



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended December 31, 2021



CITY OF BRIGHTON, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2021

Prepared by
Finance Department

Catrina Asher
Finance Director

Available online at
www.brightonco.gov



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INTRODUCTORY SECTION





June 15, 2022

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

We submit, for your information and review, the Annual Comprehensive Financial Report for the City of Brighton, Colorado (the City), for the year ended December 31, 2021. This report consists of management's representations concerning the finances of the City of Brighton. Consequently, management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the City. The City has included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities.

The City charter and state law require an audit by independent certified public accountants selected by the City Council. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2021 are free of material misstatements. The City's financial statements, which include all funds under the control of City Council as well as the financial statements of component units, have been audited by Haynie & Company, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit evidence obtained, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2021, are fairly presented in conformity with accounting principles generally accepted in the United States of America (US GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

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

PROFILE OF THE CITY OF BRIGHTON

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

housing, employment, services, recreation, and entertainment. It has a historic Downtown that anchors the City's small town identity and its original neighborhoods. The City currently occupies nearly 22 square miles and serves a population of approximately 41,500.

The completion of E-470 from I-76 to I-25 linked Brighton both to I-25 and the southern Denver business area and technical center. The link advanced the "Brighton Corridor" for improved 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 2021, the mill levy for property tax remained at 6.65 mills upon each dollar of the total valuation of assessment for all taxable property within the City. The 2021 property taxes collected were based on the net assessed valuation for the City of Brighton, as certified by the Adams and Weld County Assessors, which was \$526,897,900 and \$50,726,638, respectively. The City also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

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

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

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

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

Brighton's budget is planned on a calendar year basis as required by Article X of the Charter. The budget presents a complete financial plan for all estimated revenues, other financing sources, expenditures, and other financing uses. This annual budget serves as the foundation for the City

of Brighton's financial planning and control. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level. Budgets for capital projects lapse at the end of the fiscal year and must be re-appropriated if unused.

MAJOR INITIATIVES - In 2021 the City made significant progress on its Strategic Plan initiatives, including:

- Facilitating **strategic, supportable infrastructure**.
Brighton's Public Works Department continued its 10-year street maintenance program, spending 3.2 million to repair and maintain our streets, laying 700 tons of asphalt. Significant improvements to the intersection at 144th & Sable were initiated, adding a new traffic signal to address safety and efficiency. The Utilities Department made significant progress on the South Storage Hydropillar Tank, which will be completed in 2022. This highly visible project will provide an additional 2 million gallons on water storage.
- Building **strong regional relationships and partnerships**.
In conjunction with the Mile High Flood District, the City has completed the North Outfall Denver Street Alignment and will begin the Baseline Alignment in 2022. This project will address nuisance storm drainage issues in the downtown and northern areas of the City and is part of an ongoing effort to build regional storm drainage systems that can meet both current needs as well as future growth of the City.
- Developing **strong local employment opportunities**.
Brighton is a prosperous community that attracts innovative businesses and industries that offer economic security to their employees. Brighton has continued to experience economic growth throughout the year. A new Freddy's Frozen Custard & Steakburgers opened in Prairie Center in late December. A new Taco Bell also opened at 50th and Bridge streets, along with new apartments at the same intersection.
- Promoting **financial responsibility**.
The City actively monitors spending and revenues compared to budgets, making adjustments where necessary and reporting on progress through quarterly financial updates presented to City Council and published on the City's website. The City received Government Finance Officers Association awards for both the audited financial statements and budget documents, which indicate a high standard of performance in the areas of budget and financial reporting.
- Maintaining **a safe, active, engaged community**.
In 2021, the City of Brighton contracted with the National Research Center (NRC) Polco to conduct the National Community Survey (NCS). The goal of the scientific citywide survey was to gather resident opinions on a range of community issues, from the overall quality of life to the delivery of city services and prioritizing of projects. The City will use the results of this survey to assist in decision making for future City services, policies and projects.
The City was honored to host "The Wall That Heals" in 2021. The program brings a three-quarter scale replica of Vietnam Memorial Wall to communities to honor and pay respect to veterans and also to educate communities on the Vietnam War. The 375 foot wall was hosted at Carmichael Park in September 2021.

The Police Department implemented a Body-Worn Camera Program in 2021 allowing for increased transparency in policing activities as well as protection for both officers and residents. The camera program was required under state law to be implemented by 2022 and was achieved ahead of schedule in the City of Brighton.

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

The City completed projects at several of the area parks in 2021. These included a new basketball court and trail at Donelson Park and a new playground structure, water fountain, and ADA-compliant sidewalks at Observatory Playground. Additionally, many parks were resurfaced with engineered wood fiber or received upgrades to concrete areas.

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

The Brighton City Museum worked with the community to create a volunteer group called "Friends of the Museum". This group will serve to support the museum located at Historic City Hall with sourcing of grants and community outreach.

In response to community requests and to honor Brighton's agricultural heritage, the City created a pilot program to allow single family residential properties to obtain a permit to keep up to two miniature goats on the property as pets and to produce milk. The pilot program runs through March 2023.

- Enhancing **Sustainability.**

The City has implemented sustainability programming throughout 2021, including a pilot program for alternative fuel vehicles, which will test hybrid and electric vehicles options throughout the City, and a facilities use assessment that evaluated current use of buildings and future needs to determine the best use of existing properties and possible alternative uses.

In 2021, the City replanted many trees lost to storms in 2020. Public trees generate average energy savings of 969,049 kWh, remove 10,222 lbs. of pollutants from the air, and have sequestered 1.8 million lbs. of carbon.

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

In 2021, the City implemented a performance metrics program to measure the overall effectiveness of current policies and procedures. The metrics and will be used to improve and track progress towards achieving goals throughout the City.

Brighton's Information Technology Department worked on several mapping projects in 2021. These maps assisted multiple departments throughout the city to secure grant funding, identify boundaries, and map out pathways for events. These project included the Main Street Grant, Donelson Park Beautification Mini-Grant, Full Moon Bike Ride, Historic Downtown Sales Tax, BURA map, General Sales Tax boundaries, and Annual Cemetery Walk.

LOCAL ECONOMY

While the City of Brighton's economic indicators were tested in 2020 due to the COVID-19 pandemic, they are recovering nicely in 2021. The unemployment rate peaked at 12.1% in May 2020 and ended 2021 at 4.5%, slightly above the national average of 3.9% for the same month. The City's primary general revenue source, sales and use taxes, fared well in 2021, showing an increase of nearly 10% compared to 2020. This increase was driven in large part by a nearly 140% increase in sales tax generated from online and remote sellers. This was also reflected in business license issuances where 446 of the 575 licenses issued in 2021 were to online or remote sellers.

Brighton's population in 2021 was approximately 41,500 and continues to grow steadily with a large number of approved development projects underway in 2021 and planned for future years.

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.

FOR THE FUTURE

The City has exciting and ambitious plans for 2022 and beyond. The 2022 adopted budget reflects a 12% increase over the prior year as services that were constrained during the COVID pandemic are being restored and necessary investments in infrastructure are planned for implementation. The City is utilizing 2022 as an opportunity to shift toward a more proactive and strategic approach to managing the challenges of a City and region that are experiencing significant growth.

Some of the exciting projects planned for 2022 and future years include addressing current and future water capacity needs with a significant water treatment plant enhancement and water conservation efforts, anticipating future traffic needs through E-470 and Sable Boulevard improvements, proactively addressing staffing shortages experienced through the "Great Resignation" by enhancing development opportunities and retention strategies as well as focusing on building a workplace environment that attracts the best talent and identifies the City as an employer of choice in the region.

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, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

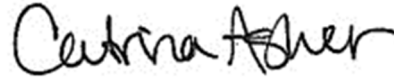
The preparation of this 2021 Annual Comprehensive Financial Report was made possible by the dedicated service of the entire Finance Department. Credit also must be given to the Mayor and

the City Council for their support to maintain the highest standards of professionalism and in the development of effective policies relating to the City's finances.

Respectfully submitted,

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

Michael Martinez
City Manager

A handwritten signature in black ink that reads "Catrina Asher". The signature is cursive, with the first name "Catrina" being more prominent than the last name "Asher".

Catrina Asher, CPA, CPFO
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
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Presented to

**City of Brighton
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

CITY LEADERSHIP

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

CITY COUNCIL

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

At the time of issuance of this report, one Ward 1 City Council position was vacant.



Greg Mills
Mayor
Term Exp. 2026



Adam Cushing
Mayor Pro Tem
Ward 4
Term Exp. 2024



Matt Johnston
Ward 1
Term Exp. 2026



Mary Ellen Pollack
Ward 2
Term Exp. 2024



Ann Taddeo
Ward 2
Term Exp. 2026



Clint Blackhurst
Ward 3
Term Exp. 2024



Jan Pawlowski
Ward 3
Term Exp. 2026



Peter Padilla
Ward 4
Term Exp. 2026

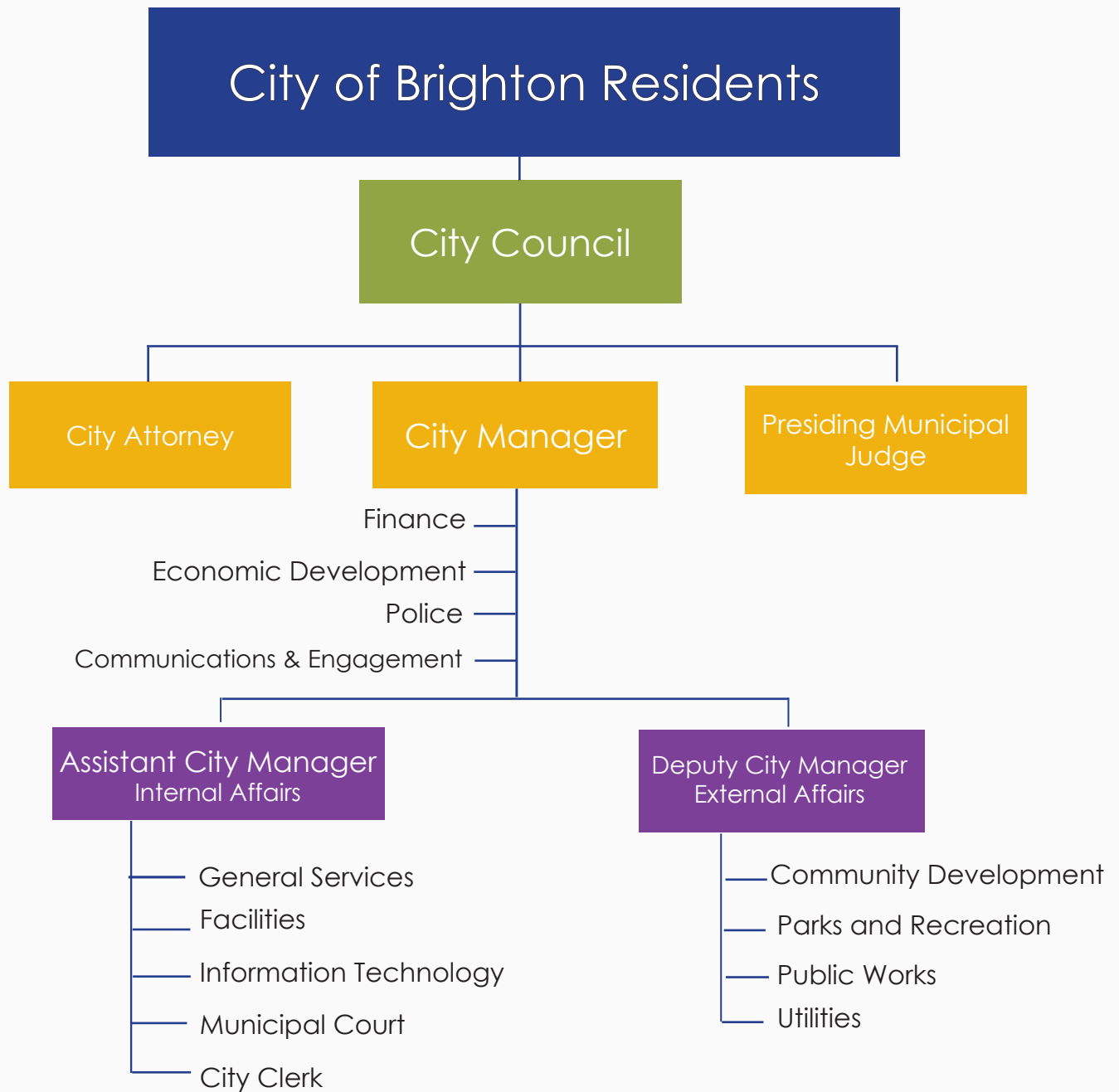
ADMINISTRATIVE

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

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

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

Organizational Chart



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FINANCIAL SECTION



To the City Council
City of Brighton, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Brighton, Colorado (the "City"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Brighton, Colorado, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Other Matters

Required Supplementary Information

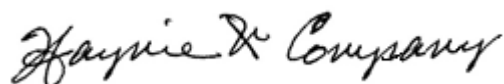
Accounting principles generally accepted in the United States of America require that the management's discussion and pension schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements,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

Other Information

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

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

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



Littleton, Colorado
June 15, 2022

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MANAGEMENT'S DISCUSSION AND ANALYSIS



CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

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, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report, and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2021 by \$433.9 million (net position). Of this amount, \$79.4 million is unrestricted in the governmental activities and may be used to meet the City's ongoing obligations.
- Citywide net position increased \$18.9 million (4.5%) in 2021. The governmental net position increased by \$15.0 million (6.9%) and the business-type net position increased by \$3.9 million (1.9%).
- The General Fund, the City's primary operating fund, ended 2021 with a \$50.4 million fund balance. This represents an increase of 18.1%, or \$7.7 million compared to the prior year. Approximately 70.7% of this amount (\$35.6 million) is available for spending at the government's discretion (assigned and unassigned fund balances).
- The City's governmental activities show revenues of \$76.1 million, a decrease of \$13.5 million (15.1%) over the prior year. Primary revenue sources are sales, use and other taxes of \$47.0 million (a \$4.0 million increase over 2020), charges for services \$9.5 million (a \$1.0 million decrease over 2020), and operating and capital grants of \$11.9 million (a \$18.2 million decrease over 2020).
- Citywide governmental activities expenses were \$61.1 million, an increase of \$3.5 million in comparison with 2020.
- Capital Assets citywide increased by \$3.4 million (1.1%) over the previous year for an ending balance of \$312.1 million.
- Citywide debt balances, include unamortized premiums, decreased by \$2.9 million. Debt payments were made according to established debt services schedules leaving a citywide outstanding balance of \$49.7 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

Government-wide Financial Statements

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

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

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

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

The government-wide financial statements are on pages 28 and 29 of this report.

The government-wide financial statements include not only the City of Brighton itself, known as the primary government, but also three separate legal entities referred to as component units. These include the Brighton Urban Renewal Authority (BURA), the Brighton Cultural Arts Commission (BCAC), and the Brighton Economic Development Corporation (BEDC). These organizations receive a significant portion of their funding from the City of Brighton, and/or the City exerts influence over these organizations through positions on their governing boards. Financial information for these component units is reported separately from the financial information for the primary government itself, and combining statements for the component units are on pages 102 and 103 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories, governmental funds and proprietary funds.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

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 33.

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

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

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

Proprietary Funds

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Water, Waste Water and Storm Drainage funds are

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

considered to be major funds and, therefore, are presented separately within the proprietary funds statement of net position, proprietary funds statement of revenues, expenses and changes in fund net position, and proprietary funds statement of cash flows financial statements.

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

The basic proprietary funds financial statements start on page 34 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 37 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. The combining statements referred to earlier in connection with non-major governmental funds and proprietary funds are presented immediately following the basic financial statements. Combining statements and budgetary schedules can be found on pages 78-103 of this report. The Local Highway Finance Report can be found on pages 124-125 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The City of Brighton's assets exceed liabilities and deferred inflows of resources by \$433.9 million at the close of the most recent fiscal year.

The City of Brighton uses its capital assets to provide services to the citizens. At the end of 2021, the investment in capital assets of \$312.1 million (land, buildings, improvements, equipment, etc.), net of debt used to acquire those assets of \$50.2 million, amounts to \$261.9 million, or 60.6% of the City's total net position of \$433.9 million. During the current fiscal year, the City's net position increased by \$18.9 million. In the governmental activities, revenues exceeded expenses by 124.6% and in the business-type activities, revenues exceeded expenses by 112.4%. Table 1 reflects the condensed *statement of net position*.

Governmental Activities Analysis

Governmental activities increased the City's net position by \$15.0 million, accounting for 79.5% of the City's \$18.9 million overall increase in net position. The following factors contributed to this increase (see Table 2):

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

- Grants and Capital Contributions decreased \$18.2 million primarily due to federal CARES Act funding receipts in 2020.
- Oil and gas revenue increased \$4.9 million related to an increase in royalty payments.

Business-Type Activities Analysis

Business-Type activities increased the City's net position by \$3.9 million, accounting for 20.5% of the City's \$18.9 million increase in net position. Below is information regarding business-type activities (see Table 2):

- Grants and Capital Contributions for business-type activities decreased \$10.7 million due to a decrease in developer contributed capital.
- Charges for Services for business-type activities increased \$2.6 million. This increase was primarily in the Water and Waste Water funds and was due an increase in the number utility service accounts.
- Water expenses decreased 1.7% (\$0.4 million), primarily related to an decrease in capital spending.
- Waste Water expenses increased 2.3% (\$0.2 million), related to an increase in the cost of purchased services, \$0.2 million.
- Storm Drainage expenses decreased 9.6% (\$0.2 million), related to a decrease in developer reimbursements.

Table 1
Net Position
As of December 31,

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$136,431,151	\$ 106,739,989	\$ 62,169,032	\$ 69,339,419	\$ 198,600,183	\$ 176,079,408
Capital Assets	142,578,801	150,214,453	169,563,173	158,493,518	312,141,974	308,707,971
Total Assets	279,009,952	256,954,442	231,732,205	227,832,937	510,742,157	484,787,379
Deferred Outflow of Resources	2,929,706	2,883,735	-	-	2,929,706	2,883,735
Long-term Liabilities	28,268,730	30,236,663	23,614,956	24,982,117	51,883,686	55,218,780
Other Liabilities	14,451,083	7,057,794	4,031,144	4,321,634	18,482,227	11,379,428
Total Liabilities	42,719,813	37,294,457	27,646,100	29,303,751	70,365,913	66,598,208
Deferred Inflows of Resources	7,719,550	6,038,775	-	-	7,719,550	6,038,775
Net Position:						
Net Investment in capital assets	115,982,638	122,194,477	145,885,790	133,669,301	261,868,428	255,863,778
Restricted	36,139,121	17,758,452	-	-	36,139,121	17,758,452
Unrestricted	79,378,536	76,552,016	56,504,316	64,859,885	135,882,852	141,411,901
Total Net Position	\$ 231,500,295	\$ 216,504,945	\$ 202,390,106	\$ 198,529,186	\$ 433,890,401	\$ 415,034,131

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

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

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Services	\$ 9,522,465	\$ 10,474,807	\$ 22,445,583	\$ 19,811,831	\$ 31,968,048	\$ 30,286,638
Operating Grants and Contributions	5,480,231	7,738,474	90,118	129,282	5,570,349	7,867,756
Capital Grants and Contributions	6,421,723	22,400,185	12,491,575	23,227,221	18,913,298	45,627,406
General Revenues						
Sales, Use and Other Taxes	43,234,351	39,342,764	-	-	43,234,351	39,342,764
Property Taxes	3,790,257	3,608,139	-	-	3,790,257	3,608,139
Investment Earnings (Loss)	(462,872)	2,114,399	(272,321)	1,825,524	(735,193)	3,939,923
Sales of Capital Assets	-	84,449	-	(8,949)	-	75,500
Miscellaneous	8,087,466	3,868,674	269,645	318,942	8,357,111	4,187,616
Total Revenues	76,073,621	89,631,891	35,024,600	45,303,851	111,098,221	134,935,742
Expenses						
General Government	16,123,163	18,528,907	-	-	16,123,163	18,528,907
Public Safety	15,100,593	14,509,053	-	-	15,100,593	14,509,053
Streets & Fleet	15,720,041	9,481,814	-	-	15,720,041	9,481,814
Parks and Recreation	10,526,903	10,096,017	-	-	10,526,903	10,096,017
Cemetery	784,667	553,741	-	-	784,667	553,741
Community Development	2,177,201	2,483,238	-	-	2,177,201	2,483,238
Interest on Long-term Debt	645,703	1,895,269	-	-	645,703	1,895,269
Water Operations	-	-	20,940,203	21,293,337	20,940,203	21,293,337
Waste Water Operations	-	-	8,199,671	8,016,836	8,199,671	8,016,836
Storm Drainage Operations	-	-	2,023,806	2,239,392	2,023,806	2,239,392
Total Expenses	61,078,271	57,548,039	31,163,680	31,549,565	92,241,951	89,097,604
Increase in Net Position Before Transfers	14,995,350	32,083,852	3,860,920	13,754,286	18,856,270	45,838,138
Transfers	-	-	-	-	-	-
Net Position--January 1	216,504,945	184,421,093	198,529,186	184,774,900	415,034,131	369,195,993
Net Position--December 31	\$ 231,500,295	\$ 216,504,945	\$ 202,390,106	\$ 198,529,186	\$ 433,890,401	\$ 415,034,131

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.

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

At December 31, 2021, the total Governmental fund balances were \$112.3 million, an increase of 23.3%, or \$22.5 million compared to the prior year. Fund Balances are categorized as follows: non-spendable fund balances \$0.1 million, restricted fund balances \$22.8 million, committed fund balances \$29.6 million, assigned fund balances \$24.1 million, and unassigned fund balances \$35.6 million.

The General Fund is the main operating fund of the City. At December 31, 2021, the total fund balance was \$50.4 million, which represents an increase of 18.1%, or \$7.7 million compared to the prior year. Tax revenues of \$35.0 million make up 74.8% of the total General Fund revenue and increased \$2.8 million (8.7%) over the prior year. General Fund expenditures decreased \$2.9 million (7.0%), primarily due to an increase in grant expenditures related to federal CARES Act funding in 2020.

The Capital Improvement Fund revenues increased \$7.9 million (77.3%) over 2020, due to an increase in oil and gas royalties and a one time loan repayment. Capital project expenditures decreased \$2.9 million from 2020 due to street repair and maintenance (\$1.9 million) costs that were higher in 2020. Fund balance in the Capital Improvement Fund increased \$11.6 million primarily related to the increase in oil and gas royalties and loan repayment.

The Parks and Recreation Capital fund balance increase \$3.4 million primarily related to lower than anticipated spending on land acquisition. Parks revenue decreased \$1.3 million (17.5%) from 2020, due to a decrease in grant revenues. Expenditures decreased \$1.4 million (34.2%) due to a decrease in project spending.

Proprietary Funds

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

The net position of the enterprise funds increased \$3.9 million from 2020 and ended the year with a combined net position of \$202.4 million. The combined unrestricted net position is \$56.5 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 \$46.9 million, a decrease of \$3.6 million from 2020. This represents a positive variance from budget of \$4.4 million. The revenue variance was primarily due higher than anticipated sales tax revenues.

General Fund expenditures totaled \$39.2 million, a decrease of \$2.9 million from 2020. The variance between actual expenditures and the final budget amounted to approximately \$1.4 million in unspent appropriations. Personnel costs were less than originally budgeted due to continued cost savings measures implemented at during the pandemic.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets for the governmental and business-type activities amount to \$312.1 million (net of accumulated depreciation) at December 31, 2021. This was an increase of \$3.4 million from 2020. This investment in capital assets includes land, water rights, buildings and improvements, machinery, equipment, water, wastewater and storm drainage infrastructure as well as street system infrastructure (see Table 3). The City has a five-year *Capital Improvement Plan* that is updated each year in order to assist the City in long-term planning and budgeting for capital assets.

Additional detailed information on the City's Capital Assets can be found in footnote 4, starting on page 53 of this report.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land	\$ 28,531,446	\$ 28,531,446	\$ 9,513,128	\$ 9,513,128	\$ 38,044,574	\$ 38,044,574
Water Rights	2,036,050	2,036,050	24,992,309	24,992,309	27,028,359	27,028,359
Construction in Progress	3,999,707	7,336,066	13,013,200	8,556,130	17,012,907	15,892,196
Buildings and Improvements	31,945,601	35,311,981	12,499,174	12,600,817	44,444,775	47,912,798
Infrastructure	59,015,670	61,164,144	106,796,022	99,410,677	165,811,692	160,574,821
Improvements Other Than Buildings	10,498,293	8,186,846	-	-	10,498,293	8,186,846
Other Assets	315,309	320,387	3,901	5,937	319,210	326,324
Machinery and Equipment	6,236,726	7,327,533	2,745,439	3,414,520	8,982,165	10,742,053
Total Capital Assets	<u>\$ 142,578,802</u>	<u>\$ 150,214,453</u>	<u>\$ 169,563,173</u>	<u>\$ 158,493,518</u>	<u>\$ 312,141,975</u>	<u>\$ 308,707,971</u>

Long-term Debt

As of December 31, 2021, the City had total borrowing obligations outstanding of \$49.7 million, including bonded debt and certificates of participation. This represents a decrease of \$2.9 million compared to the prior year. Of this amount, \$22.6 million represents bonds secured by specified revenue sources (i.e. revenue bonds) for water and waste water projects. Another \$26.4 million represents borrowing secured through various City facilities through a structure lease agreement (certificates of participation).

Additional detail information on the City's long-term obligations can be found in Footnote 6, starting on page 56 of this report. A summary of those obligations is provided in the following table.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

Table 4
Outstanding Debt
As of December 31,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Bonded Debt						
2016 Revenue Bonds	\$ -	\$ -	\$21,610,000	\$22,805,000	\$21,610,000	\$22,805,000
Bond Premium	-	-	948,359	1,008,572	948,359	1,008,572
Certificates of Participation						
2016 Certificates of Participation	4,206,953	4,596,253	842,951	884,471	5,049,904	5,480,724
2020 Certificates of Participation	18,465,000	19,195,000	-	-	18,465,000	19,195,000
2020 COP Premium	2,881,799	3,102,712	-	-	2,881,799	3,102,712
2017 Capital Lease	717,798	947,286	-	-	717,798	947,286
Total Borrowing Obligations	<u>\$26,271,550</u>	<u>\$27,841,251</u>	<u>\$23,401,310</u>	<u>\$24,698,043</u>	<u>\$49,672,860</u>	<u>\$52,539,294</u>

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.

BASIC FINANCIAL STATEMENTS



CITY OF BRIGHTON, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	PRIMARY GOVERNMENT			COMPONENT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	UNITS
ASSETS				
Cash and Investments	\$ 121,759,817	\$ 55,303,783	\$ 177,063,600	\$ 3,993,586
Restricted Cash and Investments	-	-	-	1,983,238
Accounts Receivable	2,199,641	2,210,942	4,410,583	174,782
Taxes Receivable	8,708,885	-	8,708,885	5,038,590
Grants Receivable	91,942	-	91,942	-
Interfund Receivable	1,696,000	-	1,696,000	-
Inventories	27,857	105,864	133,721	-
Prepays	106,754	4,548,443	4,655,197	990
Net Pension Asset	1,840,255	-	1,840,255	-
Land Held for Sale	-	-	-	1,625,000
Capital Assets, Not Being Depreciated	34,567,204	47,518,637	82,085,841	-
Capital Assets, Net of Accumulated Depreciation	108,011,597	122,044,536	230,056,133	3,188,129
Total Assets	279,009,952	231,732,205	510,742,157	16,004,315
DEFERRED OUTFLOW OF RESOURCES				
Deferred Charge on Refunding Items Related to Pension Plan	-	-	-	136,743
	2,929,706	-	2,929,706	-
	2,929,706	-	2,929,706	136,743
LIABILITIES				
Accounts Payable	2,620,265	2,549,145	5,169,410	44,819
Sales Tax Rebate Payable	-	-	-	1,552,651
Retainage Payable	324,613	276,073	600,686	-
Accrued Wages Payable	817,394	107,180	924,574	3,222
Accrued Interest Payable	94,497	74,761	169,258	16,627
Accrued Liabilities	585,514	-	585,514	188,418
Unearned Revenue	5,253,408	-	5,253,408	-
Deposits and Escrows	4,755,392	1,023,985	5,779,377	807,365
Noncurrent Liabilities				
Debt Due Within One Year	3,415,590	1,507,211	4,922,801	891,257
Debt Due In More Than One Year	24,853,140	22,107,745	46,960,885	4,902,144
Total Liabilities	42,719,813	27,646,100	70,365,913	8,406,503
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue--Property Taxes	4,244,657	-	4,244,657	5,038,590
Items Related to Pension Plan	1,952,880	-	1,952,880	-
Unearned Revenue-Land Lease	1,522,013	-	1,522,013	-
Total Deferred Inflows of Resources	7,719,550	-	7,719,550	5,038,590
NET POSITION				
Net Investment in Capital Assets	115,982,638	145,885,790	261,868,428	3,158,244
Restricted For				
Emergencies - TABOR	1,524,364	-	1,524,364	-
Debt	-	-	-	991,329
Capital Outlay	19,351,246	-	19,351,246	-
Other Purposes	15,263,511	-	15,263,511	991,908
Unrestricted	79,378,536	56,504,316	135,882,852	(2,445,516)
Total Net Position	\$ 231,500,295	\$ 202,390,106	\$ 433,890,401	\$ 2,695,965

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

CITY OF BRIGHTON, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT								
Governmental Activities								
General Government	\$ 16,123,163	\$ 4,942,172	\$ 2,357,813	\$ -	\$ (8,823,178)	\$ -	\$ (8,823,178)	\$ -
Public Safety	15,100,593	393,639	984,585	-	(13,722,369)	-	(13,722,369)	-
Streets & Fleet	15,720,041	633,637	1,643,752	3,716,547	(9,726,105)	-	(9,726,105)	-
Parks and Recreation	10,526,903	1,091,893	482,121	2,705,176	(6,247,713)	-	(6,247,713)	-
Cemetery	784,667	443,480	-	-	(341,187)	-	(341,187)	-
Community Development	2,177,201	2,017,644	11,960	-	(147,597)	-	(147,597)	-
Interest on Long-Term Debt	645,703	-	-	-	(645,703)	-	(645,703)	-
Total Governmental Activities	61,078,271	9,522,465	5,480,231	6,421,723	(39,653,852)	-	(39,653,852)	-
Business-Type Activities								
Water	20,940,203	13,542,870	90,118	9,414,925	-	2,107,710	2,107,710	-
Waste Water	8,199,671	7,974,846	-	1,189,913	-	965,088	965,088	-
Storm Drainage	2,066,498	927,867	-	1,886,737	-	748,106	748,106	-
Total Business-Type Activities	31,206,372	22,445,583	90,118	12,491,575	-	3,820,904	3,820,904	-
Total Primary Government	92,284,643	31,968,048	5,570,349	18,913,298	(39,653,852)	3,820,904	(35,832,948)	-
COMPONENT UNITS								
Brighton Urban Renewal Authority	4,860,917	66,675	-	-	-	-	-	(4,794,242)
Brighton Cultural Arts Commission	31,512	120	226,805	-	-	-	-	195,413
Brighton Economic Dev. Corp.	134,075	34,500	127,692	-	-	-	-	28,117
Total Component Units	\$ 5,026,504	\$ 101,295	\$ 354,497	\$ -	-	-	-	(4,570,712)
GENERAL REVENUES								
Taxes					47,024,608	-	47,024,608	6,242,592
Investment Earnings (Loss)					(462,872)	(229,629)	(692,501)	(8,299)
Miscellaneous					8,087,466	269,645	8,357,111	2,500
Total General Revenues					54,649,202	40,016	54,689,218	6,236,793
Change in Net Position					14,995,350	3,860,920	18,856,270	1,666,081
Net Position--January 1					216,504,945	198,529,186	415,034,131	1,029,884
Net Position--December 31					\$ 231,500,295	\$ 202,390,106	\$ 433,890,401	\$ 2,695,965

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

CITY OF BRIGHTON, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2021

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS AND RECREATION CAPITAL FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Investments	\$ 48,638,342	\$ 35,152,759	\$ 18,723,588	\$ 15,218,202	\$ 117,732,891
Accounts Receivable	939,163	1,005,685	41,419	108,597	2,094,864
Taxes Receivable	6,856,023	914,895	913,464	24,503	8,708,885
Grants Receivable	72,994	18,948	-	-	91,942
Interfund Receivables	1,696,000	-	-	-	1,696,000
Prepays	106,164	-	-	-	106,164
Total Assets	<u>\$ 58,308,686</u>	<u>\$ 37,092,287</u>	<u>\$ 19,678,471</u>	<u>\$ 15,351,302</u>	<u>\$ 130,430,746</u>
LIABILITIES					
Accounts Payable	\$ 550,784	\$ 1,503,062	\$ 235,336	\$ 200,067	\$ 2,489,249
Retainage Payable	-	317,045	7,568	-	324,613
Accrued Wages Payable	805,786	-	-	5,624	811,410
Accrued Liabilities	262,514	-	-	-	262,514
Deposits and Escrows	2,038,228	997,514	3,329	1,716,321	4,755,392
Unearned Revenues	12,166	5,241,242	-	-	5,253,408
Total Liabilities	<u>3,669,478</u>	<u>8,058,863</u>	<u>246,233</u>	<u>1,922,012</u>	<u>13,896,586</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue-Property Taxes	4,244,657	-	-	-	4,244,657
Total Deferred Inflows of Resources	<u>4,244,657</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,244,657</u>
FUND BALANCES					
Nonspendable	106,164	-	-	-	106,164
Restricted	1,672,051	351,542	19,432,238	1,375,818	22,831,649
Committed	12,966,806	4,586,083	-	12,053,472	29,606,361
Assigned	-	24,095,799	-	-	24,095,799
Unassigned	35,649,530	-	-	-	35,649,530
Total Fund Balances	<u>50,394,551</u>	<u>29,033,424</u>	<u>19,432,238</u>	<u>13,429,290</u>	<u>112,289,503</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 58,308,686</u>	<u>\$ 37,092,287</u>	<u>\$ 19,678,471</u>	<u>\$ 15,351,302</u>	<u>\$ 130,430,746</u>

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

CITY OF BRIGHTON, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021

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

Total fund balances - governmental funds		\$ 112,289,503
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		
Cost of capital assets	279,112,770	
Less: accumulated depreciation	<u>(136,533,969)</u>	142,578,801
Long-term assets are not available to pay current year expenditures and, therefore, are deferred in the fund statements.		
Net Pension Asset		1,840,255
Deferred inflows related to unearned revenues are applicable to future periods and, therefore, are not reported in the governmental funds.		
Unearned Revenue-Land Lease		(1,522,013)
Deferred outflows and inflows of resources related to pension plans are applicable to future periods and, therefore, are not reported in the governmental funds.		
Items Related to Pension Plan-Outflow		2,929,706
Items Related to Pension Plan-Inflow		(1,952,880)
Long-term liabilities, including bonds payable and capital leases, are not due in the current period and, therefore, are not reported as liabilities in the governmental funds.		
Long-term debt net of premium	(26,271,549)	
Accrued interest on long-term debt	<u>(94,497)</u>	(26,366,046)
Accrued compensated absences are not due from current financial resources and, therefore, are not reported in the governmental funds.		
		(1,981,243)
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>3,684,212</u>
Net position--governmental activities		<u><u>\$ 231,500,295</u></u>

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

CITY OF BRIGHTON, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS AND RECREATION CAPITAL FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 35,038,476	\$ 6,869,806	\$ 4,754,935	\$ 361,391	\$ 47,024,608
Licenses and Permits	1,443,698	-	-	-	1,443,698
Grants and Intergovernmental	2,923,143	2,267,082	1,182,363	482,121	6,854,709
Charges for Services	6,340,660	-	-	1,424,311	7,764,971
Fines and Forfeitures	313,796	-	-	-	313,796
Investment Earnings (Loss)	(186,719)	(130,558)	(71,582)	(58,341)	(447,200)
Miscellaneous	978,170	9,338,001	254,622	26,676	10,597,469
Total Revenues	<u>46,851,224</u>	<u>18,344,331</u>	<u>6,120,338</u>	<u>2,236,158</u>	<u>73,552,051</u>
EXPENDITURES					
Current					
General Government	13,092,212	1,448,537	-	434,507	14,975,256
Public Safety	13,992,311	651,031	-	-	14,643,342
Streets and Fleet	3,360,320	4,520,664	-	100,316	7,981,300
Parks and Recreation	6,557,242	72,824	1,477,409	77,608	8,185,083
Cemetery	-	-	-	741,300	741,300
Community Development	2,199,621	-	-	-	2,199,621
Debt Service					
Principal	-	768,797	579,990	-	1,348,787
Interest and Fees	-	351,861	642,346	-	994,207
Total Expenditures	<u>39,201,706</u>	<u>7,813,714</u>	<u>2,699,745</u>	<u>1,353,731</u>	<u>51,068,896</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,649,518</u>	<u>10,530,617</u>	<u>3,420,593</u>	<u>882,427</u>	<u>22,483,155</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	256,000	1,046,138	-	201,000	1,503,138
Transfers Out	(200,000)	-	-	(1,303,138)	(1,503,138)
Total Other Financing Sources (Uses)	<u>56,000</u>	<u>1,046,138</u>	<u>-</u>	<u>(1,102,138)</u>	<u>-</u>
Net Change in Fund Balances	7,705,518	11,576,755	3,420,593	(219,711)	22,483,155
Fund Balances--January 1	<u>42,689,033</u>	<u>17,456,669</u>	<u>16,011,645</u>	<u>13,649,001</u>	<u>89,806,348</u>
Fund Balances--December 31	<u>\$ 50,394,551</u>	<u>\$ 29,033,424</u>	<u>\$ 19,432,238</u>	<u>\$ 13,429,290</u>	<u>\$ 112,289,503</u>

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

CITY OF BRIGHTON, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

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

Net change in fund balances--total governmental funds		\$ 22,483,155
The internal service funds' activity is allocated to business type activities in the fund statements, however, is included in the governmental activities on the statement of activities.		480,972
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay--capitalized	(755,153)	
Developer contributions	5,047,245	
Depreciation	<u>(11,927,744)</u>	(7,635,652)
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	586,301	
Items related to pension plan	<u>(401,849)</u>	184,452
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.		(940,299)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences	414,170	
Change in accrued interest	<u>8,552</u>	<u>422,722</u>
Change in net position--governmental activities		<u>\$ 14,995,350</u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTE WATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
ASSETS					
Current Assets					
Cash and Investments	\$ 32,964,115	\$ 22,329,741	\$ 9,927	\$ 55,303,783	\$ 4,026,926
Accounts Receivable	1,156,584	929,353	125,005	2,210,942	104,777
Inventories	105,864	-	-	105,864	27,857
Prepays	40,192	7,467	4,500,784	4,548,443	590
Total Current Assets	<u>34,266,755</u>	<u>23,266,561</u>	<u>4,635,716</u>	<u>62,169,032</u>	<u>4,160,150</u>
Noncurrent Assets					
Capital Assets					
Land and Water Rights	32,065,389	1,757,575	682,473	34,505,437	-
Building and Improvements	27,518,361	11,445,318	822,682	39,786,361	-
Collection and Distribution Systems	125,464,089	34,503,280	33,269,408	193,236,777	-
Machinery and Equipment	4,390,049	3,513,896	134,673	8,038,618	-
Other Assets	109,548	86,434	20,318	216,300	-
Less Accumulated Depreciation	(73,858,306)	(32,043,274)	(13,331,940)	(119,233,520)	-
Construction in Progress	12,358,540	154,458	500,202	13,013,200	-
Total Noncurrent Assets	<u>128,047,670</u>	<u>19,417,687</u>	<u>22,097,816</u>	<u>169,563,173</u>	<u>-</u>
Total Assets	<u>162,314,425</u>	<u>42,684,248</u>	<u>26,733,532</u>	<u>231,732,205</u>	<u>4,160,150</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	1,943,288	415,221	190,636	2,549,145	131,016
Retainage Payable	276,073	-	-	276,073	-
Accrued Wages Payable	64,023	38,132	5,025	107,180	5,984
Accrued Interest Payable	56,853	17,908	-	74,761	-
Interfund Payables	-	-	1,696,000	1,696,000	-
Deposits and Escrows	228,753	7,677	787,555	1,023,985	-
Estimated Unpaid Claims	-	-	-	-	323,000
Compensated Absences, Current Portion	109,882	59,069	10,512	179,463	13,388
Bonds Payable, Current Portion	1,071,148	256,600	-	1,327,748	-
Total Current Liabilities	<u>3,750,020</u>	<u>794,607</u>	<u>2,689,728</u>	<u>7,234,355</u>	<u>473,388</u>
Noncurrent Liabilities					
Compensated Absences, Long Term Portion	20,930	11,251	2,002	34,183	2,550
Bonds Payable	16,819,291	5,254,271	-	22,073,562	-
Total Noncurrent Liabilities	<u>16,840,221</u>	<u>5,265,522</u>	<u>2,002</u>	<u>22,107,745</u>	<u>2,550</u>
Total Liabilities	<u>20,590,241</u>	<u>6,060,129</u>	<u>2,691,730</u>	<u>29,342,100</u>	<u>475,938</u>
NET POSITION					
Net Investment in Capital Assets	109,881,158	13,906,816	22,097,816	145,885,790	-
Unrestricted	31,843,027	22,717,303	1,943,986	56,504,316	3,684,212
Total Net Position	<u>\$ 141,724,185</u>	<u>\$ 36,624,119</u>	<u>\$ 24,041,802</u>	<u>\$ 202,390,106</u>	<u>\$ 3,684,212</u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTE WATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
OPERATING REVENUES					
Charges For Services	\$ 13,542,870	\$ 7,974,846	\$ 927,867	\$ 22,445,583	\$ 5,808,131
Tap Fees	90,118	-	-	90,118	-
Miscellaneous	153,588	38,990	66,351	258,929	1,321
Total Operating Revenues	<u>13,786,576</u>	<u>8,013,836</u>	<u>994,218</u>	<u>22,794,630</u>	<u>5,809,452</u>
OPERATING EXPENSES					
Operations	10,769,720	3,407,250	210,862	14,387,832	322,174
Administration	3,724,194	2,888,436	449,909	7,062,539	485,111
Insurance Claims	-	-	-	-	3,612,312
Insurance Premiums	-	-	-	-	893,211
Depreciation	5,810,913	1,696,717	1,058,273	8,565,903	-
Total Operating Expenses	<u>20,304,827</u>	<u>7,992,403</u>	<u>1,719,044</u>	<u>30,016,274</u>	<u>5,312,808</u>
Operating Income (Loss)	<u>(6,518,251)</u>	<u>21,433</u>	<u>(724,826)</u>	<u>(7,221,644)</u>	<u>496,644</u>
NONOPERATING REVENUES (EXPENSES)					
Grants	5,716	-	5,000	10,716	-
Developer Reimbursements	-	-	(347,454)	(347,454)	-
Investment Earnings (Loss)	(130,786)	(88,151)	(10,692)	(229,629)	(15,672)
Interest Expense	(635,376)	(207,268)	-	(842,644)	-
Total Nonoperating Revenues (Expenses)	<u>(760,446)</u>	<u>(295,419)</u>	<u>(353,146)</u>	<u>(1,409,011)</u>	<u>(15,672)</u>
Income (Loss) Before Capital Contributions and Transfers	(7,278,697)	(273,986)	(1,077,972)	(8,630,655)	480,972
CAPITAL CONTRIBUTIONS	<u>9,414,925</u>	<u>1,189,913</u>	<u>1,886,737</u>	<u>12,491,575</u>	<u>-</u>
Change in Net Position	2,136,228	915,927	808,765	3,860,920	480,972
Net Position--January 1	<u>139,587,957</u>	<u>35,708,192</u>	<u>23,233,037</u>	<u>198,529,186</u>	<u>3,203,240</u>
Net Position--December 31	<u>\$ 141,724,185</u>	<u>\$ 36,624,119</u>	<u>\$ 24,041,802</u>	<u>\$ 202,390,106</u>	<u>\$ 3,684,212</u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTE WATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts From Customers	\$ 13,375,115	\$ 7,830,582	\$ 913,129	22,118,826	\$ 5,740,118
Other Receipts	153,588	38,990	66,351	258,929	29,889
Payments to Suppliers and Service Providers	(10,854,427)	(3,737,324)	(4,565,351)	(19,157,102)	(5,306,956)
Payments to Employees For Salaries and Benefits	(3,766,734)	(2,885,654)	(435,929)	(7,088,317)	-
Net Cash Provided By (Used In) Operating Activities	(1,092,458)	1,246,594	(4,021,800)	(3,867,664)	463,051
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions	7,998,218	331,701	789,484	9,119,403	-
Grants	5,716	-	5,000	10,716	-
Acquisition and Construction of Capital Assets	(13,376,363)	(364,591)	(2,594,166)	(16,335,120)	-
Developer Reimbursements	-	-	(347,454)	(347,454)	-
Proceeds from Interfund Loan	-	-	1,696,000	1,696,000	-
Principal Paid on Capital Debt	(999,459)	(237,061)	-	(1,236,520)	-
Interest Paid on Capital Debt	(635,376)	(207,268)	-	(842,644)	-
Net Cash Used In Capital and Related Financing Activities	(7,007,264)	(477,219)	(451,136)	(7,935,619)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Loss From Sale of Investments	(130,786)	(88,151)	(10,692)	(229,629)	(15,672)
Net Cash Used In Investing Activities	(130,786)	(88,151)	(10,692)	(229,629)	(15,672)
Net Increase (Decrease) in Cash and Cash Equivalents	(8,230,508)	681,224	(4,483,628)	(12,032,912)	447,379
Cash and Cash Equivalents--January 1	41,194,623	21,648,517	4,536,247	67,379,387	3,579,547
Cash and Cash Equivalents--December 31	\$ 32,964,115	\$ 22,329,741	\$ 52,619	\$ 55,346,475	\$ 4,026,926
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating Income (loss)	\$ (6,518,251)	\$ 21,433	\$ (724,826)	\$ (7,221,644)	\$ 496,644
Adjustments to Reconcile Operating Income (loss) to Net Cash Provided By (Used In) Operating Activities:					
Depreciation Expense	5,810,913	1,696,717	1,058,273	8,565,903	-
Changes in Assets and Liabilities:					
(Increase) in Accounts Receivable	(257,873)	(144,264)	(14,738)	(416,875)	(68,013)
Decrease in Inventories	10,897	-	-	10,897	47,281
Decrease (Increase) in Prepaid Items	(1,654)	3,199	(4,500,784)	(4,499,239)	1,250
(Decrease) Increase in Accounts Payable	(350,348)	(34,400)	118,502	(266,246)	(41,561)
Increase in Retainage Payable	149,898	-	-	149,898	-
(Decrease) Increase in Accrued Wages Payable	19,106	12,321	1,704	33,131	(488)
Increase in Unpaid Claims	-	-	-	-	27,938
(Decrease) Increase in Compensated Absences	(61,646)	(9,539)	12,276	(58,909)	-
(Decrease) Increase in Deposits and Escrows	106,500	(298,873)	(14,899)	(207,272)	-
Total Adjustments	5,425,793	1,225,161	(3,339,666)	3,311,288	(33,593)
Net Cash Provided by (Used In) Operating Activities	\$ (1,092,458)	\$ 1,246,594	\$ (4,064,492)	\$ (3,910,356)	\$ 463,051

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

NOTES TO THE FINANCIAL STATEMENTS



CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

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CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

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CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

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 issues their own financial statements.

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

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

Discretely Presented Component Units

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

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

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

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

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.

CITY OF BRIGHTON, COLORADO
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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 0.6% 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 Waste Water (Sewer) Fund accounts for the financial activities associated with the provision of waste water 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 City reports the following internal service funds:

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

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

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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/Outflows of Resources, and Net Position/Fund Balance

Cash and Investments

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

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

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Receivables

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

Inventories

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

Prepaid Items

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

Capital Assets

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

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

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

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

Unearned Revenues

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

Compensated Absences

Employees of the City are allowed to accumulate unused personal leave. During 2021, the maximum accumulation of personal leave time was limited to two years entitlement for most

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employees, and three years entitlement for department and executive directors. Depending on years of service and position held, the maximum accrual allowed was 768 hours.

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 a future period(s) 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 a future period(s) 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

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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 Equity

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

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

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

Emergency and General Fund Stabilization Reserve

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

The General Fund Stabilization Reserve was established to enable essential City services to continue during downturns in the economy and to serve as a temporary "stop gap" measure to provide financial resources during circumstances when implementation of the Emergency Reserve is not warranted. The target amount of the General Fund Stabilization Reserve in any given

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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.

F. Revenues & Expenditures/Expenses

Program Revenues

Amounts reported as *program revenues* include 1)charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2)grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

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

Tax Year

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

Ensuing Collection Year

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

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

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water fund, waste water 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.

CITY OF BRIGHTON, COLORADO
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Use of Estimates

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

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budget and Appropriation Process

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

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

Budgetary Accounting and Control

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

The budgets for the Water, Waste Water, 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.

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

B. State Constitutional Amendment

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

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

TABOR also requires the City to set aside a portion of its spending for an emergency reserve. The emergency reserve may not be used to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. In 2021, the required reserve of 3% of current year spending, excluding voter approved amounts, federal revenues, bond proceeds, and other restrictions under TABOR, totaled \$1,524,364.

NOTE 3. DEPOSITS AND INVESTMENTS

The primary government's cash and investments as of December 31, 2021, are summarized below:

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Cash on Hand	\$ 3,191	\$ 900	\$ 4,091
Deposits and Investments	121,756,626	55,302,883	177,059,509
Total	<u>\$ 121,759,817</u>	<u>\$ 55,303,783</u>	<u>\$ 177,063,600</u>

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A. Cash Deposits

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

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories, with eligibility determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral, as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. All deposits in 2021 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

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

B. Investments

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

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

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

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The City, Brighton Urban Renewal Authority and Brighton Cultural Arts Commission (two of the three component units), had the following investments at December 31, 2021:

Investment Type	Measurement	S&P Rating	Total	< 1 Year	2-3 Years	4-5 Years
U.S. Government Treasuries	Fair Value - Level 1	AA+	63,488,967	10,802,646	28,243,785	24,442,536
Supra National Agency	Fair Value - Level 2	AAA	3,258,981	2,266,971	992,010	-
Municipal Bond	Fair Value - Level 2	AA- to AAA	11,330,637	1,580,313	4,637,220	5,113,104
U.S. Government Agencies	Fair Value - Level 2	AA+	22,945,187	2,258,374	9,563,228	11,123,585
Corporate Notes	Fair Value - Level 2	AA- to AAA	2,003,047	2,003,047	-	-
Certificate of Deposit	Fair Value - Level 2	A+ to AA-	3,100,244	3,100,244	-	-
Local Government Investment Pool	Net Asset Value	AAA	280,613	280,613	-	-
WF Government MM Fund	Net Asset Value	AAAm	23,688,882	23,688,882	-	-
Colotrust	Net Asset Value	AAAm	11,116,370	11,116,370	-	-
CSIP	Net Asset Value	AAAm	75,750	75,750	-	-
CSAFE	Amortized Cost	NR	22,242,799	22,242,799	-	-
Total			163,531,477	79,416,009	43,436,243	40,679,225
% of Total				49%	26%	25%

Fair Value Measurement

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

1. Level 1 Quoted prices (unadjusted) for identical investments in active markets that a government can access at the measurement date.
2. Level 2 Observable inputs other than quoted market prices included in Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar or identical assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.
3. Level 3 Unobservable inputs for an asset or liability.

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

Interest Rate Risk

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

Credit Risk

State and City statutes limit investments in U.S. Agency securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs). The same statutes also limit investments in money market funds to those that maintain a constant share price, with

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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, 2021, the City's investment securities were held by the counterparty (broker), in the City's name.

Concentration of Credit Risk

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

Local Government Investment Pools

The Colorado Local Government Liquid Asset Trust (Colotrust) and the Colorado Surplus Asset Fund Trust (CSAFE) are investment vehicles established by State statute for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The CSAFE Cash pool operates in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended. The CSAFE Cash and ColoTrust pools are rated AAAM by Standard and Poor's; CSAFE Colorado Core is rated AAAf/S1 by Fitch. Each pool maintains a stable share price. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services. The custodian's internal records identify the investments owned by the participating governments.

C. Component Units

The following is a summary of the component units' cash and investments as of December 31, 2021, are summarized below:

	Component Units			
	Urban Renewal Authority	Cultural Arts Commission	Economic Development Corporation	Total
Cash on Hand	\$ -	\$ 200	\$ -	\$ 200
Deposits and Investments	3,230,439	581,819	181,128	3,993,386
Total	<u>\$ 3,230,439</u>	<u>\$ 582,019</u>	<u>\$ 181,128</u>	<u>\$ 3,993,586</u>

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

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NOTE 4. CAPITAL ASSETS

A. Governmental Activities

Capital asset activity for the year ended December 31, 2021, is summarized, as follows:

GOVERNMENTAL ACTIVITIES	BALANCE 12/31/20	ADDITIONS	DELETIONS	TRANSFERS	BALANCE 12/31/21
Capital Assets, Not Being Depreciated					
Land	\$28,531,446	\$ -	\$ -	-	\$28,531,446
Water rights	2,036,050	-	-	-	2,036,050
Construction in Progress	7,336,066	1,430,708	(3,802,477)	(964,590)	3,999,707
Total Capital Assets, Not Being Depreciated	37,903,562	1,430,708	(3,802,477)	(964,590)	34,567,203
Capital Assets, Being Depreciated					
Building and Improvements	99,506,620	236,242	-	233,765	99,976,627
Infrastructure	101,692,947	1,630,148	-	730,825	104,053,920
Improvements Other Than Buildings	14,906,510	3,845,206	-	-	18,751,716
Other Assets	918,430	18,246	(104,773)	-	831,903
Machinery and Equipment	20,957,417	1,010,179	(1,036,197)	-	20,931,399
Total Capital Assets, Being Depreciated	237,981,924	6,740,021	(1,140,970)	964,590	244,545,565
Less Accumulated Depreciation					
Building and Improvements	64,194,639	3,836,387	-	-	68,031,026
Infrastructure	40,528,803	4,509,447	-	-	45,038,250
Improvements Other Than Buildings	6,719,664	1,533,759	-	-	8,253,423
Other Assets	598,043	23,324	(104,773)	-	516,594
Machinery and Equipment	13,629,884	2,024,827	(960,038)	-	14,694,673
Total Accumulated Depreciation	125,671,033	11,927,744	(1,064,811)	-	136,533,966
Total Capital Assets, Being Depreciated, Net	112,310,891	(5,187,723)	(76,159)	964,590	108,011,599
Governmental Activities Capital Assets, Net	\$ 150,214,453	\$ (3,757,015)	\$ (3,878,636)	\$ -	\$ 142,578,802

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

DESCRIPTION	GOVERNMENTAL ACTIVITIES
General Government	\$ 1,307,024
Public Safety	790,957
Public Works	7,141,098
Eagle View Adult Center	280,896
Recreation Center	256,764
Parks	2,100,082
Cemetery	50,923
Total Depreciation Expense	<u>\$ 11,927,744</u>

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B. Business-Type Activities

Capital asset activity for the year ended December 31, 2021, was as follows:

BUSINESS -TYPE ACTIVITIES	BALANCE 12/31/20	ADDITIONS	DELETIONS	TRANSFERS	BALANCE 12/31/21
Capital Assets, Not Being Depreciated					
Land	\$ 9,513,128	\$ -	-	-	\$ 9,513,128
Water Rights	24,992,309	-	-	-	24,992,309
Construction in Progress	8,556,130	7,511,365	(160,556)	(2,893,739)	13,013,200
Total Capital Assets, Not Being Depreciated	43,061,567	7,511,365	(160,556)	(2,893,739)	47,518,637
Capital Assets, Being Depreciated					
Building and Improvements	38,606,724	1,131,633	-	48,004	39,786,361
Collection and Distribution Systems	179,468,067	10,922,975	-	2,845,735	193,236,777
Machinery and Equipment	7,923,511	230,141	(115,034)	-	8,038,618
Other Assets	216,300	-	-	-	216,300
Total Capital Assets, Being Depreciated	226,214,602	12,284,749	(115,034)	2,893,739	241,278,056
Less Accumulated Depreciation					
Building and Improvements	26,005,907	1,281,280	-	-	27,287,187
Collection and Distribution Systems	80,057,390	6,383,365	-	-	86,440,755
Machinery and Equipment	4,508,991	899,222	(115,034)	-	5,293,179
Other Assets	210,363	2,036	-	-	212,399
Total Accumulated Depreciation	110,782,651	8,565,903	(115,034)	-	119,233,520
Total Capital Assets, Being Depreciated, Net	115,431,951	3,718,846	-	2,893,739	122,044,536
Business-Type Activities Capital Assets, Net	\$ 158,493,518	\$ 11,230,211	\$ (160,556)	\$ -	\$ 169,563,173

Depreciation expense was charged to Funds as follows:

DESCRIPTION	BUSINESS-TYPE ACTIVITIES
Water	\$ 5,810,913
Wastewater	1,696,717
Storm Drainage	1,058,273
Total Depreciation Expense	\$ 8,565,903

CITY OF BRIGHTON, COLORADO
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C. Component Unit – Brighton Urban Renewal Authority and Brighton Economic Development Corporation

Capital asset activity for the Brighton Urban Renewal Authority the year ended December 31, 2021, was as follows:

BRIGHTON URBAN RENEWAL AUTHORITY	BALANCE 12/31/20	ADDITIONS	DELETIONS	TRANSFERS	BALANCE 12/31/21
Capital Assets, Being Depreciated					
Building and Improvements	\$ 5,599,815	\$ -	\$ -	\$ -	5,599,815
Machinery and Equipment	138,905	-	-	-	138,905
Total Capital Assets, Being Depreciated	5,738,720	-	-	-	5,738,720
Less Accumulated Depreciation					
Building and Improvements	2,281,883	222,597	-	-	2,504,480
Machinery and Equipment	69,562	6,434	-	-	75,996
Total Accumulated Depreciation	2,351,445	229,031	-	-	2,580,476
Total Capital Assets, Being Depreciated, Net	3,387,275	(229,031)	-	-	3,158,244
BURA Activities Capital Assets, Net	\$ 3,387,275	\$ (229,031)	\$ -	\$ -	\$ 3,158,244

BRIGHTON ECONOMIC DEVELOPMENT CORPORATION	BALANCE 12/31/20	ADDITIONS	DELETIONS	TRANSFERS	BALANCE 12/31/21
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	48,828	-	-	-	48,828
Total Accumulated Depreciation	48,828	-	-	-	48,828
BEDC Capital Assets, Net	\$ 29,885	\$ -	\$ -	\$ -	\$ 29,885

NOTE 5. INTERFUND TRANSACTIONS

A. Interfund Transfers

The composition of interfund transfers as of December 31, 2021 is as follows:

TRANSFER IN FUND	TRANSFER OUT FUND	AMOUNT
General	Landscaping	\$ 6,000
General	Lottery	250,000
Capital Improvement	Impact Fees	1,046,138
Cemetery	General	200,000
Cemetery Perpetual	Cemetery Fund	1,000
	Total	<u>\$ 1,503,138</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

CITY OF BRIGHTON, COLORADO
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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 receivable/payables as of December 31, 2021 is as follows:

INTERFUND RECEIVABLE	INTERFUND PAYABLE	AMOUNT
General	Storm Drainage	\$ 1,696,000
		<u>\$ 1,696,000</u>

The terms of the interfund loan are 0% interest for 15 years with payments starting in 2024. The annual loan payment schedule is as follows:

Year Ended December 31,	Payment
2022	\$ -
2023	-
2024	113,067
2025	113,067
2026	113,067
2027-2031	565,335
2032-2037	565,335
2038-2039	226,129
Total	<u>\$ 1,696,000</u>

NOTE 6. LONG-TERM DEBT

A. Governmental Activities

Long-term obligations related to governmental activities for the year ended December 31, 2021 are summarized as follows:

	BALANCE 12/31/20	INCREASES	DECREASES	BALANCE 12/31/21	DUE WITHIN ONE YEAR
2016 Certificates of Participation Tax Exempt Series 2016A	\$ 2,962,731	\$ -	\$ 139,084	\$ 2,823,647	\$ 142,482
2016 Certificates of Participation Taxable Series 2016B	1,633,522	-	250,216	1,383,306	258,643
2020 Certificates of Participation	19,195,000	-	730,000	18,465,000	895,000
Debt Premium	3,102,712	-	220,913	2,881,799	220,913
Total Certificates of Participation	26,893,965	-	1,340,213	25,553,752	1,517,038
2017 Capital Lease	947,286	-	229,488	717,798	234,309
Compensated Absences	2,395,412	1,513,645	1,911,877	1,997,180	1,664,243
Governmental Activities:					
Total Long-term Liabilities	<u>\$ 30,236,663</u>	<u>\$ 1,513,645</u>	<u>\$ 3,481,578</u>	<u>\$ 28,268,730</u>	<u>\$ 3,415,590</u>

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2016 Certificates of Participation

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

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

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

2017 Master Lease Equipment Purchase Agreement (Capital Lease)

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

2020 Certificates of Participation

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

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.

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Future Debt Service Obligations

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

2016 Certificates of Participation

Year Ended December 31,	Governmental Funds					
	Series A Tax Exempt			Series B Taxable		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 142,482	\$ 67,754	\$ 210,236	\$ 258,643	\$ 44,061	\$ 302,704
2023	145,966	64,271	210,237	267,354	35,350	302,704
2024	149,534	60,702	210,236	276,358	26,346	302,704
2025	153,192	57,046	210,238	285,665	17,038	302,703
2026	156,935	53,301	210,236	295,286	7,417	302,703
2027-2031	2,075,538	141,210	2,216,748	-	-	-
Total	<u>\$ 2,823,647</u>	<u>\$ 444,284</u>	<u>\$ 3,267,931</u>	<u>\$ 1,383,306</u>	<u>\$ 130,212</u>	<u>\$ 1,513,518</u>

2020 Certificates of Participation

Year Ending December 31,	Principal	Interest	Total
2022	\$ 895,000	\$ 684,950	\$ 1,579,950
2023	930,000	649,150	1,579,150
2024	970,000	611,950	1,581,950
2025	1,025,000	573,150	1,598,150
2026	1,090,000	532,150	1,622,150
2027-2031	6,605,000	1,947,150	8,552,150
2032-2035	6,950,000	551,950	7,501,950
Total	<u>\$ 18,465,000</u>	<u>\$ 5,550,450</u>	<u>\$ 24,015,450</u>

Capital Lease

Year Ended December 31,	Principal	Interest	Total
2022	\$ 234,309	\$ 13,784	\$ 248,093
2023	239,232	8,861	248,093
2024	244,257	3,835	248,092
Total	<u>\$ 717,798</u>	<u>\$ 26,480</u>	<u>\$ 744,278</u>

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B. Business-Type Activities

Long-term obligations related to business-type activities for the year ended December 31, 2021 are summarized as follows:

	BALANCE 12/31/20	INCREASES	DECREASES	BALANCE 12/31/21	DUE WITHIN ONE YEAR
<u>Water Fund</u>					
2016 Revenue Bonds	\$ 17,355,000	\$ -	\$ 965,000	\$ 16,390,000	\$ 985,000
Bond Premium	851,699	-	50,847	800,852	50,847
Total Bonds Payable	18,206,699	-	1,015,847	17,190,852	1,035,847
2016 Certificates of Participation					
Tax Exempt Series 2016A	734,045	-	34,458	699,587	35,301
Compensated Absences	203,980	175,408	248,576	130,812	109,882
Total Water Fund	<u>\$ 19,144,724</u>	<u>\$ 175,408</u>	<u>\$ 1,298,881</u>	<u>\$ 18,021,251</u>	<u>\$ 1,181,030</u>
<u>Waste Water Fund</u>					
2016 Revenue Bonds	\$ 5,450,000	\$ -	\$ 230,000	\$ 5,220,000	\$ 240,000
Bond Premium	156,873	-	9,366	147,507	9,366
Total Bonds Payable	5,606,873	-	239,366	5,367,507	249,366
2016 Certificates of Participation					
Tax Exempt Series 2016A	150,426	-	7,062	143,364	7,234
Compensated Absences	79,859	54,192	63,731	70,320	59,069
Total Waste Water Fund	<u>\$ 5,837,158</u>	<u>\$ 54,192</u>	<u>\$ 310,159</u>	<u>\$ 5,581,191</u>	<u>\$ 315,669</u>
<u>Storm Drainage Fund</u>					
Compensated Absences	236	23,723	11,445	12,514	10,512
Total Wastewater Fund	<u>\$ 236</u>	<u>\$ 23,723</u>	<u>\$ 11,445</u>	<u>\$ 12,514</u>	<u>\$ 10,512</u>
Total Business-Type Activities	<u>\$ 24,982,118</u>	<u>\$ 253,323</u>	<u>\$ 1,620,485</u>	<u>\$ 23,614,956</u>	<u>\$ 1,507,211</u>

2016 Enterprise Activity Revenue Bonds

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

Principal payments for the Water Activity Enterprise Revenue Refunding Bonds, Series 2016A, are due annually beginning June 1, 2017, 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. 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.

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

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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.

Future Debt Service Obligations

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

2016 Enterprise Activity Revenue Bonds

Year Ended December 31,	Series A Water Fund			Series B Waste Water Fund		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 985,000	\$ 649,863	\$ 1,634,863	240,000	204,000	444,000
2023	1,005,000	632,425	1,637,425	250,000	194,200	444,200
2024	1,005,000	614,837	1,619,837	255,000	184,100	439,100
2025	975,000	597,550	1,572,550	270,000	173,600	443,600
2026	965,000	563,675	1,528,675	280,000	162,600	442,600
2027-2031	4,980,000	2,080,750	7,060,750	1,580,000	632,400	2,212,400
2032-2036	5,350,000	814,875	6,164,875	1,910,000	284,000	2,194,000
2037	1,125,000	22,500	1,147,500	435,000	8,700	443,700
Total	<u>\$ 16,390,000</u>	<u>\$ 5,976,475</u>	<u>\$ 22,366,475</u>	<u>\$ 5,220,000</u>	<u>\$ 1,843,600</u>	<u>\$ 7,063,600</u>

2016 Certificates of Participation

Year Ended December 31,	Water Fund			Waste Water Fund		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 35,301	\$ 16,787	\$ 52,088	\$ 7,234	\$ 3,440	\$ 10,674
2023	36,165	15,924	52,089	7,411	3,263	10,674
2024	37,049	15,040	52,089	7,592	3,082	10,674
2025	37,955	14,134	52,089	7,778	2,896	10,674
2026	38,882	13,206	52,088	7,968	2,706	10,674
2027-2031	514,235	34,986	549,221	105,380	7,170	112,550
Total	<u>\$ 699,587</u>	<u>\$ 110,077</u>	<u>\$ 809,664</u>	<u>\$ 143,363</u>	<u>\$ 22,557</u>	<u>\$ 165,920</u>

C. Component Unit

Long-term obligations related to component units for the year ended December 31, 2021 are summarized as follows:

	BALANCE 12/31/20	INCREASES	DECREASES	BALANCE 12/31/21	DUE WITHIN ONE YEAR
<i>Brighton Urban Renewal Authority</i>					
2015 Tax Increment Bonds	\$ 6,630,000	\$ -	\$ 850,000	\$ 5,780,000	\$ 880,000
Loan Payable--City of Brighton	2,510,000	-	2,510,000	-	-
Compensated Absences	10,023	13,111	9,733	13,401	11,257
Total Brighton Urban Renewal Authority	<u>\$ 9,150,023</u>	<u>\$ 13,111</u>	<u>\$ 3,369,733</u>	<u>\$ 5,793,401</u>	<u>\$ 891,257</u>

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2015 Revenue Bonds

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

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

Annual debt service requirements for the outstanding bonds at December 31, 2021 are as follows:

Year Ended December 31,	Principal	Interest	Total
2022	\$ 880,000	\$ 202,300	\$ 1,082,300
2023	915,000	171,500	1,086,500
2024	945,000	139,475	1,084,475
2025	980,000	106,400	1,086,400
2026	1,010,000	72,100	1,082,100
2027	1,050,000	36,750	1,086,750
Total	<u>\$ 5,780,000</u>	<u>\$ 728,525</u>	<u>\$ 6,508,525</u>

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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, 2021 include the following items:

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS CAPITAL IMPROVEMENT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
<u>Nonspendable</u>					
Prepays	\$ 106,164	\$ -	\$ -	\$ -	\$ 106,164
Total Nonspendable	<u>106,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,164</u>
<u>Restricted</u>					
Emergency Reseve - TABOR	1,176,051	234,411	80,992	32,910	1,524,364
Parks Capital Improvements	-	-	19,351,246	-	19,351,246
Lodging Tax	-	-	-	362,862	362,862
Conservation Trust/Lottery	-	-	-	352,071	352,071
Highway Fund	-	-	-	627,975	627,975
Denver Airport Agreement	496,000	-	-	-	496,000
PEG Channel Franchise Fees	-	117,131	-	-	117,131
Total Restricted	<u>1,672,051</u>	<u>351,542</u>	<u>19,432,238</u>	<u>1,375,818</u>	<u>22,831,649</u>
<u>Committed</u>					
City Council Ordinances or Resolutions					
Impact Fees Fund	-	-	-	9,747,824	9,747,824
Cemetery Fund	-	-	-	259,027	259,027
Landscaping Fund	-	-	-	37,154	37,154
Cemetery Perpetual Care Fund	-	-	-	2,009,467	2,009,467
Food Sales Tax	134,000	-	-	-	134,000
Public Safety Staffing Reserve (5 year)	1,120,000	-	-	-	1,120,000
Committed Emergency Reserve	7,808,537	4,586,083	-	-	12,394,620
Committed Stabilization Reserve	3,904,269	-	-	-	3,904,269
	<u>12,966,806</u>	<u>4,586,083</u>	<u>-</u>	<u>12,053,472</u>	<u>29,606,361</u>
<u>Assigned</u>					
Capital	-	24,095,799	-	-	24,095,799
	<u>-</u>	<u>24,095,799</u>	<u>-</u>	<u>-</u>	<u>24,095,799</u>
<u>Unassigned</u>	<u>35,649,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,649,530</u>
Total	<u>\$ 50,394,551</u>	<u>\$ 29,033,424</u>	<u>\$ 19,432,238</u>	<u>\$ 13,429,290</u>	<u>\$ 112,289,503</u>

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

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pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position were calculated using this basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information. Contact FPPA at 1-800-332-2772 to obtain a copy of the report or visit their website <http://www.fppaco.org>.

Description of Benefits

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

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

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

Contributions

The plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute, the FPPA Board may increase contribution rates equally between employee and employer upon approval through an election of members and employers. Members of the SWDB plan and their employers contributed at a rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions were 8.5 percent in 2021 and will increase 0.5 percent annually through 2030 to a total of 13 percent of pensionable earnings.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. Changes to employee and employer contribution rates were made for the years 2021 and beyond through legislation enacted in calendar year 2020. In calendar year 2020, re-entry members contributed 13 percent and the City contributed 10 percent. In 2021, re-entry members contributed 11.50 percent and in

CITY OF BRIGHTON, COLORADO
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2022 and future years will contribute 12 percent. The City will continue to contribute 10 percent through the year 2024. Employer contributions will increase 0.5 percent per year in 2025 through the year 2028 for a total of 12 percent employer contributions in 2028 and future years.

Basis of Presentation

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

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

At December 31, 2021, the City reported a net pension asset of \$1,840,255 for its proportional share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021 and a measurement date of December 31, 2020. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2020, the City's proportion was 0.85 percent, which was an increase of .10 from its proportion measured as of December 31, 2019.

At December 31, 2021, 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	\$ 1,560,717	\$ 7,319
Change in Assumptions	782,688	-
Net Difference Projected and Actual on Investment Earnings	-	1,890,207
Proportion Changes and Differences City Contributions and Proportionate Share Contributions	-	55,353
City Contributions Subsequent to Measurement Date	586,301	-
	<u>\$ 2,929,706</u>	<u>\$ 1,952,880</u>

CITY OF BRIGHTON, COLORADO
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\$586,301 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2022	\$ (210,342)
2023	34,830
2024	(283,176)
2025	13,925
2026	309,619
Thereafter	525,670
	<u>\$ 390,526</u>

Actuarial Assumptions

The January 1, 2021 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2020. The valuation used the following actuarial assumption and other inputs.

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

The collective total pension asset as of December 31, 2020 is based upon the January 1, 2021 actuarial valuation.

Long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are summarized in the following table:

CITY OF BRIGHTON, COLORADO
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DECEMBER 31, 2021

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

Discount Rate

The discount rate used to measure the total pension liability was 7.0 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 pension 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.

Sensitivity of the City's proportionate share 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 (asset) to changes in the discount rate of 7.0 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current rate.

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the net pension liability (asset)	\$ 1,851,928	\$ (1,840,255)	\$ (4,897,844)

Pension Plan Fiduciary Net Position

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

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

Other Information

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

YEAR ENDED DECEMBER 31,	DEFINED BENEFIT PLAN REQUIRED CONTRIBUTIONS		DEFERRED 457 PLAN REQUIRED CONTRIBUTIONS	
	CITY	EMPLOYEES	CITY	EMPLOYEES
2021	586,301	785,776	25,425	111,015
2020	544,673	752,665	49,707	134,407
2019	442,512	571,246	38,163	67,334

B. International City Management Association – Retirement Corporation (ICMA-RC)

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 ICMA-RC. In 2021, the contribution rate was set at 18%, the employee contributes 9% and the City contributes 9% of each participant's covered salary. During the year ended December 31, 2021, the City and employee contributions were \$1,578,050 each, equal to the required contributions.

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

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 ICMA-RC. 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 ICMA-RC for the exclusive benefit of participating employees.

NOTE 9. RISK MANAGEMENT

Colorado Intergovernmental Risk Sharing Agency (CIRSA)

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

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

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

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

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

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

Self-Funded Health Plan

The City established a self-funded health plan effective January 1, 2014. The purpose of the program is to pay the health claims of eligible City employees and their covered dependents. As of January 1, 2014 the City entered into an administrative services only arrangement with United Health Care, whereby the City pays United Health Care a separate amount for administrative costs and claim servicing fees. The City agrees to provide monthly funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The following is a summary of changes in the City's estimated unpaid claims as of December 31, 2021.

	2021
Estimated unpaid claims, January 1	\$ 311,000
Incurred Claims	3,624,312
Claims Payments	<u>(3,612,312)</u>
Estimated unpaid claims, December 31	<u>\$ 323,000</u>

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. Accordingly, the government's compliance with applicable grant requirements will be established at a future date.

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

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.

C. Contractual Obligations

On April 21, 2009, the board of directors for the Metro Wastewater Reclamation District (District) approved a resolution and Sewage Treatment and Disposal Agreement (Service Contract) with the City. The Service Contract outlines Brighton's payments and participation in the District's Northern Treatment Plant. As of December 31, 2021, the City's annual financial obligation outlined in the Service Contract is:

Year Ending December 31,	Annual Payment
2022	\$ 1,134,000
2023	1,197,000
2024	1,260,000
2025	1,322,000
2026	1,385,000
2027-2035	23,964,000
	<u>\$ 30,262,000</u>

D. Construction and Other Significant Commitments

Brighton has \$2,066,200 in outstanding contracts with various contractors. Enterprise contracts compromise \$661,184 and governmental fund type contracts comprise \$1,405,016.

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.

NOTE 11. TAX ABATEMENTS

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

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

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 2021, the City paid \$3,541,316 and BURA (component unit) paid \$1,848,067 in tax abatements.

NOTE 12. NEW AND PENDING ACCOUNTING PRONOUNCENMENTS

As of December 31, 2021, The GASB had issued several statements not yet required to be implemented by the City. Management intends to adopt each Statement, if applicable, by the required date, and modify and expand financial statements and disclosures accordingly. The statements which might impact the City are as follows:

GASB Statement No. 87, Leases

This statement will be effective for the City beginning with its fiscal year ending December 31, 2022, with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments.

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period

This statement was implemented by the City beginning with its fiscal year ending December 31, 2021. Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period.

GASB Statement No. 91, Conduit Debt Obligations

This statement will be effective for the City beginning with its fiscal year ending December 31, 2022, with earlier adoption encouraged. Statement No. 91 clarifies the existing definition of a conduit debt obligation, establishes that a conduit debt obligation is not a liability of the issuer, and establishes standards for accounting and financial reporting of additional commitments and

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

voluntary commitments extended by issuers and arrangements associated with conduit debt obligations.

GASB Statement No. 92, Omnibus 2020

This statement will be effective for the City beginning with its fiscal year ending December 31, 2022, with earlier adoption encouraged. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

GASB Statement No. 93, Replacement of Interbank Offered Rates

This statement will be effective for the City beginning with its fiscal year ending December 31, 2022, with earlier adoption encouraged. Statement No. 93 addresses the accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate.

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

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

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

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

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32

This statement will be effective for the City beginning with its fiscal year ending December 31, 2022, with earlier adoption encouraged. Statement No. 97 will increase consistency and comparability related to the reporting of fiduciary component units and enhance accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans.

NOTE 13. SUBSEQUENT EVENTS

In June 2022, City Council approved a contract for the first phase of construction of a new water treatment plant. Along with this contract, City Council also approved a bond reimbursement

CITY OF BRIGHTON, COLORADO
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

resolution that allows for proceeds of a future bond issuance to be used towards the construction costs that were approved in the contract. In order to fund the water treatment plant and the anticipated debt service required, water rates were adjusted and a water treatment plant fee was approved for implementation in January 2023.

The water treatment plant is scheduled to break ground in July 2022 and be completed in the summer of 2025. The new plant will be able to treat up to 20 million gallons per day of water, which is twice the capacity of the existing plant. This capacity is anticipated to meet the City's water treatment needs through 2045. The plant is expected to cost approximately \$155 million and will be financed through two phases of borrowing, the first scheduled to occur in the fall of 2022.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF BRIGHTON, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE--BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	\$ 20,254,636	\$ 20,254,636	\$ 23,255,751	\$ 3,001,115
Use	4,603,882	4,603,882	6,552,418	1,948,536
Property	3,601,983	3,601,983	3,790,257	188,274
Franchise	1,514,275	1,514,275	1,423,685	(90,590)
Other	18,387	18,387	16,365	(2,022)
Total Taxes	<u>29,993,163</u>	<u>29,993,163</u>	<u>35,038,476</u>	<u>5,045,313</u>
Licenses and Permits	413,432	413,432	1,443,698	1,030,266
Grants and Intergovernmental	2,182,189	2,182,189	2,923,143	740,954
Charges for Services	6,639,809	6,639,809	6,340,660	(299,149)
Fines and Forfeitures	400,000	400,000	313,796	(86,204)
Investment Earnings (Loss)	750,000	750,000	(186,719)	(936,719)
Miscellaneous	2,037,396	2,037,396	978,170	(1,059,226)
Total Revenues	<u>42,415,989</u>	<u>42,415,989</u>	<u>46,851,224</u>	<u>4,435,235</u>
EXPENDITURES				
General Government	13,630,291	13,630,291	13,092,212	538,079
Public Safety	14,199,397	14,199,397	13,992,311	207,086
Streets and Fleet	3,287,977	3,287,977	3,360,320	(72,343)
Parks and Recreation	7,083,961	7,083,961	6,557,242	526,719
Community Development	2,425,879	2,425,879	2,199,621	226,258
Total Expenditures	<u>40,627,505</u>	<u>40,627,505</u>	<u>39,201,706</u>	<u>1,425,799</u>
Excess of Revenues Over Expenditures	<u>1,788,484</u>	<u>1,788,484</u>	<u>7,649,518</u>	<u>5,861,034</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	263,500	263,500	256,000	(7,500)
Transfers Out	(1,946,000)	(1,946,000)	(200,000)	1,746,000
Total Other Financing Sources (Uses)	<u>(1,682,500)</u>	<u>(1,682,500)</u>	<u>56,000</u>	<u>1,738,500</u>
Net Change in Fund Balance	<u>\$ 105,984</u>	<u>\$ 105,984</u>	<u>7,705,518</u>	<u>\$ 7,599,534</u>
Fund Balance--January 1			<u>42,689,033</u>	
Fund Balance--December 31			<u>\$ 50,394,551</u>	

CITY OF BRIGHTON, COLORADO
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)*
DECEMBER 31, 2021

	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.85%	0.75%	0.80%	0.87%	0.92%	0.92%	0.89%
Employer's proportion of the net pension liability (asset)	\$ (1,840,087)	\$ (424,453)	\$ 1,010,168	\$ (1,257,827)	\$ 333,079	\$ (16,218)	\$ (934,282)
Employer's covered payroll	\$ 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	-28.53%	-8.18%	20.41%	-27.62%	8.17%	-0.40%	-25.83%
Plan fiduciary net position as a percentage of the total pension liability	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%	106.80%

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

CITY OF BRIGHTON, COLORADO
SCHEDULE OF EMPLOYER CONTRIBUTIONS*
DECEMBER 31, 2021

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

Notes to the Required Supplementary Information

Changes of assumptions

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

Changes of benefits

1. Effective January 1, 2021, a member may qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

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

OTHER SUPPLEMENTARY INFORMATION

COMBINING STATEMENTS AND BUDGETARY COMPARISON SCHEDULES BY FUND



NONMAJOR GOVERNMENTAL FUNDS - DESCRIPTIONS

Special Revenue Funds

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

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

Permanent Fund – Cemetery Perpetual Care

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

CITY OF BRIGHTON, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2021

	SPECIAL REVENUE FUNDS						PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETERY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND		
ASSETS								
Cash and Investments	\$ 475,689	\$ 352,071	\$ 210,058	\$ 643,729	\$ 471,248	\$ 11,055,940	\$ 2,009,467	\$ 15,218,202
Accounts Receivable	-	-	106,132	-	2,465	-	-	108,597
Taxes Receivable	-	-	-	-	24,503	-	-	24,503
Total Assets	<u>\$ 475,689</u>	<u>\$ 352,071</u>	<u>\$ 316,190</u>	<u>\$ 643,729</u>	<u>\$ 498,216</u>	<u>\$ 11,055,940</u>	<u>\$ 2,009,467</u>	<u>\$ 15,351,302</u>
LIABILITIES								
Accounts Payable	-	-	10,300	12,745	127,692	49,330	-	200,067
Accrued Wages Payable	-	-	5,624	-	-	-	-	5,624
Deposits and Escrows	438,535	-	19,000	-	-	1,258,786	-	1,716,321
Total Liabilities	<u>438,535</u>	<u>-</u>	<u>34,924</u>	<u>12,745</u>	<u>127,692</u>	<u>1,308,116</u>	<u>-</u>	<u>1,922,012</u>
FUND BALANCES								
Restricted	-	352,071	22,239	630,984	370,524	-	-	1,375,818
Committed	37,154	-	259,027	-	-	9,747,824	2,009,467	12,053,472
Total Fund Balances	<u>37,154</u>	<u>352,071</u>	<u>281,266</u>	<u>630,984</u>	<u>370,524</u>	<u>9,747,824</u>	<u>2,009,467</u>	<u>13,429,290</u>
Total Liabilities and Fund Balances	<u>\$ 475,689</u>	<u>\$ 352,071</u>	<u>\$ 316,190</u>	<u>\$ 643,729</u>	<u>\$ 498,216</u>	<u>\$ 11,055,940</u>	<u>\$ 2,009,467</u>	<u>\$ 15,351,302</u>

CITY OF BRIGHTON, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021

	SPECIAL REVENUE FUNDS						PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETERY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND		
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 361,391	\$ -	\$ -	\$ 361,391
Grants and Intergovernmental Charges for Services	-	482,121	-	-	-	-	-	482,121
Investment Earnings (Loss)	-	-	443,480	-	-	891,236	89,595	1,424,311
Miscellaneous/Other	(1,694)	(1,161)	(1,075)	(2,584)	(1,981)	(42,176)	(7,670)	(58,341)
Total Revenues	-	-	26,676	-	-	-	-	26,676
	(1,694)	480,960	469,081	(2,584)	359,410	849,060	81,925	2,236,158
EXPENDITURES								
Current								
General Government	-	-	-	-	304,636	129,871	-	434,507
Cemetery	-	-	741,300	-	-	-	-	741,300
Capital Outlay	-	77,608	-	100,316	-	-	-	177,924
Total Expenditures	-	77,608	741,300	100,316	304,636	129,871	-	1,353,731
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,694)	403,352	(272,219)	(102,900)	54,774	719,189	81,925	882,427
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	200,000	-	-	-	1,000	201,000
Transfers Out	(6,000)	(250,000)	(1,000)	-	-	(1,046,138)	-	(1,303,138)
Total Other Financing Sources (Uses)	(6,000)	(250,000)	199,000	-	-	(1,046,138)	1,000	(1,102,138)
Net Change in Fund Balances	(7,694)	153,352	(73,219)	(102,900)	54,774	(326,949)	82,925	(219,711)
Fund Balances--January 1	44,848	198,719	354,485	733,884	315,750	10,074,773	1,926,542	13,649,001
Fund Balances--December 31	\$ 37,154	\$ 352,071	\$ 281,266	\$ 630,984	\$ 370,524	\$ 9,747,824	\$ 2,009,467	\$ 13,429,290

CITY OF BRIGHTON, COLORADO
LANDSCAPING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Investment Earnings (Loss)	\$ 4,000	\$ 4,000	\$ (1,694)	\$ (5,694)
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>(1,694)</u>	<u>(5,694)</u>
OTHER FINANCING USES				
Transfers Out	(6,000)	(6,000)	(6,000)	-
Total Other Financing Uses	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (2,000)</u>	<u>\$ (2,000)</u>	(7,694)	<u>\$ (5,694)</u>
Fund Balance--January 1			<u>44,848</u>	
Fund Balance--December 31			<u>\$ 37,154</u>	

CITY OF BRIGHTON, COLORADO
LOTTERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	\$ 356,711	\$ 356,711	\$ 482,121	\$ 125,410
Investment Earnings (Loss)	10,000	10,000	(1,161)	(11,161)
Total Revenues	<u>366,711</u>	<u>366,711</u>	<u>480,960</u>	<u>114,249</u>
EXPENDITURES				
Capital Outlay	<u>353,598</u>	<u>353,598</u>	<u>77,608</u>	<u>275,990</u>
Total Expenditures	<u>353,598</u>	<u>353,598</u>	<u>77,608</u>	<u>275,990</u>
Excess of Revenues Over Expenditures	<u>13,113</u>	<u>13,113</u>	<u>403,352</u>	<u>390,239</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>\$ (236,887)</u>	<u>\$ (236,887)</u>	153,352	<u>\$ 390,239</u>
Fund Balance--January 1			<u>198,719</u>	
Fund Balance--December 31			<u>\$ 352,071</u>	

CITY OF BRIGHTON, COLORADO
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Charges for Services	\$ 300,000	\$ 300,000	\$ 443,480	\$ 143,480
Investment Earnings (Loss)	5,000	5,000	(1,075)	(6,075)
Miscellaneous	-	-	26,676	26,676
Total Revenues	<u>305,000</u>	<u>305,000</u>	<u>469,081</u>	<u>164,081</u>
EXPENDITURES				
Salaries and Wages	303,854	303,854	295,713	8,141
Contracted Services	199,985	234,932	221,356	13,576
Supplies and Materials	14,542	14,595	14,725	(130)
Capital Outlay	225,000	225,000	209,506	37,081
Total Expenditures	<u>743,381</u>	<u>778,381</u>	<u>741,300</u>	<u>58,668</u>
Deficiency of Revenues Under Expenditures	<u>(438,381)</u>	<u>(473,381)</u>	<u>(272,219)</u>	<u>222,749</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	200,000	200,000	200,000	-
Transfers Out	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>199,000</u>	<u>199,000</u>	<u>199,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (239,381)</u>	<u>\$ (274,381)</u>	<u>(73,219)</u>	<u>\$ 222,749</u>
Fund Balance--January 1			<u>354,485</u>	
Fund Balance--December 31			<u>\$ 281,266</u>	

CITY OF BRIGHTON, COLORADO
HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Investment Earnings (Loss)	\$ 20,000	\$ 20,000	\$ (2,584)	\$ (22,584)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>(2,584)</u>	<u>(22,584)</u>
EXPENDITURES				
Operating	125,000	125,000	100,316	24,684
Total Expenditures	<u>125,000</u>	<u>125,000</u>	<u>100,316</u>	<u>24,684</u>
Net Change in Fund Balance	<u>\$ (105,000)</u>	<u>\$ (105,000)</u>	(102,900)	<u>\$ 2,100</u>
Fund Balance--January 1			<u>733,884</u>	
Fund Balance--December 31			<u>\$ 630,984</u>	

CITY OF BRIGHTON, COLORADO
LODGING TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Lodging Tax	\$ 270,000	\$ 270,000	\$ 361,391	\$ 91,391
Investment Earnings (Loss)	12,500	12,500	(1,981)	(14,481)
Total Revenues	<u>282,500</u>	<u>282,500</u>	<u>359,410</u>	<u>76,910</u>
EXPENDITURES				
Operating	49,251	49,251	49,252	(1)
Grants	319,230	319,230	255,384	63,846
Total Expenditures	<u>368,481</u>	<u>368,481</u>	<u>304,636</u>	<u>63,845</u>
Net Change in Fund Balance	<u>\$ (85,981)</u>	<u>\$ (85,981)</u>	54,774	<u>\$ 140,755</u>
Fund Balance--January 1			<u>315,750</u>	
Fund Balance--December 31			<u>\$ 370,524</u>	

CITY OF BRIGHTON, COLORADO
IMPACT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE--BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Charges for Services	\$ 1,000,000	\$ 1,000,000	\$ 891,236	\$ (108,764)
Investment Earnings (Loss)	100,000	100,000	(42,176)	(142,176)
Total Revenues	<u>1,100,000</u>	<u>1,100,000</u>	<u>849,060</u>	<u>(250,940)</u>
EXPENDITURES				
Developer Reimbursements	<u>500,000</u>	<u>500,000</u>	<u>129,871</u>	<u>370,129</u>
Total Expenditures	<u>500,000</u>	<u>500,000</u>	<u>129,871</u>	<u>370,129</u>
Excess of Revenues Over Expenditures	<u>600,000</u>	<u>600,000</u>	<u>719,189</u>	<u>119,189</u>
OTHER FINANCING USES				
Transfers Out	<u>(1,046,138)</u>	<u>(1,046,138)</u>	<u>(1,046,138)</u>	<u>-</u>
Total Other Financing Uses	<u>(1,046,138)</u>	<u>(1,046,138)</u>	<u>(1,046,138)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (446,138)</u>	<u>\$ (446,138)</u>	<u>(326,949)</u>	<u>\$ 119,189</u>
Fund Balance--January 1			<u>10,074,773</u>	
Fund Balance--December 31			<u>\$ 9,747,824</u>	

CITY OF BRIGHTON, COLORADO
CEMETERY PERPETUAL CARE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Charges for Services	\$ 50,000	\$ 50,000	\$ 89,595	\$ 39,595
Investment Earnings (Loss)	40,000	40,000	(7,670)	(47,670)
Total Revenues	<u>90,000</u>	<u>90,000</u>	<u>81,925</u>	<u>(8,075)</u>
OTHER FINANCING SOURCES				
Transfers In	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 91,000</u>	<u>\$ 91,000</u>	82,925	<u>\$ (8,075)</u>
Fund Balance--January 1			<u>1,926,542</u>	
Fund Balance--December 31			<u>\$ 2,009,467</u>	

CAPITAL PROJECTS FUNDS – DESCRIPTIONS

Capital Projects Funds

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

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

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

CITY OF BRIGHTON, COLORADO
CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	\$ 5,492,546	\$ 5,492,546	\$ 6,493,266	\$ 1,000,720
Franchise	340,262	340,262	354,652	14,390
Other	32,131	32,131	21,888	(10,243)
Total Taxes	5,864,939	5,864,939	6,869,806	1,004,867
Grants and Intergovernmental	1,864,661	1,864,661	2,267,082	402,421
Investment Earnings (Loss)	400,000	400,000	(130,558)	(530,558)
Miscellaneous	212,500	212,500	9,338,001	9,125,501
Total Revenues	8,342,100	8,342,100	18,344,331	10,002,231
EXPENDITURES				
Capital Outlay				
General Government	1,315,172	1,315,172	1,448,534	(133,362)
Public Safety	595,000	595,000	651,031	(56,031)
Streets and Fleet	15,010,161	15,010,161	4,520,664	10,489,497
Parks and Recreation	225,000	225,000	72,824	152,176
Budget Contingency	200,000	200,000	-	200,000
Debt Service				
Principal	768,798	768,798	768,797	1
Interest	349,777	349,777	349,776	1
Bond Fees	-	-	2,085	(2,085)
Total Expenditures	18,463,908	18,463,908	7,813,711	10,650,197
Deficiency of Revenues Under Expenditures	(10,121,808)	(10,121,808)	10,530,620	20,652,428
OTHER FINANCING SOURCES				
Transfers In	1,750,000	1,750,000	1,046,138	(703,862)
Total Other Financing Sources	1,750,000	1,750,000	1,046,138	(703,862)
Net Change in Fund Balance	\$ (8,371,808)	\$ (8,371,808)	11,576,758	\$ 19,948,566
Fund Balance--January 1			17,456,669	
Fund Balance--December 31			\$ 29,033,427	

CITY OF BRIGHTON, COLORADO
PARKS AND RECREATION CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Sales Taxes	\$ 4,178,705	\$ 4,178,705	\$ 4,754,935	\$ 576,230
Grants and Intergovernmental	3,326,065	3,326,065	1,182,363	(2,143,702)
Investment Earnings (Loss)	200,000	200,000	(71,582)	(271,582)
Miscellaneous	173,695	173,695	254,622	80,927
Total Revenues	<u>7,878,465</u>	<u>7,878,465</u>	<u>6,120,338</u>	<u>(1,758,127)</u>
EXPENDITURES				
Capital Outlay	6,513,578	6,513,578	1,477,409	5,036,169
Budget Contingency	200,000	200,000	-	200,000
Debt Service				
Principal	579,990	579,990	579,990	-
Interest	639,531	639,531	639,530	1
Bond Fees	-	-	2,816	(2,816)
Total Expenditures	<u>7,933,099</u>	<u>7,933,099</u>	<u>2,699,745</u>	<u>5,233,354</u>
Net Change in Fund Balance	<u>\$ (54,634)</u>	<u>\$ (54,634)</u>	3,420,593	<u>\$ 3,475,227</u>
Fund Balance--January 1			<u>16,011,645</u>	
Fund Balance-December 31			<u>\$ 19,432,238</u>	

ENTERPRISE FUNDS – DESCRIPTIONS

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

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

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

CITY OF BRIGHTON, COLORADO
WATER FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION --
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 12,864,907	\$ 12,864,907	\$ 13,542,870	\$ 677,963
Tap Fees	100,000	100,000	90,118	(9,882)
Miscellaneous	57,500	57,500	153,588	96,088
Total Operating Revenues	<u>13,022,407</u>	<u>13,022,407</u>	<u>13,786,576</u>	<u>764,169</u>
OPERATING EXPENSES				
Operations	9,599,481	9,599,481	10,769,720	(1,170,239)
Administration	3,958,460	3,958,460	3,724,194	234,266
Principal	968,924	968,924	999,459	(30,535)
Interest Expense and Fees	719,889	719,889	635,376	84,513
Total Operating Expenses	<u>15,246,754</u>	<u>15,246,754</u>	<u>16,128,749</u>	<u>(881,995)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	900,000	900,000	(130,786)	(1,030,786)
Capital Outlay	(25,632,940)	(25,632,940)	(13,474,551)	12,158,389
Grants	-	-	5,716	5,716
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Expenses	<u>(24,932,940)</u>	<u>(24,932,940)</u>	<u>(13,599,621)</u>	<u>11,333,319</u>
Loss Before Capital Contributions and Transfers	(27,157,287)	(27,157,287)	(15,941,794)	11,215,493
Capital Contributions	<u>7,000,000</u>	<u>7,000,000</u>	<u>7,998,218</u>	<u>998,218</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (20,157,287)</u>	<u>\$ (20,157,287)</u>	<u>(7,943,576)</u>	<u>\$ 12,213,711</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			13,474,551	
Long Term Debt Adjustments			999,459	
Contributed Capital Assets			1,416,707	
Depreciation			<u>(5,810,913)</u>	
Change in Net Position, GAAP Basis			2,136,228	
Net Position--January 1			<u>139,587,957</u>	
Net Position--December 31			<u>\$ 141,724,185</u>	

CITY OF BRIGHTON, COLORADO
WASTE WATER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 6,516,627	\$ 6,516,627	\$ 7,974,846	\$ 1,458,219
Miscellaneous	54,000	54,000	38,990	(15,010)
Total Operating Revenues	<u>6,570,627</u>	<u>6,570,627</u>	<u>8,013,836</u>	<u>1,443,209</u>
OPERATING EXPENSES				
Operations	3,779,656	3,779,656	3,407,250	372,406
Administration	3,188,007	3,188,007	2,888,436	299,571
Principal	233,629	233,629	237,061	(3,432)
Interest Expense and Fees	220,445	220,445	207,268	13,177
Total Operating Expenses	<u>7,421,737</u>	<u>7,421,737</u>	<u>6,740,015</u>	<u>681,722</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	500,000	500,000	(88,151)	(588,151)
Capital Outlay	(2,436,261)	(2,436,261)	(355,225)	2,081,036
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Expenses	<u>(2,136,261)</u>	<u>(2,136,261)</u>	<u>(443,376)</u>	<u>1,692,885</u>
Income (Loss) Before Capital Contributions and Transfers	(2,987,371)	(2,987,371)	830,445	3,817,816
Capital Contributions	<u>300,000</u>	<u>300,000</u>	<u>331,701</u>	<u>31,701</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (2,687,371)</u>	<u>\$ (2,687,371)</u>	1,162,146	<u>\$ 3,849,517</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			355,225	
Long Term Debt Adjustments			237,061	
Contributed Capital Assets			858,212	
Depreciation			(1,696,717)	
Change in Net Position, GAAP Basis			<u>915,927</u>	
Net Position--January 1			<u>35,708,192</u>	
Net Position--December 31			<u>\$ 36,624,119</u>	

CITY OF BRIGHTON, COLORADO
STORM DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 750,000	\$ 750,000	\$ 927,867	\$ 177,867
Miscellaneous	67,000	67,000	66,351	(649)
Total Operating Revenues	<u>817,000</u>	<u>817,000</u>	<u>994,218</u>	<u>177,218</u>
OPERATING EXPENSES				
Operations	163,064	163,064	210,862	(47,798)
Administration	325,832	325,832	449,909	(124,077)
Total Operating Expenses	<u>488,896</u>	<u>488,896</u>	<u>660,771</u>	<u>(171,875)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	100,000	100,000	(10,692)	(110,692)
Capital Outlay	(7,637,755)	(7,637,755)	(2,594,167)	5,043,588
Grants	-	-	5,000	5,000
Developer Reimbursements	(450,000)	(450,000)	(347,454)	102,546
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Expenses	<u>(8,187,755)</u>	<u>(8,187,755)</u>	<u>(2,947,313)</u>	<u>5,240,442</u>
Loss Before Capital Contributions and Transfers	(7,859,651)	(7,859,651)	(2,613,866)	5,245,785
Transfers In	1,617,208	1,617,208	-	(1,617,208)
Capital Contributions	<u>900,000</u>	<u>900,000</u>	<u>789,484</u>	<u>(110,516)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (5,342,443)</u>	<u>\$ (5,342,443)</u>	<u>(1,824,382)</u>	<u>\$ 3,518,061</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			2,594,167	
Contributed Capital Assets			1,097,253	
Depreciation			<u>(1,058,273)</u>	
Change in Net Position, GAAP Basis			808,765	
Net Position--January 1			<u>23,233,037</u>	
Net Position--December 31			<u>\$ 24,041,802</u>	

INTERNAL SERVICE FUNDS - DESCRIPTIONS

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

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

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2021

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL
CURRENT ASSETS			
Cash and Investments	\$ 3,828,478	\$ 198,448	\$ 4,026,926
Accounts Receivable	103,235	1,542	104,777
Inventories	-	27,857	27,857
Prepaid Expenses	-	590	590
Total Current Assets	<u>3,931,713</u>	<u>228,437</u>	<u>4,160,150</u>
LIABILITIES			
Accounts Payable	118,808	12,208	131,016
Accrued Wages Payable	-	5,984	5,984
Estimated Unpaid Claims	323,000	-	323,000
Compensated Absences, Current Portion	-	13,388	13,388
Total Current Liabilities	<u>441,808</u>	<u>31,580</u>	<u>473,388</u>
Noncurrent Liabilities			
Compensated Absences, Long Term Portion	<u> </u>	<u>2,550</u>	<u>2,550</u>
Total Noncurrent Liabilities	<u>-</u>	<u>2,550</u>	<u>2,550</u>
Total Liabilities	<u>\$ 441,808</u>	<u>\$ 34,130</u>	<u>\$ 475,938</u>
NET POSITION			
Unrestricted	<u>3,489,905</u>	<u>194,307</u>	<u>3,684,212</u>
Total Net Position	<u>\$ 3,489,905</u>	<u>\$ 194,307</u>	<u>\$ 3,684,212</u>

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 5,346,706	\$ 461,425	\$ 5,808,131
Miscellaneous	1,321	-	1,321
Total Operating Revenues	<u>5,348,027</u>	<u>461,425</u>	<u>5,809,452</u>
OPERATING EXPENSES			
Insurance Claims	3,612,312	-	3,612,312
Insurance Premiums	893,211	-	893,211
Professional Services	299,184	-	299,184
Administration	-	485,111	485,111
Vehicle Repairs	-	21,570	21,570
Miscellaneous	1,420	-	1,420
Total Operating Expenses	<u>4,806,127</u>	<u>506,681</u>	<u>5,312,808</u>
Operating Income	541,900	(45,256)	496,644
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings (Loss)	(14,795)	(877)	(15,672)
Nonoperating Income	<u>(14,795)</u>	<u>(877)</u>	<u>(15,672)</u>
Change in net position	<u>527,105</u>	<u>(46,133)</u>	<u>480,972</u>
Net Position--January 1	<u>2,962,800</u>	<u>240,440</u>	<u>3,203,240</u>
Net Postion--December 31	<u><u>\$ 3,489,905</u></u>	<u><u>\$ 194,307</u></u>	<u><u>\$ 3,684,212</u></u>

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts From Customers	\$ 5,270,743	469,375	\$ 5,740,118
Other Receipts	1,321	28,568	29,889
Payments to Suppliers and Service Providers	(4,837,295)	(469,661)	(5,306,956)
Net Cash Provided By Operating Activities	<u>434,769</u>	<u>28,282</u>	<u>463,051</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds From Sale of Investments	(14,795)	(877)	(15,672)
Net Cash Used In Investing Activities	<u>(14,795)</u>	<u>(877)</u>	<u>(15,672)</u>
Net Increase in Cash and Cash Equivalents	419,974	27,405	447,379
Cash and Cash Equivalents--January 1	3,408,504	171,043	3,579,547
Cash and Cash Equivalents--December 31	<u>\$ 3,828,478</u>	<u>\$ 198,448</u>	<u>\$ 4,026,926</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating Income (Loss)	\$ 541,900	\$ (45,256)	\$ 496,644
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used In) Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) in Accounts Receivable	(75,963)	7,950	(68,013)
(Increase) in Inventories	-	47,281	47,281
(Increase) in Prepaids	-	1,250	1,250
Increase (Decrease) in Accounts Payable	(43,168)	1,607	(41,561)
Increase in Accrued Wages Payable	-	(488)	(488)
Increase (Decrease) in Unpaid Claims	12,000	15,938	27,938
Total Adjustments	<u>(107,131)</u>	<u>73,538</u>	<u>(33,593)</u>
Net Cash Provided by Operating Activities	<u>\$ 434,769</u>	<u>\$ 28,282</u>	<u>\$ 463,051</u>

CITY OF BRIGHTON, COLORADO
BENEFITS INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 5,210,000	\$ 5,210,000	\$ 5,346,706	\$ 136,706
Miscellaneous	-	-	1,321	1,321
Total Operating Revenues	<u>5,210,000</u>	<u>5,210,000</u>	<u>5,348,027</u>	<u>138,027</u>
OPERATING EXPENSES				
Insurance Claims	3,747,000	3,747,000	3,612,312	134,688
Insurance Premiums	1,100,000	1,100,000	893,211	206,789
Professional Services	356,000	356,000	299,184	56,816
Miscellaneous	31,500	31,500	1,420	30,080
Total Operating Expenses	<u>5,234,500</u>	<u>5,234,500</u>	<u>4,806,127</u>	<u>428,373</u>
Operating Income	<u>(24,500)</u>	<u>(24,500)</u>	<u>541,900</u>	<u>566,400</u>
NONOPERATING REVENUES				
Investment Earnings (Loss)	<u>75,000</u>	<u>75,000</u>	<u>(14,795)</u>	<u>(89,795)</u>
Total Nonoperating Revenues	<u>75,000</u>	<u>75,000</u>	<u>(14,795)</u>	<u>(89,795)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ 50,500</u>	<u>\$ 50,500</u>	<u>527,105</u>	<u>\$ 476,605</u>
Net Position--January 1			<u>2,962,800</u>	
Net Position--December 31			<u>\$ 3,489,905</u>	

CITY OF BRIGHTON, COLORADO
FLEET INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 725,000	\$ 725,000	\$ 461,425	\$ (263,575)
Miscellaneous	27,000	27,000	-	(27,000)
Total Operating Revenues	<u>752,000</u>	<u>752,000</u>	<u>461,425</u>	<u>(290,575)</u>
OPERATING EXPENSES				
Personnel Services	442,070	442,070	485,111	(43,041)
Vehicle Maintenance	242,958	242,958	21,570	221,388
Total Operating Expenses	<u>685,028</u>	<u>685,028</u>	<u>506,681</u>	<u>178,347</u>
Operating Income (Loss)	<u>66,972</u>	<u>66,972</u>	<u>(45,256)</u>	<u>(112,228)</u>
NONOPERATING REVENUES				
Investment Earnings (Loss)	-	-	(877)	(877)
Nonoperating Income	<u>-</u>	<u>-</u>	<u>(877)</u>	<u>(877)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ 66,972</u>	<u>\$ 66,972</u>	<u>(46,133)</u>	<u>\$ (113,105)</u>
Net Position--January 1			<u>240,440</u>	
Net Position--December 31			<u>\$ 194,307</u>	

COMPONENT UNITS - DESCRIPTIONS

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

CITY OF BRIGHTON, COLORADO
COMPONENT UNITS
COMBINING BALANCE SHEET
DECEMBER 31, 2021

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	BRIGHTON ECONOMIC DEVELOPMENT CORPORATION	TOTAL
ASSETS				
Cash and Investments	\$ 3,230,639	\$ 581,819	\$ 181,128	\$ 3,993,586
Restricted Cash and Investments	1,983,238	-	-	1,983,238
Accounts Receivable	47,090	-	127,692	174,782
Taxes Receivable	5,038,590	-	-	5,038,590
Prepaid Items	990	-	-	990
Capital Assets	-	-	29,885	29,885
Land Held for Sale	1,625,000	-	-	1,625,000
Total Assets	<u>\$ 11,925,547</u>	<u>\$ 581,819</u>	<u>\$ 338,705</u>	<u>\$ 12,846,071</u>
LIABILITIES				
Accounts Payable	\$ 43,469	\$ 1,350	\$ -	\$ 44,819
Sales Tax Rebate Payable	1,552,651	-	-	1,552,651
Accrued Wages Payable	3,222	-	-	3,222
Accrued Liabilities	-	188,418	-	188,418
Deposits and Escrows	807,365	-	-	807,365
Total Liabilities	<u>2,406,707</u>	<u>189,768</u>	<u>-</u>	<u>2,596,475</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned Revenue-Property Taxes	5,038,590	-	-	5,038,590
Total Deferred Inflows of Resources	<u>5,038,590</u>	<u>-</u>	<u>-</u>	<u>5,038,590</u>
FUND BALANCES				
Nonspendable	1,625,990	-	-	1,625,990
Restricted	1,983,238	-	-	1,983,238
Unassigned	871,022	392,051	338,705	1,601,778
Total Fund Balances	<u>4,480,250</u>	<u>392,051</u>	<u>338,705</u>	<u>5,211,006</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,925,547</u>	<u>\$ 581,819</u>	<u>\$ 338,705</u>	<u>\$ 12,846,071</u>
Amount Reported in the Statement of Net Position is Different:				
Total Fund Balances	\$ 4,480,250	\$ 392,051	\$ 338,705	\$ 5,211,006
Capital Assets, Net of Accumulated Depreciation	3,158,244	-	-	3,158,244
Deferred Charge on Refunding	136,743	-	-	136,743
Compensated Absences	(13,401)	-	-	(13,401)
Accrued Interest	(16,627)	-	-	(16,627)
Long-Term Debt	(5,780,000)	-	-	(5,780,000)
Total Net Position	<u>\$ 1,965,209</u>	<u>\$ 392,051</u>	<u>\$ 338,705</u>	<u>\$ 2,695,965</u>

CITY OF BRIGHTON, COLORADO
COMPONENT UNITS - COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	BRIGHTON ECONOMIC DEVELOPMENT CORPORATION	TOTAL
REVENUES				
Sales Tax	\$ 1,040,315	\$ -	\$ -	\$ 1,040,315
Property Tax	5,202,277	-	-	5,202,277
Grants and Intergovernmental	-	226,805	127,692	354,497
Charges for Services	66,675	120	34,500	101,295
Investment Earnings (Loss)	(6,579)	(1,804)	84	(8,299)
Miscellaneous	-	-	2,500	2,500
Total Revenues	<u>6,302,688</u>	<u>225,121</u>	<u>164,776</u>	<u>6,692,585</u>
EXPENDITURES				
Personnel Services	153,785	-	-	153,785
Purchased Services	464,488	-	2,501	466,989
Operating Expenses	222,977	31,512	131,574	386,063
Capital Outlay	64,772	-	-	64,772
Tax Rebates and Incentives	3,465,412	-	-	3,465,412
Debt Service				
Principal	3,360,000	-	-	3,360,000
Interest and Fiscal Charges	291,083	-	-	291,083
Loan Fees	2,000	-	-	2,000
Total Expenditures	<u>8,024,517</u>	<u>31,512</u>	<u>134,075</u>	<u>8,190,104</u>
Net Change in Fund Balances	(1,721,829)	193,609	30,701	(1,497,519)
Fund Balances--January 1	<u>6,202,079</u>	<u>198,442</u>	<u>308,004</u>	<u>6,708,525</u>
Fund Balances--December 31	<u>\$ 4,480,250</u>	<u>\$ 392,051</u>	<u>\$ 338,705</u>	<u>\$ 5,211,006</u>
Amount Reported In the Statement of Activities is Different:				
Net Change in Fund Balances	\$ (1,721,829)	\$ 193,609	\$ 30,701	\$ (1,497,519)
Change in Accrued Interest	60,832	-	-	60,832
Depreciation Expense	(229,031)	-	-	(229,031)
Debt Principal Payments	3,360,000	-	-	3,360,000
Change in Accrued Compensated Absences	(3,378)	-	-	(3,378)
Amortization of Loss on Refunding	(24,823)	-	-	(24,823)
Change in Net Position	<u>\$ 1,441,771</u>	<u>\$ 193,609</u>	<u>\$ 30,701</u>	<u>\$ 1,666,081</u>

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STATISTICAL SECTION



**CITY OF BRIGHTON, COLORADO
STATISTICAL SECTION
DECEMBER 31, 2021**

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net Investment in capital assets	\$ 88,732	\$ 88,599	\$ 87,903	\$ 90,489	\$ 86,601	\$ 94,990	\$ 98,819	\$ 102,396	\$ 122,195	\$ 115,983
Restricted	26,050	12,544	12,720	15,869	26,569	26,575	25,486	16,325	17,758	36,138
Unrestricted	1,950	18,920	23,641	25,707	32,960	32,961	43,836	65,700	76,552	79,379
Total governmental activities net position	\$ 116,732	\$ 120,063	\$ 124,264	\$ 132,065	\$ 146,130	\$ 154,526	\$ 168,141	\$ 184,421	\$ 216,505	\$ 231,500
Business-type Activities										
Net Investment in capital assets	\$ 99,217	\$ 97,800	\$ 95,536	\$ 98,864	\$ 102,032	\$ 110,314	\$ 126,259	\$ 114,966	\$ 133,669	\$ 145,886
Restricted	-	-	-	-	-	-	190	155	-	-
Unrestricted	40,850	46,551	52,342	57,016	61,261	65,549	61,461	69,654	64,860	56,504
Total business-type activities net position	\$ 140,067	\$ 144,351	\$ 147,878	\$ 155,880	\$ 163,293	\$ 175,863	\$ 187,910	\$ 184,775	\$ 198,529	\$ 202,390
Primary Government										
Net Investment in capital assets	\$ 187,949	\$ 186,399	\$ 183,439	\$ 189,353	\$ 188,633	\$ 205,304	\$ 225,078	\$ 217,362	\$ 255,864	\$ 261,869
Restricted	26,050	12,544	12,720	15,869	26,569	26,575	25,676	16,480	17,758	36,138
Unrestricted	42,800	65,471	75,983	82,723	94,221	98,510	105,297	135,354	141,412	135,883
Total primary government net position	\$ 256,799	\$ 264,414	\$ 272,142	\$ 287,945	\$ 309,423	\$ 330,389	\$ 356,051	\$ 369,196	\$ 415,034	\$ 433,890

SOURCE: Current and prior year's financial statements

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General Government	\$ 8,754	\$ 8,512	\$ 10,552	\$ 10,649	\$ 11,035	\$ 11,550	\$ 11,337	\$ 16,251	\$ 18,529	\$ 16,123
Public Safety	7,670	7,985	8,650	9,494	10,649	12,642	11,362	12,866	14,509	15,100
Streets and Fleet	2,108	8,503	7,057	8,842	9,289	11,869	10,275	11,546	9,482	15,720
Parks and Recreation	4,950	6,242	7,633	7,924	8,024	9,296	9,458	9,080	10,096	10,527
Cemetery	336	377	313	380	456	515	581	506	554	785
Community Development	1,203	1,362	1,441	1,903	1,941	2,407	3,107	2,416	2,483	2,177
Interest on long-term debt	1,693	1,652	1,765	1,594	1,658	1,909	1,710	1,661	1,895	646
Total governmental activities expenses	26,714	34,633	37,411	40,786	43,052	50,188	47,830	54,326	57,548	61,078
Business-type Activities:										
Water	11,702	11,410	11,762	11,768	13,305	13,979	14,750	17,858	21,293	20,940
Waste Water	4,493	4,449	4,627	4,756	5,209	9,837	6,501	7,592	8,017	8,200
Storm Drainage	2,766	1,140	971	1,011	1,153	1,778	1,708	2,270	2,239	2,024
Total business-type activities expenses	18,961	16,999	17,360	17,535	19,667	25,594	22,959	27,720	31,549	31,164
Total primary governmental expenses	45,675	51,632	54,771	58,321	62,719	75,782	70,789	82,046	89,097	92,242
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	727	809	925	682	729	1,465	870	3,046	4,850	4,942
Public Safety	662	622	638	164	247	208	614	731	485	394
Streets and Fleet	343	666	463	454	509	1,121	1,379	1,704	1,373	634
Parks and Recreation	1,551	1,539	1,833	1,522	1,696	2,245	1,526	1,338	1,184	1,092
Cemetery	251	306	262	254	397	412	347	317	493	443
Community Development	470	1,910	801	1,271	1,239	1,353	2,650	3,125	2,090	2,017
Operating grants and contributions	1,629	1,595	5,276	2,355	3,376	5,361	2,712	3,425	7,738	5,480
Capital grants and contributions	2,543	4,901	1,920	8,556	5,527	12,709	7,730	9,519	22,400	6,422
Total governmental activity revenues	8,176	12,348	12,118	15,258	13,720	24,874	17,828	23,205	40,613	21,424
Business-type activities:										
Charges for services										
Water	8,794	8,244	8,820	10,023	11,664	14,261	14,028	13,030	12,260	13,543
Waste Water	4,926	4,839	5,690	4,993	6,843	7,435	7,960	8,159	6,803	7,975
Storm Drainage	420	843	595	507	613	733	816	862	749	928
Operating grants and contributions	-	-	-	-	-	-	107	115	129	90
Capital grants and contributions	4,140	6,636	5,388	9,651	7,016	15,081	10,730	11,903	23,227	12,491
Total business-type activities revenues	18,280	20,562	20,493	25,174	26,136	37,510	33,641	34,069	43,168	35,027
Total primary government revenues	26,456	32,910	32,611	40,432	39,856	62,384	51,469	57,274	83,781	56,451
Net (Expense)/Revenue										
Governmental activities	(18,538)	(22,285)	(25,293)	(25,528)	(29,332)	(25,314)	(30,002)	(31,121)	(16,935)	(39,654)
Business-type activities	(681)	3,563	3,133	7,639	6,469	11,916	10,682	6,349	11,619	3,863
Total primary government net (expense)/revenue	(19,219)	(18,722)	(22,160)	(17,889)	(22,863)	(13,398)	(19,320)	(24,772)	(5,316)	(35,791)
General Revenues and Changes in Net Position										
Governmental activities:										
Taxes	22,950	25,142	28,812	30,668	42,086	33,183	38,084	41,674	42,951	47,025
Unrestricted grants and contributions	301	269	-	-	-	-	-	-	-	-
Investment earnings	67	1	551	1,072	684	522	1,166	1,914	2,114	(463)
Sale of capital assets	-	-	-	-	-	-	120	33	85	-
Miscellaneous	278	208	156	508	628	5	2,653	4,387	3,869	8,087
Transfers	(59)	(4)	(25)	-	-	-	-	(607)	-	-
Total governmental activities	23,537	25,616	29,494	32,248	43,398	33,710	42,023	47,401	49,019	54,649
Business-type activities:										
Investment income	257	140	138	267	510	431	931	1,683	1,825	(272)
Sale of capital assets	-	-	-	-	-	-	-	42	(9)	-
Miscellaneous	2,039	577	232	95	434	223	435	528	319	269
Transfers	59	4	25	-	-	-	-	607	-	-
Total business-type activities	2,355	721	395	362	944	654	1,366	2,860	2,135	(3)
Total primary government	25,892	26,337	29,889	32,610	44,342	34,364	43,389	50,261	51,154	54,646
Changes in Net Position										
Governmental activities	4,999	3,331	4,201	6,720	14,065	8,396	12,021	16,280	32,084	14,995
Business-type activities	1,674	4,284	3,527	8,001	7,413	12,570	12,048	9,209	13,754	3,860
Total primary government	\$ 6,673	\$ 7,615	\$ 7,728	\$ 14,721	\$ 21,478	\$ 20,966	\$ 24,069	\$ 25,489	\$ 45,838	\$ 18,855

SOURCE: Current and prior year's financial statements

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 421	\$ 205	\$ 254	\$ 100	\$ 179	\$ 148	\$ 23	\$ 197	\$ 413	\$ 106
Restricted	630	669	742	833	1,408	1,478	1,532	1,579	1,715	1,672
Committed	5,846	6,923	7,784	7,878	10,229	11,333	10,956	14,402	12,390	12,967
Assigned	18	18	546	1,661	2,337	3,630	3,630	-	-	-
Unassigned	1,953	2,961	3,213	2,074	4,934	3,408	9,067	18,102	28,171	35,650
Total General Fund	\$ 8,868	\$ 10,776	\$ 12,539	\$ 12,546	\$ 19,087	\$ 19,997	\$ 25,208	\$ 34,280	\$ 42,689	\$ 50,395
All Other Governmental Funds Combined										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ -	\$ -	\$ -
Restricted	2,072	1,577	11,978	15,035	24,982	25,097	23,357	1,656	1,112	21,160
Committed	997	1,598	11,759	11,252	10,212	11,698	14,769	15,413	15,203	16,639
Assigned	5,680	-	-	-	-	-	-	24,772	30,802	24,096
Total all other governmental funds	\$ 8,749	\$ 3,175	\$ 23,737	\$ 26,287	\$ 35,194	\$ 36,795	\$ 38,146	\$ 41,841	\$ 47,117	\$ 61,895

SOURCE: Current and prior year's financial statements

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues by Source										
Taxes	\$ 22,951	\$ 25,142	\$ 28,331	\$ 30,030	\$ 41,185	\$ 33,074	\$ 38,085	\$ 41,674	\$ 42,951	\$ 47,024
Licenses, fees and permits	430	1,244	659	1,004	966	1,053	2,158	2,359	1,568	1,444
Grants & Intergovernmental	4,444	4,528	6,861	5,112	6,754	8,053	6,048	7,068	12,648	6,855
Charges for services	2,253	3,272	3,010	2,863	3,259	4,327	4,722	7,402	8,473	7,765
Fines and forfeitures	541	484	421	462	449	437	404	499	433	314
Investment income	66	1	551	1,072	684	513	1,139	1,885	2,042	(447)
Miscellaneous	1,088	1,090	1,533	2,386	2,071	4,200	3,003	3,751	3,772	10,597
Total revenues	31,773	35,761	41,366	42,929	55,368	51,657	55,559	64,638	71,887	73,552
Expenditures by Function										
General Government	7,053	7,782	9,459	9,454	10,302	10,820	10,588	11,108	16,850	14,975
Public Safety	7,330	7,504	8,167	9,048	10,185	10,544	11,725	12,507	13,939	14,644
Streets and Fleet	2,650	3,086	2,509	2,948	3,076	3,445	3,212	3,311	3,375	7,981
Parks and Recreation	4,331	4,590	5,199	4,907	5,155	6,134	6,945	6,766	5,962	8,185
Cemetery	303	334	272	331	417	454	518	486	505	741
Community Development	1,198	1,360	1,441	1,901	1,941	2,436	3,145	2,424	2,489	2,200
Capital Outlay ¹	5,483	3,395	7,271	6,334	12,518	14,111	9,786	12,181	12,182	-
Debt Service-Principal	1,090	1,135	1,170	1,225	805	1,097	1,430	1,477	1,524	1,680
Debt Service-Interest & Fees	1,693	1,684	1,639	1,594	1,629	1,759	1,691	1,641	1,900	663
Total expenditures	31,131	30,870	37,127	37,742	46,028	50,800	49,040	51,901	58,726	51,069
Excess (deficiency) of revenues over (under) expenditures	642	4,891	4,239	5,187	9,340	857	6,519	12,737	13,161	22,483
Other Financing Sources (Uses)										
Bond Proceeds	-	-	-	-	-	-	-	-	19,195	-
Bond Premium	-	-	-	-	-	-	-	-	3,120	-
Payments to Escrow Agent	-	-	-	-	-	-	-	-	(22,011)	-
Proceeds from Sale of Capital Asset:	-	-	-	-	6,115	1,608	19	-	-	-
Dev. Contrib./Insurance Recoveries	-	-	-	-	-	102	-	636	-	-
Transfers in	143	1,699	616	802	2,308	1,615	1,250	2,859	3,222	1,503
Transfers out	(203)	(2,129)	(1,041)	(3,432)	(2,315)	(1,671)	(1,226)	(3,466)	(3,001)	(1,503)
Total other financing sources (uses)	(60)	(430)	(425)	(2,630)	6,108	1,654	43	29	525	-
Net change in fund balances	\$ 582	\$ 4,461	\$ 3,814	\$ 2,557	\$ 15,448	\$ 2,511	\$ 6,562	\$ 12,766	\$ 13,686	\$ 22,483
Debt service as a percentage of noncapital expenditures	10.85%	10.26%	9.41%	8.98%	7.26%	7.78%	7.95%	7.85%	7.94%	4.81%

SOURCE: Current and prior year's financial statements

NOTES:

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General merchandise	\$ 6,174	\$ 6,825	\$ 7,280	\$ 7,335	\$ 6,760	\$ 6,775	\$ 8,368	\$ 8,323	\$ 9,630	\$ 9,512
Food stores	2,807	2,896	3,416	4,089	4,737	5,394	5,352	5,486	3,849	4,389
Eating and drinking establishments	2,116	2,252	2,462	2,568	2,810	2,808	3,458	3,724	3,525	4,602
Building materials/home improvements	1,814	2,860	3,415	2,774	21,410	3,347	4,414	4,348	3,875	3,443
Auto dealers/repairs/supplies	1,320	1,477	1,687	2,067	2,207	2,222	2,492	2,667	2,882	2,840
Utilities	2,213	2,319	2,576	2,399	2,591	2,695	2,667	2,686	3,001	2,614
All other categories	1,312	956	1,297	1,285	1,354	1,895	685	2,533	4,088	7,104
Total	<u>\$17,756</u>	<u>\$19,585</u>	<u>\$22,133</u>	<u>\$22,517</u>	<u>\$41,869</u>	<u>\$25,136</u>	<u>\$27,436</u>	<u>\$29,767</u>	<u>\$30,850</u>	<u>\$34,504</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>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.

NOTE: This schedule does not include sales tax on motor vehicles and use tax on building materials.

Sales Tax from certain retailers originally classified as Food Stores instead of General merchandise for 2020. This has been corrected and 2020 numbers updated.

Table 6. Direct and Overlapping Sales Tax Rates

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City of Brighton	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
State of Colorado	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Adams County	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Rapid Transit District (RTD)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Scientific and Cultural Facilities District (SCFD)	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Football Stadium District	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total direct and overlapping sales tax rates	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%

SOURCE: State of Colorado Department of Revenue

Table 7. Sales Tax Revenue Information

	Fiscal Year 2012		Fiscal Year 2021	
	Sales Tax Revenue	Percentage of Total	Sales Tax Revenue	Percentage of Total
Sales Tax Revenue--Top Ten Remitters				
General Merchandise	\$ 4,906,955	28%	\$ 7,416,862	21%
Food Stores	1,740,462	10%	3,604,526	10%
Automotive	300,812		1,205,755	3%
Utilities	1,230,967	7%	1,208,126	4%
Building Materials		0%	2,835,993	8%
Total Sales Tax Top Ten Remitters	8,179,196	46%	16,271,262	47%
Sales Tax Revenue--All Other Remitters	9,576,768	54%	18,232,690	53%
Total Sales Tax Revenue	\$ 17,755,964	100%	\$ 34,503,952	100%

SOURCE: City of Brighton sales tax system.

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

	2012	2013	2014	2015	2016	2017- restated	2018	2019	2020	2021
Governmental Activities										
Sales Tax Revenue Bonds	\$ 3,345	\$ 2,270	\$ 1,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2010 Certificate of Participation	26,505	26,445	26,385	26,320	25,515	24,797	23,936	22,940	-	-
2016 Certificate of Participation	-	-	-	-	6,124	5,887	5,341	4,974	4,596	4,207
2020 Certificate of Participation	-	-	-	-	-	-	-	-	19,195	18,465
Capital Leases	-	-	-	-	-	1,608	1,392	1,172	947	718
Total Governmental Activities	29,850	28,715	27,545	26,320	31,639	32,292	30,669	29,086	24,738	23,390
Business-type Activities										
Water/Sewer Revenue Bonds	30,015	29,310	28,580	27,845	-	-	-	-	-	-
2016 Revenue Bonds	-	-	-	-	27,270	27,374	26,214	23,965	22,805	21,610
2016 Certificate of Participation	-	-	-	-	876	1,001	965	925	884	843
State Water Loan Note	1,121	769	400	-	-	-	-	-	-	-
Total Business-type Activities	31,136	30,079	28,980	27,845	28,146	28,375	27,179	24,890	23,689	22,453
Total Primary Government										
Sales Tax Revenue Bonds	3,345	2,270	1,160	-	-	-	-	-	-	-
Certificate of Participation	26,505	26,445	26,385	26,320	32,515	24,797	23,936	28,839	24,675	23,515
Capital Leases	-	-	-	-	-	6,888	6,306	1,172	947	718
Water/Sewer Revenue Bonds	30,015	29,310	28,580	27,845	27,270	27,374	26,214	23,965	22,805	21,610
State Water Loan Note & Note Payable	1,121	769	400	-	-	-	-	-	-	-
Total primary government	\$60,986	\$58,794	\$56,525	\$54,165	\$59,785	\$59,059	\$56,456	\$53,976	\$48,427	\$45,843
Percentage of Per Capita Personal Income	5.20%	4.72%	4.40%	4.07%	4.22%	3.75%	3.41%	3.07%	2.57%	3.31%
Debt Per Capita	\$ 1.79	\$ 1.68	\$ 1.60	\$ 1.52	\$ 1.62	\$ 1.55	\$ 1.44	\$ 1.38	\$ 1.17	\$ 1.01

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General obligation debt outstanding ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total net debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Computation of maximum debt allowed:										
Actual value of property	2,785,662	2,759,749	2,773,064	3,223,343	4,243,434	4,234,952	4,334,016	4,613,073	5,067,387	5,709,158
Legal debt limit percentage	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Legal debt limit ³	83,570	82,792	83,192	96,700	127,303	127,049	130,020	138,392	152,022	171,275
Legal debt margin ⁴	83,570	82,792	83,192	96,700	127,303	127,049	130,020	138,392	152,022	171,275
Legal debt margin as a percentage of debt limit	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Population ²	34,132	35,031	35,367	35,671	36,912	38,192	39,211	40,584	41,468	45,213
Net general bonded debt per capita ²	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

SOURCE: Current and prior year's financial statements.

NOTES:

1 General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City has no other general obligation bonds outstanding.

2 See Table 12 for personal income and population data.

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

4 The legal debt margin is the City's available borrowing authority.

**Table 10. Direct and Overlapping Governmental Activities Debt
As of December 31, 2021**

Jurisdiction	Debt Outstanding Government Activities	Percentage Applicable to the City	Estimated Share of Overlapping Debt
<u>Direct Debt:</u>			
City of Brighton	\$ 26,271,550	100%	\$ 26,271,550
<u>Overlapping Debt:</u>			
Counties	156,000,238	7%	10,613,291
School Districts	327,779,323	37%	120,678,754
Special Districts	3,648,176,873	16%	581,076,135
Total Overlapping Debt	4,131,956,434		712,368,180
Total Direct and Overlapping Debt	\$ 4,158,227,984		\$ 738,639,730

NOTE

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

SOURCE

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

Table 11. Coverage Information for Non-General Obligation Debt
For Debt Outstanding as of December 31, 2021
(amounts expressed in thousands)

Water Activity Enterprise Obligations ¹							
Fiscal Year	Gross	Less:	Net	Debt Service			Coverage
	Water/Sewer Revenues ²	Operating Expenses ³	Available Revenue	Principal	Interest	Total	Ratio
2012	\$ 17,406	\$ 9,281	\$ 8,125	\$ 150	\$ 1,370	\$ 1,520	5.35
2013	19,271	9,296	9,975	705	1,367	2,072	4.81
2014	20,274	9,807	10,467	730	1,352	2,082	5.03
2015	24,289	9,936	14,353	735	1,338	2,073	6.92
2016	25,024	11,636	13,388	930	1,319	2,249	5.95
2017	30,526	12,247	18,279	1,085	1,022	2,107	8.68
2018	32,227	13,277	18,950	1,100	989	2,089	9.07
2019	33,690	17,891	15,799	1,160	926	2,086	7.57
2020	35,958	21,441	14,517	1,201	881	2,081	6.98
2021	30,136	20,790	9,346	1,236	842	2,078	4.50

NOTES:

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

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

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

Table 12. Demographic and Economic Statistics

Fiscal Year	Population	Total Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2012	34,132	1,183,602	34,677	32	15,669	9.0%
2013	35,031	1,245,851	35,232	34	16,193	7.5%
2014	35,367	1,283,768	35,385	35	17,129	5.5%
2015	35,671	1,329,494	37,271	33	17,610	3.9%
2016	36,912	1,416,609	38,378	33	16,526	4.1%
2017	38,192	1,574,083	41,215	33	17,169	2.9%
2018	39,211	1,657,018	42,259	33	18,712	3.5%
2019	40,584	1,757,896	43,315	33	19,362	3.8%
2020*	41,468	1,886,006	45,481	33	11,208	7.2%
2021	45,213	1,384,512	30,622	34	11,877	7.3%

SOURCE: US Census Bureau, Federal Reserve Bank of St. Louis, and Bureau of Economic Analysis.

* Data delayed due to the COVID-19 pandemic and not available at the time the 2020 Comprehensive Annual Financial Report was issued.

Table 13. Principal Employers

	2012			2021		
	Employees	Percentage	Rank	Employees	Percentage	Rank
Adams County	1,821	30%	1	2,300	32%	1
School District 27J	1,623	27%	2	1,936	27%	2
Platte Valley Medical Center	595	10%	3	793	11%	3
Vestas	400	7%	5	400	6%	4
King Soopers				462	6%	5
City of Brighton	481	8%	4	327	5%	6
Wal-mart	290	5%	7	320	4%	7
Wells Precast				250	3%	8
Transwest				237	3%	9
Super Target	168	3%	9	220	3%	10
BJ Service USA	350	6%	6			
New Caps LLC	218	4%	8			
Sakata Farms	157	3%	10			
TOTAL	6,103	100%		7,245	100%	

SOURCE: Brighton Economic Development Corporation

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

Functions/Programs	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
General Government	49.9	52.5	56.9	63.1	71.0	72.0	74.9	80.6	73.8	78.5
Public Safety										
Officers	53.0	56.0	58.0	60.0	68.0	64.0	65.0	70.0	74.0	82.0
Civilians	20.0	21.0	22.0	26.0	26.0	28.0	29.0	29.0	32.3	32.5
Total Public Safety	73.0	77.0	80.0	86.0	94.0	92.0	94.0	99.0	106.3	114.5
Public Works	22.0	22.0	23.0	23.0	25.0	29.0	29.0	30.0	27.3	22.5
Parks and Recreation	35.4	34.8	40.3	40.3	39.0	41.0	40.0	41.5	41.5	45.0
Community Development	13.5	15.0	15.2	18.0	20.0	21.0	22.0	21.0	22.0	23.0
Total Cemetery	4.0	4.0	4.0	4.0	3.0	4.0	4.0	4.0	4.0	5.0
Total Governmental Activities	197.8	205.3	219.4	234.4	252.0	259.0	263.9	276.1	274.8	288.5
Business-Type Activities										
Water	20.5	21.1	25.2	25.2	28.0	32.0	34.0	35.0	34.8	34.7
Sewer	19.0	22.0	21.5	21.5	25.0	28.0	28.0	28.0	27.8	20.7
Storm Drainage	2.0	2.0	2.3	2.3	3.0	4.0	4.0	4.0	4.0	3.1
Total Business-Type Activities	41.5	45.1	49.0	49.0	56.0	64.0	66.0	67.0	66.6	58.5
Component Units										
Urban Renewal Authority	5.2	5.0	5.0	4.0	6.0	4.0	-	-	2.0	2.0
Total Component Units	5.2	5.0	5.0	4.0	6.0	4.0	-	-	2.0	2.0
Total FTE Employees By Functions/Programs	244.5	255.4	273.4	287.4	314.0	327.0	329.9	343.1	343.4	349.0

Table 15. Operating Indicators by Function/Program

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Calls for service	42,573	43,195	46,023	52,456	56,092	55,805	56,777	63,592	71,902	43,366
Arrests	2,716	2,365	2,365	2,620	2,791	2,240	1,961	1,951	1,685	1,875
Summons issued	5,986	5,225	5,226	5,044	5,463	4,680	4,824	4,341	5,406	4,494
Streets										
Street resurfacing (miles)	-	-	-	-	2	5	6	5	2	3
Street slurry seal (miles)	3	4	5	10	9	6	12	11	5	3
Street chip seal (miles)	-	-	-	-	-	5	8	6	2	3
Parks and Recreation										
Recreation Center admissions	154,783	174,553	183,960	191,190	-	192,605	178,072	169,755	50,504	73,577
Senior Center program participants	27,897	29,645	31,239	33,778	37,296	40,269	41,390	39,902	10,561	13,779
Senior Center services	11,071	10,672	11,144	10,733	11,075	14,491	17,476	15,956	15,635	14,751
Water										
Gallons pumped (millions)	1,902	1,621	1,671	1,755	1,858	1,978	1,932	1,918	2,405	2,170
Average daily consumption (million gallons)	5	4	5	5	5	5	5	5	6	6
Wastewater										
Gallons treated (millions)	731	755	751	775	756	740	788	656	538	537
Cemetery										
Interments	128	138	120	115	149	170	109	118	162	209

SOURCE: Various City departments.

Table 16. Capital Asset Statistics by Function/Program

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	52	51	51	51	53	55	55	59	59	60
Streets										
Street Miles	151	151	153	154	159	161	162	160	160	160
Parks and Recreation										
Recreation Center	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Parks	47	47	47	47	47	48	43	43	43	43
Park acreage	300	300	300	300	300	303	241	307	307	307
Swimming pools	4	4	4	4	4	4	2	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	0	1	1	1
4-Plex Ball fields	2	2	2	2	2	2	2	2	2	2
Open Space (acres)	767	767	960	960	960	1,023	869	1,044	1,044	1,044
Trails (miles)	27	27	34	34	34	38	32	38	38	48
Water										
Treatment plant	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	190	195	195	195	227	225	235	237	242	247
Water customers	9,576	9,736	10,068	10,436	10,104	11,700	11,782	12,183	12,614	12,904
Storage capacity (million gallons)	17	17	17	17	17	17	17	17	17	7
Wastewater										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewer (miles)	146	146	146	146	146	169	180	180	182	187
Storm drainage										
Storm sewer (miles)	60	60	60	60	60	76	101	101	105	108
Cemeteries										
	2	2	2	2	2	2	2	2	2	2

SOURCE: Various City departments.

COMPLIANCE SECTION

LOCAL HIGHWAY FINANCE REPORT



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

LOCAL HIGHWAY FINANCE REPORT		City or County:	
		YEAR ENDING : December 2021	
This Information From The Records Of (example - City of _ or County of City of Brighton)		Prepared By: Valerie Price	Phone: 303-655-2289
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE			
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes
D. Receipts from Federal Highway Administration			
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Remainder used for highway purposes			
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	4,159,538
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,194,142
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	222,937
3. Other local imposts (from page 2)	3,438,121	c. Other	
4. Miscellaneous local receipts (from page 2)	678,125	d. Total (a. through c.)	222,937
5. Transfers from toll facilities		4. General administration & miscellaneous	596,107
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,031,378
a. Bonds - Original Issues		6. Total (1 through 5)	8,204,102
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	4,116,246	b. Redemption	
B. Private Contributions	1,970,095	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,245,697	2. Notes:	
D. Receipts from Federal Government (from page 2)	125,875	a. Interest	
E. Total receipts (A.7 + B + C + D)	7,457,913	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	8,204,102
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)			
	Opening Debt	Amount Issued	Closing Debt
A. Bonds (Total)			0
1. Bonds (Refunding Portion)			
B. Notes (Total)			0
V. LOCAL ROAD AND STREET FUND BALANCE			
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements
	2,035,208	7,457,913	8,204,102
		D. Ending Balance	E. Reconciliation
		1,289,019	0
Notes and Comments:			

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LOCAL HIGHWAY FINANCE REPORT		STATE:	
		Colorado	
		YEAR ENDING (mm/yy): December 2021	
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	(31,384)
b. Other local imposts:		b. Traffic Fines & Penalties	307,931
1. Sales Taxes	2,064,425	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	1,046,138	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	2,532
5. Specific Ownership &/or Other	327,558	g. Other Misc. Receipts	
6. Total (1. through 5.)	3,438,121	h. Other	399,046
c. Total (a. + b.)	3,438,121	i. Total (a. through h.)	678,125
	(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	1,105,124	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	139,583	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	990	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	125,875
f. Total (a. through e.)	140,573	g. Total (a. through f.)	125,875
4. Total (1. + 2. + 3.f)	1,245,697	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		639,071	639,071
(3). System Preservation		3,202,530	3,202,530
(4). System Enhancement & Operation		317,937	317,937
(5). Total Construction (1) + (2) + (3) + (4)	0	4,159,538	4,159,538
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,159,538	4,159,538
			(Carry forward to page 1)
Notes and Comments:			