



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the year ended December 31, 2022

CITY OF BRIGHTON, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2022

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Available online at
www.brightonco.gov



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INTRODUCTORY SECTION





May 10, 2023

To the Honorable Mayor, members of City Council, residents and customers of the City of Brighton, Colorado:

We submit, for your information and review, the Annual Comprehensive Financial Report for the City of Brighton, Colorado (the City), for the year ended December 31, 2022. This report consists of management's representations concerning the finances of the City of Brighton. Consequently, management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the City. The City has included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities.

The City charter and state law require an audit by independent certified public accountants selected by the City Council. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2022 are free of material misstatements. The City's financial statements, which include all funds under the control of City Council as well as the financial statements of component units, have been audited by Haynie & Company, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit evidence obtained, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2022, are fairly presented in conformity with accounting principles generally accepted in the United States of America (US GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

US GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A. The City's MD&A can be found immediately following the report of the independent auditor.

PROFILE OF THE CITY OF BRIGHTON

The City of Brighton (Brighton), Colorado incorporated in 1887 and chartered as a home-rule city in 2000. Brighton is located in Adams and Weld Counties, which is in the northeast Denver Metropolitan area, and is the county seat for Adams County. Brighton is a freestanding

community, visually and physically separated from the Denver Metropolitan region, with a rich agricultural history, diverse housing, employment, services, recreation, and entertainment. It has a historic Downtown that anchors the City's small town identity and its original neighborhoods. The City currently occupies nearly 22 square miles and serves a population of approximately 44,000.

Brighton is a connection point of several major throughfares, including E-470, I-76, and Hwy 85, all connecting Brighton to both I-25 and the Denver business area. This "Brighton Corridor" provides residents with access to the entire Denver Metropolitan area. Brighton has excellent transportation access including being located only 16 miles from Denver International Airport, and is served by two rail lines, State Highway 85 and Interstate 76. Coast-to-coast truck routes are available utilizing I-76 with its connections to I-70 and using Highway 85 to link to I-80.

Brighton is empowered to levy sales, use, and lodging taxes within its boundaries. In 2022, the mill levy for property tax remained at 6.65 mills upon each dollar of the total valuation of assessment for all taxable property within the City. The 2022 property taxes collected were based on the net assessed valuation for the City of Brighton, as certified by the Adams and Weld County Assessors, which was \$601,709,150 and \$69,636,120, respectively. The City also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

Brighton operates under the Council-Manager form of government. Policy-making and legislative authority are vested in a council consisting of the Mayor, and eight Council Members. The City is divided into four wards, each ward having two representatives on Council. The Mayor Pro-Tem is a serving Council Member elected by the Council itself. Council members serve for four-year terms, which are staggered. The Mayor is elected at large every four years.

The City Council is responsible for appointing and overseeing the work of the City Manager, City Attorney, and Municipal Judge. The City Manager is responsible for implementing the policies and ordinances of the Council, overseeing the day-to-day City operations, and appointing department directors and other staff members.

The City of Brighton provides services that include, but are not limited to police protection, construction and maintenance of highways, streets and street lighting, recreational activities, parks and athletic fields, adult recreation center, arts and cultural events, volunteer services, planning and zoning, general administrative services, economic and business development, code enforcement, animal control, municipal courts, public information, historic preservation, cemetery, building permits, youth services and public utilities which include water, sewer and storm drainage services. Fire protection and library services are not provided by the City. These services are provided by the Brighton Fire Rescue District and Anythink Brighton, a Rangeview Libraries District affiliate.

Brighton provides financial support and exerts influence over three legally separate entities which are reported as component units within the financial statements. These component units include the Brighton Urban Renewal Authority, Brighton Cultural Arts Commission, and the Brighton Economic Development Corporation. Additional information on these legally separate entities can be found in the notes to the financial statements.

Brighton's budget is adopted on a calendar year basis as required by Article X of the Charter. The budget presents a complete financial plan for all estimated revenues, other financing sources,

expenditures, and other financing uses. This annual budget serves as the foundation for the City of Brighton's financial planning and control. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level. Budgets for capital projects lapse at the end of the fiscal year and must be re-appropriated if unused.

MAJOR INITIATIVES - In 2022 the City made significant progress on its Strategic Plan initiatives, including:

- Facilitating **strategic, supportable infrastructure.**

Brighton continued its 10-year Streets Preservation program in 2022 to ensure the City's street infrastructure is properly maintained and in good condition. This included the use of approximately 100,000 pounds of crack seal materials, and the paving of 16 lane miles of road. Additionally, 14,000 square feet of concrete was replaced and 1,000 linear feet of new sidewalks were added. To support multimodal transit and recreation, 2,600 linear feet of new trails were added on Tower Road and 4 miles of bike lanes were constructed.

In the area of utilities, the City broke ground on the construction of a new water treatment plant that will result in a substantial increase in water treatment quality and capacity. This project is slated for completion in 2025.

- Building **strong regional relationships and partnerships.**

The City maintains strong partnerships with the school district and organizations to support the City's youth. City employees worked with local schools to host the 11th Annual High School Beautification project which supported students in planting 30 new trees in Donelson Park. Additionally, City staff volunteered to teach sessions at local schools on topics including horticulture, finance, and career readiness.

- Developing **strong local employment opportunities.**

Brighton continues to experience growth and welcomed many new businesses in 2022, including the newly-constructed Natural Grocers on 8th Avenue. A ribbon cutting ceremony was held in September and included a donation from Natural Grocers to Food Bank of the Rockies.

Along with this, permits were issued this year for many businesses that Brighton residents will soon enjoy, including Independent Rebuild Specialists, McDonald's, AutoZone, a Maverik fueling facility, and a new industrial warehouse at 76 Commerce Center.

- Promoting **financial responsibility.**

The City actively monitors spending and revenues compared to budgets, reporting on progress throughout the year. In 2022, the City added a dedicated Sales Tax Auditor position and began implementation of an online tax and licensing system to allow staff to better manage collection of sales taxes, the City's single largest revenue source.

For the first time in 2022, City departments were invited to submit budget proposals for items that if purchased now would limit long term expenses. In total, six department ideas were

approved at a one-time investment of \$380K. These ideas are projected to yield \$693K in savings and contribute to long-term financial stability for the City and its residents.

- Maintaining a **safe, active, engaged community.**

In 2022, the Parks, Recreation, and Open Space department implemented new security measures to ensure the safety of City amenities. This included enhanced lighting in several parks and sports complexes with more enhancements planned for 2023. These improvements will ensure residents can confidently and safely enjoy the City's parks and playgrounds.

The City's youth programs encourage Brighton's youth to get involved with their community and gain job experience. Almost 70 youth participated in Growing Grads Program through the Summer Job Launch, the Growing Grads Entrepreneur Boot Camp, and the City's internship program.

- Expanding the City's **facilities, amenities, and open space.**

The Parks, Recreation, and Open Space department completed several projects in 2022 to update or maintain our Parks, Recreation, and Open Space amenities. This included the completion of a new playground at the Adult Sports Complex, as well as the Observatory Park Playground receiving a new rubber surfacing. Several of the City's sports fields were converted to artificial turf which allows for less maintenance, lower water costs, and more off season practice time as the turf is more resilient to wet weather use.

- Promoting a **recognizable and well-planned community.**

In 2022, the museum opened a new exhibit, "Splendid Valley and Brighton: Story of a Place" that contains new artifacts from the area along the South Platte River and includes children's interactive and touchable artifacts. This year, the Museum doubled its visitation from 2021 to 600 total visitors in 2022 and has a robust volunteer program in place, logging over 800 total volunteer hours throughout the year.

- Enhancing **Sustainability.**

A new sustainability coordinator position was created this year to facilitate the update and management of the City's sustainability plan, to include items from resiliency to water conservation, to quality of life for Brighton residents.

In 2022, the City participated in the Wyland National Mayor's Challenge for Water Conservation for the month of April. City of Brighton Mayor Gregory Mills joined mayors across the country in asking residents to make a long-term commitment to reduce pollution and manage water resources more wisely.

- Advancing an **innovative, data-driven, results-focused government.**

In 2022, the City launched the Performance and Leadership Academy, a five week course designed to teach employees how to build strong teams, utilize LEAN continuous process improvement skills, learn to deliver exceptional customer services, and develop techniques for leading from any seat.

LOCAL ECONOMY

Brighton's local economy has rebounded well from the COVID-19 concerns in 2020 and has seen healthy growth in 2021 and 2022. The City's primary general revenue source, sales and use taxes, were strong in 2022, showing an increase of approximately 10% compared to the prior year. This increase was driven in large part by significant retail sales, including online retail. The unemployment rate for the Denver-Aurora-Lakewood Metropolitan area in which Brighton resides was 2.5% in December 2022, down from 4.2% in the prior year (Bureau of Labor Statistics).

Brighton's population in 2022 was approximately 44,000 with significant residential development growth in 2022. Near the end of 2022, the City saw a decline in residential building permits being issued and anticipates slowing residential growth in 2023.

As with most Colorado Front Range communities, water availability is a major component of economic growth in Brighton. To ensure that adequate water supplies are available, the City continues to manage its resources through water conservation and acquisition as well as the construction of a new water treatment plant slated for completion in 2025.

FOR THE FUTURE

The City has exciting and ambitious plans for 2023 and beyond. The 2023 adopted budget includes more than \$250M in spending and represents the City's largest capital plan in history. This budget also considers increased operating costs due to a combination of inflationary pressures and an extremely competitive labor market.

The 2023 financial plan includes significant projects, such as the construction of a Municipal Service Center that will bring staff from the Public Works, Utilities and Recreation Departments together into one modern facility. The Public Works Department will also be working on an impactful widening of Bridge Street, one of the City's primary transportation routes. The Utilities Department will be continuing construction of a 20 MGD water treatment plant that will significantly increase water capacity and allow for future growth. And the Parks and Recreation Department will be making notable upgrades and improvements to several parks and sports facilities, including continuation of the turf conversion efforts on sports fields and adding enhanced lighting to allow for night play.

AWARDS AND ACKNOWLEDGEMENTS

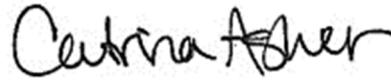
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Brighton for its annual comprehensive financial report for the year ended December 31, 2021. In order to be awarded a Certificate of Achievement, 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 a period of one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this 2022 Annual Comprehensive Financial Report was made possible by the dedicated service of the entire Finance Department. Credit also must be given to the Mayor and the City Council for their support to maintain the highest standards of professionalism and in the development of effective policies relating to the City's finances.

Respectfully submitted,

A handwritten signature in black ink that reads "Michael P. Martinez". The signature is fluid and cursive, with a large loop at the end of the last name.

Michael Martinez
City Manager

A handwritten signature in black ink that reads "Catrina Asher". The signature is cursive and elegant, with a prominent loop at the end of the last name.

Catrina Asher, CPA, CPFO
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Brighton
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

CITY LEADERSHIP

In office or position at the time of issuance of this report

CITY COUNCIL

The Brighton City Council is made up of nine council members. The mayor is elected at-large every four years. The city is divided into four wards, with each ward having two representatives on council. Their terms are for four years and they are staggered. In other words, every two years one representative from each ward is up for election.

At the time of issuance of this report, one Ward 4 City Council position was vacant.



Greg Mills
Mayor
Term Exp. 2026



Clint Blackhurst
Mayor Pro Tem
Ward 3
Term Exp. 2024



Matt Johnston
Ward 1
Term Exp. 2026



Tom Green
Ward 1
Term Exp. 2024



Mary Ellen Pollack
Ward 2
Term Exp. 2024



Ann Taddeo
Ward 2
Term Exp. 2026



Jan Pawlowski
Ward 3
Term Exp. 2026



Peter Padilla
Ward 4
Term Exp. 2026

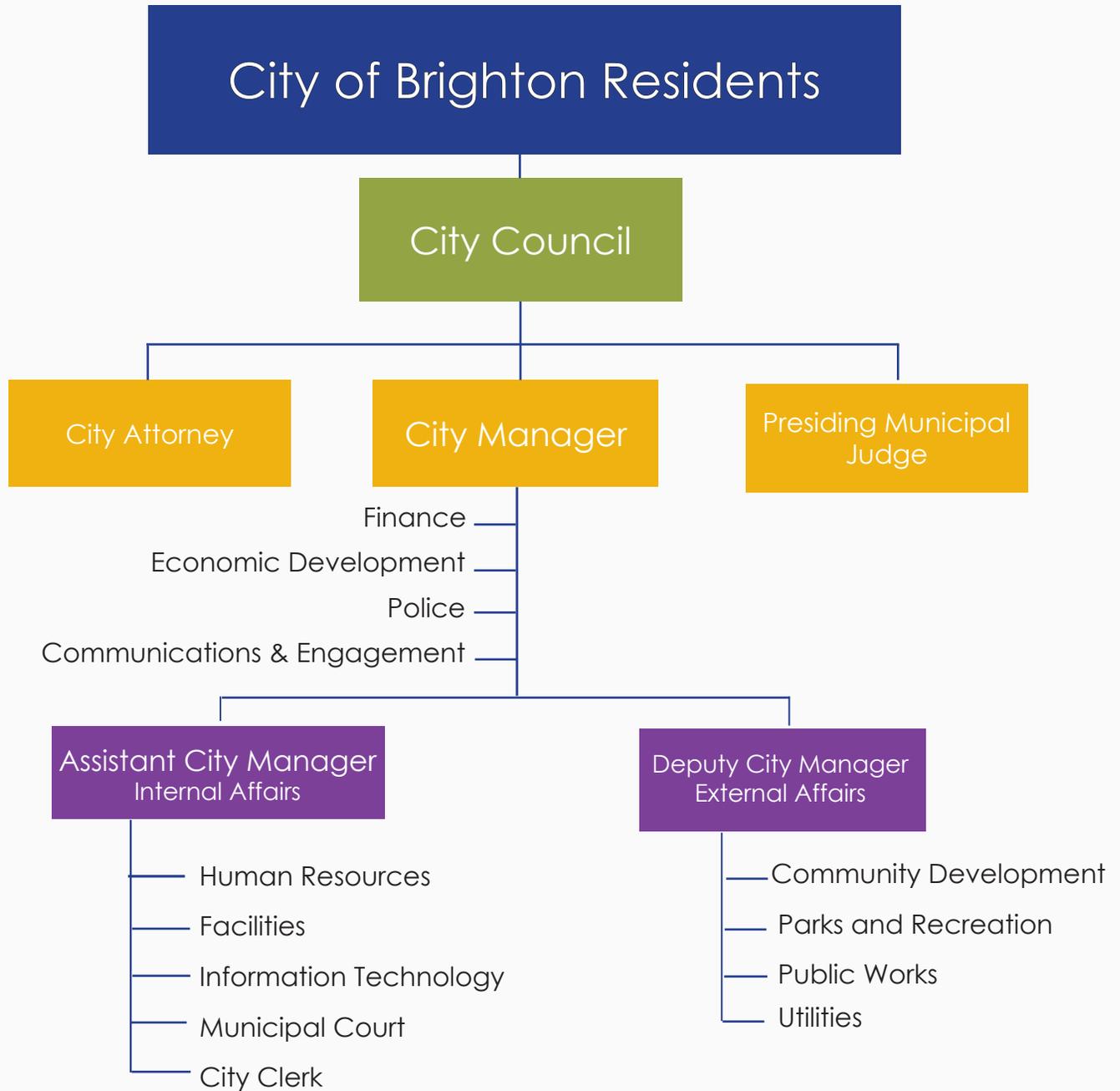
ADMINISTRATIVE

The City of Brighton operates under the Council-Manager form of government, through a Home Rule Charter. The City Manager, who is appointed by City Council, serves as the Chief Executive and Administrative Officer for the City and is responsible for the proper administration of all affairs of the City. In addition, the City Manager prepares recommendations for Council consideration and implements the policy direction approved by the City Council. City personnel, including the Deputy and Assistant City Managers, Chief of Police, and Department Directors report to the City Manager.

The City Attorney and Municipal Judge are appointed by and report to City Council.

City Manager	.....	Michael Martinez
Deputy City Manager	.....	Marv Falconburg
Assistant City Manager	.....	Karen Borkowski-Surine
City Attorney	.....	Alicia Calderón
Presiding Municipal Judge	.....	Michelle Kline
Chief of Police	.....	Matt Domenico
City Clerk	.....	Natalie Hoel
Director, Communications & Engagement	.....	Kristen Chernosky
Director, Community Development	.....	Holly Prather
Director, Economic Development	.....	Robin Martinez
Director, Facilities	.....	Patrick Rome
Director, Finance	.....	Catrina Asher
Director, Human Resources	.....	Kevin Young
Director, Information Technology	.....	David Guo
Director, Parks & Recreation	.....	Travis Haines
Director, Public Works	Vacant
Director, Utilities	Marc Johns

Organizational Chart



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FINANCIAL SECTION



To the City Council
City of Brighton, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Brighton, Colorado (the "City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Brighton, Colorado, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, General Fund-Schedule of Revenue, Expenditures, and Changes in Fund Balance-Budget and Actual, and 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section; combining and individual financial statements and schedules for the nonmajor funds, enterprise funds, internal service funds, and component units; and the local highway finance report, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the introductory section; the combining and individual financial statements and schedules for the nonmajor funds, enterprise funds, internal service funds, and component units; and the local highway finance report, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Haynie & Company

Littleton, Colorado

May 10, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS



CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

As management of the City of Brighton (the City), we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report, and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2022 by \$473.0 million (net position). Of this amount, \$110.4 million is unrestricted in the governmental activities and may be used to meet the City's ongoing obligations.
- Citywide net position increased \$39.3 million (9.1%) in 2022. The governmental net position increased by \$24.5 million (10.6%) and the business-type net position increased by \$14.8 million (7.3%).
- The General Fund, the City's primary operating fund, ended 2022 with a \$59.4 million fund balance. This represents an increase of \$9.0 million (17.8%) compared to the prior year. Approximately 71.0% of this amount (\$42.1 million) is available for spending at the government's discretion (unassigned fund balance).
- The City's governmental activities show revenues of \$86.5 million, an increase of \$10.4 million (13.7%) over the prior year. The City's primary revenue source is sales, use and other taxes which totaled \$53.2 million, reflecting an increase of \$6.2 million (13.2%) compared to the prior year.
- Citywide governmental activities expenses were \$62.0 million, an increase of \$1.0 million (1.8%) in comparison with the prior year.
- Capital Assets citywide increased by \$28.4 million (8.3%) compared to the previous year for an ending balance of \$340.5 million.
- Citywide debt balances, including unamortized premiums, increased by \$78.3 million. The City's Water Activity Enterprise issued bonds totaling \$81.4 million (inclusive of bond premiums) in 2022. Payments on all outstanding debt obligations were made according to established debt service schedules.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the following three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

Government-wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the City's finances using the accrual basis of accounting, the basis of accounting used by most private-sector businesses.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may provide an indication of whether the City's financial position is improving or deteriorating.

The statement of activities presents information reflecting how the City's net position has changed during the fiscal year that just ended. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused compensated leave).

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

The government-wide financial statements are on pages 30 and 31 of this report.

The government-wide financial statements include not only the City of Brighton itself, known as the primary government, but also three separate legal entities referred to as component units. These include the Brighton Urban Renewal Authority (BURA), the Brighton Cultural Arts Commission (BCAC), and the Brighton Economic Development Corporation (BEDC). These organizations receive a significant portion of their funding from the City of Brighton, and/or the City exerts influence over these organizations through positions on their governing boards. Financial information for these component units is reported separately from the financial information for the primary government itself and combining statements for the component units are on pages 104 and 105 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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories, governmental funds and proprietary funds.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

Governmental Funds

Governmental funds are used to report those same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the governmental fund financial statements are prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and similar long-term items which are recorded when due. Therefore, the focus of the governmental fund financial statements is on both: 1) near-term inflows and outflows of spendable resources and, 2) the balance of spendable resources available at year end.

Since the focus of the governmental funds is on near-term resources, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. To facilitate this comparison, a reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities is provided on page 35.

Information is presented separately in the balance sheet-governmental funds and in the statement of revenues, expenditures and changes in fund balances-governmental funds for the General Fund, Capital Improvement Fund, and Parks and Recreation Capital Fund. These three funds are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. These seven non-major funds are: Landscaping, Lottery, Cemetery, Highway, Lodging Tax, Impact Fees, and Cemetery Perpetual Care.

The City adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison schedule has been provided for all the governmental funds to demonstrate compliance with the budget.

The basic governmental funds financial statements start on page 30 of this report.

Proprietary Funds

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprises funds to account for its water, waste water, and storm drainage operations. An internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for self-funded medical benefits and fleet services. Because this service predominantly benefits governmental rather than business-type functions, this fund has been included within governmental activities in the government-wide financial statements. The proprietary fund financial statements are prepared on the accrual basis of accounting.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Water and Wastewater funds meet the criteria to be

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

considered major funds. The Storm Drainage does not meet the criteria to be a major fund but is treated as major for consistency and presentation purposes. These three funds are presented separately within the proprietary funds statement of net position, proprietary funds statement of revenues, expenses and changes in fund net position, and proprietary funds statement of cash flows financial statements.

The City adopts an annual appropriated budget for all of its proprietary funds. A budgetary comparison schedule has been provided for each proprietary fund to demonstrate compliance with this budget.

The basic proprietary funds financial statements start on page 36 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 39 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. The combining statements referred to earlier in connection with non-major governmental funds and proprietary funds are presented immediately following the basic financial statements. Combining statements and budgetary schedules can be found on pages 80-105 of this report. The Local Highway Finance Report can be found on pages 126-127 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The City of Brighton's assets exceed liabilities and deferred inflows of resources by \$473.2 million at the close of the most recent fiscal year.

The City of Brighton uses its capital assets to provide services to the citizens. At the end of 2022, the investment in capital assets (land, buildings, improvements, equipment, etc.), net of debt used to acquire those assets, amounted to \$293.1 million, or 61.9% of the City's total net position of \$473.2 million. During the current fiscal year, the City's total net position increased by \$39.3 million. In the governmental activities, revenues exceeded expenses by 139.4% and in the business-type activities, revenues exceeded expenses by 124.6%. Refer to Table 1: *Net Position*.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

Table 1
Net Position
As of December 31,

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	148,766,053	\$136,431,151	\$152,339,856	\$ 62,169,032	\$301,105,909	\$198,600,183
Capital Assets	151,091,277	142,578,801	189,416,987	169,563,173	340,508,264	312,141,974
Total Assets	<u>299,857,330</u>	<u>279,009,952</u>	<u>341,756,843</u>	<u>231,732,205</u>	<u>641,614,173</u>	<u>510,742,157</u>
Deferred Outflow of Resources	2,551,864	2,929,706	-	-	2,551,864	2,929,706
Long-term Liabilities	26,374,212	28,268,730	104,021,539	22,107,745	130,395,751	50,376,475
Other Liabilities	10,365,187	14,451,083	20,499,484	7,234,354	30,864,671	21,685,437
Total Liabilities	<u>36,739,399</u>	<u>42,719,813</u>	<u>124,521,023</u>	<u>29,342,099</u>	<u>161,260,422</u>	<u>72,061,912</u>
Deferred Inflows of Resources	9,711,150	7,719,550	-	-	9,711,150	7,719,550
Net Position:						
Net Investment in capital assets	126,113,128	115,982,638	166,979,029	145,885,790	293,092,157	261,868,428
Restricted	19,475,754	36,139,121	80,253,229	-	99,728,983	36,139,121
Unrestricted	<u>110,369,763</u>	<u>79,378,536</u>	<u>(29,996,438)</u>	<u>56,504,316</u>	<u>80,373,325</u>	<u>135,882,852</u>
Total Net Position	<u>\$255,958,645</u>	<u>\$231,500,295</u>	<u>\$217,235,820</u>	<u>\$202,390,106</u>	<u>\$473,194,465</u>	<u>\$433,890,401</u>

Governmental Activities Analysis

Governmental activities increased the City's net position by \$24.5 million, accounting for 62.2% of the City's \$39.3 million overall increase in net position. The following factors contributed to this increase (see Table 2, *Changes in Net Position*):

- Tax revenues increased by \$6.2M (13.2%) as sales taxes continued to grow at a steady rate. Additionally, strong development paired with inflationary effects resulted in a notable increase in construction use tax revenue.
- Grants and Capital Contributions increased \$2.1 million (33.6%) due to an increase in grant and intergovernmental project specific funding.
- Miscellaneous revenues decreased \$1.6 million (19.6%). This category includes oil and gas royalties which decreased in 2022 compared to one-time payments received in 2021.

Business-Type Activities Analysis

Business-Type activities increased the City's net position by \$14.8 million, accounting for 37.9% of the City's \$39.2 million increase in net position. Below is information regarding business-type activities (see Table 2):

- Grants and Capital Contributions for business-type activities increased by a substantial \$16.0 million, or 127.9%. This was caused primarily by very strong development activity which resulted in large increases to impact fees recorded in utility funds.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

- Charges for Services for business-type activities increased \$2.7 million (12.0%). This increase was primarily in the Water and Wastewater funds and was due an increase in the number utility service accounts combined with rate increases that were implemented in July 2022.
- Water expenses increased by \$5.3 million (25.5%) due in large part to increases in operational costs related to inflation, including cost of supplies and materials as well as utilities.
- Wastewater expenses increased \$2.1 million (25.1%). This operation also experienced notable increased in cost of supplies and materials as well as an increase in processing costs charged by Metro Water Recovery which processes wastewater for roughly two-thirds of the City's customers.

Table 2
Changes in Net Position
For the Years Ended December 31,

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 13,129,559	\$ 9,522,465	\$ 25,140,398	\$ 22,445,583	\$ 38,269,957	\$ 31,968,048
Operating Grants and Contributions	7,378,542	5,480,231	133,367	90,118	7,511,909	5,570,349
Capital Grants and Contributions	8,521,239	6,421,723	28,538,782	12,491,575	37,060,021	18,913,298
General Revenues						
Taxes	53,215,279	47,024,608	-	-	53,215,279	47,024,608
Investment Earnings (Loss)	(2,409,213)	(462,872)	(367,850)	(272,321)	(2,777,063)	(735,193)
Sales of Capital Assets	168,569	-	-	-	168,569	-
Miscellaneous	6,502,799	8,087,466	376,092	269,645	6,878,891	8,357,111
Total Revenues	86,506,774	76,073,621	53,820,789	35,024,600	140,327,563	111,098,221
Expenses						
General Government	15,100,650	16,123,163	-	-	15,100,650	16,123,163
Public Safety	14,633,864	15,100,593	-	-	14,633,864	15,100,593
Streets & Fleet	16,721,667	15,720,041	-	-	16,721,667	15,720,041
Parks and Recreation	11,825,822	10,526,903	-	-	11,825,822	10,526,903
Cemetery	649,909	784,667	-	-	649,909	784,667
Community Development	2,319,949	2,177,201	-	-	2,319,949	2,177,201
Interest on Long-term Debt	796,563	645,703	-	-	796,563	645,703
Water Operations	-	-	26,287,587	20,940,203	26,287,587	20,940,203
Waste Water Operations	-	-	10,254,620	8,199,671	10,254,620	8,199,671
Storm Drainage Operations	-	-	2,432,868	2,023,806	2,432,868	2,023,806
Total Expenses	62,048,424	61,078,271	38,975,075	31,163,680	101,023,499	92,241,951
Increase in Net Position						
Before Transfers	24,458,350	14,995,350	14,845,714	3,860,920	39,304,064	18,856,270
Net Position--January 1	231,500,295	216,504,945	202,390,106	198,529,186	433,890,401	415,034,131
Net Position--December 31	\$ 255,958,645	\$ 231,500,295	\$ 217,235,820	\$ 202,390,106	\$ 473,194,465	\$ 433,890,401

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted previously, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City'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.

As of December 31, 2022, the total Governmental fund balances were \$125.5 million, an increase of \$13.2 million (11.8%) compared to the prior year. Fund Balances are categorized as follows: non-spendable fund balances of \$0.01 million, restricted fund balances \$19.5 million, committed fund balances of \$33.5 million, assigned fund balances of \$30.4 million, and unassigned fund balances of \$42.1 million.

The General Fund is the main operating fund of the City. As of December 31, 2022, the total fund balance was \$59.4 million, which represents an increase of \$9.0 million (17.8%) compared to the prior year. Tax revenues of \$39.8 million make up 77.5% of the total General Fund revenue and increased \$4.8 million (13.7%) over the prior year. General Fund expenditures total \$42.5 million and increased \$3.3 million (8.5%), primarily due to inflationary impacts on operating costs, including utilities and personnel.

The Capital Improvement Fund revenues totaled \$15.3 million and decreased \$3.0 million (16.5%) compared to the prior year. While tax revenues increased, there were several one-time revenues received in 2021 that did not recur and resulted in decreases in overall fund revenue in 2022. These include oil & gas revenues which declined by \$1.8 million as one-time payments from escrows were made and did not recur. Additionally, a loan repayment totaling \$2.5 million was received in 2021 and did not occur again in 2022. Capital project expenditures increased by \$3.0 million in 2022 due primarily to increased spending on streets projects. As this fund is project oriented, spending will vary from year to year. The fund's revenues and transfers in exceeded spending by \$6.5 million, which resulted in a fund balance of \$35.5 million as of December 31, 2022.

The Parks and Recreation Capital Fund's dedicated sales tax revenue totaled \$5.2 million increased by \$0.5 million while grant revenues decreased by a similar amount. This combined with declines in the fair market values of investments resulted in this fund's revenues declining by \$360 thousand. Spending increased by a notable \$7.3 million as many planned projects were completed and reserves that had accumulated were utilized. This resulted in a \$3.6 million decrease in fund balance with fund balance being \$15.8 million as of December 31, 2022.

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements.

The net position of the enterprise funds increased \$14.8 million (7.3%) compared to the prior year and ended the year with a combined net position of \$217.2 million. The combined unrestricted net position is \$50.3 million at year-end, which includes collections of plant investment fees for future appropriation of capital outlay due to growth requirements of the system.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues totaled \$51.4 million which exceeded the final budgeted revenue for the fund by \$1.8 million (3.7%). The revenue exceeded expectations as sales and use tax collections were higher than expected. Sales tax revenue benefited from growth in population and businesses within the City. Construction use tax revenue was much higher than budgeted due to inflationary impacts on construction materials as well as higher than anticipated permit issuances.

General Fund expenditures totaled \$42.5 million which was less than final budgeted expenditures. The variance between actual expenditures and the final budget amounted to approximately \$760 thousand in unspent appropriations. Personnel costs were less than originally budgeted due primarily to vacancies in the Public Safety and Community Development functions.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets for the governmental and business-type activities amount to \$340.5 million (net of accumulated depreciation) as of December 31, 2022. This represents an increase of \$28.2 million compared to the prior year. This investment in capital assets includes land, water rights, buildings and improvements, machinery, equipment, water, wastewater and storm drainage infrastructure as well as street system infrastructure (see Table 3). The City has a five-year *Capital Improvement Plan* that is updated each year in order to assist the City in long-term planning and budgeting for capital assets.

Additional detailed information on the City's Capital Assets can be found in footnote 4, starting on page 54 of this report.

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

Table 3
Capital Assets (net of depreciation)
As of December 31, 2022

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land	\$ 28,531,446	\$ 28,531,446	\$ 9,513,128	\$ 9,513,128	\$ 38,044,574	\$ 38,044,574
Water Rights	2,036,050	2,036,050	27,773,770	24,992,309	29,809,820	27,028,359
Construction in Progress	4,603,074	3,999,707	20,391,167	13,013,200	24,994,241	17,012,907
Buildings and Improvements	33,445,551	31,945,601	11,149,770	12,499,174	44,595,321	44,444,775
Infrastructure	60,519,626	59,015,670	118,380,820	106,796,022	178,900,446	165,811,692
Improvements Other Than Buildings	14,400,231	10,498,293	-	-	14,400,231	10,498,293
Other Assets	299,509	315,309	1,865	3,901	301,374	319,210
Machinery and Equipment	7,255,790	6,236,726	2,206,467	2,745,439	9,462,257	8,982,165
Total Capital Assets	<u>\$ 151,091,277</u>	<u>\$ 142,578,802</u>	<u>\$ 189,416,987</u>	<u>\$ 169,563,173</u>	<u>\$ 340,508,264</u>	<u>\$ 312,141,975</u>

Long-term Debt

As of December 31, 2022, the City had total borrowing obligations outstanding of \$128.0 million, including bonded debt and certificates of participation. This represents an increase of \$78.3 million compared to the prior year. This increase is driven by a bonded debt issuance for \$81.4 million (inclusive of bond premiums) in 2022 secured by the revenues of the City's Water Activity Enterprise.

Of the City's total outstanding borrowing obligations, \$102.6 million represents bonds secured by specified revenue sources (i.e. revenue bonds) for water and wastewater projects. Another \$24.8 million represents borrowing secured through various City facilities through a structured lease agreement (certificates of participation).

Additional detail information on the City's long-term obligations can be found in Footnote 6, starting on page 58 of this report. A summary of those obligations is provided in the following table.

Table 4
Outstanding Debt
As of December 31, 2022

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Bonded Debt						
2016 Water Revenue Bonds	\$ -	\$ -	\$ 20,385,000	\$ 21,610,000	\$ 20,385,000	\$ 21,610,000
2022 Water Revenue Bonds	-	-	77,685,000	-	77,685,000	-
Bond Premium	-	-	4,576,586	948,359	4,576,586	948,359
Certificates of Participation						
2016 Certificates of Participation	3,805,828	4,206,953	800,416	842,951	4,606,244	5,049,904
2020 Certificates of Participation	17,570,000	18,465,000	-	-	17,570,000	18,465,000
2020 COP Premium	2,660,887	2,881,799	-	-	2,660,887	2,881,799
2017 Capital Lease	483,489	717,798	-	-	483,489	717,798
Total Borrowing Obligations	<u>\$ 24,520,204</u>	<u>\$ 26,271,550</u>	<u>\$ 103,447,002</u>	<u>\$ 23,401,310</u>	<u>\$ 127,967,206</u>	<u>\$ 49,672,860</u>

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022**

REQUESTS FOR INFORMATION

The City's financial statements are designed to provide users with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information presented in this report or requesting additional information should be addressed to the City's Finance Department at 500 South 4th Avenue, Brighton, Colorado 80601 or by telephone at 303-655-2000.

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BASIC FINANCIAL STATEMENTS



CITY OF BRIGHTON, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
ASSETS				
Cash and Investments	\$ 130,262,530	\$ 68,975,152	\$ 199,237,682	\$ 5,879,484
Restricted Cash and Investments	-	80,253,229	80,253,229	1,483,578
Accounts Receivable	2,724,103	2,972,680	5,696,783	11,521
Taxes Receivable	9,385,918	-	9,385,918	4,559,939
Grants Receivable	11,155	-	11,155	-
Lease Receivable	27,486	-	27,486	-
Interfund Receivable	1,741,000	-	1,741,000	-
Inventories	64,134	138,795	202,929	-
Prepays	52,629	-	52,629	-
Net Pension Asset	4,497,098	-	4,497,098	-
Land Held for Sale	-	-	-	1,625,000
Capital Assets, Not Being Depreciated	35,170,570	57,678,066	92,848,636	-
Capital Assets, Net of Accumulated Depreciation	115,920,707	131,738,921	247,659,628	2,971,346
Total Assets	299,857,330	341,756,843	641,614,173	16,530,868
DEFERRED OUTFLOW OF RESOURCES				
Deferred Charge on Refunding Items Related to Pension Plan	-	-	-	111,919
	2,551,864	-	2,551,864	-
	2,551,864	-	2,551,864	111,919
LIABILITIES				
Accounts Payable	3,070,008	5,355,104	8,425,112	1,462,037
Sales Tax Rebate Payable	-	-	-	1,375,592
Retainage Payable	457,945	366,408	824,353	-
Interfund Payable	45,000	1,696,000	1,741,000	-
Accrued Wages Payable	752,709	108,141	860,850	3,399
Accrued Interest Payable	59,470	645,851	705,321	7,048
Accrued Liabilities	478,976	-	478,976	121,219
Unearned Revenue	15,000	10,444,588	10,459,588	-
Deposits and Escrows	5,486,079	1,883,392	7,369,471	41,189
Noncurrent Liabilities				
Due Within One Year: Bonds, notes, claims, compensated absences	3,360,831	1,966,636	5,327,467	928,500
Due in more than one year: Bonds, notes, claims, compensated absences	23,013,381	102,054,903	125,068,284	3,987,571
Total Liabilities	36,739,399	124,521,023	161,260,422	7,926,555
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue-Property Taxes	5,030,449	-	5,030,449	4,559,938
Items related to Leases	35,058	-	35,058	-
Items Related to Pension Plan	3,123,630	-	3,123,630	-
Deferred Revenue-Land Lease	1,522,013	-	1,522,013	-
Total Deferred Inflows of Resources	9,711,150	-	9,711,150	4,559,938
NET POSITION				
Net Investment in Capital Assets	126,113,128	166,979,029	293,092,157	2,971,346
Restricted For				
Emergencies - TABOR	1,930,589	-	1,930,589	-
Debt	-	80,253,229	80,253,229	996,261
Capital Outlay	15,522,575	-	15,522,575	-
Other Purposes	2,022,590	-	2,022,590	487,317
Unrestricted	110,369,763	(29,996,438)	80,373,325	(298,630)
Total Net Position	\$ 255,958,645	\$ 217,235,820	\$ 473,194,465	\$ 4,156,294

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

CITY OF BRIGHTON, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT								
Governmental Activities								
General Government	\$ 15,100,650	\$ 4,200,289	\$ 3,531,703	\$ -	\$ (7,368,658)	\$ -	\$ (7,368,658)	\$ -
Public Safety	14,633,864	260,957	949,748	-	(13,423,159)	-	(13,423,159)	-
Streets & Fleet	16,721,667	1,177,893	2,063,607	7,680,468	(5,799,699)	-	(5,799,699)	-
Parks and Recreation	11,825,822	4,294,457	526,142	840,771	(6,164,452)	-	(6,164,452)	-
Cemetery	649,909	596,322	-	-	(53,587)	-	(53,587)	-
Community Development	2,319,949	2,599,641	307,342	-	587,034	-	587,034	-
Interest on Long-Term Debt	796,563	-	-	-	(796,563)	-	(796,563)	-
Total Governmental Activities	62,048,424	13,129,559	7,378,542	8,521,239	(33,019,084)	-	(33,019,084)	-
Business-Type Activities								
Water	26,287,587	15,461,378	133,367	20,899,091	-	10,206,249	10,206,249	-
Waste Water	10,254,620	8,521,845	-	3,061,976	-	1,329,201	1,329,201	-
Storm Drainage	2,432,868	1,157,175	-	4,643,228	-	3,367,535	3,367,535	-
Total Business-Type Activities	38,975,075	25,140,398	133,367	28,604,295	-	14,902,985	14,902,985	-
Total Primary Government	101,023,499	38,269,957	7,511,909	37,125,534	(33,019,084)	14,902,985	(18,116,099)	-
COMPONENT UNITS								
Brighton Urban Renewal Authority	4,686,690	96,098	87,540	-	-	-	-	(4,503,052)
Brighton Cultural Arts Commission	298,538	-	303,418	-	-	-	-	4,880
Brighton Economic Dev. Corp.	189,253	46,500	100,000	-	-	-	-	(42,753)
Total Component Units	\$ 5,174,481	\$ 142,598	\$ 490,958	\$ -	-	-	-	(4,540,925)
GENERAL REVENUES								
Taxes					53,215,279	-	53,215,279	6,231,844
Investment Earnings (Loss)					(2,409,213)	(367,850)	(2,777,063)	(239,977)
Miscellaneous					6,502,799	315,758	6,818,557	9,387
Gain (Loss) on Sale of Capital Assets					168,569	(5,179)	163,390	-
Total General Revenues					57,477,434	(57,271)	57,420,163	6,001,254
Change in Net Position					24,458,350	14,845,714	39,304,064	1,460,329
Net Position--January 1					231,500,295	202,390,106	433,890,401	2,695,965
Net Position--December 31					\$ 255,958,645	\$ 217,235,820	\$ 473,194,465	\$ 4,156,294

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

CITY OF BRIGHTON, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2022

	<u>GENERAL FUND</u>	<u>CAPITAL IMPROVEMENT FUND</u>	<u>PARKS AND RECREATION CAPITAL FUND</u>	<u>TOTAL NONMAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS					
Cash and Investments	\$ 57,882,837	\$ 35,641,702	\$ 15,939,180	\$ 16,803,540	\$ 126,267,259
Accounts Receivable	1,169,144	1,365,086	1,782	121,847	2,657,859
Taxes Receivable	7,797,490	1,001,575	555,893	30,960	9,385,918
Grants Receivable	11,155	-	-	-	11,155
Interfund Receivables	1,741,000	-	-	-	1,741,000
Prepays	-	52,629	-	-	52,629
Total Assets	<u>\$ 68,601,626</u>	<u>\$ 38,060,992</u>	<u>\$ 16,496,855</u>	<u>\$ 16,956,347</u>	<u>\$ 140,115,820</u>
LIABILITIES					
Accounts Payable	\$ 859,533	\$ 1,153,281	\$ 587,117	\$ 92,716	\$ 2,692,647
Retainage Payable	-	374,724	83,221	-	457,945
Accrued Wages Payable	728,584	-	-	6,623	735,207
Accrued Liabilities	162,976	-	-	-	162,976
Deposits and Escrows	2,439,516	997,514	3,329	2,045,720	5,486,079
Unearned Revenues	15,000	-	-	-	15,000
Total Liabilities	<u>4,205,609</u>	<u>2,525,519</u>	<u>673,667</u>	<u>2,145,059</u>	<u>9,549,854</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Property Taxes	5,030,449	-	-	-	5,030,449
Total Deferred Inflows of Resources	<u>5,030,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,030,449</u>
FUND BALANCES					
Nonspendable	-	52,629	-	-	52,629
Restricted	1,771,796	582,588	15,823,188	1,298,182	19,475,754
Committed	15,452,439	4,513,085	-	13,513,106	33,478,630
Assigned	-	30,387,171	-	-	30,387,171
Unassigned	42,141,333	-	-	-	42,141,333
Total Fund Balances	<u>59,365,568</u>	<u>35,535,473</u>	<u>15,823,188</u>	<u>14,811,288</u>	<u>125,535,517</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 68,601,626</u>	<u>\$ 38,060,992</u>	<u>\$ 16,496,855</u>	<u>\$ 16,956,347</u>	<u>\$ 140,115,820</u>

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

CITY OF BRIGHTON, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds		\$ 125,535,517
Lease arrangements are not financial resources; therefore, are not reported in the funds.		27,486
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		
Cost of capital assets	298,164,160	
Less: accumulated depreciation	<u>(147,072,883)</u>	151,091,277
Long-term assets are not available to pay current year expenditures and, therefore, are deferred in the fund statements.		
Net Pension Asset		4,497,098
Deferred inflows related to unearned revenues are applicable to future periods and, therefore, are not reported in the governmental funds.		
Unearned Revenue-Land Lease		(1,522,013)
Deferred outflows and inflows of resources related to pension plans are applicable to future periods and, therefore, are not reported in the governmental funds.		
Items Related to Pension Plan-Outflow		2,551,864
Items Related to Pension Plan-Inflow		(3,123,630)
Items Related to Leases-Inflow		(35,058)
Long-term liabilities, including bonds payable and leases, are not due in the current period and, therefore, are not reported as liabilities in the governmental funds.		
Long-term debt net of premium	(24,520,203)	
Accrued interest on long-term debt	<u>(59,470)</u>	(24,579,673)
Accrued compensated absences are not due from current financial resources and, therefore, are not reported in the governmental funds.		(1,808,073)
Internal service funds are used by management to charge the costs of benefit activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		<u>3,323,850</u>
Net position--governmental activities		<u>\$ 255,958,645</u>

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

CITY OF BRIGHTON, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>GENERAL FUND</u>	<u>CAPITAL IMPROVEMENT FUND</u>	<u>PARKS AND RECREATION CAPITAL FUND</u>	<u>TOTAL NONMAJOR FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES					
Taxes	\$ 39,847,079	\$ 7,655,273	\$ 5,247,011	\$ 465,916	\$ 53,215,279
Licenses and Permits	1,871,441	-	-	-	1,871,441
Grants and Intergovernmental	3,535,923	2,398,791	707,805	473,523	7,116,042
Charges for Services	6,170,103	-	-	4,918,426	11,088,529
Fines and Forfeitures	197,236	-	-	-	197,236
Developer Contributions	-	262,500	-	-	262,500
Investment Earnings (Loss)	(930,089)	(732,146)	(364,170)	(311,277)	(2,337,682)
Sale of Capital Assets	7,492	161,077	-	-	168,569
Miscellaneous	714,775	5,566,371	169,378	32,200	6,482,724
Total Revenues	<u>51,413,960</u>	<u>15,311,866</u>	<u>5,760,024</u>	<u>5,578,788</u>	<u>78,064,638</u>
EXPENDITURES					
Current					
General Government	13,894,576	1,475,487	-	459,882	15,829,945
Public Safety	14,683,744	248,343	-	-	14,932,087
Streets and Fleet	3,745,726	7,821,993	-	100,754	11,668,473
Parks and Recreation	7,900,955	81,333	8,797,184	320,874	17,100,346
Cemetery	-	-	-	585,334	585,334
Community Development	2,301,518	56,591	-	-	2,358,109
Debt Service					
Principal	-	829,749	700,685	-	1,530,434
Interest and Fees	-	291,321	522,575	-	813,896
Total Expenditures	<u>42,526,519</u>	<u>10,804,817</u>	<u>10,020,444</u>	<u>1,466,844</u>	<u>64,818,624</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,887,441</u>	<u>4,507,049</u>	<u>(4,260,420)</u>	<u>4,111,944</u>	<u>13,246,014</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	306,000	1,995,000	651,370	223,424	3,175,794
Transfers Out	(222,424)	-	-	(2,953,370)	(3,175,794)
Total Other Financing Sources (Uses)	<u>83,576</u>	<u>1,995,000</u>	<u>651,370</u>	<u>(2,729,946)</u>	<u>-</u>
Net Change in Fund Balances	8,971,017	6,502,049	(3,609,050)	1,381,998	13,246,014
Fund Balances--January 1	<u>50,394,551</u>	<u>29,033,424</u>	<u>19,432,238</u>	<u>13,429,290</u>	<u>112,289,503</u>
Fund Balances--December 31	<u>\$ 59,365,568</u>	<u>\$ 35,535,473</u>	<u>\$ 15,823,188</u>	<u>\$ 14,811,288</u>	<u>\$ 125,535,517</u>

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

CITY OF BRIGHTON, 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, 2022

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances--total governmental funds	\$	13,246,014
Lease arrangements are not financial resources; therefore, are not reported in the funds.		(7,571)
The internal service funds' activity is allocated to business type activities in the fund statements, however, is included in the governmental activities on the statement of activities.		(376,300)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay--capitalized		12,086,493
Developer contributions		8,521,239
Depreciation		<u>(12,095,256)</u>
		8,512,476
Current year pension contributions are included in deferred outflows of resources in the governmental funds and revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Current year pension contributions		622,789
Items related to pension plan		<u>485,461</u>
		1,108,250
The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,751,346
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 governmental funds.		
Change in compensated absences		189,108
Change in accrued interest		35,027
		<u>224,135</u>
Change in net position--governmental activities	\$	<u><u>24,458,350</u></u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES	
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
ASSETS					
Current Assets					
Cash and Investments	\$ 45,638,116	\$ 21,490,740	\$ 1,846,296	\$ 68,975,152	\$ 3,995,271
Restricted Cash and Investments	80,253,229	-	-	80,253,229	-
Accounts Receivable	1,427,125	1,329,950	215,605	2,972,680	66,244
Inventories	138,795	-	-	138,795	64,134
Total Current Assets	<u>127,457,265</u>	<u>22,820,690</u>	<u>2,061,901</u>	<u>152,339,856</u>	<u>4,125,649</u>
Noncurrent Assets					
Capital Assets					
Land and Water Rights	34,846,850	1,757,575	682,473	37,286,898	-
Building and Improvements	27,518,361	11,445,318	822,682	39,786,361	-
Collection and Distribution Systems	138,264,683	37,076,403	36,336,415	211,677,501	-
Machinery and Equipment	4,505,515	3,608,749	134,673	8,248,937	-
Other Assets	109,548	86,434	20,318	216,300	-
Less Accumulated Depreciation	(79,855,878)	(33,709,176)	(14,625,124)	(128,190,178)	-
Construction in Progress	14,475,510	898,437	5,017,221	20,391,168	-
Total Noncurrent Assets	<u>139,864,589</u>	<u>21,163,740</u>	<u>28,388,658</u>	<u>189,416,987</u>	<u>-</u>
Total Assets	<u>267,321,854</u>	<u>43,984,430</u>	<u>30,450,559</u>	<u>341,756,843</u>	<u>4,125,649</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	4,851,383	480,167	23,554	5,355,104	377,361
Retainage Payable	366,408	-	-	366,408	-
Accrued Wages Payable	63,971	39,480	4,690	108,141	17,502
Accrued Interest Payable	629,304	16,547	-	645,851	-
Unearned Revenues	10,444,588	-	-	10,444,588	-
Interfund Payables	-	-	-	-	45,000
Deposits and Escrows	284,511	351,732	1,247,149	1,883,392	-
Estimated Unpaid Claims	-	-	-	-	316,000
Compensated Absences, Current Portion	258,398	212,552	13,350	484,300	38,586
Bonds Payable, Current Portion	1,215,559	266,777	-	1,482,336	-
Total Current Liabilities	<u>18,114,122</u>	<u>1,367,255</u>	<u>1,288,743</u>	<u>20,770,120</u>	<u>794,449</u>
Noncurrent Liabilities					
Compensated Absences, Long Term Portion	49,219	40,486	2,543	92,248	7,350
Interfund Payable	-	-	1,696,000	1,696,000	-
Bonds Payable	96,977,172	4,985,483	-	101,962,655	-
Total Noncurrent Liabilities	<u>97,026,391</u>	<u>5,025,969</u>	<u>1,698,543</u>	<u>103,750,903</u>	<u>7,350</u>
Total Liabilities	<u>115,140,513</u>	<u>6,393,224</u>	<u>2,987,286</u>	<u>124,521,023</u>	<u>801,799</u>
NET POSITION					
Net Investment in Capital Assets	122,678,891	15,911,480	28,388,658	166,979,029	-
Unrestricted	29,502,450	21,679,726	(925,385)	50,256,791	3,323,850
Total Net Position	<u>\$ 152,181,341</u>	<u>\$ 37,591,206</u>	<u>\$ 27,463,273</u>	<u>\$ 217,235,820</u>	<u>\$ 3,323,850</u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES	
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
OPERATING REVENUES					
Charges For Services	\$ 15,461,378	\$ 8,521,845	\$ 1,157,175	\$ 25,140,398	\$ 5,203,812
Tap Fees	133,367	-	-	133,367	-
Miscellaneous	202,408	61,981	51,369	315,758	1,847
Total Operating Revenues	<u>15,797,153</u>	<u>8,583,826</u>	<u>1,208,544</u>	<u>25,589,523</u>	<u>5,205,659</u>
OPERATING EXPENSES					
Operations	13,722,952	5,948,565	432,394	20,103,911	681,354
Administration	4,001,466	2,441,052	382,110	6,824,628	38,884
Insurance Claims	-	-	-	-	3,661,251
Insurance Premiums	-	-	-	-	1,113,001
Depreciation	5,997,572	1,669,601	1,293,184	8,960,357	-
Total Operating Expenses	<u>23,721,990</u>	<u>10,059,218</u>	<u>2,107,688</u>	<u>35,888,896</u>	<u>5,494,490</u>
Operating Income (Loss)	<u>(7,924,837)</u>	<u>(1,475,392)</u>	<u>(899,144)</u>	<u>(10,299,373)</u>	<u>(288,831)</u>
NONOPERATING REVENUES (EXPENSES)					
Grants	65,513	-	-	65,513	-
Developer Reimbursements	-	-	(325,180)	(325,180)	-
Loss on Sale of Capital Assets	-	(5,179)	-	(5,179)	-
Investment Earnings (Loss)	48,499	(418,916)	2,567	(367,850)	(71,531)
Interest Expense	(2,565,597)	(195,402)	-	(2,760,999)	-
Total Nonoperating Revenues (Expenses)	<u>(2,451,585)</u>	<u>(619,497)</u>	<u>(322,613)</u>	<u>(3,393,695)</u>	<u>(71,531)</u>
Income (Loss) Before Capital Contributions and Transfers	(10,376,422)	(2,094,889)	(1,221,757)	(13,693,068)	(360,362)
CAPITAL CONTRIBUTIONS	<u>20,833,578</u>	<u>3,061,976</u>	<u>4,643,228</u>	<u>28,538,782</u>	<u>-</u>
Change in Net Position	10,457,156	967,087	3,421,471	14,845,714	(360,362)
Net Position--January 1	<u>141,724,185</u>	<u>36,624,119</u>	<u>24,041,802</u>	<u>202,390,106</u>	<u>3,684,212</u>
Net Position--December 31	<u>\$ 152,181,341</u>	<u>\$ 37,591,206</u>	<u>\$ 27,463,273</u>	<u>\$ 217,235,820</u>	<u>\$ 3,323,850</u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	BUSINESS-TYPE ACTIVITIES			TOTAL	GOVERNMENTAL
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts From Customers	\$ 15,324,204	\$ 8,121,248	\$ 1,066,575	24,512,027	\$ 5,305,853
Other Receipts	202,408	61,981	51,369	315,758	(54,612)
Payments to Suppliers and Service Providers	(10,089,052)	(5,533,457)	4,360,901	(11,261,608)	(5,211,365)
Payments to Employees For Salaries and Benefits	(3,824,713)	(2,256,986)	(379,065)	(6,460,764)	-
Net Cash Provided By Operating Activities	<u>1,612,847</u>	<u>392,786</u>	<u>5,099,780</u>	<u>7,105,413</u>	<u>39,876</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions	17,398,916	488,853	1,576,221	19,463,990	-
Grants	10,510,101	-	-	10,510,101	-
Acquisition and Construction of Capital Assets	(13,057,235)	(853,909)	(4,559,711)	(18,470,855)	-
Developer Reimbursements	-	-	(325,180)	(325,180)	-
Loss on Sale of Capital Assets	-	(5,179)	-	(5,179)	-
Proceeds from Bonds	80,000,000	-	-	80,000,000	-
Principal Paid on Capital Debt	(1,020,301)	(247,234)	-	(1,267,535)	-
Interest Paid on Capital Debt	(2,565,597)	(195,402)	-	(2,760,999)	-
Net Cash Provided by (Used) In Capital and Related Financing Activities	<u>91,265,884</u>	<u>(812,871)</u>	<u>(3,308,670)</u>	<u>87,144,343</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of Investment Securities	(329,188)	(360,327)	(2,467)	(691,982)	(71,517)
Interest Received on Investments	377,687	(58,589)	5,034	324,132	(14)
Net Cash Provided By (Used) In Investing Activities	<u>48,499</u>	<u>(418,916)</u>	<u>2,567</u>	<u>(367,850)</u>	<u>(71,531)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	92,927,230	(839,001)	1,793,677	93,881,906	(31,655)
Cash and Cash Equivalents--January 1	32,964,115	22,329,741	52,619	55,346,475	4,026,926
Cash and Cash Equivalents--December 31	<u>\$ 125,891,345</u>	<u>\$ 21,490,740</u>	<u>\$ 1,846,296</u>	<u>\$ 149,228,381</u>	<u>\$ 3,995,271</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating Loss	\$ (7,924,837)	\$ (1,475,392)	\$ (899,144)	\$ (10,299,373)	\$ (288,831)
Adjustments to Reconcile Operating Income (loss) to Net Cash Provided By (Used In) Operating Activities:					
Depreciation Expense	5,997,572	1,669,601	1,293,184	8,960,357	-
Changes in Assets and Liabilities:					
Decrease in Accounts Receivable	(270,541)	(400,597)	(90,600)	(761,738)	38,533
(Increase) in Inventories	(32,931)	-	-	(32,931)	(36,277)
Decrease Due from Other Funds	-	-	-	-	590
Decrease in Prepaid Items	40,192	7,467	4,500,784	4,548,443	246,345
(Decrease) Increase in Accounts Payable	3,480,545	63,586	(167,083)	3,377,048	45,000
Increase in Retainage Payable	90,335	-	-	90,335	-
(Decrease) Increase in Accrued Wages Payable	(52)	1,348	(335)	961	11,518
Increase in Unpaid Claims	-	-	-	-	22,998
Increase in Compensated Absences	176,805	182,718	3,380	362,903	-
Increase in Deposits and Escrows	55,759	344,055	459,594	859,408	-
Total Adjustments	<u>9,537,684</u>	<u>1,868,178</u>	<u>5,998,924</u>	<u>17,404,786</u>	<u>328,707</u>
Net Cash Provided by (Used In) Operating Activities	<u>\$ 1,612,847</u>	<u>\$ 392,786</u>	<u>\$ 5,099,780</u>	<u>\$ 7,105,413</u>	<u>\$ 39,876</u>

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

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Brighton (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America ("US GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial principles. The City's significant accounting policies are described below.

A. Reporting Entity

These financial statements include those of the City (primary government) and organizations for which the City is financially accountable (component units). The following component units are included in the reporting entity: Brighton Urban Renewal Authority ("BURA"), Brighton Cultural Arts Commission ("BCAC") and Brighton Economic Development ("BEDC"). These component units issue their own financial statements.

The City of Brighton, Colorado (primary government) was incorporated in July, 1887. The citizens voted to become a home rule city in 2000 under the provisions of Article XX of the constitution of the State of Colorado. The City is governed by a Mayor and eight-member City Council elected by the residents and is operated under a Council-Manager form of government.

The determination to include separate governmental entities is based on the criteria of GASB Statement No. 14, The Financial Reporting Entity and amended by GASB Statement No. 61, The Financial Reporting Entity: Omnibus, which sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

Discretely Presented Component Units

Based on the application of these criteria, the City has determined that it is financially accountable for certain entities. These entities do not issue separate financial statements.

Brighton Urban Renewal Authority – BURA, created April 16, 2002, provides redevelopment within the City limits. The City Council appoints the governing board of BURA. One of the BURA commissioners is a member of City Council. The BURA is reliant upon the City to approve projects and receive funding for its projects which include grants and tax increment financing.

Brighton Cultural Arts Commission – BCAC, created as a not-for profit on March 5, 1996, provides cultural and arts activities to Brighton citizens. The City Council does appoint the Directors and although the City is not required to provide funding to the Organization, they generally do on an annual basis and, therefore, a benefit/burden relationship exists between the City and the BCAC.

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Brighton Economic Development Corporation – BEDC, is a 501c (6) Colorado non-profit organization serving the Greater Brighton Area. BEDC is the primary agent for economic development services. BEDC offers relocation, retention and expansion assistance and support to businesses. BEDC works to expand and diversify the local tax base by facilitating the creation of quality jobs and the attraction of retail development. BEDC encourages responsible, diverse growth and development that enhances Brighton’s quality of life as a desirable place to live, work, learn and play.

B. Basis of Presentation – Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which are supported primarily by fees and charges to external customers. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

In the government-wide and proprietary fund financial statements, net positions are restricted for amounts that are legally restricted by outside parties for specific purposes or through enabling legislation that is a legally enforceable restriction on the use of revenues. Net position invested in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly associated with a specific function or segment. Program revenues include: 1) charges to customers or applicants 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 operational or capital requirements of a particular function or segment. Taxes and other items are properly not included among program revenues and are reported as general revenues.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and the internal service funds, while business-type activities incorporate data from the City’s enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds. As discussed earlier, the government has two discretely presented component units. Eliminations have been made in the government-wide financial statements to remove the “doubling-up” effect of internal service fund activity.

C. Basis of Presentation – Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. The various funds are summarized by type within the

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financial statements. The emphasis of fund financial statements is on major governmental and major proprietary funds, each displayed in a separate column. All remaining governmental and proprietary funds are aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.
- The Capital Improvement Fund accounts for the City's ongoing capital projects which are partially financed by a 1% sales tax approved by voters in 1976.
- The Parks and Recreation Capital Improvement Fund accounts for the City's parks and recreation capital projects which are financed by a 0.75% sales tax approved by voters in 1991, and intergovernmental revenues.

The City reports the following major proprietary funds:

- The Water Fund accounts for the financial activities associated with the provision of water.
- The Wastewater (Sewer) Fund accounts for the financial activities associated with the provision of wastewater services.
- The Storm Drainage Fund accounts for the financial activities associated with the storm drainage services.

On May 16, 1995, the City of Brighton Water Activity Enterprise was established by Ordinance No. 1470. The Water Activity Enterprise includes the Water Fund and the Wastewater Fund.

The City reports the following internal service funds:

- The Benefits Internal Service Fund accounts for designated employee benefits provided to all departments of the City. Currently, only health benefits are provided by this fund.
- The Fleet Internal Service Fund accounts for centralized maintenance of city-owned vehicles.

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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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 the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year.

Taxes, intergovernmental revenues, and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

E. Assets, Liabilities, Deferred Inflows/Outflows of Resources, and Net Position/Fund Balance

Cash and Investments

Cash includes cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value (generally based on quoted market prices). Certain investments are restricted for debt service. The City utilizes the same policy for purposes of cash flow presentations.

Whenever possible, cash is pooled from the various City funds to enhance investment capabilities and maximize investment income. Investments are made taking into consideration cash flow needs, market conditions, and contingency plans. The City's investment policies prescribe eligible investments, investment diversification, and maturity and liquidity guidance, which are utilized in managing the investment portfolio.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Leases receivable are measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized over the term of the lease.

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Inventories

Inventories are valued at cost, using the first-in, first-out (FIFO) method. The costs of inventories are recorded as expenditures or expenses when consumed rather than when purchased (the consumption method).

Prepaid Items

Certain payments to vendors reflect costs applicable to future years and are reported as prepaids. These expenditures will be recognized during the period benefitted by the prepayment (the consumption method).

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure acquired since 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical costs if purchased or constructed. Donated capital assets are recorded at acquisition value.

The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

Land, water rights, art acquisitions, and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the City and its discretely presented component units are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	5-60 years
Infrastructure	5-50 years
Collection and Distribution Systems	30-50 years
Machinery and Equipment	3-15 years

Unearned Revenues

Unearned revenues arise when resources are received by the City before it has a legal claim to them, as when grant funding is received prior to the incurrence of qualifying expenditures.

Compensated Absences

Employees of the City are allowed to accumulate unused personal leave. Employees are able to accumulate unlimited Paid Time Off (PTO) hours during the year, however employees are only allowed to carry 332 hours into the next year. Employees with a PTO balance over the limit may be paid out at their current hourly rate for their excess balance if they utilized at least 80 hours of PTO during the year.

All full-time employees receive 80 hours of sick leave at the beginning of the year. Any unused hours are forfeited at year end.

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These compensated absences are recognized as current salary costs when earned in the proprietary funds and when due in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences.

Long-Term Obligations

In the government-wide financial statements, and the proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

Deferred Inflows/Outflow of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. Property taxes are recorded as deferred inflows in the year levied, as they are not due until the following year. Property tax revenue is recognized in the subsequent tax year.

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

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Fund Balance Classifications

In the fund financial statements, fund equity of the City's governmental funds are classified as either non-spendable, restricted, committed, assigned, or unassigned.

Non-Spendable Fund Balances indicate amounts that are not in a spendable form such as inventory, or are required to be maintained intact principal of an endowment fund such as the Cemetery Perpetual Care Fund. Restricted Fund Balances indicate amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors, or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers. Committed Fund Balances indicate amounts that can be used only for the specific purposes determined by a formal action of the City Council the City's highest level of decision making authority. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council assigns fund balance through subsidiary agreements such as Development Agreements, Fee Schedule Resolutions, and Service Plan Agreements or through the annual Budget Adoption Resolution. Unassigned Fund Balances indicate the residual classification for the General Fund and includes amounts that are not contained in the other classifications. Unassigned amounts are the portion of fund balance which is not obligated or specifically designated and is available for any purpose.

Emergency and General Fund Stabilization Reserve

On July 20, 2010 the City Council adopted Resolution No. 2010-88 which established Emergency and General Fund Stabilization Reserves which are reported under the committed fund balance classification. The Emergency Reserve is equal to two months (17%) of General Fund revenues and three months (25%) of Capital improvement Fund revenues. The Emergency Reserve shall be used to off-set costs incurred by the City for unforeseen emergency circumstances which threaten the health, safety or welfare of the City, such as weather related occurrences, floods, terror attacks, destruction or incapacitation of City services or facilities, etc. All withdrawals/expenditures from the Emergency Reserve shall be pre-approved by an affirmative vote of seven (7) members of the City Council. The City Manager may authorize an immediate withdrawal/expenditure if an emergency exists which threatens the health, safety or welfare of the City and pre-approval of the Council is not feasible.

The General Fund Stabilization Reserve was established to enable essential City services to continue during downturns in the economy and to serve as a temporary "stop gap" measure to provide financial resources during circumstances when implementation of the Emergency Reserve is not warranted. The target amount of the General Fund Stabilization Reserve in any given calendar year shall range from 5% to 10% of the total General Fund revenues. All withdrawals/expenditures from the General Fund Stabilization Reserve shall be pre-approved by an affirmative vote of a majority of the members of the City Council.

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As of year end, fund balances were sufficient to meet all reserves requirements.

F. Revenues & Expenditures/Expenses

Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants 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 operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

Property taxes levied in a particular year are collected in the subsequent year. The property tax calendar is as follows:

Tax Year

Tax levy certified to County CommissionersDecember 15
County Commissioners certify levy to County Assessor.....December 22

Ensuing Collection Year

Taxes attach as an enforceable lien on property January 1
First installment due date (one-half of taxes due) February 28
Taxes due in full (unless installments elected by taxpayer)April 30
Second installment due date (second half due)..... June 15

Taxes are collected by the Adams and the Weld County Treasurers on behalf of the City and are remitted by the 10th day of the month following collection. A 1% collection fee is retained by the Counties as compensation for collecting the taxes.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent asset and liabilities at the

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date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budget and Appropriation Process

The City of Brighton's budget is planned on a calendar year basis as required by the Colorado Revised Statutes, Section 29-1-101, and Article X of the City of Brighton Charter. The budget presents a complete financial plan setting forth all estimated expenditures, revenues, and other financing sources for the ensuing year, together with the corresponding figures for the current year, and actuals for the prior year.

Before the beginning of the calendar year, the Council must enact an appropriation resolution, which corresponds with the budget. This resolution allows the City to legally expend monies for the coming budget year. City expenditures may not exceed the amounts appropriated, except in the case of an emergency or contingency which was not reasonably foreseeable. The Council may make these emergency appropriations from unappropriated revenue, fund balance, or by emergency resolution authorizing the issuance of emergency notes, as provided in Article XI of the Charter. If the City receives revenues that were not anticipated at the time of adoption of the budget, the Council may authorize the use by adopting a supplemental budget and appropriation resolution. The transfer of budget and appropriated monies within a fund or between funds may be done only in accordance with the Charter.

Budgetary Accounting and Control

Budgets for the General, Lottery, Landscaping, Impact Fees, Cemetery, Highway, Lodging Tax, Capital Improvement, Parks & Recreation Capital, and Cemetery Perpetual Care Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The modified accrual basis of accounting is used, whereby revenues are recognized when susceptible to accrual (i.e. sales taxes, property taxes, franchise taxes, interest and grants). Fines and permit revenues are not susceptible to accrual, as they generally are not measurable until received in cash. Expenditures are generally recognized when the related fund liability is incurred.

The budgets for the Water, Wastewater, and Storm Drainage Funds and the Benefits and Fleet Internal Services Funds are adopted on a non-GAAP budgetary basis. The full accrual basis of accounting is used whereby revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Bond proceeds are treated as other financing sources, capital outlay and debt service are treated as expenditures; and depreciation is not budgeted.

The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by Fund. Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances and must be re-appropriated for future use. Encumbrances are commitments related to unperformed (executory) contracts for good or services (i.e., contracts and commitments). Encumbrance accounting is utilized to the extent

CITY OF BRIGHTON, COLORADO
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necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

B. State Constitutional Amendment

On November 3, 1992, the voters of the State approved Article X, Section 20 to the State Constitution commonly known as the Taxpayer's Bill of Rights (TABOR) limiting growth of public entities and their ability to borrow and tax. On November 3, 2016, the qualified electors of the City approved Ballot Issue 2K, which permits the City to collect, retain and spend the full amount of taxes and other revenue above the TABOR amendment limitations.

TABOR requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, imposing a mill levy, extending an expiring tax, or implementing a tax policy change which directly causes a net tax revenue gain. Except for bond refinancing at lower interest rates or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple fiscal year debt or other financial obligations without voter approval and without irrevocably pledging present cash reserves for all future payments.

TABOR also requires the City to set aside a portion of its spending for an emergency reserve. The emergency reserve may not be used to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. In 2022, the required reserve of 3% of current year spending, excluding voter approved amounts, federal revenues, bond proceeds, and other restrictions under TABOR, totaled \$1,926,089.

C. Implementation of New Accounting Standard

New Accounting Pronouncements For 2022

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City's 2022 financial statements. The implementation of GASB Statement No. 87 had no effect on net position as reported December 31, 2021.

NOTE 3. DEPOSITS AND INVESTMENTS

The following is a summary of the primary government's cash and investments as of December 31, 2022, are summarized below:

	Governmental Activities	Business-Type Activities	Total
Cash on Hand	\$ 3,191	\$ 2,010	\$ 5,201
Deposits and Investments	130,259,339	149,226,371	279,485,710
Total	<u>\$ 130,262,530</u>	<u>\$ 149,228,381</u>	<u>\$ 279,490,911</u>

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A. Cash Deposits

Colorado State Statutes govern the City's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories, with eligibility determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral, as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. All deposits in 2022 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

Of the bank balances, \$500,000 was covered by FDIC insurance with the remaining balance being covered by PDPA.

B. Investments

The City and its component units comply with State and city statutes specifying investment instruments that meet defined rating, maturity and custodial risk criteria in which local governments may invest. These investments include the following:

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Corporate notes
- Local government investment pools
- Certain money market funds

Whenever possible, cash is pooled from the various City funds to enhance investment capabilities and maximize investment earnings. Investments are made taking into consideration cash flow needs, market conditions, and contingency plans. The City's investment policies prescribe eligible investments, investment diversification, and maturity and liquidity guidance, which are utilized in managing the investment portfolio.

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The City, Brighton Urban Renewal Authority and Brighton Cultural Arts Commission (two of the three component units), had the following investments at December 31, 2022:

<u>Investment Type</u>	<u>Measurement</u>	<u>S&P Rating</u>	<u>Total</u>	<u>< 1 Year</u>	<u>2-3 Years</u>	<u>4-5 Years</u>
U.S. Government Treasuries	Fair Value - Level 1	AA+	95,365,450	40,047,443	29,441,999	25,876,008
Supra National Agency	Fair Value - Level 2	AAA	966,252	966,252	-	-
Municipal Bond	Fair Value - Level 2	AA- to AAA	11,364,017	2,615,116	6,607,275	2,141,627
U.S. Government Agencies	Fair Value - Level 2	AA+	29,606,993	16,406,680	13,200,313	-
Cash	Fair Value - Level 2	NR	4,270,144	4,270,144	-	-
Local Government Investment Pool	Net Asset Value	AAA	774,827	774,827	-	-
WF Government MM Fund	Net Asset Value	AAAm	22,159,071	22,159,071	-	-
ColoTrust	Net Asset Value	AAAm	11,310,868	11,310,868	-	-
CSIP	Net Asset Value	AAAm	77,072	77,072	-	-
CSAFE	Amortized Cost	NR	21,625,220	21,625,220	-	-
		Total	197,519,913	120,252,692	49,249,587	28,017,634
		% of Total		61%	24%	14%

Fair Value Measurement

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

1. Level 1 Quoted prices (unadjusted) for identical investments in active markets that a government can access at the measurement date.
2. Level 2 Observable inputs other than quoted market prices included in Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar or identical 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.
3. Level 3 Unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest to Level 3. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Interest Rate Risk

State and City statutes limit investments in U.S. Treasury and Agency securities to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk

State and City statutes limit investments in U.S. Agency securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs). The same statutes also limit investments in money market funds to those that maintain a constant share price, with remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO.

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Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the position of an outside party. At December 31, 2022, the City's investment securities were held by the counterparty (broker), in the City's name.

Concentration of Credit Risk

With the exception of U.S. Treasury securities, Brighton's investment policy limits the amount that may be invested in any one security type to 50% of the total portfolio. The aggregate exposure to municipal bonds may not exceed 25% of the portfolio, and no more than 5% of the portfolio may be invested with a single issuer. The portfolio will be limited to an aggregate exposure of 50% for the following investment types: Corporate Bonds, Commercial Paper, Negotiable Certificates of Deposits and Bankers Acceptances.

Local Government Investment Pools

The Colorado Local Government Liquid Asset Trust (Colotrust) and the Colorado Surplus Asset Fund Trust (CSAFE) are investment vehicles established by State statute for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The CSAFE Cash pool operates in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended. The CSAFE Cash and ColoTrust pools are rated AAAM by Standard and Poor's; CSAFE Colorado Core is rated AAAsf/S1 by Fitch. Each pool maintains a stable share price. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services. The custodian's internal records identify the investments owned by the participating governments. COLOTRUST records its investments at fair value and the City records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

C. Component Units

The following is a summary of the component units' cash and investments as of December 31, 2022, are summarized below:

	Urban Renewal Authority	Cultural Arts Commission	Economic Development Corporation	Total
Cash on Hand	\$ -	\$ 200	\$ -	\$ 200
Restricted Cash and Investments	1,483,578	-	-	1,483,578
Deposits and Investments	5,063,511	518,662	297,112	5,879,284
Total	\$ 6,547,089	\$ 518,862	\$ 297,112	\$ 7,363,062

Cash and investments for the City's Component units, other than the Economic Development Corporation, are managed within the pooled cash. These have the same investment diversification and risks as the city. See section B above for detail.

CITY OF BRIGHTON, COLORADO
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DECEMBER 31, 2022

NOTE 4. CAPITAL ASSETS

A. Governmental Activities

Capital asset activity for the year ended December 31, 2022, is summarized, as follows:

Governmental Activities	Balance 12/31/2021	Additions	Deletions	Transfers	Balance 12/31/2022
Capital Assets, Not Being Depreciated					
Land	\$28,531,446	\$ -	\$ -	\$ -	\$28,531,446
Water rights	2,036,050	-	-	-	2,036,050
Construction in Progress	3,999,707	2,567,974	(23,990)	(1,940,617)	4,603,074
Total Capital Assets, Not Being Depreciated	<u>34,567,203</u>	<u>2,567,974</u>	<u>(23,990)</u>	<u>(1,940,617)</u>	<u>35,170,570</u>
Capital Assets, Being Depreciated					
Building and Improvements	99,976,627	104,290	(130,442)	5,299,832	105,250,307
Infrastructure	104,053,920	4,917,973	-	1,259,267	110,231,160
Improvements Other Than Buildings	18,751,716	5,640,931	-	-	24,392,647
Other Assets	831,903	-	(20,442)	-	811,461
Machinery and Equipment	20,931,399	2,701,696	(1,476,448)	151,368	22,308,015
Total Capital Assets, Being Depreciated	<u>244,545,565</u>	<u>13,364,890</u>	<u>(1,627,332)</u>	<u>6,710,467</u>	<u>262,993,590</u>
Less Accumulated Depreciation					
Building and Improvements	68,031,026	3,871,799	(98,069)	-	71,804,756
Infrastructure	45,038,250	4,673,284	-	-	49,711,534
Improvements Other Than Buildings	8,253,423	1,738,993	-	-	9,992,416
Other Assets	516,594	10,203	(14,845)	-	511,952
Machinery and Equipment	14,694,673	1,800,977	(1,443,425)	-	15,052,225
Total Accumulated Depreciation	<u>136,533,966</u>	<u>12,095,256</u>	<u>(1,556,339)</u>	<u>-</u>	<u>147,072,883</u>
Total Capital Assets, Being Depreciated, Net	<u>108,011,599</u>	<u>1,269,634</u>	<u>(70,993)</u>	<u>6,710,467</u>	<u>115,920,707</u>
Governmental Activities Capital Assets, Net	<u>\$ 142,578,802</u>	<u>\$ 3,837,608</u>	<u>\$ (94,983)</u>	<u>\$ 4,769,850</u>	<u>\$ 151,091,277</u>
					(457,945)
					(21,859,317)
					(2,660,887)
					<u>\$ 126,113,128</u>

Depreciation expense was charged to functions/programs of the Primary Government as follows:

Description	Governmental Activities
General Government	\$ 1,264,951
Public Safety	744,471
Public Works	7,257,980
Eagle View Adult Center	281,052
Recreation Center	282,001
Parks	2,202,803
Cemetery	61,720
Community Development	277
Total Depreciation Expense	<u>\$ 12,095,256</u>

CITY OF BRIGHTON, COLORADO
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B. Business-Type Activities

Capital asset activity for the year ended December 31, 2022, was as follows:

Business - Type Activities	Balance 12/31/2021	Additions	Deletions	Transfers	Balance 12/31/2022
Capital Assets, Not Being Depreciated					
Land	\$ 9,513,128	\$ -	\$ -	\$ -	\$ 9,513,128
Water Rights	24,992,309	2,781,461	-	-	27,773,770
Construction in Progress	13,013,200	11,930,136	-	(4,552,168)	20,391,168
Total Capital Assets, Not Being Depreciated	<u>47,518,637</u>	<u>14,711,597</u>	<u>-</u>	<u>(4,552,168)</u>	<u>57,678,066</u>
Capital Assets, Being Depreciated					
Building and Improvements	39,786,361	-	-	-	39,786,361
Collection and Distribution Systems	193,236,777	13,888,556	-	4,552,168	211,677,501
Machinery and Equipment	8,038,618	219,196	(8,877)	-	8,248,937
Other Assets	216,300	-	-	-	216,300
Total Capital Assets, Being Depreciated	<u>241,278,056</u>	<u>14,107,752</u>	<u>(8,877)</u>	<u>4,552,168</u>	<u>259,929,099</u>
Less Accumulated Depreciation					
Building and Improvements	27,287,187	1,349,404	-	-	28,636,591
Collection and Distribution Systems	86,440,755	6,855,926	-	-	93,296,681
Machinery and Equipment	5,293,179	752,991	(3,699)	-	6,042,471
Other Assets	212,399	2,036	-	-	214,435
Total Accumulated Depreciation	<u>119,233,520</u>	<u>8,960,357</u>	<u>(3,699)</u>	<u>-</u>	<u>128,190,178</u>
Total Capital Assets, Being Depreciated, Net	<u>122,044,536</u>	<u>5,147,395</u>	<u>(5,178)</u>	<u>4,552,168</u>	<u>131,738,921</u>
Business-Type Activities Capital Assets, Net	<u>\$ 169,563,173</u>	<u>\$ 19,858,992</u>	<u>\$ (5,178)</u>	<u>\$ -</u>	<u>\$ 189,416,987</u>
					Less Capital Retainage Payable \$ (366,408)
					Less Outstanding Capital Debt (103,444,991)
					Plus Unspent Bond Proceeds 77,685,000
					Plus Unamortized Bond Premium Associated with Proceeds 3,688,441
					<u>Net Investment in Capital Assets \$ 166,979,029</u>

Depreciation expense was charged to Funds as follows:

Description	Business-type Activities
Water	\$ 5,997,572
Wastewater	1,669,601
Storm Drainage	1,293,184
Total Depreciation Expense	<u>\$ 8,960,357</u>

CITY OF BRIGHTON, COLORADO
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C. Component Unit – Brighton Urban Renewal Authority

Capital asset activity for the Brighton Urban Renewal Authority the year ended December 31, 2022, was as follows:

<u>Brighton Urban Renewal Authority</u>	<u>Balance 12/31/2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance 12/31/2022</u>
Capital Assets, Being Depreciated					
Building and Improvements	\$ 5,599,815	\$ 80,897	\$ -	\$ -	\$ 5,680,712
Machinery and Equipment	138,905	-	(47,590)	-	91,315
Total Capital Assets, Being Depreciated	<u>5,738,720</u>	<u>80,897</u>	<u>(47,590)</u>	<u>-</u>	<u>5,772,027</u>
Less Accumulated Depreciation					
Building and Improvements	2,504,480	221,545	-	-	2,726,025
Machinery and Equipment	75,996	4,530	(5,870)	-	74,656
Total Accumulated Depreciation	<u>2,580,476</u>	<u>226,075</u>	<u>(5,870)</u>	<u>-</u>	<u>2,800,681</u>
Total Capital Assets, Being Depreciated, Net	<u>3,158,244</u>	<u>(145,178)</u>	<u>(41,720)</u>	<u>-</u>	<u>2,971,346</u>
BURA Activities Capital Assets, Net	<u>\$ 3,158,244</u>	<u>\$ (145,178)</u>	<u>\$ (41,720)</u>	<u>\$ -</u>	<u>\$ 2,971,346</u>

NOTE 5. INTERFUND ACTIVITY

A. Interfund Transfers

The composition of interfund transfers as of December 31, 2022 is as follows:

<u>Transfer in Fund</u>	<u>Transfer out Fund</u>	<u>Amount</u>
General	Lottery	\$ 250,000
General	Landscaping	6,000
General	Lodging	50,000
Cemetery	General	222,424
Capital Improvement	Impact Fees	1,995,000
Parks Capital	Impact Fees	651,370
Cemetery	Cemetery Perpetual	1,000
	Total	<u>\$ 3,175,794</u>

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected in the general fund to finance various program accounted for in other funds in accordance with budgetary authorizations.

**CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
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B. Interfund Balances

The composition of interfund receivables/payables as of December 31, 2022 is as follows:

Interfund Receivable	Interfund Payable	Amount
General	Storm Drainage	\$ 1,696,000
General	Fleet	45,000
		\$ 1,741,000

The interfund receivable in the amount of \$45,000 is due to services rendered timing and will be repaid in first quarter of 2023. There is an interfund loan between the General Fund and Storm Drainage Fund in the amount of \$1,696,000. The terms of the interfund loan are 0% interest for 15 years with payments starting in 2024.

Year Ended December 31,	Payment
2023	\$ -
2024	113,067
2025	113,067
2026	113,067
2027	113,067
2028-2032	565,335
2033-2037	565,335
2038	113,062
Total	\$ 1,696,000

NOTE 6. LEASES

City as Lessor

The City, as a lessor, has entered into lease agreements involving farm land. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflow, recognized during the fiscal year was \$72,636. This total includes \$20,074 of variable and other payments not previously included in the measurement of the lease receivable.

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 7. LONG-TERM OBLIGATIONS

A. Governmental Activities

Long-term obligations related to governmental activities for the year ended December 31, 2022 are summarized as follows:

	<u>Balance 12/31/2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/2022</u>	<u>Due Within One Year</u>
2016 Certificates of Participation					
Tax Exempt Series 2016A	\$ 2,823,647	\$ -	\$ 142,482	\$ 2,681,165	\$ 145,966
2016 Certificates of Participation					
Taxable Series 2016B	1,383,306	-	258,643	1,124,663	267,354
2020 Certificates of Participation	18,465,000	-	895,000	17,570,000	930,000
Borrowing Premium	2,881,799	-	220,912	2,660,887	220,912
Total Certificates of Participation	<u>25,553,752</u>	<u>-</u>	<u>1,517,037</u>	<u>24,036,715</u>	<u>1,564,232</u>
2017 Capital Lease	717,798	-	234,309	483,489	239,232
Compensated Absences	1,997,180	1,543,466	1,686,638	1,854,008	1,557,367
Governmental Activities:					
Total Long-term Liabilities	<u>\$ 28,268,730</u>	<u>\$ 1,543,466</u>	<u>\$ 3,437,984</u>	<u>\$ 26,374,212</u>	<u>\$ 3,360,831</u>

2016 Certificates of Participation

In March 2016, the City issued \$7,000,000 Certificates of Participation, Tax Exempt Series 2016A and Taxable Series 2016B to fund capital energy conservation improvement projects to the City's Recreation Center, City Hall, Historic City Hall, Police and Municipal Court, Utility Water Shop, Water Wells, Wastewater Treatment Facility and other City facilities as well as capital upgrades to various systems at the Brighton Armory, Water Treatment Plant and the City's Recreation Center.

Certificates of Participation are structured as lease agreements where the investor holds a lien on a City-owned property and the City makes bi-annual lease payments. Lease payments on the Certificates of Participation, Tax Exempt Series 2016A, totaling \$4,480,620, are due annually, beginning February 2017, through 2031 (15 years.) Interest is due semi-annually on February 24 and August 24 with an interest rate of 2.43%. Lease payments on the Certificates of Participation, Taxable Series 2016B, totaling \$2,519,380, are due annually, beginning February 2017, through 2026 (10 years.) Interest is due semi-annually on February 24 and August 24 with an interest rate of 3.34%.

Certificates of Participation are structured as lease purchase agreements which allows the City to terminate the lease if funds are not appropriated in future years. The leased property in Brighton, CO for the 2016 Certificates is the Historic City Hall Building located at 22 S. 4th Avenue.

2020 Certificates of Participation

In September 2020, the City issued \$19,195,000 Certificates of Participation, Series 2020, to refund the outstanding Certificates of Participation, Series 2010A and 2010B. The 2010 Series were issued to finance the costs of constructing an adult recreation center, aquatic park, purchase and rehabilitate a building to be used as the Main City Hall, acquire open space land and develop vacant land into a park.

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Certificates of Participation are structured as lease agreements where the investor holds a lien on a City-owned property and the City makes bi-annual lease payments. Lease payments on the 2020 Certificates of Participation are due annually, beginning June 1, 2021, through 2035. Interest is due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 3% to 4% per annum.

The leased properties in Brighton, Colorado for the 2020 Certificates include the Police Department and Municipal Court facility located at 3401 E. Bromley Lane and the Recreation Center located at 555 North 11th Avenue.

2017 Master Lease Equipment Purchase Agreement (Capital Lease)

The Master Equipment Lease Purchase Agreement is a tax-exempt lease-purchase program used by the City to finance capital equipment. The City entered into the Master Lease Agreement as of December 8, 2017. The interest rate for the lease is 2.09%. Principal and interest payments are due semi-annually through 2024.

Future Debt Service Obligations

Annual debt service requirements for the outstanding obligations are as follows:

2016 Certificates of Participation

Year Ended December 31,	Series A Tax Exempt		
	Principal	Interest	Total
2023	\$ 145,966	\$ 64,271	\$ 210,237
2024	149,534	60,702	210,236
2025	153,192	57,046	210,238
2026	156,935	53,301	210,236
2027	395,301	48,048	443,349
2028-2031	1,680,237	93,161	1,773,398
Total	<u>\$ 2,681,165</u>	<u>\$ 376,529</u>	<u>\$ 3,057,694</u>

Year Ended December 31,	Series B Taxable		
	Principal	Interest	Total
2023	\$ 267,354	\$ 35,350	\$ 302,704
2024	276,358	26,346	302,704
2025	285,665	17,038	302,703
2026	295,286	7,417	302,703
Total	<u>\$ 1,124,663</u>	<u>\$ 86,151</u>	<u>\$ 1,210,814</u>

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
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2020 Certificates of Participation

Year Ending December 31,	Principal	Interest	Total
2023	\$ 930,000	\$ 649,150	\$ 1,579,150
2024	970,000	611,950	1,581,950
2025	1,025,000	573,150	1,598,150
2026	1,090,000	532,150	1,622,150
2027	1,160,000	488,550	1,648,550
2028-2032	7,030,000	1,682,950	8,712,950
2033-2035	5,365,000	327,600	5,692,600
Total	<u>\$ 17,570,000</u>	<u>\$ 4,865,500</u>	<u>\$ 22,435,500</u>

Capital Lease

Year Ended December 31,	Principal	Interest	Total
2023	\$ 239,232	\$ 8,861	\$ 248,093
2024	244,257	3,835	248,092
Total	<u>\$ 483,489</u>	<u>\$ 12,696</u>	<u>\$ 496,185</u>

B. Business-Type Activities

Long-term obligations related to business-type activities for the year ended December 31, 2022 are summarized as follows:

	Balance 12/31/2021	Increases	Decreases	Balance 12/31/2022	Due Within One Year
<u>Water Fund</u>					
2022 Revenue Bonds	\$ -	\$ 77,685,000	\$ -	\$ 77,685,000	\$ -
2016 Revenue Bonds Series A	16,390,000	-	985,000	15,405,000	1,005,000
Bond Premium	800,852	3,706,380	68,787	4,438,445	174,394
Total Bonds Payable	17,190,852	81,391,380	1,053,787	97,528,445	1,179,394
2016 Certificates of Participation					
Tax Exempt Series 2016A	699,587	-	35,302	664,285	36,165
Compensated Absences	130,812	338,077	161,272	307,617	258,398
Total Water Fund	<u>\$ 18,021,251</u>	<u>\$ 81,729,457</u>	<u>\$ 1,250,361</u>	<u>\$ 98,500,347</u>	<u>\$ 1,473,957</u>
<u>Wastewater Fund</u>					
2016 Revenue Bonds Series B	\$ 5,220,000	\$ -	\$ 240,000	\$ 4,980,000	\$ 250,000
Bond Premium	147,507	-	11,377	136,130	9,366
Total Bonds Payable	5,367,507	-	251,377	5,116,130	259,366
2016 Certificates of Participation					
Tax Exempt Series 2016A	143,364	-	7,234	136,130	7,411
Compensated Absences	70,320	233,440	50,722	253,038	212,552
Total Waste Water Fund	<u>\$ 5,581,191</u>	<u>\$ 233,440</u>	<u>\$ 309,333</u>	<u>\$ 5,505,298</u>	<u>\$ 479,329</u>
<u>Storm Drainage Fund</u>					
Compensated Absences	\$ 12,514	17,384	14,005	15,893	13,350
Total Storm Drainage Fund	<u>\$ 12,514</u>	<u>\$ 17,384</u>	<u>\$ 14,005</u>	<u>\$ 15,893</u>	<u>\$ 13,350</u>
Total Business-Type Activities	<u>\$ 23,614,956</u>	<u>\$ 81,980,281</u>	<u>\$ 1,573,699</u>	<u>\$ 104,021,538</u>	<u>\$ 1,966,636</u>

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The City's Water Activity Enterprise includes both the Water and Wastewater Funds. When revenue bonds are issued within these funds, the revenues of both funds are considered obligated to the borrowings. However, debt service is budgeted and managed from the fund that benefited from the borrowing.

2022 Water Activity Enterprise Revenue Bonds

In November, 2022, the City issued \$77,685,000 Water Activity Enterprise Revenue Bonds to fund a capital investment in a new Water Treatment Plant scheduled to be operational in 2025. Principal and interest payments are due annually beginning on December 1, 2023 and continuing through 2052. Interest accrues on the bonds at a rate of 5.0% per annum. Debt service for these bonds is paid from Water Fund revenues.

2016 Water Activity Enterprise Revenue Bonds, Series A & B

In September, 2016, the City issued \$27,325,000 Water Activity Enterprise Revenue Refunding Bonds to refund the outstanding 2009 Water Activity Enterprise Revenue Bonds. Series 2016A refunded the outstanding 2009 Bonds for the Water System Project and Series 2016B refunded the outstanding 2009 Bonds for the Sewer System Project. As a result, the 2009 revenue bonds are defeased and the liability for those bonds has been removed from the statement of net position.

Principal payments for the Water Activity Enterprise Revenue Refunding Bonds, Series 2016A, are due annually beginning June 1, 2017, and continuing through 2037. Interest payments are due semi-annually on June 1 and December 1. Interest accrues on the bonds at rates ranging from 1.5% to 5.0% per annum. Debt service for this bond series is paid from Water Fund revenues.

Principal payments for the Water Activity Enterprise Revenue Refunding Bonds, Series 2016B, are due annually beginning June 1, 2017, through 2037. Interest payments are due semi-annually on June 1 and December 1. Interest accrues on the bonds at rates ranging from 3.0% to 4.0% per annum. The bonds are paid solely from revenues of the City's water and wastewater system. Debt service for this bond series is paid from Wastewater Fund revenues.

2016 Certificates of Participation

In March 2016, the City issued \$7,000,000 Certificates of Participation, Tax Exempt Series 2016A and Taxable Series 2016B to fund capital energy conservation improvement projects to the City's Recreation Center, City Hall, Historic City Hall, Police and Municipal Court, Utility Water Shop, Water Wells, Wastewater Treatment Facility and other City facilities as well as capital upgrades to various systems at the Brighton Armory, Water Treatment Plant and the City's Recreation Center. Further details are discussed in the Governmental Activities section.

CITY OF BRIGHTON, COLORADO
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Future Debt Service Obligations

Annual debt service requirements for the outstanding obligations are as follows:

2022 Water Activity Enterprise Revenue Bonds

Year Ending December 31,	Water Fund		
	Principal	Interest	Total
2023	\$ -	\$ 4,132,410	\$ 4,132,410
2024	345,000	3,875,625	4,220,625
2025	410,000	3,856,750	4,266,750
2026	475,000	3,834,325	4,309,325
2027	540,000	3,809,250	4,349,250
2028-2032	3,780,000	18,543,750	22,323,750
2033-2037	5,850,000	17,344,700	23,194,700
2038-2042	16,860,000	14,547,500	31,407,500
2043-2047	21,635,000	9,760,125	31,395,125
2048-2052	27,790,000	3,612,500	31,402,500
Total	\$ 77,685,000	\$ 83,316,935	\$ 161,001,935

2016 Water Activity Enterprise Revenue Bonds

Year Ended December 31,	Series A Water Fund			Series B Wastewater Fund		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 1,005,000	\$ 632,425	\$ 1,637,425	\$ 250,000	\$ 194,200	\$ 444,200
2024	1,005,000	614,837	1,619,837	255,000	184,100	439,100
2025	975,000	597,550	1,572,550	270,000	173,600	443,600
2026	965,000	563,675	1,528,675	280,000	162,600	442,600
2027	975,000	515,175	1,490,175	290,000	151,200	441,200
2028-2032	5,040,000	1,830,250	6,870,250	1,645,000	567,900	2,212,900
2033-2037	5,440,000	572,700	6,012,700	1,990,000	206,000	2,196,000
Total	\$ 15,405,000	\$ 5,326,612	\$ 20,731,612	\$ 4,980,000	\$ 1,639,600	\$ 6,619,600

2016 Certificates of Participation

Year Ended December 31,	Water Fund			Waste Water Fund		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 36,165	\$ 15,924	\$ 52,089	\$ 7,411	\$ 3,263	\$ 10,674
2024	37,049	15,040	52,089	7,592	3,082	10,674
2025	37,955	14,134	52,089	7,778	2,896	10,674
2026	38,882	13,206	52,088	7,968	2,706	10,674
2027	97,940	11,905	109,845	20,070	2,440	22,510
2028-2031	416,295	23,082	439,377	85,311	4,730	90,041
Total	\$ 664,286	\$ 93,291	\$ 757,577	\$ 136,130	\$ 19,117	\$ 155,247

CITY OF BRIGHTON, COLORADO
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C. Component Unit

Long-term obligations related to component units for the year ended December 31, 2022 are summarized as follows:

	<u>Balance 12/31/2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/2022</u>	<u>Due Within One Year</u>
<i>Brighton Urban Renewal Authority</i>					
2015 Tax Increment Bonds	\$ 5,780,000	\$ -	\$ 880,000	\$ 4,900,000	\$ 915,000
Compensated Absences	13,401	13,753	11,083	16,071	13,500
Total Brighton Urban Renewal Authority	<u>\$ 5,793,401</u>	<u>\$ 13,753</u>	<u>\$ 891,083</u>	<u>\$ 4,916,071</u>	<u>\$ 928,500</u>

2015 Revenue Bonds

On December 15, 2015, BURA issued \$9,890,000 Tax Increment Revenue Refunding Bonds, Series 2015A and \$555,000 Taxable Tax Increment Revenue Bonds, Series 2015B, which were issued to refund the BURA outstanding Tax Increment Revenue Refunding and Improvement Bonds, Series 2009 and provide funding for an improvement project in the BURA area respectively. Proceeds of the refunding were reduced by an \$80,000 call premium and \$88,000 bond issuance costs, which were expensed.

The 2015A and 2015B Series have interest rates of 3.50% and 5.4% respectively. Principal payments are due annually on December 1, through 2027. Interest payments are due semi-annually on June 1 and December 1. The bonds are payable solely from sales tax increment revenues collected from the Brighton Pavilions and incremental property taxes generated by the urban renewal area.

Future Debt Service Obligations

Annual debt service requirements for the outstanding obligations are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 915,000	\$ 171,500	\$ 1,086,500
2024	945,000	139,475	1,084,475
2025	980,000	106,400	1,086,400
2026	1,010,000	72,100	1,082,100
2027	1,050,000	36,750	1,086,750
Total	<u>\$ 4,900,000</u>	<u>\$ 526,225</u>	<u>\$ 5,426,225</u>

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 8. FUND BALANCES

The City maintains balances in governmental funds as described in Note 1 Summary of Significant Accounting Policies. The fund balances in place as of December 31, 2022 include the following items:

	Genera Fund	Capital Improvement Fund	Parks Capital Improvement Fund	Other Governmental Funds	Total
<u>Nonspendable</u>					
Prepays	\$ -	\$ 52,629	\$ -	\$ -	\$ 52,629
Total Nonspendable	-	52,629	-	-	52,629
<u>Restricted</u>					
Emergency Reseve - TABOR	1,275,796	324,144	300,613	30,036	1,930,589
Parks Capital Improvements	-	-	15,522,575	-	15,522,575
Lodging Tax	-	-	-	507,815	507,815
Conservation Trust/Lottery	-	-	-	244,735	244,735
Highway Fund	-	129,031	-	515,596	644,627
Denver Airport Agreement	496,000	-	-	-	496,000
PEG Channel Franchise Fees	-	129,413	-	-	129,413
Total Restricted	1,771,796	582,588	15,823,188	1,298,182	19,475,754
<u>Committed</u>					
City Council Ordinances or Resolutions					
Impact Fees Fund	-	-	-	10,992,542	10,992,542
Cemetery Fund	-	-	-	412,809	412,809
Landscaping Fund	-	-	-	21,439	21,439
Cemetery Perpetual Care Fund	-	-	-	2,086,316	2,086,316
Food Sales Tax	134,000	-	-	-	134,000
Public Safety Staffing Reserve (5 year	1,120,000	-	-	-	1,120,000
Committed Emergency Reserve	9,467,519	4,513,085	-	-	13,980,604
Committed Stabilization Reserve	4,730,920	-	-	-	4,730,920
	15,452,439	4,513,085	-	13,513,106	33,478,630
<u>Assigned</u>					
Capital	-	30,387,171	-	-	30,387,171
	-	30,387,171	-	-	30,387,171
<u>Unassigned</u>					
	42,141,333	-	-	-	42,141,333
Total	\$ 59,365,568	\$ 35,535,473	\$ 15,823,188	\$ 14,811,288	\$ 125,535,517

NOTE 9 RETIREMENT OBLIGATIONS

A. Fire & Police Pension Association of Colorado (FPPA)

Effective January 1, 2005, the City adopted retirement benefits for full-time police officers and their beneficiaries under the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension plan. Colorado Statutes assign the authority to establish benefit provisions to the state legislature. Therefore, contribution requirements of plan members and the City are established by Colorado statute. Also, by statute, this election for coverage under the SWDB is irrevocable.

CITY OF BRIGHTON, COLORADO
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The Fire and Police Pension Association (FPPA) uses the accrual basis of accounting. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position were calculated using this basis of accounting. 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. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information. Contact FPPA at 1-800-332-2772 to obtain a copy of the report or visit their website <http://www.fppaco.org>.

Description of Benefits

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. 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 yearly change in the Consumer Price Index.

A member is eligible for an early retirement at age 50, with at least 5 years of credited service, or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 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, the FPPA Board may increase contribution rates equally between employee and employer upon approval through an election of members and employers. Members of the SWDB plan and their employers contributed at a rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings.

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
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Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. Changes to employee and employer contribution rates were made for the years 2021 and beyond through legislation enacted in calendar year 2020. In calendar year 2020, re-entry members contributed 13 percent and the City contributed 10 percent. In 2021, re-entry members contributed 11.50 percent and in 2022 and future years will contribute 12 percent. The City will continue to contribute 10 percent through the year 2024. Employer contributions will increase 0.5 percent per year in 2025 through the year 2028 for a total of 12 percent employer contributions in 2028 and future years.

Basis of Presentation

The underlying financial information used to prepare the Schedule of Employer Contributions and Schedule of Collective Pension Amounts is based on FPPA's financial statements. FPPA follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of FPPA. Employer contributions in FPPA's financial statements are recognized in the period in which they are due. Investments are reported at fair value.

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

At December 31, 2022, the City reported a net pension asset of \$4,497,098 for its proportional share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2022 and a measurement date of December 31, 2021. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2021, the City's proportion was 0.83 percent, which was a decrease of .02 from its proportion measured as of December 31, 2020.

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Source	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Expected and Actual Experience	\$ 1,287,757	\$ 104,885
Change in Assumptions	641,318	-
Net Difference Projected and Actual on Investment Earnings	-	3,009,711
Proportion Changes and Differences City Contributions and Proportionate Share Contributions	-	9,034
City Contributions Subsequent to Measurement Date	622,789	-
	<u>\$ 2,551,864</u>	<u>\$ 3,123,630</u>

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

\$622,789 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction (increase) of the net pension liability (asset) in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2023	\$ (404,271)
2024	(715,589)
2025	(400,684)
2026	(111,412)
2027	269,744
Thereafter	167,657
	<u>\$ (1,194,555)</u>

Actuarial Assumptions

The January 1, 2022 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2021. The valuation used the following actuarial assumption and other inputs.

Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.00%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.00%
*includes Inflation at	2.50%

The collective total pension asset as of December 31, 2021 is based upon the January 1, 2022 actuarial valuation. 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-207 projections scales, and the 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.

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 expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income - Rates	10%	4.01%
Fixed Income - Rates	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
Total	100%	

Discount Rate

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 1.84 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

Regarding the sensitivity of the net pension liability/(asset) to changes in the single discount rate, the following presents the plan's net pension liability/(asset), calculated using a single discount rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a single discount rate that in one percent lower or one percent higher:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the net pension liability (asset)	\$ (620,178)	\$ (4,497,098)	\$ (7,708,910)

**CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

Other Information

For all full-time police officers hired after January 1, 2005, in addition to the contributions to the Defined Benefit Plan, the City and officer contribute 1% each to a FPPA Section 457 account, bringing the total retirement contribution of the City for these police officers to 9%.

The following contributions were made by the City and Officers in the last three years:

<u>Year Ended</u> December 31,	<u>Defined Benefit Plan Required Contributions</u>		<u>Deferred 457 Plan Required Contributions</u>	
	<u>City</u>	<u>Employees</u>	<u>City</u>	<u>Employees</u>
2022	622,789	826,139	23,307	92,324
2021	586,301	785,776	25,425	111,015
2020	544,673	752,665	49,707	134,407

B. Mission Square Retirement

Full-time and Part-time benefitted employees not covered under FPPA are covered by a single employer defined contribution money purchase retirement plan. The contribution requirements of plan participants and the City are established and may be amended by the City Council. The Plan is administered by Mission Square Retirement. In 2022, the contribution rate was set at 18%, the employee contributes 9% and the City contributes 9% of each participant's covered salary. In April 2023, the City's contribution to the plan will increase to 9.5%. During the year ended December 31, 2022, the City and employee contributions were \$1,630,336 each, equal to the required contributions.

Employees are fully vested immediately upon contribution. The City has no further pension obligations beyond collecting the money from the employee through payroll deduction, making the matching payments, and forwarding the money to Mission Square.

The City offers employees not covered by FPPA the opportunity to contribute to an Internal Revenue Code (IRC) Section 457 deferred compensation plan administered by Mission Square. This plan allows employees and city council members at their option to defer a portion of their salary until future years. Compensation deferred is not available to the employee until termination, retirement, death, or permanent disability. All amounts deferred are held in trust by Mission Square for the exclusive benefit of participating employees.

NOTE 10. RISK MANAGEMENT

Colorado Intergovernmental Risk Sharing Agency (CIRSA)

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to State statute.

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the City does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

The City is liable for the first \$25,000 on each liability (including auto liability) and property claim, \$1,000 for auto physical damage claim and \$1,000 for worker's compensation claim. The amount of settlements has not exceeded insurance coverage in any of the past three fiscal years.

Self-Funded Health Plan

The City established a self-funded health plan effective January 1, 2014. The purpose of the program is to pay the health claims of eligible City employees and their covered dependents. As of January 1, 2014 the City entered into an administrative services only arrangement with United Health Care, whereby the City pays United Health Care a separate amount for administrative costs and claim servicing fees. The City agrees to provide monthly funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The following is a summary of changes in the City's estimated unpaid claims as of December 31, 2022.

	2022
Estimated unpaid claims, January 1	\$ 323,000
Incurred Claims	3,654,251
Claims Payments	(3,661,251)
Estimated unpaid claims, December 31	\$ 316,000

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 11. COMMITMENTS AND CONTINGENCIES

A. Grant Expenditures

The City participates in various Federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

The City received ARPA funds in 2021 and 2022 that aren't subject to program compliance audits pursuant to the Single Audit Act as amended until the funds are expended. These funds are anticipated to be spent in 2023.

B. Legal Contingencies

The City is involved in various threatened and pending litigation. The outcome of this litigation cannot be determined at this time.

C. Contractual Obligations

On April 21, 2009, the board of directors for the Metro Wastewater Reclamation District (District) approved a resolution and Sewage Treatment and Disposal Agreement (Service Contract) with the City. The Service Contract outlines Brighton's payments and participation in the District's Northern Treatment Plant. As of December 31, 2022, the City's annual financial obligation outlined in the Service Contract is:

<u>Year Ending</u> <u>December 31,</u>	<u>Annual</u> <u>Payment</u>
2023	\$ 1,197,000
2024	1,260,000
2025	1,322,000
2026	1,385,000
2027	1,448,000
2028-2035	<u>22,516,000</u>
	<u>\$ 29,128,000</u>

D. Construction and Other Significant Commitments

Brighton has \$66,297,682 in outstanding contracts with various contractors. Enterprise contracts compromise \$63,272,463 and governmental fund type contracts comprise \$3,025,219.

E. Contingencies

Management is not aware of any outstanding claims or other financial contingencies that could have a material adverse effect on the City's financial statements.

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 12. TAX ABATEMENTS

The City enters into incentive agreements to encourage economic development and redevelopment, to grow the local economy and to provide quality job opportunities for Brighton residents. Incentive agreements are discretionary and are considered on a case-by-case basis by the City Council. A written agreement is required and agreements become final after City Council action.

Incentive agreements are performance based. Performance based means that before any monies are disbursed, the business shall meet or exceed the specific performance measures identified in the agreement. Specific performance measures may include: (a) meeting the requirements of the eligibility threshold for jobs and wages; (b) requiring new revenues generated by the business to equal or exceed the total dollar amount of the incentive provided during the period of the incentive agreement by rebate or refund; (c) requiring any rebate or refund to come from the revenues actually generated by that business; or (d) requiring the completion of significant development review process milestones such as successful completion and issuance of a development permit, building permit or certificate of occupancy.

Incentive packages vary and may include the City agreeing to forego a portion of its sales tax, a direct subsidy for public infrastructure costs or a rebate of sales taxes, use taxes, permit fees, or property taxes. This reduction of tax revenue meets the definition of a tax abatement under Governmental Accounting Standards Boards Statement no. 77, *Tax Abatement Disclosures*.

All incentive agreements are subject to annual appropriations by City Council as required in the Colorado Constitution and the City Charter. In 2022, the City paid \$4,552,211 and BURA (component unit) paid \$745,852 in tax abatements.

NOTE 13. NEW AND PENDING ACCOUNTING PRONOUENMENTS

As of December 31, 2022, The GASB had issued several statements not yet required to be implemented by the City. Management intends to adopt each Statement, if applicable, by the required date, and modify and expand financial statements and disclosures accordingly. The statements which might impact the City are as follows:

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

This statement will be effective for the City beginning with its fiscal year ending December 31, 2023, with earlier adoption encouraged. Statement No. 94's primary objective is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

GASB Statement No. 96, Subscription-Based Information Technology Arrangements

This statement will be effective for the City beginning with its fiscal year ending December 31, 2023, with earlier adoption encouraged. Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users.

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 14. SUBSEQUENT EVENT

In May 2023, City Council approved a Resolution to amend the City's agreement with Metro Water Recovery that is discussed in Note 12. Under this amended agreement, the City would pay off the entire contract in 2023 with the total pay off amount being approximately \$47 million. After the final payment is made, the City would then transfer all wastewater flows to Metro Water Recovery and begin the process of decommissioning the City's Wastewater Treatment Plant. The decommissioning process is anticipated to be completed by the end of 2023.

In order to facilitate this contract amendment, City Council also approved two Ordinances. The first is a Borrowing Ordinance allowing the City to obtain direct placement financing totaling \$32.5 million., secured by the revenues of the Water Activity Enterprise. The second is a Wastewater Fee Ordinance approving changes to the wastewater fee structure to generate additional revenue to support the financing of this agreement.

The contract amendment is expected to be executed and the financing is expected to be completed by the end of the second quarter in 2023.

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REQUIRED SUPPLEMENTARY INFORMATION



CITY OF BRIGHTON, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE--BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	\$ 24,779,697	\$ 24,779,697	\$ 25,690,876	\$ 911,179
Use	6,330,389	6,330,389	8,292,690	1,962,301
Property	4,199,323	4,199,323	4,225,702	26,379
Franchise	1,428,000	1,428,000	1,628,203	200,203
Other	9,501	9,501	9,608	107
Total Taxes	<u>36,746,910</u>	<u>36,746,910</u>	<u>39,847,079</u>	<u>3,100,169</u>
Licenses and Permits	1,398,379	1,398,379	1,871,441	473,062
Grants and Intergovernmental	2,616,420	2,616,420	3,535,923	919,503
Charges for Services	6,497,189	6,497,189	6,170,103	(327,086)
Fines and Forfeitures	444,671	444,671	197,236	(247,435)
Investment Earnings (Loss)	750,000	750,000	(930,089)	(1,680,089)
Miscellaneous	1,113,061	1,113,061	714,775	(398,286)
Sale of Capital Assets	-	-	7,492	7,492
Total Revenues	<u>49,566,630</u>	<u>49,566,630</u>	<u>51,413,960</u>	<u>1,847,330</u>
EXPENDITURES				
General Government	13,849,476	13,854,386	13,894,576	(40,190)
Public Safety	14,972,856	14,972,856	14,683,744	289,112
Streets and Fleet	3,681,385	3,761,639	3,745,726	15,913
Parks and Recreation	7,400,225	7,974,674	7,900,955	73,719
Community Development	2,723,552	2,723,552	2,301,518	422,034
Total Expenditures	<u>42,627,494</u>	<u>43,287,107</u>	<u>42,526,519</u>	<u>760,588</u>
Excess of Revenues Over Expenditures	<u>6,939,136</u>	<u>6,279,523</u>	<u>8,887,441</u>	<u>2,607,918</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	256,000	256,000	306,000	50,000
Transfers Out	(200,000)	(222,424)	(222,424)	-
Total Other Financing Sources (Uses)	<u>56,000</u>	<u>33,576</u>	<u>83,576</u>	<u>50,000</u>
Net Change in Fund Balance	<u>\$ 6,995,136</u>	<u>\$ 6,313,099</u>	8,971,017	<u>\$ 2,657,918</u>
Fund Balance--January 1			<u>50,394,551</u>	
Fund Balance--December 31			<u>\$ 59,365,568</u>	

CITY OF BRIGHTON, COLORADO
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)*
DECEMBER 31, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.83%	0.85%	0.75%	0.80%	0.87%	0.92%	0.92%	0.89%
Employer's proportion of the net pension liability (asset)	\$ (4,497,098)	\$ (1,840,087)	\$ (424,453)	\$ 1,010,168	\$ (1,257,827)	\$ 333,079	\$ (16,218)	\$ (934,282)
Employer's covered payroll	\$ 6,691,216	\$ 6,449,721	\$ 5,188,357	\$ 4,949,607	\$ 4,553,362	\$ 4,074,515	\$ 4,067,067	\$ 3,616,646
Employer's proportion of the net pension liability (asset) as a percentage of its covered payroll	-67.21%	-28.53%	-8.18%	20.41%	-27.62%	8.17%	-0.40%	-25.83%
Plan fiduciary net position as a percentage of the total pension liability	106.70%	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%	106.80%

* Information presented in this schedule has been determined as of the City's measurement date (December 31 of the year prior to the most recent fiscal year-end) of the net pension liability in accordance with GASB Statement No. 68. Information determined under the provisions of GASB 68 is not available for years prior to 2014, in future reports, additional years will be added until 10 years of historical data are presented.

CITY OF BRIGHTON, COLORADO
SCHEDULE OF EMPLOYER CONTRIBUTIONS*
DECEMBER 31, 2022

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 622,789	\$ 586,301	\$ 544,673	\$ 442,511	\$ 425,329	\$ 395,604	\$ 355,996	\$ 357,826	\$ 321,048
Contributions in relation to the statutorily required contribution	<u>622,789</u>	<u>586,301</u>	<u>544,673</u>	<u>442,511</u>	<u>425,329</u>	<u>395,604</u>	<u>355,996</u>	<u>357,826</u>	<u>321,048</u>
Contribution deficiency (excess)	<u>\$ -</u>								
Employer's covered payroll	\$ 6,807,350	\$ 6,691,216	\$ 6,449,721	\$ 5,188,357	\$ 4,949,607	\$ 4,553,362	\$ 4,074,515	\$ 4,067,067	\$ 3,613,646
Contributions as a percentage of covered payroll	9.15%	8.76%	8.44%	8.53%	8.59%	8.69%	8.74%	8.80%	8.88%

Notes to the Required Supplementary Information

Changes of assumptions

1. The price inflation assumption was lowered to 2.50% from 3.00% in 2018.
2. Effective January 1, 2016, the post-retirement mortality assumption for healthy lives was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for blue collar employees with scale BB.
3. Beginning in 2015, members elected to increase member contribution rates 0.50% annually through 2022 when the contribution rate will reach 12.00%.
4. Employer contribution rates were 8.00% from 2014 through 2020. Employer contribution rates will increase 0.50% annually through 2028 when the employer contribution rate will reach 12.00%.

Changes of benefits

1. Effective January 1, 2021, a member may 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).

*Information determined under the provisions of GASB 68 is not available for years prior to 2013. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the City's most recent fiscal year-end (December 31) in accordance with GASB Statement No. 68.

**OTHER SUPPLEMENTARY
INFORMATION**

**COMBINING STATEMENTS AND
BUDGETARY COMPARISON SCHEDULES
BY FUND**



NONMAJOR GOVERNMENTAL FUNDS - DESCRIPTIONS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenue sources that are legally restricted to be used for specific purposes. The following special revenues funds are included in this section of the report:

- Landscaping Fund - To account for developer contributions for maintaining the greenbelt on the perimeter of a newly built subdivision.
- Lottery Fund – To account for funding received through the State of Colorado's Conservation Trust Fund.
- Cemetery Fund – To account for the cemetery revenues restricted for maintenance of the City's two cemeteries.
- Highway Fund – To account for funds received through an intergovernmental agreement with the Colorado Department of Transportation.
- Lodging Tax – To account for revenues received through a voter approved tax on short term lodging within the City.
- Impact Fees – To account for fees collected through development that are designated for use on projects as defined in the City's Municipal Code.

Permanent Fund – Cemetery Perpetual Care

This fund is used to account for fees collected from lot sales that are to be used for the perpetual maintenance needs of the cemeteries.

CITY OF BRIGHTON, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2022

	SPECIAL REVENUE FUNDS							PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETERY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL CARE FUND		
ASSETS									
Cash and Investments	\$ 688,039	\$ 244,735	\$ 340,035	\$ 519,704	\$ 483,843	\$ 12,440,868	\$ 2,086,316	\$ 16,803,540	
Accounts Receivable	-	-	119,382	-	2,465	-	-	121,847	
Taxes Receivable	-	-	-	-	30,960	-	-	30,960	
Total Assets	\$ 688,039	\$ 244,735	\$ 459,417	\$ 519,704	\$ 517,268	\$ 12,440,868	\$ 2,086,316	\$ 16,956,347	
LIABILITIES									
Accounts Payable	-	-	3,425	1,085	-	88,206	-	92,716	
Accrued Wages Payable	-	-	6,623	-	-	-	-	6,623	
Deposits and Escrows	666,600	-	19,000	-	-	1,360,120	-	2,045,720	
Total Liabilities	666,600	-	29,048	1,085	-	1,448,326	-	2,145,059	
FUND BALANCES									
Restricted	-	244,735	17,560	518,619	517,268	-	-	1,298,182	
Committed	21,439	-	412,809	-	-	10,992,542	2,086,316	13,513,106	
Total Fund Balances	21,439	244,735	430,369	518,619	517,268	10,992,542	2,086,316	14,811,288	
Total Liabilities and Fund Balances	\$ 688,039	\$ 244,735	\$ 459,417	\$ 519,704	\$ 517,268	\$ 12,440,868	\$ 2,086,316	\$ 16,956,347	

CITY OF BRIGHTON, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2022

	SPECIAL REVENUE FUNDS							PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETERY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL CARE FUND		
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 465,916	\$ -	\$ -	\$ -	\$ 465,916
Grants and Intergovernmental Charges for Services	-	473,523	-	-	-	-	-	-	473,523
Investment Earnings (Loss)	(9,715)	(9,985)	483,352	(11,611)	(4,087)	4,322,104	112,970	(37,121)	4,918,426
Miscellaneous/Other	-	-	32,200	-	-	-	-	-	32,200
Total Revenues	<u>(9,715)</u>	<u>463,538</u>	<u>513,013</u>	<u>(11,611)</u>	<u>461,829</u>	<u>4,085,885</u>	<u>75,849</u>	<u>-</u>	<u>5,578,788</u>
EXPENDITURES									
Current									
General Government	-	-	-	-	265,085	194,797	-	-	459,882
Cemetery	-	-	585,334	-	-	-	-	-	585,334
Capital Outlay	-	320,874	-	100,754	-	-	-	-	421,628
Total Expenditures	<u>-</u>	<u>320,874</u>	<u>585,334</u>	<u>100,754</u>	<u>265,085</u>	<u>194,797</u>	<u>-</u>	<u>-</u>	<u>1,466,844</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,715)</u>	<u>142,664</u>	<u>(72,321)</u>	<u>(112,365)</u>	<u>196,744</u>	<u>3,891,088</u>	<u>75,849</u>	<u>-</u>	<u>4,111,944</u>
OTHER FINANCING SOURCES (USES)									
Transfers In	-	-	222,424	-	-	-	1,000	-	223,424
Transfers Out	(6,000)	(250,000)	(1,000)	-	(50,000)	(2,646,370)	-	-	(2,953,370)
Total Other Financing Sources (Uses)	<u>(6,000)</u>	<u>(250,000)</u>	<u>221,424</u>	<u>-</u>	<u>(50,000)</u>	<u>(2,646,370)</u>	<u>1,000</u>	<u>-</u>	<u>(2,729,946)</u>
Net Change in Fund Balances	<u>(15,715)</u>	<u>(107,336)</u>	<u>149,103</u>	<u>(112,365)</u>	<u>146,744</u>	<u>1,244,718</u>	<u>76,849</u>	<u>-</u>	<u>1,381,998</u>
Fund Balances--January 1	<u>37,154</u>	<u>352,071</u>	<u>281,266</u>	<u>630,984</u>	<u>370,524</u>	<u>9,747,824</u>	<u>2,009,467</u>	<u>-</u>	<u>13,429,290</u>
Fund Balances--December 31	<u>\$ 21,439</u>	<u>\$ 244,735</u>	<u>\$ 430,369</u>	<u>\$ 518,619</u>	<u>\$ 517,268</u>	<u>\$ 10,992,542</u>	<u>\$ 2,086,316</u>	<u>\$ -</u>	<u>\$ 14,811,288</u>

CITY OF BRIGHTON, COLORADO
LANDSCAPING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Investment Earnings (Loss)	\$ -	\$ -	\$ (9,715)	\$ (9,715)
Total Revenues	<u>-</u>	<u>-</u>	<u>(9,715)</u>	<u>(9,715)</u>
OTHER FINANCING USES				
Transfers Out	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>-</u>
Total Other Financing Uses	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (6,000)</u>	<u>\$ (6,000)</u>	(15,715)	<u>\$ (9,715)</u>
Fund Balance--January 1			<u>37,154</u>	
Fund Balance--December 31			<u>\$ 21,439</u>	

CITY OF BRIGHTON, COLORADO
LOTTERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Intergovernmental	\$ 419,333	\$ 419,333	\$ 473,523	\$ 54,190
Investment Earnings (Loss)	10,000	10,000	(9,985)	(19,985)
Total Revenues	<u>429,333</u>	<u>429,333</u>	<u>463,538</u>	<u>34,205</u>
EXPENDITURES				
Capital Outlay	459,540	459,540	320,874	138,666
Total Expenditures	<u>459,540</u>	<u>459,540</u>	<u>320,874</u>	<u>138,666</u>
Excess of Revenues Over Expenditures	<u>(30,207)</u>	<u>(30,207)</u>	<u>142,664</u>	<u>172,871</u>
OTHER FINANCING USES				
Transfers Out	(250,000)	(250,000)	(250,000)	-
Total Other Financing Uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (280,207)</u>	<u>\$ (280,207)</u>	(107,336)	<u>\$ 172,871</u>
Fund Balance--January 1			<u>352,071</u>	
Fund Balance--December 31			<u>\$ 244,735</u>	

CITY OF BRIGHTON, COLORADO
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Charges for Services	\$ 300,000	\$ 300,000	\$ 483,352	\$ 183,352
Investment Earnings (Loss)	5,000	5,000	(2,539)	(7,539)
Miscellaneous	-	-	32,200	32,200
Total Revenues	<u>305,000</u>	<u>305,000</u>	<u>513,013</u>	<u>208,013</u>
EXPENDITURES				
Salaries and Wages	310,417	310,417	294,283	16,134
Contracted Services	21,073	21,073	38,081	(17,008)
Supplies and Materials	210,302	272,726	252,970	19,756
Total Expenditures	<u>541,792</u>	<u>604,216</u>	<u>585,334</u>	<u>18,882</u>
Deficiency of Revenues Under Expenditures	<u>(236,792)</u>	<u>(299,216)</u>	<u>(72,321)</u>	<u>226,895</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	200,000	200,000	222,424	22,424
Transfers Out	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>199,000</u>	<u>199,000</u>	<u>221,424</u>	<u>22,424</u>
Net Change in Fund Balance	<u>\$ (37,792)</u>	<u>\$ (100,216)</u>	149,103	<u>\$ 249,319</u>
Fund Balance--January 1			<u>281,266</u>	
Fund Balance--December 31			<u>\$ 430,369</u>	

CITY OF BRIGHTON, COLORADO
HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Investment Earnings (Loss)	\$ 4,750	\$ 4,750	\$ (11,611)	\$ (16,361)
Total Revenues	<u>4,750</u>	<u>4,750</u>	<u>(11,611)</u>	<u>(16,361)</u>
EXPENDITURES				
Operating	125,000	125,000	100,754	24,246
Total Expenditures	<u>125,000</u>	<u>125,000</u>	<u>100,754</u>	<u>24,246</u>
Net Change in Fund Balance	<u>\$ (120,250)</u>	<u>\$ (120,250)</u>	(112,365)	<u>\$ 7,885</u>
Fund Balance--January 1			<u>630,984</u>	
Fund Balance--December 31			<u>\$ 518,619</u>	

CITY OF BRIGHTON, COLORADO
LODGING TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Lodging Tax	\$ 300,000	\$ 300,000	\$ 465,916	\$ 165,916
Investment Earnings (Loss)	12,500	12,500	(4,087)	(16,587)
Total Revenues	<u>312,500</u>	<u>312,500</u>	<u>461,829</u>	<u>149,329</u>
EXPENDITURES				
Operating	46,335	46,335	46,335	-
Contracted Services	3,750	3,750	3,750	-
Grants	<u>250,000</u>	<u>265,000</u>	<u>215,000</u>	<u>50,000</u>
Total Expenditures	<u>300,085</u>	<u>315,085</u>	<u>265,085</u>	<u>50,000</u>
Deficiency of Revenues Under Expenditures	<u>12,415</u>	<u>(2,585)</u>	<u>196,744</u>	<u>199,329</u>
OTHER FINANCING USES				
Transfers Out	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>50,000</u>
	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>50,000</u>
Net Change in Fund Balance	<u>\$ 12,415</u>	<u>\$ (2,585)</u>	146,744	<u>\$ 249,329</u>
Fund Balance--January 1			<u>370,524</u>	
Fund Balance--December 31			<u>\$ 517,268</u>	

CITY OF BRIGHTON, COLORADO
IMPACT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE--BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Charges for Services	\$ 1,000,000	\$ 1,000,000	\$ 4,322,104	\$ 3,322,104
Investment Earnings (Loss)	100,000	100,000	(236,219)	(336,219)
Total Revenues	<u>1,100,000</u>	<u>1,100,000</u>	<u>4,085,885</u>	<u>2,985,885</u>
EXPENDITURES				
Developer Reimbursements	<u>300,000</u>	<u>300,000</u>	<u>194,797</u>	<u>105,203</u>
Total Expenditures	<u>300,000</u>	<u>300,000</u>	<u>194,797</u>	<u>105,203</u>
Excess of Revenues Over Expenditures	<u>800,000</u>	<u>800,000</u>	<u>3,891,088</u>	<u>3,091,088</u>
OTHER FINANCING USES				
Transfers Out	<u>(2,646,370)</u>	<u>(2,646,370)</u>	<u>(2,646,370)</u>	<u>-</u>
Total Other Financing Uses	<u>(2,646,370)</u>	<u>(2,646,370)</u>	<u>(2,646,370)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (1,846,370)</u>	<u>\$ (1,846,370)</u>	1,244,718	<u>\$ 3,091,088</u>
Fund Balance--January 1			<u>9,747,824</u>	
Fund Balance--December 31			<u>\$ 10,992,542</u>	

CITY OF BRIGHTON, COLORADO
CEMETERY PERPETUAL CARE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Charges for Services	\$ 50,000	\$ 50,000	\$ 112,970	\$ 62,970
Investment Earnings (Loss)	10,000	10,000	(37,121)	(47,121)
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>75,849</u>	<u>15,849</u>
OTHER FINANCING SOURCES				
Transfers In	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 61,000</u>	<u>\$ 61,000</u>	76,849	<u>\$ 15,849</u>
Fund Balance--January 1			<u>2,009,467</u>	
Fund Balance--December 31			<u>\$ 2,086,316</u>	

CAPITAL PROJECTS FUNDS – DESCRIPTIONS

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition or construction of major capital facilities other than those financed by the City's enterprise funds. The City reports the following two Capital Projects Funds, both of which are considered major funds:

- Capital Improvement Fund – To account for the acquisition and construction of general capital projects not accounted for in other capital projects or enterprise funds. The projects in the fund are financed in part by a voter approved sales tax as well as transfers from the General Fund and Impact Fees Fund.
- Parks and Recreation Capital Improvement Fund – To account for the acquisition and construction of parks and recreation capital projects. The projects in the fund are financed primarily by a voter approved sales tax.

The financial statements for these funds are included in the basic financial statements. This section of the report includes the budgetary comparison schedules for these funds.

CITY OF BRIGHTON, COLORADO
CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Taxes				
Sales	\$ 6,808,406	\$ 6,808,406	\$ 7,266,258	\$ 457,852
Franchise	360,608	360,608	354,046	(6,562)
Other	31,766	31,766	34,969	3,203
Total Taxes	<u>7,200,780</u>	<u>7,200,780</u>	<u>7,655,273</u>	<u>454,493</u>
Grants and Intergovernmental	7,275,073	7,651,561	2,398,791	(5,252,770)
Investment Earnings (Loss)	200,000	200,000	(732,146)	(932,146)
Developer Contributions	-	-	262,500	262,500
Miscellaneous	3,000,000	3,000,000	5,566,371	2,566,371
Sale of Capital Assets	-	-	161,077	161,077
Total Revenues	<u>17,675,853</u>	<u>18,052,341</u>	<u>15,311,866</u>	<u>(2,740,475)</u>
EXPENDITURES				
Capital Outlay				
General Government	1,676,403	1,897,164	1,475,487	421,677
Public Safety	95,000	95,000	248,343	(153,343)
Streets and Fleet	11,823,587	13,995,740	7,821,993	6,173,747
Parks and Recreation	150,000	150,000	81,333	68,667
Community Development	109,220	109,220	56,591	52,629
Budget Contingency	200,000	200,000	-	200,000
Debt Service				
Principal	769,344	769,344	829,749	(60,405)
Interest	350,025	350,025	289,621	60,404
Bond Fees	-	-	1,700	(1,700)
Total Expenditures	<u>15,173,579</u>	<u>17,566,493</u>	<u>10,804,817</u>	<u>6,761,676</u>
Excess of Revenues Over Expenditures	<u>2,502,274</u>	<u>485,848</u>	<u>4,507,049</u>	<u>4,021,201</u>
OTHER FINANCING SOURCES				
Transfers In	2,540,000	1,995,000	1,995,000	-
Transfers Out	-	(10,444,588)	-	10,444,588
Total Other Financing Sources	<u>2,540,000</u>	<u>(8,449,588)</u>	<u>1,995,000</u>	<u>10,444,588</u>
Net Change in Fund Balance	<u>\$ 5,042,274</u>	<u>\$ (7,963,740)</u>	6,502,049	<u>\$ 14,465,789</u>
Fund Balance--January 1			<u>29,033,424</u>	
Fund Balance--December 31			<u>\$ 35,535,473</u>	

CITY OF BRIGHTON, COLORADO
PARKS AND RECREATION CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Sales Taxes	\$ 4,941,054	\$ 4,941,054	\$ 5,247,011	\$ 305,957
Grants and Intergovernmental	6,643,049	6,643,049	707,805	(5,935,244)
Investment Earnings (Loss)	100,000	100,000	(364,170)	(464,170)
Miscellaneous	173,695	173,695	169,378	(4,317)
Total Revenues	<u>11,857,798</u>	<u>11,857,798</u>	<u>5,760,024</u>	<u>(6,097,774)</u>
EXPENDITURES				
Capital Outlay	16,327,572	16,641,532	8,797,184	7,844,348
Budget Contingency	200,000	200,000	-	200,000
Debt Service				
Principal	580,984	580,984	700,685	(119,701)
Interest	640,627	640,627	520,925	119,702
Bond Fees	-	-	1,650	(1,650)
Total Expenditures	<u>17,749,183</u>	<u>18,063,143</u>	<u>10,020,444</u>	<u>8,042,699</u>
Deficiency of Revenues Under Expenditures	<u>(5,891,385)</u>	<u>(6,205,345)</u>	<u>(4,260,420)</u>	<u>1,944,925</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,063,700	651,370	651,370	-
Total Other Financing Sources (Uses)	<u>1,063,700</u>	<u>651,370</u>	<u>651,370</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (4,827,685)</u>	<u>\$ (5,553,975)</u>	<u>(3,609,050)</u>	<u>\$ 1,944,925</u>
Fund Balance--January 1			<u>19,432,238</u>	
Fund Balance-December 31			<u>\$ 15,823,188</u>	

ENTERPRISE FUNDS – DESCRIPTIONS

Enterprise funds are used to account for activities managed as a business with rates and fees intended to fund operational and capital expenses of the activity. The City reports the following three enterprise funds, all of which are considered major funds:

- Water Fund – To account for the revenues and expenses associated with providing water service to customers.
- Wastewater Fund – To account for the revenues and expenses associated with the processing and treatment of wastewater for customers.
- Storm Drainage Fund – To account for revenues and expenses associated with providing storm water services to customers.

The financial statements for these funds are included in the basic financial statements. This section of the report includes the budgetary comparison schedules for these funds.

CITY OF BRIGHTON, COLORADO
WATER FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION --
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 12,750,583	\$ 12,750,583	\$ 15,461,378	\$ 2,710,795
Tap Fees	101,500	101,500	133,367	31,867
Miscellaneous	70,159,862	70,159,862	202,408	(69,957,454)
Total Operating Revenues	<u>83,011,945</u>	<u>83,011,945</u>	<u>15,797,153</u>	<u>(67,214,792)</u>
OPERATING EXPENSES				
Operations	13,092,458	15,891,969	13,722,952	2,169,017
Administration	3,566,157	3,566,157	4,001,466	(435,309)
Principal	967,854	967,854	1,020,301	(52,447)
Interest Expense and Fees	719,093	719,093	2,565,597	(1,846,504)
Total Operating Expenses	<u>18,345,562</u>	<u>21,145,073</u>	<u>21,310,316</u>	<u>(165,243)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	700,000	700,000	48,499	(651,501)
Capital Outlay	(33,404,918)	(32,013,530)	(14,437,030)	17,576,500
Grants	-	-	65,513	65,513
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Expenses	<u>(32,904,918)</u>	<u>(31,513,530)</u>	<u>(14,323,018)</u>	<u>17,190,512</u>
Loss Before Capital Contributions and Transfers	31,761,465	30,353,342	(19,836,181)	(50,189,523)
Capital Contributions	<u>8,000,000</u>	<u>8,000,000</u>	<u>17,398,916</u>	<u>9,398,916</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ 39,761,465</u>	<u>\$ 38,353,342</u>	(2,437,265)	<u>\$ (40,790,607)</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			14,437,030	
Long Term Debt Adjustments			1,020,301	
Contributed Capital Assets			3,434,662	
Depreciation			(5,997,572)	
Change in Net Position, GAAP Basis			<u>10,457,156</u>	
Net Position--January 1			<u>141,724,185</u>	
Net Position--December 31			<u>\$ 152,181,341</u>	

CITY OF BRIGHTON, COLORADO
WASTEWATER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
OPERATING REVENUES				
Charges for Services	\$ 6,614,376	\$ 6,614,376	\$ 8,521,845	\$ 1,907,469
Miscellaneous	49,000	49,000	61,981	12,981
Total Operating Revenues	<u>6,663,376</u>	<u>6,663,376</u>	<u>8,583,826</u>	<u>1,920,450</u>
OPERATING EXPENSES				
Operations	6,225,022	6,225,022	5,948,565	276,457
Administration	2,409,530	2,409,530	2,441,052	(31,522)
Principal	230,184	230,184	247,234	(17,050)
Interest Expense and Fees	224,487	224,487	195,402	29,085
Total Operating Expenses	<u>9,089,223</u>	<u>9,089,223</u>	<u>8,832,253</u>	<u>256,970</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	311,238	311,238	(418,916)	(730,154)
Capital Outlay	(894,413)	(1,353,997)	(847,710)	506,287
Loss on Sale of Capital Assets	-	-	(5,179)	(5,179)
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Expenses	<u>(783,175)</u>	<u>(1,242,759)</u>	<u>(1,271,805)</u>	<u>(29,046)</u>
Income (Loss) Before Capital Contributions and Transfers	(3,209,022)	(3,668,606)	(1,520,232)	2,148,374
Capital Contributions	<u>300,000</u>	<u>300,000</u>	<u>488,853</u>	<u>188,853</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (2,909,022)</u>	<u>\$ (3,368,606)</u>	(1,031,379)	<u>\$ 2,337,227</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			847,710	
Long Term Debt Adjustments			247,234	
Contributed Capital Assets			2,573,123	
Depreciation			(1,669,601)	
Change in Net Position, GAAP Basis			<u>967,087</u>	
Net Position--January 1			<u>36,624,119</u>	
Net Position--December 31			<u>\$ 37,591,206</u>	

CITY OF BRIGHTON, COLORADO
STORM DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 922,900	\$ 922,900	\$ 1,157,175	\$ 234,275
Miscellaneous	62,175	62,175	51,369	(10,806)
Total Operating Revenues	<u>985,075</u>	<u>985,075</u>	<u>1,208,544</u>	<u>223,469</u>
OPERATING EXPENSES				
Operations	450,257	450,257	432,394	17,863
Administration	489,494	489,494	382,110	107,384
Total Operating Expenses	<u>939,751</u>	<u>939,751</u>	<u>814,504</u>	<u>125,247</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	100,000	100,000	2,567	(97,433)
Capital Outlay	(4,952,775)	(4,952,775)	(4,517,018)	435,757
Developer Reimbursements	(300,000)	(1,570,000)	(325,180)	1,244,820
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Expenses	<u>(5,352,775)</u>	<u>(6,622,775)</u>	<u>(4,839,631)</u>	<u>1,783,144</u>
Loss Before Capital Contributions and Transfers	(5,307,451)	(6,577,451)	(4,445,591)	2,131,860
Capital Contributions	<u>800,000</u>	<u>800,000</u>	<u>1,576,221</u>	<u>776,221</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (4,507,451)</u>	<u>\$ (5,777,451)</u>	(2,869,370)	<u>\$ 2,908,081</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			4,517,018	
Contributed Capital Assets			3,067,007	
Depreciation			(1,293,184)	
Change in Net Position, GAAP Basis			<u>3,421,471</u>	
Net Position--January 1			<u>24,041,802</u>	
Net Position--December 31			<u>\$ 27,463,273</u>	

INTERNAL SERVICE FUNDS - DESCRIPTIONS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies within the government on a cost-reimbursement basis. The City's Internal Service Funds account for the following services:

- Benefits Fund - To account for the allocation of costs associated with employee insurance plans and other benefits provided to City employees.
- Fleet Fund - To account for the centralized maintenance of all city-owned vehicles.

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2022

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL
CURRENT ASSETS			
Cash and Investments	\$ 3,990,217	\$ 5,054	\$ 3,995,271
Accounts Receivable	1,616	64,628	66,244
Inventories	-	64,134	64,134
Total Current Assets	<u>3,991,833</u>	<u>133,816</u>	<u>4,125,649</u>
LIABILITIES			
Accounts Payable	354,503	22,858	377,361
Due to Other Funds	-	45,000	45,000
Accrued Wages Payable	-	17,502	17,502
Estimated Unpaid Claims	316,000	-	316,000
Compensated Absences, Current Portion	-	38,586	38,586
Total Current Liabilities	<u>670,503</u>	<u>123,946</u>	<u>794,449</u>
Noncurrent Liabilities			
Compensated Absences, Long Term Portion	-	7,350	7,350
Total Noncurrent Liabilities	<u>-</u>	<u>7,350</u>	<u>7,350</u>
Total Liabilities	<u>\$ 670,503</u>	<u>\$ 131,296</u>	<u>\$ 801,799</u>
NET POSITION			
Unrestricted	<u>3,321,330</u>	<u>2,520</u>	<u>3,323,850</u>
Total Net Position	<u>\$ 3,321,330</u>	<u>\$ 2,520</u>	<u>\$ 3,323,850</u>

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2022

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 4,970,640	\$ 233,172	\$ 5,203,812
Miscellaneous	1,847	-	1,847
Total Operating Revenues	<u>4,972,487</u>	<u>233,172</u>	<u>5,205,659</u>
OPERATING EXPENSES			
Insurance Claims	3,661,251	-	3,661,251
Insurance Premiums	1,113,001	-	1,113,001
Professional Services	296,671	370,335	667,006
Administration	-	38,884	38,884
Vehicle Repairs	-	12,914	12,914
Miscellaneous	1,434	-	1,434
Total Operating Expenses	<u>5,072,357</u>	<u>422,133</u>	<u>5,494,490</u>
Operating Income	(99,870)	(188,961)	(288,831)
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings (Loss)	(68,705)	(2,826)	(71,531)
Nonoperating Income	<u>(68,705)</u>	<u>(2,826)</u>	<u>(71,531)</u>
Change in net position	<u>(168,575)</u>	<u>(191,787)</u>	<u>(360,362)</u>
Net Position--January 1	<u>3,489,905</u>	<u>194,307</u>	<u>3,684,212</u>
Net Postion--December 31	<u>\$ 3,321,330</u>	<u>\$ 2,520</u>	<u>\$ 3,323,850</u>

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts From Customers	\$ 5,072,259	233,594	\$ 5,305,853
Other Receipts (Payments)	1,847	(56,459)	(54,612)
Payments to Suppliers and Service Providers	(4,843,662)	(367,703)	(5,211,365)
Net Cash Provided By (Used in) Operating Activities	<u>230,444</u>	<u>(190,568)</u>	<u>39,876</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale (Purchase) of Investment Securities	(68,705)	(2,826)	(71,531)
Net Cash Used In Investing Activities	<u>(68,705)</u>	<u>(2,826)</u>	<u>(71,531)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	161,739	(193,394)	(31,655)
Cash and Cash Equivalents--January 1	3,828,478	198,448	4,026,926
Cash and Cash Equivalents--December 31	<u>\$ 3,990,217</u>	<u>\$ 5,054</u>	<u>\$ 3,995,271</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating Income (Loss)	\$ (99,870)	\$ (188,961)	\$ (288,831)
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used In) Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	101,619	(63,086)	38,533
(Increase) Decrease in Inventories	-	(36,277)	(36,277)
(Increase) Decrease in Prepaids	-	590	590
Increase (Decrease) in Accounts Payable	235,695	10,650	246,345
Increase (Decrease) Due to Other Funds	-	45,000	45,000
Increase in Accrued Wages Payable	-	11,518	11,518
Increase (Decrease) in Unpaid Claims	(7,000)	29,998	22,998
Total Adjustments	<u>330,314</u>	<u>(1,607)</u>	<u>328,707</u>
Net Cash Provided by Operating Activities	<u>\$ 230,444</u>	<u>\$ (190,568)</u>	<u>\$ 39,876</u>

CITY OF BRIGHTON, COLORADO
BENEFITS INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 5,300,000	\$ 5,300,000	\$ 4,970,640	\$ (329,360)
Miscellaneous	-	-	1,847	1,847
Total Operating Revenues	<u>5,300,000</u>	<u>5,300,000</u>	<u>4,972,487</u>	<u>(327,513)</u>
OPERATING EXPENSES				
Insurance Claims	4,025,779	4,025,779	3,661,251	364,528
Insurance Premiums	1,100,000	1,100,000	1,113,001	(13,001)
Professional Services	291,808	291,808	296,671	(4,863)
Miscellaneous	16,995	16,995	1,434	15,561
Total Operating Expenses	<u>5,434,582</u>	<u>5,434,582</u>	<u>5,072,357</u>	<u>362,225</u>
Operating Income	<u>(134,582)</u>	<u>(134,582)</u>	<u>(99,870)</u>	<u>34,712</u>
NONOPERATING REVENUES				
Investment Earnings (Loss)	5,000	5,000	(68,705)	(73,705)
Total Nonoperating Revenues	<u>5,000</u>	<u>5,000</u>	<u>(68,705)</u>	<u>(73,705)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ (129,582)</u>	<u>\$ (129,582)</u>	(168,575)	<u>\$ (38,993)</u>
Net Position--January 1			<u>3,489,905</u>	
Net Position--December 31			<u>\$ 3,321,330</u>	

CITY OF BRIGHTON, COLORADO
FLEET INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
OPERATING REVENUES				
Charges for Services	\$ 758,751	\$ 758,751	\$ 233,172	\$ (525,579)
Total Operating Revenues	<u>758,751</u>	<u>758,751</u>	<u>233,172</u>	<u>(525,579)</u>
OPERATING EXPENSES				
Personnel Services	498,029	498,029	370,335	127,694
Supplies	218,684	218,684	37,958	180,726
Miscellaneous	800	800	926	(126)
Vehicle Maintenance	41,238	41,238	12,914	28,324
Total Operating Expenses	<u>758,751</u>	<u>758,751</u>	<u>422,133</u>	<u>336,618</u>
Operating Income (Loss)	<u>-</u>	<u>-</u>	<u>(188,961)</u>	<u>(188,961)</u>
NONOPERATING REVENUES				
Investment Earnings (Loss)	5,000	5,000	(2,826)	(7,826)
Nonoperating Income	<u>5,000</u>	<u>5,000</u>	<u>(2,826)</u>	<u>(7,826)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ 5,000</u>	<u>\$ 5,000</u>	(191,787)	<u>\$ (196,787)</u>
Net Position--January 1			<u>194,307</u>	
Net Position--December 31			<u>\$ 2,520</u>	

COMPONENT UNITS - DESCRIPTIONS

- Brighton Urban Renewal Authority – BURA, created April 16, 2002, provides redevelopment within the City limits. The City Council appoints the governing board of BURA. One of the BURA commissioners is a member of City Council. The BURA is reliant upon the City to approve projects and receive funding for its projects which include grants and tax increment financing.
- Brighton Cultural Arts Commission – BCAC, created as a not-for profit on March 5, 1996, provides cultural and arts activities to Brighton citizens. The City Council does appoint the Directors and although the City is not required to provide funding to the Organization, they generally do on an annual basis and, therefore, a benefit/burden relationship exists between the City and the BCAC.
- Brighton Economic Development Corporation – BEDC, is a 501c (6) Colorado non-profit organization serving the Greater Brighton Area. BEDC is the primary agent for economic development services. BEDC offers relocation, retention and expansion assistance and support to businesses. BEDC works to expand and diversify the local tax base by facilitating the creation of quality jobs and the attraction of retail development. BEDC encourages responsible, diverse growth and development that enhances Brighton's quality of life as a desirable place to live, work, learn and play.

CITY OF BRIGHTON, COLORADO
COMPONENT UNITS
COMBINING BALANCE SHEET
DECEMBER 31, 2022

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	BRIGHTON ECONOMIC DEVELOPMENT CORPORATION	TOTAL
ASSETS				
Cash and Investments	\$ 5,063,709	\$ 518,662	\$ 297,113	\$ 5,879,484
Restricted Cash and Investments	1,483,578	-	-	1,483,578
Accounts Receivable	1,756	-	9,765	11,521
Taxes Receivable	4,559,939	-	-	4,559,939
Land Held for Sale	1,625,000	-	-	1,625,000
Total Assets	<u>\$ 12,733,982</u>	<u>\$ 518,662</u>	<u>\$ 306,878</u>	<u>\$ 13,559,522</u>
LIABILITIES				
Accounts Payable	\$ 1,447,378	\$ 10,962	\$ 3,697	\$ 1,462,037
Sales Tax Rebate Payable	1,375,592	-	-	1,375,592
Accrued Wages Payable	3,399	-	-	3,399
Accrued Liabilities	-	121,219	-	121,219
Deposits and Escrows	41,189	-	-	41,189
Total Liabilities	<u>2,867,558</u>	<u>132,181</u>	<u>3,697</u>	<u>3,003,436</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned Revenue-Property Taxes	4,559,938	-	-	4,559,938
Total Deferred Inflows of Resources	<u>4,559,938</u>	<u>-</u>	<u>-</u>	<u>4,559,938</u>
FUND BALANCES				
Nonspendable	1,625,000	-	-	1,625,000
Restricted	1,483,578	-	-	1,483,578
Unassigned	2,197,908	386,481	303,181	2,887,570
Total Fund Balances	<u>5,306,486</u>	<u>386,481</u>	<u>303,181</u>	<u>5,996,148</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 12,733,982</u>	<u>\$ 518,662</u>	<u>\$ 306,878</u>	<u>\$ 13,559,522</u>
Amount Reported in the Statement of Net Position is Different:				
Total Fund Balances	\$ 5,306,486	\$ 386,481	\$ 303,181	\$ 5,996,148
Capital Assets, Net of Accumulated				
Depreciation	2,971,346	-	-	2,971,346
Deferred Charge on Refunding	111,919	-	-	111,919
Compensated Absences	(16,071)	-	-	(16,071)
Accrued Interest	(7,048)	-	-	(7,048)
Long-Term Debt	(4,900,000)	-	-	(4,900,000)
Total Net Position	<u>\$ 3,466,632</u>	<u>\$ 386,481</u>	<u>\$ 303,181</u>	<u>\$ 4,156,294</u>

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

CITY OF BRIGHTON, COLORADO
COMPONENT UNITS - COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2022

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	BRIGHTON ECONOMIC DEVELOPMENT CORPORATION	TOTAL
REVENUES				
Sales Tax	\$ 1,026,211	\$ -	\$ -	\$ 1,026,211
Property Tax	5,205,633	-	-	5,205,633
Grants and Intergovernmental	87,540	303,418	100,000	490,958
Charges for Services	96,098	-	46,500	142,598
Investment Earnings (Loss)	(229,719)	(10,450)	192	(239,977)
Miscellaneous	2,350	-	7,037	9,387
Total Revenues	<u>6,188,113</u>	<u>292,968</u>	<u>153,729</u>	<u>6,634,810</u>
EXPENDITURES				
Current				
Personnel Services	167,404	-	-	167,404
Purchased Services	436,909	-	2,500	439,409
Operating Expenses	203,156	298,538	186,753	688,447
Capital Outlay	372,670	-	-	372,670
Tax Rebates and Incentives	3,097,438	-	-	3,097,438
Debt Service				
Principal	880,000	-	-	880,000
Interest and Fiscal Charges	202,300	-	-	202,300
Loan Fees	2,000	-	-	2,000
Total Expenditures	<u>5,361,877</u>	<u>298,538</u>	<u>189,253</u>	<u>5,849,668</u>
Net Change in Fund Balances	826,236	(5,570)	(35,524)	785,142
Fund Balances--January 1	<u>4,480,250</u>	<u>392,051</u>	<u>338,705</u>	<u>5,211,006</u>
Fund Balances--December 31	<u>\$ 5,306,486</u>	<u>\$ 386,481</u>	<u>\$ 303,181</u>	<u>\$ 5,996,148</u>
Amount Reported In the Statement of Activities is Different:				
Net Change in Fund Balances	\$ 826,236	\$ (5,570)	\$ (35,524)	\$ 785,142
Change in Accrued Interest	9,579	-	-	9,579
Depreciation Expense	(226,075)	-	-	(226,075)
Loss on Sale of Asset	39,176	-	-	39,176
Debt Principal Payments	880,000	-	-	880,000
Change in Accrued Compensated Absences	(2,670)	-	-	(2,670)
Amortization of Loss on Refunding	(24,823)	-	-	(24,823)
Change in Net Position	<u>\$ 1,501,423</u>	<u>\$ (5,570)</u>	<u>\$ (35,524)</u>	<u>\$ 1,460,329</u>

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

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STATISTICAL SECTION



**CITY OF BRIGHTON, COLORADO
STATISTICAL SECTION
DECEMBER 31, 2022**

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**Table 1. Net Position By Component
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in capital assets	\$ 88,599	\$ 87,903	\$ 90,489	\$ 86,601	\$ 94,990	\$ 98,819	\$ 102,396	\$ 122,195	\$ 115,983	\$ 126,113
Restricted	12,544	12,720	15,869	26,569	26,575	25,486	16,325	17,758	36,138	19,476
Unrestricted	18,920	23,641	25,707	32,960	32,961	43,836	65,700	76,552	79,379	110,370
Total governmental activities net position	\$ 120,063	\$ 124,264	\$ 132,065	\$ 146,130	\$ 154,526	\$ 168,141	\$ 184,421	\$ 216,505	\$ 231,500	\$ 255,959
Business-type Activities										
Net Investment in capital assets	\$ 97,800	\$ 95,536	\$ 98,864	\$ 102,032	\$ 110,314	\$ 126,259	\$ 114,966	\$ 133,669	\$ 145,886	\$ 166,979
Restricted	-	-	-	-	-	190	155	-	-	-
Unrestricted	46,551	52,342	57,016	61,261	65,549	61,461	69,654	64,860	56,504	50,257
Total business-type activities net position	\$ 144,351	\$ 147,878	\$ 155,880	\$ 163,293	\$ 175,863	\$ 187,910	\$ 184,775	\$ 198,529	\$ 202,390	\$ 217,236
Primary Government										
Net Investment in capital assets	\$ 186,399	\$ 183,439	\$ 189,353	\$ 188,633	\$ 205,304	\$ 225,078	\$ 217,362	\$ 255,864	\$ 261,869	\$ 293,092
Restricted	12,544	12,720	15,869	26,569	26,575	25,676	16,480	17,758	36,138	19,476
Unrestricted	65,471	75,983	82,723	94,221	98,510	105,297	135,354	141,412	135,883	160,627
Total primary government net position	\$ 264,414	\$ 272,142	\$ 287,945	\$ 309,423	\$ 330,389	\$ 356,051	\$ 369,196	\$ 415,034	\$ 433,890	\$ 473,195

SOURCE: Current and prior year's financial statements

**Table 2. Changes In Net Position
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities:										
General Government	\$ 8,512	\$ 10,552	\$ 10,649	\$ 11,035	\$ 11,550	\$ 11,337	\$ 16,251	\$ 18,529	\$ 16,123	\$ 15,100
Public Safety	7,985	8,650	9,494	10,649	12,642	11,362	12,866	14,509	15,100	14,634
Streets and Fleet	8,503	7,057	8,842	9,289	11,869	10,275	11,546	9,482	15,720	16,721
Parks and Recreation	6,242	7,633	7,924	8,024	9,296	9,458	9,080	10,096	10,527	11,826
Cemetery	377	313	380	456	515	581	506	554	785	650
Community Development	1,362	1,441	1,903	1,941	2,407	3,107	2,416	2,483	2,177	2,320
Interest on long-term debt	1,652	1,765	1,594	1,658	1,909	1,710	1,661	1,895	646	797
Total governmental activities expenses	34,633	37,411	40,786	43,052	50,188	47,830	54,326	57,548	61,078	62,048
Business-type Activities:										
Water	11,410	11,762	11,768	13,305	13,979	14,750	17,858	21,293	20,940	26,287
Waste Water	4,449	4,627	4,756	5,209	9,837	6,501	7,592	8,017	8,200	10,255
Storm Drainage	1,140	971	1,011	1,153	1,778	1,708	2,270	2,239	2,024	2,433
Total business-type activities expenses	16,999	17,360	17,535	19,667	25,594	22,959	27,720	31,549	31,164	38,975
Total primary governmental expenses	51,632	54,771	58,321	62,719	75,782	70,789	82,046	89,097	92,242	101,023
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	809	925	682	729	1,465	870	3,046	4,850	4,942	\$ 4,200
Public Safety	622	638	164	247	208	614	731	485	394	261
Streets and Fleet	666	463	454	509	1,121	1,379	1,704	1,373	634	1,178
Parks and Recreation	1,539	1,833	1,522	1,696	2,245	1,526	1,338	1,184	1,092	4,295
Cemetery	306	262	254	397	412	347	317	493	443	596
Community Development	1,910	801	1,271	1,239	1,353	2,650	3,125	2,090	2,017	2,600
Operating grants and contributions	1,595	5,276	2,355	3,376	5,361	2,712	3,425	7,738	5,480	7,378
Capital grants and contributions	4,901	1,920	8,556	5,527	12,709	7,730	9,519	22,400	6,422	8,521
Total governmental activity revenues	12,348	12,118	15,258	13,720	24,874	17,828	23,205	40,613	21,424	29,029
Business-type activities:										
Charges for services										
Water	8,244	8,820	10,023	11,664	14,261	14,028	13,030	12,260	13,543	15,461
Waste Water	4,839	5,690	4,993	6,843	7,435	7,960	8,159	6,803	7,975	8,523
Storm Drainage	843	595	507	613	733	816	862	749	928	1,157
Operating grants and contributions	-	-	-	-	-	107	115	129	90	133
Capital grants and contributions	6,636	5,388	9,651	7,016	15,081	10,730	11,903	23,227	12,491	28,604
Total business-type activities revenues	20,562	20,493	25,174	26,136	37,510	33,641	34,069	43,168	35,027	53,878
Total primary government revenues	32,910	32,611	40,432	39,856	62,384	51,469	57,274	83,781	56,451	82,907
Net (Expense)/Revenue										
Governmental activities	(22,285)	(25,293)	(25,528)	(29,332)	(25,314)	(30,002)	(31,121)	(16,935)	(39,654)	(33,019)
Business-type activities	3,563	3,133	7,639	6,469	11,916	10,682	6,349	11,619	3,863	14,903
Total primary government net	(18,722)	(22,160)	(17,889)	(22,863)	(13,398)	(19,320)	(24,772)	(5,316)	(35,791)	(18,116)
General Revenues and Changes in Net Position										
Governmental activities:										
Taxes	25,142	28,812	30,668	42,086	33,183	38,084	41,674	42,951	47,025	53,215
Unrestricted grants and contributions	269	-	-	-	-	-	-	-	-	-
Investment earnings	1	551	1,072	684	522	1,166	1,914	2,114	(463)	(2,409)
Sale of capital assets	-	-	-	-	-	120	33	85	-	168
Miscellaneous	208	156	508	628	5	2,653	4,387	3,869	8,087	6,503
Transfers	(4)	(25)	-	-	-	-	(607)	-	-	-
Total governmental activities	25,616	29,494	32,248	43,398	33,710	42,023	47,401	49,019	54,649	57,477
Business-type activities:										
Investment income	140	138	267	510	431	931	1,683	1,825	(272)	(368)
Sale of capital assets	-	-	-	-	-	-	42	(9)	-	(5)
Miscellaneous	577	232	95	434	223	435	528	319	269	316
Transfers	4	25	-	-	-	-	607	-	-	-
Total business-type activities	721	395	362	944	654	1,366	2,860	2,135	(3)	(57)
Total primary government	26,337	29,889	32,610	44,342	34,364	43,389	50,261	51,154	54,646	57,420
Changes in Net Position										
Governmental activities	3,331	4,201	6,720	14,065	8,396	12,021	16,280	32,084	14,995	24,458
Business-type activities	4,284	3,527	8,001	7,413	12,570	12,048	9,209	13,754	3,860	14,846
Total primary government	\$ 7,615	\$ 7,728	\$ 14,721	\$ 21,478	\$ 20,966	\$ 24,069	\$ 25,489	\$ 45,838	\$ 18,855	\$ 39,304

SOURCE: Current and prior year's financial statements

**Table 3. Fund Balances for the General Fund and All Other Governmental Funds
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 205	\$ 254	\$ 100	\$ 179	\$ 148	\$ 23	\$ 197	\$ 413	\$ 106	\$ -
Restricted	669	742	833	1,408	1,478	1,532	1,579	1,715	1,672	1,772
Committed	6,923	7,784	7,878	10,229	11,333	10,956	14,402	12,390	12,967	15,453
Assigned	18	546	1,661	2,337	3,630	3,630	-	-	-	-
Unassigned	2,961	3,213	2,074	4,934	3,408	9,067	18,102	28,171	35,650	42,141
Total General Fund	\$ 10,776	\$ 12,539	\$ 12,546	\$ 19,087	\$ 19,997	\$ 25,208	\$ 34,280	\$ 42,689	\$ 50,395	\$ 59,366
All Other Governmental Funds Combined										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ -	\$ -	\$ -	\$ 53
Restricted	1,577	11,978	15,035	24,982	25,097	23,357	1,656	1,112	21,160	17,704
Committed	1,598	11,759	11,252	10,212	11,698	14,769	15,413	15,203	16,639	18,026
Assigned	-	-	-	-	-	-	24,772	30,802	24,096	30,387
Total all other governmental funds	\$ 3,175	\$ 23,737	\$ 26,287	\$ 35,194	\$ 36,795	\$ 38,146	\$ 41,841	\$ 47,117	\$ 61,895	\$ 66,170

SOURCE: Current and prior year's financial statements

**Table 4. Changes in Fund Balances for Total Governmental Funds
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues by Source										
Taxes	\$ 25,142	\$ 28,331	\$ 30,030	\$ 41,185	\$ 33,074	\$ 38,085	\$ 41,674	\$ 42,951	\$ 47,024	\$ 53,215
Licenses, fees and permits	1,244	659	1,004	966	1,053	2,158	2,359	1,568	1,444	1,871
Grants & Intergovernmental	4,528	6,861	5,112	6,754	8,053	6,048	7,068	12,648	6,855	7,116
Charges for services	3,272	3,010	2,863	3,259	4,327	4,722	7,402	8,473	7,765	11,089
Fines and forfeitures	484	421	462	449	437	404	499	433	314	197
Investment income	1	551	1,072	684	513	1,139	1,885	2,042	(447)	(2,337)
Miscellaneous	1,090	1,533	2,386	2,071	4,200	3,003	3,751	3,772	10,597	6,913
Total revenues	35,761	41,366	42,929	55,368	51,657	55,559	64,638	71,887	73,552	78,064
Expenditures by Function										
General Government	7,782	9,459	9,454	10,302	10,820	10,588	11,108	16,850	14,975	15,830
Public Safety	7,504	8,167	9,048	10,185	10,544	11,725	12,507	13,939	14,644	14,932
Streets and Fleet	3,086	2,509	2,948	3,076	3,445	3,212	3,311	3,375	7,981	11,669
Parks and Recreation	4,590	5,199	4,907	5,155	6,134	6,945	6,766	5,962	8,185	17,100
Cemetery	334	272	331	417	454	518	486	505	741	585
Community Development	1,360	1,441	1,901	1,941	2,436	3,145	2,424	2,489	2,200	2,358
Capital Outlay ¹	3,395	7,271	6,334	12,518	14,111	9,786	12,181	12,182	-	-
Debt Service-Principal	1,135	1,170	1,225	805	1,097	1,430	1,477	1,524	1,680	1,530
Debt Service-Interest & Fees	1,684	1,639	1,594	1,629	1,759	1,691	1,641	1,900	663	814
Total expenditures	30,870	37,127	37,742	46,028	50,800	49,040	51,901	58,726	51,069	64,818
Excess (deficiency) of revenues over (under) expenditures	4,891	4,239	5,187	9,340	857	6,519	12,737	13,161	22,483	13,246
Other Financing Sources (Uses)										
Bond Proceeds	-	-	-	-	-	-	-	19,195	-	-
Bond Premium	-	-	-	-	-	-	-	3,120	-	-
Payments to Escrow Agent	-	-	-	-	-	-	-	(22,011)	-	-
Proceeds from Sale of Capital Asset	-	-	-	6,115	1,608	19	-	-	-	-
Dev. Contrib/Insurance Recoveries	-	-	-	-	102	-	636	-	-	-
Transfers in	1,699	616	802	2,308	1,615	1,250	2,859	3,222	1,503	3,176
Transfers out	(2,129)	(1,041)	(3,432)	(2,315)	(1,671)	(1,226)	(3,466)	(3,001)	(1,503)	(3,176)
Total other financing sources (uses)	(430)	(425)	(2,630)	6,108	1,654	43	29	525	-	-
Net change in fund balances	\$ 4,461	\$ 3,814	\$ 2,557	\$ 15,448	\$ 2,511	\$ 6,562	\$ 12,766	\$ 13,686	\$ 22,483	\$ 13,246
Debt service as a percentage of noncapital expenditures	10.26%	9.41%	8.98%	7.26%	7.78%	7.95%	7.85%	7.94%	4.81%	3.75%

SOURCE: Current and prior year's financial statements

NOTES:

1 Beginning in 2021, Capital Outlay is incorporated into the functionalized expenditures.

**Table 5. Sales Tax Revenue By Category
(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General merchandise	\$ 6,825	\$ 7,280	\$ 7,335	\$ 6,760	\$ 6,775	\$ 8,368	\$ 8,323	\$ 9,630	\$ 9,512	\$ 10,708
Food stores	2,896	3,416	4,089	4,737	5,394	5,352	5,486	3,849	4,389	4,925
Eating and drinking establishments	2,252	2,462	2,568	2,810	2,808	3,458	3,724	3,525	4,602	4,972
Building materials/home improvements	2,860	3,415	2,774	21,410	3,347	4,414	4,348	3,875	3,443	3,525
Auto dealers/repairs/supplies	1,477	1,687	2,067	2,207	2,222	2,492	2,667	2,882	2,840	3,161
Utilities	2,319	2,576	2,399	2,591	2,695	2,667	2,686	3,001	2,614	3,132
All other categories	956	1,297	1,285	1,354	1,895	685	2,533	4,088	7,104	8,009
Total	\$ 19,585	\$ 22,133	\$ 22,517	\$ 41,869	\$ 25,136	\$ 27,436	\$ 29,767	\$ 30,850	\$ 34,504	\$ 38,432
City direct sales tax rate	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%

SOURCE: City of Brighton sales tax system and previous financial statements.

NOTE: This schedule does not include motor vehicle use tax nor does it include use tax on building materials.

Table 6. Direct and Overlapping Sales Tax Rates

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
City of Brighton	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
State of Colorado	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Adams County	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Rapid Transit District (RTD)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Scientific and Cultural Facilities District (SCFD)	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Football Stadium District	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total direct and overlapping sales tax rates	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%

SOURCE: State of Colorado Department of Revenue

**Table 7. Sales Tax Revenue Information
Amounts Expressed in Thousandths**

	Fiscal Year 2013		Fiscal Year 2022	
	Sales Tax Revenue	Percentage of Total	Sales Tax Revenue	Percentage of Total
Sales Tax Revenue--Top Ten Remitters				
General Merchandise	\$ 3,248	17%	\$ 7,123	19%
Food Stores	1,768	9%	3,953	10%
Automotive	305		799	2%
Utilities	1,595	8%	3,111	8%
Building Materials		0%	2,552	7%
Total Sales Tax Top Ten Remitters	<u>6,916</u>	<u>37%</u>	<u>17,538</u>	<u>46%</u>
Sales Tax Revenue--All Other Remitters	<u>11,929</u>	<u>63%</u>	<u>20,895</u>	<u>54%</u>
Total Sales Tax Revenue	<u>\$ 18,845</u>	<u>100%</u>	<u>\$ 38,433</u>	<u>100%</u>

SOURCE: City of Brighton sales tax system.

NOTE: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's sales tax revenue. Figures do not include use tax.

**Table 8. Type of Outstanding Debt and Ratio to Personal Income
(amounts expressed in thousands)**

	2013	2014	2015	2016	2017- restated	2018	2019	2020	2021	2022
Governmental Activities										
2020 Certificate of Participation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,195	\$ 18,465	\$ 17,570
2016 Certificate of Participation	-	-	-	6,124	5,887	5,341	4,974	4,596	4,207	3,806
2010 Certificate of Participation	26,445	26,385	26,320	25,515	24,797	23,936	22,940	-	-	-
Sales Tax Revenue Bonds	2,270	1,160	-	-	-	-	-	-	-	-
Capital Leases	-	-	-	-	1,608	1,392	1,172	947	718	483
Total Governmental Activities	28,715	27,545	26,320	31,639	32,292	30,669	29,086	24,738	23,390	21,859
Business-type Activities										
2022 Revenue Bonds	-	-	-	-	-	-	-	-	-	77,685
2016 Revenue Bonds	-	-	-	27,270	27,374	26,214	23,965	22,805	21,610	20,385
2016 Certificate of Participation	-	-	-	876	1,001	965	925	884	843	800
Water/Sewer Revenue Bonds	29,310	28,580	27,845	-	-	-	-	-	-	-
State Water Loan Note	769	400	-	-	-	-	-	-	-	-
Total Business-type Activities	30,079	28,980	27,845	28,146	28,375	27,179	24,890	23,689	22,453	98,870
Total Primary Government	58,794	56,525	54,165	59,785	60,667	57,848	53,976	48,427	45,843	120,729
Certificate of Participation	26,445	26,385	26,320	32,515	31,685	30,242	28,839	24,675	23,515	22,176
Sales Tax Revenue Bonds	2,270	1,160	-	-	-	-	-	-	-	-
Water/Sewer Revenue Bonds	29,310	28,580	27,845	27,270	27,374	26,214	23,965	22,805	21,610	98,070
State Water Loan Note & Note Payable	769	400	-	-	-	-	-	-	-	-
Capital Leases	-	-	-	-	1,608	1,392	1,172	947	718	483
Total primary government	58,794	56,525	54,165	59,785	60,667	57,848	53,976	48,427	45,843	120,729
Percentage of Per Capita Personal Income	4.72%	4.40%	4.07%	4.22%	3.85%	3.49%	3.07%	2.57%	3.55%	7.89%
Debt Per Capita	\$ 1.68	\$ 1.60	\$ 1.52	\$ 1.62	\$ 1.59	\$ 1.48	\$ 1.33	\$ 1.17	\$ 1.09	\$ 2.83

SOURCE: Current and prior year's financial statements, Statistical Table 12 of this report

**Table 9. Legal Debt Margin Information
(amounts expressed in thousands)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General obligation debt outstanding ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total net debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Computation of maximum debt allowed:										
Actual value of property	2,759,749	2,773,064	3,223,343	4,243,434	4,234,952	4,334,016	4,613,073	5,067,387	5,709,158	6,845,865
Legal debt limit percentage	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Legal debt limit ³	82,792	83,192	96,700	127,303	127,049	130,020	138,392	152,022	171,275	205,376
Legal debt margin ⁴	82,792	83,192	96,700	127,303	127,049	130,020	138,392	152,022	171,275	205,376
Legal debt margin as a percentage of debt limit	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Population ²	35,031	35,367	35,671	36,912	38,192	39,211	40,584	41,468	42,143	42,623
Net general bonded debt per capita ²	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

SOURCE: Current and prior year's financial statements.

NOTES:

- 1 General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City has no other general obligation bonds outstanding.
- 2 See Table 12 for personal income and population data.
- 3 The legal debt limit is 3% of the actual value of the property as determined by the County Assessor's Offices.
- 4 The legal debt margin is the City's available borrowing authority.

**Table 10. Direct and Overlapping Governmental Activities Debt
As of December 31, 2022**

<u>Jurisdiction</u>	<u>Debt Outstanding Government Activities</u>	<u>Percentage Applicable to the City</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Direct Debt:</u>			
City of Brighton	\$ 24,520,204	100%	\$ 24,520,204
<u>Overlapping Debt:</u>			
Counties	145,898,372	7%	10,414,995
School Districts	708,470,508	34%	240,191,608
Special Districts	3,594,449,847	17%	593,186,774
Total Overlapping Debt	<u>4,448,818,727</u>		<u>843,793,377</u>
Total Direct and Overlapping Debt	<u><u>\$ 4,473,338,931</u></u>		<u><u>\$ 868,313,581</u></u>

NOTE

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

SOURCE

Adams County and Weld County Assessor's office and individual taxing entities.

**Table 11. Coverage Information for Non-General Obligation Debt
For Debt Outstanding as of December 31, 2022
(amounts expressed in thousands)**

Fiscal Year	Water Activity Enterprise Obligations ¹							Coverage Ratio
	Gross	Less:	Net	Debt Service				
	Water/Sewer Revenues ²	Operating Expenses ³	Available Revenue	Principal	Interest	Total		
2013	\$ 19,271	\$ 9,296	\$ 9,975	\$ 705	\$ 1,367	\$ 2,072	4.81	
2014	20,274	9,807	10,467	730	1,352	2,082	5.03	
2015	24,289	9,936	14,353	735	1,338	2,073	6.92	
2016	25,024	11,636	13,388	930	1,319	2,249	5.95	
2017	30,526	12,247	18,279	1,085	1,022	2,107	8.68	
2018	32,227	13,277	18,950	1,100	989	2,089	9.07	
2019	33,690	17,891	15,799	1,160	926	2,086	7.57	
2020	35,958	21,441	14,517	1,201	881	2,081	6.98	
2021	30,136	20,790	9,346	1,236	842	2,078	4.50	
2022	42,264	26,114	16,150	1,267	2,761	4,028	4.01	

NOTES:

1 The Water Activity Enterprise Revenue Bonds and Certificates of Participation are repaid from net available revenues of the Water and Waste Water Funds.

2 Water/Sewer Revenues do not include developer contributed capital.

3 Operating Expenses do not include amortization, depreciation, interest expense, or loss on disposal of capital assets.

Table 12. Demographic and Economic Statistics

Fiscal Year	Population (1)	Total Personal Income (thousands of dollars) (2)	Per Capita Personal Income (3)	Median Age (4)	School Enrollment (5)	Unemployment Rate (6)
2012	34,132	\$ 1,183,602	\$ 34,677	32	11,458	9.0%
2013	35,031	1,245,851	34,221	34	11,952	7.5%
2014	35,367	1,283,768	35,176	35	12,293	5.5%
2015	35,671	1,329,494	37,332	33	12,148	3.9%
2016	36,912	1,416,609	38,844	33	12,010	4.1%
2017	38,192	1,574,083	39,851	33	12,244	2.9%
2018	39,211	1,657,018	41,408	33	11,740	3.5%
2019	40,584	1,771,126	43,641	33	11,629	3.8%
2020	41,468	1,887,167	45,509	33	11,208	7.2%
2021	42,143	2,056,283	48,793	34	11,877	7.3%
2022	42,623	2,274,022	53,352	34	11,961	4.8%

Table 13. Principal Employers

	2013			2022		
	<u>Employees</u>	<u>Percentage</u>	<u>Rank</u>	<u>Employees</u>	<u>Percentage</u>	<u>Rank</u>
Adams County	1,913	31%	1	2,757	36%	1
School District 27J	1,633	26%	2	2,036	27%	2
Platte Valley Medical Center	605	10%	3	727	10%	3
Vestas	430	7%	5	424	6%	4
City of Brighton	484	8%	4	344	5%	5
King Soopers				343	4%	6
Wal-mart	292	5%	7	329	4%	7
Transwest				248	3%	8
Super Target	174	3%	8	221	3%	9
Wells Precast				212	3%	10
BJ Service USA	352	6%	6			
K-Mart Distribution	161	3%	10			
Sakata Farms	194	3%	9			
TOTAL	<u>6,238</u>	<u>100%</u>		<u>7,641</u>	<u>100%</u>	

SOURCE: Brighton Economic Development Corporation

Table 14. Full-Time Equivalent (FTE) Employees By Functions/Programs

Functions/Programs	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
General Government	52.5	56.9	63.1	71.0	72.0	74.9	80.6	73.8	78.5	80.5
Public Safety										
Officers	56.0	58.0	60.0	68.0	64.0	65.0	70.0	74.0	82.0	81.0
Civilians	21.0	22.0	26.0	26.0	28.0	29.0	29.0	32.3	32.5	31.5
Total Public Safety	77.0	80.0	86.0	94.0	92.0	94.0	99.0	106.3	114.5	112.5
Public Works	22.0	23.0	23.0	25.0	29.0	29.0	30.0	27.3	22.5	31.8
Parks and Recreation	34.8	40.3	40.3	39.0	41.0	40.0	41.5	41.5	45.0	47.5
Community Development	15.0	15.2	18.0	20.0	21.0	22.0	21.0	22.0	23.0	22.0
Cemetery	4.0	4.0	4.0	3.0	4.0	4.0	4.0	4.0	5.0	4.0
Total Governmental Activities	205.3	219.4	234.4	252.0	259.0	263.9	276.1	274.8	288.5	298.3
Business-Type Activities										
Water	21.1	25.2	25.2	28.0	32.0	34.0	35.0	34.8	34.7	31.0
Sewer	22.0	21.5	21.5	25.0	28.0	28.0	28.0	27.8	20.7	18.0
Storm Drainage	2.0	2.3	2.3	3.0	4.0	4.0	4.0	4.0	3.1	3.0
Total Business-Type Activities	45.1	49.0	49.0	56.0	64.0	66.0	67.0	66.6	58.5	52.0
Component Units										
Urban Renewal Authority	5.0	5.0	4.0	6.0	4.0	0.0	0.0	2.0	2.0	2.0
Total Component Units	5.0	5.0	4.0	6.0	4.0	0.0	0.0	2.0	2.0	2.0
Total FTE Employees By Functions/Programs	255.4	273.4	287.4	314.0	327.0	329.9	343.1	343.4	349.0	352.3

Table 15. Operating Indicators by Function/Program

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Police									
Calls for service	43,195	46,023	52,456	56,092	55,805	56,777	63,592	71,902	43,366
Arrests	2,365	2,365	2,620	2,791	2,240	1,961	1,951	1,685	1,875
Summons issued	5,225	5,226	5,044	5,463	4,680	4,824	4,341	5,406	4,494
Streets									
Street resurfacing (miles)	-	-	-	2	5	6	5	2	3
Street slurry seal (miles)	4	5	10	9	6	12	11	5	3
Street chip seal (miles)	-	-	-	-	5	8	6	2	3
Parks and Recreation									
Recreation Center admissions	174,553	183,960	191,190	0	192,605	178,072	169,755	50,504	73,577
Senior Center program participants	29,645	31,239	33,778	37,296	40,269	41,390	39,902	10,561	13,779
Senior Center services	10,672	11,144	10,733	11,075	14,491	17,476	15,956	15,635	14,751
Water									
Gallons pumped (millions)	1,621	1,671	1,755	1,858	1,978	1,932	1,918	2,405	2,170
Average daily consumption (million gallons)	4	5	5	5	5	5	5	6	6
Wastewater									
Gallons treated (millions)	755	751	775	756	740	788	656	538	537
Cemetery									
Interments	138	120	115	149	170	109	118	162	209

SOURCE: Various City departments.

Table 16. Capital Asset Statistics by Function/Program

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	51	51	51	53	55	55	59	59	60	65
Streets										
Street Miles	151	153	154	159	161	162	160	160	160	164
Parks and Recreation										
Recreation Center	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Parks	47	47	47	47	48	43	43	43	43	45
Park acreage	300	300	300	300	303	241	307	307	307	355
Swimming pools	4	4	4	4	4	4	4	4	4	4
Tennis courts	8	8	8	8	8	8	8	8	8	8
Skateboard Park	2	2	2	2	2	2	2	2	2	2
Inline Hockey Rink	1	1	1	1	1	1	1	1	1	1
4-Plex Ball fields	2	2	2	2	2	2	2	2	2	2
Open Space (acres)	767	960	960	960	1,023	869	1,044	1,044	1,044	1,044
Trails (miles)	27	34	34	34	38	32	38	38	48	62
Water										
Treatment plant	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	195	195	195	227	225	235	237	242	247	267
Water customers	9,736	10,068	10,436	10,104	11,700	11,782	12,183	12,614	12,904	13,651
Storage capacity (million gallons)	17	17	17	17	17	17	17	17	17	18
Wastewater										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewer (miles)	146	146	146	146	169	180	180	182	187	191
Storm drainage										
Storm sewer (miles)	60	60	60	60	76	101	101	105	108	111
Cemeteries										
	2	2	2	2	2	2	2	2	2	2

SOURCE: Various City departments.

COMPLIANCE SECTION

LOCAL HIGHWAY FINANCE REPORT



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

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/22

This Information From The Records Of: City of Brighton	Prepared By: Zach Street
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES	III. EXPENDITURES FOR ROAD AND STREET PURPOSES
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ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 6,301,931.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 2,282,501.00
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	\$ 242,481.00
3. Other local imposts (from page 2)	\$ 4,674,876.00	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 688,529.00	d. Total (a. through c.)	\$ 242,481.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 727,386.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 1,074,934.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 10,629,233.00
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 5,363,405.00	b. Redemption	
B. Private Contributions	\$ 2,795,132.00	c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 1,264,191.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 9,422,728.00	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 10,629,233.00

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 1,289,019.00	\$ 9,422,728.00	\$ 10,629,233.00	\$ 82,514.00	\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
 COLORADO
 YEAR ENDING (mm/yy):
 12/22

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assesments		a. Interest on investments	\$ (235,406.00)
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 118,159.00
1. Sales Taxes	\$ 2,350,009.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 1,995,000.00	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	\$ 329,867.00	f. Charges for Services	\$ 6,295.00
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 4,674,876.00	h. Other	\$ 799,481.00
c. Total (a. + b.)	\$ 4,674,876.00	i. Total (a. through h.)	\$ 688,529.00
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 1,201,889.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 62,237.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	\$ 65.00	f. Other Federal	
f. Total (a. through e.)	\$ 62,302.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 1,264,191.00	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements		\$ 954,986.00	\$ 954,986.00
(3). System Preservation		\$ 4,415,061.00	\$ 4,415,061.00
(4). System Enhancement And Operation		\$ 931,884.00	\$ 931,884.00
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 6,301,931.00	\$ 6,301,931.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 6,301,931.00	\$ 6,301,931.00
<i>(Carry forward to page 1)</i>			

Notes and Comments: