governmental</b>	<b>Total Governmental</b>
Property taxes	\$ 5,228,591	\$ -	\$ 2,398,255	\$ 2,053,045	\$ 9,679,891
Sales taxes	2,495,016	-	-	\$ -	2,495,016
Other taxes	271,960	-	-	\$ -	271,960
Customers	254,736	-	-	\$ -	254,736
Intergovernmental	1,133,262	-	-	\$ -	1,133,262
Interest	40,533	13,834	9,581	\$ 35,615	99,563
Other	181,620	496,784	-	\$ 516,912	1,195,316
<b>Total receivables</b>	<b>\$ 9,605,718</b>	<b>\$ 510,618</b>	<b>\$ 2,407,836</b>	<b>\$ 2,605,572</b>	<b>\$ 15,129,744</b>

<b>Business-type:</b>	<b>Water</b>	<b>Wastewater</b>	<b>Storm Drainage</b>	<b>Airport</b>	<b>Total Business-type</b>	<b>Internal Service</b>
Customers	\$ 993,297	\$ 785,012	\$ 219,937	\$ -	\$ 1,998,246	\$ -
Intergovernmental	518,230	-	-	32,801	551,031	-
Interest	83,195	38,597	5,872	138	127,802	1,134
Other	1,874	-	12,840	1,377	16,091	-
<b>Total receivables</b>	<b>\$ 1,596,596</b>	<b>\$ 823,609</b>	<b>\$ 238,649</b>	<b>\$ 34,316</b>	<b>\$ 2,693,170</b>	<b>\$ 1,134</b>

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

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 7,890,592	\$ 3,356,346	\$ (9,343,593)	\$ 1,903,345
Land and open space	<u>26,978,014</u>	<u>-</u>	<u>-</u>	<u>26,978,014</u>
Total capital assets, not being depreciated	<u>34,868,606</u>	<u>3,356,346</u>	<u>(9,343,593)</u>	<u>28,881,359</u>
Capital assets, being depreciated:				
Buildings	39,554,653	204,555	-	39,759,208
Streets and other infrastructure	96,414,308	13,564,115	-	109,978,423
Parks and trails	24,585,128	2,590,422	-	27,175,550
Furniture and equipment	3,994,073	747,967	(157,001)	4,585,039
Vehicles	<u>1,954,912</u>	<u>866,962</u>	<u>(96,402)</u>	<u>2,725,472</u>
Total capital assets, being depreciated	<u>166,503,074</u>	<u>17,974,021</u>	<u>(253,403)</u>	<u>184,223,692</u>
Less accumulated depreciation for:				
Buildings	(7,916,917)	(999,450)	-	(8,916,367)
Streets and other infrastructure	(19,477,094)	(2,995,571)	-	(22,472,665)
Parks and trails	(9,591,144)	(1,282,280)	-	(10,873,424)
Furniture and equipment	(2,163,420)	(393,727)	153,210	(2,403,937)
Vehicles	<u>(1,280,434)</u>	<u>(289,407)</u>	<u>91,395</u>	<u>(1,478,446)</u>
Total accumulated depreciation	<u>(40,429,009)</u>	<u>(5,960,435)</u>	<u>244,605</u>	<u>(46,144,839)</u>
Total capital assets, being depreciated, net	<u>126,074,065</u>	<u>12,013,586</u>	<u>(8,798)</u>	<u>138,078,853</u>
Governmental activities capital assets, net	<u>\$ 160,942,671</u>	<u>\$ 15,369,932</u>	<u>\$ (9,352,391)</u>	<u>\$ 166,960,212</u>

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 20,208,021	\$ 15,843,293	\$ (1,221,266)	\$ 34,830,048
Land and reservoirs	6,563,408	-	(5,916)	6,557,492
Water rights	<u>84,412,797</u>	<u>-</u>	<u>-</u>	<u>84,412,797</u>
Total capital assets, not being depreciated	<u>111,184,226</u>	<u>15,843,293</u>	<u>(1,227,182)</u>	<u>125,800,337</u>
Capital assets, being depreciated:				
Buildings	896,989	39,590	-	936,579
Improvements other than buildings	228,948,513	8,849,564	(1,306,361)	236,491,716
Machinery and equipment	<u>2,148,090</u>	<u>773,786</u>	<u>-</u>	<u>2,921,876</u>
Total capital assets, being depreciated	<u>231,993,592</u>	<u>9,662,940</u>	<u>(1,306,361)</u>	<u>240,350,171</u>
Less accumulated depreciation for:				
Buildings	(136,088)	(24,553)	-	(160,641)
Improvements other than buildings	(57,325,043)	(6,829,422)	426,462	(63,728,003)
Machinery and equipment	<u>(835,227)</u>	<u>(233,062)</u>	<u>557</u>	<u>(1,067,732)</u>
Total accumulated depreciation	<u>(58,296,358)</u>	<u>(7,087,037)</u>	<u>427,019</u>	<u>(64,956,376)</u>
Total capital assets, being depreciated, net	<u>173,697,234</u>	<u>2,575,903</u>	<u>(879,342)</u>	<u>175,393,795</u>
Business-type activities capital assets, net	<u>\$ 284,881,460</u>	<u>\$ 18,419,196</u>	<u>\$ (2,106,524)</u>	<u>\$ 301,194,132</u>

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

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

Governmental Activities	
General Government	\$ 248,652
Public Safety	408,987
Public Works	3,376,499
Parks and Recreation	<u>1,926,297</u>

Total Depreciation expense - governmental activities \$ 5,960,435

Business-Type Activities	
Water	\$ 3,954,922
Wastewater	1,965,740
Storm Drainage	870,160
Airport	<u>296,215</u>

Total Depreciation expense - business-type activities \$ 7,087,037

### **D. Interfund Receivables, Payables, and Transfers**

There was one advance from the General Fund at December 31, 2020, to the Town's urban renewal authority (URA) for \$3,882,052. 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 the development agreement for the development of the Nine Mile property at the corner of Highway 287 and Arapahoe Road. The exact timing, amount, and/or mechanism of repayment remains subject to terms and conditions as specified in the development agreement.

### **E. Long-term Debt**

#### ***1. General Obligation Bonds***

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have only been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. They are payable from real property taxes. These bonds are issued as serial bonds with varying amounts of principal maturing each year. The Town also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The Town can also use other resources to pay debt service.

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

Year Issued	Description	Coupon Interest Rate (%)	Effective Interest Rate (%)	Final Maturity Date	Issued	Outstanding
2013	General obligation refunding bonds	2.00 - 4.00	2.14	2026	\$ 8,460,000	\$ 6,800,000
2014	General obligation bonds	3.25 - 3.75	3.24	2033	6,200,000	<u>6,200,000</u>
<b>Total general obligation bonds</b>						<b><u>\$ 13,000,000</u></b>

Long-term debt outstanding for general obligation bonds at December 31, 2020, was as follows:

	Balance at January 1, 2020	Increases	Decreases	Balance at December 31, 2020	Due within One Year
Governmental activities:					
General obligation bonds	\$ 14,000,000	\$ -	\$ (1,000,000)	\$ 13,000,000	\$ 1,025,000
Deferred Premiums	852,799	-	(107,274)	745,525	107,273
<b>Total</b>	<b>\$ 14,852,799</b>	<b>\$ -</b>	<b>\$ (1,107,274)</b>	<b>\$ 13,745,525</b>	<b>\$ 1,132,273</b>
Business-type activities:					
Notes from direct borrowings and direct placements	\$ 60,382,891	\$ -	\$ (3,266,128)	\$ 57,116,762	\$ 3,347,255

**2. Notes from Direct Borrowings and Direct Placements**

**Revenue Bonds and Loans:**

The Town also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The Town also can use other resources to pay debt service. There are no unused lines of credit.

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

Year Issued	Description	Coupon Interest Rate (%)	Effective Interest Rate (%)	Final Maturity Date	Issued	Outstanding
1995	Storm drainage revenue loan	2.00	2.00	2035	\$ 498,512	\$ 234,148
2009	Wastewater revenue loan	2.00	n/a	2030	1,534,700	452,614
2009	Wastewater revenue loan	0.00	0.00	2030	2,000,000	950,000
2009	Water revenue refunding bonds	2.00 - 4.00	n/a	2023	6,390,000	1,605,000
2011	Water revenue refunding bonds	2.00 - 5.00	2.51	2023	10,098,045	2,460,000
2015	Water revenue refunding bonds	2.00 - 5.00	3.17	2032	12,335,000	11,380,000
2016	Wastewater revenue refunding bonds	2.00 - 5.00	2.91	2037	16,670,000	14,810,000
2017	Water revenue refunding bonds	3.24	3.12	2032	4,575,000	<u>4,085,000</u>
<b>Total revenue bonds and loans</b>						<b><u>\$ 35,976,762</u></b>

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

#### ***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%. There are no collateralized assets. A summary of COPs payments is included in the business-type activities column below.

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

Year Ending December 31,	Governmental Activities		Business-Type Activities		Business-Type Activities	
	Bonds		Revenue Bonds and Loans from Direct Borrowings and Direct Placements		Certificates of Participation from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	1,025,000	4,623,213	2,647,256	1,372,522	700,000	1,597,025
2022	1,070,000	422,213	2,743,405	1,281,522	715,000	1,594,525
2023	1,110,000	379,413	2,264,578	1,176,938	745,000	1,595,925
2024	1,155,000	335,013	2,105,774	1,085,318	775,000	1,596,125
2025	1,200,000	288,813	2,191,994	1,002,833	805,000	1,595,125
2026-2030	4,600,000	955,850	12,437,872	3,528,423	4,655,000	7,975,800
2031-2035	2,840,000	213,150	9,100,883	1,197,282	5,680,000	7,981,500
2036-2040	-	-	2,485,000	112,350	7,065,000	7,977,650
	<u>\$ 13,000,000</u>	<u>\$ 7,217,665</u>	<u>\$ 35,976,762</u>	<u>\$ 10,757,188</u>	<u>\$ 21,140,000</u>	<u>\$ 31,913,675</u>

#### ***3. Other Long-Term Debt***

##### ***Capital Lease Obligations***

The Town has a capital lease agreement for the financing of 6 vehicles. The imputed interest rates on the leases ranged from 5.25% to 7.20%. The book value of the underlying assets was \$163,096 at December 31, 2020. The following is a schedule by year of future minimum lease obligations as of December 31, 2020:

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

Year Ending December 31	Lease Payments
2021	\$ 36,097
2022	36,097
2023	36,097
2024	31,553
2025	<u>15,572</u>
Total minimum lease payments	\$ 155,417
Less: amount representing interest	<u>(26,595)</u>
Present value of minimum lease payments	<u>\$ 128,822</u>

**4. Changes in Long-term Liabilities**

Long-term liability activity for the year ended December 31, 2020, was as follows:

	Balance at January 1, 2020	Increases	Decreases	Balance at December 31, 2020	Due within One Year
<b>Governmental activities:</b>					
Bonds and other debt payable:					
General obligation bonds	\$ 14,000,000	\$ -	\$ (1,000,000)	\$ 13,000,000	\$ 1,025,000
Deferred Premiums	852,799	-	(107,274)	745,525	107,273
Capital Lease Obligations	30,382	61,026	(17,822)	73,586	12,756
Total bonds and other debt payable	\$ 14,883,181	\$ 61,026	\$ (1,125,096)	\$ 13,819,111	\$ 1,145,029
Compensated Absences	699,300	950,476	(720,270)	929,506	659,346
Other long-term liability	450,707	-	-	450,707	-
Total governmental activities	<u>\$ 16,033,188</u>	<u>\$ 1,011,502</u>	<u>\$ (1,845,366)</u>	<u>\$ 15,199,324</u>	<u>\$ 1,804,375</u>
<b>Business-type activities:</b>					
Direct placements and direct borrowings					
Revenue bonds and loans	\$ 38,557,891	\$ -	\$ (2,581,129)	\$ 35,976,762	\$ 2,647,256
Certificates of participation	21,825,000	-	(685,000)	21,140,000	700,000
Deferred Premiums & Discounts	3,961,103	-	(280,367)	3,680,736	280,367
Total direct placements and direct borrow	\$ 64,343,994	\$ -	\$ (3,546,496)	\$ 60,797,498	\$ 3,627,623
Capital Lease Obligations	28,514	64,005	(10,688)	81,831	13,968
Compensated Absences	240,489	260,719	(238,753)	262,455	186,146
Total business-type activities	<u>\$ 64,612,997</u>	<u>\$ 324,724</u>	<u>\$ (3,795,937)</u>	<u>\$ 61,141,784</u>	<u>\$ 3,827,737</u>

The other long-term liability in the table above represents a reimbursement due in 2024 for infrastructure constructed by a developer. The liability attributable to the governmental funds is recorded as governmental activities - noncurrent liability. Liabilities relating to employees of governmental funds are liquidated out of the associated fund.

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

#### ***5. Defeasance of Debt***

In a prior year, the Town defeased certain water revenue bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. This transaction resulted in an economic gain to the Town. On December 31, 2020, defeased bonds had remaining balances outstanding of \$766,354.

### **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 Colorado Fire and Police Pension Association (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.

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

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 required supplementary information for both the Statewide Defined Benefit Plan 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. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent 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 Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent 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

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

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 percent 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 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent 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. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

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 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions will remain at 8 percent in 2019 and 2020. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2019, members of the SWDB plan and their employers are contributing at the rate of 10.5 percent and 8 percent, respectively, of pensionable earnings for a total contribution rate of 18.5 percent. Contributions to the SWDB plan from the Town were \$246,421 for the year ended December 31, 2020.

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

At December 31, 2020, the Town reported a net pension asset of \$211,723 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset 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, 2019, the Town's proportion was 0.3743 percent, which was an increase of 0.0319 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the Town recognized pension expense of (\$70,109). At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 716,509	\$ 4,144
Changes of Assumptions or other Inputs	402,017	-
Net Difference between Projected and Actual		
Earnings on Pension Plan Investments	-	332,834
Changes in Proportion and Differences between		
Contributions Recognized and Proportionate Share		
Share of Contributions	3,332	93,215
Contributions Subsequent to the Measurement Date	246,421	-
Total	<u><u>\$ 1,368,279</u></u>	<u><u>\$ 430,193</u></u>

\$246,421 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2021	\$ 62,704
2022	33,880
2023	142,157
2024	1,713
2025	144,529
Thereafter	306,682

*c. Actuarial Assumptions*

The total pension liability in the December 31, 2019 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, 2020	January 1, 2019
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25 - 11.25%	4.25 - 11.25%
Cost of Living Adjustments (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

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

For determining the total pension liability and actuarially determined contributions, 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.

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, Gabriel, Roeder, Smith & Co, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. 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 (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 (assumed at 2.5 percent). 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, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	38.00 %	7.00 %
Equity Long/Short	8.00	6.00
Illiquid Alternatives	25.00	9.20
Fixed Income	15.00	5.20
Absolute Return	8.00	5.50
Managed Futures	4.00	5.00
Cash	2.00	2.52
<b>Total</b>	<b>100.00</b>	

#### *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.

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

#### *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 percent) or one percentage point higher (8.00 percent) than the current rate:

	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability (Asset)	\$ 1,283,722	\$ (211,723)	\$ (1,451,996)

#### *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>.

#### *g. Changes Between the Measurement Date of the Net Pension Asset and December 31, 2020*

House Bill 20-144 was signed into law on April 1, 2020. Included in the bill is a provision to increase the benefits of the members of the Statewide Defined Benefit Plan through a Rule of 80 provision effective January 1, 2021. This provision provides for a normal retirement as early as age 50 if the member's age combined with years of service totals at least 80. The impact of this change was not included in the Total Pension Liability or the Collective Pension Expense as of the December 31, 2019 measurement period. This will be reflected in the December 31, 2020 measurement period. The impact of the benefit adjustment is approximately \$53 million.

### ***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.

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

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 2020, the Town made all required contributions to the plan, contributing \$447,097. Employees contributed \$815,899 (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:

#### Note IV. Other Information (continued)

	Governmental	Enterprise	Total
General Fund	\$ 918,618	\$ -	\$ 918,618
Transportation Impact Fund	190,834	-	190,834
Parks Improvement Fund	396,339	-	396,339
Fleet & Equipment Fund	291,674	-	291,674
Urban Renewal Authority	13,395	-	13,395
Water Fund	-	3,261,491	3,261,491
Wastewater Fund	-	27,771,434	27,771,434
Airport Fund	-	26,145	26,145
 Total Commitments	 \$ 1,810,860	 \$ 31,059,070	 \$ 32,869,930

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 \$32.7 million of the total. Of this amount, \$27.8 million represents contractual commitments for the expansion of the Town's wastewater treatment plant. This project is expected to be completed in 2021.

The Town is also participating in several raw water storage and delivery projects with the Northern Colorado Water Conservancy District. In 2020, the Town contributed \$4,875,000 to the Northern Integrated Supply Project and \$800,000 to the Windy Gap Firming 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, 2020. 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.

#### **Note IV. Other Information (continued)**

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 10<sup>th</sup> year of such payments regardless of the total amount reimbursed to Dillon. During 2020, the Town paid Dillon \$71,175 pursuant to this agreement. Cumulative reimbursements due pursuant to this agreement were \$119,408 as of December 31, 2020.

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 agreements is \$1,500,000. Reimbursements under the agreement for 105 Wells St will begin in 2021. No reimbursements have been made under the Echo Brewing agreement.

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. Reimbursements under this agreement will begin in 2021.

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. Reimbursements under this agreement will begin in 2021.

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.

## **Note IV. Other Information (continued)**

### **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.

### **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 \$1,485,930 is calculated based on the requirements of Article X, Section 20.

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## Required Supplementary Information

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Schedule of the Town's Proportionate Share of the Net Pension Liability (Asset)  
Last 10 Fiscal Years\*

Fiscal Year	2020	2019	2018	2017	2016	2015	2014
Plan Measurement Date	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Town's Proportion of the Net Pension Liability (Asset)	0.374357510%	0.342416226%	0.342000566%	0.331945195%	0.336245378%	0.331184028%	0.310560474%
Town's Proportionate Share of the Net Pension Liability (Asset)	\$ (211,723)	\$ 432,908	\$ (492,022)	\$ 119,945	\$ (5,928)	\$ (373,766)	\$ (277,699)
Town's Covered Payroll	\$ 2,759,138	\$ 2,212,900	\$ 2,005,275	\$ 1,775,038	\$ 1,638,675	\$ 1,489,488	\$ 1,348,888
Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(6.9%)	19.6%	(24.5%)	6.8%	(0.4%)	(25.1%)	(20.6%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%	105.8%

\* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Covered payroll is presented based on the fiscal year. Information earlier than 2014 was not available.

Town of Erie, Colorado  
 Schedule of Town Contributions  
 Last 10 Fiscal Years\*

Fiscal Year	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	\$ 246,421	\$ 220,731	\$ 177,032	\$ 160,422	\$ 142,003	\$ 131,094	\$ 119,159	\$ 107,911
Contributions in Relation to the Contractually Required Contribution	<u>246,421</u>	<u>220,731</u>	<u>177,032</u>	<u>160,422</u>	<u>142,003</u>	<u>131,094</u>	<u>119,159</u>	<u>107,911</u>
Contribution Deficiency (Excess)	<u>\$ -</u>							
(Entity)'s Covered Payroll	\$3,080,269	\$2,759,138	\$2,212,900	\$2,005,275	\$1,775,038	\$1,638,675	\$1,489,488	\$1,348,888
Contributions as a Percentage of Covered Payroll	8%	8%	8%	8%	8%	8%	8%	8%

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

## **Combining and Individual Fund Statements and Schedules**

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## Town of Erie Nonmajor Governmental Funds

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

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

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

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

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

*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.

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

**Town of Erie, Colorado**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2020**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>			
Pooled Cash and Investments	\$ 2,882,416	\$ 24,788,623	\$ 27,671,039
Receivables	<u>2,558,857</u>	<u>46,715</u>	<u>2,605,572</u>
Total Assets	<u><u>\$ 5,441,273</u></u>	<u><u>\$ 24,835,338</u></u>	<u><u>\$ 30,276,611</u></u>
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ 76,351	\$ 76,351
Wages Payable	<u>1,522</u>	<u>-</u>	<u>1,522</u>
Unearned Revenue	<u>-</u>	<u>19,986</u>	<u>19,986</u>
Total Liabilities	<u><u>1,522</u></u>	<u><u>96,337</u></u>	<u><u>97,859</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	2,053,045	-	2,053,045
Unavailable Fund Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u><u>2,053,045</u></u>	<u><u>-</u></u>	<u><u>2,053,045</u></u>
<b>FUND BALANCES</b>			
Restricted for:			
Capital Projects	<u>-</u>	<u>24,739,001</u>	<u>24,739,001</u>
Parks and Open Space	<u>3,127,084</u>	<u>-</u>	<u>3,127,084</u>
Committed to:			
Cemetery Operations	<u>259,622</u>	<u>-</u>	<u>259,622</u>
Total Fund Balances	<u><u>3,386,706</u></u>	<u><u>24,739,001</u></u>	<u><u>28,125,707</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 5,441,273</u></u>	<u><u>\$ 24,835,338</u></u>	<u><u>\$ 30,276,611</u></u>

**Town of Erie, Colorado**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2020**

	Conservation Cemetery Fund	Trails & Trust Fund	Natural Areas Fund	Erie Community Civic Fund	Total
<b>ASSETS</b>					
Pooled Cash and Investments	259,284	688,897	1,914,867	19,368	\$ 2,882,416
Receivables	338	830	2,557,689	-	2,558,857
Total Assets	<u><u>\$ 259,622</u></u>	<u><u>\$ 689,727</u></u>	<u><u>\$ 4,472,556</u></u>	<u><u>\$ 19,368</u></u>	<u><u>\$ 5,441,273</u></u>
<b>LIABILITIES</b>					
Wages Payable	\$ -	\$ 1,522	\$ -	\$ -	\$ 1,522
Total Liabilities	-	1,522	-	-	1,522
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	-	-	2,053,045	-	2,053,045
Total Deferred Inflows of Resources	-	-	2,053,045	-	2,053,045
<b>FUND BALANCES</b>					
Restricted for:					
Parks and Open Space	-	688,205	2,419,511	19,368	3,127,084
Committed to:					
Cemetery Operations	<u><u>259,622</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>259,622</u></u>
Total Fund Balances	<u><u>259,622</u></u>	<u><u>688,205</u></u>	<u><u>2,419,511</u></u>	<u><u>19,368</u></u>	<u><u>3,386,706</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 259,622</u></u>	<u><u>\$ 689,727</u></u>	<u><u>\$ 4,472,556</u></u>	<u><u>\$ 19,368</u></u>	<u><u>\$ 5,441,273</u></u>

**Town of Erie, Colorado**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**December 31, 2020**

	Public Facilities Impact Fund	Storm Drainage Impact Fund	Transportation Impact Fund	Tree Impact Fund	Total
<b>ASSETS</b>					
Pooled Cash and Investments	\$ 4,840,236	\$ 6,329,812	\$ 12,830,861	\$ 787,714	\$ 24,788,623
Receivables	6,253	8,204	31,237	1,021	46,715
Total Assets	<u>\$ 4,846,489</u>	<u>\$ 6,338,016</u>	<u>\$ 12,862,098</u>	<u>\$ 788,735</u>	<u>\$ 24,835,338</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ 72,871	\$ 3,480	\$ 76,351
Wages Payable	-	-	-	-	-
Other Liabilities	-	-	-	-	-
Unearned Revenue	3,824	3,224	12,338	600	19,986
Total Liabilities	<u>3,824</u>	<u>3,224</u>	<u>85,209</u>	<u>4,080</u>	<u>96,337</u>
<b>FUND BALANCES</b>					
Restricted for:					
Capital Projects	<u>4,842,665</u>	<u>6,334,792</u>	<u>12,776,889</u>	<u>784,655</u>	<u>24,739,001</u>
Total Fund Balances	<u>4,842,665</u>	<u>6,334,792</u>	<u>12,776,889</u>	<u>784,655</u>	<u>24,739,001</u>
Total Liabilities and Fund Balances	<u>\$ 4,846,489</u>	<u>\$ 6,338,016</u>	<u>\$ 12,862,098</u>	<u>\$ 788,735</u>	<u>\$ 24,835,338</u>

**Town of Erie, Colorado**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2020**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Taxes	\$ 2,104,085	\$ -	\$ 2,104,085
Intergovernmental	238,933	4,765	243,698
Fees and Charges for Services	19,600	-	19,600
Capital Contributions and Fees	849,865	7,319,230	8,169,095
Investment Earnings	19,931	271,768	291,699
Miscellaneous	7,014	-	7,014
 Total Revenues	 3,239,428	 7,595,763	 10,835,191
<b>EXPENDITURES</b>			
Current Operating:			
General Government	-	509,022	509,022
Parks and Recreation	111,286	74,940	186,226
Capital Outlay	214,555	229,037	443,592
 Total Expenditures	 325,841	 812,999	 1,138,840
 Excess of Revenues Over Expenditures	 2,913,587	 6,782,764	 9,696,351
 <b>Fund Balance - Beginning</b>	 473,119	 17,956,237	 18,429,356
 <b>Fund Balance - Ending</b>	 \$ 3,386,706	 \$ 24,739,001	 \$ 28,125,707

**Town of Erie, Colorado**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2020**

	Cemetery Fund	Conservation Trust Fund	Trails & Natural Areas Fund	Erie Community Civic Fund	Total
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ 2,104,085	\$ -	\$ 2,104,085
Intergovernmental	-	238,933	-	-	238,933
Fees and Charges for Services	19,600	-	-	-	19,600
Capital Contributions and Fees	-	-	849,865	-	849,865
Investment Earnings	3,199	9,586	7,146	-	19,931
Miscellaneous	-	-	7,014	-	7,014
Total Revenues	<u>22,799</u>	<u>248,519</u>	<u>2,968,110</u>	<u>-</u>	<u>3,239,428</u>
<b>EXPENDITURES</b>					
Parks and Recreation	-	85,247	26,039	-	111,286
Capital Outlay	-	214,555	-	-	214,555
Debt Service	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>299,802</u>	<u>26,039</u>	<u>-</u>	<u>325,841</u>
Excess of Revenues Over Expenditures	<u>22,799</u>	<u>(51,283)</u>	<u>2,942,071</u>	<u>-</u>	<u>2,913,587</u>
<b>Fund Balance - Beginning</b>	<u>236,823</u>	<u>739,488</u>	<u>(522,560)</u>	<u>19,368</u>	<u>473,119</u>
<b>Fund Balance - Ending</b>	<u><b>\$ 259,622</b></u>	<u><b>\$ 688,205</b></u>	<u><b>\$ 2,419,511</b></u>	<u><b>\$ 19,368</b></u>	<u><b>\$ 3,386,706</b></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, 2020**

	Public Facilities Impact Fund	Storm Drainage Impact Fund	Transportation Impact Fund	Tree Impact Fund	Total
<b>REVENUES</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ 4,765	4,765
Capital Contributions and Fees	988,141	843,905	5,343,784	143,400	\$ 7,319,230
Investment Earnings	54,298	74,854	132,874	9,742	271,768
Miscellaneous	-	-	-	-	-
<b>Total Revenues</b>	<b>1,042,439</b>	<b>918,759</b>	<b>5,476,658</b>	<b>157,907</b>	<b>7,595,763</b>
<b>EXPENDITURES</b>					
Current Operating:					
General Government	528	-	508,494	-	509,022
Parks and Recreation	-	-	-	74,940	74,940
Capital Outlay	1	-	229,036	0	229,037
<b>Total Expenditures</b>	<b>529</b>	<b>-</b>	<b>737,530</b>	<b>74,940</b>	<b>812,999</b>
Excess of Revenues Over Expenditures	1,041,910	918,759	4,739,128	82,967	6,782,764
Net Change in Fund Balance	1,041,910	918,759	4,739,128	82,967	6,782,764
<b>Fund Balance - Beginning</b>	<b>3,800,755</b>	<b>5,416,033</b>	<b>8,037,761</b>	<b>701,688</b>	<b>17,956,237</b>
<b>Fund Balance - Ending</b>	<b>\$ 4,842,665</b>	<b>\$ 6,334,792</b>	<b>\$ 12,776,889</b>	<b>\$ 784,655</b>	<b>\$ 24,739,001</b>

**Town of Erie, Colorado**  
**Cemetery Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended December 31, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Fees and Charges for Services	\$ 25,000	\$ 15,000	\$ 19,600	\$ 4,600
Investment Earnings	<u>4,000</u>	<u>3,000</u>	<u>3,199</u>	<u>199</u>
Total Revenues	<u>29,000</u>	<u>18,000</u>	<u>22,799</u>	<u>4,799</u>
<b>EXPENDITURES</b>				
Total Expenditures	-	-	-	-
Excess of Revenues				
Over Expenditures	<u>29,000</u>	<u>18,000</u>	<u>22,799</u>	<u>4,799</u>
Net Change in Fund Balance	<u><u>\$ 29,000</u></u>	<u><u>\$ 18,000</u></u>	22,799	<u><u>\$ 4,799</u></u>
<b>Fund Balance - Beginning</b>			<u>236,823</u>	
<b>Fund Balance - Ending</b>			<u><u>\$ 259,622</u></u>	

**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, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Intergovernmental	\$ 225,000	\$ 225,000	238,933	\$ 13,933
Investment Earnings	12,000	8,000	9,586	1,586
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>237,000</u>	<u>233,000</u>	<u>248,519</u>	<u>15,519</u>
<b>EXPENDITURES</b>				
Current Operating:				
Parks and Recreation	172,000	194,200	85,247	108,953
Capital Outlay	<u>15,500</u>	<u>200,000</u>	<u>214,555</u>	<u>(14,555)</u>
Total Expenditures	<u>187,500</u>	<u>394,200</u>	<u>299,802</u>	<u>94,398</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>49,500</u>	<u>(161,200)</u>	<u>(51,283)</u>	<u>109,917</u>
Net Change in Fund Balance	<u>\$ 49,500</u>	<u>\$ (161,200)</u>	<u>(51,283)</u>	<u>\$ 109,917</u>
<b>Fund Balance - Beginning</b>			<u>739,488</u>	
<b>Fund Balance - Ending</b>			<u>\$ 688,205</u>	

**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, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Taxes	\$ 2,081,100	\$ 2,461,900	2,104,085	\$ (357,815)
Capital Contributions and Fees	-	-	849,865	849,865
Investment Earnings	-	2,000	7,146	5,146
Miscellaneous	-	-	7,014	7,014
Total Revenues	<u>2,081,100</u>	<u>2,463,900</u>	<u>2,968,110</u>	<u>504,210</u>
<b>EXPENDITURES</b>				
Current Operating:				
Parks and Recreation	35,800	35,800	26,039	9,761
Capital Outlay	<u>415,000</u>	<u>455,400</u>	<u>-</u>	<u>455,400</u>
Total Expenditures	<u>450,800</u>	<u>491,200</u>	<u>26,039</u>	<u>465,161</u>
Deficiency of Revenues over Expenditures	<u>1,630,300</u>	<u>1,972,700</u>	<u>2,942,071</u>	<u>969,371</u>
<b>OTHER FINANCING USES</b>				
Transfers Out	(600,000)	-	-	-
Total Other Financing Uses	<u>(600,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 1,030,300</u>	<u>\$ 1,972,700</u>	<u>2,942,071</u>	<u>\$ 969,371</u>
<b>Fund Balance - Beginning</b>				<u>(522,560)</u>
<b>Fund Balance - Ending</b>				<u>\$ 2,419,511</u>

**Town of Erie Colorado**  
**Erie Civic Community Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended December 31, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Budget	
	Budget	Budget	Actual	
<b>REVENUES</b>				
Total Revenues	-	-	-	-
<b>EXPENDITURES</b>				
Total Expenditures	-	-	-	-
Excess of Revenues	-	-	-	-
Over Expenditures	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	-	\$ -
Fund Balance - Beginning			<u>19,368</u>	
Fund Balance - Ending			<u>\$ 19,368</u>	

**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, 2020**

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	
				Positive (Negative)
<b>REVENUES</b>				
Capital Contributions and Fees	\$ 1,491,600	\$ 988,900	988,141	\$ (759)
Investment Earnings	50,000	53,000	54,298	1,298
Total Revenues	<u>1,541,600</u>	<u>1,041,900</u>	<u>1,042,439</u>	<u>539</u>
<b>EXPENDITURES</b>				
Current Operating:				
General Government	-	-	528	(528)
Capital Outlay	-	75,000	1	74,999
Total Expenditures	<u>-</u>	<u>75,000</u>	<u>529</u>	<u>74,471</u>
Excess of Revenues				
Over Expenditures	<u>1,541,600</u>	<u>966,900</u>	<u>1,041,910</u>	<u>75,010</u>
Net Change in Fund Balance	<u><u>\$ 1,541,600</u></u>	<u><u>\$ 966,900</u></u>	<u><u>1,041,910</u></u>	<u><u>\$ 75,010</u></u>
<b>Fund Balance - Beginning</b>			<u>3,800,755</u>	
<b>Fund Balance - Ending</b>			<u><u>\$ 4,842,665</u></u>	

**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, 2020**

	Budgeted Amounts			Variance With Final Budget	
	Original	Final	Positive (Negative)		
	Budget	Budget	Actual		
<b>REVENUES</b>					
Capital Contributions and Fees	\$ 1,121,000	\$ 750,000	\$ 843,905	\$ 93,905	
Investment Earnings	<u>35,000</u>	<u>60,000</u>	<u>74,854</u>	<u>14,854</u>	
Total Revenues	<u>1,156,000</u>	<u>810,000</u>	<u>918,759</u>	<u>108,759</u>	
<b>EXPENDITURES</b>					
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Excess of Revenues					
Over Expenditures	<u>1,156,000</u>	<u>810,000</u>	<u>918,759</u>	<u>108,759</u>	
<b>OTHER FINANCING USES</b>					
Transfers Out	<u>(1,990,500)</u>	<u>(1,990,500)</u>	<u>-</u>	<u>1,990,500</u>	
Total Other Financing Uses	<u>(1,990,500)</u>	<u>(1,990,500)</u>	<u>-</u>	<u>1,990,500</u>	
Net Change in Fund Balance	<u>\$ (834,500)</u>	<u>\$ (1,180,500)</u>	918,759	<u>\$ 2,099,259</u>	
<b>Fund Balance - Beginning</b>			<u>5,416,033</u>		
<b>Fund Balance - Ending</b>			<u>\$ 6,334,792</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, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Capital Contributions and Fees	\$ 4,542,400	\$ 5,084,200	\$ 5,343,784	\$ 259,584
Investment Earnings	125,000	104,000	132,874	28,874
Total Revenues	<u>4,667,400</u>	<u>5,188,200</u>	<u>5,476,658</u>	<u>288,458</u>
<b>EXPENDITURES</b>				
Current Operating:				
General Government	-	-	508,494	(508,494)
Capital Outlay	<u>3,741,700</u>	<u>4,052,500</u>	<u>229,036</u>	<u>3,823,464</u>
Total Expenditures	<u>3,741,700</u>	<u>4,052,500</u>	<u>737,530</u>	<u>3,314,970</u>
Deficiency of Revenues over Expenditure	<u>925,700</u>	<u>1,135,700</u>	<u>4,739,128</u>	<u>3,603,428</u>
Net Change in Fund Balance	<u>\$ 925,700</u>	<u>\$ 1,135,700</u>	<u>4,739,128</u>	<u>\$ 3,603,428</u>
<b>Fund Balance - Beginning</b>			<u>8,037,761</u>	
<b>Fund Balance - Ending</b>			<u>\$ 12,776,889</u>	

**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, 2020**

	Budgeted Amounts			Variance With
	Original	Final	Budget	Final Budget
			Actual	Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	4,765	\$ 4,765.00
Capital Contributions and Fees	210,000	129,000	143,400	14,400
Investment Earnings	<u>10,000</u>	<u>9,000</u>	<u>9,742</u>	<u>742</u>
Total Revenues	<u>220,000</u>	<u>138,000</u>	<u>157,907</u>	<u>19,907</u>
<b>EXPENDITURES</b>				
Current Operating:				
Parks and Recreation	- -	- -	74,940	(74,940)
Capital Outlay	<u>118,000</u>	<u>118,000</u>	<u>-</u>	<u>118,000</u>
Total Expenditures	<u>118,000</u>	<u>118,000</u>	<u>74,940</u>	<u>43,060</u>
Excess of Revenues				
Over Expenditures	<u>102,000</u>	<u>20,000</u>	<u>82,967</u>	<u>62,967</u>
Net Change in Fund Balance	<u><u>\$ 102,000</u></u>	<u><u>\$ 20,000</u></u>	<u><u>82,967</u></u>	<u><u>\$ 62,967</u></u>
<b>Fund Balance - Beginning</b>			<u><u>701,688</u></u>	
<b>Fund Balance - Ending</b>			<u><u>\$ 784,655</u></u>	

**Town of Erie  
Proprietary Funds**

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

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

Water Fund

Wastewater Fund

Storm Drainage Operating Fund

Airport Fund

**Town of Erie, Colorado**  
**Statement of Net Position**  
**Nonmajor Proprietary Funds**  
**December 31, 2020**

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	Storm Drainage Operating Fund	Airport Fund	Total Enterprise Nonmajor Funds
<b>ASSETS</b>			
Current Assets			
Pooled Cash and Investments	\$ 4,567,113	\$ 130,814	\$ 4,697,927
Receivables	238,649	34,316	272,965
Total Current Assets	<u>4,805,762</u>	<u>165,130</u>	<u>4,970,892</u>
Noncurrent Assets			
Capital Assets			
Construction in Progress	825,000	-	825,000
Land and Water Rights	63,705	592,295	656,000
Buildings, Property, and Equipment	39,685,713	6,642,179	46,327,892
Accumulated Depreciation	(6,729,077)	(3,286,968)	(10,016,045)
Total Capital Assets	<u>33,845,341</u>	<u>3,947,506</u>	<u>37,792,847</u>
Total Noncurrent Assets	<u>33,845,341</u>	<u>3,947,506</u>	<u>37,792,847</u>
Total Assets	<u>38,651,103</u>	<u>4,112,636</u>	<u>42,763,739</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Charges on Refunding	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	24,647	140	24,787
Accrued Interest Payable	3,512	-	3,512
Wages Payable	5,865	414	6,279
Compensated Absences	8,453	0	8,453
Current Portion of Long Term Debt			
Loans Payable	13,541	-	13,541
Total Current Liabilities	<u>56,018</u>	<u>554</u>	<u>56,572</u>
Noncurrent Liabilities			
Compensated Absences	3,464	-	3,464
Long Term Debt, Net of Unamortized Premiums and Discounts			
Loans Payable	220,608	-	220,608
Total Noncurrent Liabilities	<u>224,072</u>	<u>-</u>	<u>224,072</u>
Total Liabilities	<u>280,090</u>	<u>554</u>	<u>280,644</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	33,607,663	3,947,506	37,555,169
Restricted			
Operations and Maintenance Reserves	-	-	-
Unrestricted	4,763,350	164,576	4,927,926
<b>Total Net Position</b>	<b><u>\$ 38,371,013</u></b>	<b><u>\$ 4,112,082</u></b>	<b><u>\$ 42,483,095</u></b>

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**  
**Nonmajor Proprietary Funds**  
**For the Year Ended December 31, 2020**

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	Storm Drainage Operating Fund	Airport Fund	Total Enterprise Nonmajor Funds
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,611,680	\$ 5,690	\$ 1,617,370
<b>OPERATING EXPENSES</b>			
Personnel Services	209,808	9,132	218,940
Operations and Maintenance	1,026,683	52,787	1,079,470
Depreciation	870,160	296,216	1,166,376
Total Operating Expenses	<u>2,106,651</u>	<u>358,135</u>	<u>2,464,786</u>
Net Operating Income (Loss)	<u>(494,971)</u>	<u>(352,445)</u>	<u>(847,416)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment Earnings	49,255	1,472	50,727
Intergovernmental	-	65,361	65,361
Other Non-Operating Income	7,417	18,768	26,185
Interest Expense	(4,749)	-	(4,749)
Total Non-Operating Revenues (Expenses)	<u>51,923</u>	<u>85,601</u>	<u>137,524</u>
Income (Loss) Before Contributions	<u>(443,048)</u>	<u>(266,844)</u>	<u>(709,892)</u>
Capital Contributions and Grants	<u>3,005,617</u>	<u>-</u>	<u>3,005,617</u>
Change in Net Position	<u>2,562,569</u>	<u>(266,844)</u>	<u>2,295,725</u>
<b>Total Net Position - Beginning</b>	<u>35,808,444</u>	<u>4,378,926</u>	<u>40,187,370</u>
<b>Total Net Position - Ending</b>	<u><u>\$ 38,371,013</u></u>	<u><u>\$ 4,112,082</u></u>	<u><u>\$ 42,483,095</u></u>

**Town of Erie, Colorado**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Storm Drainage Operating Fund	Airport Fund	Total Nonmajor Proprietary Funds
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,611,680	\$ 5,690	\$ 5,690
<b>OPERATING EXPENSES</b>			
Personnel Services	209,808	9,132	9,132
Operations and Maintenance	145,491	13,836	13,836
Depreciation	<u>870,160</u>	<u>38,951</u>	<u>38,951</u>
Total Operating Expenses	<u>1,225,459</u>	<u>61,919</u>	<u>61,919</u>
Net Operating Loss	<u>386,221</u>	<u>(56,229)</u>	<u>(56,229)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment Earnings	49,255	1,472	1,472
Principal Payments	13,275	-	-
Intergovernmental	-	65,361	65,361
Other Non-Operating Income	7,417	18,768	18,768
Interest Expense	<u>4,749</u>	<u>-</u>	<u>-</u>
Total Non-Operating Revenues (Expenses)	<u>74,696</u>	<u>85,601</u>	<u>85,601</u>
Loss Before Transfers	460,917	29,372	29,372
Capital Contributions	<u>3,005,617</u>	<u>-</u>	<u>-</u>
Change in Net Position	3,466,534	29,372	29,372
<b>Total Net Position - Beginning</b>	<u>35,808,444</u>	<u>4,378,926</u>	<u>4,378,926</u>
<b>Total Net Position - Ending</b>	<u>\$ 39,274,978</u>	<u>\$ 4,408,298</u>	<u>\$ 4,408,298</u>

**Town of Erie, Colorado**  
**Combining Statement of Cash Flows**  
**Nonmajor Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Storm Drainage Operating Fund	Airport Fund	Total Nonmajor Enterprise Funds
<b>Cash Flows from Operating Activities</b>			
Receipts from Customers and Users	\$ 1,614,522	\$ 1,643,555	\$ 3,258,077
Payments to Employees	(200,481)	(218,787)	(419,268)
Payments to Suppliers	<u>(1,098,470)</u>	<u>(1,079,391)</u>	<u>(2,177,861)</u>
Net Cash Provided (Used) in Operating Activities	<u>315,571</u>	<u>345,377</u>	<u>660,948</u>
<b>Cash Flows from Non-capital Financing Activities</b>			
Operating Grants	-	-	-
Cash Flows Provided by/(Used in) Non-capital Financing Activities	-	-	-
<b>Cash Flows from Capital and Related Financing Activities</b>			
Receipts from Capital Grants	-	62,713	62,713
Acquisition and Construction of Capital Assets	(2,243,026)	-	(2,243,026)
Principal Paid on Capital Debt	(13,274)	-	(13,274)
Interest Paid on Capital Debt	(4,949)	-	(4,949)
Capital Contributions	<u>3,005,617</u>	<u>-</u>	<u>3,005,617</u>
Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>744,368</u>	<u>62,713</u>	<u>807,081</u>
<b>Cash Flows from Investing Activities</b>			
Earnings on Investments	<u>50,397</u>	<u>50,801</u>	<u>101,198</u>
Cash Flows Provided by Investing Activities	<u>50,397</u>	<u>50,801</u>	<u>101,198</u>
Net Decrease in Pooled Cash and Investments	1,110,336	458,891	1,569,227
Pooled Cash and Investments - January 1	<u>3,456,778</u>	<u>103,784</u>	<u>3,560,562</u>
<b>Pooled Cash and Investments - December 31</b>	<b><u>\$ 4,567,114</u></b>	<b><u>\$ 562,675</u></b>	<b><u>\$ 5,129,789</u></b>
<b>Reconciliation of Operating Loss to Net Cash Used in Operating Activities</b>			
Operating Income (Loss)	\$ (494,971)	\$ (847,416)	\$ (1,342,387)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities			
Depreciation Expense	870,160	1,166,376	2,036,536
Other Income	7,417	26,185	33,602
Decrease in Accounts Receivable	(4,575)	-	(4,575)
Increase (Decrease) in Accounts Payable	(69,787)	80	(69,707)
Wages Payable	5,863	152	6,015
Compensated Absences Payable	3,464	-	3,464
Deferred Revenue	<u>(2,000)</u>	<u>-</u>	<u>(2,000)</u>
<b>Net Cash Provided (Used) In Operating Activities</b>	<b><u>\$ 315,571</u></b>	<b><u>\$ 345,377</u></b>	<b><u>\$ 660,948</u></b>
<b>Noncash Investing, Capital, and Financing Activities</b>			
Capital Assets Acquired through Accounts Payabl	\$ 3,530	\$ -	\$ 3,530

**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, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Charges for Services	\$ 10,381,000	\$ 10,381,000	12,654,777	\$ 2,273,777
Capital Contributions and Fees	18,574,000	15,298,100	19,986,944	4,688,844
Intergovernmental	-	450,000	15,000	(435,000)
Investment Earnings	535,000	581,000	786,177	205,177
Miscellaneous	63,800	63,800	37,311	(26,489)
Total Revenues	<u>29,553,800</u>	<u>26,773,900</u>	<u>33,480,209</u>	<u>6,706,309</u>
<b>EXPENDITURES</b>				
Operating Expenditures				
Personnel Services	2,595,000	2,595,000	2,480,835	114,165
Operations and Maintenance	3,165,000	3,165,000	3,284,770	(119,770)
Capital Outlay	50,952,900	35,065,400	14,004,120	21,061,280
Debt Related Expenses				
Principal Payments	2,565,000	2,565,000	2,575,402	(10,402)
Interest Expense	<u>2,632,800</u>	<u>2,632,800</u>	<u>1,698,332</u>	<u>934,468</u>
Total Expenditures	<u>61,910,700</u>	<u>46,023,200</u>	<u>24,043,459</u>	<u>21,979,741</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from Debt Issuance	36,728,200	-	-	-
Total Other Financing Sources	<u>36,728,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Position, Budget Basis	<u>\$ 4,371,300</u>	<u>\$ (19,249,300)</u>	<u>9,436,750</u>	<u>\$ 28,686,050</u>
<b>Reconciliation to GAAP Basis:</b>				
Bond Principal Payments			2,575,402	
Capital Outlay			14,004,120	
Depreciation and Amortization			(3,954,365)	
Loss on Disposition of Capital Assets			(881,099)	
Change in Net Position, GAAP Basis			21,180,808	
<b>Total Net Position - Beginning</b>			<u>208,050,983</u>	
<b>Total Net Position - Ending</b>			<u>\$ 229,231,791</u>	

**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, 2020**

	Budgeted Amounts			Variance With	
	Original	Final	Final Budget		
	Budget	Budget	Actual	Positive (Negative)	
<b>REVENUES</b>					
Charges for Services	\$ 5,464,000	\$ 5,454,000	5,806,390	\$ 352,390	
Capital Contributions and Fees	3,105,000	2,562,000	5,348,514	2,786,514	
Intergovernmental	168,800	168,800	281	(168,519)	
Investment Earnings	150,000	150,000	364,288	214,288	
 Total Revenues	 8,887,800	 8,334,800	 11,519,473	 3,184,673	
<b>EXPENDITURES</b>					
Operating Expenditures					
Personnel Services	2,165,100	2,165,100	2,061,132	103,968	
Operations and Maintenance	1,320,600	1,320,600	1,390,688	(70,088)	
Capital Outlay	20,148,000	25,880,600	2,575,192	23,305,408	
Debt Related Expenses					
Principal Payments	687,900	687,900	687,854	46	
Interest Expense	627,700	627,700	626,670	1,030	
 Total Expenditures	 24,949,300	 30,681,900	 7,341,536	 23,340,364	
<b>OTHER FINANCING SOURCES</b>					
Proceeds from Debt Issuance	47,300	47,300	-	(47,300)	
 Total Other Financing Sources	 47,300	 47,300	 -	 (47,300)	
Change in Net Position, Budget Basis	\$ (16,014,200)	\$ (22,299,800)	4,177,937	\$ 26,477,737	
<b>Reconciliation to GAAP Basis:</b>					
Principal Payments			687,854		
Capital Outlay			2,575,192		
Depreciation and Amortization			(1,965,740)		
 Change in Net Position, GAAP Basis	 5,475,243				
 <b>Total Net Position - Beginning</b>	 <b>67,672,194</b>				
 <b>Total Net Position - Ending</b>	 <b>\$ 73,147,437</b>				

**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, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Charges for Services	\$ 1,573,000	\$ 1,595,000	1,611,680	\$ 16,680
Capital Contributions and Fees	40,500	40,600	3,005,617	2,965,017
Investment Earnings	25,000	34,000	49,255	15,255
Miscellaneous	-	-	7,417	7,417
<b>Total Revenues</b>	<b>1,638,500</b>	<b>1,669,600</b>	<b>4,673,969</b>	<b>3,004,369</b>
<b>EXPENDITURES</b>				
Operating Expenditures				
Personnel Services	259,100	438,700	209,808	228,892
Operations and Maintenance	318,900	318,900	145,491	173,409
Capital Outlay	4,492,600	4,492,600	881,192	3,611,408
Debt Related Expenses				
Principal Payments	13,300	13,300	13,275	25
Interest Expense	4,900	4,900	4,749	151
<b>Total Expenditures</b>	<b>5,088,800</b>	<b>5,268,400</b>	<b>1,254,515</b>	<b>4,013,885</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	1,990,500	1,990,500	-	(1,990,500)
Proceeds from Debt Issuance	40,900	40,900	-	(40,900)
<b>Total Other Financing Sources</b>	<b>2,031,400</b>	<b>2,031,400</b>	<b>-</b>	<b>(2,031,400)</b>
<b>Change in Net Position, Budget Basis</b>	<b>\$ (1,418,900)</b>	<b>\$ (1,567,400)</b>	<b>3,419,454</b>	<b>\$ 4,986,854</b>
<b>Reconciliation to GAAP Basis:</b>				
Principal Payments			13,275	
Depreciation and Amortization			(870,160)	
Change in Net Position, GAAP Basis			2,562,569	
<b>Total Net Position - Beginning</b>			<b>35,808,444</b>	
<b>Total Net Position - Ending</b>			<b>\$ 38,371,013</b>	

**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, 2020**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Charges for Services	\$ 10,300	\$ 10,300	5,690	\$ (4,610)
Intergovernmental	150,000	229,900	65,361	(164,539)
Investment Earnings	1,000	1,000	1,472	472
Miscellaneous	45,000	45,000	18,768	(26,232)
Total Revenues	<u>206,300</u>	<u>286,200</u>	<u>91,291</u>	<u>(194,909)</u>
<b>EXPENDITURES</b>				
Operating Expenditures				
Personnel Services	8,500	8,500	9,132	(632)
Operations and Maintenance	17,600	17,600	13,836	3,764
Capital Outlay	166,700	260,500	38,951	221,549
Total Expenditures	<u>192,800</u>	<u>286,600</u>	<u>61,919</u>	<u>185,730</u>
Change in Net Position, Budget Basis	<u>\$ 13,500</u>	<u>\$ (400)</u>	<u>29,372</u>	<u>\$ (9,179)</u>
<b>Reconciliation to GAAP Basis:</b>				
Depreciation and Amortization			<u>(296,216)</u>	
Change in Net Position, GAAP Basis			<u>(266,844)</u>	
<b>Total Net Position - Beginning</b>			<u>4,378,926</u>	
<b>Total Net Position - Ending</b>			<u>\$ 4,112,082</u>	

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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

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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>	110
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>	114
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.</i>	122
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i>	127
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services that the Town provides and activities it performs.</i>	129

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

	<b>2011</b>	<b>2012</b>	<b>2013 <sup>(1)</sup></b>	<b>2014</b>	<b>2015 <sup>(2)</sup></b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 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	\$ 153,586,231
Restricted	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	46,605,118
Unrestricted	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	34,479,339
<b>Total Governmental Activities Net Position</b>	<b>\$ 102,180,618</b>	<b>\$ 103,551,468</b>	<b>\$ 105,215,075</b>	<b>\$ 108,424,959</b>	<b>\$ 112,223,572</b>	<b>\$ 122,298,712</b>	<b>\$ 147,547,189</b>	<b>\$ 173,332,285</b>	<b>\$ 204,671,325</b>	<b>\$ 234,670,688</b>
<b>Business-type Activities</b>										
Net Investment in Capital Assets	\$ 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	\$ 244,297,057
Restricted	7,125,596	7,195,376	1,699,317	1,960,235	1,982,998	1,183,031	786,000	824,000	856,000	878,650
Unrestricted	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	99,686,616
<b>Total Business-type Activities Net Position</b>	<b>\$ 155,735,437</b>	<b>\$ 158,253,569</b>	<b>\$ 162,831,992</b>	<b>\$ 169,032,727</b>	<b>\$ 172,254,808</b>	<b>\$ 208,459,773</b>	<b>\$ 237,340,780</b>	<b>\$ 271,078,362</b>	<b>\$ 315,910,547</b>	<b>\$ 344,862,323</b>
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 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	\$ 397,883,288
Restricted	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	47,483,768
Unrestricted	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	134,165,955
<b>Total Primary Government Net Position</b>	<b>\$ 257,916,055</b>	<b>\$ 261,805,037</b>	<b>\$ 268,047,067</b>	<b>\$ 277,457,686</b>	<b>\$ 284,478,380</b>	<b>\$ 330,758,485</b>	<b>\$ 384,887,969</b>	<b>\$ 444,410,647</b>	<b>\$ 520,581,872</b>	<b>\$ 579,533,011</b>

Source: Town of Erie Finance Department

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

<sup>(2)</sup> 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)

	2011	2012	2013 (1)	2014	2015 (2)	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 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	\$ 10,512,723
Public Safety	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	5,599,006
Public Works	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	3,362,722
Parks & Recreation	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	6,261,294
Interest on Long-Term Debt	819,064	780,479	649,304	681,174	720,371	657,411	604,011	547,591	491,020	346,189
Total Governmental Activities Expenses	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	26,081,934
Business-type Activities:										
Water	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	12,299,401
Wastewater	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	6,044,230
Storm Drainage	400,859	418,621	447,151	412,940	664,028	932,686	809,794	1,075,170	1,235,057	2,111,400
Airport	314,911	299,977	445,648	263,355	337,969	307,283	668,087	289,865	313,934	358,135
Housing Authority	117,270	107,136	111,463	119,300	112,370	116,252	335,939	-	-	-
Total Business-type Activities Expenses	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	20,813,166
Total Primary Government Expenses	\$ 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	\$ 46,895,100
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services										
General Government	\$ 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	\$ 2,235,795
Public Safety	162,864	176,375	246,843	249,004	219,581	299,055	268,853	275,835	364,421	251,347
Public Works	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	2,704,752
Parks and Recreation	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	1,547,175
Operating Grants and Contributions	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	2,789,977
Capital Grants and Contributions	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	15,376,327
Total Governmental Activities Program Revenues	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	24,905,373
Business-type Activities:										
Charges for Services										
Water	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	12,654,777
Wastewater	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	5,806,390
Storm Drainage	392,907	401,146	411,862	427,761	514,714	660,450	795,580	1,146,469	1,513,384	1,611,680
Other Activities	136,988	98,477	86,138	82,478	85,794	89,736	21,928	8,475	10,027	5,690
Operating Grants and Contributions	-	73,455	66,438	54,829	74,100	20,190	346,239	14,644	15,000	80,642
Capital Grants and Contributions	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	28,341,075
Total Business-type Activities Program Revenues	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	48,500,254
Total Primary Government Program Revenues	\$ 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	\$ 73,405,627
<b>Net (Expense) Revenue</b>										
Governmental Activities										
	\$ (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	\$ (1,176,561)
Business-type Activities	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	27,687,088
Total Primary Government Net (Expense) Revenue	\$ (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	\$ 26,510,527
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes	\$ 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	\$ 28,270,838
Intergovernmental - Unrestricted	-	107,617	103,540	207,505	249,784	91,578	78,323	128,227	291,898	-
Investment Earnings	250,191	182,476	102,215	169,030	127,840	201,007	376,733	925,222	1,411,789	817,090
Other Miscellaneous	556,947	423,901	212,691	613,890	379,013	403,763	258,643	1,293,000	1,180,904	2,087,996
Transfers In/Out	(21,547)	(20,087)	(18,137)	(228,157)	(9,349)	(33,719)	(3,207,559)	-	-	-
Total Governmental Activities	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	31,175,924
Business-type Activities:										
Investment Earnings	113,452	122,303	82,977	132,694	127,247	252,507	477,847	1,131,438	2,080,168	1,201,192
Other Miscellaneous	101,533	49,538	376,272	61,202	65,952	121,267	176,374	132,472	664,410	63,496
Transfers In/Out	21,547	20,087	18,137	228,157	9,349	33,719	3,207,559	-	-	-
Total Business-type Activities	236,532	191,928	477,386	422,053	202,548	407,493	3,861,780	1,263,910	2,744,578	1,264,688
Total Primary Government General Revenue and Other Changes in Net Position	\$ 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	\$ 32,440,612
<b>Changes in Net Position</b>										
Governmental Activities										
	\$ 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	\$ 29,999,363
Business-type Activities	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	28,951,776
Total Primary Government Changes in Net Position	\$ 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	\$ 58,951,139

Si Town of Erie Finance Department

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

<sup>(2)</sup> 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, Colorado

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Comprehensive Annual Financial Report

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

	<b>2011 <sup>(1)</sup></b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
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	\$ 3,953,617
Restricted/Reserved	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	3,854,025
Assigned	1,026,106	1,462,004	1,118,949	131,230	41,842	250,058	230,835	253,913	1,428,579	919,618
Unassigned/Unreserved	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	29,013,058
Total General Fund	\$ 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	\$ 37,740,318
All Other Governmental Funds										
Restricted/Reserved	\$ 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	\$ 42,539,370
Committed	137,963	143,579	17,987	151,996	130,154	141,528	172,047	204,434	236,823	259,622
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)	(574,264)
Total of All Other Governmental Funds	\$ 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	\$ 42,224,728

Source: Town of Erie Finance Department

<sup>(1)</sup>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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Taxes	\$ 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	\$ 28,270,838
Intergovernmental	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	2,809,865
Licenses and Permits	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	2,674,326
Charges for Services	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	3,270,758
Fines and Forfeitures	162,864	176,375	246,843	249,004	219,581	299,055	268,853	275,835	364,421	251,347
Capital Contributions and Fees	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	17,070,945
Investment Earnings	250,191	182,476	102,215	169,030	127,840	201,007	376,732	925,222	1,411,789	817,090
Miscellaneous	387,386	374,370	232,919	203,135	315,850	303,042	555,948	769,663	577,803	907,633
<b>Total Revenues</b>	<b>14,741,717</b>	<b>16,071,711</b>	<b>18,388,905</b>	<b>20,468,949</b>	<b>24,502,932</b>	<b>27,494,940</b>	<b>37,159,330</b>	<b>42,518,880</b>	<b>45,711,163</b>	<b>56,072,802</b>
<b>Expenditures</b>										
General Government	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	7,427,255
Public Safety	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	5,599,006
Public Works	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	3,234,109
Parks & Recreation	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	6,136,766
Capital Outlay	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	8,122,463
Debt Service										
Principal	915,000	950,000	1,800,062	1,125,320	1,177,108	1,225,393	1,281,999	1,302,230	964,080	1,000,000
Interest	820,681	782,756	673,681	683,515	748,037	697,864	645,055	588,833	531,867	494,563
Bond Issuance Costs	-	-	123,357	110,693	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>14,485,310</b>	<b>17,777,316</b>	<b>20,957,749</b>	<b>23,098,986</b>	<b>27,665,006</b>	<b>25,679,593</b>	<b>22,690,391</b>	<b>35,606,739</b>	<b>40,292,024</b>	<b>32,014,162</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	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	24,058,640
<b>Other Financing Sources (Uses)</b>										
Transfers In	131,200	457,800	4,965,891	1,803,700	2,390,626	657,893	328,700	350,064	3,015,000	-
Transfers Out	(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	113,351	3,085	14,523	7,380	42,014	28,305	105,000	352,091	49,404	1,089,359
Insurance Recoveries & Related	22,084	46,446	171,510	33,374	21,146	72,421	33,333	139,187	77,193	20,895
Proceeds from Litigation Settlements	-	-	-	370,000	-	-	-	45,147	476,500	-
<b>Total Other Financing Sources (Uses)</b>	<b>113,888</b>	<b>724,444</b>	<b>582,243</b>	<b>6,691,313</b>	<b>53,811</b>	<b>67,007</b>	<b>(3,069,226)</b>	<b>536,425</b>	<b>(612,441)</b>	<b>1,110,254</b>
<b>Net Changes in Fund Balance</b>	<b>\$ 370,295</b>	<b>\$ (981,161)</b>	<b>\$ (1,986,601)</b>	<b>\$ 4,061,276</b>	<b>\$ (3,108,263)</b>	<b>\$ 1,882,354</b>	<b>\$ 11,399,713</b>	<b>\$ 7,448,566</b>	<b>\$ 4,806,698</b>	<b>\$ 25,168,894</b>
Debt Service as a Percentage of Noncapital Expenditures <sup>(1)</sup>	13.57%	13.16%	16.16%	11.77%	10.24%	11.24%	10.12%	8.81%	5.97%	8.92%

*Town of Erie, Colorado*

Source: Town of Erie Finance Department

<sup>(1)</sup>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	Sales	Use	Franchise	Specific Ownership	Specific Total
	Tax	Tax	Tax	Tax	Tax	Total
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 <sup>(1)</sup>	4,316,592	4,457,099	2,305,363	717,589	279,094	12,075,737
2016	5,019,474	5,501,497	2,799,247	749,480	266,745	14,336,443
2017	5,403,174	8,577,175	2,912,918	815,245	325,357	18,033,869
2018	6,337,412	10,014,132	3,475,026	861,850	359,476	21,047,896
2019	7,318,677	11,316,593	3,804,826	929,733	381,373	23,751,202
2020	11,005,008	14,325,821	2,809,036	954,990	359,543	29,454,398

Source: Town of Erie Finance Department

<sup>(1)</sup> 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**

Year <sup>(1)</sup>	Residential		Commercial		Vacant		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Taxable Actual Value
	Property	Property	Land	Other	Land	Other			
2011	74,805,120	7,568,860	5,440,850	12,778,926	4,847,360	95,746,396	95,746,396	1,001,879,430	1,001,879,430
2012	73,860,728	7,251,830	4,783,897	18,565,810	4,999,658	99,462,607	99,462,607	993,982,165	993,982,165
2013	75,143,537	7,367,407	3,721,512	15,228,537	5,170,320	96,290,673	96,290,673	1,003,587,145	1,003,587,145
2014	74,154,873	7,686,083	5,744,842	14,205,385	5,079,776	96,711,407	96,711,407	998,823,627	998,823,627
2015	77,114,109	7,766,827	6,742,267	15,712,692	5,103,216	102,232,679	102,232,679	1,041,775,470	1,041,775,470
2016	97,235,515	9,220,302	13,490,705	13,883,022	5,097,508	128,732,036	128,732,036	1,321,949,675	1,321,949,675
2017	104,059,150	9,165,292	11,683,177	11,435,241	5,323,021	131,019,839	131,019,839	1,398,000,738	1,398,000,738
2018	115,094,833	10,156,615	18,400,076	12,400,193	5,531,996	150,519,721	150,519,721	1,718,471,789	1,718,471,789
2019	124,435,480	10,233,474	21,345,831	17,825,107	9,991,034	163,848,858	163,848,858	1,859,592,069	1,859,592,069
2020	145,487,054	10,500,582	13,000,560	19,485,057	11,301,389	177,171,864	177,171,864	2,142,183,152	2,142,183,152

Weld County									
Year <sup>(1)</sup>	Residential		Commercial		Vacant		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Taxable Actual Value
	Property	Property	Land	Other	Land	Other			
2011	85,974,780	16,846,260	6,993,710	26,916,450	8,507,750	128,223,450	128,223,450	1,191,937,810	1,191,937,810
2012	85,755,600	17,973,430	3,804,960	33,924,800	8,585,400	132,873,390	132,873,390	1,190,322,109	1,190,322,109
2013	87,078,530	17,404,680	3,815,130	48,243,410	18,250,220	138,291,530	138,291,530	1,213,972,885	1,213,972,885
2014	91,188,060	18,957,690	4,523,580	48,319,546	18,605,790	144,383,086	144,383,086	1,272,092,511	1,272,092,511
2015	93,755,970	18,416,740	4,236,270	45,016,450	18,783,500	142,641,930	142,641,930	1,299,657,997	1,299,657,997
2016	111,653,120	19,459,280	4,527,990	47,749,940	22,414,960	160,975,370	160,975,370	1,532,172,186	1,532,172,186
2017	114,999,210	20,798,020	4,142,940	36,049,340	22,921,780	153,067,730	153,067,730	1,564,789,993	1,564,789,993
2018	130,164,270	29,902,290	5,512,400	38,221,720	23,990,010	179,810,670	179,810,670	1,969,952,922	1,969,952,922
2019	134,773,700	32,511,630	7,941,930	80,171,320	27,254,860	228,143,720	228,143,720	2,096,626,349	2,096,626,349
2020	155,698,557	46,363,400	11,315,580	171,617,860	35,369,280	349,626,117	349,626,117	1,532,172,186	1,532,172,186

Boulder County and Weld County									
Year <sup>(1)</sup>	Grand Total Assessed		Grand Total Actual		Assessed Value as a Percentage of Actual Value		Total Direct Tax		
	Taxable Value	Taxable Value	Assessed	Actual	of Actual Value	Rate			
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					
2020	526,797,981	3,674,355,338	14.34%	14,122					

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

<sup>(1)</sup>Taxes for the year assessed are collected in the following year. For example: Taxes assessed for 2019 will be collected in the 2020 calendar year.

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

Taxpayer	Boulder County						
	2020		% of Total		2011		
	Assessed Value	Rank	Assessed Value		Assessed Value	Rank	% of Total
<b>Principal Taxpayers</b>							
Public Service CO of Colorado - Xcel	\$ 4,202,438	1	2.37 %	\$ -	-	-	%
Calatlantic Group INC	3,396,576	2	1.92	-	-	-	
Arapahoe Ridge Property LLC	2,593,180	3	1.46	-	-	-	
JMJC Eleven LLC	2,580,616	4	1.46	-	-	-	
HT Flatiron LP	2,032,739	5	1.15	-	-	-	
William Lyon Homes INC	1,322,540	6	0.75	-	-	-	
Toll CO LP	1,202,866	7	0.68	-	-	-	
Westpac Realty Fund II LLC	1,114,180	8	0.63	-	-	-	
Crestone Peak Resources LP	934,211	9	0.53	-	-	-	
Oliver Richard E & Deborah L	898,086	10	0.51	-	-	-	
Noble Energy Production Inc	-		6,132,032	1	6.40		
Encana Oil & Gas USA Inc	-		3,560,074	2	3.72		
Public Service Co of Colorado	-		2,811,091	3	2.94		
Arapahoe Ridge Retail Center LLC	-		2,504,092	4	2.62		
Muhr Partnership Three	-		1,070,040	5	1.12		
Westpac Realty Fund II LLC	-		869,043	6	0.91		
Tousa Recovery Acquisition LLC	-		823,872	7	0.86		
Alande Company	-		600,126	8	0.63		
Boulder Valley Investment LLC	-		583,635	9	0.61		
Richmond American Homes of Colorado Inc.	-		567,485	10	0.59		
	<u>\$ 20,277,432</u>		<u>11.45 %</u>	<u>\$ 19,521,490</u>		<u>20.39 %</u>	
<b>Weld County</b>							
Taxpayer	2020		% of Total		2011		
	Assessed Value	Rank	Assessed Value		Assessed Value	Rank	% of Total
<b>Principal Taxpayers</b>							
Crestone Peak Resources, LP	\$ 122,838,390	1	33.02 %	\$ -	-	-	%
Dillon Companies INC	4,478,120	2	1.20	-	-	-	
Public Service CO of COLO (Xcel)	3,553,060	3	0.96	-	-	-	
Park Homes LLC	2,424,030	4	0.65	-	-	-	
Kerr Mcgee Gathering LLC	2,321,970	5	0.62	-	-	-	
Boulder Community Health	2,233,300	6	0.60	-	-	-	
Richmond American Homes of Colorado Inc	2,050,240	7	0.55	-	-	-	
United Power Inc	1,426,090	8	0.38	-	-	-	
Front Range Landfill 5305	1,297,520	9	0.35	-	-	-	
KP Kaufman Company Inc	1,287,320	10	0.35	-	-	-	
Kerr-McGee Oil & Gas Onshore LP	-		9,583,520	1	7.47		
Encana Oil & Gas (USA) Inc	-		8,607,140	2	6.71		
Noble Energy	-		3,196,130	3	2.49		
Erie Commons Commercial Partners LLC	-		1,185,150	4	0.92		
Colorado National Golf Club LLC	-		1,081,610	5	0.84		
Waste Connection Inc	-		981,190	6	0.77		
Public Service CO of Colo (Excel)	-		811,280	7	0.63		
Kassity-Lowell Erie LLC	-		743,800	8	0.58		
Right Sky Properties LLC	-		786,880	9	0.61		
Vista Ridge Development LLC	-		602,570	10	0.47		
	<u>\$ 143,910,040</u>		<u>38.69 %</u>	<u>\$ 27,579,270</u>		<u>21.51 %</u>	

Sources: Boulder County Assessor's Office

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

Boulder County															
Town of Erie															
Year	General Obligation Bonds			Trails & Natural Areas		Total Direct	Boulder County	St. Vrain Valley School District	Boulder Valley School District	Mountain View Fire Protection District	Northern Colorado Water Conservation District	Urban Drainage & Flood District	High Plains Library	Metro Districts <sup>(2)</sup>	(Range) Total
	General Operating	Obligation Bonds	General Operating	Trails & Natural Areas	Total Direct										
Rates (In mills) <sup>(1)</sup>															
2011	7.288	6.088	4.000	17.376	24.645	46.837	43.838	11.747	1.000	0.523	3.281	-	102,410 - 105,409		
2012	7.288	5.858	4.000	17.146	24.645	47.614	44.843	11.747	1.000	0.566	3.271	-	103,218 - 155,989		
2013	7.288	5.807	4.000	17.095	24.645	53.500	45.547	11.747	1.000	0.599	3.261	50,000	103,894 - 161,847		
2014	7.288	5.279	4.000	16.567	25.120	53.679	45.372	11.747	1.000	0.608	3.264	50,000	103,678 - 161,985		
2015	7.288	6.076	4.000	17.364	24.794	53.673	47.569	11.747	1.000	0.632	3.267	50,000	106,373 - 162,477		
2016	7.288	5.131	4.000	16.419	22.624	53.887	45.814	11.747	1.000	0.553	3.308	50,000	101,465 - 159,538		
2017	7.288	5.260	4.000	16.548	24.064	56.945	48.961	11.747	1.000	0.559	3.271	50,000	106,150 - 164,134		
2018	7.288	4.512	4.000	15.800	22.726	56.394	47.780	11.747	1.000	0.500	3.256	5,000-55,277	102,809 - 166,700		
2019	7.288	3.802	4.000	15.090	24.026	56.385	48.967	16.247	1.000	0.726	3.252	0,000 - 55,277	109,308 - 172,003		
2020	7.288	2.834	4.000	14.122	23.473	57.559	48.359	16.247	1.000	0.900	3.217	0,000 - 55,666	107,318 - 172,184		
Weld County															
Year	General Obligation Bonds			Trails & Natural Areas		Total Direct	Weld County	St. Vrain Valley School District	Fire Protection District	Mountain View District	Northern Colorado Water Conservation District	High Plains Library	Metro Districts <sup>(3)</sup>	(Range) Total	
	General Operating	Obligation Bonds	General Operating	Trails & Natural Areas	Total Direct										
Rates (In mills) <sup>(1)</sup>															
2011	7.288	6.088	4.000	17.376	16.804	46.837	11.747	1.000	3.281	18,000 - 57,827	97,045 - 154,872				
2012	7.288	5.858	4.000	17.146	16.804	47.614	11.747	1.000	3.271	20,000 - 57,827	97,582 - 155,409				
2013	7.288	5.807	4.000	17.095	16.804	53.500	11.747	1.000	3.261	20,000 - 57,827	103,407 - 161,234				
2014	7.288	5.279	4.000	16.567	16.804	53.679	11.747	1.000	3.264	20,000 - 57,827	103,061 - 160,888				
2015	7.288	6.076	4.000	17.364	16.804	53.673	11.747	1.000	3.267	10,000 - 70,000	103,855 - 173,855				
2016	7.288	5.131	4.000	16.419	15.800	53.887	11.747	1.000	3.308	10,000 - 70,000	102,161 - 172,161				
2017	7.288	5.260	4.000	16.548	15.800	56.945	11.747	1.000	3.271	10,000 - 70,000	105,311 - 175,311				
2018	7.288	4.512	4.000	15.800	15.800	56.394	11.747	1.000	3.256	15,000 - 77,388	103,997 - 181,385				
2019	7.288	3.802	4.000	15.090	15.038	56.385	16.247	1.000	3.252	15,000 - 77,928	107,012 - 184,94				
2020	7.288	2.834	4.000	14.122	15.038	57.559	16.247	1.000	3.217	0,000 - 77,928	107,183 - 185,111				

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

<sup>(1)</sup> One mill generates \$1 of property tax revenue per \$1,000 of assessed valuation. Taxes for the year assessed are collected in the following year. For example: Taxes assessed for 2019 will be collected in the 2020 calendar year.

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

<sup>(3)</sup> 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.

**Town of Erie**  
**Property Tax Levies and Collections**  
**Last Ten Years**

Collection Year	Total Tax Levy <sup>(1)(2)</sup>	Total Tax Collections <sup>(2)</sup>	Collections As a Percent of Tax Levy
2011	3,891,700	\$ 3,880,843	99.72
2012	3,983,633	\$ 3,962,431	99.47
2013	4,010,183	\$ 3,987,059	99.42
2014	3,994,213	\$ 3,993,379	99.98
2015 <sup>(3)</sup>	4,252,002	\$ 4,254,354	100.06
2016	4,756,706	\$ 4,757,945	100.03
2017	4,701,081	\$ 4,669,385	99.33
2018	5,219,221	\$ 5,220,932	100.03
2019	5,915,166	\$ 5,802,149	98.09
2020	7,439,440	\$ 7,408,094	99.58

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

<sup>(1)</sup> Taxes for the year assessed are collected in the following year.

For example: Taxes assessed for 2019 will be collected in the 2020 calendar year.

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

<sup>(3)</sup> 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 2020 the levy was 0.409 mills.

**Town of Erie**  
**Sales and Use Tax Revenue by Type**  
**Last Ten Years**

Year	General	Vehicle	Use Tax <sup>(1)</sup>	Total	Total
				Sales and	Direct Tax
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
2020	11,641,036	2,684,785	2,809,036	17,134,857	3.50

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

<sup>(1)</sup> Primarily represents taxes assessed on building materials associated with construction activity.

**Town of Erie**

**Sales Tax Rates from Direct and Overlapping Governments**

**Last Ten Years**

Year	Boulder County							Total
	Town of Erie	State of Colorado	Regional Transportation Authority	Metropolitan Sports Stadium District	Cultural Facilities District	Boulder County		
	3.500	2.900	1.000	0.100	0.100	0.650		
2011	3.500	2.900	1.000	0.100	0.100	0.650	8.250	
2012	3.500	2.900	1.000	-	<sup>(1)</sup>	0.800	8.300	
2013	3.500	2.900	1.000	-	0.100	0.800	8.300	
2014	3.500	2.900	1.000	-	0.100	0.800	8.300	
2015	3.500	2.900	1.000	-	0.100	0.800	8.300	
2016	3.500	2.900	1.000	-	0.100	0.985	8.485	
2017	3.500	2.900	1.000	-	0.100	0.985	8.485	
2018	3.500	2.900	1.000	-	0.100	0.985	8.485	
2019	3.500	2.900	1.000	-	0.100	0.985	8.485	
2020	3.500	2.900	1.000	-	0.100	0.985	8.485	

**Weld County**

Year	Metropolitan					Total
	Town of Erie	State of Colorado	Regional Transportation Authority	Metropolitan Sports Stadium District		
	3.500	2.900	1.000	0.100		
2011	3.500	2.900	1.000	0.100	7.500	
2012	3.500	2.900	1.000	-	<sup>(1)</sup>	7.400
2013	3.500	2.900	1.000	-	7.400	
2014	3.500	2.900	1.000	-	7.400	
2015	3.500	2.900	1.000	-	7.400	
2016	3.500	2.900	1.000	-	7.400	
2017	3.500	2.900	1.000	-	7.400	
2018	3.500	2.900	1.000	-	7.400	
2019	3.500	2.900	1.000	-	7.400	
2020	3.500	2.900	1.000	-	7.400	

Source: Town of Erie Finance Office  
Colorado Department of Revenue

<sup>(1)</sup>The Metropolitan Sports Stadium District tax expired as of December 31, 2011.

**Town of Erie**  
**Principal Sales Taxpayers**  
**Last Ten Years**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Aggregate top ten filers <sup>(1)</sup>	\$ 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	\$ 6,143,362
Aggregate all other filers	921,355	972,826	973,689	1,113,540	1,359,852	1,929,602	2,025,377	2,364,253	4,159,081	5,204,528
Total sales tax <sup>(2)</sup>	<u>\$ 1,863,647</u>	<u>\$ 1,967,717</u>	<u>\$ 2,070,627</u>	<u>\$ 2,251,151</u>	<u>\$ 2,577,761</u>	<u>\$ 3,477,116</u>	<u>\$ 6,227,906</u>	<u>\$ 7,557,622</u>	<u>\$ 8,631,808</u>	<u>\$ 11,347,890</u>
Top ten filers as a percentage of total tax	50.6%	50.6%	53.0%	50.5%	47.2%	44.5%	67.5%	68.7%	51.8%	54.1%

Source: Colorado Department of Revenue

<sup>(1)</sup>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.

<sup>(2)</sup>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 <sup>(2)</sup>	Per Capita
	General Obligation		Capital Bonds	Revenue Bonds/Loans <sup>(1)</sup>	Certificates of Participation		Capital Leases	Mortgages & Other Loans Payable		
	Bonds	Leases	Bonds/Loans <sup>(1)</sup>	Participation	Capital	Leases	Payable			
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	5.27%	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	3.74%	2,861	
2020	13,745,525	73,586	38,571,880	22,225,618	82,118	-	74,698,727	5.55%	2,558	

Sources: Bureau of Economic Analysis

U.S. Census Bureau

Town of Erie Finance Department

Town of Erie Economic Development

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

<sup>(2)</sup> Current year personal income data not yet available.

**Town of Erie**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Years**

Year	Population	Estimated		General Bonded Debt to Actual Taxable	General	General
		Actual	Taxable		Bonded	Bonded
		Value	Debt <sup>(1)</sup>		Per	Debt
2011	18,100	\$ 2,170,060,087	\$ 17,623,254	0.81	\$ 974	
2012	18,500	2,193,817,240	16,692,986	0.76	902	
2013	18,800	2,184,304,274	15,727,719	0.72	837	
2014	19,400	2,217,560,030	15,923,684	0.72	821	
2015	20,100	2,270,916,138	21,249,523	0.94	1,057	
2016	21,200	2,341,433,467	20,010,049	0.85	944	
2017	22,400	2,854,121,861	18,707,714	0.66	835	
2018	24,000	2,962,790,731	17,350,378	0.59	723	
2019	25,900	3,688,424,711	15,938,459	0.43	615	
2020	27,700	3,956,218,418	14,852,799	0.38	536	
2021	29,200	3,674,355,338	13,745,525	0.37	471	

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

<sup>(1)</sup>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**

	<b>Outstanding General Bonded Debt</b>	<b>Percentage Applicable to the Town<sup>(2)</sup></b>	<b>Share of Debt Applicable to the Town</b>
Direct Debt			
Town of Erie	<u>\$ 13,819,111</u>	100 %	<u>\$ 13,819,111</u>
Overlapping Debt <sup>(1)</sup>			
Boulder Valley School District	772,338,137	1	9,767,391
Colliers Hill Metropolitan District #1	35,450,523	100	35,450,523
Erie Commons Metropolitan District #2	34,052,085	100	34,052,085
Erie Farm Metropolitan District	13,000,000	100	13,000,000
Erie Highlands Metropolitan District #1	8,930,000	100	8,930,000
Erie Highlands Metropolitan District #2	11,725,000	100	11,725,000
Flatiron Meadows Metropolitan District	7,420,000	100	7,420,000
Northern Colorado Water Conservation District	5,906,968	2	118,139
Rex Ranch Metropolitan District	5,166,102	100	5,166,102
St. Vrain Valley School District	478,330,000	7	35,798,651
Vista Ridge Metropolitan District	<u>35,680,000</u>	100	<u>35,680,000</u>
Total Overlapping Debt	<u>1,407,998,815</u>		<u>197,107,891</u>
Total Direct and Overlapping General Bonded Debt	<u><u>\$ 1,421,817,926</u></u>		<u><u>\$ 210,927,002</u></u>

Sour Provided by each government entity

<sup>(1)</sup>The following governments had no outstanding general bonded debt:

Weld County, Mountain View Fire, High Plains Library, 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.

<sup>(2)</sup>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**

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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Debt Limit</b>	\$ 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	\$ 155,482,394
<b>Less: Net Debt Applicable to Limit</b>	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	13,000,000
<b>Legal Debt Margin</b>	<u>\$ 50,759,962</u>	<u>\$ 51,448,782</u>	<u>\$ 54,327,454</u>	<u>\$ 50,826,786</u>	<u>\$ 54,535,157</u>	<u>\$ 72,278,263</u>	<u>\$ 78,625,701</u>	<u>\$ 103,954,195</u>	<u>\$ 116,019,324</u>	<u>\$ 142,482,394</u>
<b>Total Net Debt Applicable to the Limit as a Percentage of Debt Limit</b>	24.46%	23.14%	21.21%	27.99%	25.47%	19.46%	17.12%	12.58%	10.77%	8.36%

**Legal Debt Margin Calculation for Fiscal Year 2019**

Actual Valuation	
Boulder County	\$ 2,182,554,548
Weld County	<u>3,000,191,912</u>
Total Actual Valuation	<u>\$ 5,182,746,460</u>
Legal Debt Margin	
Debt Limitation:	
3 Percent of Total Assessed Valuation	\$ 155,482,394
Debt Applicable to Limitation:	
Outstanding Balance of General Obligation Bonds	<u>13,000,000</u>
Legal Debt Margin	<u>\$ 142,482,394</u>

Source: Town of Erie Finance Department

**Town of Erie**  
**Pledged-Revenue Coverage**  
**Water Revenue Bonds**  
**Last Ten Fiscal Years**

Year	Net Revenue Available for Debt Service			Debt Service Requirements			
	Gross Revenues <sup>(1)</sup>	Operating Expenses <sup>(2)</sup>	Debt Service	Principal	Interest	Total	Coverage
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
2020	33,921,409	12,299,401	21,622,008	1,935,000	752,178	2,687,178	8.05 x

Source: Town of Erie Finance Department

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

**Town of Erie**  
**Pledged-Revenue Coverage**  
**Wastewater Revenue Bonds**  
**Last Ten Fiscal Years**

Year	Net Revenue Available for Debt Service			Debt Service Requirements			
	Gross Revenues <sup>(1)</sup>	Operating Expenses <sup>(2)</sup>	Debt Service	Principal	Interest	Total	Coverage
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
2020	11,155,185	6,044,230	5,110,955	555,000	606,824	1,161,824	4.40 x

Source: Town of Erie Finance Department

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

**Town of Erie**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Year	Population <sup>(1)</sup>	Personal Income <sup>(2)</sup>		Per Capita Income <sup>(2)</sup>	Median Age <sup>(1)</sup>	School Enrollment	Unemployment Rate <sup>(3)</sup>
		(in thousands)	Income <sup>(2)</sup>				
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	1,679,232	69,968	37.0	5,700	2.5	
2018	25,900	1,904,116	73,518	37.0	5,757	3.3	
2019	27,700	2,119,798	76,527	36.8	6,162	2.0	
2020	29,200	1,345,828	46,090	36.6	5,845	3.6	

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

<sup>(1)</sup>Source - Town of Erie - Economic Development.

<sup>(2)</sup>Source - U.S. Department of Commerce, Bureau of Economic Analysis, Table CA1-3 for Boulder County Metropolitan Statistical Area. 2019 data not yet available.

<sup>(3)</sup>Source - Economic Research - Federal Reserve Bank of St. Louis

**Town of Erie**  
**Principal Employers**  
**Current Year and Ten Years Ago**

<b>Employer</b>	<b>2020</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Town Employment</b>
Town of Erie (1)	436	1	14.03 %
King Soopers	287	2	9.23
St. Vrain Valley School District	226	3	7.27
Safeway	85	4	2.73
Boulder Valley School District	75	5	2.41
Magnum Plastics	60	6	1.93
Aspen Ridge Prep School	57	7	1.83
Colorado National Golf Club	48	8	1.54
Lazy Dog	37	9	1.19
Sonic Drive-In	18	10	0.58
<b>Total</b>	<b>1,329</b>		<b>42.74 %</b>

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

	<b>2011</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Town Employment</b>
Town of Erie	258	1	9.21 %
St. Vrain Valley School District	250	2	8.93
Colorado National Golf Club	75	3	2.68
Safeway	70	4	2.50
Magpul Industries	60	5	2.14
John Murphy Millworks	25	6	0.89
Front Range Hospice	25	7	0.89
Walgreens	20	8	0.71
Yellow Scene	12	9	0.43
Erie Animal Hospital	7	10	0.25
<b>Total</b>	<b>802</b>		<b>28.63 %</b>

Source: Town of Erie Economic Development

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

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	13.2	14.2	15.2							
Town Administration				5.0	5.0	5.0	6.0	6.0	6.0	6.0
Economic Development				1.0	1.0	1.0	1.0	1.0	2.0	2.0
Finance				6.0	6.0	7.0	8.0	8.0	8.0	9.0
Human Resources				2.0	2.0	2.0	3.0	3.0	3.0	4.0
Information Technology				3.0	3.0	3.6	3.6	4.0	4.0	4.0
Planning & Development				15.0	16.0	18.0	23.0	26.0	25.0	26.0
Parks & Recreation	69.0	69.6	74.3	71.2	72.1	75.0	79.4	84.0	85.2	84.5
Public Safety	25.0	25.0	27.0	25.9	27.4	30.0	32.0	40.5	43.5	47.0
Public Works	40.6	42.6	45.6	35.6	35.7	37.4	43.0	43.0	43.0	45.0
Total	147.8	151.4	162.1	164.7	168.2	179.0	199.0	215.5	219.7	227.5

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	2011	2012	2013	2014	2015	2016	2017	2018	2020
Recreation									
Recreation/Community Center Visits	204,048	192,899	196,107	208,845	229,482	242,703	262,664	264,835	62,522
Recreation Activities	73,241	75,279	75,021	73,930	72,768	71,101	72,728	74,700	42,084
Community Events	3,118	2,560	3,504	3,031	2,987	4,334	4,237	6,282	1,554
Rentals	646	628	573	613	648	594	559	546	156
Police									
Traffic Violations	1,138	1,573	1,255	1,420	1,897	1,474	1,852	2,635	1,712
Criminal Violations	239	263	275	385	404	211	183	332	321
Water									
Number of Service Connections	6,765	6,990	7,195	7,561	8,048	8,547	9,193	9,859	10,265
Average Daily Flow (million gallons per day)	2.94	2.64	2.63	2.75	3.15	3.25	3.80	3.27	4.07
Wastewater									
Number of Service Connections	6,491	6,716	6,912	7,242	7,732	8,220	8,875	9,421	9,983
Average Daily Flows (million gallons per day)	1.090	1.216	1.190	1.190	1.300	1.490	1.500	1.557	1.510

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**

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Parks and Recreation										
Community Center	1	1	1	1	1	1	1	1	1	1
Parks	10	10	10	10	10	10	10	12	12	13
Park Acreage	136	136	136	136	136	136	136	150	150	157
Open Space Acreage	272	607	607	1,075	1,075	1,096	1,096	1,096	1,143	1,143
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	8	8	8	9	9	10	10	11	13	16
Public Works										
Streets (miles)	121.0	122.4	134.0	134.0	134.0	135.0	154.0	154.0	157.6	158.5
Water										
Water Mains (miles)	125.5	132.7	132.7	137.0	149.5	157.0	165.0	181.0	189.5	195.0
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	18.9
Wastewater										
Sanitary Sewers (miles)	87.7	89.7	90.9	94.0	100.8	103.5	109.0	122.0	125.9	131.3
Maximum Daily Capacity (million gallons per day)	2.70	2.70	2.70	2.70	2.70	2.70	2.70	1.50	1.95	1.95
Storm Drainage										
Storm Sewers (miles)	40.1	40.1	39.9	44.0	49.7	53.0	59.0	64.0	64.6	72.6
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
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
2020	196,082,070	4,524,863,798	4,720,945,868	4	3,147,000	475	135,482,000

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

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## **Compliance Section**

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

	2016	2017	2018	2019	2020
<b>Gross Revenues</b>					
Charges for services	\$ 8,278,284	\$ 9,044,664	\$ 10,251,306	\$ 10,429,799	\$ 12,654,777
Tap fees	14,374,273	15,702,821	20,416,574	20,404,933	19,986,944
Interest income	156,900	285,093	699,994	1,370,664	786,177
Other income	14,784	42,588	127,905	556,950	52,311
Total Gross Revenues	22,824,241	25,075,166	31,495,779	32,762,346	33,480,209
<b>Operation and Maintenance Expenses (1)</b>	<u>4,769,246</u>	<u>4,211,555</u>	<u>4,822,378</u>	<u>5,052,305</u>	<u>5,765,605</u>
<b>Net Revenues</b>	<u><u>\$ 18,054,995</u></u>	<u><u>\$ 20,863,611</u></u>	<u><u>\$ 26,673,401</u></u>	<u><u>\$ 27,710,041</u></u>	<u><u>\$ 27,714,604</u></u>
<b>Combined Maximum Annual Principal and Interest Requirements</b>	\$ 2,693,979	\$ 2,693,979	\$ 2,693,979	\$ 2,693,979	\$ 2,693,979
<b>Pro-Forma Coverage Ratio</b>	6.7x	7.740x	9.9x	10.290x	10.29x
<b>Current year debt service</b>					\$ 2,688,980
<b>Coverage Ratio - current year</b>					10.31x
<b>Minimum required ratio</b>					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
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
2020	472	470	14,922,595	2	1,031,995	474	15,954,590

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

### History of Water Accounts

Year	Residential Accounts	Commercial Accounts	Irrigation Accounts	Total Accounts
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
2020	9,950	183	193	10,326

Note: Irrigation accounts based on summer usage activity.

### Largest Customers of the Water System

Type of Business	2020 Revenue	% of Total (1)
The Town	\$ 254,002	2.01%
Homeowners Association	182,330	1.44%
Construction Company	154,364	1.22%
School District	98,710	0.78%
Construction Company	94,223	0.74%
Homeowners Association	87,286	0.69%
Homeowners Association	73,632	0.58%
Homeowners Association	70,698	0.56%
Homeowners Association	65,385	0.52%
Homeowners Association	62,569	0.49%
<b>Total</b>	<b>\$ 1,143,199</b>	<b>9.03%</b>

(1) Based on total charges for service of \$12,654,778

**Budget Summary and Comparison - Water Fund**

	2019		2020	
	Final	2019	Final	2020
	Budget	Actual	Budget	Actual
<b>Beginning Working Capital</b>	\$ 44,961,120	\$ 44,961,120	\$ 58,640,231	\$ 58,640,231
<b>Revenues</b>				
Charges for services	9,655,000	10,429,799	11,400,000	12,654,778
Connection fees	19,062,300	20,404,933	13,694,700	15,954,589
Interest income	695,000	1,370,664	587,000	786,177
Other income (1)	602,400	588,918	1,001,000	626,840
Total revenues	<u>30,014,700</u>	<u>32,794,314</u>	<u>26,682,700</u>	<u>30,022,384</u>
Total funds available	<u>74,975,820</u>	<u>77,755,434</u>	<u>85,322,931</u>	<u>88,662,615</u>
<b>Operating Expenses</b>				
Administration	3,385,100	3,004,555	3,722,500	3,436,191
Distribution	351,300	263,751	366,700	306,389
Treatment	1,412,200	1,230,397	1,568,900	1,335,304
Meters	283,700	258,170	297,300	204,572
Debt service	4,291,400	4,288,314	4,322,100	4,304,708
Capital outlay	<u>31,290,100</u>	<u>10,035,933</u>	<u>35,745,700</u>	<u>14,471,377</u>
Total operating expenses	<u>41,013,800</u>	<u>19,081,120</u>	<u>46,023,200</u>	<u>24,058,542</u>
<b>Other Financing Sources</b>				
Proceeds from debt issuance (2)	<u>30,900</u>	<u>29,639</u>	<u>91,200</u>	<u>-</u>
Total other financing sources	<u>30,900</u>	<u>29,639</u>	<u>91,200</u>	<u>-</u>
<b>Other changes in working capital</b>	<u>-</u>	<u>(63,722)</u>	<u>-</u>	<u>(25,432)</u>
Net change in working capital	<u>(10,968,200)</u>	<u>13,679,111</u>	<u>(19,249,300)</u>	<u>5,938,410</u>
<b>Ending Working Capital</b>	<u>\$ 33,992,920</u>	<u>\$ 58,640,231</u>	<u>\$ 39,390,931</u>	<u>\$ 64,578,641</u>

(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,				
	2016	2017	2018	2019	2020
<b>Operating Revenues</b>					
Charges for services	\$ 8,278,284	\$ 9,044,664	\$ 10,251,306	\$ 10,429,799	\$ 12,654,777
<b>Operating Expenses</b>					
Personnel services	1,684,788	2,038,669	2,256,820	2,305,940	2,480,835
Operations and maintenance	3,084,458	2,172,886	2,565,558	2,746,365	3,284,770
Depreciation	2,821,610	3,105,037	3,477,471	3,738,035	3,954,365
Total Operating Expenses	<u>7,590,856</u>	<u>7,316,592</u>	<u>8,299,849</u>	<u>8,790,340</u>	<u>9,719,970</u>
<b>Net Operating Income</b>	<u>687,428</u>	<u>1,728,072</u>	<u>1,951,457</u>	<u>1,639,459</u>	<u>2,934,807</u>
<b>Nonoperating Revenues (Expenses)</b>					
Investment income	156,900	285,093	699,994	1,370,664	786,177
Other, net (1)	14,784	42,588	31,704	531,955	(828,788)
Interest expense (2)	(2,014,864)	(1,946,105)	(1,827,183)	(1,760,175)	(1,698,332)
Total Nonoperating Expenses, net	<u>(1,843,180)</u>	<u>(1,618,424)</u>	<u>(1,095,485)</u>	<u>142,444</u>	<u>(1,740,943)</u>
<b>Net Income/(Loss) before Contributions</b>	<u>(1,155,752)</u>	<u>109,648</u>	<u>855,972</u>	<u>1,781,903</u>	<u>1,193,864</u>
Capital contributions (3)	<u>17,246,744</u>	<u>18,262,084</u>	<u>22,995,540</u>	<u>26,845,844</u>	<u>19,986,944</u>
<b>Change in Net Position</b>	<u>16,090,992</u>	<u>18,371,732</u>	<u>23,851,512</u>	<u>28,627,747</u>	<u>21,180,808</u>
<b>Total Net Position - Beginning</b>	<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>
<b>Prior Period Adjustments (4) (5)</b>	<u>1,928,486</u>	<u>-</u>	<u>248,340</u>	<u>-</u>	<u>-</u>
<b>Total Net Position - Ending</b>	<u><b>\$ 136,951,652</b></u>	<u><b>\$ 155,323,384</b></u>	<u><b>\$ 179,423,236</b></u>	<u><b>\$ 208,050,983</b></u>	<u><b>\$ 229,231,791</b></u>

(1) 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 \$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**

	2019 Final Budget	2019 Actual	2020 Final Budget	2020 Actual
<b>Revenues</b>				
Taxes	\$ 18,836,000	\$ 20,750,132	\$ 22,101,500	\$ 24,080,039
Intergovernmental	1,643,000	1,687,735	2,488,052	2,566,167
Licenses and Permits	2,592,800	2,849,759	2,111,500	2,674,326
Fees and Charges for Services	4,731,500	4,940,856	2,965,000	3,250,445
Fines and Forfeitures	293,000	364,421	248,000	251,347
Capital Contributions and Fees	-	-	280,300	167,862
Investment Earnings	500,000	693,693	284,000	366,320
Miscellaneous	699,800	558,578	680,300	900,619
<b>Total Revenues</b>	<b>29,296,100</b>	<b>31,845,174</b>	<b>31,158,652</b>	<b>34,257,125</b>
<b>Expenditures</b>				
Current Operating:				
General Government (1)	6,490,300	6,549,890	7,409,057	7,260,736
Public Safety	5,040,700	5,029,328	6,127,295	5,599,006
Public Works	3,620,800	3,429,778	3,206,100	3,362,722
Parks and Recreation	6,159,800	6,028,787	6,701,800	6,068,075
Capital Outlay (2)	5,202,800	3,231,882	5,882,200	2,961,895
Debt Service				
Principal	964,600	964,080	1,000,000	1,000,000
Interest	532,600	531,867	493,500	494,563
<b>Total Expenditures</b>	<b>28,011,600</b>	<b>25,765,612</b>	<b>30,819,952</b>	<b>26,746,997</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>				
	<b>1,284,500</b>	<b>6,079,562</b>	<b>338,700</b>	<b>7,510,128</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	10,000	-	600,000	-
Transfers Out	(4,288,000)	(4,265,000)	-	-
Capital Leases	34,700	34,462	-	-
Sales of Capital Assets	365,900	49,404	-	72,489
Insurance Recoveries	13,300	77,193	-	20,895
Proceeds from Litigation Settlements	476,500	476,500	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(3,387,600)</b>	<b>(3,627,441)</b>	<b>600,000</b>	<b>93,384</b>
<b>Net Change in Fund Balance</b>	<b>(2,103,100)</b>	<b>2,452,121</b>	<b>938,700</b>	<b>7,603,512</b>
<b>Fund Balance, Beginning</b>	<b>27,684,685</b>	<b>27,684,685</b>	<b>30,136,806</b>	<b>30,136,806</b>
<b>Prior Period Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Ending</b>	<b>\$ 25,581,585</b>	<b>\$ 30,136,806</b>	<b>\$ 31,075,506</b>	<b>\$ 37,740,318</b>

(1) 2019 reflects a cyber-fraud loss 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.

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

	Year Ended December 31,				
	2016	2017	2018	2019	2020
<b>Revenues</b>					
Taxes	\$ 12,925,001	\$ 16,179,942	\$ 18,615,903	\$ 20,750,132	\$ 24,080,039
Intergovernmental	1,322,006	1,138,700	1,435,852	1,687,735	2,566,167
Licenses and Permits	2,209,044	2,837,483	3,699,178	2,849,759	2,674,326
Fees and Charges for Services	4,138,040	4,570,432	4,753,635	4,940,856	3,250,445
Fines and Forfeitures	299,055	268,853	275,835	364,421	251,347
Capital Contributions and Fees	-	-	-	-	167,862
Investment Earnings	105,882	209,518	510,692	693,693	366,320
Miscellaneous	260,717	552,644	765,864	558,578	900,619
<b>Total Revenues</b>	<b>21,259,745</b>	<b>25,757,572</b>	<b>30,056,959</b>	<b>31,845,174</b>	<b>34,257,125</b>
<b>Expenditures</b>					
Current Operating:					
General Government (1)	3,120,399	4,349,177	5,615,511	6,549,890	7,260,736
Public Safety	3,244,415	3,482,081	4,041,846	5,029,328	5,599,006
Public Works	2,980,586	2,991,570	3,028,797	3,429,778	3,362,722
Parks and Recreation	4,710,210	5,023,118	5,264,703	6,028,787	6,068,075
Capital Outlay (2)	2,071,521	2,082,586	10,269,388	3,231,882	2,961,895
Debt Service					
Principal	1,225,393	1,281,999	1,302,230	964,080	1,000,000
Interest	697,864	645,055	588,833	531,867	494,563
<b>Total Expenditures</b>	<b>18,050,388</b>	<b>19,855,586</b>	<b>30,111,308</b>	<b>25,765,612</b>	<b>26,746,997</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,209,357</b>	<b>5,901,986</b>	<b>(54,349)</b>	<b>6,079,562</b>	<b>7,510,128</b>
<b>Other Financing Sources (Uses)</b>					
Transfers In	326,700	328,700	350,064	-	-
Transfers Out	(13,400)	(77,046)	-	(4,265,000)	-
Capital Leases	-	-	-	34,462	-
Sales of Capital Assets	28,305	105,000	352,091	49,404	72,489
Insurance Recoveries	72,421	33,333	139,187	77,193	20,895
Proceeds from Litigation Settlements	-	-	45,147	476,500	-
<b>Total Other Financing Sources (Uses)</b>	<b>414,026</b>	<b>389,987</b>	<b>886,489</b>	<b>(3,627,441)</b>	<b>93,384</b>
<b>Net Change in Fund Balance</b>	<b>3,623,383</b>	<b>6,291,973</b>	<b>832,140</b>	<b>2,452,121</b>	<b>7,603,512</b>
<b>Fund Balance, Beginning</b>	<b>16,909,185</b>	<b>20,532,568</b>	<b>26,760,506</b>	<b>27,684,685</b>	<b>30,136,806</b>
<b>Prior Period Adjustments (3) (4)</b>	<b>-</b>	<b>(64,035)</b>	<b>92,039</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Ending</b>	<b>\$ 20,532,568</b>	<b>\$ 26,760,506</b>	<b>\$ 27,684,685</b>	<b>\$ 30,136,806</b>	<b>\$ 37,740,318</b>

(1) 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.

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

	2016	2017	2018	2019	2020
<b>Gross Revenues</b>					
Charges for services	\$ 4,320,614	\$ 4,439,911	\$ 5,096,131	\$ 5,486,900	\$ 5,806,390
Tap fees	2,508,135	2,757,730	3,407,731	3,241,428	5,348,514
Interest income	88,916	178,651	393,174	639,135	364,288
Other	471,246	608,428	1,365,408	487,553	281
Total Gross Revenues	7,388,911	7,984,720	10,262,444	9,855,016	11,519,473
<b>Operation and Maintenance Expenses (1)</b>					
Net Revenues	<u>\$ 4,878,577</u>	<u>\$ 5,204,707</u>	<u>\$ 7,213,448</u>	<u>\$ 6,552,998</u>	<u>\$ 8,067,653</u>
<b>Combined Maximum Annual Principal and Interest Requirements</b>					
Pro-Forma Coverage Ratio	3.54x	3.78x	5.24x	4.76x	5.86x
Current year debt service					\$ 1,315,275
Coverage Ratio - current year					6.13x
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
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
2020	471	2,449,201	1	71,067	472	2,520,268

(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>
2016	7,609	124	7,733
2017	8,090	128	8,218
2018	8,716	139	8,855
2019	9,272	149	9,421
2020	9,828	155	9,983

**Largest Customers of the Wastewater System**

<u>Type of Business</u>	<u>2020 Revenue</u>	<u>% of Total (1)</u>
Homeowners Association	\$ 111,430	1.92%
Homeowners Association	46,762	0.81%
The Town	36,613	0.63%
Commercial Business	28,183	0.49%
Commercial Business	25,051	0.43%
Homebuilder	23,056	0.40%
School District	22,722	0.39%
Commercial Business	21,491	0.37%
Homeowners Association	20,944	0.36%
Homeowners Association	<u>17,714</u>	<u>0.31%</u>
Total	<u>\$ 353,966</u>	<u>6.10%</u>

(1) Based on total charges for service of \$5,806,390

**Budget Summary and Comparison - Wastewater Fund**

	2019 Final Budget	2019 Actual	2020 Final Budget	2020 Actual
<b>Beginning Working Capital</b>	\$ 22,916,995	\$ 22,916,995	\$ 26,296,195	\$ 26,296,195
<b>Revenues</b>				
Charges for services	5,350,000	5,486,900	5,780,000	5,806,390
Tap fees	3,118,000	3,241,428	2,286,000	2,520,268
Investment income	425,000	639,135	176,000	364,288
Other income	169,800	487,553	92,800	705,173
Total revenues	<u>9,062,800</u>	<u>9,855,016</u>	<u>8,334,800</u>	<u>9,396,119</u>
Total funds available	<u>31,979,795</u>	<u>32,772,011</u>	<u>34,630,995</u>	<u>35,692,314</u>
<b>Operating Expenses</b>				
Administration	1,785,700	1,719,136	1,857,500	1,776,424
Collection	315,600	250,203	380,500	263,419
Treatment	1,321,400	1,279,436	1,276,600	1,278,632
Debt service	1,316,600	1,311,326	1,334,100	1,324,603
Capital outlay	7,623,800	1,885,168	25,833,200	2,575,192
Total operating expenses	<u>12,363,100</u>	<u>6,445,269</u>	<u>30,681,900</u>	<u>7,218,270</u>
<b>Other Financing Sources</b>				
Proceeds from Debt Issuance (1)	<u>37,100</u>	<u>-</u>	<u>47,300</u>	<u>-</u>
Total other financing sources	<u>37,100</u>	<u>-</u>	<u>47,300</u>	<u>-</u>
<b>Other changes in working capital</b>	<u>-</u>	<u>(30,547)</u>	<u>-</u>	<u>-</u>
Net change in working capital	<u>(3,263,200)</u>	<u>3,379,200</u>	<u>(22,299,800)</u>	<u>2,177,849</u>
<b>Ending Working Capital</b>	<u>\$ 19,653,795</u>	<u>\$ 26,296,195</u>	<u>\$ 3,996,395</u>	<u>\$ 28,474,044</u>

(1) 2019 represents a capital lease obligation.

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

	Year Ended December 31,				
	2016	2017	2018	2019	2020
<b>Operating Revenues</b>					
Charges for services	\$ 4,320,614	\$ 4,439,911	\$ 5,096,131	\$ 5,486,900	\$ 5,806,390
<b>Operating Expenses</b>					
Personnel services	1,465,748	1,663,310	1,894,886	1,944,056	2,061,132
Operations and maintenance	1,044,586	1,116,703	1,154,110	1,357,962	1,390,688
Depreciation	1,418,963	1,543,024	1,694,838	1,837,044	1,965,740
Total Operating Expenses	<u>3,929,297</u>	<u>4,323,037</u>	<u>4,743,834</u>	<u>5,139,062</u>	<u>5,417,560</u>
<b>Net Operating Income</b>	<u>391,317</u>	<u>116,874</u>	<u>352,297</u>	<u>347,838</u>	<u>388,830</u>
<b>Nonoperating Revenues (Expenses)</b>					
Investment income	88,916	178,651	393,174	639,135	364,288
Other, net	9,873	13,795	7,500	1,021	281
Interest expense (1)	(956,740)	(672,334)	(662,031)	(650,446)	(626,670)
Total Nonoperating Expenses, net	<u>(857,951)</u>	<u>(479,888)</u>	<u>(261,357)</u>	<u>(10,290)</u>	<u>(262,101)</u>
<b>Net Income/(Loss) before Contributions</b>	<u>(466,634)</u>	<u>(363,014)</u>	<u>90,940</u>	<u>337,548</u>	<u>126,729</u>
Capital contributions (2)	<u>3,858,449</u>	<u>6,122,913</u>	<u>7,173,026</u>	<u>10,201,532</u>	<u>5,348,514</u>
<b>Change in Net Position (1)</b>	<u>3,391,815</u>	<u>5,759,899</u>	<u>7,263,966</u>	<u>10,539,080</u>	<u>5,475,243</u>
<b>Total Net Position - Beginning</b>	<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>
<b>Prior Period Adjustments (3)(4)</b>	<u>2,287,668</u>	<u>-</u>	<u>227,421</u>	<u>-</u>	<u>-</u>
<b>Total Net Position - Ending</b>	<u><u>\$ 43,881,828</u></u>	<u><u>\$ 49,641,727</u></u>	<u><u>\$ 57,133,114</u></u>	<u><u>\$ 67,672,194</u></u>	<u><u>\$ 73,147,437</u></u>

(1) 2016 includes debt issuance costs of \$234,256.

(2) Reflects developer contributions of infrastructure of \$889,000 in 2016, \$2,771,000 in 2017, \$2,407,000 in 2018, \$6,474,000 in 2019, and \$2,123,354 in 2020.

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

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

## **Single Audit Report**

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

Board of Trustees  
Town of Erie  
Erie, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the major funds, and the aggregate remaining fund information of Town of Erie, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Town of Erie's basic financial statements, and have issued our report thereon dated June 25, 2021.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Town of Erie's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Broomfield, Colorado  
June 25, 2021



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

Board of Directors  
Town of Erie  
Erie, Colorado

### Report on Compliance for Each Major Federal Program

We have audited Town of Erie's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Town of Erie's major federal programs for the year ended December 31, 2020. Town of Erie's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Town of Erie's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Town of Erie's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Town of Erie's compliance.

### Opinion on Each Major Federal Program

In our opinion, Town of Erie complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

### **Report on Internal Control Over Compliance**

Management of Town of Erie is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Town of Erie's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Town of Erie's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Broomfield, Colorado  
June 25, 2021

**Town of Erie, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2020**

	Federal CFDA Number	Grant Identification Number	Expenditures
<b><u>Department of Transportation</u></b>			
Highway Planning and Construction Cluster			
Pass-Through: Federal Aviation Administration			
Erie Parkway & Weld County Road 7 Signal Grant	20.205	20-HA4-XC-00049	43,587
Pass-Through: Colorado Department of Transportation			
Grant for Electric Vehicle Charging Stations Project	20.205	13-HTD-47392	71,260
<b>Total Highway Planning and Construction Cluster</b>			<b>114,847</b>
Federal Aviation Administration CARES Act Grant	20.106	3-08-0090-019-2020	30,000
Federal Aviation Administration - Snow Removal Equipment Building	20.106	3-08-0090-018-2018	2,505
<b>Total Department of Transportation</b>			<b>147,352</b>
<b><u>Department of Treasury</u></b>			
Pass-Through: Boulder County, Colorado			
Coronavirus Relief Fund	21.019	CVRF-CM-162	757,415
Pass Through: Weld County, Colorado			
Coronavirus Relief Fund	21.019		333,102
<b>Total Department of Treasury</b>			<b>1,090,517</b>
<b>Total Federal Financial Awards</b>			<b>\$ 1,237,869</b>

The accompanying Notes to Schedule of Expenditures of Federal Financial Awards is an integral part of this schedule.

**TOWN OF ERIE**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2020**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Town of Erie under programs of the federal government for the year ended December 31, 2020. No federal financial assistance was passed through to other entities. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Erie, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Town of Erie.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE 3 INDIRECT COST RATE**

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

**TOWN OF ERIE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED DECEMBER 31, 2020**

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***Section I – Summary of Auditors' Results***

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***Financial Statements***

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

***Federal Awards***

1. Internal control over major federal programs:
  - Material weakness(es) identified? \_\_\_\_\_ yes  no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes  none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes  no

***Identification of Major Federal Programs***

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
21.019	Coronavirus Relief Funds
Dollar threshold used to distinguish between Type A and Type B programs:	\$ <u> \$750,000 </u>
Auditee qualified as low-risk auditee?	_____ yes <input checked="" type="checkbox"/> no

**TOWN OF ERIE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED DECEMBER 31, 2020**

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***Section II – Financial Statement Findings***

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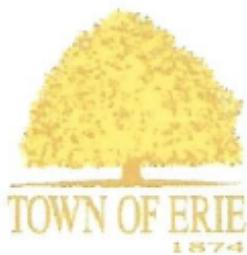
Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



**TOWN OF ERIE  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2020**

The Town of Erie respectfully submits the following summary schedule of prior audit findings for the year ended 2020.

Audit period: 2019

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

**FINDINGS—FINANCIAL STATEMENT AUDIT**

**2019 – 001 Segregation of Duties**

**Condition:** This finding was a significant deficiency stating that there was a lack of separation of duties in the internal control structure of the organization.

**Status:** Corrected. Duties are being separated as much as possible and alternative controls are being implemented to compensate for lack of separation. A reorganization approved by the Board in October 2019 was implemented and additional staff were hired.

**FINDINGS— FEDERAL AWARD PROGRAMS AUDITS**

There were no federal award program audit findings in the prior year.

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

Financial Planning 02/01  
Form # 350-050-36

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Town of Erie
		YEAR ENDING: December 2020
This Information From The Records Of (example - City of _ or County of _): Town of Erie		Prepared By: Stefanie Furman Phone: 303-926-2750

**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**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,531,801
a. Motor Fuel (from Item I.A.5.)		2. Maintenance	1,160,001
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)	694,868	a. Traffic control operations	
2. General fund appropriations	694,868	b. Snow and ice removal	
3. Other local imposts (from page 2)	7,745,320	c. Other	382,728
4. Miscellaneous local receipts (from page 2)	286,598	d. Total (a. through c.)	382,728
5. Transfers from toll facilities		4. General administration & miscellaneous	1,116,132
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	5,190,662
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)		a. Interest	-
7. Total (1 through 6)	8,726,786	b. Redemption	-
<b>B. Private Contributions</b>		c. Total (a. + b.)	-
<b>C. Receipts from State government</b> (from page 2)	1,203,006	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)		a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	9,929,792	b. Redemption	
		c. Total (a. + b.)	-
		3. Total (1.c + 2.c)	-
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	5,190,662

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	-	-	-	-
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				-

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	8,037,761	9,929,792	5,190,662	12,776,891	-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado
		YEAR ENDING (mm/yy): December 2020

## II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	105,526
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	5,119,125	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	2,626,195	g. Other Misc. Receipts	181,072
6. Total (1. through 5.)	7,745,320	h. Other	
c. Total (a. + b.)	7,745,320	i. Total (a. through h.)	286,598
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	756,585	1. FHWA (from Item 1.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	98,463	d. Federal Transit Admin	
d. Other - Road & Bridge Taxes	347,958	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	446,421	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	1,203,006	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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			-
b. Engineering Costs			-
c. Construction:			
(1). New Facilities			-
(2). Capacity Improvements		707,109	707,109
(3). System Preservation		1,765,654	1,765,654
(4). System Enhancement & Operation		59,038	59,038
(5). Total Construction (1) + (2) + (3) + (4)	-	2,531,801	2,531,801
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	2,531,801	2,531,801
		(Carry forward to page 1)	

Notes and Comments: