



CITY OF BRIGHTON, COLORADO



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended December 31, 2023

CITY OF BRIGHTON, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023

Prepared by
Finance Department

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Available online at
www.brightonco.gov

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INTRODUCTORY SECTION



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May 22, 2024

To the Honorable Mayor, Members of City Council, Residents and Stakeholders 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 or Brighton), for the year ended December 31, 2023. This report consists of management's representations concerning the finances of the City. 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 controls 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's 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, 2023 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 RubinBrown, 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, 2023, are fairly presented in conformity with accounting principles generally accepted in the United States of America (US GAAP). The independent auditors' 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 was 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

INTRODUCTORY SECTION

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 2023, the mill levy for property tax remained at 6.65 mills upon each dollar of the total assessed valuation for all taxable property within the City. The 2023 property taxes collected were based on the net assessed valuation for the City, as certified by the Adams and Weld County Assessors, which was \$675,289,720 and \$81,168,783, 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 provides services that include, but are not limited to police protection, construction and maintenance of highways and streets, recreational activities, parks and athletic fields, adult recreation facilities, 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, wastewater and storm drainage services. Fire protection and library services are not provided by the City. These services are provided by the Greater Brighton Fire Protection 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.

LETTER OF TRANSMITTAL

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'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 2023, the City redefined and made progress on several Vision Areas:

Organizational Excellence

In March 2023, City Council met for their annual strategic planning session in which new vision areas were defined, each of which will be addressed in this section. The City focused on succession planning through strategic organizational updates and focused training to ensure that departments are positioned to handle staffing changes. Staff turnover in 2023 was 10.2%, one of the lowest in the Denver-Metro area.

The City maintained its focus on innovation through Brighton Performance and Leadership Academy, a 5-week program that gives employees tools and training to make meaningful changes in their operations. To date, more than 60 employees have completed the academy and implemented projects that save time and money and improve the employee and customer experience.

Strategic Growth & Infrastructure

Brighton is focused on development that is intentional and balanced, and that meets the needs of our residents and businesses. In 2023, the City broke ground on construction of a new water treatment plant that is scheduled for completion in 2027. This plant will double the capacity of the existing plant and will address changing regulatory requirements. It will also position the City to support growth well into the future.

The City made sustainable enhancements to parks facilities by converting grass to artificial turf on several of the City's baseball fields and also retrofitted the fields with new LED lighting. These fields are utilized year-round for tournaments and these enhancements extend available playing time and reduce maintenance costs.

Transportation Adaptability

The City recognizes the importance of transportation and the need for diverse forms of transportation. In the summer of 2023, the City began a multi-year project to widen Bridge Street, one of the busiest thoroughfares in the City. This project will expand the road, enhance intersection safety, and connect sidewalks throughout the area.

The City updated its Bicycle, Pedestrian and Multi-Modal Master Plan in 2023 after gathering community input on needs and system gaps. The plan will provide valuable guidance for future projects.

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Destination for Recreation and Cultural Amenities

Brighton is a popular destination for recreation activities, with more than 115,000 recreation center visits and more than 2,600 participants in league sports. The Brighton Recreation Center celebrated its 30th anniversary and is scheduled for a significant expansion project to begin in 2024.

The City added goats to the recreation and open space maintenance plan in 2023 as more than 300 goats were brought in to control vegetation on open space land. The use of goats for grazing controls noxious weeds and reduces the need for chemical treatments.

The City focuses on art, culture and events, and 2023's events including Summerfest, Art in the Park, Flicks & Kicks, and a series of concerts at the historic Brighton Armory. The City, in partnership with the Brighton Cultural Arts Commission, added a sizable mural to Founder's Plaza commemorating the City's history and culture.

Community Engagement

City staff are encouraged to engage with members of the community, and events like the annual City BBQ invite residents to meet with City staff from various departments. The City also reignited the Community Police Academy, hosting it for the first time since the pandemic.

Fiscal Resilience

In 2023, the City renegotiated its agreement with Metro Water Recovery, refinancing the City's costs and saving the City and its customers an estimated \$68M over 42 years. This project culminated with the decommissioning of the wastewater treatment plant at the end of 2023.

City staff have increased their focus on grant funding and the City received several new grants that funded law enforcement initiatives, a playground replacement, and a significant open space land purchase.

Economic Acceleration

Brighton is a City that continues to grow and works to attract priority businesses that create jobs and support growth. The City also provides support to existing businesses through the Brighton Urban Renewal Authority and the Brighton Economic Development Corporation (both component units of the City). Both organizations provided grants to local businesses for landscaping and façade improvements.

LOCAL ECONOMY

Brighton's local economy has rebounded well from the COVID-19 concerns in 2020 and experienced healthy growth in 2021 and 2022. That growth slowed in 2023 as sales tax revenues, one of the City's primary sources of funding, grew by only 2.6%. This slowing was driven by declines in new permit issuances, which generate taxes on construction activity. Growth is expected to increase in 2024 as development levels are beginning to rebound and a number of new businesses have committed to build in the City.

LETTER OF TRANSMITTAL

The unemployment rate for the Denver-Aurora-Lakewood Metropolitan area in which Brighton resides was 3.3% in December 2023, up 0.8% from the prior year (Bureau of Labor Statistics). This is slightly lower than the national rate that was 3.7% for the same period.

Brighton's population in 2023 was approximately 44,000 with significant residential development growth in 2022. The City experienced a decline in residential growth in late 2022 and early 2023 as the Federal Reserve's interest rate actions began to impact the housing market. Development activity showed signs of a rebound in late 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 2027. Additionally the City's municipal code was updated in 2023 to require most new development to bring water shares at the time of development, rather than being allowed to pay a fee-in-lieu of water dedication.

FOR THE FUTURE

The City has exciting and ambitious plans for 2024 and beyond. The 2024 adopted budget includes more than \$265M 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 a competitive labor market.

The 2024 includes funding to continue work on several significant projects that started in the previous year, including the construction of a municipal service center, the construction of a new water treatment plant, expansion of the Brighton Recreation Center, and the expansion and enhancements to Bridge Street. The plan includes funding for a two-year project to replace the City's financial system.

Additionally, the City is expanding services with the funding of a co-responder program to support the police force in responding to mental health crises.

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, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for 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 2023 Annual Comprehensive Financial Report was made possible by the dedicated service of the entire Finance Department. Credit also must be given to the

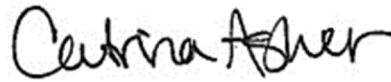
INTRODUCTORY SECTION

Mayor and the City Council for their support in maintaining 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, reading "Michael P. Martinez", enclosed within a light gray oval border.

Michael Martinez
City Manager

A handwritten signature in black ink, reading "Catrina Asher", enclosed within a light gray oval border.

Catrina Asher, CPA, CPFO
Finance Director

GFOA Certificate of Achievement



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, 2022

Christopher P. Morill

Executive Director/CEO

INTRODUCTORY SECTION

CITY LEADERSHIP

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.

Leadership listed are those in office at the time of issuance of this report.



Gregory Mills
Mayor
Term Ends 2026



Peter Padilla
Mayor Pro Tem
Ward 4
Term Ends 2026



Matt Johnston
Ward 1
Term Ends 2026



Tom Green
Ward 1
Term Ends 2028



Jim Snyder
Ward 2
Term Ends 2028



Ann Taddeo
Ward 2
Term Ends 2026



Chris Fiedler
Ward 3
Term Ends 2028



Jan Pawlowski
Ward 3
Term Ends 2026



Lloyd Worth
Ward 4
Term Ends 2028

ADMINISTRATIVE LEADERSHIP

The City 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.

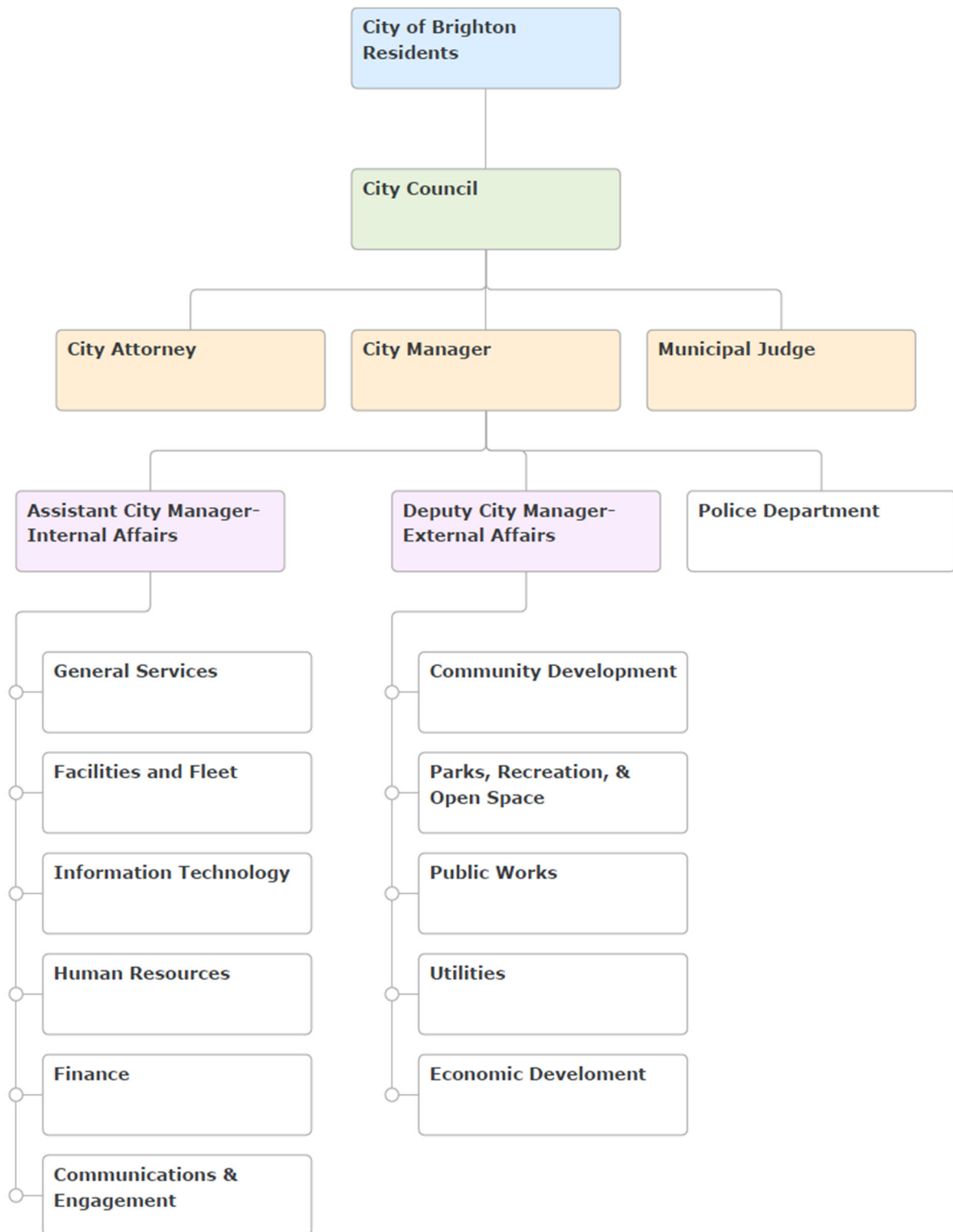
The City Attorney and Municipal Judge are appointed by and report to City Council.

Individuals listed below were in their positions as of the time of issuance of this report.

City Manager	Michael Martinez
Deputy City Manager	Marv Falconburg
Assistant City Manager.....	Karen Borkowski-Surine
City Attorney	Alicia Calderón
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.....	Chris Neves
Director, Parks and Recreation.....	Travis Haines
Director, Public Works	Greg Labrie
Director, Utilities	Scott Olsen

INTRODUCTORY SECTION

City Organizational Chart



FINANCIAL SECTION



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Independent Auditors' Report

Honorable Mayor and Members of the City Council
City of Brighton, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining funds of City of Brighton, Colorado (the City), as of and for the year ended December 31, 2023, 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 accompanying 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 funds of the City as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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 opinions.

Responsibilities Of Management For The Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

Auditors' Responsibilities For The Audit Of The Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 on pages 21 through 30, budgetary comparison information on page 85, the schedule of the City's proportionate share of the net pension liability (asset) and the schedule of the City's contributions to the pension plan and related ratios on pages 86 and 87 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual financial statements and schedules for the nonmajor funds, enterprise funds, internal service funds, and component units; the local highway finance report; and the schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are not a required part of the basic financial statements.

The 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

RubinBrown LLP

May 22, 2024

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS



FINANCIAL SECTION

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FINANCIAL HIGHLIGHTS

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, 2023. 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.

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2023 by \$499.0 million (net position). Of this amount, \$109.4 million is unrestricted in the governmental activities and may be used to meet the City's ongoing obligations.
- Citywide net position increased \$25.8 million (5.5%) in 2023. The governmental net position increased by \$43.9 million (17.2%) and the business-type net position decreased by \$18.1 million (8.3%).
- The General Fund, the City's primary operating fund, ended 2023 with a \$52.8 million fund balance. This represents a decrease of \$6.6 million (11.0%) compared to the prior year. Approximately 67.2% of this amount (\$35.5 million) is available for spending at the government's discretion (unassigned fund balance).
- The City's governmental activities show revenues of \$114.2 million, an increase of \$27.7 million (32.0%) over the prior year. The City's primary revenue source is sales, use and other taxes, which totaled \$53.6 million, reflecting an increase of \$416 thousand (0.8%) compared to the prior year.
- Citywide governmental activities expenses were \$70.3 million, an increase of \$8.2 million (13.3%) in comparison with the prior year.
- Capital Assets citywide increased by \$61.5 million (18.1%) compared to the previous year for an ending balance of \$402.0 million.
- Citywide debt balances, including unamortized premiums, increased by \$29.6 million (23.2%). The City's Water Activity Enterprise engaged in a direct placement loan totaling \$31.6 million in 2023. 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

FINANCIAL SECTION

information intended to furnish additional detail to support the basic financial statements themselves.

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, streets and fleet, cemetery, parks and recreation, and community development. The business-type activities of the City include water, wastewater and storm drainage.

The government-wide financial statements begin on page 33 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, 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 being on page 114 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.

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 38.

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 Improvement 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 begin on page 35 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, wastewater, 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 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

FINANCIAL SECTION

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 39 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 46 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 beginning on page 91 of this report. This report also contains a compliance section which includes the Single Audit Report on the Scheduled of Expenditures of Federal Awards and The Local Highway Finance Report can be found beginning on page 141 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The City's assets exceed liabilities and deferred inflows of resources by \$499.0 million at the close of the most recent fiscal year.

The City uses its capital assets to provide services to the citizens. At the end of 2023, the investment in capital assets (land, buildings, improvements, equipment, etc.), net of debt used to acquire those assets, amounted to \$349.1 million, or 70.0% of the City's total net position of \$499.0 million. During the current fiscal year, the City's total net position increased by \$25.8 million (5.5%). In the governmental activities, revenues exceeded expenses by 162.5% and in the business-type activities, revenues exceeded expenses by 78.6%.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Refer to the following Table "Net Position" for detail.

Net Position As of December 31,						
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 157,715,651	\$ 148,766,053	\$ 131,034,595	\$ 152,339,856	\$ 288,750,246	\$ 301,105,909
Capital Assets	186,046,714	151,091,277	215,988,611	189,416,987	402,035,325	340,508,264
Total Assets	343,762,365	299,857,330	347,023,206	341,756,843	690,785,571	641,614,173
Deferred Outflow of Resources	5,122,679	2,551,864	-	-	5,122,679	2,551,864
Long-term Liabilities	27,048,981	26,374,212	134,565,167	104,021,539	161,614,148	130,395,751
Other Liabilities	12,959,883	10,365,187	13,359,091	20,499,484	26,318,974	30,864,671
Total Liabilities	40,008,864	36,739,399	147,924,258	124,521,023	187,933,122	161,260,422
Deferred Inflow of Resources	8,985,455	9,711,150	-	-	8,985,455	9,711,150
Net Position						
Net Investment in Capital Assets	161,385,988	126,113,128	187,735,385	166,979,029	349,121,373	293,092,157
Restricted	29,091,934	19,475,754	74,532,542	80,253,229	103,624,476	99,728,983
Unrestricted	109,412,803	110,369,763	(63,168,979)	(29,996,438)	46,243,824	80,373,325
Total Net Position	\$ 299,890,725	\$ 255,958,645	\$ 199,098,948	\$ 217,235,820	\$ 498,989,673	\$ 473,194,465

Governmental Activities Analysis

Governmental activities increased the City's net position by \$43.9 million. The following factors contributed to this increase (see Table "Changes in Net Position"):

- Charges for Services decreased by \$2.6 million (19.5%). Much of this revenue is driven by new development (e.g. permit fees, impact fees) and activity slowed significantly in the early part of the year as interest rates impacted residential development.
- Grants and Capital Contributions increased \$17.9 million (112.8%) due to several new, one-time grants and intergovernmental project specific funding.
- Investment Earnings increased by \$8.9 million after being negative in the prior year. This is a result of increases to the Federal Reserve interest rate which resulted in higher earnings on investments.
- Miscellaneous revenues increased \$3.2 million (48.7%). This category includes oil and gas royalties which increased in 2023 due to increased well activity as well as recouping of erroneously withheld taxes and fees.
- Spending on General Government activities increased by \$4.4 million (29.4%) due to a combination of staffing cost increases (cost of living and market adjustments) as well as a \$1.9 million purchase of new IT equipment.
- Spending on Public Safety activities increased by \$2.1 million (14.4%) due primarily to staffing cost increases (cost of living and market adjustments plus new retention bonuses) as well as having a lower staffing vacancy rate than in previous years.

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Business-Type Activities Analysis

Business-Type activities decreased the City's net position by \$33.0 million with total net position being negative at the end of 2023. Below is information regarding business-type activities (see Table "Changes in Net Position"):

- Grants and Capital Contributions for business-type activities increased by \$6.7 million (19.0%). This was due to the use and recognition of \$10.4 million of funds from the American Rescue Plan Act grant funding offset by a decrease in impact fees due to slower development.
- Investment Earnings increased by \$6.4 million after being negative in the prior year. This is a result of increases to the Federal Reserve interest rate which resulted in higher earnings on investments.
- Wastewater expenses increased \$45.6 million (81.7%). This increase reflects a one-time payment to Metro Water Recovery, one of the City's wastewater processors. The City's agreement with Metro Water Recovery was renegotiated and refinanced in 2023 resulting in the large payment to pay off the remainder of the contract. This was financed through a direct placement borrowing discussed in the footnotes.

	Changes in Net Position As of December 31,					
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	\$ 10,565,451	\$ 13,129,559	\$ 25,016,898	\$ 25,140,398	\$ 35,582,349	\$ 38,269,957
Operating Grants and Contributions	14,192,087	7,378,542	98,628	133,367	14,290,715	7,511,909
Capital Grants and Contributions	19,649,479	8,521,239	35,252,000	28,538,782	54,901,479	37,060,021
General Revenues						
Taxes	53,631,545	53,215,279	-	-	53,631,545	53,215,279
Investment Earnings (Loss)	6,495,292	(2,409,213)	6,024,776	(367,850)	12,520,068	(2,777,063)
Miscellaneous	9,669,972	6,502,799	138,431	376,092	9,808,403	6,878,891
Sale of Capital Assets	2,089	168,569	33,121	-	35,210	168,569
Total Revenues	114,205,915	86,506,774	66,563,854	53,820,789	180,769,769	140,327,563
Expenses						
General Government	19,544,866	15,100,650	-	-	19,544,866	15,100,650
Public Safety	16,741,724	14,633,864	-	-	16,741,724	14,633,864
Streets and Fleet	17,947,912	16,721,667	-	-	17,947,912	16,721,667
Parks and Recreation	11,913,144	11,825,822	-	-	11,913,144	11,825,822
Cemetery	701,567	649,909	-	-	701,567	649,909
Community Development	2,671,702	2,319,949	-	-	2,671,702	2,319,949
Interest on Long-Term Debt	752,920	796,563	-	-	752,920	796,563
Water	-	-	25,914,632	26,287,587	25,914,632	26,287,587
Wastewater	-	-	55,893,035	10,254,620	55,893,035	10,254,620
Storm Drainage	-	-	2,893,059	2,432,868	2,893,059	2,432,868
Total Expenses	70,273,835	62,048,424	84,700,726	38,975,075	154,974,561	101,023,499
Increase (Decrease) in Net Position	43,932,080	24,458,350	(18,136,872)	14,845,714	25,795,208	39,304,064
Net Position, January 1	255,958,645	231,500,295	217,235,820	202,390,106	473,194,465	433,890,401
Net Position, December 31	\$ 299,890,725	\$ 255,958,645	\$ 199,098,948	\$ 217,235,820	\$ 498,989,673	\$ 473,194,465

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, 2023, the total Governmental fund balance was \$134.2 million, an increase of \$8.7 million (6.9%) compared to the prior year. Fund Balances are categorized as follows: non-spendable fund balances of \$230 thousand, restricted fund balances \$14.3 million, committed fund balances of \$49.4 million, assigned fund balances of \$34.9 million, and unassigned fund balances of \$34.5 million.

The General Fund is the main operating fund of the City. General Fund revenues for 2023 totaled \$54.9 million, an increase of \$3.5 million (6.7%) compared to the previous year. Tax revenues in total as well as most other revenue categories were relatively flat compared to the prior year. The increase in revenue was driven by interest rate increases that provided an increase of \$3.6 million in interest earnings compared to those earnings being negative in the prior year. Spending in this fund (excluding transfers out) increased by \$5.1 million (12.1%) compared to the prior year. This increase was due in large part to staffing and salary increases. Payroll and related costs make up a substantial portion of this fund's expenditures, and staff in 2023 received cost of living adjustments, market adjustments, and anniversary salary increases. Additionally new positions were added in various departments.

The Capital Improvement Fund revenues totaled \$21.4 million, an increase of \$6.3 million (42.2%) compared to the prior year. While tax revenues remained relatively flat, the fund experienced increased revenues in other areas. The City benefited from higher interest rates which resulted in a \$2.7 million increase in interest earnings in this fund compared to those earnings being negative in the prior year. Additionally, this fund is used to record royalties from oil and gas operations which increased by \$3.0 million (54.4%) compared to the prior year. This was due to new drilling operations as well as recovery of erroneously withheld taxes and fees from several processors. Lastly, this fund received grant revenue which varies from year to year based on project activity and increased 0.6 million (26.5%) as new grants were received. Capital project expenditures, including debt service, increased by \$9.6 million (88.4%) due primarily to increased spending on street improvement projects underway in 2023. As this fund is project oriented, spending will vary from year to year. The fund's revenues and transfers-in exceeded spending and transfers-out by \$4.6 million, which resulted in a fund balance of \$40.1 million as of year-end.

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The Parks and Recreation Capital Improvement Fund's revenues totaled \$13.6 million, an increase of \$7.9 million (136.5%) compared to the prior year. Tax revenues were relatively flat, and this increase is due primarily to \$6.2 million in new grant funding for a property acquisition and other parks projects. This fund also benefited from interest rates and experienced a \$1.3 million increase in interest earnings compared to the prior year's negative interest earnings. Spending increased by \$8.2 million (82.3%), a large portion of which was due to the increased one-time grant funding received. The fund's revenues and transfers-in exceeded spending by \$10.6 million, which resulted in a fund balance of \$26.5 million as of year-end.

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 decreased \$18.1 million (8.3%) compared to the prior year and ended the year with a combined net position of \$199.1 million. The decrease was related to a borrowing in the Wastewater Fund that is discussed further in Note 6. The combined unrestricted net position is (\$63.2 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 \$54.8 million which was below budgeted revenue by \$2.6 million (4.8%). Sales tax revenues increased slightly, and investment earnings showed healthy growth and exceed budget by \$1.9 million (71.5%). These revenues were offset by use tax revenues that came in under budget by \$3.6 million (52.2%).

General Fund expenditures totaled \$47.5 million, which was less than final budgeted expenditures by \$297 thousand (less than 1%).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets for the governmental and business-type activities amount to \$402.0 million (net of accumulated depreciation) as of December 31, 2023. This represents an increase of \$61.5 million (18.1%) 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 "Capital Assets (net of depreciation)"). 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Additional detailed information on the City's Capital Assets can be found in footnote 4, starting on page 60 of this report.

Capital Assets (net of depreciation) As of December 31,						
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
Land	\$ 35,854,960	\$ 28,531,446	\$ 9,513,128	\$ 9,513,128	\$ 45,368,088	\$ 38,044,574
Water Rights	2,036,050	2,036,050	27,773,770	27,773,770	29,809,820	29,809,820
Construction in Progress	16,767,278	4,603,074	37,577,418	20,391,168	54,344,696	24,994,242
Buildings and Improvements	30,470,077	33,445,551	9,802,075	11,149,770	40,272,152	44,595,321
Infrastructure	71,757,457	60,519,626	129,338,588	118,380,820	201,096,045	178,900,446
Improvements Other than Buildings	18,345,271	14,400,231	-	-	18,345,271	14,400,231
Machinery and Equipment	10,366,365	7,255,790	1,983,632	2,206,466	12,349,997	9,462,256
Other Assets	449,256	299,509	-	1,865	449,256	301,374
Total Capital Assets	\$ 186,046,714	\$ 151,091,277	\$ 215,988,611	\$ 189,416,987	\$ 402,035,325	\$ 340,508,264

Long-term Debt

As of December 31, 2023, the City had total borrowing obligations outstanding of \$157.6 million, including bonded debt and certificates of participation. This represents an increase of \$29.6 million compared to the prior year. This increase is due to a direct placement borrowing of \$31.6 million in the Wastewater Fund and a financed purchase with a remaining balance of \$1.3 million. These increases were offset by payments made according to borrowing schedules.

Of the City's total outstanding borrowing obligations, \$101.2 million represents bonds secured by specified revenue sources (i.e. revenue bonds) for water and wastewater projects. Another \$23.2 million represents borrowing secured through various City facilities through a structured lease agreement (certificates of participation). A direct placement loan in the Wastewater Fund contributes \$31.6 million to the borrowing total, and the remaining \$1.5 million represents lease purchase and financed purchase agreements.

Additional detail information on the City's long-term obligations can be found in Footnote 6, starting on page 64 of this report. A summary of those obligations is provided in the following table.

Outstanding Debt As of December 31,						
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
Bonded Debt						
2016 Water Revenue Bonds	\$ -	\$ -	\$ 19,130,000	\$ 20,385,000	\$ 19,130,000	\$ 20,385,000
2022 Water Revenue Bonds	-	-	77,685,000	77,685,000	77,685,000	77,685,000
Bond Premium	-	-	4,392,826	4,574,575	4,392,826	4,574,575
Certificates of Participation (COP)						
2016 COP	3,392,508	3,805,828	756,839	800,415	4,149,347	4,606,243
2020 COP	16,640,000	17,570,000	-	-	16,640,000	17,570,000
2020 COP Premium	2,439,975	2,660,887	-	-	2,439,975	2,660,887
2023 Revenue Loan (Direct Placement)	-	-	31,599,000	-	31,599,000	-
2017 Financed Purchase	244,257	483,489	-	-	244,257	483,489
2023 Financed Purchase	1,321,378	-	-	-	1,321,378	-
Total Outstanding Debt	\$ 24,038,118	\$ 24,520,204	\$ 133,563,665	\$ 103,444,990	\$ 157,601,783	\$ 127,965,194

FINANCIAL SECTION

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.

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS



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BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

December 31, 2023

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS				
Cash and Investments	\$ 139,103,878	\$ 53,197,463	\$ 192,301,341	\$ 6,838,968
Restricted Cash and Investments	-	74,532,542	74,532,542	1,436,714
Accounts Receivable	3,237,205	3,071,750	6,308,955	164,246
Taxes Receivable	12,753,786	-	12,753,786	6,838,133
Grants Receivable	492,477	-	492,477	-
Lease Receivable	72,321	-	72,321	-
Due from Other Funds	1,696,000	-	1,696,000	-
Inventory	130,307	188,257	318,564	-
Prepays	229,677	44,583	274,260	-
Land Held for Resale	-	-	-	1,625,000
Miscellaneous	-	-	-	116
Capital Assets, Not Being Depreciated	54,658,288	74,864,316	129,522,604	-
Capital Assets, Net of Accumulated Depreciation	131,388,426	141,124,295	272,512,721	2,740,326
Total Assets	343,762,365	347,023,206	690,785,571	19,643,503
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	-	-	-	87,097
Items Related to Pension Plan	5,122,679	-	5,122,679	-
Total Deferred Outflows of Resources	5,122,679	-	5,122,679	87,097
LIABILITIES				
Accounts Payable	5,484,615	8,154,578	13,639,193	1,229,036
Sales Tax Rebate Payable	-	-	-	447,535
Retainage Payable	622,608	821,103	1,443,711	-
Due to Other Funds	-	1,696,000	1,696,000	-
Accrued Wages Payable	910,963	202,205	1,113,168	4,925
Accrued Interest Payable	58,741	258,235	316,976	5,732
Accrued Liabilities	717,373	-	717,373	-
Deposits and Escrows	5,165,583	2,226,970	7,392,553	65
Noncurrent Liabilities				
Due Within One Year	4,468,331	3,735,821	8,204,152	956,221
Due in More Than One Year	21,887,145	130,829,346	152,716,491	3,042,137
Net Pension Liability	693,505	-	693,505	-
Total Liabilities	40,008,864	147,924,258	187,933,122	5,685,651
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	7,105,060	-	7,105,060	6,838,133
Grant Advance	-	-	-	82,614
Land Lease	1,522,013	-	1,522,013	-
Items Related to Leases	86,284	-	86,284	-
Items Related to Pension Plan	272,098	-	272,098	-
Total Deferred Inflows of Resources	8,985,455	-	8,985,455	6,920,747
NET POSITION				
Net Investment in Capital Assets	161,385,988	187,735,385	349,121,373	2,740,326
Restricted for:				
Emergencies - TABOR	2,629,524	-	2,629,524	-
Debt Service	-	-	-	1,436,714
Capital Projects	26,462,410	74,532,542	100,994,952	-
Unrestricted	109,412,803	(63,168,979)	46,243,824	2,947,162
Total Net Position	\$ 299,890,725	\$ 199,098,948	\$ 498,989,673	\$ 7,124,202

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

FINANCIAL SECTION

STATEMENT OF ACTIVITIES

Year ended December 31, 2023

		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENT UNITS
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
PRIMARY GOVERNMENT								
Governmental Activities								
General Government	\$ 19,544,866	\$ 4,340,771	\$ 4,921,894	\$ -	\$ (10,282,201)	\$ -	\$ (10,282,201)	\$ -
Public Safety	16,741,724	332,576	1,506,438	-	(14,902,710)	-	(14,902,710)	-
Streets and Fleet	17,947,912	1,486,506	1,767,810	3,847,191	(10,846,405)	-	(10,846,405)	-
Parks and Recreation	11,913,144	1,898,890	5,915,280	15,802,288	11,703,314	-	11,703,314	-
Cemetery	701,567	490,970	-	-	(210,597)	-	(210,597)	-
Community Development	2,671,702	2,015,738	80,665	-	(575,299)	-	(575,299)	-
Interest on Long-Term Debt	752,920	-	-	-	(752,920)	-	(752,920)	-
Total Governmental Activities	70,273,835	10,565,451	14,192,087	19,649,479	(25,866,818)	-	(25,866,818)	-
Business-Type Activities								
Water	25,914,632	15,524,959	98,628	25,364,553	-	15,073,508	15,073,508	-
Wastewater	55,893,035	8,040,220	-	2,028,612	-	(45,824,203)	(45,824,203)	-
Storm Drainage	2,893,059	1,451,719	-	7,858,835	-	6,417,495	6,417,495	-
Total Business-type Activities	84,700,726	25,016,898	98,628	35,252,000	-	(24,333,200)	(24,333,200)	-
Total Primary Government	\$ 154,974,561	\$ 35,582,349	\$ 14,290,715	\$ 54,901,479	(25,866,818)	(24,333,200)	(50,200,018)	-
COMPONENT UNITS								
Brighton Urban Renewal Authority	3,569,223	142,377	105,073	-	-	-	-	(3,321,773)
Brighton Cultural Arts Commission	494,065	-	91,867	-	-	-	-	(402,198)
Brighton Economic Development Corporation	245,448	69,500	120,000	-	-	-	-	(55,948)
Total Component Units	\$ 4,308,736	\$ 211,877	\$ 316,940	\$ -	-	-	-	(3,779,919)
GENERAL REVENUES								
Taxes					53,631,545	-	53,631,545	6,327,350
Investment Earnings					6,495,292	6,024,776	12,520,068	358,121
Miscellaneous					9,669,972	138,431	9,808,403	62,356
Gain (Loss) on Sale of Capital Assets					2,089	33,121	35,210	-
Total General Revenues					69,798,898	6,196,328	75,995,226	6,747,827
Change in Net Position					43,932,080	(18,136,872)	25,795,208	2,967,908
Net Position, January 1,					255,958,645	217,235,820	473,194,465	4,156,294
Net Position, December 31					\$ 299,890,725	\$ 199,098,948	\$ 498,989,673	\$ 7,124,202

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

BASIC FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS – BALANCE SHEET

December 31, 2023

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS AND RECREATION CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENT FUNDS
ASSETS					
Cash and Investments	\$ 50,412,416	\$ 42,911,297	\$ 25,295,476	\$ 16,732,976	\$ 135,352,165
Accounts Receivable	1,241,192	1,479,802	1,782	126,511	2,849,287
Taxes Receivable	10,569,770	1,076,286	1,077,786	29,944	12,753,786
Grants Receivable	161,662	12,608	318,207	-	492,477
Due from Other Funds	1,696,000	-	-	-	1,696,000
Prepays	110,491	36,572	-	82,614	229,677
Total Assets	\$ 64,191,531	\$ 45,516,565	\$ 26,693,251	\$ 16,972,045	\$ 153,373,392
LIABILITIES					
Accounts Payable	\$ 831,636	\$ 3,857,537	\$ 164,168	\$ 177,054	\$ 5,030,395
Retainage Payable	-	559,264	63,344	-	622,608
Accrued Wages Payable	881,623	-	-	9,187	890,810
Accrued Interest Payable	4,639	-	-	-	4,639
Accrued Liabilities	306,773	-	-	-	306,773
Deposits and Escrows	2,247,043	997,514	3,329	1,917,697	5,165,583
Total Liabilities	4,271,714	5,414,315	230,841	2,103,938	12,020,808
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	7,105,060	-	-	-	7,105,060
Total Deferred Inflows of Resources	7,105,060	-	-	-	7,105,060
FUND BALANCE					
Nonspendable	110,491	36,572	-	82,614	229,677
Restricted	2,489,517	766,152	9,399,067	1,803,477	14,458,213
Committed	14,736,935	4,416,719	-	12,982,016	32,135,670
Assigned	-	34,882,807	17,063,343	-	51,946,150
Unassigned	35,477,814	-	-	-	35,477,814
Total Fund Balance	52,814,757	40,102,250	26,462,410	14,868,107	134,247,524
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 64,191,531	\$ 45,516,565	\$ 26,693,251	\$ 16,972,045	\$ 153,373,392

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

FINANCIAL SECTION

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

December 31, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balance of Governmental Funds		\$ 134,247,524
Lease receivable arrangements are not current financial resources, therefore, are not reported in the funds.		72,321
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.		
Cost of capital assets	345,467,387	
Less: accumulated depreciation	<u>(159,420,673)</u>	186,046,714
Deferred inflows related to leases are applicable to future periods and, therefore, are not reported in the governmental funds.		
Land Lease	(1,522,013)	
Items Related to Leases	<u>(86,284)</u>	(1,608,297)
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 - Outflows	5,122,679	
Items Related to Pension Plan - Inflows	<u>(272,098)</u>	4,850,581
Long-term liabilities related to governmental activities are not due and payable in the current period and, therefore, not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of:		
Long-term debt net of premium	(24,038,118)	
Net pension liability	(693,505)	
Accrued interest on long-term debt	<u>(54,102)</u>	(24,785,725)
Accrued compensated absences are not due from current financial resources and, therefore, are not reported in the governmental funds.		(2,308,564)
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>3,376,171</u>
Total Net Position of Governmental Activities		<u>\$ 299,890,725</u>

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

BASIC FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS – STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Year ended December 31, 2023

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS AND RECREATION CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENT FUNDS
Revenues					
Taxes					
Sales	\$ 26,338,729	\$ 7,469,713	\$ 5,370,295	\$ -	\$ 39,178,737
Property	4,979,836	-	-	-	4,979,836
Use	6,913,460	-	-	-	6,913,460
Franchise	1,490,876	341,184	-	-	1,832,060
Other	10,981	11,739	-	704,732	727,452
Licenses and Permits	1,443,754	-	-	-	1,443,754
Grants and Intergovernmental	3,688,367	3,035,334	6,911,388	534,398	14,169,487
Charges for Services	6,454,438	-	-	2,424,870	8,879,308
Fines and Forfeitures	277,408	-	-	-	277,408
Developer Contributions	-	22,600	-	-	22,600
Investment Earnings (Loss)	2,634,134	1,942,079	945,321	790,685	6,312,219
Sale of Capital Assets	-	2,089	-	-	2,089
Miscellaneous	639,453	8,592,873	395,339	13,680	9,641,345
Total Revenues	54,871,436	21,417,611	13,622,343	4,468,365	94,379,755
Expenditures					
Current					
General Government	15,915,377	3,515,276	-	446,262	19,876,915
Public Safety	16,701,721	573,190	-	-	17,274,911
Streets and Fleet	3,918,187	14,385,950	-	70,392	18,374,529
Parks and Recreation	8,528,140	49,996	17,042,087	167,810	25,788,033
Cemetery	-	-	-	671,082	671,082
Community Development	2,608,907	53,908	-	-	2,662,815
Debt Service					
Principal	-	1,515,930	727,312	-	2,243,242
Interest Expense and Fees	-	264,566	493,722	-	758,288
Total Expenditures	47,672,332	20,358,816	18,263,121	1,355,546	87,649,815
Excess (Deficiency) of Revenues Over Expenditures	7,199,104	1,058,795	(4,640,778)	3,112,819	6,729,940
Other Financing Sources (Uses)					
Debt Proceeds	-	1,982,067	-	-	1,982,067
Transfers In	580,085	15,000,000	15,280,000	201,000	31,061,085
Transfers Out	(14,330,000)	(13,474,085)	-	(3,257,000)	(31,061,085)
Total Other Financing Sources (Uses)	(13,749,915)	3,507,982	15,280,000	(3,056,000)	1,982,067
Net Change in Fund Balance	(6,550,811)	4,566,777	10,639,222	56,819	8,712,007
Fund Balance, January 1	59,365,568	35,535,473	15,823,188	14,811,288	125,535,517
Fund Balance, December 31	\$ 52,814,757	\$ 40,102,250	\$ 26,462,410	\$ 14,868,107	\$ 134,247,524

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

FINANCIAL SECTION

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

Year ended December 31, 2023.

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

Net Change in Fund Balance of Governmental Funds	\$ 8,712,007
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Lease arrangements are not financial resources; therefore, are not reported in the funds.	(6,391)
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Capital outlay to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives and reported as annual depreciation expense in the statement of activities.

Capital Outlay	28,780,852	
Developer Contributions	19,649,479	
Depreciation Expense	<u>(13,474,894)</u>	34,955,437

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.

482,086

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	781,966	
Items related to pension plan	<u>(550,222)</u>	231,744

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

Change in compensated absences	(454,556)	
Change in accrued interest	<u>5,368</u>	(449,188)

Internal service funds are used by management to charge the costs of insurance and employee benefits to individual funds. The net revenue (expense) of the internal service funds is included in governmental activities in the statement of activities.

6,385

Change in Net Position of Governmental Activities	<u>\$ 43,932,080</u>
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The notes to the financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

PROPRIETARY FUNDS – STATEMENT OF NET POSITION

December 31, 2023

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES	
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
ASSETS					
Current Assets					
Cash and Investments	\$ 42,110,010	\$ 7,958,354	\$ 3,129,099	\$ 53,197,463	\$ 3,751,713
Restricted Cash and Investments	74,532,542	-	-	74,532,542	-
Accounts Receivable	1,649,982	1,181,605	240,163	3,071,750	387,918
Inventory	188,257	-	-	188,257	130,307
Prepays	44,583	-	-	44,583	-
Total Current Assets	118,525,374	9,139,959	3,369,262	131,034,595	4,269,938
Noncurrent Assets					
Capital Assets, Not Being Depreciated	71,688,876	2,187,235	988,205	74,864,316	-
Capital Assets, Net of Accumulated Depreciation	89,004,986	19,155,717	32,963,592	141,124,295	-
Total Noncurrent Assets	160,693,862	21,342,952	33,951,797	215,988,611	-
Total Assets	279,219,236	30,482,911	37,321,059	347,023,206	4,269,938
LIABILITIES					
Current Liabilities					
Accounts Payable	7,387,315	423,372	343,891	8,154,578	454,220
Retainage Payable	821,103	-	-	821,103	-
Accrued Wages Payable	93,024	100,705	8,476	202,205	20,153
Accrued Interest Payable	187,197	71,038	-	258,235	-
Deposits and Escrows	317,695	727,377	1,181,898	2,226,970	-
Estimated Unpaid Claims	-	-	-	-	410,600
Compensated Absences	277,973	126,523	42,924	447,420	7,387
Bonds Payable	1,561,443	1,726,958	-	3,288,401	-
Total Current Liabilities	10,645,750	3,175,973	1,577,189	15,398,912	892,360
Noncurrent Liabilities					
Compensated Absences	52,947	24,100	8,176	85,223	1,407
Accrued Arbitrage	468,859	-	-	468,859	-
Due to Other Funds	-	-	1,696,000	1,696,000	-
Bonds Payable	95,415,729	34,859,535	-	130,275,264	-
Total Noncurrent Liabilities	95,937,535	34,883,635	1,704,176	132,525,346	1,407
Total Liabilities	106,583,285	38,059,608	3,281,365	147,924,258	893,767
NET POSITION					
Net Investment in Capital Assets	137,428,129	16,355,459	33,951,797	187,735,385	-
Restricted for Capital Projects	74,532,542	-	-	74,532,542	-
Unrestricted	(39,324,720)	(23,932,156)	87,897	(63,168,979)	3,376,171
Total Net Position	\$ 172,635,951	\$ (7,576,697)	\$ 34,039,694	\$ 199,098,948	\$ 3,376,171

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

FINANCIAL SECTION

PROPRIETARY FUNDS – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Year ended December 31, 2023

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES	
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
OPERATING REVENUES					
Charges for Services	\$ 15,524,959	\$ 8,040,220	\$ 1,451,719	\$ 25,016,898	\$ 6,084,235
Tap Fees	98,628	-	-	98,628	-
Miscellaneous	84,999	17,934	35,498	138,431	-
Total Operating Revenues	15,708,586	8,058,154	1,487,217	25,253,957	6,084,235
OPERATING EXPENSES					
Operations	12,272,486	5,102,380	474,559	17,849,425	1,028,677
Administration	3,102,264	1,437,640	579,771	5,119,675	64,602
Insurance Claims	-	-	-	-	4,048,061
Insurance Premiums	-	-	-	-	1,073,647
Depreciation	6,376,805	1,748,984	1,433,547	9,559,336	-
Total Operating Expenses	21,751,555	8,289,004	2,487,877	32,528,436	6,214,987
Operating Income (Loss)	(6,042,969)	(230,850)	(1,000,660)	(7,274,479)	(130,752)
NONOPERATING REVENUES (EXPENSES)					
Grants and Intergovernmental	10,444,588	-	-	10,444,588	-
Agreement Refinancing	-	(46,597,325)	-	(46,597,325)	-
Developer Reimbursements	-	-	(405,182)	(405,182)	-
Sale of Capital Assets	90	33,031	-	33,121	-
Investment Earnings	5,296,013	605,335	123,428	6,024,776	183,073
Interest Expense and Fees	(4,163,077)	(1,006,706)	-	(5,169,783)	-
Total Nonoperating Revenues (Expenses)	11,577,614	(46,965,665)	(281,754)	(35,669,805)	183,073
Income (Loss) Before Capital Contributions	5,534,645	(47,196,515)	(1,282,414)	(42,944,284)	52,321
CAPITAL CONTRIBUTIONS	14,919,965	2,028,612	7,858,835	24,807,412	-
Change in Net Position	20,454,610	(45,167,903)	6,576,421	(18,136,872)	52,321
Net Position, January 1	152,181,341	37,591,206	27,463,273	217,235,820	3,323,850
Net Position, December 31	\$ 172,635,951	\$ (7,576,697)	\$ 34,039,694	\$ 199,098,948	\$ 3,376,171

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

BASIC FINANCIAL STATEMENTS

PROPRIETARY FUNDS – STATEMENT OF CASH FLOWS

Year ended December 31, 2023

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 15,400,730	\$ 8,188,565	\$ 1,427,161	\$ 25,016,456	\$ 5,762,561
Other receipts	84,999	17,934	35,498	138,431	(324,834)
Payments to Suppliers for Services Provided	(9,784,826)	(4,729,039)	(219,473)	(14,733,338)	(5,864,358)
Payments to Employees for Salaries and Benefits	(3,049,908)	(1,478,830)	(540,778)	(5,069,516)	-
Net Cash Provided (Used) by Operating Activities	2,650,995	1,998,630	702,408	5,352,033	(426,631)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions	14,919,965	2,028,612	7,858,835	24,807,412	-
Acquisition and Construction of Capital Assets	(27,206,079)	(1,928,196)	(6,996,686)	(36,130,961)	-
Developer Reimbursements	-	-	(405,182)	(405,182)	-
Loss on Sale of Capital Assets	90	33,031	-	33,121	-
Proceeds from Debt	-	31,599,000	-	31,599,000	-
Principal Paid on Capital Debt	(1,215,559)	(46,862,092)	-	(48,077,651)	-
Interest Paid on Capital Debt	(4,163,077)	(1,006,706)	-	(5,169,783)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(17,664,660)	(16,136,351)	456,967	(33,344,044)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received on Investments	5,296,013	605,335	123,428	6,024,776	183,073
Arbitrage Interest Received on Investment	468,859	-	-	468,859	-
Net Cash Provided by Investing Activities	5,764,872	605,335	123,428	6,493,635	183,073
Net Increase (Decrease) in Cash and Cash Equivalents	(9,248,793)	(13,532,386)	1,282,803	(21,498,376)	(243,558)
Cash and Investments, January 1	125,891,345	21,490,740	1,846,296	149,228,381	3,995,271
Cash and Investments, December 31	\$ 116,642,552	\$ 7,958,354	\$ 3,129,099	\$ 127,730,005	\$ 3,751,713
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating Loss	\$ (6,042,969)	\$ (230,850)	\$ (1,000,660)	\$ (7,274,479)	\$ (130,752)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities					
Depreciation Expense	6,376,805	1,748,984	1,433,547	9,559,336	-
Changes in Assets and Liabilities					
Accounts Receivable	(222,857)	148,345	(24,558)	(99,070)	(321,674)
Due from Other Funds	-	-	-	-	-
Inventory	(49,462)	-	-	(49,462)	(66,173)
Prepays	(44,583)	-	-	(44,583)	-
Accounts Payable	2,093,826	(2,304)	320,337	2,411,859	76,859
Due to Other Funds	-	-	-	-	(45,000)
Retainage Payable	454,695	-	-	454,695	-
Accrued Wages Payable	29,053	61,225	3,786	94,064	2,651
Estimated Unpaid Claims	-	-	-	-	57,458
Compensated Absences	23,303	(102,415)	35,207	(43,905)	-
Deposits and Escrows	33,184	375,645	(65,251)	343,578	-
Total Adjustments	8,693,964	2,229,480	1,703,068	12,626,512	(295,879)
Net Cash Provided (Used) by Operating Activities	\$ 2,650,995	\$ 1,998,630	\$ 702,408	\$ 5,352,033	\$ (426,631)

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

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FINANCIAL SECTION

NOTES TO THE BASIC FINANCIAL STATEMENTS



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FINANCIAL SECTION

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 do not 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

NOTES TO THE BASIC FINANCIAL STATEMENTS

between the City and the BCAC. Effective December 31, 2023, the City will no longer be acting as the fiscal agent of 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.

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.

FINANCIAL SECTION

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 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 as 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

NOTES TO THE BASIC FINANCIAL STATEMENTS

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.

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 and 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.

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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.

Lease receivables 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.

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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

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	5-50 years
Infrastructure	5-50 years
Collection and Distributions systems	30-50 years
Machinery and Equipment	3-15 years
Other Assets	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.

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*, represents a consumption of net position that applies to

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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*, represents an acquisition of net position 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.

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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

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 Balance indicates 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.

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.

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Property Taxes

Property taxes levied in a particular year are collected in the subsequent year. The property tax calendar is as follows and is subject to change based on actions taken by the State of Colorado legislature. Note that the property tax calendar was temporarily modified for the 2023 certifications based on Colorado House Bill 23B-001.

Tax Year (2022 Certifications for 2023 Collections)

Tax levy certified to County CommissionersDecember 15, 2022
County Commissioners certify levy to County AssessorDecember 22, 2022

Tax Year (2023 Certifications for 2024 Collections)

Tax levy certified to County CommissionersJanuary 10, 2024
County Commissioners certify levy to County AssessorJanuary 17, 2024

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 County and 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 US GAAP 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 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'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 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 and Recreation Capital, and Cemetery Perpetual Care Funds are adopted on a basis consistent with US 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 goods or services (*i.e.*, contracts and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

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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 2023, the required reserve of 3% of current year spending, excluding voter approved amounts, federal revenues, bond proceeds, and other restrictions under TABOR, totaled \$2,629,524.

C. Implementation of New Accounting Standard

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 96: *Subscription-Based Information Technology Arrangements (SBITA)*. GASB Statement No. 96 defines SBITAs, establishes that a SBITA results in a right-to-use subscription-based asset – an intangible asset – and a corresponding liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding a SBITA. These changes were incorporated in the City's 2023 financial statements. The implementation of GASB Statement No. 96 had no effect on net position as reported December 31, 2022.

D. Deficit Net Position

As of December 31, 2023, the City's Wastewater Fund had a deficit unrestricted net position balance of \$23,932,156 and a deficit net position balance of \$7,576,697. This deficit is a result of the amendment to the City's agreement with Metro Wastewater Reclamation District to pay off the remaining balance of the contract in 2023 totaling \$46,597,325.

Note 3 – Deposits and Investments

The following is a summary of the primary government's cash and investments as of December 31, 2023, are summarized below:

	Governmental Activities	Business-Type Activities	Total
Cash on Hand	\$ 5,716	\$ 1,600	\$ 7,316
Deposits and Investments	139,098,162	127,728,405	266,826,567
Total	<u>\$ 139,103,878</u>	<u>\$ 127,730,005</u>	<u>\$ 266,833,883</u>

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 2023 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

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investment policies prescribe eligible investments, investment diversification, and maturity and liquidity guidance, which are utilized in managing the investment portfolio.

The City, Brighton Urban Renewal Authority and Brighton Cultural Arts Commission (two of the three component units), had the following investments at December 31, 2023:

Investment Type	Measurement	S&P Rating	Total	< 1 Year	2-3 Years	4-5 Years
U.S. Government Treasuries	Fair Value - Level 1	AA+	\$ 95,810,720	\$ 24,867,084	\$ 32,730,488	\$ 38,213,148
Corporate	Fair Value - Level 2	AA-	1,217,560	-	1,217,560	-
Municipal Bond	Fair Value - Level 2	AA to AAA	8,988,297	4,309,068	3,901,682	777,547
U.S. Government Agencies	Fair Value - Level 2	AA+	17,230,350	3,518,269	13,712,081	-
Local Government Investment Pool	Net Asset Value	AAAm	12,534,590	12,534,590	-	-
WF Government MM Fund	Net Asset Value	AAAm	15,692,786	15,692,786	-	-
ColoTrust	Net Asset Value	AAAm	11,915,316	11,915,316	-	-
CSIP	Net Asset Value	AAAm	81,163	81,163	-	-
CSAFE	Net Asset Value	NR	22,323,462	22,323,462	-	-
	Total		<u>\$ 185,794,244</u>	<u>\$ 95,241,738</u>	<u>\$ 51,561,811</u>	<u>\$ 38,990,695</u>
	% of Total			51%	27%	21%

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:

- Level 1 - Quoted prices (unadjusted) for identical investments in active markets that a government can access at the measurement date.
- 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.
- 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

NOTES TO THE BASIC FINANCIAL STATEMENTS

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.

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, 2023, 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, the City'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), the Colorado Statewide Investment Program (CSIP), 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 COLOTRUST pool is rated AAAm by Standard and Poor's: CSAFE Colorado Core and CSAFE Cash funds are rated AAAf/S1 and AAAmmf, respectively, by Fitch. CSIP Liquid Portfolio is a variable rate investment option rated AAAm by Standard and Poor's and CSIP Term Portfolio is a fixed-rate, fixed-term investment option rated AAAf 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. The City records its investment in the pools 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.

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C. Component Units

The following is a summary of the component units' cash and investments as of December 31, 2023, are summarized below:

	Brighton Urban Renewal Authority	Brighton Cultural Arts Commission	Brighton Economic Development Corporation	Total
Cash on Hand	\$ -	\$ 200	\$ -	\$ 200
Restricted Cash and Investments	1,436,714	-	-	1,436,714
Deposits and Investments	6,574,964	96,080	167,724	6,838,768
Total	<u>\$ 8,011,678</u>	<u>\$ 96,280</u>	<u>\$ 167,724</u>	<u>\$ 8,275,682</u>

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.

Note 4 – Capital Assets

A. Governmental Activities

Capital asset activity for the year ended December 31, 2023, is summarized, as follows:

Governmental Activities	Balance 12/31/2022	Additions	Deletions	Transfers	Balance 12/31/2023
Capital Assets, Not Being Depreciated					
Land	\$ 28,531,446	\$ 7,323,514	\$ -	\$ -	\$ 35,854,960
Water rights	2,036,050	-	-	-	2,036,050
Construction in Progress	4,603,074	13,594,495	(206,127)	(1,224,164)	16,767,278
Total Capital Assets, Not Being Depreciated	<u>35,170,570</u>	<u>20,918,009</u>	<u>(206,127)</u>	<u>(1,224,164)</u>	<u>54,658,288</u>
Capital Assets, Being Depreciated					
Building and Improvements	105,250,307	771,989	(883,727)	437,354	105,575,923
Infrastructure	110,231,160	15,586,158	-	786,810	126,604,128
Improvements Other Than Buildings	24,392,647	6,030,878	-	-	30,423,525
Machinery and Equipment	22,308,015	5,247,460	(328,288)	-	27,227,187
Other Assets	811,461	166,875	-	-	978,336
Total Capital Assets, Being Depreciated	<u>262,993,590</u>	<u>27,803,360</u>	<u>(1,212,015)</u>	<u>1,224,164</u>	<u>290,809,099</u>
Less Accumulated Depreciation					
Building and Improvements	71,804,756	4,104,591	(803,501)	-	75,105,846
Infrastructure	49,711,534	5,135,137	-	-	54,846,671
Improvements Other Than Buildings	9,992,416	2,085,838	-	-	12,078,254
Machinery and Equipment	15,052,225	2,132,200	(323,603)	-	16,860,822
Other Assets	511,952	17,128	-	-	529,080
Total Accumulated Depreciation	<u>147,072,883</u>	<u>13,474,894</u>	<u>(1,127,104)</u>	<u>-</u>	<u>159,420,673</u>
Total Capital Assets, Being Depreciated, Net	<u>115,920,707</u>	<u>14,328,466</u>	<u>(84,911)</u>	<u>1,224,164</u>	<u>131,388,426</u>
Governmental Activities Capital Assets, Net	<u>\$ 151,091,277</u>	<u>\$ 35,246,475</u>	<u>\$ (291,038)</u>	<u>\$ -</u>	<u>\$186,046,714</u>
					Less Capital Retainage Payable (622,608)
					Less Outstanding Capital Debt (21,598,143)
					Less Unamortized Bond Premium (2,439,975)
					<u>Net Investment in Capital Assets \$ 161,385,988</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Description	Governmental Activities
General Government	\$ 1,358,321
Public Safety	724,868
Streets and Fleet	8,035,588
Parks and Recreation	3,300,237
Cemetery	52,551
Community Development	3,329
Total Depreciation Expense	<u>\$ 13,474,894</u>

B. Business-Type Activities

Capital asset activity for the year ended December 31, 2023, was as follows:

Business - Type Activities	Balance 12/31/2022	Additions	Deletions	Transfers	Balance 12/31/2023
Capital Assets, Not Being Depreciated					
Land	\$ 9,513,128	\$ -	\$ -	\$ -	\$ 9,513,128
Water Rights	27,773,770	-	-	-	27,773,770
Construction in Progress	20,391,168	23,632,585	(397,092)	(6,049,243)	37,577,418
Total Capital Assets, Not Being Depreciated	<u>57,678,066</u>	<u>23,632,585</u>	<u>(397,092)</u>	<u>(6,049,243)</u>	<u>74,864,316</u>
Capital Assets, Being Depreciated					
Building and Improvements	39,786,361	-	-	-	39,786,361
Infrastructure	211,677,501	12,478,087	-	5,981,706	230,137,294
Machinery and Equipment	8,248,937	475,731	(418,704)	67,537	8,373,501
Other Assets	216,300	-	-	-	216,300
Total Capital Assets, Being Depreciated	<u>259,929,099</u>	<u>12,953,818</u>	<u>(418,704)</u>	<u>6,049,243</u>	<u>278,513,456</u>
Less Accumulated Depreciation					
Building and Improvements	28,636,591	1,347,695	-	-	29,984,286
Infrastructure	93,296,681	7,502,025	-	-	100,798,706
Machinery and Equipment	6,042,471	707,751	(360,353)	-	6,389,869
Other Assets	214,435	1,865	-	-	216,300
Total Accumulated Depreciation	<u>128,190,178</u>	<u>9,559,336</u>	<u>(360,353)</u>	<u>-</u>	<u>137,389,161</u>
Total Capital Assets, Being Depreciated, Net	<u>131,738,921</u>	<u>3,394,483</u>	<u>(58,351)</u>	<u>6,049,243</u>	<u>141,124,295</u>
Business-Type Activities Capital Assets, Net	<u>\$ 189,416,987</u>	<u>\$ 27,027,068</u>	<u>\$ (455,443)</u>	<u>\$ -</u>	<u>215,988,611</u>
					Less Capital Retainage Payable (821,103)
					Less Outstanding Capital Debt (97,571,839)
					Less Unamortized Bond Premium (4,392,826)
					Plus Unspent Bond Proceeds 74,532,542
					<u>Net Investment in Capital Assets \$187,735,385</u>

Depreciation expense was charged to Funds as follows:

Description	Business-type Activities
Water	\$ 6,376,805
Wastewater	1,748,984
Storm Drainage	1,433,547
Total Depreciation Expense	<u>\$ 9,559,336</u>

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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, 2023, was as follows:

Brighton Urban Renewal Authority (BURA)	Balance 12/31/2022	Additions	Deletions	Transfers	Balance 12/31/2023
Capital Assets, Being Depreciated					
Building and Improvements	\$ 5,680,712	\$ -	\$ -	\$ -	\$ 5,680,712
Machinery and Equipment	91,315	-	-	-	91,315
Total Capital Assets, Being Depreciated	5,772,027	-	-	-	5,772,027
Less Accumulated Depreciation					
Building and Improvements	2,726,025	226,490	-	-	2,952,515
Machinery and Equipment	74,656	4,530	-	-	79,186
Total Accumulated Depreciation	2,800,681	231,020	-	-	3,031,701
Total Capital Assets, Being Depreciated, Net	2,971,346	(231,020)	-	-	2,740,326
BURA Activities Capital Assets, Net	\$ 2,971,346	\$ (231,020)	\$ -	\$ -	\$ 2,740,326

D. Component Unit – Brighton Economic Development Corporation

Capital asset activity for the Brighton Economic Development Corporation the year ended December 31, 2023, was as follows:

Brighton Economic Development Corporation (BEDC)	Balance 12/31/2022	Additions	Deletions	Transfers	Balance 12/31/2023
Capital Assets, Being Depreciated					
Machinery and Equipment	\$ 78,713	\$ -	\$ -	\$ -	\$ 78,713
Total Capital Assets, Being Depreciated	78,713	-	-	-	78,713
Less Accumulated Depreciation					
Machinery and Equipment	78,713	-	-	-	78,713
Total Accumulated Depreciation	78,713	-	-	-	78,713
BEDC Capital Assets, Net	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 5 – Interfund Activity

A. Interfund Transfers

The composition of interfund transfers as of December 31, 2023 is as follows:

Transfer in Fund	Transfer out Fund	Amount
General	Lottery	\$ 250,000
General	Landscaping	6,000
General	Capital Improvement	324,085
Cemetery	General Fund	200,000
Capital Improvement	General Fund	14,000,000
Capital Improvement	Impact Fees	1,000,000
Parks Capital	General Fund	130,000
Parks Capital	Impact Fees	2,000,000
Parks Capital	Capital Improvement	13,150,000
Cemetery Perpetual Fund	Cemetery	1,000
	Total	<u>\$ 31,061,085</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.

B. Interfund Balances

The composition of interfund receivables/payables as of December 31, 2023 is as follows:

Interfund Receivable	Interfund Payable	Amount
General	Storm Drainage	\$ 1,696,000
		<u>\$ 1,696,000</u>

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 as outlined in the following table.

Year Ended December 31,	Payment
2024	\$ 113,067
2025	113,067
2026	113,067
2027	113,067
2028	113,067
2029-2033	565,335
2034-2038	565,330
Total	<u>\$ 1,696,000</u>

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Note 6 – Long Term Obligations

A. Governmental Activities

Long-term obligations related to governmental activities for the year ended December 31, 2023 are summarized as follows:

	Balance 12/31/2022	Increases	Decreases	Balance 12/31/2023	Due Within One Year
2016 Certificates of Participation Tax Exempt Series 2016A	\$ 2,681,165	\$ -	\$ 145,966	\$ 2,535,199	\$ 149,534
2016 Certificates of Participation Taxable Series 2016B	1,124,663	-	267,354	857,309	276,358
2020 Certificates of Participation	17,570,000	-	930,000	16,640,000	970,000
Borrowing Premium	2,660,887	-	220,912	2,439,975	220,912
Total Certificates of Participation	24,036,715	-	1,564,232	22,472,483	1,616,804
2017 Financed Purchase	483,489	-	239,232	244,257	244,257
2023 Financed Purchase	-	1,982,067	660,689	1,321,378	660,689
Compensated Absences	1,854,008	1,993,502	1,530,152	2,317,358	1,946,581
Total Long-term Liabilities	\$ 26,374,212	\$ 3,975,569	\$ 3,994,305	\$ 26,355,476	\$ 4,468,331

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, 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, 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

NOTES TO THE BASIC FINANCIAL STATEMENTS

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.

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 Equipment Financed Purchase

The 2017 Equipment Lease Purchase Agreement is a tax-exempt lease-purchase program used by the City to finance capital equipment. The City entered into the 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.

2023 Equipment Financed Purchase

The 2023 Equipment Financed Purchase Agreement is a tax-exempt financed-purchase program used by the City to finance capital equipment. The City entered into the agreement as of December 31, 2023. The interest rate for the lease is 0.0%. Principal and interest payments are due annually through 2025.

Future Debt Service Obligations

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

2016 Certificates of Participation – Tax Exempt Series A

Year Ended December 31,	Principal	Interest	Total
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	404,965	38,384	443,349
2029-2031	1,275,272	54,777	1,330,049
Total	<u>\$ 2,535,199</u>	<u>\$ 312,258</u>	<u>\$ 2,847,457</u>

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2016 Certificates of Participation – Taxable Series B

Year Ended December 31,	Principal	Interest	Total
2024	\$ 276,358	\$ 26,346	\$ 302,704
2025	285,665	17,038	302,703
2026	295,286	7,417	302,703
Total	<u>\$ 857,309</u>	<u>\$ 50,801</u>	<u>\$ 908,110</u>

2020 Certificates of Participation

Year Ending December 31,	Principal	Interest	Total
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	1,240,000	442,150	1,682,150
2029-2033	7,485,000	1,401,750	8,886,750
2034-2035	3,670,000	166,650	3,836,650
Total	<u>\$ 16,640,000</u>	<u>\$ 4,216,350</u>	<u>\$ 20,856,350</u>

2017 Equipment Financed Purchase

Year Ended December 31,	Principal	Interest	Total
2024	\$ 244,257	\$ 3,835	\$ 248,092
Total	<u>\$ 244,257</u>	<u>\$ 3,835</u>	<u>\$ 248,092</u>

2023 Equipment Financed Purchase

Year Ended December 31,	Principal	Interest	Total
2024	\$ 660,689	\$ -	\$ 660,689
2025	660,689	-	660,689
Total	<u>\$ 1,321,378</u>	<u>\$ -</u>	<u>\$ 1,321,378</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

B. Business-Type Activities

Long-term obligations related to business-type activities for the year ended December 31, 2023 are summarized as follows:

	Balance 12/31/2022	Increases	Decreases	Balance 12/31/2023	Due Within One Year
<i><u>Water Fund</u></i>					
2022 Revenue Bonds	\$ 77,685,000	\$ -	\$ -	\$ 77,685,000	\$ 345,000
2016 Revenue Bonds Series A	15,405,000	-	1,005,000	14,400,000	1,005,000
Bond Premium	4,438,445	-	174,393	4,264,052	174,394
Total Bonds Payable	97,528,445	-	1,179,393	96,349,052	1,524,394
2016 Certificates of Participation					
Tax Exempt Series 2016A	664,285	-	36,165	628,120	37,049
Compensated Absences	307,617	144,614	121,311	330,920	277,973
Arbitrage Liability	-	468,859	-	468,859	-
Total Water Fund	\$ 98,500,347	\$ 613,473	\$ 1,336,869	\$ 97,776,951	\$ 1,839,416
<i><u>Wastewater Fund</u></i>					
2016 Revenue Bonds Series B	\$ 4,980,000	\$ -	\$ 250,000	\$ 4,730,000	\$ 255,000
Bond Premium	136,130	-	7,356	128,774	9,366
Total Bonds Payable	5,116,130	-	257,356	4,858,774	264,366
2016 Certificates of Participation					
Tax Exempt Series 2016A	136,130	-	7,411	128,719	7,592
2023 Revenue Loan (Direct Placement)	-	31,599,000	-	31,599,000	1,455,000
Compensated Absences	253,038	34,086	136,501	150,623	126,523
Total Wastewater Fund	\$ 5,505,298	\$ 31,633,086	\$ 401,268	\$ 36,737,116	\$ 1,853,481
<i><u>Storm Drainage Fund</u></i>					
Compensated Absences	\$ 15,893	47,680	12,473	51,100	42,924
Total Storm Drainage Fund	\$ 15,893	\$ 47,680	\$ 12,473	\$ 51,100	\$ 42,924
Total Long-term Liabilities	\$ 104,021,538	\$ 32,294,239	\$ 1,750,610	\$ 134,565,167	\$ 3,735,821

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

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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.

2023 Wastewater Revenue Loan (Direct Placement)

In June 2023, the City borrowed \$31,599,000 through a taxable, direct placement financing to refinance buy-in agreement with Metro Water Recovery and convert all eligible flows to Metro Water Recovery for processing. Principal payments are due annually beginning on December 1, 2023 and continuing through 2038. Interest payments are due on June 1 and December 1 of each year. Interest accrues on the loan at a rate of 4.96% per annum. Debt service for this loan is paid from Wastewater Fund revenues.

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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,	Principal	Interest	Total
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	605,000	3,780,625	4,385,625
2029-2033	4,175,000	18,344,875	22,519,875
2034-2038	7,895,000	17,001,075	24,896,075
2039-2043	17,720,000	13,683,000	31,403,000
2044-2048	22,745,000	8,650,625	31,395,625
2049-2052	22,775,000	2,348,375	25,123,375
Total	\$ 77,685,000	\$ 79,184,525	\$ 156,869,525

2016 Water Activity Enterprise Revenue Bonds – Series A

Year Ended December 31,	Principal	Interest	Total
2024	\$ 1,005,000	\$ 614,837	\$ 1,619,837
2025	975,000	597,550	1,572,550
2026	965,000	563,675	1,528,675
2027	975,000	515,175	1,490,175
2028	985,000	466,175	1,451,175
2029-2033	5,105,000	1,576,625	6,681,625
2034-2037	4,390,000	360,150	4,750,150
Total	\$ 14,400,000	\$ 4,694,187	\$ 19,094,187

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2016 Water Activity Enterprise Revenue Bonds – Series B

Year Ended December 31,	Principal	Interest	Total
2024	\$ 255,000	\$ 184,100	\$ 439,100
2025	270,000	173,600	443,600
2026	280,000	162,600	442,600
2027	290,000	151,200	441,200
2028	305,000	139,300	444,300
2029-2033	1,705,000	500,900	2,205,900
2034-2037	1,625,000	133,700	1,758,700
Total	\$ 4,730,000	\$ 1,445,400	\$ 6,175,400

2016 Certificates of Participation

	Water Fund		
Year Ended December 31,	Principal	Interest	Total
2024	\$ 37,049	\$ 37,049	\$ 74,098
2025	37,955	14,134	52,089
2026	38,882	13,206	52,088
2027	97,940	11,905	109,845
2028	100,334	9,510	109,844
2029-2031	315,960	13,571	329,531
Total	\$ 628,120	\$ 99,375	\$ 727,495

	Wastewater Fund		
Year Ended December 31,	Principal	Interest	Total
2024	\$ 7,592	\$ 3,082	\$ 10,674
2025	7,778	2,896	10,674
2026	7,968	2,706	10,674
2027	20,070	2,440	22,510
2028	20,561	1,949	22,510
2029-2031	64,750	2,781	67,531
Total	\$ 128,719	\$ 15,854	\$ 144,573

NOTES TO THE BASIC FINANCIAL STATEMENTS

2023 Direct Placement Loan

Year Ending December 31,	Principal	Interest	Total
2024	\$ 1,455,000	\$ 1,531,226	\$ 2,986,226
2025	1,529,000	1,457,223	2,986,223
2026	1,607,000	1,379,450	2,986,450
2027	1,688,000	1,297,734	2,985,734
2028	1,774,000	1,211,877	2,985,877
2029-2033	10,320,000	4,610,568	14,930,568
2034-2038	13,226,000	1,705,099	14,931,099
Total	\$ 31,599,000	\$ 13,193,178	\$ 44,792,178

C. Component Unit

Long-term obligations related to component units for the year ended December 31, 2023 are summarized as follows:

	Balance 12/31/2022	Increases	Decreases	Balance 12/31/2023	Due Within One Year
<i>Brighton Urban Renewal Authority</i>					
2015 Tax Increment Bonds	\$ 4,900,000	\$ -	\$ 915,000	\$ 3,985,000	\$ 945,000
Compensated Absences	16,071	13,511	16,224	13,358	11,221
Total Brighton Urban Renewal Authority	<u>\$ 4,916,071</u>	<u>\$ 13,511</u>	<u>\$ 931,224</u>	<u>\$ 3,998,358</u>	<u>\$ 956,221</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.

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.

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Future Debt Service Obligations

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

Year Ended December 31,	Principal	Interest	Total
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	\$ 3,985,000	\$ 354,725	\$ 4,339,725

Note 7 – 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, 2023 include the following items:

	General Fund	Capital Improvement Fund	Parks Capital Improvement Fund	Other Governmental Funds	Total
<u>Nonspendable</u>					
Prepays	\$ 110,491	\$ 36,572	\$ -	\$ 82,614	\$ 229,677
Total Nonspendable	110,491	36,572	-	82,614	229,677
<u>Restricted</u>					
Emergency Reseve - TABOR	1,842,667	564,987	89,494	132,376	2,629,524
Parks, Recreation & Open Space	-	-	9,309,573	-	9,309,573
Lodging Tax	-	-	-	800,458	800,458
Conservation Trust/Lottery	-	-	-	362,142	362,142
Highway Fund	-	-	-	469,182	469,182
Landscaping Fund	-	-	-	39,319	39,319
Denver Airport Agreement	496,000	-	-	-	496,000
Plastic Bag Fee Unspent Proceeds	150,850	-	-	-	150,850
PEG Channel Franchise Fees	-	201,165	-	-	201,165
Total Restricted	2,489,517	766,152	9,399,067	1,803,477	14,458,213
<u>Committed</u>					
City Council Ordinances or Resolutions					
Impact Fees Fund	-	-	-	10,327,174	10,327,174
Cemetery Fund	-	-	-	373,578	373,578
Cemetery Perpetual Care Fund	-	-	-	2,281,264	2,281,264
Food Sales Tax	134,000	-	-	-	134,000
Committed Emergency Reserve	9,735,939	4,416,719	-	-	14,152,658
Committed Stabilization Reserve	4,866,996	-	-	-	4,866,996
Total Committed	14,736,935	4,416,719	-	12,982,016	32,135,670
<u>Assigned</u>					
Capital	-	34,882,807	17,063,343	-	51,946,150
Parks, Recreation & Open Space	-	-	-	-	-
Total Assigned	-	34,882,807	17,063,343	-	51,946,150
<u>Unassigned</u>	35,477,814	-	-	-	35,477,814
Total Fund Balance	\$52,814,757	\$ 40,102,250	\$ 26,462,410	\$ 14,868,107	\$ 134,247,524

Note 8 – 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.

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 plan 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' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under the Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

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eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contributions

The City and eligible employees are required to contribute to the plan at rates established by State statutes. Employer contributions rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increased 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions increased 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. In 2022, members of the SWDB plan and their employers contributed at a rate of 12.0 percent and 9.0 percent, respectively, of pensionable earnings for a total contribution rate of 21.0 percent. In 2023, members of the SWDB plan and their employers contributed at a rate of 12.0 percent and 9.5 percent, respectively, of pensionable earnings for a total contribution rate of 21.5 percent. The City's contributions to the plan of the year ended December 31, 2023, were \$689,863, equal to the required contributions.

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, 2023, the City reported a net pension liability of \$693,505, representing its proportionate share of the net pension asset of the plan. The net pension asset was measured at December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2023. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2022, the City's proportion was 0.781 percent which was a decrease of 0.049 percent from its proportion measured at December 31, 2021.

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the year ended December 31, 2023, the City recognized pension expense of \$231,744. At December 31, 2023, 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	\$ 1,501,198	\$ 85,123
Change in Assumptions	888,474	-
Net Difference Projected and Actual on Investment Earnings	1,569,381	-
Proportion Changes and Differences City Contributions and Proportionate Share Contributions	381,660	186,975
City Contributions Subsequent to Measurement Date	781,966	-
	<u>\$ 5,122,679</u>	<u>\$ 272,098</u>

A balance of \$781,966 reported as deferred outflows of resources is 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
2024	\$ 393,523
2025	691,562
2026	968,847
2027	1,326,140
2028	290,461
Thereafter	398,082
	<u>\$ 4,068,615</u>

Actuarial Assumptions

The actuarial valuations as of January 1, 2023, determined the total pension liability using the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarially Determined Contributions
Actuarial Valuation Date	January 1, 2023	January 1, 2022
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Leave % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%	0%
*includes inflation at	2.5%	2.5%

FINANCIAL SECTION

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

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection 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 percent of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). 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, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	35%	8.93%
Equity Long/Short	6%	7.47%
Private Markets	34%	10.31%
Fixed Income - Rates	10%	5.45%
Fixed Income - Credit	5%	6.90%
Absolute Return	9%	6.49%
Cash	1%	3.92%
Total	100%	

NOTES TO THE BASIC FINANCIAL STATEMENTS

Discount Rate

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

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 purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.05 percent (based on weekly rate closet 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.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as the City's proportionate share of the net pension asset (liability) if it were calculated using a discount rate that is one percentage point lower (6.0 percent) or one percentage point higher (8.0 percent) than the current rate, as follows:

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the net pension liability (asset)	\$ 4,780,932	\$ 693,505	\$ (2,692,208)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at <http://www.fppaco.org>.

FINANCIAL SECTION

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 percent each to a FPPA Section 457 account, bringing the total retirement contribution of the City for these police officers to 9 percent.

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

Year Ended December 31,	Defined Benefit Plan Required Contributions		Defined 457 Plan Required Contributions	
	City	Employees	City	Employees
2023	\$ 781,966	\$ 876,548	\$ 21,828	\$ 91,262
2022	622,789	826,139	23,307	92,324
2021	586,301	785,776	25,425	111,015

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 2023, the contribution rate was set at 18 percent, the employee contributes 9 percent, and the City contributes 9 percent of each participant's covered salary. In April 2023, the City's contribution to the plan increased to 9.5 percent. During the year ended December 31, 2023, the City contributions were \$1,939,636 and the employee contributions were \$1,877,890.

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 9 – Risk Management

A. 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 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.

B. 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, 2023.

	<u>2023</u>	<u>2022</u>
Estimated unpaid claims, January 1	\$ 316,000	\$ 323,000
Incurred Claims	4,142,661	3,654,251
Claims Payments	<u>(4,048,061)</u>	<u>(3,661,251)</u>
Estimated unpaid claims, December 31	<u>\$ 410,600</u>	<u>\$ 316,000</u>

FINANCIAL SECTION

Note 10 – 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.

B. Legal Contingencies

The City is involved in various threatened and pending litigation. The outcome of this litigation cannot be determined at this time, and we do not estimate liabilities will be material.

The City is involved in a class-action lawsuit related to per- and polyfluoroalkyl substances, also known as PFAS. This action is expected to result in a payment to the City's Water Fund in an amount ranging between \$3.7 million and \$7.7 million with a possibility for additional construction funding to be awarded. A decision regarding the settlement is anticipated by the end of 2024 and payment could be made over multiple years.

C. Contractual Obligations

The City enters into a variety of contracts each year to support ongoing projects and operations. All contracts that result in a borrowing obligation are discussed in Note 6 – Long Term Obligations. All contracts for projects or operations that continue into future fiscal years are subject to annual appropriation of funds.

D. Construction and Other Significant Commitments

Brighton has \$66,297,682 in outstanding contracts with various contractors. Enterprise contracts comprise \$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.

F. Arbitrage

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The Treasury requires payment for each issue every five years. The estimated liability is updated annually for any tax-exempt issuances or changes in yields until such payment of the calculated liability is due. At December 31, 2023, the City had an accrued arbitrage liability of \$468,859.

Note 11 – Tax Abatements

A. Primary Government

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 2023, the City paid \$3,084,316 in sales tax abatements, and \$555,653 in use tax abatements.

B. Component Unit – Brighton Urban Renewal Authority

The Brighton Urban Renewal Authority enters into incentive agreements similar to those entered into by the City and as described in section A of this note. A written agreement is required and agreements become final after action by the BURA Commissioners. BURA's rebates include sales and property taxes.

In 2023, the Brighton Urban Renewal Authority paid \$1,151,012 in sales tax rebates, of which \$941,040 represented City sales tax revenues that are rebated to BURA and then to the recipient with BURA acting as a pass through for the rebate. Additionally, BURA rebated \$886,857 in property tax, of which \$112,232 was rebated to the City.

FINANCIAL SECTION

Note 12 – New and Pending Accounting Pronouncements

As of December 31, 2023, 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:

1. GASB Statement No. 100, Accounting Changes and Error Corrections

This statement will be effective for the City beginning with its fiscal year ending December 31, 2024, with earlier adoption encouraged. Statement No. 100's primary objective is to improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice.

2. GASB Statement No. 101, Compensated Absences

This statement will be effective for the City beginning with its fiscal year ending December 31, 2024, with earlier adoption encouraged. Statement No. 101's primary objective is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

Note 13 – Subsequent Events

The City has evaluated subsequent events through May 22, 2024, which is the date the basic financial statements were available to be issued, and no subsequent events were identified.

REQUIRED SUPPLEMENTARY INFORMATION



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BASIC FINANCIAL STATEMENTS

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Taxes				
Sales	\$ 26,934,923	\$ 25,384,454	\$ 26,338,729	\$ 954,275
Property	5,266,973	5,266,973	4,979,836	(287,137)
Use	10,522,317	10,522,317	6,913,460	(3,608,857)
Franchise	1,607,123	1,607,123	1,490,876	(116,247)
Other	9,636	9,636	10,981	1,345
Licenses and Permits	1,646,914	1,646,914	1,443,754	(203,160)
Grants and Intergovernmental	3,604,609	4,278,710	3,688,367	(590,343)
Charges for Services	6,667,313	6,667,313	6,454,438	(212,875)
Fines and Forfeitures	231,337	231,337	277,408	46,071
Investment Earnings (Loss)	750,000	750,000	2,634,134	1,884,134
Miscellaneous	1,094,476	1,094,476	639,453	(455,023)
Sale of Capital Assets	12	12	-	(12)
Total Revenues	58,335,633	57,459,265	54,871,436	(2,587,829)
EXPENDITURES				
General Government	15,984,343	16,350,643	15,915,377	435,266
Public Safety	15,450,388	16,340,619	16,701,721	(361,102)
Streets and Fleet	3,948,787	4,051,487	3,918,187	133,300
Parks and Recreation	8,479,843	8,560,153	8,528,140	32,013
Community Development	2,512,733	2,666,518	2,608,907	57,611
Total Expenditures	46,376,094	47,969,420	47,672,332	297,088
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,959,539	9,489,845	7,199,104	(2,290,741)
OTHER FINANCING SOURCES (USES)				
Transfers In	126,000	580,085	580,085	-
Transfers Out	(14,080,000)	(14,330,000)	(14,330,000)	-
Total Other Financing Sources (Uses)	(13,954,000)	(13,749,915)	(13,749,915)	-
Net Change in Fund Balance	\$ (1,994,461)	\$ (4,260,070)	(6,550,811)	\$ (2,290,741)
Fund Balance, January 1			59,365,568	
Fund Balance, December 31			<u>\$ 52,814,757</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

Last 10 Fiscal Years

Measurement period ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.7813%	0.8298%	0.8477%	0.7505%	0.7990%	0.8743%	0.9218%	0.9227%	0.8923%
Employer's proportion of the net pension liability (asset)	\$ 693,505	\$ (4,497,098)	\$ (1,840,087)	\$ (424,453)	\$ 1,010,168	\$ (1,257,827)	\$ 333,079	\$ (16,218)	\$ (934,282)
Employer's covered payroll	\$ 6,807,350	\$ 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	10.2%	(67.2%)	(28.5%)	(8.2%)	20.4%	(27.6%)	8.2%	(0.4%)	(25.8%)
Plan fiduciary net position as a percentage of the total pension liability	97.60%	116.20%	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.

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years available.

See the accompanying independent auditors' report.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year ended December 31, 2023

Fiscal Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 781,966	\$ 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	781,966	622,789	586,301	544,673	442,511	425,329	395,604	355,996	357,826	321,048
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,637,200	\$ 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	10.24%	9.15%	8.76%	8.44%	8.53%	8.59%	8.69%	8.74%	8.80%	8.88%

Notes to the Required Supplementary Information

*Information presented in this schedule has been determined as of the City's most recent fiscal year-end in accordance with GASB Statement No. 68.

Changes in Assumptions

1. The price inflation assumption was lowered to 2.50% from 3.005% 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 in 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).

See the accompanying independent auditors' report.

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OTHER SUPPLEMENTARY INFORMATION

COMBINING STATEMENTS AND BUDGETARY COMPARISON SCHEDULES BY FUND



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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

The Cemetery Perpetual Care Fund is used to account for fees collected from lot sales that are to be used for the perpetual maintenance needs of the cemeteries.

FINANCIAL SECTION

NONMAJOR GOVERNMENTAL FUNDS – COMBINING BALANCE SHEET

December 31, 2023

	SPECIAL REVENUE FUNDS						PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETARY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL FUND	
ASSETS								
Cash and Investments	\$ 491,352	\$ 374,676	\$ 292,256	\$ 473,681	\$ 907,260	\$ 11,912,487	\$ 2,281,264	\$ 16,732,976
Accounts Receivable	-	-	126,511	-	-	-	-	126,511
Taxes Receivable	-	-	-	-	29,944	-	-	29,944
Prepays	-	-	-	-	82,614	-	-	82,614
Total Assets	<u>\$ 491,352</u>	<u>\$ 374,676</u>	<u>\$ 418,767</u>	<u>\$ 473,681</u>	<u>\$ 1,019,818</u>	<u>\$ 11,912,487</u>	<u>\$ 2,281,264</u>	<u>\$ 16,972,045</u>
LIABILITIES								
Accounts Payable	\$ -	\$ -	\$ 2,840	\$ 2,387	\$ 125,746	\$ 46,081	\$ -	\$ 177,054
Accrued Wages Payable	-	-	9,187	-	-	-	-	9,187
Deposits and Escrows	451,853	-	19,000	-	-	1,446,844	-	1,917,697
Total Liabilities	<u>451,853</u>	<u>-</u>	<u>31,027</u>	<u>2,387</u>	<u>125,746</u>	<u>1,492,925</u>	<u>-</u>	<u>2,103,938</u>
FUND BALANCE								
Nonspendable	-	-	-	-	82,614	-	-	82,614
Restricted	39,499	374,676	14,162	471,294	811,458	92,388	-	1,803,477
Committed	-	-	373,578	-	-	10,327,174	2,281,264	12,982,016
Total Fund Balance	<u>39,499</u>	<u>374,676</u>	<u>387,740</u>	<u>471,294</u>	<u>894,072</u>	<u>10,419,562</u>	<u>2,281,264</u>	<u>14,868,107</u>
Total Liabilities and Fund Balance	<u>\$ 491,352</u>	<u>\$ 374,676</u>	<u>\$ 418,767</u>	<u>\$ 473,681</u>	<u>\$ 1,019,818</u>	<u>\$ 11,912,487</u>	<u>\$ 2,281,264</u>	<u>\$ 16,972,045</u>

See the accompanying independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION

**NONMAJOR GOVERNMENTAL FUND'S – COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE**

Year ended December 31, 2023

	SPECIAL REVENUE FUNDS						PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETARY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL FUND	
REVENUES								
Taxes								
Other	\$ -	\$ -	\$ -	\$ -	\$ 704,732	\$ -	\$ -	\$ 704,732
Grants and Intergovernmental	-	534,398	-	-	-	-	-	534,398
Charges for Services	-	-	401,020	-	-	1,933,900	89,950	2,424,870
Investment Earnings (Loss)	24,060	13,353	14,753	23,067	38,739	572,715	103,998	790,685
Miscellaneous	-	-	13,680	-	-	-	-	13,680
Total Revenues	24,060	547,751	429,453	23,067	743,471	2,506,615	193,948	4,468,365
EXPENDITURES								
General Government	-	-	-	-	366,667	79,595	-	446,262
Streets and Fleet	-	-	-	70,392	-	-	-	70,392
Cemetery	-	-	671,082	-	-	-	-	671,082
Capital Outlay								
Parks and Recreation	-	167,810	-	-	-	-	-	167,810
Total Expenditures	-	167,810	671,082	70,392	366,667	79,595	-	1,355,546
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,060	379,941	(241,629)	(47,325)	376,804	2,427,020	193,948	3,112,819
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	200,000	-	-	-	1,000	201,000
Transfers Out	(6,000)	(250,000)	(1,000)	-	-	(3,000,000)	-	(3,257,000)
Total Other Financing Sources (Uses)	(6,000)	(250,000)	199,000	-	-	(3,000,000)	1,000	(3,056,000)
Net Change in Fund Balance	18,060	129,941	(42,629)	(47,325)	376,804	(572,980)	194,948	56,819
Fund Balance, January 1	21,439	244,735	430,369	518,619	517,268	10,992,542	2,086,316	14,811,288
Fund Balance, December 31	\$ 39,499	\$ 374,676	\$ 387,740	\$ 471,294	\$ 894,072	\$ 10,419,562	\$ 2,281,264	\$ 14,868,107

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – LANDSCAPING FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Investment Earnings (Loss)	\$ -	\$ -	\$ 24,060	\$ 24,060
Total Revenues	-	-	24,060	24,060
OTHER FINANCING USES				
Transfers Out	(6,000)	(6,000)	(6,000)	-
Total Other Financing Uses	(6,000)	(6,000)	(6,000)	-
Net Change in Fund Balance	<u>\$ (6,000)</u>	<u>\$ (6,000)</u>	18,060	<u>\$ 24,060</u>
Fund Balance, January 1			<u>21,439</u>	
Fund Balance, December 31			<u>\$ 39,499</u>	

See the accompanying independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE – LOTTERY FUND

Year ended December 31, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Grants and Intergovernmental	\$ 571,033	\$ 571,033	\$ 534,398	\$ (36,635)
Investment Earnings (Loss)	7,000	7,000	13,353	6,353
Total Revenues	<u>578,033</u>	<u>578,033</u>	<u>547,751</u>	<u>(30,282)</u>
EXPENDITURES				
Capital Outlay				
Parks and Recreation	<u>453,268</u>	<u>453,268</u>	<u>167,810</u>	<u>285,458</u>
Total Expenditures	<u>453,268</u>	<u>453,268</u>	<u>167,810</u>	<u>285,458</u>
Excess of Revenues Over Expenditures	<u>124,765</u>	<u>124,765</u>	<u>379,941</u>	<u>255,176</u>
OTHER FINANCING USES				
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total Other Financing Uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (125,235)</u>	<u>\$ (125,235)</u>	<u>129,941</u>	<u>\$ 255,176</u>
Fund Balance, January 1			<u>244,735</u>	
Fund Balance, December 31			<u>\$ 374,676</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – CEMETERY FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Charges for Services	\$ 450,000	\$ 490,032	\$ 401,020	\$ (89,012)
Investment Earnings (Loss)	5,000	5,000	14,753	9,753
Miscellaneous	-	-	13,680	13,680
Total Revenues	455,000	495,032	429,453	(65,579)
EXPENDITURES				
Cemetery	604,656	670,688	671,082	(394)
Budget Reserves	40,000	40,000	-	40,000
Total Expenditures	644,656	710,688	671,082	39,606
Deficiency of Revenues Under Expenditures	(189,656)	(215,656)	(241,629)	(25,973)
OTHER FINANCING SOURCES (USES)				
Transfers In	200,000	200,000	200,000	-
Transfers Out	(1,000)	(1,000)	(1,000)	-
Total Other Financing Sources (Uses)	199,000	199,000	199,000	-
Net Change in Fund Balance	<u>\$ 9,344</u>	<u>\$ (16,656)</u>	(42,629)	<u>\$ (25,973)</u>
Fund Balance, January 1			430,369	
Fund Balance, December 31			<u>\$ 387,740</u>	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – HIGHWAY FUND

Year ended December 31, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Investment Earnings (Loss)	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 23,067</u>	<u>\$ 19,067</u>
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>23,067</u>	<u>19,067</u>
EXPENDITURES				
Streets and Fleet	<u>125,000</u>	<u>125,000</u>	<u>70,392</u>	<u>54,608</u>
Total Expenditures	<u>125,000</u>	<u>125,000</u>	<u>70,392</u>	<u>54,608</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(121,000)</u>	<u>(121,000)</u>	<u>(47,325)</u>	<u>73,675</u>
Net Change in Fund Balance	<u>\$ (121,000)</u>	<u>\$ (121,000)</u>	<u>(47,325)</u>	<u>\$ 73,675</u>
Fund Balance, January 1			<u>518,619</u>	
Fund Balance, December 31			<u>\$ 471,294</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – LODGING TAX FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Taxes				
Other	\$ 376,451	\$ 376,451	\$ 704,732	\$ 328,281
Investment Earnings (Loss)	1,000	1,000	38,739	37,739
Total Revenues	377,451	377,451	743,471	366,020
EXPENDITURES				
General Government	350,000	445,000	366,667	78,333
Total Expenditures	350,000	445,000	366,667	78,333
Excess (Deficiency) of Revenues Over (Under) Expenditures	27,451	(67,549)	376,804	444,353
Net Change in Fund Balance	\$ 27,451	\$ (67,549)	376,804	\$ 444,353
Fund Balance, January 1			517,268	
Fund Balance, December 31			\$ 894,072	

See the accompanying independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE – IMPACT FEES FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Charges for Services	\$ 2,000,000	\$ 2,000,000	\$ 1,933,900	\$ (66,100)
Investment Earnings (Loss)	100,000	100,000	572,715	472,715
Total Revenues	2,100,000	2,100,000	2,506,615	406,615
EXPENDITURES				
General Government	300,000	300,000	79,595	220,405
Total Expenditures	300,000	300,000	79,595	220,405
Excess of Revenues Over Expenditures	1,800,000	1,800,000	2,427,020	627,020
OTHER FINANCING USES				
Transfers Out	(3,000,000)	(3,000,000)	(3,000,000)	-
Total Other Financing Uses	(3,000,000)	(3,000,000)	(3,000,000)	-
Net Change in Fund Balance	<u>\$ (1,200,000)</u>	<u>\$ (1,200,000)</u>	(572,980)	<u>\$ 627,020</u>
Fund Balance, January 1			10,992,542	
Fund Balance, December 31			<u>\$ 10,419,562</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – CEMETERY PERPETUAL CARE FUND

Year ended December 31, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Charges for Services	\$ 80,000	\$ 80,000	\$ 89,950	\$ 9,950
Investment Earnings (Loss)	5,000	5,000	103,998	98,998
Total Revenues	<u>85,000</u>	<u>85,000</u>	<u>193,948</u>	<u>108,948</u>
OTHER FINANCING SOURCES				
Transfers In	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total Other Financing Sources	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 86,000</u>	<u>\$ 86,000</u>	<u>194,948</u>	<u>\$ 108,948</u>
Fund Balance, January 1			<u>2,086,316</u>	
Fund Balance, December 31			<u>\$ 2,281,264</u>	

See the accompanying independent auditors' report.

CAPITAL PROJECTS FUNDS - DESCRIPTIONS

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.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – CAPITAL IMPROVEMENT FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Taxes				
Sales	\$ 6,598,290	\$ 6,947,290	\$ 7,469,713	\$ 522,423
Franchise	220,894	220,894	341,184	120,290
Other	36,040	36,040	11,739	(24,301)
Grants and Intergovernmental	3,180,292	3,180,292	3,035,334	(144,958)
Investment Earnings (Loss)	200,000	200,000	1,942,079	1,742,079
Developer Contributions	187,500	187,500	22,600	(164,900)
Miscellaneous	7,500,000	7,500,000	8,592,873	1,092,873
Sale of Capital Assets	-	-	2,089	2,089
Total Revenues	17,923,016	18,272,016	21,417,611	3,145,595
EXPENDITURES				
Capital Outlay				
General Government	2,298,714	2,548,714	3,515,276	(966,562)
Public Safety	865,000	1,000,200	573,190	427,010
Streets and Fleet	28,853,494	31,972,755	14,385,950	17,586,805
Parks and Recreation	50,000	50,000	49,996	4
Community Development	-	-	53,908	(53,908)
Budget Reserves	200,000	200,000	-	200,000
Debt Service				
Principal	855,240	855,240	1,515,930	(660,690)
Interest Expense and Fees	263,910	263,910	264,566	(656)
Total Expenditures	33,386,358	36,890,819	20,358,816	16,532,003
Excess (Deficiency) of Revenues Over Expenditures	(15,463,342)	(18,618,803)	1,058,795	19,677,598
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	-	-	1,982,067	1,982,067
Transfers In	15,750,000	15,000,000	15,000,000	-
Transfers Out	(13,020,000)	(13,474,085)	(13,474,085)	-
Total Other Financing Sources (Uses)	2,730,000	1,525,915	3,507,982	1,982,067
Net Change in Fund Balance	\$ (12,733,342)	\$ (17,092,888)	4,566,777	\$ 21,659,665
Fund Balance, January 1			35,535,473	
Fund Balance, December 31			<u>\$ 40,102,250</u>	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – PARKS AND RECREATION CAPITAL IMPROVEMENT FUND

Year ended December 31, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Taxes				
Sales	\$ 4,621,867	\$ 4,621,867	\$ 5,370,295	\$ 748,428
Grants and Intergovernmental	890,917	6,802,917	6,911,388	108,471
Investment Earnings (Loss)	100,000	100,000	945,321	845,321
Miscellaneous	20,000	20,000	395,339	375,339
	<u>5,632,784</u>	<u>11,544,784</u>	<u>13,622,343</u>	<u>2,077,559</u>
EXPENDITURES				
Capital Outlay				
Parks and Recreation	18,232,101	27,345,161	17,042,087	10,303,074
Budget Reserves	200,000	200,000	-	200,000
Debt Service				
Principal	727,312	727,312	727,312	-
Interest Expense and Fees	493,722	493,722	493,722	-
	<u>19,653,135</u>	<u>28,766,195</u>	<u>18,263,121</u>	<u>10,503,074</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>(14,020,351)</u>	<u>(17,221,411)</u>	<u>(4,640,778)</u>	<u>12,580,633</u>
OTHER FINANCING SOURCES				
Transfers In	15,130,000	15,280,000	15,280,000	-
	<u>15,130,000</u>	<u>15,280,000</u>	<u>15,280,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 1,109,649</u>	<u>\$ (1,941,411)</u>	10,639,222	<u>\$ 12,580,633</u>
Fund Balance, January 1			<u>15,823,188</u>	
Fund Balance, December 31			<u>\$ 26,462,410</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

PROPRIETARY FUNDS - DESCRIPTIONS

Proprietary 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 proprietary 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.

BUDGETARY COMPARISON SCHEDULE – WATER FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES				
Charges for Services	\$ 17,519,116	\$ 17,519,116	\$ 15,524,959	\$ (1,994,157)
Tap Fees	198,626	198,626	98,628	(99,998)
Miscellaneous	191,017	191,017	84,999	(106,018)
Total Revenues	17,908,759	17,908,759	15,708,586	(2,200,173)
OPERATING EXPENSES				
Operations	12,808,458	12,808,458	12,272,486	535,972
Administration	2,746,772	2,746,772	3,102,264	(355,492)
Principal	5,071,501	5,107,666	1,041,165	4,066,501
Interest Expense and Fees	720,187	684,022	4,163,077	(3,479,055)
Total Operating Expenses	21,346,918	21,346,918	20,578,992	767,926
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	839,747	839,747	5,296,013	4,456,266
Capital Outlay	(83,652,370)	(85,186,731)	(23,291,830)	61,894,901
Grants and Intergovernmental	-	-	10,444,588	10,444,588
Sale of Capital Assets	-	-	90	90
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Revenues and (Expenses)	(83,012,623)	(84,546,984)	(7,551,139)	76,995,845
Income/(Loss) Before Capital Contributions	(86,450,782)	(87,985,143)	(12,421,545)	74,027,746
CAPITAL CONTRIBUTIONS	11,400,000	11,400,000	10,622,050	(777,950)
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (75,050,782)</u>	<u>\$ (76,585,143)</u>	<u>\$ (1,799,495)</u>	<u>\$ 73,249,796</u>
ADJUSTMENTS TO GAAP BASIS				
Capitalized Assets			23,291,830	
Long-term Debt Adjustments			1,041,165	
Contributed Capital Assets			4,297,915	
Depreciation			(6,376,805)	
Change in Net Position, GAAP Basis			20,454,610	
Net Position, January 1			152,181,341	
Net Position, December 31			<u>\$ 172,635,951</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – WASTEWATER FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES				
Charges for Services	\$ 10,052,656	\$ 10,052,656	\$ 8,040,220	\$ (2,012,436)
Miscellaneous	49,000	49,000	17,934	(31,066)
Total Revenues	10,101,656	10,101,656	8,058,154	(2,043,502)
OPERATING EXPENSES				
Operations	5,756,269	5,756,269	5,102,380	653,889
Administration	1,740,644	1,740,644	1,437,640	303,004
Principal	230,184	230,184	257,411	(27,227)
Interest Expense and Fees	224,690	224,690	1,006,706	(782,016)
Total Operating Expenses	7,951,787	7,951,787	7,804,137	147,650
NONOPERATING REVENUES (EXPENSES)				
Borrowing Proceeds	-	45,700,000	31,599,000	(14,101,000)
Agreement Refinancing	-	(46,897,000)	(46,597,325)	299,675
Investment Earnings (Loss)	467,203	467,203	605,335	138,132
Capital Outlay	(545,591)	(1,190,648)	(284,540)	906,108
Sale of Capital Assets	-	-	33,031	33,031
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Expenses	(278,388)	(2,120,445)	(14,644,499)	(12,524,054)
Income (Loss) Before Capital Contributions	1,871,481	29,424	(14,390,482)	(14,715,206)
CAPITAL CONTRIBUTIONS	400,000	400,000	319,892	(80,108)
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	\$ 2,271,481	\$ 429,424	\$ (14,070,590)	\$ (14,795,314)
ADJUSTMENTS TO GAAP BASIS				
Capitalized Assets			284,540	
Long-term Debt Adjustments			257,411	
Borrowing Proceeds			(31,599,000)	
Contributed Capital Assets			1,708,720	
Depreciation			(1,748,984)	
Change in Net Position, GAAP Basis			(45,167,903)	
Net Position, January 1			37,591,206	
Net Position, December 31			\$ (7,576,697)	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – STORM DRAINAGE FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES				
Charges for Services	\$ 1,748,395	\$ 1,748,395	\$ 1,451,719	\$ (296,676)
Miscellaneous	64,286	64,286	35,498	(28,788)
Total Revenues	1,812,681	1,812,681	1,487,217	(325,464)
OPERATING EXPENSES				
Operations	503,883	503,883	474,559	29,324
Administration	685,905	685,905	579,771	106,134
Total Operating Expenses	1,189,788	1,189,788	1,054,330	135,458
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	100,000	100,000	123,428	23,428
Capital Outlay	(441,329)	(2,010,983)	(286,512)	1,724,471
Developer Reimbursements	(207,588)	(207,588)	(405,182)	(197,594)
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Revenues (Expenses)	(748,917)	(2,318,571)	(568,266)	1,750,305
Loss Before Capital Contributions	(126,024)	(1,695,678)	(135,379)	1,289,383
CAPITAL CONTRIBUTIONS	1,000,000	1,000,000	1,148,662	148,662
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	\$ 873,976	\$ (695,678)	\$ 1,013,283	\$ 1,438,045
ADJUSTMENTS TO GAAP BASIS				
Capitalized Assets			286,512	
Contributed Capital Assets			6,710,173	
Depreciation			(1,433,547)	
Change in Net Position, GAAP Basis			6,576,421	
Net Position, January 1			27,463,273	
Net Position, December 31			\$ 34,039,694	

See the accompanying independent auditors' report.

FINANCIAL SECTION

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.

INTERNAL SERVICE FUNDS – COMBINING STATEMENT OF NET POSITION

Year ended December 31, 2023

	BENEFITS FUND	FLEET FUND	TOTAL
ASSETS			
Current Assets			
Cash and Investments	\$ 3,664,734	\$ 86,979	\$ 3,751,713
Accounts Receivable	386,798	1,120	387,918
Inventory	-	130,307	130,307
Total Current Assets	4,051,532	218,406	4,269,938
LIABILITIES			
Current Liabilities			
Accounts Payable	309,085	145,135	454,220
Accrued Wages Payable	-	20,153	20,153
Estimated Unpaid Claims	410,600	-	410,600
Compensated Absences	-	7,387	7,387
Total Current Liabilities	719,685	172,675	892,360
Noncurrent Liabilities			
Compensated Absences	-	1,407	1,407
Total Noncurrent Liabilities	-	1,407	1,407
Total Liabilities	719,685	174,082	893,767
NET POSITION			
Unrestricted	3,331,847	44,324	3,376,171
Total Net Position	\$ 3,331,847	\$ 44,324	\$ 3,376,171

See the accompanying independent auditors' report.

FINANCIAL SECTION

INTERNAL SERVICE FUNDS – COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Year ended December 31, 2023

	BENEFITS FUND	FLEET FUND	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 5,262,257	\$ 821,978	\$ 6,084,235
Total Operating Revenues	5,262,257	821,978	6,084,235
OPERATING EXPENSES			
Insurance Claims	4,048,061	-	4,048,061
Insurance Premiums	1,073,647	-	1,073,647
Professional Services	313,287	-	313,287
Personnel Services	-	377,893	377,893
Administration	-	57,648	57,648
Repairs and Maintenance	-	335,938	335,938
Miscellaneous	1,559	6,954	8,513
Total Operating Expenses	5,436,554	778,433	6,214,987
Operating Income (Loss)	(174,297)	43,545	(130,752)
NONOPERATING REVENUES (EXPENSES)			
Investment Earning (Loss)	184,814	(1,741)	183,073
Total Nonoperating Revenues and (Expenses)	184,814	(1,741)	183,073
Change in Net Position	10,517	41,804	52,321
Net Position, January 1	3,321,330	2,520	3,323,850
Net Position, December 31	\$ 3,331,847	\$ 44,324	\$ 3,376,171

See the accompanying independent auditors' report.

INTERNAL SERVICE FUNDS – COMBINING STATEMENT OF CASH FLOWS

Year ended December 31, 2023

	BENEFITS FUND	FLEET FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 4,877,075	\$ 885,486	\$ 5,762,561
Other Receipts (Payments)	-	(324,834)	(324,834)
Payments to Suppliers and Service Providers	(5,387,372)	(476,986)	(5,864,358)
Net Cash Provided (Used) by Operating Activities	(510,297)	83,666	(426,631)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received on Investments	184,814	(1,741)	183,073
Net Cash Provided (Used) by Investing Activities	184,814	(1,741)	183,073
Net Increase (Decrease) in Cash and Cash Equivalents	(325,483)	81,925	(243,558)
Cash and Cash Equivalents, January 1	3,990,217	5,054	3,995,271
Cash and Cash Equivalents, December 31	<u>\$ 3,664,734</u>	<u>\$ 86,979</u>	<u>\$ 3,751,713</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ (174,297)	\$ 43,545	\$ (130,752)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Changes in Assets and Liabilities:			
Accounts Receivable	(385,182)	63,508	(321,674)
Inventory	-	(66,173)	(66,173)
Accounts Payable	(45,418)	122,277	76,859
Accrued Wages Payable	-	2,651	2,651
Estimated Unpaid Claims	94,600	(37,142)	57,458
Total Adjustments	(336,000)	40,121	(295,879)
Net Cash Provided (Used) by Operating	<u>\$ (510,297)</u>	<u>\$ 83,666</u>	<u>\$ (426,631)</u>

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – BENEFITS FUND

Year ended December 31, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES				
Charges for Services	\$ 5,300,000	\$ 5,300,000	\$ 5,262,257	\$ (37,743)
Total Revenues	5,300,000	5,300,000	5,262,257	(37,743)
OPERATING EXPENSES				
Insurance Claims	3,800,000	4,600,000	4,048,061	551,939
Insurance Premiums	922,981	922,981	1,073,647	(150,666)
Professional Services	260,872	260,872	313,287	(52,415)
Miscellaneous	18,573	18,573	1,559	17,014
Total Operating Expenses	5,002,426	5,802,426	5,436,554	365,872
Operating Income (Loss)	297,574	(502,426)	(174,297)	328,129
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	5,000	5,000	184,814	179,814
Total Nonoperating Revenues	5,000	5,000	184,814	179,814
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ 302,574</u>	<u>\$ (497,426)</u>	10,517	<u>\$ 507,943</u>
Net Position, January 1			3,321,330	
Net Position, December 31			<u>\$ 3,331,847</u>	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – FLEET FUND

Year ended December 31, 2023

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
OPERATING REVENUES				
Charges for Services	\$ 785,352	\$ 785,713	\$ 821,978	\$ 36,265
Total Revenues	<u>785,352</u>	<u>785,713</u>	<u>821,978</u>	<u>36,265</u>
OPERATING EXPENSES				
Personnel Services	506,812	506,812	377,893	128,919
Supplies	247,681	247,681	57,648	190,033
Repairs and Maintenance	26,240	26,240	335,938	(309,698)
Miscellaneous	4,800	4,800	6,954	(2,154)
Total Operating Expenses	<u>785,533</u>	<u>785,533</u>	<u>778,433</u>	<u>7,100</u>
Operating Income (Loss)	<u>(181)</u>	<u>180</u>	<u>43,545</u>	<u>43,365</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	<u>5,000</u>	<u>5,000</u>	<u>(1,741)</u>	<u>(6,741)</u>
Total Nonoperating Revenues (Expenses)	<u>5,000</u>	<u>5,000</u>	<u>(1,741)</u>	<u>(6,741)</u>
Excess of Revenues Over Expenses	<u>\$ 4,819</u>	<u>\$ 5,180</u>	<u>41,804</u>	<u>\$ 36,624</u>
Net Position, January 1			<u>2,520</u>	
Net Position, December 31			<u>\$ 44,324</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

COMPONENT UNITS - DESCRIPTIONS

Brighton Urban Renewal Authority (BURA)

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)

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)

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.

COMPONENT UNITS – COMBINING STATEMENT OF NET POSITION

Year ended December 31, 2023

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	BRIGHTON ECONOMIC DEVELOPMENT CORPORATION	TOTAL
ASSETS				
Current Assets				
Cash and Investments	\$ 6,574,964	\$ 96,280	\$ 167,724	\$ 6,838,968
Restricted Cash and Investments	1,436,714	-	-	1,436,714
Accounts Receivable	-	-	164,246	164,246
Taxes Receivable	6,838,133	-	-	6,838,133
Land Held for Sale	1,625,000	-	-	1,625,000
Miscellaneous	-	-	116	116
Total Assets	<u>\$ 16,474,811</u>	<u>\$ 96,280</u>	<u>\$ 332,086</u>	<u>\$ 16,903,177</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 1,188,921	\$ 39,216	\$ 899	\$ 1,229,036
Sales Tax Rebate Payable	447,535	-	-	447,535
Accrued Wages Payable	4,925	-	-	4,925
Deposits and Escrows	65	-	-	65
Total Current Liabilities	<u>1,641,446</u>	<u>39,216</u>	<u>899</u>	<u>1,681,561</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned Revenue, Property Taxes	6,838,133	-	-	6,838,133
Unearned Revenue, Grants	-	-	82,614	82,614
Total Deferred Inflows of Resources	<u>6,838,133</u>	<u>-</u>	<u>82,614</u>	<u>6,920,747</u>
FUND BALANCES				
Nonspendable	1,625,000	-	-	1,625,000
Restricted	1,436,714	-	-	1,436,714
Unassigned	4,933,518	57,064	248,573	5,239,155
Total Fund Balance	<u>7,995,232</u>	<u>57,064</u>	<u>248,573</u>	<u>8,300,869</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 16,474,811</u>	<u>\$ 96,280</u>	<u>\$ 332,086</u>	<u>\$ 16,903,177</u>
Amount Reported in the Statement of Net Position is Different due to:				
Total Fund Balance	\$ 7,995,232	\$ 57,064	\$ 248,573	\$ 8,300,869
Capital Assets, Net of Accumulated Depreciation	2,740,326	-	-	2,740,326
Deferred Charge on Refunding	87,097	-	-	87,097
Compensated Absences	(13,358)	-	-	(13,358)
Accrued Interest Payable	(5,732)	-	-	(5,732)
Long-Term Debt	(3,985,000)	-	-	(3,985,000)
Total Net Position	<u>\$ 6,818,565</u>	<u>\$ 57,064</u>	<u>\$ 248,573</u>	<u>\$ 7,124,202</u>

See the accompanying independent auditors' report.

FINANCIAL SECTION

COMPONENT UNITS – COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION

Year ended December 31, 2023

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	BRIGHTON ECONOMIC DEVELOPMENT CORPORATION	TOTAL
REVENUES				
Taxes				
Sales	\$ 1,091,164	\$ -	\$ -	\$ 1,091,164
Property	5,236,186	-	-	5,236,186
Grants and Intergovernmental	105,073	91,867	120,000	316,940
Charges for Services	142,377	-	69,500	211,877
Investment Earnings (Loss)	346,356	11,598	167	358,121
Miscellaneous	-	61,183	1,173	62,356
Total Operating Revenues	6,921,156	164,648	190,840	7,276,644
EXPENDITURES				
Current				
Personnel Services	184,032	-	-	184,032
Purchased Services	716,589	-	35	716,624
Operations	205,220	494,065	245,413	944,698
Tax Rebates and Incentives	2,037,869	-	-	2,037,869
Debt Service				
Principal	915,000	-	-	915,000
Interest Expense and Fees	173,700	-	-	173,700
Total Expenditures	4,232,410	494,065	245,448	4,971,923
Net Change in Fund Balance	2,688,746	(329,417)	(54,608)	2,304,721
Fund Balance, January 1	5,306,486	386,481	303,181	5,996,148
Fund Balance, December 31	\$ 7,995,232	\$ 57,064	\$ 248,573	\$ 8,300,869
Amount Reported in the Statement of Activities is Different due to:				
Net Change in Fund Balances	\$ 2,688,746	\$ (329,417)	\$ (54,608)	\$ 2,304,721
Change in Accrued Interest	1,316	-	-	1,316
Depreciation	(231,019)	-	-	(231,019)
Principal Payments	915,000	-	-	915,000
Change in Accrued Compensated Absences	2,713	-	-	2,713
Amortization of Loss on Refunding	(24,823)	-	-	(24,823)
Change in Net Position	\$ 3,351,933	\$ (329,417)	\$ (54,608)	\$ 2,967,908

See the accompanying independent auditors' report.

STATISTICAL SECTION



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SCHEDULE 1 – NET POSITION
(most recent 10 years, amounts expressed in thousands)
December 31, 2023

	2014	2015	2016	2017	2018
Governmental Activities					
Net Investment in capital assets	\$ 87,903	\$ 90,489	\$ 86,601	\$ 94,990	\$ 98,819
Restricted	12,720	15,869	26,569	26,575	25,486
Unrestricted	23,641	25,707	32,960	32,961	43,836
Total governmental activities net position	<u>\$ 124,264</u>	<u>\$ 132,065</u>	<u>\$ 146,130</u>	<u>\$ 154,526</u>	<u>\$ 168,141</u>
Business-type Activities					
Net Investment in capital assets	\$ 95,536	\$ 98,864	\$ 102,032	\$ 110,314	\$ 126,259
Restricted	-	-	-	-	190
Unrestricted	52,342	57,016	61,261	65,549	61,461
Total business-type activities net position	<u>\$ 147,878</u>	<u>\$ 155,880</u>	<u>\$ 163,293</u>	<u>\$ 175,863</u>	<u>\$ 187,910</u>
Primary Government					
Net Investment in capital assets	\$ 183,439	\$ 189,353	\$ 188,633	\$ 205,304	\$ 225,078
Restricted	12,720	15,869	26,569	26,575	25,676
Unrestricted	75,983	82,723	94,221	98,510	105,297
Total primary government net position	<u>\$ 272,142</u>	<u>\$ 287,945</u>	<u>\$ 309,423</u>	<u>\$ 330,389</u>	<u>\$ 356,051</u>
	2019	2020	2021	2022	2023
Governmental Activities					
Net Investment in capital assets	\$ 102,396	\$ 122,195	\$ 115,983	\$ 126,113	\$ 161,386
Restricted	16,325	17,758	36,138	19,476	29,091
Unrestricted	65,700	76,552	79,379	110,370	109,413
Total governmental activities net position	<u>\$ 184,421</u>	<u>\$ 216,505</u>	<u>\$ 231,500</u>	<u>\$ 255,959</u>	<u>\$ 299,890</u>
Business-type Activities					
Net Investment in capital assets	\$ 114,966	\$ 133,669	\$ 145,886	\$ 166,979	\$ 187,735
Restricted	155	-	-	-	74,533
Unrestricted	69,654	64,860	56,504	50,257	(63,169)
Total business-type activities net position	<u>\$ 184,775</u>	<u>\$ 198,529</u>	<u>\$ 202,390</u>	<u>\$ 217,236</u>	<u>\$ 199,099</u>
Primary Government					
Net Investment in capital assets	\$ 217,362	\$ 255,864	\$ 261,869	\$ 293,092	\$ 349,121
Restricted	16,480	17,758	36,138	19,476	103,623
Unrestricted	135,354	141,412	135,883	160,627	46,244
Total primary government net position	<u>\$ 369,196</u>	<u>\$ 415,034</u>	<u>\$ 433,890</u>	<u>\$ 473,195</u>	<u>\$ 498,989</u>

SOURCE: Current and prior year's financial statements

SCHEDULE 2 – CHANGES IN NET POSITION
(most recent 10 years, amounts expressed in thousands)
Year ended December 31, 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
General Government	\$ 10,552	\$ 10,649	\$ 11,035	\$ 11,550	\$ 11,337	\$ 16,251	\$ 18,529	\$ 16,123	\$ 15,100	\$ 19,545
Public Safety	8,650	9,494	10,649	12,642	11,362	12,866	14,509	15,100	14,634	16,742
Streets and Fleet	7,057	8,842	9,289	11,869	10,275	11,546	9,482	15,720	16,721	17,948
Parks and Recreation	7,633	7,924	8,024	9,296	9,458	9,080	10,096	10,527	11,826	11,913
Cemetery	313	380	456	515	581	506	554	785	650	702
Community Development	1,441	1,903	1,941	2,407	3,107	2,416	2,483	2,177	2,320	2,671
Interest on long-term debt	1,765	1,594	1,658	1,909	1,710	1,661	1,895	646	797	753
Total governmental activities expenses	37,411	40,786	43,052	50,188	47,830	54,326	57,548	61,078	62,048	70,274
Business-type Activities:										
Water	11,762	11,768	13,305	13,979	14,750	17,858	21,293	20,940	26,287	25,915
Waste Water	4,627	4,756	5,209	9,837	6,501	7,592	8,017	8,200	10,255	55,893
Storm Drainage	971	1,011	1,153	1,778	1,708	2,270	2,239	2,024	2,433	2,893
Total business-type activities expenses	17,360	17,535	19,667	25,594	22,959	27,720	31,549	31,164	38,975	84,701
Total primary governmental expenses	54,771	58,321	62,719	75,782	70,789	82,046	89,097	92,242	101,023	154,975
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	925	682	729	1,465	870	3,046	4,850	4,942	\$ 4,200	\$ 4,341
Public Safety	638	164	247	208	614	731	485	394	261	332
Streets and Fleet	463	454	509	1,121	1,379	1,704	1,373	634	1,178	1,487
Parks and Recreation	1,833	1,522	1,696	2,245	1,526	1,338	1,184	1,092	4,295	1,899
Cemetery	262	254	397	412	347	317	493	443	596	491
Community Development	801	1,271	1,239	1,353	2,650	3,125	2,090	2,017	2,600	2,016
Operating grants and contributions	5,276	2,355	3,376	5,361	2,712	3,425	7,738	5,480	7,378	14,192
Capital grants and contributions	1,920	8,556	5,527	12,709	7,730	9,519	22,400	6,422	8,521	19,649
Total governmental activity revenues	12,118	15,258	13,720	24,874	17,828	23,205	40,613	21,424	29,029	44,407
Business-type activities:										
Charges for services										
Water	8,820	10,023	11,664	14,261	14,028	13,030	12,260	13,543	15,461	15,525
Waste Water	5,690	4,993	6,843	7,435	7,960	8,159	6,803	7,975	8,523	8,040
Storm Drainage	595	507	613	733	816	862	749	928	1,157	1,452
Operating grants and contributions	-	-	-	-	107	115	129	90	133	99
Capital grants and contributions	5,388	9,651	7,016	15,081	10,730	11,903	23,227	12,491	28,604	35,252
Total business-type activities revenues	20,493	25,174	26,136	37,510	33,641	34,069	43,168	35,027	53,878	60,368
Total primary government revenues	32,611	40,432	39,856	62,384	51,469	57,274	83,781	56,451	82,907	104,775
Net (Expense)/Revenue										
Governmental activities	(25,293)	(25,528)	(29,332)	(25,314)	(30,002)	(31,121)	(16,935)	(39,654)	(33,019)	(25,867)
Business-type activities	3,133	7,639	6,469	11,916	10,682	6,349	11,619	3,863	14,903	(24,333)
Total primary government net	(22,160)	(17,889)	(22,863)	(13,398)	(19,320)	(24,772)	(5,316)	(35,791)	(18,116)	(50,200)

SCHEDULE 2 – CHANGES IN NET POSITION (continued)
(most recent 10 years, amounts expressed in thousands)
Year ended December 31, 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and										
Changes in Net Position										
Governmental activities:										
Taxes	28,812	30,668	42,086	33,183	38,084	41,674	42,951	47,025	53,215	53,632
Investment earnings	551	1,072	684	522	1,166	1,914	2,114	(463)	(2,409)	6,495
Sale of capital assets	-	-	-	-	120	33	85	-	168	2
Miscellaneous	156	508	628	5	2,653	4,387	3,869	8,087	6,503	9,670
Transfers	(25)	-	-	-	-	(607)	-	-	-	-
Total governmental activities	29,494	32,248	43,398	33,710	42,023	47,401	49,019	54,649	57,477	69,799
Business-type activities:										
Investment income	138	267	510	431	931	1,683	1,825	(272)	(368)	6,025
Miscellaneous	232	95	434	223	435	528	319	269	316	138
Sale of capital assets	-	-	-	-	-	42	(9)	-	(5)	33
Transfers	25	-	-	-	-	607	-	-	-	-
Total business-type activities	395	362	944	654	1,366	2,860	2,135	(3)	(57)	6,196
Total primary government	29,889	32,610	44,342	34,364	43,389	50,261	51,154	54,646	57,420	75,995
Changes in Net Position										
Governmental activities	4,201	6,720	14,065	8,396	12,021	16,280	32,084	14,995	24,458	43,932
Business-type activities	3,527	8,001	7,413	12,570	12,048	9,209	13,754	3,860	14,846	(18,137)
Total primary government	<u>\$ 7,728</u>	<u>\$ 14,721</u>	<u>\$ 21,478</u>	<u>\$ 20,966</u>	<u>\$ 24,069</u>	<u>\$ 25,489</u>	<u>\$ 45,838</u>	<u>\$ 18,855</u>	<u>\$ 39,304</u>	<u>\$ 25,795</u>

SOURCE: Current and prior year's financial statements

SCHEDULE 3 – FUND BALANCE – GOVERNMENTAL FUNDS
(most recent 10 years, amounts expressed in thousands)
December 31, 2023

	2014	2015	2016	2017	2018
General Fund					
Nonspendable	\$ 254	\$ 100	\$ 179	\$ 148	\$ 23
Restricted	742	833	1,408	1,478	1,532
Committed	7,784	7,878	10,229	11,333	10,956
Assigned	546	1,661	2,337	3,630	3,630
Unassigned	3,213	2,074	4,934	3,408	9,067
Total General Fund	<u>\$ 12,539</u>	<u>\$ 12,546</u>	<u>\$ 19,087</u>	<u>\$ 19,997</u>	<u>\$ 25,208</u>
All Other Governmental Funds Combined					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 20
Restricted	11,978	15,035	24,982	25,097	23,357
Committed	11,759	11,252	10,212	11,698	14,769
Assigned	-	-	-	-	-
Total all other governmental funds	<u>\$ 23,737</u>	<u>\$ 26,287</u>	<u>\$ 35,194</u>	<u>\$ 36,795</u>	<u>\$ 38,146</u>
	2019	2020	2021	2022	2023
General Fund					
Nonspendable	\$ 197	\$ 413	\$ 106	\$ -	\$ 110
Restricted	1,579	1,715	1,672	1,772	2,490
Committed	14,402	12,390	12,967	15,453	14,737
Assigned	-	-	-	-	-
Unassigned	18,102	28,171	35,650	42,141	35,478
Total General Fund	<u>\$ 34,280</u>	<u>\$ 42,689</u>	<u>\$ 50,395</u>	<u>\$ 59,366</u>	<u>\$ 52,815</u>
All Other Governmental Funds Combined					
Nonspendable	\$ -	\$ -	\$ -	\$ 53	\$ 119
Restricted	1,656	1,112	21,160	17,704	11,794
Committed	15,413	15,203	16,639	18,026	34,637
Assigned	24,772	30,802	24,096	30,387	34,883
Total all other governmental funds	<u>\$ 41,841</u>	<u>\$ 47,117</u>	<u>\$ 61,895</u>	<u>\$ 66,170</u>	<u>\$ 81,433</u>

SOURCE: Current and prior year's financial statements

SCHEDULE 4 – CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
(most recent 10 years, amounts expressed in thousands)

Year ended December 31, 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues by Source										
Taxes	\$ 28,331	\$ 30,030	\$ 41,185	\$ 33,074	\$ 38,085	\$ 41,674	\$ 42,951	\$ 47,024	\$ 53,215	\$ 53,632
Licenses, fees and permits	659	1,004	966	1,053	2,158	2,359	1,568	1,444	1,871	1,444
Grants & Intergovernmental	6,861	5,112	6,754	8,053	6,048	7,068	12,648	6,855	7,116	14,169
Charges for services	3,010	2,863	3,259	4,327	4,722	7,402	8,473	7,765	11,089	8,879
Fines and forfeitures	421	462	449	437	404	499	433	314	197	277
Investment income	551	1,072	684	513	1,139	1,885	2,042	(447)	(2,337)	6,312
Miscellaneous	1,533	2,386	2,071	4,200	3,003	3,751	3,772	10,597	6,913	9,666
Total revenues	41,366	42,929	55,368	51,657	55,559	64,638	71,887	73,552	78,064	94,380
Expenditures by Function										
General Government	9,459	9,454	10,302	10,820	10,588	11,108	16,850	14,975	15,830	19,877
Public Safety	8,167	9,048	10,185	10,544	11,725	12,507	13,939	14,644	14,932	17,275
Streets and Fleet	2,509	2,948	3,076	3,445	3,212	3,311	3,375	7,981	11,669	18,375
Parks and Recreation	5,199	4,907	5,155	6,134	6,945	6,766	5,962	8,185	17,100	25,788
Cemetery	272	331	417	454	518	486	505	741	585	671
Community Development	1,441	1,901	1,941	2,436	3,145	2,424	2,489	2,200	2,358	2,663
Capital Outlay ¹	7,271	6,334	12,518	14,111	9,786	12,181	12,182	-	-	-
Debt Service-Principal	1,170	1,225	805	1,097	1,430	1,477	1,524	1,680	1,530	2,243
Debt Service-Interest & Fees	1,639	1,594	1,629	1,759	1,691	1,641	1,900	663	814	758
Total expenditures	37,127	37,742	46,028	50,800	49,040	51,901	58,726	51,069	64,818	87,650
Excess (deficiency) of revenues over (under) expenditures	4,239	5,187	9,340	857	6,519	12,737	13,161	22,483	13,246	6,730
Other Financing Sources (Uses)										
Borrowing Proceeds	-	-	-	-	-	-	19,195	-	-	1,982
Borrowing Premium	-	-	-	-	-	-	3,120	-	-	-
Payments to Escrow Agent	-	-	-	-	-	-	(22,011)	-	-	-
Proceeds from Sale of Capital Assets	-	-	6,115	1,608	19	-	-	-	-	-
Dev. Contrib/Insurance Recoveries	-	-	-	102	-	636	-	-	-	-
Transfers in	616	802	2,308	1,615	1,250	2,859	3,222	1,503	3,176	31,061
Transfers out	(1,041)	(3,432)	(2,315)	(1,671)	(1,226)	(3,466)	(3,001)	(1,503)	(3,176)	(31,061)
Total other financing sources (uses)	(425)	(2,630)	6,108	1,654	43	29	525	-	-	1,982
Net change in fund balances	\$ 3,814	\$ 2,557	\$ 15,448	\$ 2,511	\$ 6,562	\$ 12,766	\$ 13,686	\$ 22,483	\$ 13,246	\$ 8,712
Debt service as a percentage of noncapital expenditures	9.41%	8.98%	7.26%	7.78%	7.95%	7.85%	7.94%	4.81%	3.75%	3.55%

SOURCE: Current and prior year's financial statements

NOTES: 1. Beginning in 2001, Capital Outlay is incorporated into the functionalized expenditures.

SCHEDULE 5 – SALES TAX REVENUES BY CATEGORY (most recent 10 years)

Year ended December 31, 2023

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General merchandise	\$ 7,280	\$ 7,335	\$ 6,760	\$ 6,775	\$ 8,368
Food stores	3,416	4,089	4,737	5,394	5,352
Eating and drinking establishments	2,462	2,568	2,810	2,808	3,458
Building materials/home improvements	3,415	2,774	21,410	3,347	4,414
Auto dealers/repairs/supplies	1,687	2,067	2,207	2,222	2,492
Utilities	2,576	2,399	2,591	2,695	2,667
All other categories	1,297	1,285	1,354	1,895	685
Total	<u>\$ 22,133</u>	<u>\$ 22,517</u>	<u>\$ 41,869</u>	<u>\$ 25,136</u>	<u>\$ 27,436</u>
City direct sales tax rate	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General merchandise	\$ 8,323	\$ 9,630	\$ 9,512	\$ 10,708	\$ 11,327
Food stores	5,486	3,849	4,389	4,925	5,468
Eating and drinking establishments	3,724	3,525	4,602	4,972	4,902
Building materials/home improvements	4,348	3,875	3,443	3,525	3,302
Auto dealers/repairs/supplies	2,667	2,882	2,840	3,161	2,936
Utilities	2,686	3,001	2,614	3,132	2,911
All other categories	2,533	4,088	7,104	8,009	7,839
Total	<u>\$ 29,767</u>	<u>\$ 30,850</u>	<u>\$ 34,504</u>	<u>\$ 38,432</u>	<u>\$ 38,684</u>
City direct sales tax rate	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>

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

NOTES

1. This schedule does not include motor vehicle use tax nor does it include use tax on building materials.
2. Sales tax revenues are reported net of rebates.

SCHEDULE 6 – DIRECT AND OVERLAPPING SALES TAX RATES
(most recent 10 years)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City of Brighton	3.75%	3.75%	3.75%	3.75%	3.75%
State of Colorado	2.90%	2.90%	2.90%	2.90%	2.90%
Adams County	0.75%	0.75%	0.75%	0.75%	0.75%
Rapid Transit District (RTD)	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%
Football Stadium District	0.00%	0.00%	0.00%	0.00%	0.00%
Total direct and overlapping sales tax rates	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City of Brighton	3.75%	3.75%	3.75%	3.75%	3.75%
State of Colorado	2.90%	2.90%	2.90%	2.90%	2.90%
Adams County	0.75%	0.75%	0.75%	0.75%	0.75%
Rapid Transit District (RTD)	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%
Football Stadium District	0.00%	0.00%	0.00%	0.00%	0.00%
Total direct and overlapping sales tax rates	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>

SOURCE: State of Colorado Department of Revenue

SCHEDULE 7 – PRINCIPAL SALES AND USE TAX PAYMENT CATEGORIES
(most recent 10 years, in thousands)

	2014	2015	2016	2017	2018
Top 10 filers	\$ 9,781	\$ 11,607	\$ 28,779	\$ 12,054	\$ 13,061
All Other filers	12,352	10,910	13,090	13,082	14,375
Total	<u>\$ 22,133</u>	<u>\$ 22,517</u>	<u>\$ 41,869</u>	<u>\$ 25,136</u>	<u>\$ 27,436</u>
Top 10 filers as a percent of total	44.2%	51.5%	68.7%	48.0%	47.6%
City direct sales tax rate	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>
	2019	2020	2021	2022	2023
Top 10 filers	\$ 14,329	\$ 16,335	\$ 16,156	\$ 17,538	\$ 17,990
All Other filers	15,438	14,515	18,348	20,894	20,694
Total	<u>\$ 29,767</u>	<u>\$ 30,850</u>	<u>\$ 34,504</u>	<u>\$ 38,432</u>	<u>\$ 38,684</u>
Top 10 filers as a percent of total	48.1%	52.9%	46.8%	45.6%	46.5%
City direct sales tax rate	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>

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

NOTES

1. This schedule does not include motor vehicle use tax nor does it include use tax on building materials.
2. Sales tax revenues are reported net of rebates

**SCHEDULE 8 – TYPE OF OUTSTANDING DEBT AND
RATIO TO PERSONAL INCOME
(most recent 10 years, amounts expressed in thousands)**

	2014	2015	2016	2017- restated	2018	2019	2020	2021	2022	2023
Governmental Activities										
2020 Certificate of Participation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,195	\$ 18,465	\$ 17,570	\$ 16,640
2016 Certificate of Participation	-	-	6,124	5,701	5,341	4,974	4,596	4,207	3,806	3,393
2010 Certificate of Participation	26,385	26,320	25,515	24,685	23,936	22,940	-	-	-	-
Sales Tax Revenue Bonds	1,160	-	-	-	-	-	-	-	-	-
Leases	-	-	-	1,608	1,392	1,172	947	718	483	1,566
Borrowing Premium	147	125	118	112	106	100	3,103	2,882	2,661	2,440
Total Governmental Activities	27,692	26,445	31,757	32,106	30,775	29,186	27,841	26,272	24,520	24,039
Business-type Activities										
2023 Direct Placement Loan	-	-	-	-	-	-	-	-	-	31,599
2022 Revenue Bonds	-	-	-	-	-	-	-	-	77,685	77,685
2016 Revenue Bonds	-	-	27,270	26,185	25,085	23,965	22,805	21,610	20,385	19,130
2016 Certificate of Participation	-	-	859	1,001	965	925	884	843	800	757
Water/Sewer Revenue Bonds	28,580	27,845	-	-	-	-	-	-	-	-
State Water Loan Note	400	-	-	-	-	-	-	-	-	-
Borrowing Premium	748	715	1,249	1,189	1,129	1,069	1,009	948	4,575	4,264
Total Business-type Activities	29,728	28,560	29,378	28,375	27,179	25,959	24,698	23,401	103,445	133,435
Total Primary Government										
Certificate of Participation	26,385	26,320	32,498	31,387	30,242	28,839	24,675	23,515	22,176	20,790
Sales Tax Revenue Bonds	1,160	-	-	-	-	-	-	-	-	-
Water/Sewer Revenue Bonds	28,580	27,845	27,270	26,185	25,085	23,965	22,805	21,610	98,070	96,815
Water/Sewer Loans	-	-	-	-	-	-	-	-	-	31,599
State Water Loan Note & Note Payable	400	-	-	-	-	-	-	-	-	-
Leases	-	-	-	1,608	1,392	1,172	947	718	483	1,566
Borrowing Premium	895	840	1,367	1,301	1,235	1,169	4,112	3,830	7,236	6,704
Total primary government	<u>\$ 57,420</u>	<u>\$ 55,005</u>	<u>\$ 61,135</u>	<u>\$ 60,481</u>	<u>\$ 57,954</u>	<u>\$ 55,145</u>	<u>\$ 52,539</u>	<u>\$ 49,673</u>	<u>\$ 127,965</u>	<u>\$ 157,474</u>
Percentage of Per Capita Personal Income	4.47%	4.14%	4.32%	3.84%	3.50%	3.11%	2.78%	2.42%	5.63%	6.78%
Debt Per Capita	\$ 1.62	\$ 1.54	\$ 1.66	\$ 1.58	\$ 1.48	\$ 1.36	\$ 1.27	\$ 1.18	\$ 3.00	\$ 3.62

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

SCHEDULE 9 –LEGAL DEBT MARGIN INFORMATION
(most recent 10 years, amounts expressed in thousands)

	2014	2015	2016	2017	2018
General obligation debt outstanding ¹	\$ -	\$ -	\$ -	\$ -	\$ -
Total net debt applicable to debt limit	-	-	-	-	-
Computation of maximum debt allowed:					
Actual value of property	2,773,064	3,223,343	4,243,434	4,234,952	4,334,016
Legal debt limit percentage	3%	3%	3%	3%	3%
Legal debt limit ²	83,192	96,700	127,303	127,049	130,020
Legal debt margin ³	83,192	96,700	127,303	127,049	130,020
Legal debt margin as a percentage of debt limit	100%	100%	100%	100%	100%
Population	35,367	35,671	36,912	38,192	39,211
Net general bonded debt per capita	0%	0%	0%	0%	0%
	2019	2020	2021	2022	2023
General obligation debt outstanding ¹	\$ -	\$ -	\$ -	\$ -	\$ -
Total net debt applicable to debt limit	-	-	-	-	-
Computation of maximum debt allowed:					
Actual value of property	4,613,073	5,067,387	5,709,158	6,845,865	8,007,768
Legal debt limit percentage	3%	3%	3%	3%	3%
Legal debt limit ²	138,392	152,022	171,275	205,376	240,233
Legal debt margin ³	138,392	152,022	171,275	205,376	240,233
Legal debt margin as a percentage of debt limit	100%	100%	100%	100%	100%
Population	40,584	41,468	42,143	42,623	43,518
Net general bonded debt per capita	0%	0%	0%	0%	0%

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

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. The legal debt limit is 3% of the actual value of the property as determined by the County Assessor's Offices.
3. The legal debt margin is the City's available borrowing authority.

SCHEDULE 10 – DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES
DEBT (most recent 10 years)
Year ended December 31, 2023

Jurisdiction	Debt Outstanding Government Activities	Percentage Applicable to the City	Estimated Share of Overlapping Debt
<u>Direct Debt:</u>			
City of Brighton	<u>\$ 24,038,118</u>	100%	<u>\$ 24,038,118</u>
<u>Overlapping Debt:</u>			
Counties	136,855,377	7%	9,935,273
School Districts	705,479,884	33%	232,147,104
Special Districts	3,594,319,291	16%	583,503,244
Total Overlapping Debt	<u>4,436,654,552</u>		<u>825,585,621</u>
Total Direct and Overlapping Debt	<u>\$ 4,460,692,670</u>		<u>\$ 849,623,739</u>

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

Note:

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

SCHEDULE 11 – PLEDGED REVENUE COVERAGE
For Debt Outstanding as of December 31, 2023
(most recent 10 years, amounts expressed in thousands)

Water Activity Enterprise Obligations ¹							
	Gross Water / Wastewater Revenues ²	Less: Operating Expenses ³	Net Available Revenue	Debt Service			Coverage Ratio ⁴
Fiscal Year				Principal	Interest	Total	
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
2023	40,716	28,531	12,185	1,298	5,170	6,468	1.88

SOURCE: Current and prior year's financial statements

NOTES:

1. The Water Activity Enterprise Revenue Bonds, Certificates of Participation, and Direct Placement Loan are repaid from net available revenues of the Water and Wastewater Funds.
2. Gross Revenues do not include developer contributed capital.
3. Operating Expenses do not include amortization, depreciation, interest expense, or loss on disposal of capital assets.
4. The minimum coverage ratio required by borrowing agreements in place as of the time of this report is 1.25.

SCHEDULE 12 – DEMOGRAPHIC AND ECONOMIC STATISTICS
(most recent 10 years)

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)
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%
2023	43,518	2,321,772	53,352	34	11,923	2.3%

SOURCES:

1. 2022 Population - ESRI Community Profile
2. Total Personal Income - Product of Per Capital Personal Income by Population
3. Per Capita Personal Income - US Bureau of Economic Analysis weighted average of Adams and Weld Counties figures for 2021
4. Median Age - ESRI Community Profile
5. School Enrollment - School Districts
6. Unemployment Rate - ESRI Community Profile

NOTES:

Per Capital Personal Income (3) for 2023 was not available at the time of issuance of this report.

**SCHEDULE 13 – PRINCIPAL EMPLOYERS
(2014 and 2023)**

	2014			2023		
	Employees	Percentage	Rank	Employees	Percentage	Rank
Adams County	1,923	25%	1	2,572	33%	1
School District 27J	1,860	24%	2	2,294	30%	2
Vestas	1,300	17%	3	334	4%	6
Intermountain Health						
Platte Valley Hospital	626	8%	4	939	12%	3
City of Brighton	502	7%	5	574	7%	4
Baker Hughs	390	5%	6	-	0%	-
Petrocco Farms	350	5%	7	-	0%	-
King Soopers	320	4%	8	123	2%	10
Walmart Supercenter	277	4%	9	335	4%	5
United Power	165	2%	10	-	0%	-
Transwest				205	3%	7
Wells Precast				189	2%	9
Target				196	3%	8
TOTAL	7,713	100%		7,761	100%	

SOURCE: Brighton Economic Development Corporation

**SCHEDULE 14 – FULL TIME EQUIVALENT (FTE) EMPLOYEES BY FUNCTION/PROGRAM
(most recent 10 years)**

Functions/Programs	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
General Government	56.9	63.1	71.0	72.0	74.9	80.6	73.8	78.5	80.5	81.7
Public Safety										
Officers	58.0	60.0	68.0	64.0	65.0	70.0	74.0	82.0	81.0	90.0
Civilians	22.0	26.0	26.0	28.0	29.0	29.0	32.3	32.5	31.5	27.8
Total Public Safety	80.0	86.0	94.0	92.0	94.0	99.0	106.3	114.5	112.5	117.8
Public Works	23.0	23.0	25.0	29.0	29.0	30.0	27.3	22.5	31.8	32.6
Parks and Recreation	40.3	40.3	39.0	41.0	40.0	41.5	41.5	45.0	47.5	50.0
Community Development	15.2	18.0	20.0	21.0	22.0	21.0	22.0	23.0	22.0	22.5
Cemetery	4.0	4.0	3.0	4.0	4.0	4.0	4.0	5.0	4.0	5.0
Total Governmental Activities	219.4	234.4	252.0	259.0	263.9	276.1	274.8	288.5	298.3	309.6
Business-Type Activities										
Water	25.2	25.2	28.0	32.0	34.0	35.0	34.8	34.7	31.0	29.7
Wastewater	21.5	21.5	25.0	28.0	28.0	28.0	27.8	20.7	18.0	12.0
Storm Drainage	2.3	2.3	3.0	4.0	4.0	4.0	4.0	3.1	3.0	5.3
Total Business-Type Activities	49.0	49.0	56.0	64.0	66.0	67.0	66.6	58.5	52.0	47.0
Component Units										
Urban Renewal Authority	5.0	4.0	6.0	4.0	-	-	2.0	2.0	2.0	2.0
Total Component Units	5.0	4.0	6.0	4.0	-	-	2.0	2.0	2.0	2.0
Total FTE Employees By Function/Program	273.4	287.4	314.0	327.0	329.9	343.1	343.4	349.0	352.3	358.6

SOURCE: City payroll/human resources records

NOTE: Reflects total positions filled and does not factor in vacancies.

SCHEDULE 15 – OPERATING INDICATORS BY FUNCTION/PROGRAM
(most recent 10 years)

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Calls for service	46,023	52,456	56,092	55,805	56,777	63,592	71,902	43,366	58,012	60,486
Arrests	2,365	2,620	2,791	2,240	1,961	1,951	1,685	1,875	1,782	2,197
Summons issued	5,226	5,044	5,463	4,680	4,824	4,341	5,406	4,494	3,641	5,829
Streets										
Street resurfacing (miles)	0	0	2	5	6	5	2	3	5	3
Street slurry seal (miles)	5	10	9	6	12	11	5	3	1	1
Street chip seal (miles)	0	0	0	5	8	6	2	3	0	0
Parks and Recreation										
Recreation Center admissions	183,960	191,190	172,617	192,605	178,072	169,755	50,504	73,577	99,251	118,696
Senior Center program participants	31,239	33,778	37,296	40,269	41,390	39,902	10,561	13,779	26,956	76,021
Senior Center services	11,144	10,733	11,075	14,491	17,476	15,956	15,635	14,751	12,042	29,684
Water										
Gallons pumped (millions)	1,671	1,755	1,858	1,978	1,932	1,918	2,405	2,170	2,243	1,891
Average daily consumption (million gallons)	5	5	5	5	5	5	6	6	6	5
Wastewater										
Gallons treated (millions) ¹	751	775	756	740	788	656	538	537	556	297
Cemetery										
Internments ²	120	115	149	170	109	118	162	209	200	175

SOURCE: Various City Departments

NOTES:

1. In July 2023, the City transferred all remaining flows processed by the City's wastewater treatment plant to Metro Water Recovery and began the process of decommissioning the City's plant. The City will no longer process wastewater after 2023.
2. Includes both human and pet internments.

SCHEDULE 16 – CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
(most recent 10 years)

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	51	51	53	55	55	59	59	60	65	68
Streets										
Street Miles	153	154	159	161	162	160	160	160	164	169
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	48	43	43	43	43	45	45
Park acreage	300	300	300	303	241	307	307	307	355	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)	960	960	960	1,023	869	1,044	1,044	1,044	1,044	1,044
Trails (miles)	34	34	34	38	32	38	38	48	62	62
Water										
Treatment plant	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	195	195	227	225	235	237	242	247	267	319
Water customers	10,068	10,436	10,104	11,700	11,782	12,183	12,614	12,904	13,651	13,922
Storage capacity (million gallons)	17	17	17	17	17	17	17	17	19	19
Wastewater										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewer (miles)	146	146	146	169	180	180	182	187	191	196
Storm drainage										
Storm sewer (miles)	60	60	60	76	101	101	105	108	111	114
Cemeteries										
	2	2	2	2	2	2	2	2	2	2

SOURCE: Various City departments.

SOURCE: Various City Departments

COMPLIANCE SECTION



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SINGLE AUDIT REPORT



**Independent Auditors' Report On Internal
Control Over Financial Reporting And On
Compliance And Other Matters Based On An
Audit Of Financial Statements Performed In
Accordance With *Government Auditing Standards***

Honorable Mayor and Members
of the City Council
City of Brighton, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining funds of City of Brighton, Colorado (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 22, 2024.

Report On Internal Control Over Financial Reporting

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

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

Honorable Mayor and
Members of City Council
City of Brighton, Colorado

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

Report On Compliance And Other Matters

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

Purpose Of This Report

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

RubinBrown LLP

May 22, 2024

**Independent Auditors' Report On Compliance
For The Major Federal Program, Report
On Internal Control Over Compliance**

Honorable Mayor and Members
of the City Council
City of Brighton, Colorado

Report On Compliance For The Major Federal Program

Opinion On The Major Federal Program

We have audited City of Brighton, Colorado's (the City) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget's *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2023. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2023.

Basis For Opinion On The Major Federal Program

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

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

Responsibilities Of Management For Compliance

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

Auditors' Responsibilities For The Audit Of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report On Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

Honorable Mayor and
Members of City Council
City of Brighton, Colorado

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

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

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

RubinBrown LLP

May 22, 2024

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2023

<u>Federal Grantor/ Pass-through Grantor/ Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
<u>U.S. Department of Housing and Urban Development (HUD)</u>			
Direct Funding			
<i>Community Development Block Grants/Entitlement Grants</i>	14.218	N/A	\$ 120,368
		Agency subtotal	120,368
<u>U.S. Department of Justice</u>			
Direct Funding			
<i>Criminal and Juvenile Justice and Mental Health Collaboration</i>	16.745	N/A	86,215
<i>Edward Byrne Memorial Justice Assistance Program</i>	16.738	N/A	7,500
<i>Edward Byrne Memorial Justice Assistance Program</i>	16.738	N/A	12,102
		Program subtotal	19,602
Pass-through Funding			
Colorado Department of Public Safety, Division of Criminal Justice			
<i>Crime Victim Assistance</i>	16.575	2020-VA-21-414-17	807
		2022-VA-23-247-17	197,010
		Program subtotal	197,817
		Agency subtotal	303,634
<u>U.S. Department of the Treasury</u>			
Direct Funding			
<i>COVID-19 Coronavirus State and Local Fiscal Recovery Funds</i>	21.027	N/A	10,444,588
Pass-through Funding			
Colorado Department of Local Affairs			
<i>COVID-19 Coronavirus State and Local Fiscal Recovery Funds</i>	21.027	4CLP/4CLA	52,123
		Agency subtotal	10,496,711
		Grand Total	\$ 10,920,713

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF BRIGHTON, COLORADO

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For The Year Ended December 31, 2023

1. Organization

The accompanying schedule of expenditures of federal awards presents the activity of all federal award programs of City of Brighton, Colorado (the City), for the year ended December 31, 2023. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included on the schedule.

2. Basis Of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the modified accrual basis of accounting. The information in the accompanying schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Therefore, some amounts presented in the schedule may differ from the amounts presented in, or used in, the preparation of the basic financial statements.

3. Indirect Costs

The City has not elected to use the 10% de minimis indirect cost rate as allowed in the Uniform Guidance, Section 414.

CITY OF BRIGHTON, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For The Year Ended December 31, 2023

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

___ yes

✓ no

Significant deficiency(ies) identified?

___ yes

✓ none reported

Noncompliance material to financial statements noted?

___ yes

✓ no

Federal Awards

Internal control over the major federal program:

Material weakness(es) identified?

___ yes

✓ no

Significant deficiency(ies) identified?

✓ yes

___ none reported

Type of auditors' report issued on compliance for the major federal program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

___ yes

✓ no

Identification of the major federal program:

AL No.	Name Of Federal Program Or Cluster
--------	------------------------------------

21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
--------	--

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

\$750,000

Auditee qualified as low-risk auditee?

___ yes

✓ no

CITY OF BRIGHTON, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)
For The Year Ended December 31, 2023

Section II - Financial Statement Findings

None noted.

CITY OF BRIGHTON, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*) For The Year Ended December 31, 2023

Section III - Federal Award Findings And Questioned Costs

Finding 2023-001

Reporting

Significant Deficiency, Internal Control Over Compliance

ALN 21.027: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Federal Agency: U.S. Department Of Treasury

Pass-Through Entity: N/A

Criteria Or Specific Requirement: The Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) provided direct payments to states, U.S. territories, tribal governments, metropolitan cities, counties and nonentitlement units of local government that was to be utilized for specific projects or general government services according to the CSLFRF Final Rule. 2 CFR Section 200.301 requires clear performance goals, indicators, targets, and baseline data disclosure. The Compliance Supplement states that the key line items were obligations and expenditures and capital expenditures - quantifiable objective criteria to be reported on the Performance and Expenditure reports.

Condition/Context: In our audit, we noted the City had a review process for the overall project and related expenditures; however, based on review of the process, the review process did not specifically address keys aspects of the Performance and Expenditure reports.

Cause: The City did not have sufficient internal controls in place to ensure the appropriate review of the Performance and Expenditure reports prior to submission.

Effect: Without adequate controls over federal expenditures reporting, the City may not detect an error in reporting requirements.

Questioned Costs: N/A

Identification As A Repeat Finding: N/A

Recommendation: We recommend the City improve its internal controls by ensuring review of the Performance and Expenditure reports is done prior to submission by a person that did not prepared the information related to the key aspects of the report.

Views Of Responsible Officials And Planned Corrective Action: The City agrees with the finding and has put together a correction action plan for the finding. See corrective action plan included in this report.

**City of Brighton, Colorado
Schedule of Findings and Questioned Costs (continued)
Corrective Action Plan
For the Year Ended December 31, 2023**

The City of Brighton, Colorado respectfully submits the following corrective action plan for the year ended December 31, 2023.

Audit period: 2023

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

Findings – Federal Award Programs Audit

2023-001 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Condition: The City's review process did not specifically address key aspects of the Performance and Expenditure reports prior to submission.

Recommendation: We recommend the City improve its internal controls by ensuring review of the Performance and Expenditure reports is done prior to submission by a person that did not prepare the information related to the key aspects of the report.

Views of responsible officials and planned corrective actions: The City agrees with the finding. The City will improve internal controls over the Performance and Expenditure report review process and ensure this review addresses all aspects of the reports and is completed prior to submission. Corrective action was taken in spring of 2024 when the issue was identified during the 2023 audit.

Responsible Official: Catrina Asher, Finance Director

Planned completion date for corrective action plan: March 31, 2024.

CITY OF BRIGHTON, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)
For The Year Ended December 31, 2023

Section IV - Summary Schedule Of Prior Audit Findings

None noted.

LOCAL HIGHWAY FINANCE REPORT



COMPLIANCE SECTION

Form Approved

OMB No. 2125-0032

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

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
This Information From The Records Of: City of Brighton		YEAR ENDING (mm/yy): 12/23	
Prepared By: Zach Street			
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
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Remainder used for highway purposes			
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 11,580,590.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 3,532,161.00
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	\$ 259,030.00
3. Other local imposts (from page 2)	\$ 3,912,379.00	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 950,147.00	d. Total (a. through c.)	\$ 259,030.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 744,719.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 1,239,185.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 17,355,685.00
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)	\$ 4,862,526.00	b. Redemption	
8. Private Contributions	\$ 13,262,358.00	c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 1,444,406.00	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 19,569,290.00	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)	\$ 17,355,685.00
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)			
	Opening Debt	Amount Issued	Redemptions
A. Bonds (Total)			Closing Debt
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
\$ 82,514.00	\$ 19,569,290.00	\$ 17,355,685.00	\$ 2,296,119.00
			E. Reconciliation
			\$ -
Notes and Comments:			

FORM FHWA-536 (Rev.06/2000)

PREVIOUS EDITIONS OBSOLETE

Excel

(Next Page)

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
		YEAR ENDING (mm/yy): 12/23	

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	\$ 307,748.00
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 277,258.00
1. Sales Taxes	\$ 2,563,134.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 1,000,000.00	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	\$ 349,245.00	f. Charges for Services	\$ 41,014.00
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 3,912,379.00	h. Other	\$ 324,127.00
c. Total (a. + b.)	\$ 3,912,379.00	i. Total (a. through h.)	\$ 950,147.00
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 1,233,716.00	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	\$ 209,966.00	d. Federal Transit Administration	
d. DOLA Grant	\$ 724.00	e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 210,690.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 1,444,406.00	3. Total (1. + 2.g)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

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		\$ 6,076,949.00	\$ 6,076,949.00
(3). System Preservation		\$ 3,852,437.00	\$ 3,852,437.00
(4). System Enhancement And Operation		\$ 1,851,204.00	\$ 1,851,204.00
(5). Total Construction (1)+(2)+(3)+(4)		\$ 11,580,590.00	\$ 11,580,590.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)		\$ 11,580,590.00	\$ 11,580,590.00
(Carry forward to page 1)			

Notes and Comments:

FORM FHWA-536